



ORES 

ORES Assets
Annual report

2018

Name and form

ORES Assets. Cooperative intermunicipal association with limited liability.

Registered office

Avenue Jean Monnet 2, 1348 Louvain-la-Neuve.

Incorporation

Deed of incorporation published in the appendices of the *Moniteur belge* [Belgian Official Journal] on 10 January 2014 under number 14012014.

Articles of association

The articles of association were last changed on 28 June 2018 and published in the appendices of the *Moniteur belge* on 3 July 2018 under number 2018-07-03/0320055.

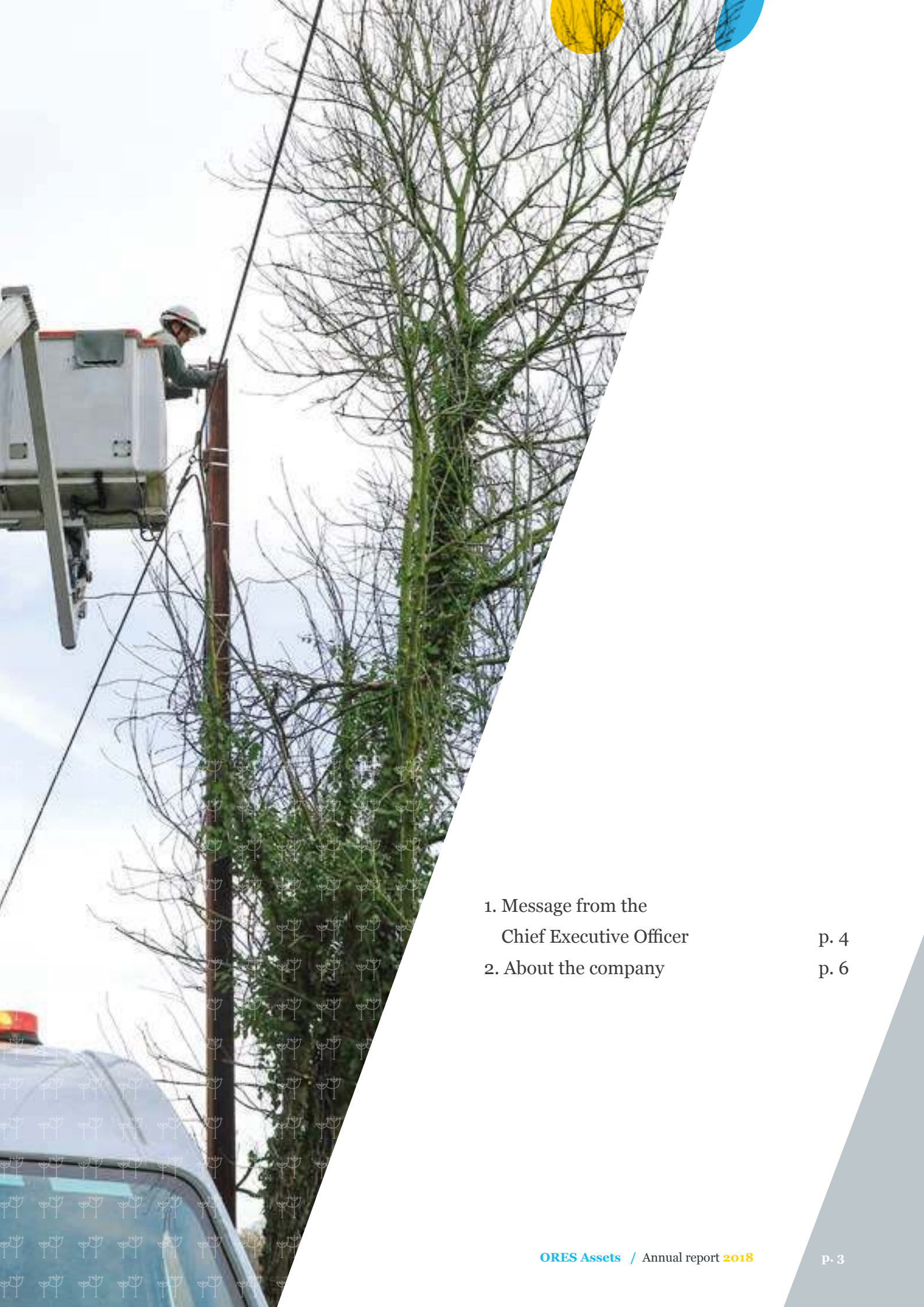
Contents

| | |
|---|--------------|
| I. Introduction | p.2 |
| 1. Message from the Chief Executive Officer | p.4 |
| 2. About the company | p.6 |
| II. Activity and sustainable development report – Statement on non-financial information | p.10 |
| 1. 2018 at a glance | p.12 |
| 2. Social commitment and responsibility | p.14 |
| 3. Governance and transparency | p.18 |
| 4. Network reliability | p.29 |
| 5. Energy transition and the environment | p.38 |
| 6. Customer satisfaction | p.52 |
| 7. Corporate culture and wellbeing within the organisation | p.61 |
| 8. Fair practices, respect for human rights and combating corruption | p.66 |
| 9. Donations and sponsorship policy | p.68 |
| III. Management report | p.70 |
| 1. Comments on the annual report | p.72 |
| 2. Annual financial statement | p.90 |
| IV. Profit distribution 2018 | p.142 |
| V. Auditors' reports | p.150 |
| 1. For the advance payment | p.152 |
| 2. For the accounts as at 31 décembre 2018 | p.157 |
| VI. ORES scr1 - ORES Assets consolidated remuneration report | p.162 |
| 1. Remuneration report | p.164 |
| A. ORES Assets's bodies | p.164 |
| B. ORES scr1's bodies | p.169 |
| 2. Director training | p.180 |
| VII. Specific report on shareholdings | p.184 |
| VIII. Appendix | p.188 |
| 1. As at 31 December 2018 | p.190 |
| 2. As at 1 January 2019 | p.198 |
| VIII. GRI content index | p.202 |

01

Introduction





1. Message from the
Chief Executive Officer

p. 4

2. About the company

p. 6



1. Message from the Chief Executive Officer



The news in the last few months of 2018 and the beginning of 2019 was marked by two major social issues. On the one hand, thousands of young people regularly took to the streets in the Kingdom's cities to demand ambitious measures to protect the climate; on the other, labour disputes have risen up and reminded us, sometimes forcefully, that parts of the population have found it increasingly difficult to make ends meet.



Although they may not always have been pushing in the same direction, these two forces are nevertheless closely intertwined. They also fit in with one of ORES' current ambitions: to transform the company to support Wallonia as effectively as possible when it comes to the energy transition, whilst keeping a close eye on managing the costs and investment expenses that it has to incur. The goal is a simple one: we want to modernise and digitise how our networks are run so that we can embrace more and more renewable production, without unduly burdening household, business and municipal bills. The distribution tariffs approved by the Walloon regulator in February 2019, on the basis of proposals made by our company at the end of 2018, very clearly demonstrate the efforts we have made in this direction.

Within the context of preparing this 2018 annual report, we invited our stakeholders and day-to-day partners – representatives from public authorities, businesses, union organisations, consumer watchdogs, universities etc. – to share their views on the priority measures to be implemented by ORES to encourage a sustainable future for energy that will

benefit as many people as possible. This consultation process was a commitment that we made against the backdrop of the publication of our first social responsibility report last year. I would like to thank everybody who contributed to our thought processes and helped us define our priority measures and resulting performance indicators together. The results of the consultation process can be summed up in two words: ambition and responsibility, for the benefit of customers in a changing world.

This annual report, as well as the 2018 balance sheet, will tell you all about our achievements and our prospects, as a company that is committed to the sustainable development of the society to which it is fully committed.

Happy reading.

Fernand Grifnée
Chief Executive Officer

2. About the company

Wallonia's premier electricity, natural gas and municipal public lighting operator, ORES is a company committed to serving the community and staying in touch with citizens. Its number one responsibility is to guarantee a reliable, good quality energy supply for households, business and local authorities.

Day-to-day, it is a team of more than 2,300 employees – technicians, engineers, IT experts, administrative staff etc. – that manages the energy networks for 200 municipalities in Wallonia. A responsibility that stretches over more than 50,000km of electricity networks, 9,500km of natural gas networks and public lighting for municipalities.

As well as managing distribution infrastructures, ORES also carries out fundamental work to guarantee the smooth running of the energy market.

The company collects, checks and passes on customer readings to their supplier; keeps millions of pieces of data up-to-date every day in its access register so that each connection point corresponds to a supply contract; fits budget meters at the request of suppliers at non-paying customers' premises; oversees access to energy for the most vulnerable... All of this work makes ORES a partner and an unbiased point of contact for customers and for other stakeholders in the market.

A changing environment

The distribution infrastructures are the foundation on which an evolving energy sector is based. For decades, they have been used to take electricity and natural gas to consumer clients. But the emergence of renewable energies is a game changer. Every citizen, company or public body can now invest in production resources in order to play an active role in a greener, more local energy landscape.

200

associated municipalities
(since 1 January 2019)

50,280 km

of electricity networks

9,596 km

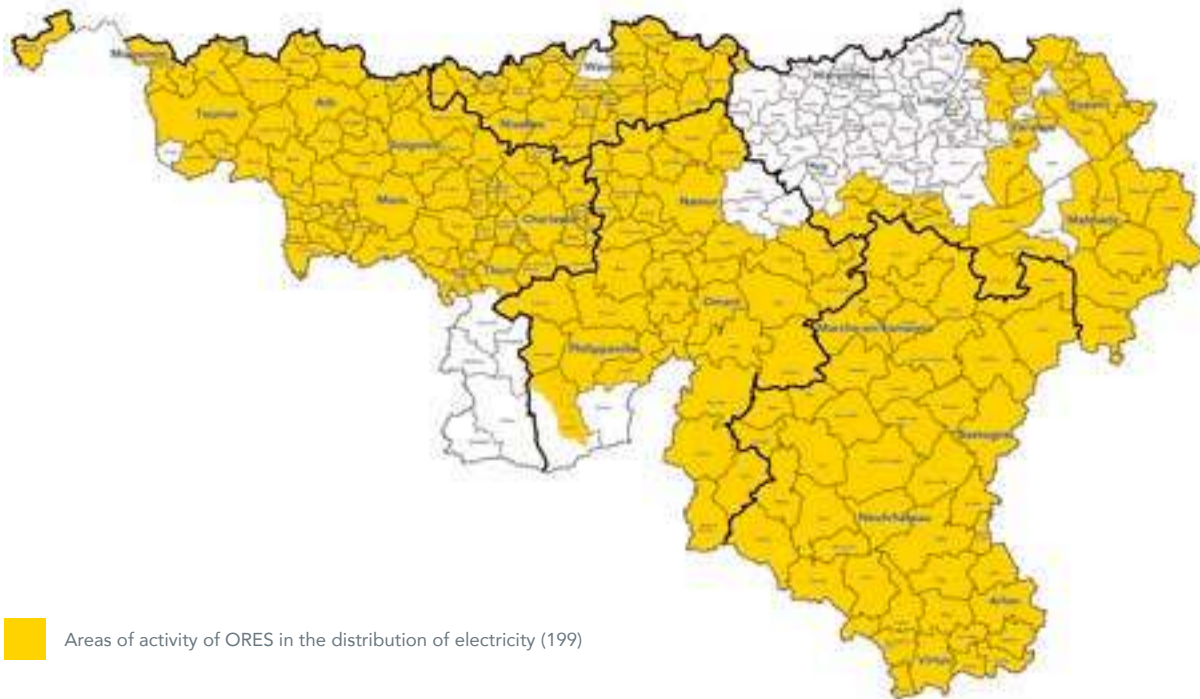
of natural gas networks

2,323

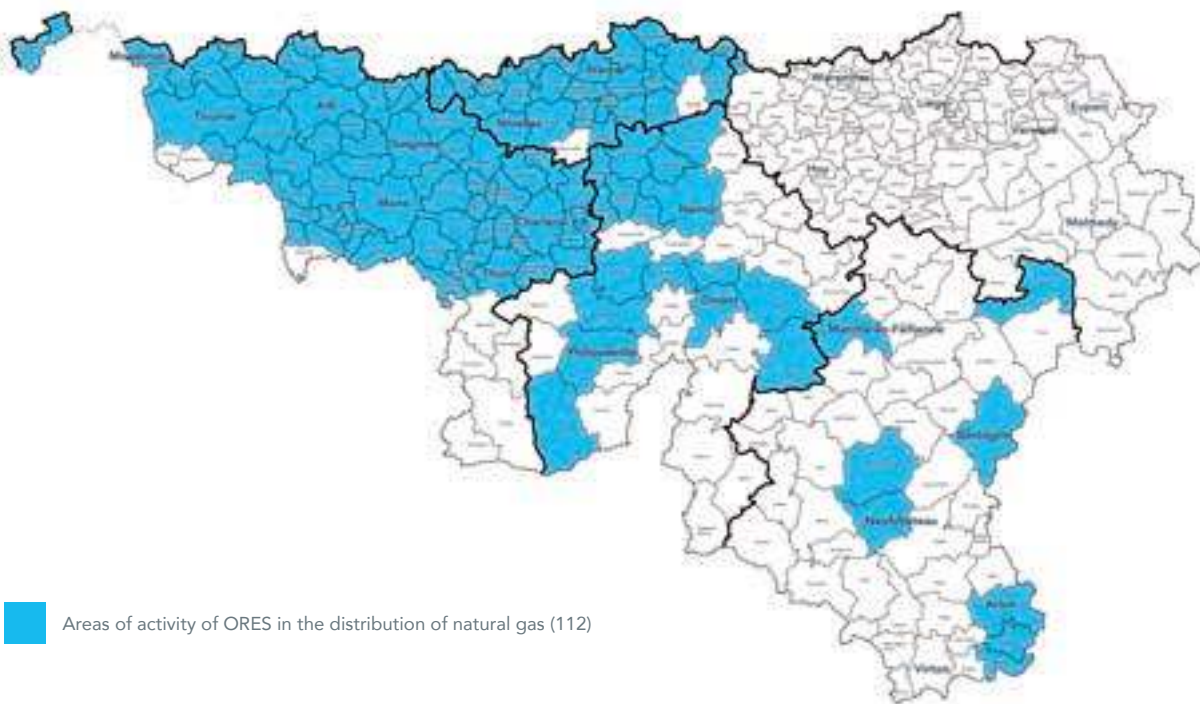
employees

Situation as at 01/01/2019

Electricity



Natural gas



The electricity production units connected to the distribution networks are now far more plentiful and decentralised than in the past. Production is also less predictable, as it is directly connected to weather conditions. The networks need to adapt and make it easier to integrate these intermittent energy sources whilst continuing to guarantee excellent supply at every moment.

Clients' expectations are evolving too. The speed of services, their quality and their cost are constantly being scrutinised. In the era of digital platforms and online services, entire economic sectors are being transformed and the traditional big players are struggling. Now inescapable, the distribution networks need to adapt to the potential emergence of micro-networks and communities of local consumption. ORES is aware of these changes, is working on pilot initiatives to

this end and is focusing on the quality and development of its services to continue to be a benchmark for its clients and partners in the future.

To adapt to the technological and societal developments that are profoundly reshaping the energy sector, ORES initiated a process to overhaul its organisation.





Values

Within this context of unprecedented change, ORES draws on five values to fulfil its role as the provider of public utility services and prepare for the future.

Professionalism

ORES' expertise and thirst for excellence are the company's strengths. Employees reach ambitious, demanding targets to make sure that ORES is the benchmark in its field.

Sense of responsibility

ORES' priority is to manage the networks reliably, sustainably and completely safely. Employees take responsibility and respect legislation, ethics, procedures and commitments, whilst also managing costs.

Sense of service

ORES is at the community's service. In practical terms, this means listening, being available and proactive, with the ultimate goal of making life easier for customers.

Daring

Each individual contributes their ideas and suggestions to help the company evolve and prepare for the challenges of the future. Daring to try out new solutions is essential for ORES' future.

Respect and friendliness

Working together constructively and respectfully in a stimulating environment is vital for the smooth running of the business. For ORES, it is important that employees make their commitment together, with enthusiasm.

02

Activity and sustainable development report – Statement on non-financial information





| | | |
|----|--|------|
| 1. | 2018 at a glance | p.12 |
| 2. | Social commitment and responsibility | p.14 |
| 3. | Governance and transparency | p.18 |
| 4. | Network reliability | p.29 |
| 5. | Energy transition and the environment | p.38 |
| 6. | Customer satisfaction | p.52 |
| 7. | Corporate culture and wellbeing within the organisation | p.61 |
| 8. | Fair practices, respect for human rights and combating corruption | p.66 |
| 9. | Donations and sponsorship policy | p.68 |

1. 2018 at a glance

JANUARY

Chastre, Incourt, Perwez and Villers-la-Ville join ORES on 1 January. The four municipalities in Brabant entrust ORES with the responsibility of managing their electricity distribution networks. For the inhabitants of these municipalities, this means a reduction of around 22% in the "distribution" element of their bills.

FEBRUARY

The Salon des Mandataires takes place in Marche-en-Famenne. ORES takes part in the event and talks to representatives from Wallonia's political scene about future updates to the municipal public lighting infrastructures with LEDs.



MARCH

The European Investment Bank (EIB) and ORES organise an official ceremony in Namur following the signature of loan agreements for a total of €550,000,000. These loans, with attractive terms, secured thanks to the European institution's 'AAA' rating, will cover almost 50% of the organisation's investment costs over the next five years. A quarter of the totals allocated will be dedicated to environmentally friendly projects.

APRIL

The "Décret Impétrants" (Utilities Decree) comes into force in Wallonia. To put an end to all the roadworks, from now on, network operators and local authorities will need to work together and comply with an integrated process, via the online platform, "Powalco", before starting such work.



JUNE

ORES and ORES Assets hold their respective Annual General Meetings. At these meetings, the joint shareholders approve the Group's 2017 accounts and the payment of dividends worth €105,500,000 (€71,500,000 for electricity distribution and €34,000,000 for natural gas distribution), excluding the fees for using the public highway. The joint shareholders also vote on the changes to the articles of association needed in particular to introduce a new dividends policy, applicable as of the 2019 financial year, as well as on the transposition of the new governance policy for intermunicipal companies. Lastly, it is also at these Annual General Meetings that the first corporate social responsibility report is presented.

AUGUST

The CWaPE approves ORES' "authorised income" proposals for 2019 - 2023. By doing this, the Walloon Energy Market Regulator (CWAPE) grants the organisation the budgets needed for the smooth running of its activities for the next five years. This decision demonstrates the regulator's support for ORES' industrial plans and approach to its transformation.

SEPTEMBER

ORES and RESA sign a cooperation agreement. Wallonia's two main energy network operators thus formalise their desire to nurture synergies that will help them make economies of scale and improve customer service.



OCTOBER

Between October and December, ORES purchases some of the bonds issued in October 2012 due to mature on 2 October 2021. Following on from this transaction, and the cancellation of the bonds thus purchased, the total bond issue is reduced by €59,400,000 to €290,600,000.

NOVEMBER

At its General Meeting, ORES Assets approves the plan to take over the municipalities of Celles, Comines-Warneton, Ellezelles and Mont-de-l'Enclus. This takeover, which comes into effect on 1 January 2019, follows on from the latest government reform and the regionalisation of the rules surrounding network management, including in particular when it comes to tariffs. At the same General Meeting, the company's new 2019 - 2025 strategic plan is also approved by the Group's shareholders.

DECEMBER

ORES carries out a number of different transactions to guarantee funding for its activities. €100,000,000 is drawn down from the loan granted by the European Investment Bank (EIB), two bank loans are taken out from BNP Paribas Fortis (€30,000,000 for a five-year term) and Belfius (€50,000,000 for a four-year term). As in previous years, a capital increase of €6,900,000 is carried out by shareholders at the end of 2018. Lastly, within the context of implementing the new dividend policy, any shareholders who wanted to could ask for their R shares to be redeemed. Once these requests had been received, for €8,500,000, they were presented to the General Meeting in November 2018 and redeemed by 31 December.

2. Social commitment and responsibility

In 2017, ORES introduced a process committed to thinking about and formalising its responsibility within Wallonia society. As a key economic player, whose activities are vital for the community, the company is assessing its policy to make sure that its activities and business strands fit in with the principles of responsible, sustainable development. This report analyses the current and future challenges that the organisation must tackle and explains how its stakeholders have contributed to defining and prioritising them.



ORES wants to help Wallonia to succeed in its energy transition, while controlling the costs incurred by the process.

Choice of benchmark

To present its progress and results for 2018, the company has structured its approach around the guidelines issued by the Global Reporting Initiative (GRI). This international benchmark helps organisations define the relevant content to take stock of their economic, social and environmental performance.

The method invites organisations to consult with their stakeholders to define their challenges in terms of sustainable development, and publish transparent, pertinent information to respond to them.

Defining the challenges

In order to comply with the GRI process, 17 themes for which ORES' commitment and efforts may benefit the community as a whole have been defined internally and approved by the company's Management Committee. They have been listed below in alphabetical order and, at this stage, with no order of importance.

Appeal

ORES is one of the biggest employers in Wallonia and needs to continue to appeal to talented individuals in order to replace outgoing staff and make sure its activities evolve.

Cost of energy

Electricity and natural gas are basic necessities, the prices of which have an impact both on household budgets and on those of public organisations and businesses.

Customer satisfaction and quality of service

In order to honour its monopoly position – clients can now choose their energy supplier but not their network operator – ORES has put customers right at the heart of its strategy, and is keen to make their lives easier by offering a modern, fast and friendly service.

Digitisation

Digitisation is a major challenge for businesses. At ORES, it has an impact on both services and customer relations, and on the very work involved in managing networks and data.

Diversity and discrimination

At all levels – age, gender, origin – ORES takes the measures needed to avoid any risk of discrimination in the workplace.

Donations and sponsorship policy

Regularly approached to support local and regional initiatives, ORES defines guidelines to choose partners that fit in with its public interest roles and areas of business.

Energy transition

The transformation of the energy sector is one of the main drivers – along with industry and mobility – for tackling the climate challenge. Thanks to its expertise, ORES is keen to position itself as a facilitator for everyone involved in the energy transition.

Energy poverty

Many citizens struggle to heat their homes and fulfil their basic energy needs. In light of this, through its public service obligations, ORES takes different measures to guarantee access to energy for households that find it difficult to pay their bills.

Environmental footprint

By making enlightened choices when it comes to choosing materials, managing waste and updating resources, the organisation wants to control its environmental impact.

Evolution of the corporate culture

New ways of working together and offering services must be incorporated by ORES to make sure that the company is in a position to respond to its customers' expectations and ensure the development of its activities.

Fair operating practices

Due to its central, neutral position in the energy market, ORES is keen to treat the many different parties it interacts with day-to-day – clients, energy suppliers, partners etc. – fairly and transparently.

Governance

Companies entrusted with a public interest role must be particularly transparent in terms of their management, governance and ethics.

Network reliability

Managing and operating the energy networks is ORES' core business, and all of its clients expect an uninterrupted supply throughout the year.

Partner to public authorities and citizens

By offering up its expertise, ORES is keen to support the public authorities when it comes to implementing their energy policies.

Prevention and safety

ORES' roles and activities are potentially hazardous, both for workers and for members of the public. In light of this, the company takes preventive measures and strives to achieve "zero accidents".

Purchasing policy

As a major economic player in Wallonia, ORES demands that its suppliers and subcontractors comply with legal requirements relating to human rights, decent working conditions and protecting the environment.

Training

When it comes to the technological and social changes that the energy sector needs to tackle, (re)training its staff – and staff working for subcontractors – is essential for the future.

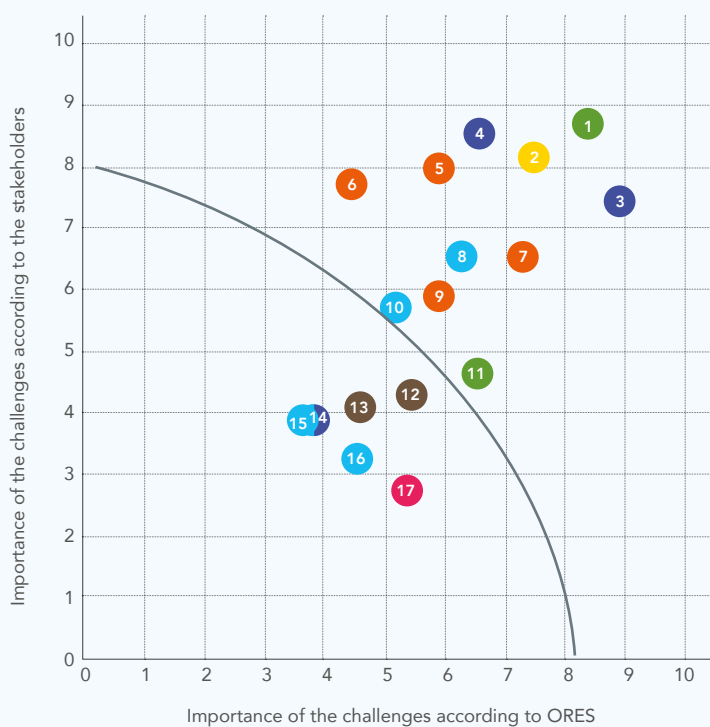
Identifying and consulting stakeholders

In addition to the work carried out internally, ORES wanted to involve its stakeholders in the process of thinking about its social responsibility. The company has identified a sample of partners and contributors with a view to organising a session where this issue is discussed. Stakeholders have been chosen on the basis of a strategic review process carried out internally, and then approved by the Management Committee. The goal was to target a representative panel

of stakeholders in relation to ORES' position in Walloon society, and to focus on the diversity of profiles and genders.

Around thirty day-to-day stakeholders were invited. Those who accepted the invitation include: different energy players, (including in particular the Belgian Federation of Electricity and Gas Companies), a member of the Board of Directors, Wallonia's market regulator (the CWaPE), representatives of public authorities (the Walloon Minister for Budget, Finance, Energy and Climate, the Union of Walloon Cities and Municipalities, the City of Namur), consumer watchdogs (the Association for the Promotion of Renewable Energies), individuals from the world of academia (the University of Liège) as well as from the union movement (the General Labour Federation of Belgium).

The meeting took place on 25 January 2019, before this report was prepared, in Louvain-la-Neuve. At the beginning of the meeting, each participant was invited to talk freely about how they saw ORES' social responsibilities both now and in the future. The topics defined internally were then presented, amended and approved by the stakeholders.



- 1 Energy transition
 - 11 Environmental footprint from ORES
 - 2 Reliability of the network
 - 3 Cost of energy
 - 4 Governance
 - 14 Diversity and discrimination
 - 5 Customer satisfaction/quality of service
 - 6 Digitisation
 - 7 Energy poverty
 - 9 Partner of the public authorities and citizens
 - 8 Prevention and safety
 - 10 Training
 - 14 Diversity and discrimination
 - 15 Evolution of corporate culture
 - 16 Attractiveness
 - 12 Sustainable Procurement
 - 13 "Fair" operational practices
 - 17 Patronage and sponsorship
- Section "Energy and environmental transition"**

Section "Reliability of the network"

Section "Governance and transparency"

Section "Customer satisfaction"

Section "Corporate Culture and Well-being within the organisation"

Section "Fairness of business practices, respect for human rights and fight against corruption"

Section "Patronage and sponsorship policy"

Materiality matrix

This discussion helped to establish the materiality matrix presented above.

The x-axis shows the different challenges, in order of importance in the eyes of the stakeholders who attended the meeting on 25 January.

The y-axis shows the same challenges, listed in order of priority according to ORES' top management within the context of a previous analysis of the company's CSR policy.

In both cases, at the end of the discussion, participants were invited to give each challenge a mark out of 10.

The matrix includes an approach to prioritising put forward by those taking part in the internal and external discussions about sustainable development. The main themes raised focus particularly on the energy transition, governance, network reliability, the cost of energy, customer satisfaction, fuel poverty and prevention and safety.

The following chapters of this report tackle the themes identified as priorities on the basis of the consolidated marks.

3. Governance and transparency

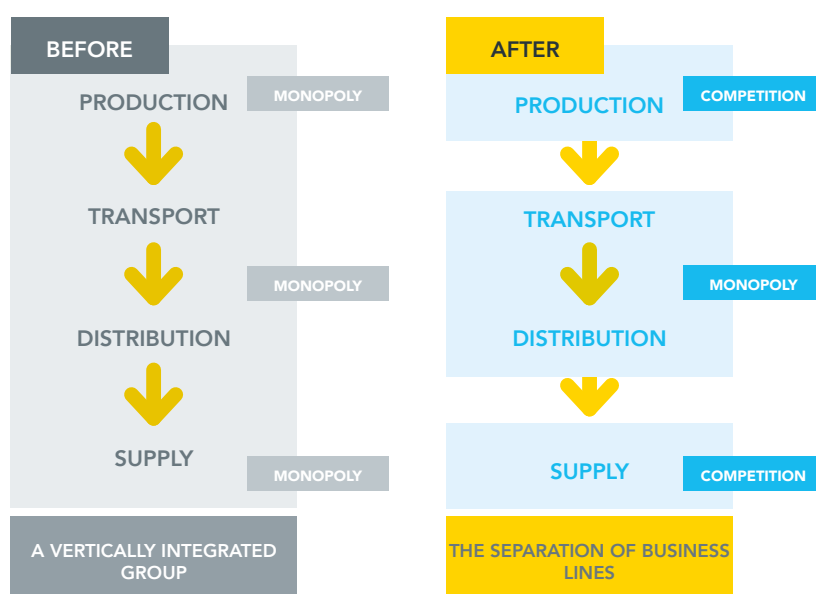
For a company that is publicly owned – municipal and supra-municipal – that carries out its activities under a regulated monopoly, the issue of governance is vital. It encompasses different aspects:

- the scope of activities and respect for this scope, for a company with a monopoly, in a market that is both liberalised and regulated;
- the transparency, independence and competence of the bodies that form the point of contact between the municipal shareholders and the company;
- the efficiency of the way operational activities are managed.

Context and scope of activities

ORES came about because of the liberalisation of the energy sector. In the 1990s, most European electricity and natural gas markets were monopolies entrusted to a single national operator. With a view to creating a single market, the European Union and its member states decided

to gradually open up the sector to competition. Between 1996 and 2009, three “Energy” packages were adopted in turn at a European level, and transposed by member states into their own national systems.

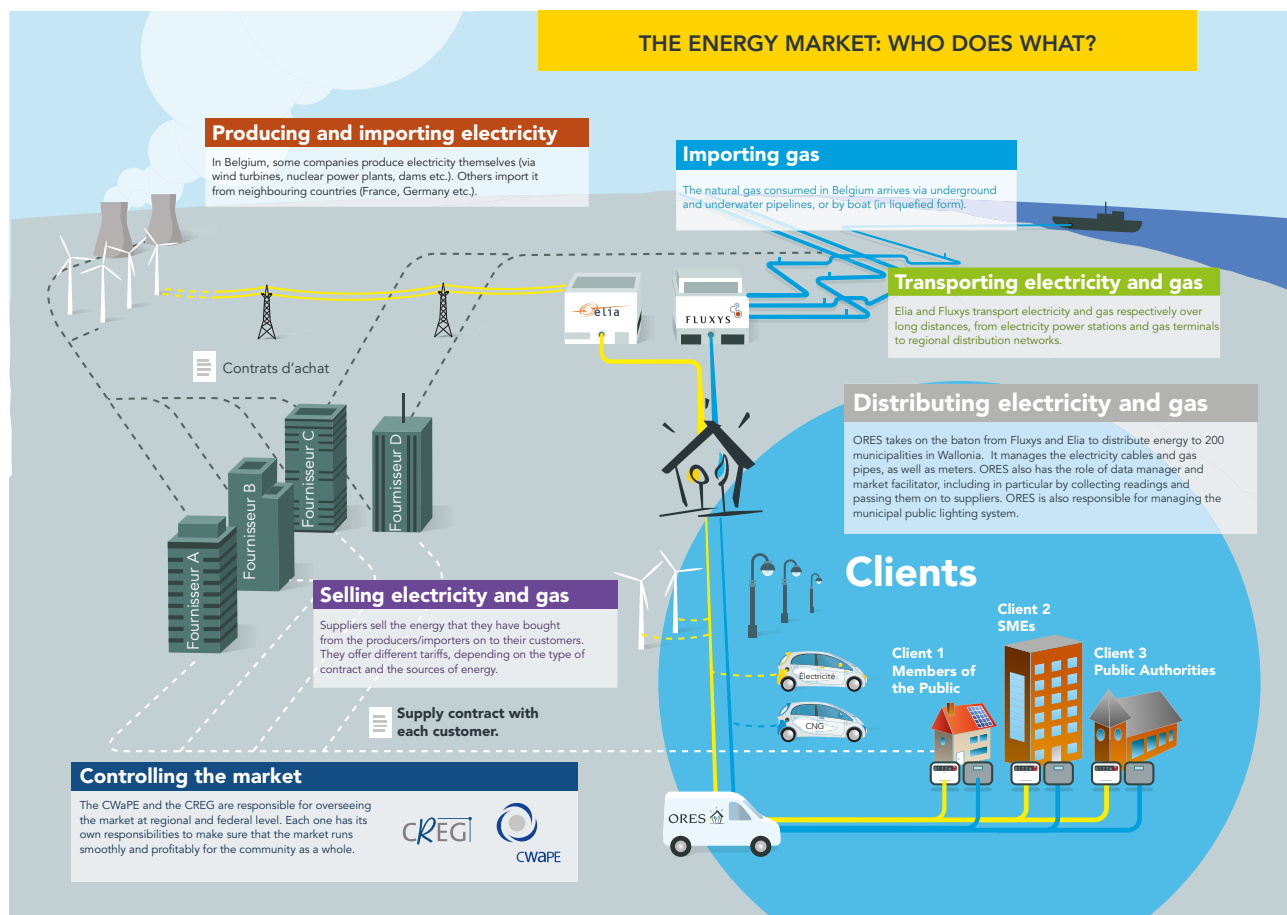


In Wallonia, the different parts of the supply chain have been broken up since 2007. They are open to competition at the beginning and end of the chain.

ORES was established on 6 February 2009 at the end of a process during which Electrabel – the market’s main operator before liberalisation – and the municipalities established an autonomous, professional organisation to act as operator of the distribution networks throughout the municipalities that had come together.

Right at the heart of the market, ORES has opted for a so-called “pure player” model for the business. This allows the company to focus all of its efforts on its core activities and on the tasks entrusted to it by the legislator: operator of electricity and natural gas networks as well as municipal public lighting, facilitator of markets and partner to public authorities and citizens.

It is precisely this model that was endorsed by the Walloon Parliament in May 2018 via the decree reforming the gov-



By controlling the costs of their impact on the distribution aspect of the energy bill, ORES has managed to stabilize the “average price” of the distribution portion of the electricity bill.



ernance of distribution network operators and redefining the outlines of their activities.

ORES and ORES Assets: two organisations and one group for strong local roots

When it was created in 2009, ORES was the technical operator appointed by eight intermunicipal companies - Walloon network operators – to run their infrastructures: IDEG scrl, IEH scrl, IGH scrl, INTEREST scrl, INTERLUX scrl, INTERMOSANE scrl, SEDILEC scrl and SIMOGEL scrl.

Within the context of the first governance reform, these eight “DSOs” merged at the end of 2013 to create ORES Assets, a cooperative intermunicipal company with limited liability. With this process of streamlining structures, seven intermunicipal companies disappeared and more than 200 directorships, which also disappeared, resulted in a reduction in the remuneration associated with these directorships of around €250,000/year.

To make sure that the local interests of each entity are represented, the merger of intermunicipal companies was accompanied by the creation of eight sector committees within the new structure. Their role was to approve plans for investment and changes to the network for their geographical area and tariff proposals that concern them.

In 2017, a second governance reform would lead to the disappearance of the sector committees, and their decision-making powers were transferred to the Board of Directors. However, to maintain strong local roots and its position as a local company, ORES introduced regular information and discussion meetings with municipal leaders within the context of a drive referred to as “ORES Proximité”. Unlike the old sector committees, attendance at these meetings is not remunerated.

These “ORES Proximité” information sessions are organised locally, on the initiative of ORES’ regional directors. In 2018, they took place on the following dates:

- **Wallon Brabant:** 26 March, 29 October
- **Charleroi:** 18 April, 7 November
- **Luxembourg:** 22 March, 26 October
- **Mons - La Louvière:** 15 March, 27 November
- **Namur:** 28 March, 7 November
- **East Wallonia (Eupen):** 23 April, 19 November
- **East Wallonia (Verviers):** 16 April, 12 November
- **Picardy Wallonia (Leuze-en-Hainaut):** 26 April, 13 November
- **Picardy Wallonia (Mouscron):** 3 May, 20 November

Regulated tariffs and activities

When the energy sector was liberalised, independent regulators were introduced to ensure the smooth running of the market and uphold the interests of the community.

In Wallonia, the Commission wallonne pour l'énergie (Wallonia's energy market regulator, CWaPE) was first given the task of offering advice to public authorities and the general role of overseeing and controlling the market. The regulator's tasks have been defined by the decrees of 12 April 2001 on the organisation of the regional electricity market and of 9 December 2002 on the organisation of the regional gas market. In 2014, following on from the sixth government reform, the CWaPE was also given jurisdiction over tariffs.

Since then, the regional authority has had jurisdiction over:

- the local transport and distribution of energy;
- the production of renewable energy;
- the rational use of energy;
- network operators' distribution tariffs;
- certain social aspects (public service obligations).

As well as this, at a federal level, the Commission de Régulation de l'Electricité et du Gaz (CREG), established by two laws of 29 April 1999, has jurisdiction over:

- supplying the country with electricity and natural gas;
- transporting electricity via the high-voltage network;
- storing and transporting natural gas;
- nuclear energy;
- calculating the social tariff.

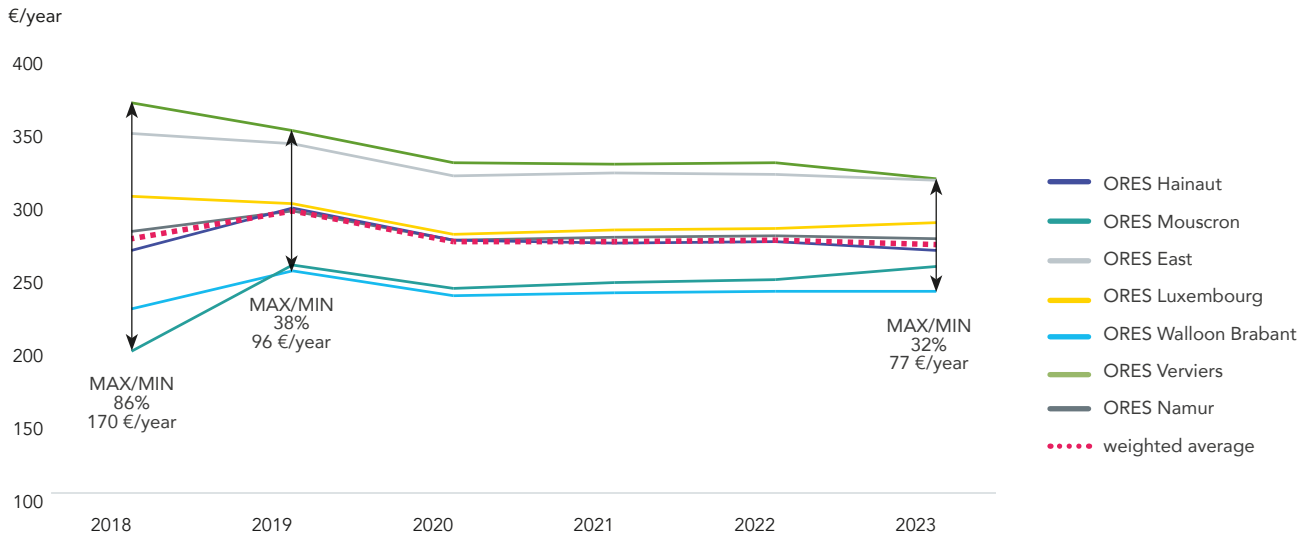
Since jurisdiction over tariffs was transferred, the CWaPE has demonstrated its desire to establish regulatory multi-year periods of five years. To begin with however, the regulator maintains some continuity when it comes to the pricing principles applied by the federal regulator and has thus defined a so-called "transitional" regulatory period covering 2015 and 2016, extended to 2017 and 2018.

On 7 February 2019, the CWaPE Management Committee decided to approve the revised proposals for ORES' tariffs for electricity and gas for the 2019-2023 regulatory period.

By managing costs and their impact on the distribution element of energy bills, ORES has managed to stabilise the "average tariff" part of the electricity bill connected to distribution, despite the fact that the company has decided to carry out extensive transformation programmes with a view to facilitating the energy transition. The company is also managing to limit price disparities – associated with operating conditions and population density – between its different sectors as much as possible.

Changes to electricity distribution tariffs

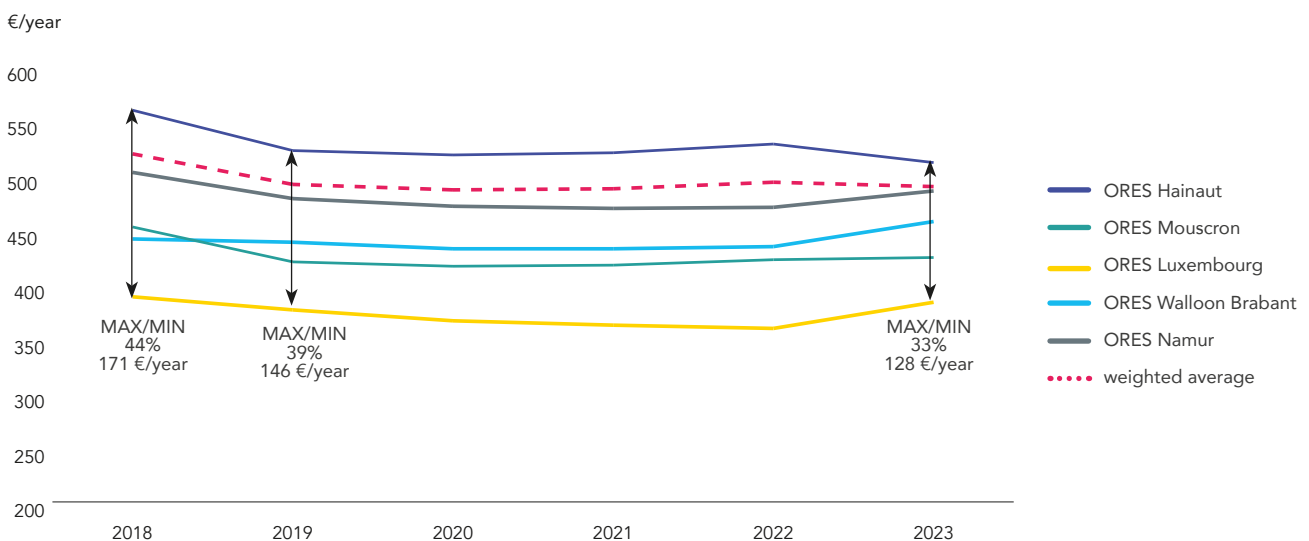
(on the basis of the consumption of 1,600 kWh peak times/1,900 kWh off-peak times)



As far as natural gas is concerned, the distribution tariffs are down overall over the 2019 - 2023 period, and are also converging towards the "average tariff" for a typical customer, going down from 519 Euros/year to 488 Euros/year.

Changes to gas distribution tariffs

(on the basis of the consumption of 23,260 kWh)





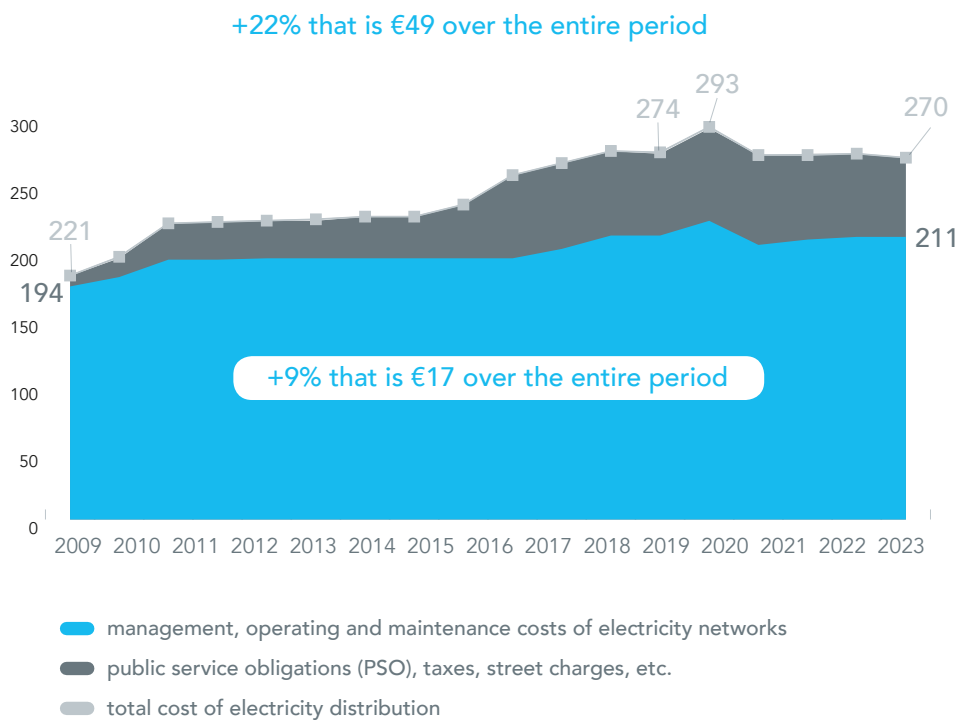
The operational and budgetary efforts made by ORES in recent years have enabled it to control the increase of network costs below the inflation level.

It is worth pointing out that the efforts made by ORES in terms of operations and budgets in recent years have allowed it to manage the increase of network costs, keeping the rise under the rate of inflation. Although the “distribution” element of the electricity bill has indeed risen in recent years, as shown in the visual below, this is more due to a

rise in public service obligations – including in particular support for renewable energy – and miscellaneous duties and taxes. It is also worth remembering here that since 2015, VAT on electricity rose from 6 to 21%, which significantly increased customers’ bills.

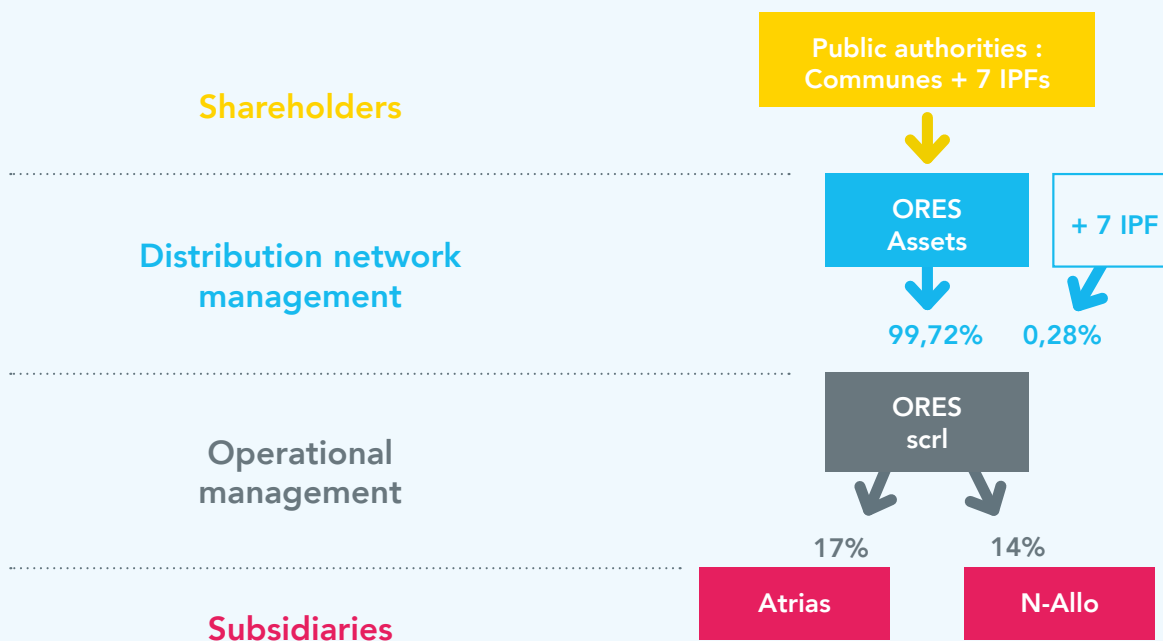
Changes to the average tariff for electricity distribution according to its different components

(for a low voltage customer with a consumption of 3,500 kWh - 1,600 during peak times and 1,900 during off-peak periods)



Shareholders

(As at 31.12.2018)



ORES Assets' shareholders are now made up of 200 municipalities – 198 as at 31.12.2018 – and 7 purely financing intermunicipal companies. The role of the latter is to work with and support the municipalities when it comes to taking a financial stake in energy distribution networks.

The seven IPFs mentioned above are:

- **Idefin:** Namur's financing intermunicipal company
- **IPFH:** Hainaut's purely financing intermunicipal company
- **Finest (Finost):** Eastern cantons' financing intermunicipal company
- **Sofilux:** Luxembourg Province's financing intermunicipal company
- **Finimo:** Cooperative intermunicipal association in the Liège Province
- **IPFBW:** Walloon Brabant's purely financing intermunicipal company
- **IEG:** Studies and management intermunicipal company (Mouscron and Comines-Warneton)

ORES also owns shares in two companies: Atrias, at 17%, whose purpose is to establish a new federal platform for sharing market data, and N-Allo – 14% – which works in the field of customer relations, with a contact centre and the first telephone line.

Management bodies

ORES and ORES Assets rely on a shared governance via mirror bodies, ensuring efficiency and consistency when it comes to the decisions taken by the different management and control bodies.

The way these bodies run and their responsibilities are defined by the Local Democracy and Decentralisation Code ("Code de la Démocratie locale et de la Décentralisation", CDLD), as well as in their articles of association and formalised in their Internal Regulations and Governance Charter. More specifically, in accordance with article L1523-15 of the CDLD, reflected in article 14 of ORES Assets' articles of association (*), the Board of Directors is made up of 20 members of different sexes, 13 of whom (2/3) represent

(*) where it is understood that these rules also apply to the Board of Directors of ORES scrl; which is made up - in accordance with article 13 of its articles of association - as a mirror of the Board of Directors of ORES Assets, plus the presence of the Chairman of the Management Committee who is an integral part of it.

municipal shareholders and who must, to this end, be municipal representatives. The other 7 represent the IPFs and may (or may not) be municipal representatives.

The members of the Board of Directors are broken down:

- **politically** (on a bi-proportional basis, as described in article 14 of the articles of association, in other words using the d'Hondt method for 9 directorships and the weighted d'Hondt method for the other 11) which, on the basis of the affiliations received on 1 March 2019 gives the following out of the total of 20 directorships: 8 PS – 6 MR – 4 CDH – 2 Ecolo; broken down as follows:

- 5 PS – 4 MR – 3 CDH – 1 Ecolo representing the municipalities
- 3 PS – 2 MR – 1 CDH – 1 Ecolo representing the IPFs

and

- **geographically** (on a pro rata basis according to the EANs as available at the time of the municipal elections).

The description of the bodies, their roles, their composition and how their members are appointed, as well as their remuneration, if applicable, are described in the remuneration report (read more in the chapter with that title).



In May 2018, the Walloon Parliament voted in a new decree reforming the governance of electricity and gas distribution network operators and consolidating their independence. This results in a significant change in terms of the shareholders of N-Allo, which could no longer be owned both by an energy supplier and by a network operator, as is the case today, – Engie/Electrabel and ORES with approximately 86% and 14% of the shares in the company respectively. Within this context, ORES will cease being a shareholder of N-Allo before the deadline of 1 June 2019, and will create its own call centre subsidiary – in part of N-Allo's building in Gosselies, which it also acquired in 2018. For this transfer of activities, there were two priorities: maintaining a high quality of service for customers, and keeping jobs in Wallonia.

Corporate strategy

ORES' mission and vision as well as the challenges that it needs to tackle are described in a strategic plan published on the company's website. The plan has been drawn up by the company's experts and approved by the Board of Directors and a vote by the municipal shareholders at an Annual General Meeting.

The first vision was put together for 2015 - 2020, and the company has defined a new plan for 2019 - 2025. It highlights the desire to transform the organisation in a structured, sequenced way, with a view to turning its vision into a reality and achieving the targets that it has set for itself.

In order to make it easier for the Board of Directors to look at economic, environmental and social challenges and their impact, risks and opportunities, the organisation also provides

it with strategic indicators once a quarter, and every year submits different reports relating to its financial situation, its activities and the risks that it is facing.

It is also worth noting that training courses are occasionally organised, aimed at directors and designed to develop their understanding of the challenges and make sure they are keeping their skills up-to-date in their roles.

The following training was provided in 2018:

- "Operational activities – running ORES' electricity networks - an inside view" (12 March)
- "The energy market, liberalised markets - Federal State, Wallonia – General framework and recent developments" (21 November)

AN AMBITIOUS INDUSTRIAL PROJECT

In order to structure its transformation, ORES has equipped itself with a department dedicated specifically to guiding this change, designed to be a real industrial project. This department is responsible for coordinating the main programmes introduced for this purpose. A transformation plan has been approved; it will cover 7 years (2019 - 2025), taking a sequential, iterative approach, which will aim to guarantee the sustainability of the changes in terms of resources. This ambitious plan is based on a cross-disciplinary vision of the company's core business areas, and the roll-out of efficient, standardised IT and telecom systems, with a view to optimising investment and maintenance costs.

Internal governance

In order to carry out its activities and steer the company as successfully as possible, ORES introduces mechanisms that make up its management system – in other words, its internal governance.

These mechanisms are designed in particular to pursue the following goals:

- demonstrate the ability to provide services at all times that meet the expectations of stakeholders and applicable legal and regulatory requirements;
- improve customer satisfaction thanks to continuous improvement.

This management system complies with the ISO 9001 standard and is based on the Integrated Performance Management System (IPMS) benchmark in order to incorporate quality assurance.

The key principle of operational governance is empowerment: decisions should be made at the right level, within

the context of a specific mandate. This principle is totally compatible with the Board of Directors delegating day-to-day and operational management to the Management Committee, and with the management of trust that ORES implements internally, in its corporate culture. You can read more in the chapter entitled “Wellbeing within the organisation and development of the working culture”.

The general principles of governance and risk management, applicable to all of the company’s activities, are described in a directive for internal use that is available to members of staff.

As soon as a subject demands that a collective decision be taken involving more than two departments and is of a recurrent nature, a committee is set up. These committees are permanent operational bodies designed to make strategic decisions on unambiguously defined subjects, with a clear, formalised mandate and specified tolerance levels.

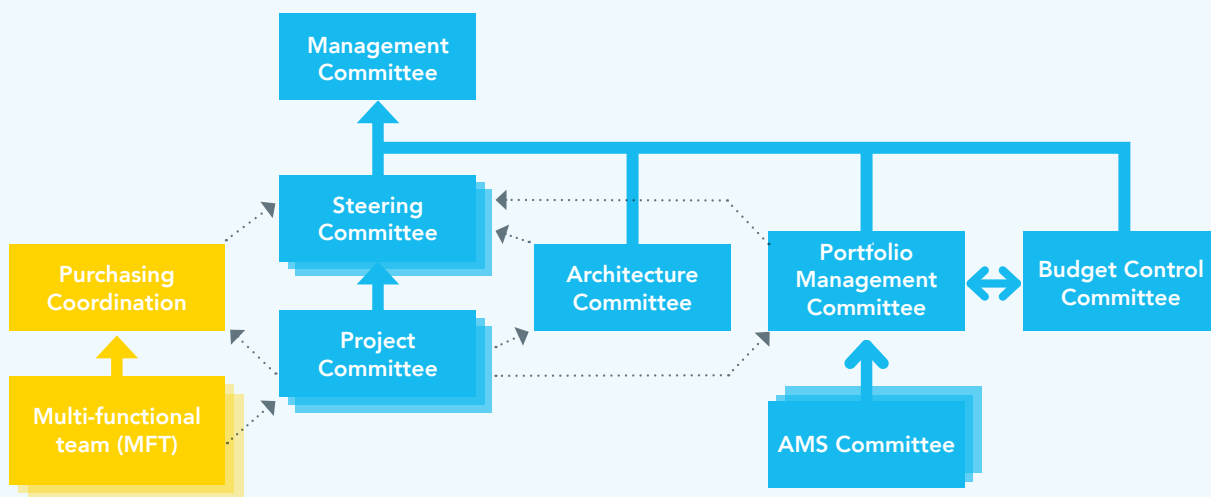


The key principle of operation governance is accountability.

Their role is:

- to discuss their expectations and needs at a cross-disciplinary level and seek solutions;
- to define the ad hoc action plan;
- to delegate responsibility for monitoring the action plan to different “coordinating bodies”;
- to make sure that approaches complement each other when it comes to making decisions that have an impact on the company.

It is important to note that only the Management Committee can set up a committee.



In order to measure its operational performance, ORES relies on:

- operational, tactical and strategic indicators;
- annual statistics (presented in an internal “handbook” and rolled out by region or sector of ORES);
- customer satisfaction surveys connected to different processes;
- management reviews (in accordance with the ISO 9001 standard).

4. Network reliability

Electricity and natural gas are essential basic necessities, both for households and for businesses and the community. ORES' responsibility as a distribution network operator can be broken down into different levels:

- the ability to guarantee a safe, reliable supply;
- the maintenance, modernisation and extension of existing infrastructures;
- the management and maintenance of municipal public lighting.

A first response team that is available 24 hours a day, 7 days a week



11,768,092 MWh
of electricity distributed



1,407,442
electricity supply points



13,025,056 MWh
of natural gas distributed



552,003 natural gas
supply points

Customers' primary expectation of their network operator is that they can rely on a continuous, quality energy supply. At any time of the day or night, throughout the year, ORES' operations and breakdown teams are ready to go out on the ground in the event of a supply problem.

ORES responded 1,285 times to issues on the medium-voltage (MV) electricity network last year – a similar number to the 1,273 interventions the previous year. The time taken to attend and re-establish supply are almost exactly the same as well.

| | Average in hours 2017 | Average in hours 2018 |
|--------------------------------|--------------------------|--------------------------|
| Planned downtime | 00:33:06 | 00:33:08 |
| Re-establishment of supply | 02:51:53 | 02:53:19 |
| Unplanned downtime (breakdown) | 00:55:00 | 00:55:00 |
| Re-establishment of supply | 00:45:27 | 00:42:18 |

On the low-voltage (LV) electricity network, repair teams carried out some 8,500 service calls in 2018, with interruptions being caused by technical faults (84%), bad weather (6%) or "external phenomena" (10%) – usually cables being

pulled away by operators working on the network nearby. The indicators for service calls improved compared with the previous year.

| | Average in hours 2017 | Average in hours 2018 |
|---|--------------------------|--------------------------|
| Average time to arrive on site | 00:58:28 | 00:49:07 |
| Average time spent working on the issue | 01:10:08 | 01:06:05 |
| Unplanned downtime (breakdown) | 02:03:35 | 01:55:12 |

On the natural gas networks, damage often means a leak and so a danger to local residents and workers. Safety is always a priority when working on issues. Taking a preventive

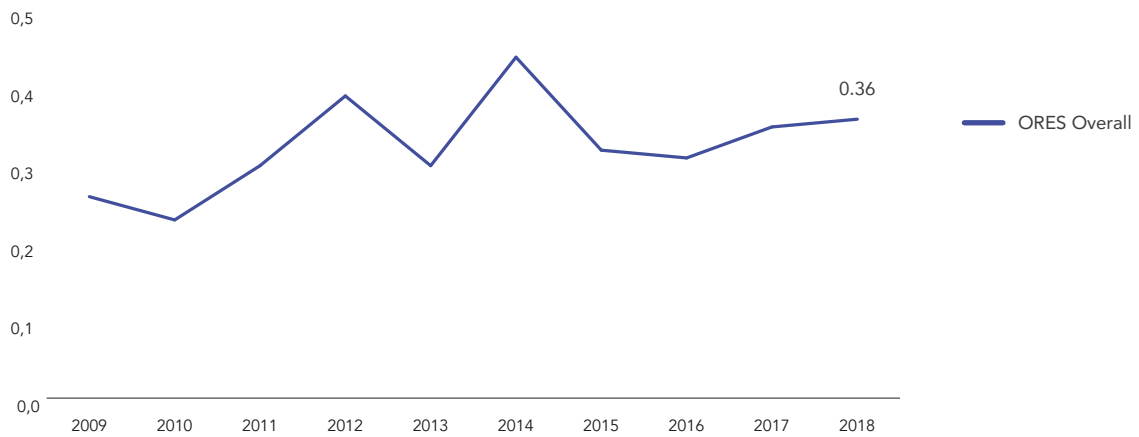
approach, the natural gas distribution networks are checked every year to systematically look for leaks, and it is mainly within this context that repairs are carried out on the network.

| | 2017 | 2018 |
|---|-------|-------|
| Intervention following a third-party call | 1,319 | 1,320 |
| Intervention following a systematic network check | 691 | 811 |

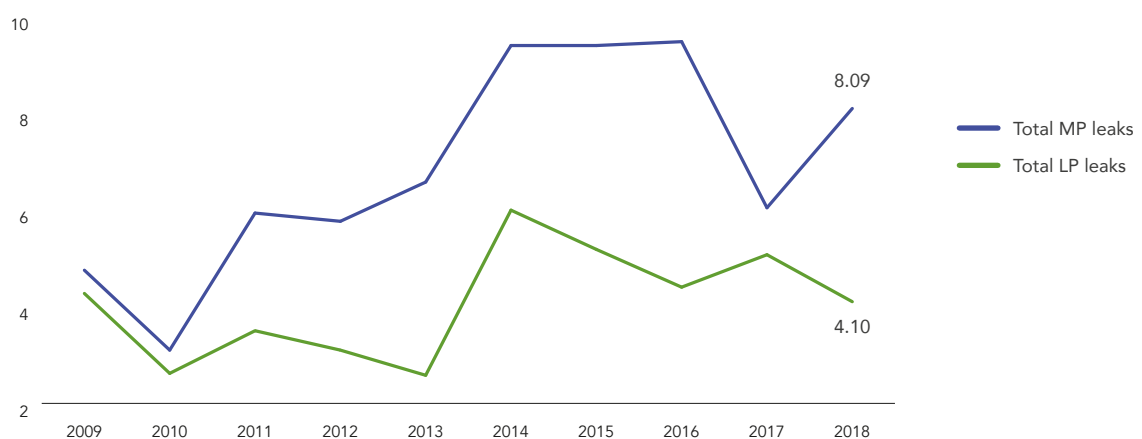
| | Average in hours 2017 | Average in hours 2018 |
|--|--------------------------|--------------------------|
| Average time to arrive on site (call - arrival) | 00:54:36 | 00:57:02 |
| Average time spent working on the issue (arrival - finish) | 01:02:01 | 01:04:25 |
| Time taken to arrive and work on the issue (call - finish) | 01:56:22 | 02:01:27 |

| Pipelines checked | 2017 | 2018 |
|---------------------|---------|---------|
| Medium voltage (km) | 716.7 | 688.4 |
| Low voltage (km) | 1,074.3 | 844.2 |
| Total (km) | 1,791 | 1,532.6 |

Number of leaks/100 connections



Leaks/100 km



It is worth noting that ORES' technical departments had to intervene 1,300 times following damage caused to the distribution infrastructure by other operators carrying out work nearby. The entry into force of the Utilities Decree

and the launch of the "Powalco" platform in 2018 demand more communication and efforts to find synergies between operators of pipes and pipelines. Ultimately, this new method of consultation should help limit the number of incidents.



Investment in the electricity distribution networks

Considerable investments have been granted to modernise and even develop the existing medium-voltage infrastructure. More than 400km of underground cables have been laid, over 100km of which were part of the work to extend the network infrastructures. It is worth noting that 64km of old overhead lines, which are more exposed to bad weather, have been taken down and replaced by underground solutions. Maintenance has been carried out on some 140km of overhead lines as well, and more than 1,500 meters, most of which can be read remotely, have been installed at the premises of customers whose high energy needs require connection to the medium-voltage network.

On the low-voltage electricity network, 400km of new cables were laid in 2018: 210km of replacement cables and 190km of extensions to the existing infrastructure. ORES' technical teams connected almost 10,000 new customers to the low-voltage electricity network and fitted or updated more than 35,500 meters. More than 7,000 budget meters were also fitted for residential customers in 2018.

50,280 km

Electricity distribution network

29,381 km

Low-voltage electricity network

20,899 km

Medium-voltage electricity network



Investment in the natural gas distribution networks

On the medium- and low-pressure networks, more than 130km of new pipelines were laid in 2018, 75km of which were to respond to the demands of new users. These network extensions are the subject of a profitability calculation, for which the parameters have been approved by the regulator. Replacement of the cast-iron, PVC or fibro cement low-pressure networks continued and a total of more than 23km was removed in 2018 to make way for polyethylene pipes, which are better adapted to the current usage and operating conditions. They are also sealed better and more resistant, particularly with regard to soil movements.

Almost 12,000 new connections were set up or renewed and 16,400 meters fitted – as well as more than 4,450 budget meters – during the year that has just ended

9,596 km

Natural gas distribution network

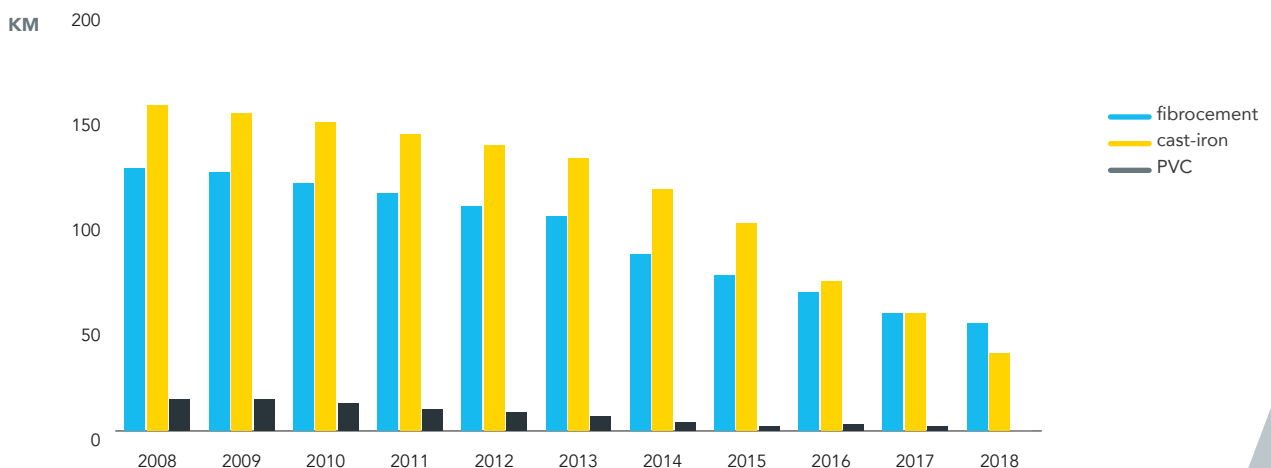
5,802 km

Low-pressure natural gas network

3,794 km

Medium-pressure natural gas network

Change in length of pipes made of fibrocement, cast iron and PVC



NATURAL GAS PROMOTIONAL CAMPAIGN: 2018 TARGET ACHIEVED

The energy performance of new homes and new condensing boilers help customers reduce their consumption. To compensate for this reduction in the volumes passing through pipelines, for a number of years ORES has run a campaign designed to convince customers living along the existing network to choose this source of energy for heating and cooking. By doing this, the company wants to maximise the use of the network and avoid a drop in the profitability of the infrastructure, which could result in an increase in costs for connected clients. In 2018, the original target set with the Walloon market regulator was to find 3,100 new clients. This target has been reached and exceeded, as the teams in charge of promoting natural gas have convinced 3,617 new customers during the year that has just ended.

Municipal public lighting

Maintenance of municipal public lighting is a public service obligation (PSO) imposed on distribution network operators. Within this context, ORES maintains, repairs and modernises – on this last point, please refer to the chapter entitled “Energy transition and the environment” – the lighting used to light up municipal roads, public parks and town squares, as well as those used to enhance certain municipal buildings. These facilities contribute to the security and embellishment of public spaces. However, ORES does not manage the lighting for dual carriageways, motorways and most national roads.

443,164

lights

39,780 kW

power installed

167,073,984 kWh

total energy consumption



Change in the number of lights by type among the municipal lighting facilities managed by ORES

| | 2017 | 2018 |
|-------------------------------------|----------------|----------------|
| LP Hg (low-pressure mercury vapour) | 779 | 654 |
| TL (fluorescent tube) | 49 | 21 |
| HP Hg (low-pressure mercury) | 23,972 | 1,959 |
| NaLP (low-pressure sodium) | 96,550 | 95,755 |
| NaHP (high-pressure sodium) | 233,995 | 233,295 |
| HP MH (metal halide) | 65,052 | 66,557 |
| LED (light-emitting diode) | 21,058 | 44,701 |
| Other | 249 | 222 |
| Total | 441,704 | 443,164 |

| | 2017 | 2018 |
|------------------------|--------|--------|
| Number of lights fixed | 27,983 | 30,356 |

| | 2017 | 2018 |
|--|--------|---------|
| Number of lights subject to preventive maintenance | 82,462 | 104,896 |

Public lighting is essential to guarantee safety for local residents and visibility for pedestrians and drivers. On its website, ORES offers members of the public an application

which allows them to report a light that is not working in a matter of clicks.

| | 2017 | 2018 |
|--|--------|--------|
| Number of faulty lights reported via the ORES website (members of the public) and the Lumiweb application (municipalities) | 35,801 | 38,121 |

Other options for customers who want to report a problem: the company's breakdown department number (078/78.78.00) or reporting the issue to their municipal authorities.

Lastly, public lighting is a good way for municipalities to showcase their heritage. Lots of lighting projects were carried out to this end last year by the company's design offices, sometimes in collaboration with private operators.



ORES maintains, repairs and modernizes the lighting equipment used to light municipal highways, public parks, squares and certain local buildings.

5. Energy transition and the environment

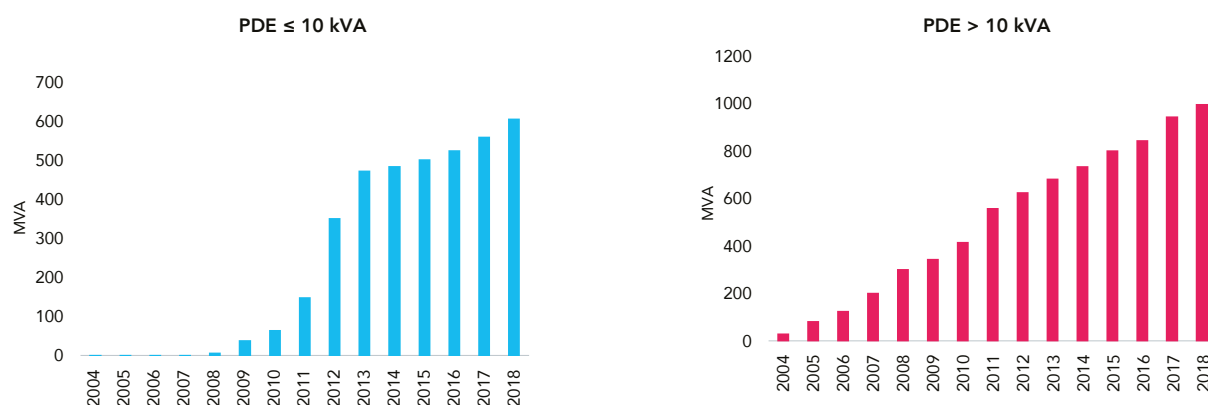
The transformation of the energy sector, like that of other areas of industry and mobility, is one of the main driving forces when it comes to tackling climate change. At the heart of the energy market, ORES is keen to position itself as a facilitator for everyone involved in the energy transition. The company assumes this responsibility in relation to its stakeholders, and to do so, it needs to rethink its activities in order to encourage:

- the digitisation and modernisation of its networks and welcoming on these networks a growing number of production units using energy from renewable sources;
- the rational use of energy, including in particular by modernising the municipal public lighting infrastructures;
- the access of vehicles run using electricity or natural gas to the networks;
- the control and monitoring of the environmental impact of its own activities.

Active support for renewable energy

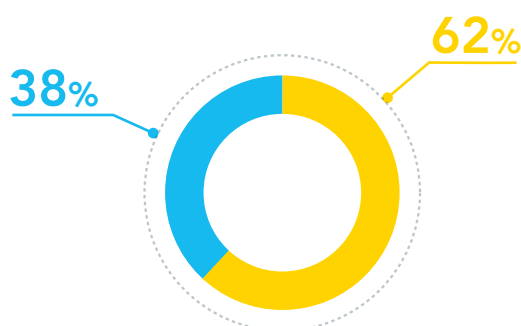
Changes in decentralised energy production (PED)

expressed in installed power (MVA) on ORES' networks

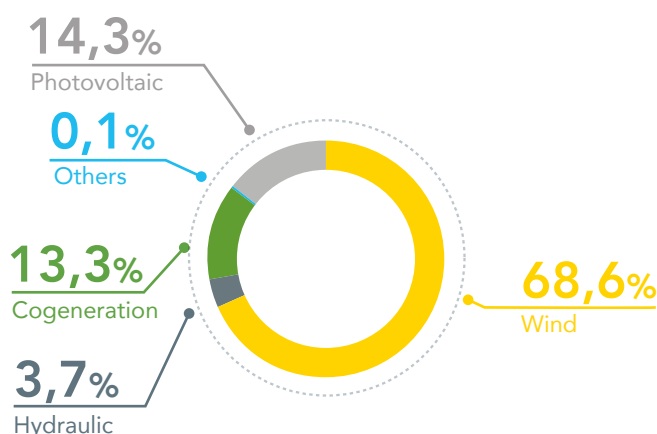


Breakdown of the total installed power according to installations

(in blue: PDE ≤ 10 kVA, in yellow: PDE > 10 kVA)



Breakdown by source





In just over ten years, Wallonia has gone from tens of renewable energy production units to almost 120,000. The market's traditional producers and suppliers are no longer the only ones. With photovoltaic panels, wind turbines, hydraulic systems and biomass, members of the public, businesses and even public bodies now have more and more ways of playing an active role in a greener, more local energy market.

For operators of the electricity network, this multiplication of different renewable energy sources means that processes have to be adapted and new methods of managing infrastructures need to be introduced. The networks were not actually originally built to welcome electricity production methods that are decentralised and intermittent as they are dependent on weather conditions. The energy flows that travel through the networks are now two-way and so the infrastructures, as well as the remote measuring and control tools, need to be reinforced.

The gradual rise of renewable energy in the electricity mix demands a more flexible approach to production, distribution and consumption. Customers can also play a useful role in the management of the electricity network by adapting to the availability of resources and reducing their demand at the right time, in other words when production cannot cover consumption.

If ORES wants to encourage the incorporation of energy from renewable sources in the market, it must also make sure that it maintains quality service for the community as a whole. This is the rationale behind the project designed to transform its organisation and areas of business – described in its 2019 - 2025 strategic plan – which encompasses technical factors, IT and data management to give life to the new role of system operator, with a wider remit than the “traditional” role of network operator.

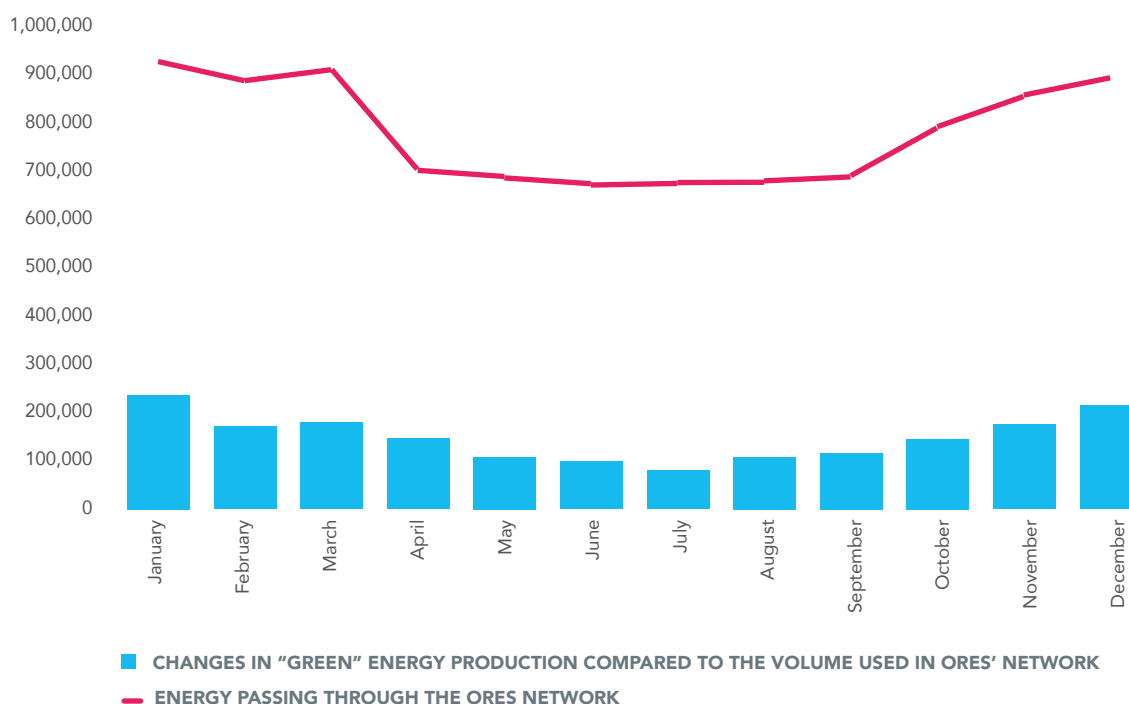
SMART METERS : A SHARED VISION FOR WALLONIA

Smart meters are an essential tool for implementing the energy transition. Thanks to the more detailed overview that they offer of consumption, these new measuring systems will encourage more rational, more flexible energy management. In 2018, the Walloon Government introduced a legal framework for using and rolling out smart meters. ORES and RESA are now working together to put together a joint technical solution. In September 2019, Wallonia's two main energy distribution network operators will present their shared vision of the technical plan and their respective rollout prospects.

As shown in the visual below, energy from renewable sources is still in the minority in terms of the total quantity of energy going through the distribution networks. At the end of 2018, the authorities nevertheless agreed on a National Energy-Climate Plan and its regional rollout, which

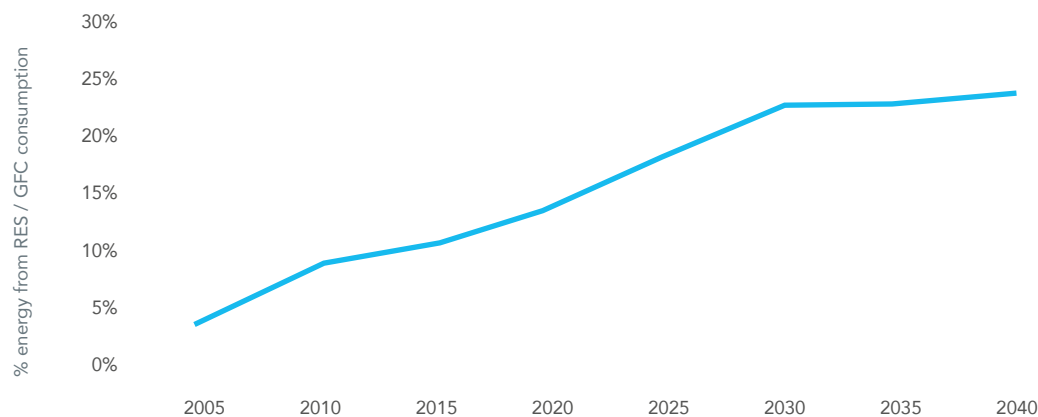
are designed to increase the proportion of renewable energy in Wallonia's energy mix to 23% by 2030. ORES' transformation must also allow the company to play an active role in this change.

Proportion of renewables in the energy passing through ORES' networks in 2018 (in MWh)



Targets for the development of renewable energy in Wallonia by 2030

(source: draft Walloon Energy-Climate Plan – update approved on 18 December 2018)



Again in order to encourage a greener, more local energy market, ORES is opening the door to new technologies and making its expertise and infrastructures available to public, private and university partners. Research connected to developing short supply chains, collective self-consumption systems, storage and the addition of biomethane to the natural gas network has been carried out within the context of pilot projects.

Modernising municipal public lighting

The energy transition is also based on the notion of energy efficiency (or the rational use of energy), which refers to managing or reducing consumption, for example by renovating and insulating buildings. It involves major changes in the residential and service sectors in particular. For municipalities, the challenge of rationalising consumption is also a very real one. Road lighting represents more than 50% of their electricity bills on average, so modernising their public lighting network will result in more sustainable resource management. At the end of summer 2018, the Walloon Government adopted a Decree organising the modernisation of all of Wallonia's public lighting, which will result in the widespread rollout of LED technology – "light-emitting diodes".

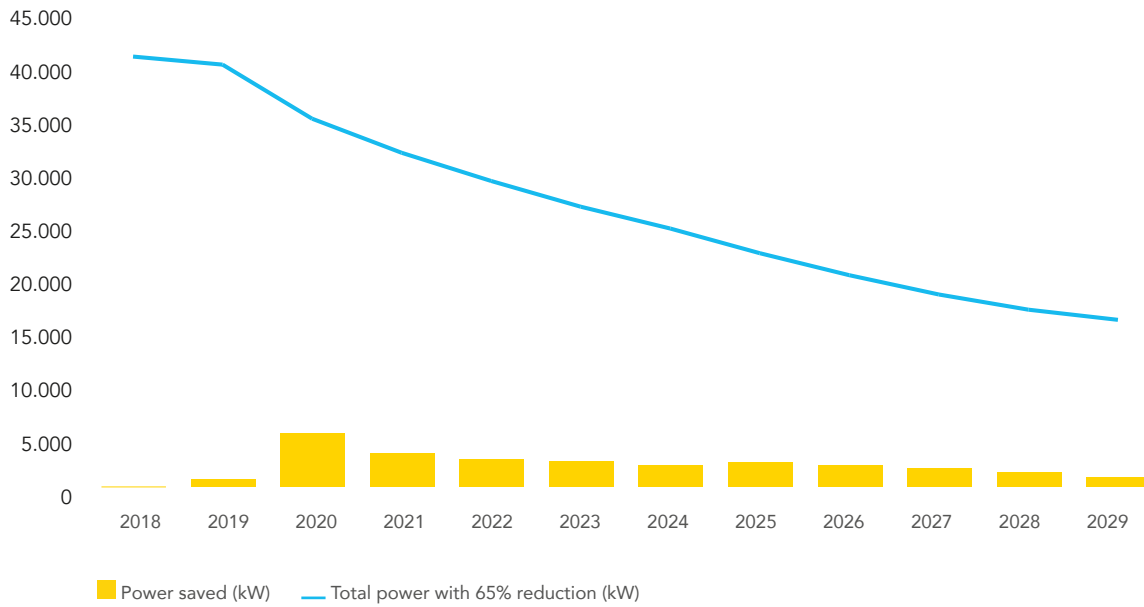
In the next ten years, Wallonia's distribution network operators will replace the approximately 585,000 municipal public

lights used in Wallonia. Priority will first be given to low pressure sodium lights, which their manufacturers will soon stop marketing, as well as the most energy-intensive lights.

LED bulbs consume less and are therefore more ecological. In the geographical area in which ORES works, updating the lights will help reduce consumption by somewhere in the region of 65% – so 102,000 megawatt hours per year – and lead to an annual fall in emissions of around 29,000 tonnes of CO₂ equivalent. Thanks to their longer lifespan, they also require less maintenance than traditional bulbs.



Prospects of reducing public lighting consumption by modernizing the lighting infrastructure



This drastic reduction in consumption will have a positive impact on municipal budgets. The investment needed for the work will also be covered by a closed budget (public service obligation for network operators) and quickly compensated for by the cost reduction resulting from the better energy performance of LED bulbs.



CAMPAIGN TO RAISE AWARENESS AMONG YOUNG PEOPLE ABOUT THE RATIONAL USE OF ENERGY

As part of its role as a facilitator and partner in the field of energy, ORES also runs awareness-raising campaigns. For several years, the company has been targeting the consumers of the future: children. In 2018, it developed and distributed a card game to primary schools in Wallonia called "ORES'O", designed as a fun way to introduce young children to electricity and natural gas, as well as how they are distributed, together with some practical advice for managing their consumption. Towards the end of the year, the company also contributed to the release of a special edition of the "Journal des Enfants" (a newspaper aimed at children) dedicated to public lighting, its modernisation, and the prospects for reducing the consumption of Wallonia's network thanks to LEDs.

Supporting the emergence of alternative mobility

Another very important theme at the moment when talking about the ecological transition, protecting the environment and combating global warming: mobility. Polluting gases from different means of transport have been the source of much discussion in recent months. The legislative framework is evolving, with vehicles and fuels that produce the most pollution incurring higher taxes, and even being banned. Within this context, a large proportion of the population is looking for sustainable alternatives.

Again in its role as facilitator, ORES plans to support its public and private partners when it comes to developing electric mobility and "CNG" or compressed natural gas. From an environmental perspective, these vehicles boast the advantage of emitting less CO₂ than their diesel or petrol counterparts.

As charging this type of vehicle at home can in some cases be fairly restrictive, ORES is supporting public and private operators keen to install charging terminals or stations. This basically involves providing information about the

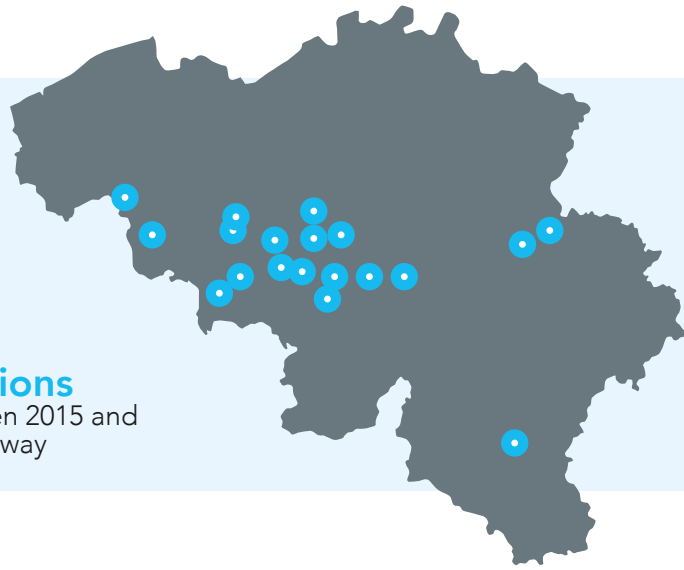
capacity of the networks to handle their installations at the lowest price, helping them secure permits and, of course, connecting these installations to the distribution network.

In agreement and collaboration with the CWaPE, ORES has also developed an enticing tariff and connection mode for operators of CNG service stations. Wallonia's first public station was opened in 2015 in Tournai. Since then, around twenty more have been connected to the distribution network. This increase in the number of charging points throughout the region is helping to boost the appeal of this fuel: in 2018, the sales figures for CNG vehicles exceeded those of electric cars for the first time. And this is just the beginning: in Germany and Italy, the number of cars running on natural gas is already running into the hundreds of thousands.

19

"CNG" public service stations

were connected to the network between 2015 and 2018 and numerous projects are under way



FEWER CO₂ EMISSIONS FOR MUNICIPAL FLEETS AS WELL

At the end of 2018, the Walloon Minister of Local Government launched a call for projects aimed at municipalities, CPASs and "régies communales autonomes" (independent municipal public companies). The goal: to encourage local authorities to gradually replace their fleet with low-emission vehicles, whether electric or CNG.

Some municipalities have already taken action. So in June 2018, when its lease contract for municipal vehicles came to an end, the municipality of Ham-sur-Heure-Nalines decided to turn to vehicles powered by natural gas. Since then, 17 new cleaner vehicles have been introduced and are now used by the municipal and CPAS teams, leading to a substantial reduction in the carbon footprint, together with lower fuel and maintenance costs. To carry out this project, the municipality was able to rely on the know-how of ORES experts, with the introduction of a charging system to suit its needs.

Control and monitoring of the environment impact of activities

Above and beyond its role as a facilitator of the energy transition, committed to the community, ORES pays particular attention to the impact of its activities on the environment. The company would like to gradually reduce its environmental footprint thanks to the sustainable management of its infrastructure, tangible and intangible assets and waste.

To do this, the company relies on its internal environmental policy charter, in which it lays out its commitment to carrying out its activities whilst striving to protect the quality of the environment and find a balance between ecology, economics and energy.

For its main role managing and operating energy distribution networks, the desire to use products that comply with the principles of eco-design is applied at different levels:

- technology (choice of products and materials)
- energy (within the context of the production of these products and materials)
- logistics (optimised packaging to limit transport)
- methodology (in the implementation and choice of technical solutions)

Eco-design also has a presence in the use of this equipment, for example when planning the location of new installations so that they have a limited impact on the wellbeing of local residents, as well as on local flora and fauna. On this point, it is worth noting that in 2018, ORES began moving 64km of old overhead electricity lines underground in order to improve the quality of supply, as the underground network is less exposed to bad weather. As well as this, these actions help reduce the unpleasantness sometimes experienced by local residents in terms of the landscape.

MORE PROTECTION FOR BIRDLIFE AND FEWER FAULTS

Every year, during migration periods, many birds die when they hit electricity lines. This phenomenon mainly affects the provinces of Liège, Luxembourg and Namur, where a large proportion of the network is overhead.

Conscious of this damaging impact on biodiversity, ORES' technical departments have come up with some solutions to reduce the risks. Little red and white spirals hanging locally from electricity lines help birds identify our cables at any time of the day – or night – whatever the weather.

Another recurrent problem demonstrates the difficulties sometimes encountered when birds live alongside overhead cables: birds perching on lines and poles and then taking off, which, in some conditions, can electrocute the animals. Added to this is the risk of sparks, which will lead to a fault affecting nearby customers.

To tackle this issue, the company's technical teams have decided to insulate the necessary cables. This technique has now been incorporated into the maintenance policy for overhead lines, both to help respect the environment, and to improve the quality of the energy supply for customers.

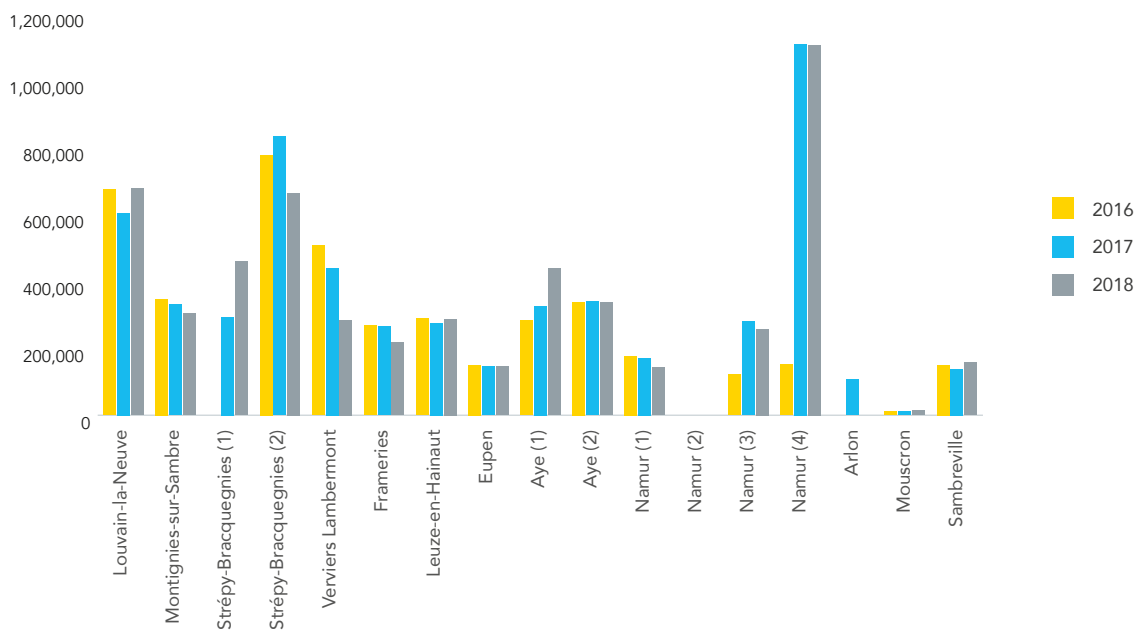


ORES also incorporates the notion of sustainable development when it comes to managing and updating its tangible and intangible assets.

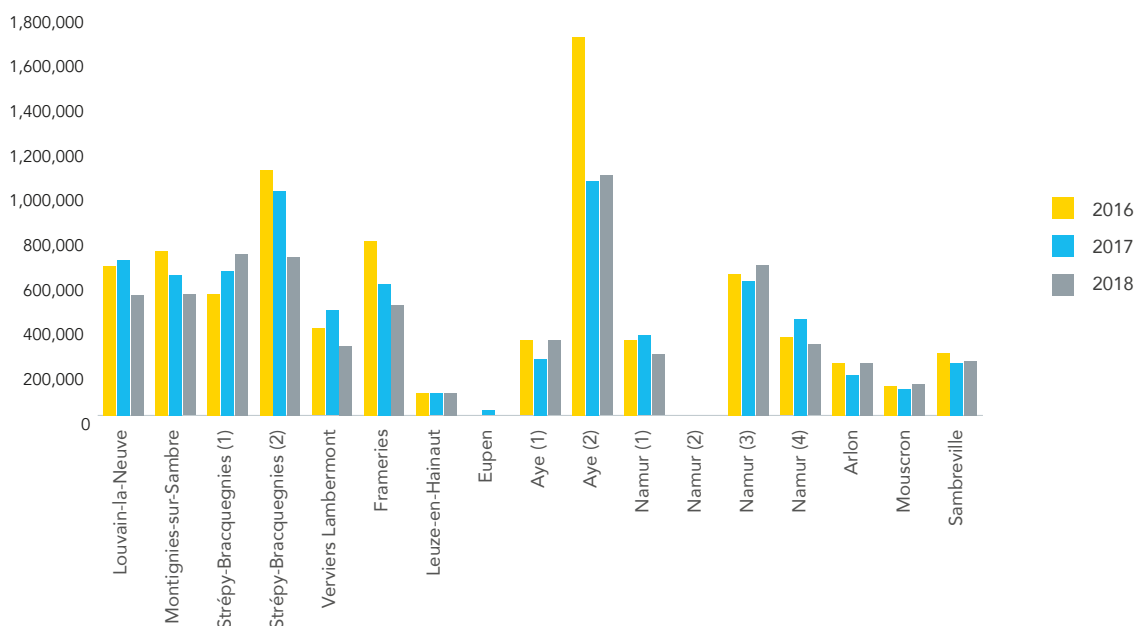
The company manages the energy consumption of its buildings, and tries to limit consumption via repeated awareness-raising campaigns aimed at its staff. In recent years,

the replacement of the centralised technical management systems – automated control of the building’s equipment such as heating, air-conditioning, lighting and security systems – has also helped reduce consumption in the buildings concerned, including in particular in Aye, Lambermont, Louvain-la-Neuve and Frameries.

Change in electricity consumption of the company’s buildings



Change in natural gas consumption of the company’s buildings





But it is mainly in the design of new buildings that the most efficient techniques in terms of insulation, heating, ventilation and the use of natural light are implemented. Opened in 2015, the operational headquarters of ORES for Picardy Wallonia, in Leuze-en-Hainaut – the latest building that the company has built – is a benchmark when it comes to the rational use of energy and water. Like seven other buildings owned by the company, it is fitted with photovoltaic panels.

The completion of work on the new head office for ORES in Gosselies will also help rationalise the company's tangible assets by bringing together several hundreds of support service staff on one highly energy efficient site.



Photovoltaic energy produced by the company's buildings

| Site | Installed power (kWe) | Production of renewable electricity in 2016 (MWh) | Production of renewable electricity in 2017 (MWh) | Production of renewable electricity in 2018 (MWh) | Total electricity consumption 2018 (MWh) | Needs covered by panels (%) |
|--------------------|-----------------------|---|---|---|--|-----------------------------|
| Namur | 40 | 46.9 | 34.9 | 44.9 | 141.6 | 21.8% |
| Strépy-Bracquenies | 32 | 32.6 | 30.7 | 32.8 | 663.3 | 4.4% |
| Eupen | 10 | 10.4 | 10.7 | 11.0 | 144.9 | 6.9% |
| Aye | 8 | 7.2 | 6.9 | 7.9 | 437.5 | 1.7% |
| Lambermont | 45 | 40.8 | 40.3 | 41.9 | 284 | 12.7% |
| Louvain-la-Neuve | 70 | 64.8 | 65.6 | 68.1 | 676.7 | 9.0% |
| Frameries | 50 | 30.4 | 24.5 | 51.0 | 217.9 | 14.5% |
| Leuze-en-Hainaut | 41 | 39.8 | 26.6 | 43.7 | 287.2 | 8.5% |
| Total | 296 | 272.9 | 240.2 | 301.4 | 2,853.1 | 8% |



The company's service fleet is made up of just over 1,000 vehicles. ORES now favours CNG when replacing the ve-

hicles in its fleet when these models are available. 7% of the fleet now runs on compressed natural gas.



As at 31/12/2018

| | |
|-------------------------------|------------|
| Lorries | 14 |
| Cherry picker carriers | 120 |
| of which CNG | 1 |
| Cars/utility < 3.5T | 822 |
| of which CNG | 71 |
| of which electric | 2 |
| Vans > 3.5T | 53 |
| of which CNG | 0 |

Since 2013, carsharing has been encouraged within the company. This approach has environmental, economic and social benefits.

1,610

encoded carsharing days in 2018

Management and executive staff entitled to a leased company car are financially incentivised to choose CNG or electric hybrid models. Carsharing is also encouraged for employees who travel to work in a private car.

Around 800 employees also have the option to work from home one day a week. As well as the benefit in terms of work-life balance, the option to work from home has helped save these members of staff an average of 1,600km of commuting over the year, so a consolidated total of 1,280,000km avoided in 2018.

Lastly, ORES pays particular attention to managing its waste and uses approved channels for its recycling, as

well as making sure the process is traceable. Every year, the company submits a declaration on the production of hazardous waste for the previous year to the Service Public de Wallonie. It makes a point of securing all the certificates that guarantee that this waste has been processed in accordance with legal standards. At the end of 2018, an analysis began into upgrading certain dismantled transformers on the network with a view to reusing them.

| | 2015 | 2016 | 2017 | 2018 |
|--|---------------------|---------------------|---------------------|---------------------|
| Non-hazardous industrial waste (Category II; NHIW) | 639,742 kg | 550,875 kg | 523,401 kg | 493,460 kg |
| Mixed paper/cardboard | 232,736 kg | 321,837 kg | 143,945 kg | 126,380 kg |
| PMC | - | - | 5,394 kg | 5,459 kg |
| Various oils | 8,622 kg | 5,824 kg | 10,924 kg | 17,854 kg |
| Transformers | 395,790 kg | 360,048 kg | 266,328 kg | 372,672 kg |
| SF6 Cells | 14,196 kg | 3,344 kg | 10,502 kg | 5,398 kg |
| Wood | 6,760 kg | 10,320 kg | 22,280 kg | 33,480 kg |
| Equipment scrapped | 3,441 kg | 1,180 kg | 1,854 kg | 6,353 kg |
| Contaminated land | 83,460 kg | - | 16,608 kg | - |
| Asbestos | 17,496 kg | 13,794 kg | 18,480 kg | 29,110 kg |
| Copper, bronze, brass | 11,427 kg | 7,477 kg | 4,934 kg | 7,183 kg |
| Various metals | 421,214 kg | 408,718 kg | 375,747 kg | 431,968 kg |
| Small hazardous waste | 3,929 kg | 972 kg | 4,795 kg | 2,059 kg |
| Total | 1,838,813 kg | 1,684,389 kg | 1,405,192 kg | 1,531,377 kg |

Waste processing method

| | Hazardous waste | Non-hazardous waste |
|--|-----------------|---------------------|
| Waste to-energy | | 22,751 kg |
| Organic recycling | | 420 kg |
| Inorganic recycling | | 522 kg |
| Exchange for reuse | 388,939 kg | 1,080,634 kg |
| Used as filling material or foundations | 2,280 kg | |
| Landfill ("CET") | 26,830 kg | |
| Physical and chemical processing before disposal | 3,400 kg | |
| Consolidation before disposal | 202 kg | |
| Storage off-site before disposal | 5,398 kg | |

6. Customer satisfaction

As a distribution network operator, ORES plays a key role within the energy market. Its ambition is to be a “facilitator” for its clients – households, businesses and public services – as well as the market as a whole. To achieve this, the company strives to:

- take into account its customers’ needs in order to offer them a service that meets their expectations;
- establish interaction and smooth communication with the company’s different departments;
- manage data effectively in order to encourage communication within the market as well as its development;
- fulfil its public service obligations, including in particular those that guarantee access to energy for the most vulnerable.

The customer experience as a means of improvement

ORES pays close attention to the upheaval experienced by its environment: decentralisation of energy production, digitisation of services, new relationships with consumption, “uberisation” of different jobs etc. All of these phenomena significantly increase customers’ demands.

In order to maintain its position as a preferred partner of citizens, municipalities and other market players, ORES focuses on developing services structured around its vision: “making energy easier makes life easier”. This ambition needs to be translated into every day-to-day measures: simplifying processes, keeping customers informed with



ORES places customers at the heart of its strategy. The shared objective within the organisation is clear: we want to make energy easier, make life easier.

complete transparency, guiding them and advising them via the website or over the telephone, respecting appointments etc.

In 2018, ORES carried out customer satisfaction surveys among its clients in a number of different contexts. The results are presented below:

- **“Low-power” work : connecting a new home to the electricity network for example**

- Customer score 8/10

18,047 surveys sent out in 2018 – Carried out by email – Participation rate 24% – 1,957 dissatisfied customers contacted again by telephone – 268 complaints submitted following the survey

- **“High-power” work : connecting a small or medium-sized business to the electricity network for example**

- Customer score 6.7/10

161 surveys sent out in 2018 – Carried out by email – Participation rate 15% – 45% of customers who responded were contacted again by telephone after expressing dissatisfaction (creativity of the solution, slowness of the process, complexity of the online form, information about timings etc.)

- **Taking meter readings**

- Customer score 7.9/10

18,000 surveys sent out in 2018 – Carried out by email – Participation rate 28% – 16% of customers who responded were contacted again by telephone after expressing dissatisfaction or lack of understanding (reason for the reading, contact with the employee, billing, communication, technical problem etc.)

- **Telephone contact with our departments**

- Customer score 8.9/10

Automatic pre-recorded message at the end of the call – SMS option – Participation rate 24.6%

- **Submitting a request for work via our website**

- Customer score 6.2/10

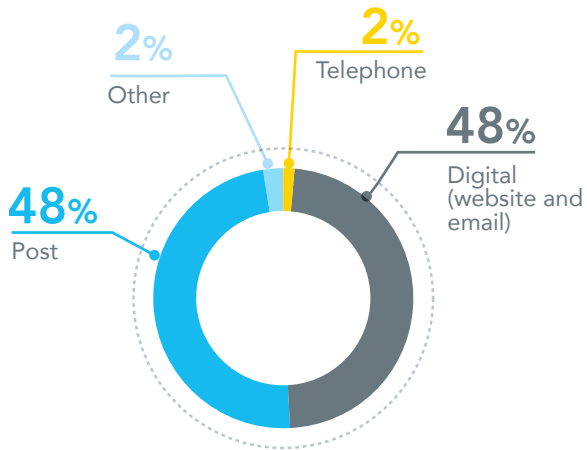
Internet user asked when browsing the website – Participation rate 15%

Every customer who said they were unhappy during these surveys was contacted again. This process is not just about listening to their reasons for dissatisfaction and rectifying the way the issue is handled, but it is also designed to target recurrent complex points and, if applicable correct the processes.

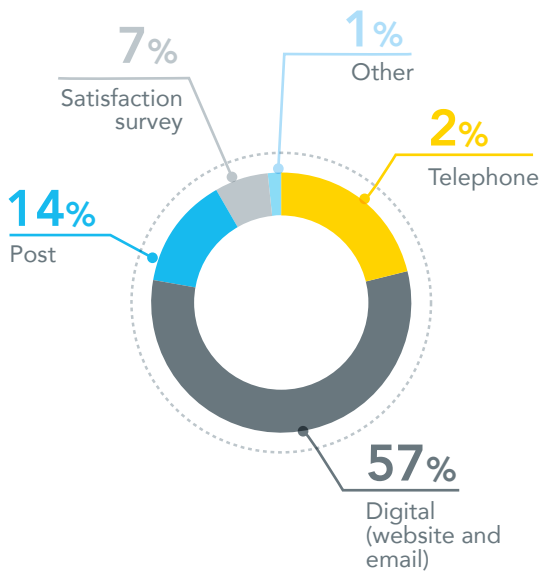
For example, within the context of the surveys carried out after “low-pressure” residential projects, customers reported many failings in terms of repairing their pavements once the work was over. This feedback has helped raise awareness among the contractors responsible for levelling about this issue, and introduce monitoring tools for every project. The marks given to “high-pressure” work highlighted issues relating to meeting deadlines (see elsewhere); here too, organisational measures have been taken within the relevant departments to move towards a more flexible approach.

Above and beyond these responsive surveys, the company also organises discussion groups with its customers to test out new procedures before they are implemented. By taking customers’ views into account, ORES is keen to offer services that are totally in line with their expectations.

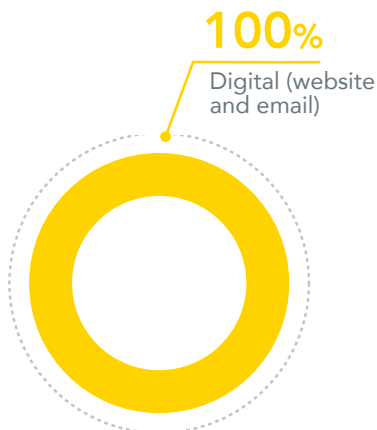
Demand for compensation



Dissatisfaction



Demand for mediation



Following up cases that resulted in a complaint or a demand for compensation

Complaints are an important form of feedback. In this area as well, the desire is to do everything possible to make sure customers are not left unhappy with a bad feeling.

Customers have the option to submit a complaint – dissatisfaction, demand for compensation or mediation – in a matter of seconds via an online form. Every query received is confirmed by telephone, email or post to reassure the customer that their issue is being dealt with.

Electronic communication is preferred for submitting complaints.

The number of cases to be handled rose significantly in 2018 (+12.8% compared with 2017) as customers are now invited to express their unhappiness.

| Types of complaint | Received | Legitimate |
|--------------------|----------|------------|
| Dissatisfaction | 4,195 | 2,447 |
| Compensation | 2,240 | 650 |
| Mediation | 474 | 88 |

The teams responsible for following up complaints set themselves a maximum deadline of 30 days to give the customer a useful, good quality response. We can see that, thanks to interaction becoming more electronic, the average response time has been going down over the years.

| Types of complaint | Average resolution time (in days) |
|--------------------|-----------------------------------|
| Dissatisfaction | 18.42 |
| Compensation | 31.52 |
| Mediation | 22.24 |

Meeting deadlines when work is requested

Deadlines are also monitored when it comes to work carried out on clients' premises. Customers often get in touch with ORES at important times in their lives. For example, when they are building their homes and need to connect the building to the energy networks.

The company aims to respond to every request and carry out every project within the deadline set by the Walloon market regulator, apart from in cases when the customer's request involves work to reinforce the network in advance.

Meeting deadlines in 2018

93%

Offers to connect to the low-voltage electricity network sent on time

90%

Connections to the low-voltage electricity network completed on time

65%

Connections to the medium-voltage electricity network completed on time

93%

Offers to connect to the low-pressure gas network sent on time

93%

Connections to the low-pressure natural gas network completed on time

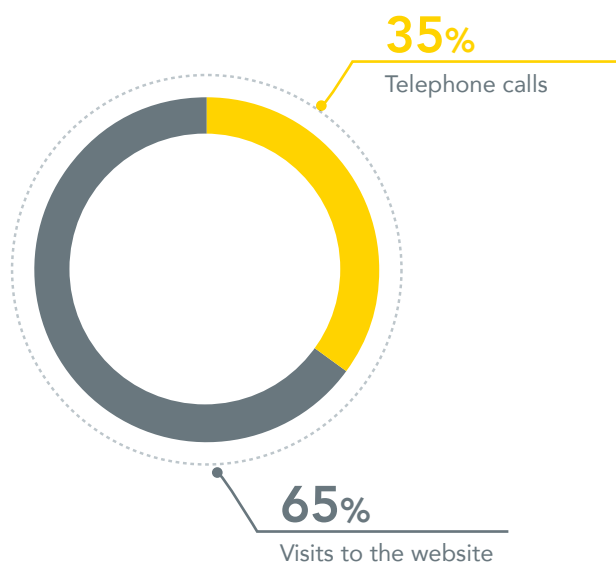
Requests for connections to the medium-voltage electricity network require some preliminary work in order to determine whether the infrastructure needs to be reinforced first. This interim stage clearly extends the deadlines, which can sometimes cause problems for professionals. In 2018, the company's design offices reviewed the way they manage

cases, by prioritising them and anticipating certain measures: designing plans, requesting permission etc. No costs are incurred without the customer's agreement, but everything possible is done in advance so that work can begin as soon as the go-ahead is given. This new way of working should help reduce current deadlines.

Digitising and personalising interaction with clients

In the digital age, customers' expectations in terms of service availability and speed have risen considerably. Clients are much more likely to contact ORES online than by

telephone. In 2018, on average more than 90,000 people visited our website every month.



The digitisation of customer relations involves launching new functions. Designed in 2015, the new version of the ORES website is always being updated with new applications: online forms, a blog offering advice about energy efficiency, an application to track faults and planned downtimes, an online chat feature so that clients can ask questions live, video tutorials to support preparation work for new projects, a simulator showing the power needed for connection

requests, information about tariffs and bills, maps showing the network's capacity for renewable energy etc.

ORES also has a presence on social networks and, via these channels, facilitates instant communication with customers. Facebook is the network that has been most successful, and the relevant statistics for 2018 are shown below.

5,960

Number of followers for the page (as at 31/12/2018)

225

Average number of reactions to posts

5,158

Average audience of posts

252

Average number of messages received every month

PLANNING CONNECTIONS ON THE SAME DAY VIA AN ONLINE REQUEST

Within the context of a pilot project in the ORES Mons - La Louvière and ORES Picardy Wallonia regions, the company now offers new owners the chance to handle the administrative management and practical organisation of new connections to the Proximus, VOO and Société wallonne des Eaux (SWDE) networks via its website, as well as traditional electricity and gas connections. The three – or four – connections are then carried out on the same day, only involving the clients once for all of the work.

The company strives to make sure that the growing digitisation of interaction with its customers is combined with a personal approach to communication. When they send a request for work to ORES, customers are accompanied throughout the process and the different steps involved by a customer advisor who is the unique point of contact in the company and makes sure that everything runs smoothly.

Managing networks and managing data

Respect for clients also requires the establishment of the right conditions to guarantee the smooth running of the electricity and natural gas markets.

ORES collects, checks and passes on the customer's production/consumption data to their supplier. In 2018, the company read more than 1,680,000 meters, either physically or electronically. So-called TMMR – 5,825 meters that take monthly readings remotely – and AMR – 7,300 meters that

automatically take readings every quarter of an hour – meters are also used for clients whose consumption requires more regular readings.

Thanks to its access register, ORES makes sure that each connection point is identified and "connected" to a supply contract. The company facilitates supplier switches and monitors the beginning and end of a contract.

If a connection point is consuming energy without a contract being agreed with a supplier, ORES tries to resolve the situation and offers alternatives to avoid the supply being cut off. This type of situation happens in particular when a customer moves to a new house without informing their supplier of the change. In the vast majority of cases, ORES' administrative departments take the necessary measures and a solution is found with the customer to avoid disconnection.

| Difficult moves Managed by ORES in 2018 | Electricity | Natural gas | Total |
|---|-------------|-------------|--------|
| Requests received | 32,636 | 13,621 | 46,257 |
| Disconnections implemented | 1,139 | 725 | 1,864 |

2018 : THE YEAR OF THE GDPR

On 25 May 2018, the “General Data Protection Regulation” (GDPR) came into force, dramatically changing the way all organisations manage and store personal data. Businesses’ responsibilities when it comes to data protection have been increased significantly. Instigated by its IT and Legal departments, ORES carried out an inventory of the personal data that it processes and keeps. This project helped raise awareness among all members of staff about respecting privacy, and gave the company a new data protection policy that complies with the legislation.



Managing energy poverty

Within the context of its public service obligations, ORES fits – and/or activates – budget meters, mostly for customers who have not paid, at their supplier’s request. These meters must be topped up via an individual smart card. For the

supplier, this system guarantees payment for the energy consumed. Sometimes criticised as it is often imposed on the customer, this type of meter is a tool for managing a household’s budget. It can also help raise awareness about consumption and result in more rational use of energy.

| As at 31.12.2018 | Electricity | Natural gas | Total |
|---|-------------|-------------|------------------|
| All budget meters | 123,329 | 41,246 | 164,575 |
| Number of requests to fit a budget meter received | 70,209 | 31,338 | 101,547 |
| Number of active budget meters | 46,471 | 19,727 | 66,198 |
| Percentage of active budget meters | 37.68% | 47.83% | 40.22% |
| Number of top-ups | 835,943 | 219,942 | 1,055,885 |

In Belgium, access to energy is a fundamental right. The law therefore stipulates mechanisms to make sure everyone has access to it, even if they are struggling.

For some groups of client, ORES acts as their energy supplier. The company thus becomes either a “social supplier”

for socially protected customers, or a “temporary supplier” (also referred to as “supplier X”) when customers find themselves in a difficult situation with their commercial supplier.

| Customers for whom ORES is a supplier (situation as at 31/12/2018) | Electricity | Natural gas | Total |
|--|-------------|-------------|---------------|
| Social supplier | 24,198 | 12,019 | 36,217 |
| Supplier X | 6,016 | 2,376 | 8,392 |

Customers who receive social protection, either regionally or federally, are also given support when it comes to accessing energy. They benefit from lower tariffs than the market prices, can use a certain amount of energy even if

their budget meter card has run out of credit, and have the option to use "secours hivernal" (winter aid) from 1 November until 15 March, if they cannot afford to heat their homes during this time of the year.



In Belgium, access to energy is a fundamental right.



ORES acts as facilitator for these clients, and is involved in “Local Committees for Energy”, in collaboration with the CPASs and local social action committees to find solutions and help those who are going through difficult times.

| Number of cases examined by the Local Committees of Energy in 2018 | Electricity | Natural gas | Total |
|---|-------------|-------------|-------|
| Number of cases relating to minimum supply | 500 | - | 500 |
| Number of cases related to losing protected customer status | 1,686 | 966 | 2,652 |
| Number of cases relating to granting natural gas supply cards during the winter | - | 987 | 987 |

7. Corporate culture and wellbeing within the organisation

Faced with an evolving environment and technologies, the key to success lies in the company's ability to carry out its work whilst embracing change. To support this change, ORES focuses on

- the expertise and rigour of its members of staff, based in particular on an integrated prevention and safety policy;
- an ambitious approach to managing talent that encourages the development of each individual's skills;
- a working environment that is conducive to efficiency, but also to wellbeing, collaboration and confidence.

Safety as a priority

Since it was founded in 2009, ORES has been committed to preventing and combating workplace accidents. A daily challenge for which the only imaginable target is to have zero accidents.

In 2015, the company formalised its prevention policy with a programme referred to as "Shared Vigilance". In practical

terms, this is a training programme, and is based on solidarity: it is a good idea to be vigilant for your own safety, but also that of others. "Shared Vigilance" is now part of the learning journey of all of the company's employees. Since this campaign was launched, it is estimated that more than 2,300 lost days were avoided thanks to the training and the commitment of members of staff.



The "Shared vigilance" training programme pursues the ambition of developing a preventative culture that is integrated and shared by all members of staff.

The safety policy is also at the heart of interaction between management and workers. Two joint committees dedicated to prevention and protection in the workplace (“comités paritaires pour la prévention et la protection au travail”, CPPT) meet once a month to introduce and assess measures to improve safety, as well as health and hygiene. Social partners have also set targets in terms of safety. Combined with other performance indicators, these targets were achieved and resulted in a non-recurrent bonus being awarded to all employees in 2018.

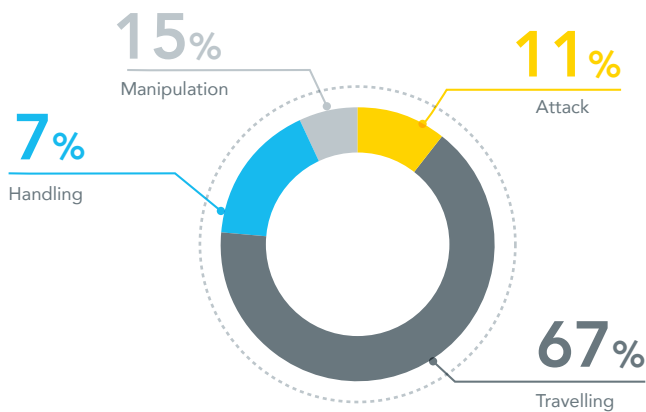
The safety audit for the last two years is satisfactory, as there has not been a single workplace accident caused directly by electricity or natural gas in that time. There were 27 accidents in 2018 – most caused when travelling – 4 of which represented half the days on which work was temporarily interrupted.

Changes in the frequency and gravity of accidents in 2018 compared with previous years are as follows:

Changes in the frequency and gravity of accidents in 2018 compared with previous years



Sources of accidents with incapacity for work in 2018



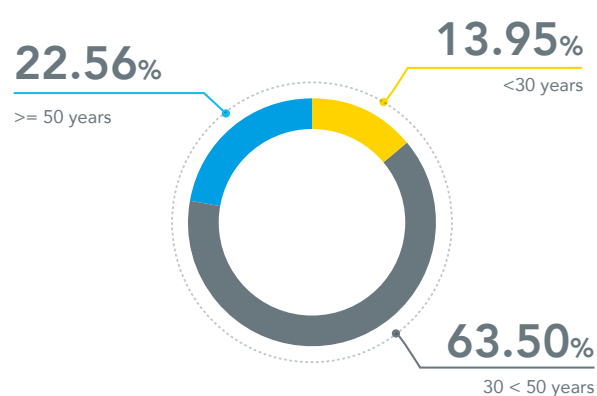
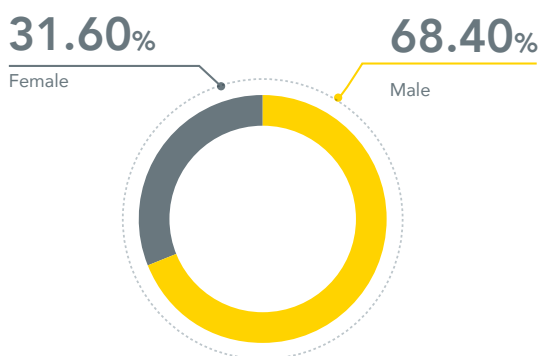


Recruitment and training*

At the end of 2018, ORES had 2,323 employees, 2,212 of whom were on a permanent contract.

Breakdown of members of staff by gender and age group

| | Employees | Supervisory staff | Executive staff | Management staff | Total |
|---------------|-----------|-------------------|-----------------|------------------|---------------|
| Male | 49.03% | 10.55% | 8.57% | 0.26% | 68.40% |
| Female | 25.61% | 2.76% | 3.01% | 0.22% | 31.60% |
| | 74.64% | 13.30% | 11.58% | 0.47% | 100% |



| | Employees | Supervisory staff | Executive staff | Management staff | Total |
|------------------------|-----------|-------------------|-----------------|------------------|---------------|
| <30 | 12.91% | 0.09% | 0.95% | 0% | 13.95% |
| >= 30 <50 | 48.73% | 7.15% | 7.45% | 0.17% | 63.50% |
| >=50 | 13.00% | 6.07% | 3.19% | 0.30% | 22.56% |
| | 74.64% | 13.30% | 11.58% | 0.47% | 100% |

* The data included in this chapter has been put together in accordance with GRI 102. It is therefore nominal data as at 31 December 2018, so more specifically data relating to active employees. It is also important to point out that the data included in the human resources report in ORES scrl's financial report is expressed in full-time equivalent working, non-working and disabled employees. This difference in the definition explains the differences between the data included in the two sections.



Within the context of its transformation, ORES is committed to finding talented new individuals. 204 employees were hired during the year, while 91 people left the company. The profiles required are often more qualified than in the past – engineers, technicians, individuals with an electromechanical qualification, computer engineers, etc. – and some branding work has been carried out in order to establish the company’s position in relation to its competitors on the employment market. The company is also using temporary staff to make up for absences or to deal with temporary

increases in the workload – 9,691 days of work were carried out by temporary staff in 2018, which corresponds to 45 full-time equivalents.

ORES also invests in training for its employees. Each and every one of them must be able to embrace change with confidence to find their place in the company of the future. Among the programmes designed to update skills and help individuals handle the transition, training connected to change and flexibility, IT, stress management and a customer-focused approach is also offered to staff. A specific programme has also been put in place for employees over the age of 55, to make sure they are in the best possible circumstances at the end of their career.

ON AVERAGE, MEMBERS OF STAFF COMPLETED 40.25 HOURS OF TRAINING IN 2018.

Training according to professional category (in hours)

| | Male | Female | Hours of training |
|-------------------|--------------|--------------|-------------------|
| Management staff | 36.58 | 57.20 | 45.95 |
| Executive staff | 47.34 | 43.56 | 46.35 |
| Supervisory staff | 44.67 | 27.82 | 41.18 |
| Employees | 47.31 | 23.40 | 39.10 |
| | 46.86 | 25.93 | 40.25 |



“LEARNING THE NETWORK”

Every new technician hired by ORES begins their journey through the company with a period with the “Brigade formation” (Training Brigade) in Aye (Marche-en-Famenne): 200 hours spent familiarising themselves with how the network is managed. Theory lessons and sessions in the workshop are complemented by fieldwork, in real-life conditions, working with experienced instructors. The culture of safety and full command of working methods are taught here over the course of 13 weeks.

The networks also provide the backdrop for a lot of work entrusted to external suppliers: companies specialising in laying cables, connections, ground levelling etc. A total of no fewer than 2,500 professionals have at least one permit entitling them to work for ORES. Their teams are also monitored and trained. In 2018, the company's two training centres provided 16,500 hours of training – and work to prepare for securing a permit – to around 834 workers from 92 subcontracted companies.

Efficiency and wellbeing in the workplace

In order to achieve a successful transformation, the company relies on employees who are open to change and innova-

tion. Because these are the people who will guarantee the company's long-term future; by developing smarter network and data management systems, by putting customers at the heart of what they do, by injecting the organisation with the "data" vision needed to consolidate ORES' position right at the centre of the market etc.

The executive staff performance appraisal system was reviewed in 2017, and applied in full for the first time in 2018. The new process is resolutely focused on collaboration, empowerment and the company's values. For ordinary members of staff too, discussions are underway between the management and workers' representatives to come up with a more motivational appraisal system.

Percentage of workers given a performance review or career development interview in 2018

| | Male | Female | Total |
|-------------------|------|--------|-------|
| Management staff | 100% | 100% | 100% |
| Executive staff | 100% | 100% | 100% |
| Supervisory staff | 32% | 67% | 39% |
| Employees | 75% | 89% | 80% |

From the company's perspective, it is essential that all of these changes also result in greater wellbeing in the workplace. Initiatives have been put in place to encourage a better work-life balance. Working from home, for example, is now possible for the company's executives and administrative staff who would like to do so (779 employees in total, who worked from home for an average of 26.6 days in 2018), as well as the opportunity to work on one of the company's other sites occasionally (266 employees, who worked remotely for 12.6 days) – usually at premises nearer their home.

Cultural change is also based on a willing, participative approach. Across the different sites, a network of ambassadors has been set up, bringing together employees representing their department to involve members of staff in ORES' transformation. Initiatives designed to encourage improvements to buildings, document management, commuting and relationships between colleagues have been introduced by members of staff at every level in the hierarchy.

In order to assess the impact on employees of changes to their working environment, ORES carried out a survey about wellbeing in the workplace. This was carried out by an external organisation during the first half of 2018. The results indicate that 80.19% of employees feel engaged in their work and 76.25% take pleasure from their role. Areas to look out include the fact that 38.22% of respondents report a need for recuperate, which 23% of this group saying that they feel this need on a daily basis. The results of this survey have been analysed by a joint working group, areas for improvement have been defined and concrete measures to respond to the needs expressed by staff continue to be implemented throughout 2019.

8. Fair practices, respect for human rights and combating corruption

ORES is a major economic player in Wallonia. In 2018, the company contributed some 450 million Euros of revenue to 1,900 suppliers, the vast majority of which were local. Relationships and transactions with stakeholders must be guided by:

- staff ethics and robust measures designed to protect them from corruption;
- the commitment of its subcontractors to respect human rights and combat social dumping.
- the establishment of a sustainable, responsible purchasing policy.

Setting an example internally

The company's ethics are based on its five values: professionalism, sense of responsibility, sense of service, audacity, "respect and friendliness", added to which are a spirit of impartiality and independence in relation to other market players, which determines ORES' position as a natural monopoly.

Each employee undertakes to respect the basic rules formalised in an internal ethics charter. These rules cover the use of the company's assets and resources, the procedure to follow in the event of attempted corruption or a conflict of interests, information protection, and in particular information described as privileged.

Internal control procedures are also in place for ordering out-of-stock materials: requests approved by line managers, calls for tenders sent to different suppliers, definition of signature authorities, tracking for purchase orders etc.

Relationships with stakeholders

Along the same lines, ORES demands that its suppliers, contractors and service provider subcontractors comply with a code of ethics. The themes covered in the document are essentially exactly the same as those in the internal ethics charter.

In accordance with the thresholds defined by legislation, ORES complies with public procurement rules. The three main categories of contract are work, services and supplies. All bidders – both Belgian and international – are subject to different clauses designed to put a stop to social dumping: checking the company's criminal record, statement and confirmation that social security contributions and taxes are being paid etc.

The contracts most sensitive to fraud, including in particular those connected to work on building sites, are subject to special provisions. Bidders must comply with a number of obligations to guarantee that work and workers are registered, along with their pay, reporting seconded workers,



MONITORING AND ASSESSING CONTRACTORS

In order to manage costs, ensure compliance with regulations and guarantee the quality of the work that it subcontracts to its suppliers, ORES has set up a unit that is constantly monitoring and assessing them, including in particular via site visits. The areas focused on include: administrative rigour, flexibility and responsiveness, quality of work, organisation and safety. ORES' customers are also consulted when suppliers are assessed who are responsible for work that affects them.

an adequate knowledge among the subcontracted workers of the language of the contract, decent, appropriate accommodation for workers who cannot go back to their own homes every day etc. Deterrent one-off and daily penalties are stipulated in the specifications according to the breaches observed.

Limiting subcontracting to one or two degrees, depending on the contract, is also designed to reinforce measures introduced by legislation to combat social dumping. Bidders must make sure they complete the documents in the "bid form" about subcontractors, regardless of the extent to which they are involved in the subcontracting chain and regardless of their position in that chain.

Lastly co-contractors must respect the five basic standards of the International Labour Organization: freedom of association with a union and the right to collective bargaining, freedom

from forced labour, freedom from child labour, improved working conditions, freedom from discrimination at work.

Sustainable purchasing policy

For supply contracts, ORES encourages the use of "ecolabels" or so-called "environmentally responsible" products and their equivalents. In practical terms, when it is procuring services or materials, the company uses specific rules in terms of prevention, safety and environmental protection.

The rules stipulate requirements in terms of safety, and imposes on the supplier the obligation to comply with a range of environmental regulations: waste management, obligation to report any incident that could have an impact on the environment, obligation to take all useful measures to limit damage in the event of an incident etc.

9. Donations and sponsorship policy

ORES is a fundamental part of the socioeconomic fabric of the geographical areas in which it operates. The company nurtures close relationships with its municipal and private partners, and more generally with the community as a whole. It is regularly approached and asked to support different actions and associations, so has introduced a partnership and sponsorship policy that mainly focuses on:

- supporting regional or local initiatives in three fields: energy, culture and the environment;
- offering its expertise and human resources to benefit schemes to promote solidarity.

Support for local initiatives: proximity and roots

By its very nature, ORES is a core part of Walloon society, in municipalities, areas, neighbourhoods etc. Occasionally, the company offers its support to local initiatives on the basis of requests received from municipal partners or associations. The purpose of its partnership policy is to consolidate its local roots by promoting its expertise and its services, at events focusing on three specific fields: energy, art and culture in the broadest sense of the words, and the environment.

In 2015, with a view to managing costs, the decision was made both to reduce the overall amounts dedicated to "regional" partners, and to commit a closed budget to more "local" partnerships. In 2018, the support offered by ORES and its local departments helped more than fifty initiatives.

Committed to good governance, the company is keen to structure the decision-making process for partnerships and aid (financial or in terms of expertise) and frame it more specifically, within the context of its public relations and

ORES, MEMBER OF THE SAMBRIA COLLECTIVE

ORES, whose head office will soon be in Gosselies, has joined the Sambria collective of businesses offering sponsorship, created at the initiative of the not-for-profit organisation, Prométhéa asbl in 2017. This collective and its member companies, which include Brussels South Charleroi Airport, Cegelec, the design office Pirnay as well as eight other companies, support initiatives that promote culture and heritage in greater Charleroi. In 2018, the collective granted its first support to the "Alba" project. Led by Charleroi-born artist Melanie De Biasio, this project is designed to transform the former Italian consulate in Charleroi into a shared space in which artists and members of the public can live and create. The call for projects for the prize, which will be awarded in 2019, was launched by the collective with Prométhéa last March.

communication policy. A new policy and administrative process for partnerships, sponsorships and donations has been proposed and will be submitted for approval to ORES' Board of Directors in 2019.

Expertise in the interests of cooperative projects and supporting development

Every year, ORES' technicians and engineers offer their services as volunteers within the context of the Energy Assistance association. They provide coaching and training services and install or repair equipment for people in developing countries who do not have access to energy. In recent years, dozens of them have visited different parts of Africa and Asia to install, develop and even repair infrastructures needed to improve living conditions for local populations.

For the first time in 2015, ORES' Training Centre also welcomed engineers responsible for establishing an electricity supply in the Virunga National Park in the Democratic Republic of the Congo, offering them training on building and managing an electricity network day-to-day. In terms of the concrete, conclusive results of this initiative, three new Congolese interns will be attending a two-month training course in 2019.



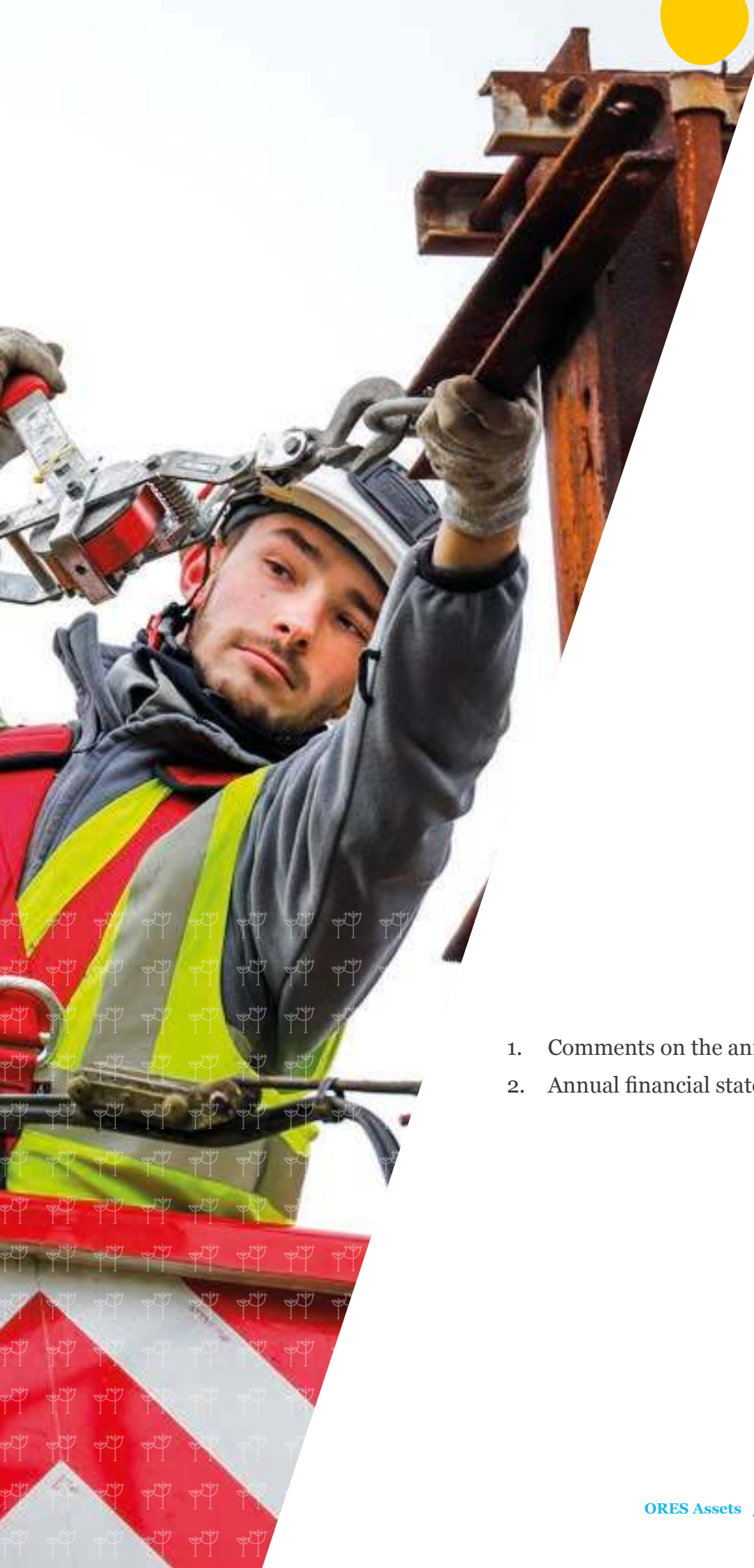
MEMBERS OF STAFF INVOLVED IN VIVA FOR LIFE

Every year, as the holiday season approaches, "Viva for Life" draws on the solidarity of the people of Wallonia and Brussels to raise money for vulnerable children. One of the original partners of the scheme, once again last year ORES could count on the involvement and passion of its employees. The 2018 event raised more than 18,000 Euros to support the work done by the RTBF and CAP48, following collections set up on the initiative of members of staff.

03

Management report





1. Comments on the annual report p.72
2. Annual financial statement p.90

1. Comments on the annual report (article 96, § 1 of the *Code des sociétés*)

1.1. A true and accurate review of

A. The development of the business

Please refer to chapter II – Activity and sustainable development report – Statement on non-financial information.

B. The company's profits/ losses and situation

PRELIMINARY NOTE

FAIR MARGIN

ORES Assets is developing in a specific context. Operating distribution networks is a regulated activity, to which a monopoly is granted for a given period. A regulatory framework, made up of laws, decrees, orders and decisions made by regulators govern ORES Assets' activities. This means that the tariffs billed by our intermunicipal company for the use of its network or for the various services carried out at the request of customers who are users of the network must be approved beforehand by the regulator, and the application of these tariffs is controlled retrospectively by the latter. The principles and procedures for determining and controlling tariffs are provided for in the regulatory framework. The tariff methodology adopted by the CWaPE (hereinafter referred to as "the CWaPE tariff methodology") constitutes the main text of the tariff regulatory framework. This therefore specifies the costs that can be passed on in the tariffs and their classification; it establishes a "cost plus" system whilst also encouraging the management of controllable costs (see below), determines the remuneration of the invested capital granted to the DSO, fixes depreciation rates, defines the regulatory balances and their allocation, etc.

Since the complete liberalisation of the energy markets, it is fair remuneration that repays the capital invested in distribution networks (REMCI - "Rémunération Equitable Moyenne des Capitaux Investis", Average Fair Remuneration of Invested Capital). This is established by multiplying the value of the regulated assets of the network operator (Regulated Asset Base or RAB) by the

percentages of yield determined by the regulator in its tariff methodology.

Within the context of this CWaPE methodology, a distinction is made between:

- the primary fair margin which is fixed each year by applying the "primary" yield percentage to the average value of the "primary" regulated assets;
- the secondary fair margin which is fixed each year by applying the "secondary" yield percentage to the average value of the "secondary" regulated assets (see below).

The total fair margin is the sum of the "primary" and "secondary" fair margins.

The distribution system operator also calculates the value of the fair margin according to the rules and parameters outlined in articles 3 to 8 of the Royal Decree of 2 September 2008 (hereinafter referred to as "the 2008 RD fair margin"), namely the methodology for determining the applicable REMCI from 2008 to 2014.

The fair margin used to determine the distribution tariffs is the maximum value between, on the one hand, the sum of the primary and secondary fair margins calculated according to the CWaPE's tariff methodology and, on the other hand, the "2008 RD fair margin".

REGULATED ASSETS: PRIMARY AND SECONDARY

Within the context of the CWaPE methodology, a distinction is made between:

- regulatory tangible assets acquired up to 31 December 2013, which are included in the "primary" regulatory assets;
- regulatory tangible fixed assets and computer software purchased after 31 December 2013, which are included under "secondary" regulatory assets.

The RAB taken into account to calculate the remuneration of invested capital no longer takes into account the need for net working capital.

PERCENTAGE OF YIELD PRIMARY AND SECONDARY

- The "primary" yield percentage is applied to the average value of the value of the primary regulated assets;
- The "secondary" yield percentage is applied to the average value of the value of the secondary regulated assets.

The applicable formula to calculate the primary and secondary yield percentage is as follows:

- if $S = 33\%$ or $S < 33\%$, the yield percentage is: (a) $33\% \times (1 + \alpha) \times (\text{OLO interest } n + (\text{Rp} \times \text{'beta'}))$;
- if $S > 33\%$, the yield percentage is the sum of: (a) $33\% \times (1 + \alpha) \times (\text{OLO interest } n + (\text{Rp} \times \text{'beta'}))$ and (b) $(S - 33\%) \times (\text{OLO interest } n + 70 \text{ bp})$

with:

S primary rate = ratio between the average value of shareholders' equity for 2013 and the average value of the regulated assets for 2013, capped at 100%;

S secondary rate = ratio between the average value of shareholders' equity for the year in question and the average value of the primary + secondary regulated assets for the year in question, capped at 100%;

alpha = the illiquidity factor, the value of which is set at 0.2;

OLO_n = actual average yield rate on 10-year Belgian State linear bonds:

- issued during the year in question to determine the secondary yield rate,
- issued during 2013 to determine the primary yield rate;

Rp = market risk premium = 3.50%;

beta = 0.65 for electricity and 0.85 for gas (as long as the distribution system operators are not listed on the stock exchange)

For shareholders' equity up to the basic rate (a):

The rate of remuneration defined by the regulator for year "n" is equal to the risk-free rate (real average rate

of return of 10-year Belgian linear bonds) and the market risk premium weighted by the beta factor. Furthermore, an illiquidity factor of 1.2 is applied to the remuneration of shareholders' equity. It should be noted that the regulator recommends a so-called solvency ratio (average shareholders' equity/average regulated assets) equal to 33%; this ratio is applied to ORES Assets' regulated assets to determine the latter's basic shareholders' equity.

For shareholders' equity over the basic rate (b):

If the shareholders' equity exceeds the basic shareholders' equity, namely 33% of the regulated assets, the surplus is remunerated at a reduced rate calculated on the basis of the formula (OLO_n + 70 basis points).

An extra 100 basis points are added to the value of the secondary yield percentage.

COSTS

As far as costs are concerned, a distinction should be made between uncontrollable and controllable costs.

Uncontrollable costs are those over which ORES Assets has no direct control; they are an integral part of the costs taken into account when establishing tariffs.

Controllable costs are those over which ORES Assets does have direct control.

The annual balances relating to uncontrollable costs, as well as differences attributable to the difference between the volumes actually distributed and those estimated when the tariffs were calculated, constitute either a receivable (regulatory asset or identified deficit), or a debt (regulatory liability or identified surplus) with regard to customers, and are transferred to ORES Assets' balance sheet adjustment accounts.

The annual difference between the actual controllable costs and the estimated controllable costs are part of ORES Assets' profit or loss. It is fully returned to the shareholders if actual controllable costs are less than estimated controllable costs (bonus); it is charged in full to them if the opposite is true (malus).

DISTRIBUTION TARIFFS

The tariffs are fixed based on the forecast values of all the costs. For 2018, in accordance with the decision made by the CWaPE on 1 December 2017, the tariffs applied corresponded to an extension of the 2017 tariffs. The tariffs for rebilling transport costs were reviewed on 9 February 2018, coming into force on 1 March 2018.

REGULATORY BALANCES

With regard to the allocation of regulatory balances between 2008 and 2013, the CWaPE authorised 10% of the total of these balances (by sector and by energy type) to be passed on in the form of an advance on 2015 and 2016 tariffs, in order to start settling the total regulatory balance. The CWaPE then authorised 20% of the total balances for the period between 2008 and 2014 to be passed on in the form of advance payments on the 2017 and 2018 tariffs. The CWaPE would like to

settle the remaining accumulated 2008-2014 regulatory balance by 31 December 2022.

The 2015 and 2016 ORES Assets regulatory balances for electricity were approved by the CWaPE on 21 December 2017. On 29 March 2018, the CWaPE clarified its decision on regulatory balances for electricity as far as federal contributions are concerned. The 2015 and 2016 ORES Assets regulatory balances for gas were approved by the CWaPE on 3 May 2018. They will be settled in the tariffs covering the 2019-2023 period.

JOINT SECTOR

As stated when ORES Assets was incorporated, and as specified in its articles of association, a new so-called "joint" sector was established in 2014. It encompasses the assets developed jointly within ORES Assets' sectors.

COMMENTS ON ORES ASSETS SCRL'S ANNUAL ACCOUNTS IN ORDER TO SET OUT THE COMPANY'S BUSINESS DEVELOPMENT AND SITUATION FAITHFULLY

ITEMS FROM THE PROFIT AND LOSS STATEMENT AS AT 31 DECEMBER 2018

| CHANGES IN THE PROFIT/LOSS STATEMENT (IN €k) | 31/12/2018 | 31/12/2017 |
|---|----------------|----------------|
| Sales and services | 1,141,024 | 1,126,253 |
| Cost of sales and services | - 937,459 | - 912,881 |
| Operating profit | 203,565 | 213,372 |
| Financial income | 323 | 227 |
| Financial expenses | - 61,939 | - 60,286 |
| Profit for the financial year before tax | 141,949 | 153,313 |
| Tax on profit | - 46,858 | - 57,516 |
| Transfer to the tax-free reserves | -747 | - 744 |
| Profit for the financial year available for distribution | 94,344 | 95,053 |
| Allocation to the available reserves | - 15,058 | - 13,866 |
| Sums drawn from the available reserves | 5,941 | 24,360 |
| PROFIT TO BE DISTRIBUTED | 85,227 | 105,547 |

| Dividends to be distributed by activity (in €k) | 31/12/2018 | 31/12/2017 |
|---|---------------|----------------|
| Electricity network operation | 57,570 | 71,210 |
| Gas network operation | 27,452 | 33,931 |
| Other activities | 205 | 406 |
| Total | 85,227 | 105,547 |

The dividends to be paid to shareholders for ORES Assets' "network operation" activity in 2018 amount to:

- **Electricity:** €57,570,000 compared to €71,210,000 in 2017 so -19.15%;
- **Gas:** €27,452,000 compared to €33,931,000 in 2017 so -19.09%.

It should be noted that the profit for "Others" amounted to €205,000 in 2018, compared to €406,000 in 2017.

| Dividends to be distributed by sector (in €k) | 31/12/2018 | 31/12/2017 |
|---|---------------|----------------|
| ORES Namur | 11,865 | 13,731 |
| ORES Hainaut | 36,001 | 53,653 |
| ORES Est | 2,823 | 3,198 |
| ORES Luxembourg | 9,723 | 11,236 |
| ORES Verviers | 3,589 | 5,741 |
| ORES Walloon Brabant | 16,659 | 13,518 |
| ORES Mouscron | 2,011 | 2,635 |
| ORES Joint | 2,556 | 1,835 |
| Total | 85,227 | 105,547 |

ANALYTICAL RESULTS FOR ORES ASSETS

Profit/loss for Electricity (all sectors combined)

From an analytical perspective, the profit/loss for the "network operation" activity (€65,424,000 compared to €63,054,000) is made up of:

- income (€890,477,000 compared with €876,500,000), such as:
 - o transmission charges: they amounted to €880,286,000 in 2018 compared with €876,042,000 in 2017 and include the RTNR ("redevance transit non-relevée" or unmetered transmission charge);
 - o adjustment for the difference for federal contributions in 2018: - €1,958,000;

o regulatory assets/liabilities for the year:

- in 2018: + €21,168,000 (regulatory assets or RA),
- in 2017: + €9,712,000 (RA);

o the advance payment of 20% in 2017 and 2018 (period between 2008 and 2014) recovered (-)/refunded (+):

- in 2018: - €9,019,000,
- in 2017: - €8,670,000.

- operational costs (€824,443,000 compared with €812,839,000) up €11,604,000 (+ 1.4%) compared with 2017. They are made up of controllable costs, amounting to €168,378,000 in 2018, an increase of

€5,999,000 (+ 3.7%) and uncontrollable costs, amounting to €656,065,000, a rise of €5,605,000 (+ 0.9%).

It is worth noting that, within the context of the "Tax shelter", a total of €610,000 was transferred to the tax-free reserves.

Controllable costs mainly include distribution and network operation costs, the costs of maintaining infrastructures and the costs relating to measuring and metering.

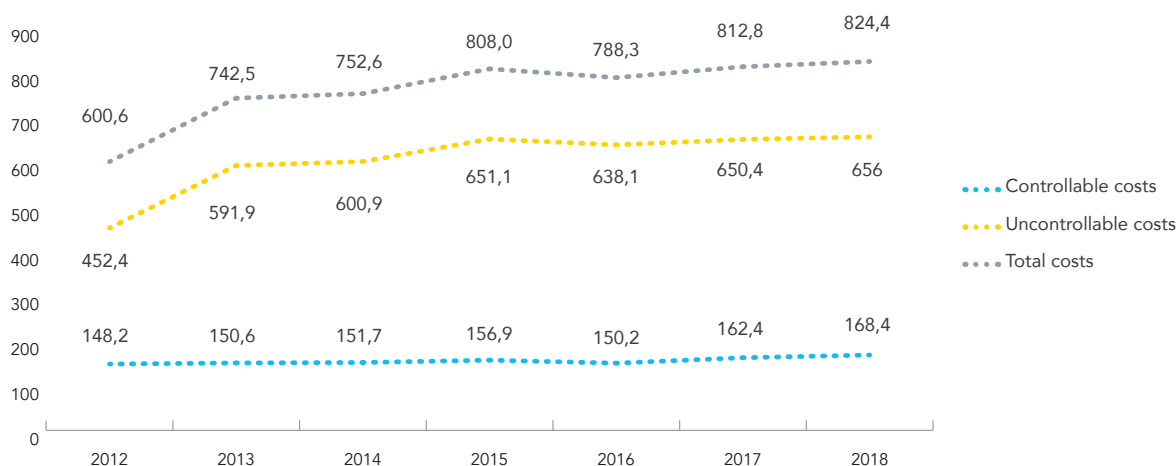
Uncontrollable costs mainly include:

- depreciation and decommissioning (€106,967,000 in 2018) including depreciation of capital gains, up by €6,914,000 (+ 6.9%).
- the use of infrastructures belonging to Elia and third parties (€358,701,000 in 2018), an increase of €8,548,000;
- the cost of PSOs (public service obligations) (€50,400,000 in 2018), an increase of €5,679,000 (+ 12.7%). The main reasons for this increase are the rise in write-downs, the increase in the cost of "Qualiwatt"

premiums (installation of solar panels) and the increase in costs connected to public lighting;

- the fee for using the public highway for electricity (€27,838,000 in 2018) increased by €788,000 (mainly following the takeover of the electricity networks for the municipalities of Chastre, Incourt, Perwez and Villers-la-Ville, previously run by PBE);
- the cost of compensation for losses (€23,612,000 in 2018), down €9,151,000 (- 27.9%) following a reduction in quantities (3.7%) and the fall in the average cost (- 23.9%);
- non-capitalised pension costs (€11,129,000 in 2018), down by €2,018,000 (- 15.4%), these expenses are constantly going down with depreciation coming to an end in 2027 and the outsourcing of annuities;
- taxes (€38,269,000 in 2018), down €8,507,000, which can be explained by the reduction in the tax rate (29.58% in 2018 compared with 33.99% in 2017);
- the financial profit/loss (excluding pension and PSOs) (€39,055,000 in 2018) down €2,193,000.

Changes to electricity costs (in m€)



The profit for "Others" amounted to €188,000 compared to €342,000 in 2017.

Total profit for 2018 amounted to €65,612,000 compared with €63,396,000 in 2017, so an increase of €2,216,000 (+ 3.5%).

As part of the allocation of profits, €13,080,000 was allocated to the available reserves within the context of complying with the policy introduced for distributing dividends. Levies on the available reserves amounting to €5,226,000 include €3,997,000 decided in June and November 2018 by the General Meeting within the context of agreements relating to the takeover of the electricity networks for 4 municipalities previously run by PBE.

2018 dividends paid to shareholders amounted to €57,758,000 compared to €71,552,000 in 2017.

Profit/loss for Gas (all sectors combined)

From an analytical perspective, the profit/loss for the "network operation" activity (€28,715,000 compared to €31,593,000) is made up of:

- income (€198,105,000 compared with €191,689,000), such as:
 - o transmission charges: they amounted to €204,454,000 in 2018 compared with €206,251,000 in 2017 and include the RTNR ("redevance transit non-relevée" or unmetered transmission charge);
 - o regulatory assets / liabilities:
 - in 2018: + €5,748,000 (RA);
 - in 2017: - €3,730,000 (regulatory liabilities, RL);
 - the adjustments of the regulatory balances for 2015 and 2016 accounted for in 2018 following the publication of the CWaPE's decisions causing a reduction in turnover of €1,266,000;
 - o the advance payment of 20% in 2017 and 2018 (period between 2008 and 2014) recovered (-)/refunded (+):
 - in 2018: - €10,832,000;
 - in 2017: - €10,832,000;
- operational costs (€169,253,000 compared with €159,959,000) up €9,294,000 (+ 5.8%) compared

with 2017. They are made up of controllable costs, amounting to €49,908,000, an increase of €5,009,000 (+ 11.1%) and uncontrollable costs, amounting to €119,345,000, a rise of €4,285,000 (+ 3.7%).

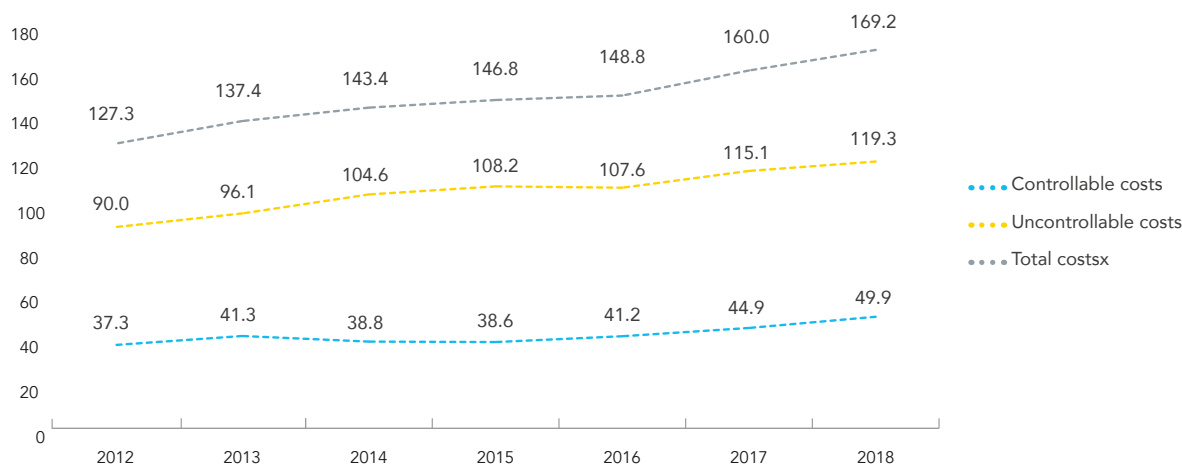
It is worth noting that, within the context of the "Tax shelter", a total of €137,000 was transferred to the tax-free reserves.

Controllable costs mainly include distribution and network operation costs, the costs of maintaining infrastructures and the costs relating to measuring and metering.

Uncontrollable costs mainly include:

- depreciation and decommissioning (€46,460,000 in 2018) including depreciation of capital gains, up by €2,825,000 (+ 6.5%).
- the cost of PSOs (€18,728,000 in 2018), a decrease of €344,000 (- 1.8%).
- the fees for using public roads for gas (€17,440,000 in 2018), an increase of €1,321,000,000 (+ 8.2%);
- taxes (€8,656,000 in 2018), down €1,932,000, which can be explained by the reduction in the tax rate (29.58% in 2018 compared with 33.99% in 2017);
- the financial profit/loss (excluding pension and PSOs) (€21,737,000 in 2018) up €1,465,000 (+7.2%);
- non-capitalised pension costs (€2,848,000 in 2018), down by €503,000 (- 15.0%), these expenses are constantly going down with depreciation coming to an end in 2027 and the outsourcing of annuities.

Changes to gas costs (in m€)



The profit for "Others" amounted to €17,000 compared to €65,000 in 2017.

Total profit for 2018 amounted to €28,732,000 compared with €31,657,000 in 2017, so a reduction of €2,925,000. As part of the allocation of profits, €1,978,000 was allocated to the available reserves, and there was a levy of €715,000, both within the context of complying with the policy introduced within ORES Assets for distributing dividends.

2018 dividends paid to shareholders amounted to €27,470,000 compared to €33,996,000 in 2017.

General remark on the profit/loss for "network operation" activities in 2018

The number of active EAN codes (European Article Numbering = supply point) under the direct responsibility of ORES Assets in 2018 was 1,341,828 for electricity (+ 2.0% compared with 2017) and 485,790 for natural gas (+ 2.0% compared with 2017).

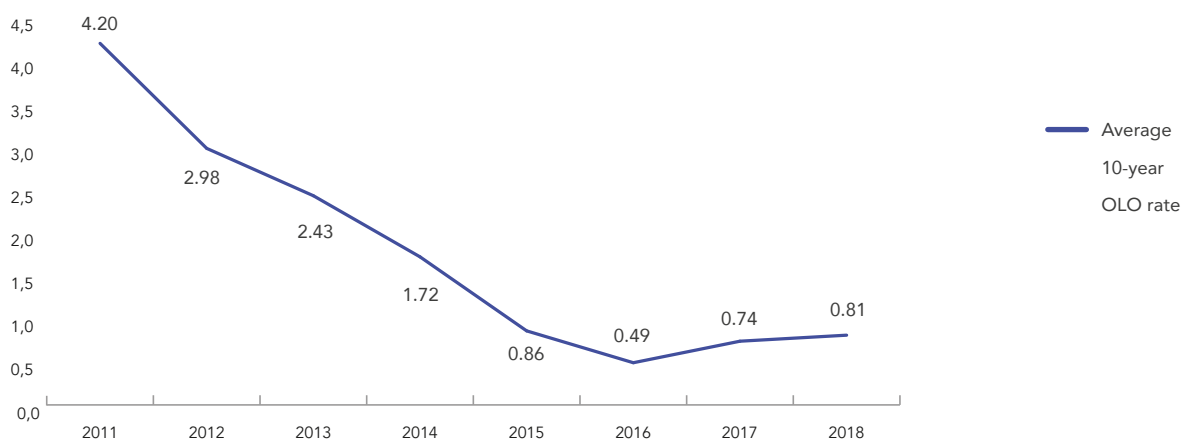
In 2018, the REMCI (Rémunération Equitable Moyenne des Capitaux Investis or average fair remuneration of invested capital) for all of Assets ORES' sectors amounted to:

- **Electricity**: €60,268,000 compared with €58,352,000 in 2017, so + 3.3%;
- **Gas**: €31,553,000 compared with €30,373,000 in 2017, so + 3.9%.

It is worth remembering that the REMCI is influenced by the following factors:

- the average 10-year OLO rate for the financial year;
- the average RAB for the financial year;
- the average equity for the financial year.

Changes to the average 10-year OLO rate (%)



As a reminder, to determine the “primary” yield rate, according to the applicable CWaPE methodology for 2015 to 2018, it is the average 10-year OLO rate for 2013 that must be used, so 2.43%, while the average OLO rate for 2018 is 0.81%.

All sectors combined, the differences in the controllable costs for 2018 (bonus (+) / malus (-)) are as follows:

- **Electricity:** + €5,766,000;
- **Gas:** - €1,436,000.

Regulatory balances were recorded in 2018 for - €26,917,000 (overall, these are regulatory assets) as well as a regulatory balance of - €19,000 for electricity within the context of taking over the electricity networks for 4 municipalities previously run by PBE. They amounted to:

- **Electricity:** - €21,169,000 (RA) and - €19,000 takeover of the 4 municipalities from PBE;
- **Gas:** - €5,748,000 (RA).

In 2017, regulatory assets were recorded for an overall total of €5,982,000.

In 2018, it was an advance payment of 20% on regulatory assets/liabilities for the period between 2008 and 2014 that was collected from the market or returned to it.

After the recovery of these advance payments, the combined balances of regulatory assets and liabilities for all sectors combined for the 2008 to 2018 period amounted to - €73,166,000 (regulatory assets), broken down as follows:

- **Electricity:** - €72,505,000;
- **Gas:** - €661,000.

ITEMS FROM THE BALANCE SHEET AS AT 31 DECEMBER 2018

The balance sheet total of ORES Assets amounts to k€4,108,810 on 31 December 2018 compared to k€3,976,515 on 31 December 2017.

ASSETS

Intangible fixed assets, up €16,397,000 (€64,469,000 as at 31 December 2018) are made up of expenses relating to IT projects and development costs. Investments for the 2018 financial year principally concerned the "Atrias" project and projects linked to the "smartisation" of activities. This increase can be explained as follows:

- investments for the financial year: + €33,540,000;
- depreciation for the financial year: - €16,052,000;
- derecognising installations: - €1,091,000.

Tangible fixed assets went up by €134,077,000; this increase can be explained as follows:

- investments for the financial year: + €249,664,000;
- the takeover of the electricity networks for 4 municipalities previously run by PBE: + €29,570,000;
- depreciation for the financial year: - €137,488,000 (including "depreciation" of the RAB capital gains);
- derecognising installations: - €7,669,000.

With regard to financial fixed assets, it is worth pointing out that ORES Assets has the following shareholdings:

- 2,453 shares in ORES srl;
- 7 shares in Laborelec;
- 2,400 shares in Igretec.

Receivables due in more than one year (€6,045,000) rose by €3,746,000 compared with 2017 (claims on municipalities within the context of replacing HP Hg lamps).

Inventories and orders in progress worth €8,409,000 are made up of work in progress for private individuals and municipalities.

Trade receivables amounted to €147,451,000, down €9,286,000 compared with 31 December 2017. These trade receivables are mainly made up of debts relating to energy suppliers within the context of invoices for transmission fees as well as receivables for protected and "supplier X" customers.

This reduction can be explained as follows:

- reduction in the amount of unpaid receivables: €6,861,000 (€190,349,000 as at 31 December 2018);

- increase in the amount of write-downs carried out: €2,426,000 (- €42,898,000 as at 31 December 2018);

In 2018, some unpaid receivables became bad debts, worth €8,528,000; the write-downs constituted to cover these bad debts have been used. The "other receivables", which, as at 31 December 2018, amounted to €12,911,000, specifically include receivables relating to damage to the network caused by third parties (€2,503,000), VAT to be recovered (€3,718,000) as well as Belgian tax to be recovered (€6,218,000).

Liquid assets amounted to €9,630,000.

Asset adjustment accounts worth €188,632,000 as at 31 December 2018 mainly include the balance of pension capital yet to be covered at €36,131,000, the fees for using public roads for gas of €17,440,000, regulatory assets worth €117,211,000, the charges to carry over relating to work to replace the lamps in the public lighting system for €11,257, as well as the RTNR of €6,252,000.

LIABILITIES

Shareholders' equity as at 31 December 2018 amounted to €1,630,883,000, up €31,614,000 compared with 31 December 2017.

As at 31 December 2018, share capital amounted to €713,028,000, distributed as follows:

- A shares: €479,997,000;
- R shares: €233,031,500

Share capital rose by €771,000, following:

- the capital increase of €18,153,000 at the end of 2018 to finance investments for the financial year. Some of this capital increase (€11,252,000) was funded by the public shareholders via the conversion of R shares;
- the takeover of the electricity network of 4 municipalities previously run by PBE on 1 January 2018, which boosted share capital by €1,043,000;
- Finest subscribing to 1,500 R shares in 2018 for a total of €1,500,000;
- however, a reduction in capital followed the redemption of R shares belonging to shareholders who did not want to convert their R shares to A shares on 1 January 2019 following the implementation of a policy to optimise shareholders' equity applicable as of this date (total redeemed €8,673,000).

As at 31 December 2018, the shareholding structure was as follows:

| | ORES Assets A shares | | ORES Assets R shares | |
|------------------------------------|----------------------|--------------|----------------------|--------------|
| | NUMBER | % | NUMBER | % |
| Shares owned by the municipalities | 1,076,140 | 2.1 | 62,881 | 2.7 |
| Shares owned by IGRETEC | 4 | 0.0 | | |
| Shares owned by IDEFIN | 7,712,510 | 15.3 | 509,411 | 21.9 |
| Shares owned by IPFH | 21,606,698 | 42.7 | 1,322,610 | 56.7 |
| Shares owned by FINEST | 2,341,096 | 4.6 | 2,622 | 0.1 |
| Shares owned by SOFILUX | 5,664,860 | 11.2 | 242,274 | 10.4 |
| Shares owned by FINIMO | 2,910,705 | 5.8 | | |
| Shares owned by IPFBW | 7,827,708 | 15.5 | 145,929 | 6.3 |
| Shares owned by IEG | 1,398,188 | 2.8 | 44,583 | 1.9 |
| Total | 50,537,909 | 100.0 | 2,330,310 | 100.0 |

A shares entitled shareholders to a vote and dividends, whereas R shares only entitle shareholders to dividends.

The revaluation of tangible fixed assets amounts to €528.826,000, representing the initial difference between the RAB and the book value of these assets. This item has gone down by €13,636,000, following the depreciation of the capital gains calculated at a rate of 2% per year for €20,525,000, offset by the capital gains following the takeover from PBE for €6,889,000.

The reserves rose by €44,478,000 following:

- the transfer to the restricted reserves of the depreciation of the revaluation capital gains for a total of €20,525,000 (from the "revaluation capital gains" item);
- changes to the available reserves within the context of allocating profits/losses for a total of €9,117,000 (provision: €15,058,000 and levy: €5,941,000, of which €3,997,000 was on the decision of ORES Assets' General Meetings in June and November 2018 within the context of taking over the electricity networks for 4 municipalities previously run by PBE);

- the take-over of the electricity networks for 4 municipalities previously run by PBE generated an increase to the reserves as at 31.12.2018:
 - statutory reserve: €1,600;
 - restricted reserve: €9,468,000, of which €1,035,000 was incorporated into the share capital in 2018;
 - available reserve: €5,655,000, of which €3,997,000 is part of the levy (see point 2 above).
 Total impact as at 31.12.2018: €14,089,000;
- the transfer of €747,000 to the tax-free reserves relating to the "Tax shelter".

Provisions for risks and expenses went from €25,332,000 to €41,494,000 in 2018, so an increase of €16,162,000. They are made up of environmental provisions worth €3,789,000 and provisions for disputes worth €37,705,000. Among the latter, provisions for disputes, the provisions for moving installations represent €10,104,000 and the provision to cover the applicable risks associated with the switch to the new IT systems needed for market processes and changes to them represent €8,101,000,

as well as the provision within the context of the "Atrias" project worth €19,500,000.

Debts falling due in more than one year amounting to €1,994,675,000 have gone down by €16,036,000. They mainly represent loans taken out from credit institutions and Sowafinal (€703,897,000), as well as funds made available to ORES Assets by ORES scrl (€1,290,600,000).

Debts falling due in more than one year are made up of the capital of bank loans (€139,787,000) to be repaid in 2019.

Miscellaneous suppliers as well as invoices yet to be received make up the bulk of trade debts (€125,640,000 as at 31 December 2018: Elia fee, management costs for ORES scrl, purchasing energy relating to electricity losses and PSOs).

Advance payments received on orders (€26,848,000) include intermediate invoices sent to protected and "supplier X" customers (PSOs), as well as advance payments from clients for work to be carried out.

The withholding tax to be paid on the advance dividend payment (€1,665,000) makes up the tax debts.

The "other debts" item (€91,193,000) mainly includes the balance of gross dividends for 2018 to be paid to shareholders after the Ordinary General Meeting for the 1st half of 2019 (€31,103,000) as well as the balance of the current account with ORES scrl (€55,733,000).

Liability adjustment accounts (€56,625,000) are mainly made up of regulatory balances (€44,045,000) and the unmetered transmission charge (€12,418,000).

1.2. Description of the main risks and uncertainties that it faces

The following paragraphs describe the measures taken to resolve the main known risks and uncertainties faced by the ORES group. Risk management is a key process when it comes to helping ORES fulfil its strategic goals, as documented in the strategic plan. In 2018, ORES

established a new methodology for managing risks. This process identifies, analyses and assesses the relevant risks according to their nature, the probability that they will occur and their potential impact on the fulfilment of ORES' goals. The methodology used in this process is described in the 2018 financial report relating to the BGAAP consolidated accounts for ORES Assets, and more specifically in the section entitled "Description of the main characteristics of the internal auditing and risk management systems". The results for 2018 are explained in more detail below, with the exception of types for which the risk assessment is low (image/reputation, governance, legal, technological). This is a snapshot of the risks at the end of August 2018. As well as this, certain unidentified risks may exist or, while they may seem limited today, may become more significant in the future. However, the purpose of the new methodology is to reduce the probability of ignoring a severe risk by empowering all the departments and thus expanding the sources of information.

A. RISKS ASSOCIATED WITH HUMAN RESOURCES

Risks relating to human resources encompass the risks associated with the company's human capital.

These risks:

- are directly linked to the company's overall performance areas (economic and financial);
- may have a significant, long-term impact within the company.

These risks may in particular reduce the company's capacity to access the staff it needs to operate successfully. This means an adequate number of members of staff, but also members of staff who are competent and motivated.

The transformation plan ORES and its projects and programmes require significant human resources. As well as this, continuity and quality of service must be maintained at all times, as electricity and gas are essential basic necessities, the distribution of which cannot be suspended due to transformation measures.

Three potential risks have thus been identified in terms of human resources:

- the sustainability of work, mainly for resources involved in the transformation being implemented at the same time as ensuring business-as-usual;
- the capacity to attract, recruit and keep the talented individuals needed, particularly in highly competitive sectors such as IT;
- the management of salary costs in the medium- and long-term, in relation to the pricing envelope granted by the regulator for the 2019-2023 period and ORES' goal to guarantee pricing management and stability.

A huge programme has been developed to anticipate, manage and overcome these risks.

An impact analysis is carried out with the projects. The purpose of this is to optimise the way the company is organised in relation to the needs of projects and the wellbeing of workers. In practical terms, it involves encouraging career changes for some members of staff, introducing career meetings, adopting a new approach to managing mobility and identifying critical positions and high levels of potential.

The recruitment policy has been adapted to the new challenges. New recruitment channels, focusing mainly on digital solutions have been put in place. Recruitment is increasingly geared towards candidates' capacity to learn and change.

Alongside this, more attention is paid to the wellbeing and working environment of workers. An employee satisfaction survey is carried out using different tools: wellbeing questionnaire, employee satisfaction "thermometer", vox pops. ORES has established an environment that encourages creativity, interaction and wellbeing in the workplace.

The issue of "human resources" is regularly monitored on the basis of key indicators. Particular attention is paid to analysing absenteeism and support when returning to work.

Special attention is paid to managing salary costs. Remuneration systems, including salaries and non-salary items, are regularly reviewed in order to keep changes

in salary costs under control in the medium- and long-term, whilst also guaranteeing respect for legislation and applicable agreements on the one hand, and attracting and retaining qualified individuals on the other.

Internal control when it comes to salary costs is also consolidated, alongside tax and social security monitoring.

B. RISKS ASSOCIATED WITH STRATEGY

This type encompasses the risks associated with ORES' ability to define and implement a strategy and action plan in the form of concrete programmes and projects.

These risks may manifest themselves as difficulties:

- understanding the environment outside the company;
- putting together strategies that are visionary enough to ensure the organisation's relevance and longevity;
- communicating the strategy at organisational level;
- completing strategic programmes and projects successfully.

The context of distributing electricity and gas is faced with increasingly rapid and uncertain changes. This means that there is growing tension between the company's desire to implement a strategy designed to anticipate the needs of customers and the expectations of authorities, and the risk that changes in legislation or technology could have a significant impact on this strategy.

On this basis, a major risk for 2018 was the change to the strategy for rolling out smart meters introduced by the Walloon government. Although the draft decree approved at its first reading by the Walloon government included a widespread roll-out plan in line with ORES' project, the final text stipulates a partial roll-out for network operators, limited to certain groups of customers.

The uncertainty in relation to Atrias' ability to be operational in 2020 is also a risk factor. The development of this new federal clearing house for managing data and processes connected to the electricity and gas supply market is indeed experiencing a number of difficulties, creating uncertainty about the timing and the perimeter.

Lastly, more generally, there is a question about the company's ability to adapt to a context that is changing increasingly rapidly and unpredictably.

ORES reacted immediately to the change in the roll-out strategy for smart meters that was suddenly introduced by the regional authorities. The programme was reorganised and considerable work was done to identify what to keep and the changes to be made to respond to the new legal requirements. Synergies were pursued and developed with the other major DSO in the Walloon Region, RESA, to come up with the most effective joint solutions possible.

The development of the Atrias project is closely monitored by the Management Committee. Factors dependent on other programmes and the transformation plan, as well as the financial impacts and any impact on the company's legal obligations are identified and monitored on an ongoing basis. The necessary resources are mobilised to make sure that ORES' contribution to this federal project is at the required level.

As far as the company and its strategy's ability to adapt are concerned, the strategic plan is updated annually to make sure it is relevant to the context outside the company. In 2018 there was a major overhaul of the strategic plan (still in keeping with the original one), setting a framework for 2019 - 2025, incorporating the transformation plan in particular.

C. ECONOMIC AND FINANCIAL RISKS

TARIFF-RELATED RISK

ORES' activities are governed by a major legislative and regulatory framework, the main two elements of which are the tariff decree and the tariff methodology, drawn up on the basis of this decree by the CWaPE. In particular, this framework defines the means available to the DSO to fund its activities (authorised income) or a collection of rules that may have a positive or negative impact on shareholders' remuneration (incentive-driven regulation mechanism). The decisions taken by the regulator within the context of the 2019 - 2023 tariff methodology could put pressure on ORES' authorised income, which could have an impact on the quality of services and/or the fulfilment of some of the company's targets. The tariff methodology, more incentive-driven than previous

ones, also presents some risks, including for example differences in controllable costs, non-compliance with the incentive-driven mechanisms, or going over budget for specific projects. To mitigate this risk, a number of measures have been taken within the context of approving the 2019 - 2023 tariffs: caution when preparing budgets used as the basis for the authorised income, monthly monitoring of the main cost components etc. ORES authorised income for 2019 - 2023 was approved in 2018, as was its roll-out to tariffs in 2019, so this risk has gone down.

Lastly, the company must make sure that it respects financial covenants, which are now monitored on a regular basis.

CREDIT RISKS

ORES is pursuing a financing policy which calls on a variety of sources in the capital markets. Since 2012, the Group's funding has been done by ORES scrl, with a guarantee from ORES Assets scrl.

In 2018, the sources of funding included:

- a programme of commercial papers with an indefinite duration up to a maximum of €550 million;
- amounts collected via private investments (in 2012, 2014 and 2015 via bond markets or another);
- the issuing of bank loans;
- significant finance raised from the European Investment Bank (€550 million);
- a short-term credit line for an overall total of €50 million.

INTEREST RATE RISKS

Any change in interest rates has an impact on the level of financial expenses. In order to minimise this risk, ORES applies a financing and debt management policy designed to achieve an optimum balance between fixed and variable interest rates. As well as this, hedging instruments are used to protect against uncertainty. The financing policy also takes debt maturity into account. With a view to managing interest rate risks, ORES uses derivatives such as swaps (short-term rates to long-term rates), interest rate caps and collars (combination of buying a cap and selling a floor). Debt management and market data are carefully monitored. No derivatives are used for the purposes of speculation.

TAX RISK

ORES Assets scrl and ORES scrl are subject to corporation tax. Currently, the tariff methodology stipulates that any fiscal charges are incorporated into tariffs and as a result, the impact of changes in tax legislation is limited for the ORES group.

ASSETS AND LIABILITIES AND LIQUIDITY RISKS

Within the context of managing these risks and billing fees to use the networks, ORES has financial guarantees from all of the energy suppliers active on the network. These financial guarantees are defined by the contract granting access to the network and may be reviewed annually. The company is also reinforcing specific measures to recover debts relating to work carried out as part of operating the networks, by awarding public contracts to recovery companies.

ORES has short-term financing capacity thanks to its programme of commercial papers and credit lines as outlined above; the liquidity risk can therefore be regarded as virtually non-existent. Cash flow management helps limit the risks associated with the market, the way assets and liabilities are structured and liquidity. The management bodies have established a prudent investment management policy, based on diversification as well as the use of products with limited risks in terms of credit and rates. ORES is aware of the issue of negative interest rates when it comes to managing its cash flow. Finally, it is worth pointing out that the 2018 tariff methodology stipulates that all the costs associated with the financing policy are covered by the regulatory budget.

MACRO-ECONOMIC AND FINANCIAL CLIMATE RISKS

The current economic climate may have repercussions on the demand for electricity and natural gas, or on ORES' financing conditions, or even on the profit due to be distributed to shareholders. These risks and their effects are not normally borne by the Group. The tariff methodology means that they can be taken into account within the context of regulatory balances being approved and allocated, in theory, to the tariffs for the next regulatory period.

D. REGULATORY RISKS

This type encompasses the risks associated with a potential change (or an unwanted lack of change) in elements of the legislative and regulatory framework governing ORES (European, federal or regional legislation; regulator's decisions; market model).

This type takes on a particular dimension for a company with a public monopoly, whose scope of activities is heavily determined by the regulatory framework. In ORES' case, these mainly involve the roles imposed by Wallonia's electricity and gas decrees.

The risks associated with the tariff decree and methodology are covered by "Economic and Financial" risks.

The main regulatory risk identified in 2018 is linked to a collection of actual or potential changes to the regulatory framework that might result in a reduction in the volumes of electricity and gas billed. A framework more conducive to direct lines, an increase in requirements in terms of buildings' energy efficiency, new mechanisms for private networks etc. are some examples of these risks.

Structurally, ORES maintains extensive, proactive relationships with Walloon authorities and administrations, as well as all the stakeholders to keep them informed of the potential effects of the measures taken or envisaged by the authorities on the role of network operator. ORES is involved with discussions within the "Energy" division of the Economic, Social and Environmental Council of Wallonia (Conseil économique social et environnemental de Wallonie, CESW). This is an advisory body responsible for passing on views relating to energy policy at the request of the Government, the regional energy administration, the CwaPE or specific initiatives.

Concrete measures have also been introduced to anticipate and incorporate the main changes in society and the market model into ORES's activities and a sustainable approach to operating the network: a pilot e-cloud project designed to test collective self-consumption via the public network in a business park, a tariff analysis to incorporate the effects of new means of production and consumption, increased attention paid to the role of market facilitator (part of the DSO's legal responsibilities), the establishment of an innovation unit, the

promogaz programme to increase the number of clients connected to the existing network, support for the use of CNG vehicles etc.

Focusing more specifically on the risk associated with the 2019 regional elections, the decision was made to put together a memo aimed at the political parties.

E. IT RISKS

IT risks are risks

- associated with the use, possession, operation, involvement, influence and adoption of IT solutions at ORES. It is a vital tool for the company;
- including the unauthorised distribution of information, errors, fraud, business interruption following an equipment or software fault, inefficient planning, as well as risks associated with individual IT operations.

In particular, the risk may manifest itself in a lack of modern tools and applications making it possible to fulfil the role of DSO, run the networks or process and provide information.

The challenges connected to the company's transformation represent risks associated with the modernisation and implementation of new IT platforms such as: data platform, customer platform, AMI Smart systems, EAM etc. The impact on current systems is significant both from a technological point of view, and in terms of activities.

In terms of day-to-day management, some risks are inherent in IT activities and must be covered by managing obsolescence and using security tools to prevent losses, data theft and service interruptions. Situations where there is heavy dependence on certain external suppliers to manage some of our operational activities are also something to think about.

The implementation and consolidation of the transformation plan are factors that significantly reduce the risks described above. A roadmap incorporating end-of-life application replacement has been drawn up, with a system for monitoring applications to anticipate obsolescence. Implementing the GDPR and NIS regulations also helps reduce the risks associated with IT security by introducing strategies for controlling and monitoring how data is handled and identify the systems that are critical for fulfilling our roles. The risk of dependence on suppliers

with a monopoly position is reduced by prioritising tried and tested technologies and standards (adopt before adapt), insourcing applications and increasing the involvement of the IT department in specifications.

F. OPERATIONAL RISKS

Operational risks are those that might affect the company's ability to carry out activities rigorously and in accordance with defined targets, deadlines and budgets, as well as being able to bear comparison with other operators. These risks may come from systems or processes, or external events, staff errors in the broadest sense (whether intentional or not), such as:

- the risks associated with damage to the networks;
- technological risks;
- the risks of black-outs or shortages;
- climate risks;
- environmental risks;
- the risks of legal disputes;
- IT and telecom risks.

There may be different origins: human error, fraud, failings in IT systems, natural failure.

At an operational level, the risks of network disruption or paralysis are an integral part of the work of a network operator, along with securing sites, poles and cabins, data etc. These risks may potentially be aggravated by the ageing of the network.

Alongside this, the risk of ORES' logistics centre shutting down has also been identified.

Many measures are taken to reduce the risks of network disruptions and to manage their resolution more effectively if they do occur: lessons learned, preventive maintenance and new investments, network monitoring, PIU safeguarding plans, emergency power supplies, exercises and simulations, raising staff awareness etc. Master plans and key indicators are used to monitor the ageing of the network and the impact on its performance in terms of reliability. ORES regularly invests in its network, and works with suppliers to improve the reliability of the equipment that it purchases for them. Ultimately, an analysis needs to be carried out in order to identify whether investments need to be consolidated in response to ageing.

Awareness is also raised among ORES staff about security issues. Subcontractors are informed and monitored in relation to these issues. A collection of physical (passes, barriers, intrusion detection, patrolling security guards) and data (firewalls, data quality action plans, IT security measures, GDPR implementation and monitoring) protection measures have been introduced. As well as this, the quality of suppliers is monitored and acceptance criteria for equipment have been reinforced as required to overcome some failings that have been observed.

Lastly, the risks associated with the logistics centre are mitigated by measures to prevent fires, secure the electricity supply and provide preventive maintenance for the robotics tool.

1.3. Information on significant events that occurred after the year end

On 1 January 2019, the procedures needed to implement the new dividend policy were implemented. The R shares existing on this date were converted to A shares. The available reserves as at 31 December 2018 were incorporated into the capital, also resulting in the creation of A shares. Appendix 1 of the articles of association has been updated to include details of the number of A shares following these processes and is included at the end of the 2018 financial report for the ORES Assets accounts.

On 7 February 2019, the CWaPE approved the periodic proposed tariffs for electricity and gas for ORES Assets' 2019-2023 regulatory period. The non-periodic tariffs for the same period were approved on 20 February 2019.

On the basis of the approval by ORES Assets shareholders of the process involving the (partial) transfer of the municipalities of Celles, Comines-Warneton, Ellezelles and Mont-de-l'Enclus de Gaselwest to ORES Assets for the management of the electricity and natural gas distribution networks, as of 1 January 2019. These 4 municipalities have been incorporated into the Mouscron sector. The part of the municipality of Frasnes-lez-Anvaing previously associated with Gaselwest was also transferred from the Hainaut sector to the Mouscron sector. As of this date, the tariffs for the Mouscron sector are applicable for these entities.

1.4. Information about the circumstances likely to have a significant influence on the company's development, insofar as they are not of a nature that will seriously damage the company

None

1.5. Information about research and development activities

The development of techniques relating to running the networks, smart metering and other developments show that significant development costs are generated and that it is highly probable that they will be spread over longer periods of time than in the past. With this in mind, ORES scrl has chosen to capitalise staff expenditure relating to researchers, technicians and other support personnel, insofar as they are allocated to a "development" project.

1.6. Information about the existence of branches of the company

None

1.7. Justification of the application of accounting rules on the basis of a going concern if the balance sheet shows a loss carried over or if there is a loss according to the profit and loss statement for two years in a row

The balance sheet does not show any loss carried over and the profit and loss statement does not show a loss for two years in a row.

1.8. All the information that needs to be included here by virtue of this code

We consider the report contains all the information required by virtue of the Code des Sociétés (Belgian company law)

1.9. Use of financial instruments by the company

Until 2012, the 8 combined DSOs that merged to create ORES Assets were financed by bank loans (via public contracts) from leading Belgian financial institutions.

Since 2012, the group's funding has been done by ORES scrl, which means that the group can benefit from different financing sources. This funding by ORES scrl is guaranteed by ORES Assets.

Outside bank financing (which has not been subject to a public contract since 30 June 2017), as at 31 December 2018, ORES scrl:

- has a programme of commercial papers worth €550 million with an indefinite duration;
- has a line of credit renewed annually for a total of €50 million, the renewal of which is currently being analysed as this report is being written;
- issued bonds in 2012 admitted to the official listing and to be negotiated on the regulated market of the Luxembourg stock exchange within the context of a private investment. Some of this loan was the subject of a buy-out during 2018;
- issued bonds in 2014 and 2015 admitted to the listing and to be negotiated on the "Open market" segment of the Frankfurt stock exchange in the form of private investments;
- secured a financing programme from the EIB (European Investment Bank) in 2017 for a total of €550 million to be drawn over 5 years.

In 2018, ORES took out two new bank loans worth €80 million and drew €100 million from the EIB financing programme.

ORES will continue to pursue a financing policy which calls on a variety of sources in the capital markets.

The financing policy is based on three points (interest rate, loan term and use of hedging derivatives). These principles were the subject of decisions made by the competent bodies of ORES Assets and ORES scrl. The financing policy also takes into account different lifetimes of loans and the lifetimes of assets.

Particular attention is paid to changes in interest rates. Indeed, any variation in interest rates has an impact on the level of financial expenses. In order to protect themselves against this risk, ORES and ORES Assets are careful, when it comes to debt management, to find the optimum balance for loans at variable and fixed interest rates in its portfolio.

As well as this, hedging instruments are used to protect against increases in interest rates.

This risk is managed thanks to the use of derivatives such as interest rate swaps (short-term rates to long-term rates), interest rate caps and collars (combination of buying a cap and selling a floor). No derivatives are used for the purposes of speculation.

1.10. Justification of independence and competence in terms of accounts and auditing of at least one member of the audit committee

Since June 2017, Mr Stéphane Lasseaux, a trained accountant, has been Chairman of the Committee, justifying de facto independence and the required competence.

A new Audit Committee was set up after the General Meeting on 28 June 2018.

This Committee (which became compulsory for ORES Assets following the decree of 29 March 2018 modifying the CDLD), was put together as a mirror committee for ORES and ORES Assets, in accordance with the joint governance rules and the requirements of the CDLD.

Mrs Florence Van Hout was appointed Chairman of this Committee, justifying the necessary independence and competence like Mr Stéphane Lasseaux, who continued to be a member of the Committee. In fact, on the one hand, they both fulfil the criteria of article 526ter of the Code des sociétés (Belgian company law) and, on the other hand, they both have the required experience in terms of accounts, audits and financial matters, in accordance with the law of 7 December 2016. These two elements were confirmed in a certificate.

1.11. Additional information

The intermunicipal company does not have its own staff.

Since the General Meeting on 22 June 2017, a “mirror” Board of Directors has been in place within ORES Assets scrl and ORES scrl, without remuneration in ORES Assets scrl and payment of wages in ORES scrl.

These annual accounts are subject to an administrative control procedure.

This management report will be submitted in full to the National Bank of Belgium (comments on the accounts and annual accounts, the latter in the format of the full standardised template), accompanied by the non-financial information (introduction and activity and sustainable development report – Statement on non-financial information), the remuneration report and the list of shareholders as at 31 December 2018 (appendix 1 point 1).

2. Annual financial statement

2.1. Balance sheet

BALANCE SHEET AFTER APPROPRIATION

| | Ann. | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-----------|-------|-------------------------|-------------------------|
| ASSETS | | | | |
| Set-up costs | 6.1 | 20 | | |
| FIXED ASSETS | | 21/28 | 3,735,732,895.08 | 3,585,266,886.03 |
| Intangible assets | 6.2 | 21 | 64,468,799.88 | 48,071,300.65 |
| Fixed assets | 6.3 | 22/27 | 3,670,612,782.60 | 3,536,535,867.34 |
| Land and buildings | | 22 | 111,612,987.70 | 93,710,434.52 |
| Plant, machinery and equipment | | 23 | 3,523,261,810.33 | 3,410,764,088.78 |
| Furniture and vehicles | | 24 | 35,098,076.18 | 31,396,403.88 |
| Leasing and similar charges | | 25 | | |
| Other fixed assets | | 26 | 639,908.39 | 664,940.16 |
| Fixed assets in progress and advance payments | | 27 | | |
| Financial assets | 6.4/6.5.1 | 28 | 651,312.60 | 659,718.04 |
| Affiliated companies | 6.15 | 280/1 | 456,258.00 | 456,258.00 |
| Holdings | | 280 | 456,258.00 | 456,258.00 |
| Receivables | | 281 | | |
| Other companies with which there is a participating relationship | 6.15 | 282/3 | | |
| Holdings | | 282 | | |
| Receivables | | 283 | | |
| Other financial fixed assets | | 284/8 | 195,054.60 | 203,460.04 |
| Stocks and shares | | 284 | 16,891.92 | 16,891.92 |
| Receivables and cash guarantees | | 285/8 | 178,162.68 | 186,568.12 |
| CURRENT ASSETS | | 29/58 | 373,077,114.83 | 391,248,520.86 |
| Amounts receivable after one year | | 29 | 6,044,698.89 | 2,298,863.29 |
| Trade receivables | | 290 | | |
| Other receivables | | 291 | 6,044,698.89 | 2,298,863.29 |
| Inventories and orders in progress | | 3 | 8,408,873.83 | 11,563,831.50 |
| Stocks | | 30/36 | | |
| Provisions | | 30/31 | | |
| Work in progress | | 32 | | |
| Finished products | | 33 | | |
| Goods | | 34 | | |
| Property held for sale | | 35 | | |
| Advance payments | | 36 | | |
| Orders in progress | | 37 | 8,408,873.83 | 11,563,831.50 |
| Amounts receivable within one year | | 40/41 | 160,361,688.52 | 162,760,327.19 |
| Trade receivables | | 40 | 147,450,579.33 | 156,737,454.55 |
| Other receivables | | 41 | 12,911,109.19 | 6,022,872.64 |
| Cash investments | 6.5.1/6.6 | 50/53 | | |
| Treasury shares | | 50 | | |
| Other investments | | 51/53 | | |
| Disposable assets | | 54/58 | 9,630,294.24 | 9,874,998.28 |
| Accruals | 6.6 | 490/1 | 188,631,559.35 | 204,750,500.60 |
| TOTAL ASSETS | | 20/58 | 4,108,810,009.91 | 3,976,515,406.89 |

| | Ann. | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-------|-------|-------------------------|-------------------------|
| LIABILITIES | | | | |
| SHAREHOLDERS' EQUITY | | 10/15 | 1,630,883,330.43 | 1,599,269,233.84 |
| Capital | 6.7.1 | 10 | 713,027,926.44 | 712,256,695.93 |
| Subscribed capital | | 100 | 713,027,926.44 | 712,256,695.93 |
| Non-subscribed capital | | 101 | | |
| Share premium | | 11 | | |
| Revaluation surplus | | 12 | 528,826,180.90 | 542,461,733.07 |
| Reserves | | 13 | 389,029,223.09 | 344,550,804.84 |
| Legal reserve | | 130 | 368,419.80 | 366,819.18 |
| Unavailable reserves | | 131 | 246,697,953.38 | 217,740,860.65 |
| For treasury shares | | 1310 | | |
| Other | | 1311 | 246,697,953.38 | 217,740,860.65 |
| Untaxed reserves | | 132 | 2,235,600.00 | 1,488,000.00 |
| Available reserves | | 133 | 139,727,249.91 | 124,955,125.01 |
| Profit (Loss) carried over | | 14 | | |
| Investment grants | | 15 | | |
| Advance to the shareholders on the distribution of the net assets | | 19 | | |
| PROVISIONS AND DEFERRED TAXATION | | 16 | 41,493,563.91 | 25,331,479.67 |
| Provisions for risks and charges | | 160/5 | 41,493,563.91 | 25,331,479.67 |
| Pensions and similar obligations | | 160 | | |
| Taxes | | 161 | | |
| Major repairs and maintenance | | 162 | | |
| Environmental bonds | | 163 | 3,788,933.01 | 5,788,933.01 |
| Other risks and charges | 6.8 | 164/3 | 37,704,630.90 | 19,542,546.66 |
| Deferred tax | | 168 | | |
| DEBTS | | 17/49 | 2,436,433,115.57 | 2,351,914,693.38 |
| Amounts payable after one year | 6.9 | 17 | 1,994,675,165.67 | 2,010,710,971.04 |
| Financial liabilities | | 170/4 | 1,994,497,165.67 | 2,010,683,971.04 |
| Subordinated loans | | 170 | | |
| Non-subordinated bond issues | | 171 | | |
| Leasing and other similar debts | | 172 | | |
| Credit institutions | | 173 | 696,782,879.94 | 785,448,256.74 |
| Other borrowing | | 174 | 1,297,714,285.73 | 1,225,235,714.30 |
| Trade liabilities | | 175 | | |
| Suppliers | | 1750 | | |
| Notes payable | | 1751 | | |
| Prepayments received on orders | | 176 | | |
| Other amounts payable | | 178/9 | 178,000.00 | 27,000.00 |
| Amounts payable within one year | | 42/48 | 385,132,859.76 | 290,474,762.54 |
| Long-term debts falling due this year | 6.9 | 42 | 139,786,805.33 | 94,731,597.74 |
| Financial liabilities | | 43 | | |
| Credit institutions | | 430/8 | | |
| Other borrowing | | 439 | | |
| Trade liabilities | | 44 | 125,640,158.06 | 122,237,137.88 |
| Suppliers | | 440/4 | 125,640,158.06 | 122,237,137.88 |
| Notes payable | | 441 | | |
| Prepayments received on orders | | 46 | 26,847,648.82 | 25,528,812.00 |
| Taxes, wages and social liabilities | 6.9 | 45 | 1,664,936.74 | 4,903,201.66 |
| Taxes | | 450/3 | 1,664,936.74 | 4,903,201.66 |
| Remuneration and social security | | 454/9 | | |
| Other amounts payable | | 47/48 | 91,193,310.81 | 43,074,013.26 |
| Accruals | 6.9 | 492/3 | 56,625,090.14 | 50,728,959.80 |
| TOTAL LIABILITIES | | 10/49 | 4,108,810,009.91 | 3,976,515,406.89 |

2.2. BALANCE SHEET BY SECTOR

| ASSETS (amounts in €) | Codes | ORES Namur | ORES Hainaut | ORES East | ORES Luxembourg |
|---|--------------|-----------------------|-------------------------|-----------------------|-----------------------|
| FIXED ASSETS | 21/28 | 583,369,267.96 | 1,511,059,282.45 | 176,742,785.71 | 423,927,333.11 |
| II. INTANGIBLE ASSETS | 21 | 0.00 | 0.00 | 0.00 | 0.00 |
| III. TANGIBLE ASSETS | 22/27 | 583,308,143.63 | 1,510,698,478.49 | 176,710,423.38 | 423,872,400.68 |
| A. Land and buildings | 22 | 9,568,346.63 | 27,733,386.53 | 4,122,676.07 | 5,920,989.34 |
| B. Technical facilities and machines | 23 | 570,964,550.87 | 1,476,328,902.06 | 171,820,717.70 | 416,187,058.49 |
| C. Furniture, rolling stock and tooling | 24 | 2,774,869.59 | 5,996,658.05 | 767,029.61 | 1,764,352.85 |
| E. Other tangible assets | 26 | 376.54 | 639,531.85 | - | - |
| IV. CAPITAL ASSETS | 28 | 61,124.33 | 360,803.96 | 32,362.33 | 54,932.43 |
| A. Affiliates | | | | | |
| 1. Securities holdings | 280 | 60,636.00 | 228,594.00 | 12,834.00 | 35,526.00 |
| B. Other companies with a shareholding connection | | | | | |
| 1. Stocks and shares. | 282 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other capital assets. | | | | | |
| 1. Stocks and shares. | 284 | 288.33 | 15,161.94 | 288.33 | 288.33 |
| 2. Cash receivables and guarantees | 285/8 | 200.00 | 117,048.02 | 19,240.00 | 19,118.10 |
| CURRENT ASSETS | 29/58 | 48,741,001.19 | 202,895,644.41 | 14,908,762.50 | 21,945,620.52 |
| V. RECEIVABLES DUE IN MORE THAN ONE YEAR | 29 | 718,133.99 | 4,115,491.78 | 84,880.85 | 276,566.79 |
| A. Trade receivables | 290 | 0.00 | 0.00 | 0.00 | - |
| B. Other receivables. | 291 | 718,133.99 | 4,115,491.78 | 84,880.85 | 276,566.79 |
| VI. INVENTORY AND ORDERS IN PROGRESS | 3 | 958,559.91 | 3,913,989.70 | 436,244.50 | 805,888.48 |
| B. Order in progress | 37 | 958,559.91 | 3,913,989.70 | 436,244.50 | 805,888.48 |
| VII. RECEIVABLES DUE WITHIN ONE YEAR | 40/41 | 24,142,205.26 | 78,392,806.08 | 6,056,412.15 | 16,198,641.49 |
| A. Trade receivables | 40 | 22,383,105.40 | 72,701,944.14 | 5,707,331.88 | 14,160,673.77 |
| B. Other receivables | 41 | 1,759,099.86 | 5,690,861.94 | 349,080.27 | 2,037,967.72 |
| IX. CASH ASSETS | 54/58 | 12,123.29 | -2,302.22 | 999.99 | 1,000.02 |
| X. ADJUSTMENT ACCOUNTS. | 490/1 | 22,909,978.74 | 116,475,659.07 | 8,330,225.01 | 4,663,523.74 |
| TOTAL ASSETS | | 632,110,269.15 | 1,713,954,926.86 | 191,651,548.21 | 445,872,953.63 |

| ASSETS (amounts in €) | Codes | ORES Verviers | ORES Walloon Brabant | ORES Mouscron | Common sector | TOTAL ORES Assets |
|---|--------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| FIXED ASSETS | 21/28 | 202,920,419.80 | 589,062,421.58 | 104,299,408.08 | 144,351,976.39 | 3,735,732,895.08 |
| II. INTANGIBLE ASSETS | 21 | 0.00 | 0.00 | 0.00 | 64,468,799.88 | 64,468,799.88 |
| III. TANGIBLE ASSETS | 22/27 | 202,897,811.47 | 588,981,667.25 | 104,273,637.75 | 79,870,219.95 | 3,670,612,782.60 |
| A. Land and buildings | 22 | 7,130,677.15 | 8,874,031.93 | 1,353,163.56 | 46,909,716.49 | 111,612,987.70 |
| B. Technical facilities and machines | 23 | 194,735,558.45 | 577,505,771.54 | 102,656,999.30 | 13,062,251.92 | 3,523,261,810.33 |
| C. Furniture, rolling stock and tooling | 24 | 1,031,575.87 | 2,601,863.78 | 263,474.89 | 19,898,251.54 | 35,098,076.18 |
| E. Other tangible assets | 26 | - | - | - | - | 639,908.39 |
| IV. CAPITAL ASSETS | 28 | 22,608.33 | 80,754.33 | 25,770.33 | 12,956.56 | 651,312.60 |
| A. Affiliates | | | | | | |
| 1. Securities holdings | 280 | 22,320.00 | 70,866.00 | 25,482.00 | 0.00 | 456,258.00 |
| B. Other companies with a shareholding connection | | | | | | |
| 1. Stocks and shares. | 282 | - | 0.00 | 0.00 | - | 0.00 |
| C. Other capital assets. | | | | | | |
| 1. Stocks and shares. | 284 | 288.33 | 288.33 | 288.33 | - | 16,891.92 |
| 2. Cash receivables and guarantees | 285/8 | - | 9,600.00 | - | 12,956.56 | 178,162.68 |
| CURRENT ASSETS | 29/58 | 23,861,358.05 | 42,519,232.68 | 10,849,598.27 | 7,355,897.21 | 373,077,114.83 |
| V. RECEIVABLES DUE IN MORE THAN ONE YEAR | 29 | 9,271.28 | 721,525.83 | 118,828.37 | 0.00 | 6,044,698.89 |
| A. Trade receivables | 290 | - | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Other receivables. | 291 | 9,271.28 | 721,525.83 | 118,828.37 | 0.00 | 6,044,698.89 |
| VI. INVENTORY AND ORDERS IN PROGRESS | 3 | 367,879.66 | 1,567,084.93 | 359,226.65 | - | 8,408,873.83 |
| B. Order in progress | 37 | 367,879.66 | 1,567,084.93 | 359,226.65 | - | 8,408,873.83 |
| VII. RECEIVABLES DUE WITHIN ONE YEAR | 40/41 | 9,382,242.28 | 21,181,666.84 | 7,258,370.34 | -2,250,655.92 | 160,361,688.52 |
| A. Trade receivables | 40 | 8,655,128.92 | 18,862,373.20 | 4,980,022.02 | - | 147,450,579.33 |
| B. Other receivables | 41 | 727,113.36 | 2,319,293.64 | 2,278,348.32 | -2,250,655.92 | 12,911,109.19 |
| IX. CASH ASSETS | 54/58 | 1,874.66 | 9,045.41 | 999.96 | 9,606,553.13 | 9,630,294.24 |
| X. ADJUSTMENT ACCOUNTS | 490/1 | 14,100,090.17 | 19,039,909.67 | 3,112,172.95 | - | 188,631,559.35 |
| TOTAL ASSETS | | 226,781,777.85 | 631,581,654.26 | 115,149,006.35 | 151,707,873.60 | 4,108,810,009.91 |

| LIABILITIES (amounts in €) | Codes | ORES Namur | ORES Hainaut | ORES East | ORES Luxembourg |
|--|--------------|-----------------------|-------------------------|-----------------------|-----------------------|
| EQUITY CAPITAL | 10/15 | 260,432,350.13 | 719,275,054.89 | 61,078,767.60 | 187,716,692.16 |
| I. SHARE CAPITAL | 10 | 176,308,363.13 | 270,419,380.36 | 25,883,395.46 | 103,036,910.76 |
| A. Subscribed capital | 100 | 176,308,363.13 | 270,419,380.36 | 25,883,395.46 | 103,036,910.76 |
| III. UPWARD VALUE ADJUSTMENTS | 12 | 30,652,286.88 | 290,249,547.35 | 19,441,468.57 | 31,663,295.92 |
| IV. RESERVES | 13 | 53,471,700.12 | 158,606,127.18 | 15,753,903.57 | 53,016,485.48 |
| A. Statutory reserve | 130 | 137,674.53 | 68,172.01 | 8,259.81 | 16,397.76 |
| B. Unavailable reserves | 131 | | | | |
| 2. Other | 1311 | 33,478,209.01 | 90,984,614.15 | 11,874,384.69 | 31,874,865.96 |
| C. Tax-free reserves | 132 | 355,838.16 | 1,023,005.88 | 91,957.20 | 232,207.68 |
| D. Available reserves | 133 | 19,499,978.42 | 66,530,335.14 | 3,779,301.87 | 20,893,014.08 |
| PROFIT/LOSS FOR THE PERIOD | | 0.00 | 0.00 | 0.00 | 0.00 |
| PROVISIONS FOR RISKS AND EXPENSES | 16 | 4,494,893.14 | 25,158,182.28 | 937,042.50 | 2,530,020.10 |
| VII. PROVISIONS AND DEFERRED TAXES | 16 | 4,494,893.14 | 25,158,182.28 | 937,042.50 | 2,530,020.10 |
| A. Provisions for risks and expenses. | 160/5 | | | | |
| 4. Other risks and expenses | 163/5 | 4,494,893.14 | 25,158,182.28 | 937,042.50 | 2,530,020.10 |
| Environmental provisions | 163 | 169,515.00 | 3,308,000.01 | 0.00 | 0.00 |
| Provisions for disputes | 164 | 4,325,378.14 | 21,850,182.27 | 937,042.50 | 2,530,020.10 |
| DEBTS | 17/49 | 367,183,025.88 | 969,521,689.69 | 129,635,738.11 | 255,626,241.37 |
| VIII. DEBTS DUE IN MORE THAN ONE YEAR | 17 | 302,573,515.62 | 797,706,203.89 | 108,158,656.41 | 212,240,760.11 |
| A. Financial debt | 170/4 | | | | |
| 4. Credit institutions | 173 | 103,454,391.20 | 246,361,530.60 | 44,021,893.11 | 69,556,563.11 |
| 5. Other loans | 174 | 199,119,124.42 | 551,344,673.29 | 64,136,763.30 | 142,684,197.00 |
| D. Other debts | 179 | 0.00 | 0.00 | 0.00 | 0.00 |
| IX. DEBTS DUE WITHIN ONE YEAR | 42/48 | 54,216,519.15 | 161,031,015.08 | 19,777,103.01 | 35,142,392.72 |
| A. Debts due in more than one year due in the year | 42 | 21,331,461.31 | 56,369,364.27 | 9,261,197.71 | 16,996,138.03 |
| B. Financial debt | 43 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Commercial debts | 44 | | | | |
| 1. Suppliers | 440/4 | 20,519,071.14 | 50,360,492.46 | 5,480,399.88 | 12,447,454.83 |
| D. Prepayments received on orders | 46 | 5,045,047.17 | 12,501,015.68 | 1,324,076.83 | 1,232,130.89 |
| E. Tax, salary and social liabilities | 45 | 0.00 | 1.15 | 562,632.85 | 0.00 |
| F. Other debts | 47/48 | 7,320,939.53 | 41,800,141.52 | 3,148,795.74 | 4,466,668.97 |
| X. ADJUSTMENT ACCOUNTS | 492/3 | 10,392,991.11 | 10,784,470.72 | 1,699,978.69 | 8,243,088.54 |
| TOTAL LIABILITIES | | 632,110,269.15 | 1,713,954,926.86 | 191,651,548.21 | 445,872,953.63 |

| LIABILITIES (amounts in €) | Codes | ORES Verviers | ORES Walloon Brabant | ORES Mouscron | Common sector | TOTAL ORES Assets |
|--|--------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| EQUITY CAPITAL | 10/15 | 80,391,597.06 | 241,366,429.98 | 41,870,339.33 | 38,752,099.28 | 1,630,883,330.43 |
| I. SHARE CAPITAL | 10 | 36,788,042.91 | 51,419,854.42 | 10,907,745.39 | 38,264,234.01 | 713,027,926.44 |
| A. Subscribed capital | 100 | 36,788,042.91 | 51,419,854.42 | 10,907,745.39 | 38,264,234.01 | 713,027,926.44 |
| III. UPWARD VALUE ADJUSTMENTS | 12 | 19,645,900.58 | 116,397,335.91 | 20,776,345.69 | - | 528,826,180.90 |
| IV. RESERVES | 13 | 23,957,653.57 | 73,549,239.65 | 10,186,248.25 | 487,865.27 | 389,029,223.09 |
| A. Statutory reserve | 130 | 2,305.41 | 6,360.18 | 129,250.10 | - | 368,419.80 |
| B. Unavailable reserves | 131 | | | | | |
| 2. Other | 1311 | 14,658,409.96 | 57,176,194.02 | 6,651,275.59 | - | 246,697,953.38 |
| C. Tax-free reserves | 132 | 134,432.16 | 310,371.36 | 87,787.56 | - | 2,235,600.00 |
| D. Available reserves | 133 | 9,162,506.04 | 16,056,314.09 | 3,317,935.00 | 487,865.27 | 139,727,249.91 |
| PROFIT/LOSS FOR THE PERIOD | | 0.00 | 0.00 | 0.00 | - | 0.00 |
| PROVISIONS FOR RISKS AND EXPENSES | 16 | 1,239,584.96 | 5,232,101.34 | 1,901,739.59 | - | 41,493,563.91 |
| VII. PROVISIONS AND DEFERRED TAXES | 16 | 1,239,584.96 | 5,232,101.34 | 1,901,739.59 | - | 41,493,563.91 |
| A. Provisions for risks and expenses. | 160/5 | | | | | |
| 4. Other risks and expenses | 163/5 | 1,239,584.96 | 5,232,101.34 | 1,901,739.59 | 0.00 | 41,493,563.91 |
| Environmental provisions | 163 | 0.00 | 0.00 | 311,418.00 | - | 3,788,933.01 |
| Provisions for disputes | 164 | 1,239,584.96 | 5,232,101.34 | 1,590,321.59 | - | 37,704,630.90 |
| DEBTS | 17/49 | 145,150,595.83 | 384,983,122.94 | 71,376,927.43 | 112,955,774.32 | 2,436,433,115.57 |
| VIII. DEBTS DUE IN MORE THAN ONE YEAR | 17 | 121,655,947.31 | 312,396,289.85 | 49,484,507.48 | 90,459,285.00 | 1,994,675,165.67 |
| A. Financial debt | 170/4 | | | | | |
| 4. Credit institutions | 173 | 53,714,331.87 | 162,182,784.00 | 17,491,386.05 | 0.00 | 696,782,879.94 |
| 5. Other loans | 174 | 67,941,615.44 | 150,213,505.85 | 31,993,121.43 | 90,281,285.00 | 1,297,714,285.73 |
| D. Other debts | 179 | 0.00 | 0.00 | 0.00 | 178,000.00 | 178,000.00 |
| IX. DEBTS DUE WITHIN ONE YEAR | 42/48 | 22,536,356.56 | 58,318,400.11 | 11,614,583.81 | 22,496,489.32 | 385,132,859.76 |
| A. Debts due in more than one year due in the year | 42 | 10,676,122.29 | 21,024,940.57 | 4,127,581.15 | - | 139,786,805.33 |
| B. Financial debt | 43 | 0.00 | 0.00 | 0.00 | - | 0.00 |
| C. Commercial debts | 44 | | | | | |
| 1. Suppliers | 440/4 | 6,988,511.07 | 14,063,696.01 | 4,777,990.98 | 11,002,541.69 | 125,640,158.06 |
| D. Prepayments received on orders | 46 | 1,771,206.25 | 4,277,827.99 | 696,344.01 | - | 26,847,648.82 |
| E. Tax, salary and social liabilities | 45 | 680,966.85 | 0.00 | 746,412.13 | -325,076.24 | 1,664,936.74 |
| F. Other debts | 47/48 | 2,419,550.10 | 18,951,935.54 | 1,266,255.54 | 11,819,023.87 | 91,193,310.81 |
| X. ADJUSTMENT ACCOUNTS | 492/3 | 958,291.96 | 14,268,432.98 | 10,277,836.14 | - | 56,625,090.14 |
| TOTAL LIABILITIES | | 226,781,777.85 | 631,581,654.26 | 115,149,006.35 | 151,707,873.60 | 4,108,810,009.91 |

PROFIT AND LOSS STATEMENT

| | APP. | Codes | Financial Year | Previous Financial Year |
|---|---------|------------|-------------------------|-------------------------|
| Sales and services | | 70/76A | 1,141,024,460.82 | 1,126,253,229.40 |
| Revenue | 6.10 | 70 | 1,119,337,018.96 | 1,099,130,070.71 |
| Manufacturing work-in-progress, finished products and orders in progress: increase (reduction) | (+)/(-) | 71 | -3,154,957.67 | 2,253,608.91 |
| Self-constructed assets | | 72 | | |
| Other income from operations | 6.10 | 74 | 24,842,399.53 | 24,869,549.78 |
| Non-recurrent operating income | 6.12 | 76A | | |
| Cost of goods and services sold | | 60/66A | 937,458,704.86 | 912,880,861.17 |
| Raw materials and goods | | 60 | 10,412,685.16 | 10,796,332.88 |
| Purchases | | 600/8 | 10,412,685.16 | 10,796,332.88 |
| Stocks: reduction (increase) | (+)/(-) | 609 | | |
| Miscellaneous goods and services | | 61 | 721,931,696.89 | 718,420,977.19 |
| Salaries, social security expenses and pensions | (+)/(-) | 6.10 62 | | |
| Depreciation and write-downs of set-up costs, in intangible and tangible assets | | 630 | 153,540,572.23 | 143,175,017.06 |
| Write-downs of inventory, in orders in progress and in trade receivables: increases (decreases) | (+)/(-) | 6.10 631/4 | 2,222,441.86 | 5,335,637.49 |
| Provisions for risks and expenses: increases (used and withdrawn) | (+)/(-) | 6.10 635/8 | 16,162,084.24 | 8,226,504.61 |
| Other operating expenses | | 6.10 640/8 | 32,098,389.56 | 26,337,077.12 |
| Operating expenses carried to assets as restructuring costs | (-) | 649 | | |
| Non-recurrent operating expenses | | 6.12 66A | 1,090,834.92 | 589,314.82 |
| Operating profit (loss) | (+)/(-) | 9901 | 203,565,755.96 | 213,372,368.23 |
| Financial income | | 75/76B | 323,442.55 | 227,169.21 |
| Recurrent financial income | | 75 | 323,442.55 | 227,169.21 |
| Income from financial investments | | 750 | | 46.71 |
| Income from current assets | | 751 | 255,255.23 | 188,385.37 |
| Other financial income | | 6.11 752/9 | 68,187.32 | 38,737.13 |
| Non-recurrent financial income | | 6.12 76B | | |
| Financial expenses | | 65/66B | 61,939,365.08 | 60,286,553.56 |
| Recurrent financial expenses | | 6.11 65 | 61,939,365.08 | 60,286,553.56 |
| Debt charges | | 650 | 61,894,074.13 | 60,226,246.57 |
| Write-downs of current assets other than inventory, orders in progress and trade receivables: increases (decreases) | (+)/(-) | 651 | | |
| Other financial expenses | | 652/9 | 45,290.95 | 60,306.99 |
| Non-recurrent financial expenses | | 6.12 66B | | |
| Profit (Loss) from the financial year before taxes | (+)/(-) | 9903 | 141,949,833.43 | 153,312,983.88 |
| Deductions on deferred taxes | | 780 | | |
| Transfer to deferred taxes | | 680 | | |
| Taxes on profit/loss | (+)/(-) | 6.13 67/77 | 46,858,403.28 | 57,515,788.33 |
| Taxes | | 670/3 | 46,992,177.69 | 57,698,973.17 |
| Tax adjustments and reversals of fiscal provisions | | 77 | 133,774.41 | 183,184.84 |
| Profit (Loss) from the financial year | (+)/(-) | 9904 | 95,091,430.15 | 95,797,195.55 |
| Deductions from tax-free reserves | | 789 | | |
| Transfer to tax-free reserves | | 689 | 747,600.00 | 744,000.00 |
| Profit (Loss) from the financial year to be allocated | (+)/(-) | 9905 | 94,343,830.15 | 95,053,195.55 |

2.4. Profit and loss statement by sector

| ORES ASSETS NAMUR Sector | Codes | Distribution Grid Management | | Other activities | TOTAL |
|--|----------------|------------------------------|-----------------------|------------------|------------------------|
| | | Electricity | Gas | | |
| I. Sales and services | 70 / 74 | 160,264,194.18 | 18,613,486.00 | 31,722.29 | 178,909,402.47 |
| A. Turnover | 70 | 155,937,158.21 | 18,240,249.50 | 0.00 | 174,177,407.71 |
| B. Variation in current orders | 71 | -245,890.41 | 0.00 | 0.00 | -245,890.41 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 4,572,926.38 | 373,236.50 | 31,722.29 | 4,977,885.17 |
| II. Cost of sales and services | 60 / 64 | -131,146,759.73 | -13,508,369.38 | -2,185.86 | -144,657,314.97 |
| A. Raw materials, consumables and goods for resale | 60 | -1,042,177.77 | -386,216.32 | 0.00 | -1,428,394.09 |
| B. Miscellaneous services and goods | 61 | -106,638,533.33 | -7,597,827.89 | -2,110.55 | -114,238,471.77 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -17,035,243.27 | -4,369,850.43 | -75.31 | -21,405,169.01 |
| E. Write downs | 631/4 | -403,733.06 | 27,249.87 | 0.00 | -376,483.19 |
| F. Provisions for risks and expenses | 635/8 | -1,933,306.65 | -340,762.50 | 0.00 | -2,274,069.15 |
| G. Other operating income | 640/8 | -3,897,960.79 | -840,962.11 | 0.00 | -4,738,922.90 |
| H. Non-recurrent operating expenses | 66 | -195,804.86 | 0.00 | 0.00 | -195,804.86 |
| IV. Financial income | 75 | 44,718.78 | 3,897.64 | 0.00 | 48,616.42 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 33,446.38 | 3,398.54 | 0.00 | 36,844.92 |
| C. Other financial income | 752/9 | 11,272.40 | 499.10 | 0.00 | 11,771.50 |
| V. Financial expenses | 65 | -8,208,960.46 | -2,124,744.07 | 0.00 | -10,333,704.53 |
| A. Debt charges | 650 | -8,205,028.31 | -2,124,734.73 | 0.00 | -10,329,763.04 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -3,932.15 | -9.34 | 0.00 | -3,941.49 |
| X. Taxes | 67/77 | -6,701,507.83 | -808,628.34 | -8,736.88 | -7,518,873.05 |
| A. Taxes | 670/3 | -6,720,675.10 | -810,939.24 | -8,736.88 | -7,540,351.22 |
| B. Tax adjustments | 77 | 19,167.27 | 2,310.90 | 0.00 | 21,478.17 |
| XI Transfer to tax-free reserves | 689 | -107,131.08 | -12,933.48 | 0.00 | -120,064.56 |
| XII Profit for the financial year | 7-6 | 14,144,553.86 | 2,162,708.37 | 20,799.55 | 16,328,061.78 |
| Movements in reserves | | -4,463,201.93 | 0.00 | 0.00 | -4,463,201.93 |
| Dividends | | 9,681,351.93 | 2,162,708.37 | 20,799.55 | 11,864,859.85 |

| ORES ASSETS HAINAUT Sector | Codes | Distribution Grid Management | | Other activities | TOTAL |
|--|----------------|------------------------------|-----------------------|-------------------|------------------------|
| | | Electricity | Gas | | |
| | | | | | |
| I. Sales and services | 70 / 74 | 373,574,677.97 | 131,072,339.75 | 249,605.32 | 504,896,623.04 |
| A. Turnover | 70 | 367,397,271.44 | 127,732,952.27 | 0.00 | 495,130,223.71 |
| B. Variation in current orders | 71 | -2,463,757.97 | 0.00 | 0.00 | -2,463,757.97 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 8,641,164.50 | 3,339,387.48 | 249,605.32 | 12,230,157.30 |
| II. Cost of sales and services | 60 / 64 | -326,314,567.13 | -93,155,145.06 | -32,151.04 | -419,501,863.23 |
| A. Raw materials, consumables and goods for resale | 60 | -2,888,431.63 | -3,411,551.54 | 0.00 | -6,299,983.17 |
| B. Miscellaneous services and goods | 61 | -277,406,560.24 | -51,795,389.18 | -6,698.79 | -329,208,648.21 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -29,997,123.01 | -28,148,297.43 | -24,956.46 | -58,170,376.90 |
| E. Write downs | 631/4 | -1,319,055.86 | 241,537.93 | 0.00 | -1,077,517.93 |
| F. Provisions for risks and expenses | 635/8 | -4,982,537.88 | -3,625,519.15 | 0.00 | -8,608,057.03 |
| G. Other operating income | 640/8 | -9,243,400.06 | -6,415,925.69 | -495.79 | -15,659,821.54 |
| H. Non-recurrent operating expenses | 66 | -477,458.45 | 0.00 | 0.00 | -477,458.45 |
| IV. Financial income | 75 | 111,706.94 | 70,650.35 | 0.00 | 182,357.29 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 89,959.11 | 54,019.69 | 0.00 | 143,978.80 |
| C. Other financial income | 752/9 | 21,747.83 | 16,630.66 | 0.00 | 38,378.49 |
| V. Financial expenses | 65 | -11,861,800.91 | -14,241,160.47 | -459.96 | -26,103,421.34 |
| A. Debt charges | 650 | -11,847,337.64 | -14,231,034.44 | -459.96 | -26,078,832.04 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -14,463.27 | -10,126.03 | 0.00 | -24,589.30 |
| X. Taxes | 67/77 | -15,781,617.71 | -5,555,423.94 | -64,186.92 | -21,401,228.57 |
| A. Taxes | 670/3 | -15,826,790.74 | -5,571,313.23 | -64,186.92 | -21,462,290.89 |
| B. Tax adjustments | 77 | 45,173.03 | 15,889.29 | 0.00 | 61,062.32 |
| XI Transfer to tax-free reserves | 689 | -252,315.00 | -88,814.88 | 0.00 | -341,129.88 |
| XII Profit for the financial year | 7-6 | 19,476,084.16 | 18,102,445.75 | 152,807.40 | 37,731,337.31 |
| Movements in reserves | | -720,190.53 | -1,009,883.60 | 0.00 | -1,730,074.13 |
| Dividends | | 18,755,893.63 | 17,092,562.15 | 152,807.40 | 36,001,263.18 |

| ORES ASSETS EAST Sector | Codes | Distribution Grid Management | Other activities | TOTAL |
|--|----------------|------------------------------|------------------|-----------------------|
| | | Electricity | | |
| I. Sales and services | 70 / 74 | 46,085,219.28 | 2,631.99 | 46,087,851.27 |
| A. Turnover | 70 | 45,456,464.87 | 0.00 | 45,456,464.87 |
| B. Variation in current orders | 71 | 101,570.83 | 0.00 | 101,570.83 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 527,183.58 | 2,631.99 | 529,815.57 |
| II. Cost of sales and services | 60 / 64 | -37,816,614.99 | -440.58 | -37,817,055.57 |
| A. Raw materials, consumables and goods for resale | 60 | -130,223.15 | 0.00 | -130,223.15 |
| B. Miscellaneous services and goods | 61 | -29,737,502.09 | -440.58 | -29,737,942.67 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -6,104,852.18 | 0.00 | -6,104,852.18 |
| E. Write downs | 631/4 | -114,970.39 | 0.00 | -114,970.39 |
| F. Provisions for risks and expenses | 635/8 | -474,518.02 | 0.00 | -474,518.02 |
| G. Other operating income | 640/8 | -1,206,443.34 | 0.00 | -1,206,443.34 |
| H. Non-recurrent operating expenses | 66 | -48,105.82 | 0.00 | -48,105.82 |
| IV. Financial income | 75 | 8,400.10 | 0.00 | 8,400.10 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 6,195.37 | 0.00 | 6,195.37 |
| C. Other financial income | 752/9 | 2,204.73 | 0.00 | 2,204.73 |
| V. Financial expenses | 65 | -3,031,777.43 | 0.00 | -3,031,777.43 |
| A. Debt charges | 650 | -3,030,422.85 | 0.00 | -3,030,422.85 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -1,354.58 | 0.00 | -1,354.58 |
| X. Taxes | 67/77 | -1,918,784.16 | -648.22 | -1,919,432.38 |
| A. Taxes | 670/3 | -1,924,272.18 | -648.22 | -1,924,920.40 |
| B. Tax adjustments | 77 | 5,488.02 | 0.00 | 5,488.02 |
| XI Transfer to tax-free reserves | 689 | -30,651.60 | 0.00 | -30,651.60 |
| XII Profit for the financial year | 7-6 | 3,295,791.20 | 1,543.19 | 3,297,334.39 |
| Movements in reserves | | -473,961.22 | 0.00 | -473,961.22 |
| Dividends | | 2,821,829.98 | 1,543.19 | 2,823,373.17 |

| ORES ASSETS Luxembourg Sector | Codes | Distribution Grid Management | | Other activities | TOTAL |
|--|----------------|------------------------------|----------------------|------------------|-----------------------|
| | | Electricity | Gas | | |
| | | | | | |
| I. Sales and services | 70 / 74 | 113,520,023.45 | 5,324,544.24 | 14,045.31 | 118,858,613.00 |
| A. Turnover | 70 | 111,068,568.91 | 5,264,282.14 | 0.00 | 116,332,851.05 |
| B. Variation in current orders | 71 | 64,229.25 | 0.00 | 0.00 | 64,229.25 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 2,387,225.29 | 60,262.10 | 14,045.31 | 2,461,532.70 |
| II. Cost of sales and services | 60 / 64 | -89,831,565.84 | -3,843,259.60 | -1,252.46 | -93,676,077.90 |
| A. Raw materials, consumables and goods for resale | 60 | -493,686.06 | -69,877.83 | 0.00 | -563,563.89 |
| B. Miscellaneous services and goods | 61 | -71,436,293.57 | -2,076,331.18 | -1,252.46 | -73,513,877.21 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -13,389,643.93 | -1,328,942.62 | 0.00 | -14,718,586.55 |
| E. Write downs | 631/4 | -153,653.51 | -17,137.53 | 0.00 | -170,791.04 |
| F. Provisions for risks and expenses | 635/8 | -1,257,750.00 | -89,212.50 | 0.00 | -1,346,962.50 |
| G. Other operating income | 640/8 | -2,972,802.00 | -261,757.94 | 0.00 | -3,234,559.94 |
| H. Non-recurrent operating expenses | 66 | -127,736.77 | 0.00 | 0.00 | -127,736.77 |
| IV. Financial income | 75 | 17,516.32 | 538.85 | 215.47 | 18,270.64 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 14,142.36 | 407.98 | 215.47 | 14,765.81 |
| C. Other financial income | 752/9 | 3,373.96 | 130.87 | 0.00 | 3,504.83 |
| V. Financial expenses | 65 | -6,010,838.63 | -344,949.24 | 0.00 | -6,355,787.87 |
| A. Debt charges | 650 | -6,006,788.50 | -344,785.34 | 0.00 | -6,351,573.84 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -4,050.13 | -163.90 | 0.00 | -4,214.03 |
| X. Taxes | 67/77 | -4,708,109.45 | -192,867.80 | -3,847.86 | -4,904,825.11 |
| A. Taxes | 670/3 | -4,721,575.29 | -193,419.38 | -3,847.86 | -4,918,842.53 |
| B. Tax adjustments | 77 | 13,465.84 | 551.58 | 0.00 | 14,017.42 |
| XI Transfer to tax-free reserves | 689 | -75,283.32 | -3,065.16 | 0.00 | -78,348.48 |
| XII Profit for the financial year | 7-6 | 12,911,742.53 | 940,941.29 | 9,160.46 | 13,861,844.28 |
| Movements in reserves | | -4,139,346.55 | 0.00 | 0.00 | -4,139,346.55 |
| Dividends | | 8,772,395.98 | 940,941.29 | 9,160.46 | 9,722,497.73 |

| ORES ASSETS VERVIERS Sector | Codes | Distribution Grid Management | Other activities | TOTAL |
|--|----------------|------------------------------|------------------|-----------------------|
| | | Electricity | | |
| I. Sales and services | 70 / 74 | 65,405,312.51 | 10,308.27 | 65,415,620.78 |
| A. Turnover | 70 | 64,285,467.17 | 0.00 | 64,285,467.17 |
| B. Variation in current orders | 71 | 118,921.97 | 0.00 | 118,921.97 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 1,000,923.37 | 10,308.27 | 1,011,231.64 |
| II. Cost of sales and services | 60 / 64 | -54,652,118.67 | -606.49 | -54,652,725.16 |
| A. Raw materials, consumables and goods for resale | 60 | -422,790.39 | 0.00 | -422,790.39 |
| B. Miscellaneous services and goods | 61 | -44,012,260.96 | -606.49 | -44,012,867.45 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -7,429,541.52 | 0.00 | -7,429,541.52 |
| E. Write downs | 631/4 | -279,798.70 | 0.00 | -279,798.70 |
| F. Provisions for risks and expenses | 635/8 | -652,275.00 | 0.00 | -652,275.00 |
| G. Other operating income | 640/8 | -1,789,347.50 | 0.00 | -1,789,347.50 |
| H. Non-recurrent operating expenses | 66 | -66,104.60 | 0.00 | -66,104.60 |
| IV. Financial income | 75 | 12,025.05 | 0.00 | 12,025.05 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 7,457.96 | 0.00 | 7,457.96 |
| C. Other financial income | 752/9 | 4,567.09 | 0.00 | 4,567.09 |
| V. Financial expenses | 65 | -3,839,072.75 | 0.00 | -3,839,072.75 |
| A. Debt charges | 650 | -3,836,953.47 | 0.00 | -3,836,953.47 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -2,119.28 | 0.00 | -2,119.28 |
| X. Taxes | 67/77 | -2,786,082.08 | -2,869.79 | -2,788,951.87 |
| A. Taxes | 670/3 | -2,794,050.27 | -2,869.79 | -2,796,920.06 |
| B. Tax adjustments | 77 | 7,968.19 | 0.00 | 7,968.19 |
| XI Transfer to tax-free reserves | 689 | -44,556.96 | 0.00 | -44,556.96 |
| XII Profit for the financial year | 7-6 | 4,095,507.10 | 6,831.99 | 4,102,339.09 |
| Movements in reserves | | -513,006.89 | 0.00 | -513,006.89 |
| Dividends | | 3,582,500.21 | 6,831.99 | 3,589,332.20 |

| ORES ASSETS WALLOON BRABANT Sector | Codes | Distribution Grid Management | | Other activities | TOTAL |
|--|----------------|------------------------------|-----------------------|------------------|------------------------|
| | | Electricity | Gas | | |
| | | | | | |
| I. Sales and services | 70 / 74 | 123,404,566.74 | 37,456,647.82 | 14,604.04 | 160,875,818.60 |
| A. Turnover | 70 | 122,336,319.88 | 36,578,365.90 | 0.00 | 158,914,685.78 |
| B. Variation in current orders | 71 | -997,011.75 | 0.00 | 0.00 | -997,011.75 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 2,065,258.61 | 878,281.92 | 14,604.04 | 2,958,144.57 |
| II. Cost of sales and services | 60 / 64 | -106,084,040.48 | -26,064,481.42 | -2,003.10 | -132,150,525.00 |
| A. Raw materials, consumables and goods for resale | 60 | -516,592.18 | -494,354.90 | 0.00 | -1,010,947.08 |
| B. Miscellaneous services and goods | 61 | -86,853,330.78 | -15,563,881.23 | -2,003.10 | -102,419,215.11 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -13,287,731.79 | -8,482,972.95 | 0.00 | -21,770,704.74 |
| E. Write downs | 631/4 | -254,480.47 | 138,304.60 | 0.00 | -116,175.87 |
| F. Provisions for risks and expenses | 635/8 | -1,452,405.85 | -803,569.45 | 0.00 | -2,255,975.30 |
| G. Other operating income | 640/8 | -3,574,418.36 | -858,007.49 | 0.00 | -4,432,425.85 |
| H. Non-recurrent operating expenses | 66 | -145,081.05 | 0.00 | 0.00 | -145,081.05 |
| IV. Financial income | 75 | 20,692.42 | 24,297.02 | 0.00 | 44,989.44 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 17,473.77 | 23,275.14 | 0.00 | 40,748.91 |
| C. Other financial income | 752/9 | 3,218.65 | 1,021.88 | 0.00 | 4,240.53 |
| V. Financial expenses | 65 | -4,364,175.09 | -3,835,562.56 | 0.00 | -8,199,737.65 |
| A. Debt charges | 650 | -4,358,579.26 | -3,834,293.42 | 0.00 | -8,192,872.68 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -5,595.83 | -1,269.14 | 0.00 | -6,864.97 |
| X. Taxes | 67/77 | -4,867,251.46 | -1,577,114.37 | -3,727.36 | -6,448,093.19 |
| A. Taxes | 670/3 | -4,881,139.29 | -1,581,625.15 | -3,727.36 | -6,466,491.80 |
| B. Tax adjustments | 77 | 13,887.83 | 4,510.78 | 0.00 | 18,398.61 |
| XI Transfer to tax-free reserves | 689 | -77,675.64 | -25,194.12 | 0.00 | -102,869.76 |
| XII Profit for the financial year | 7-6 | 8,032,116.49 | 5,978,592.37 | 8,873.58 | 14,019,582.44 |
| Movements in reserves | | 2,760,847.66 | -121,298.34 | 0.00 | 2,639,549.32 |
| Dividends | | 10,792,964.15 | 5,857,294.03 | 8,873.58 | 16,659,131.76 |

| ORES ASSETS MOUSCRON Sector | Codes | Distribution Grid Management | | Other activities | TOTAL |
|--|----------------|------------------------------|----------------------|------------------|-----------------------|
| | | Electricity | Gas | | |
| | | | | | |
| I. Sales and services | 70 / 74 | 30,990,706.34 | 9,839,193.23 | 7,214.29 | 40,837,113.86 |
| A. Turnover | 70 | 30,291,780.53 | 9,604,720.34 | 0.00 | 39,896,500.87 |
| B. Variation in current orders | 71 | 266,980.41 | 0.00 | 0.00 | 266,980.41 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 431,945.40 | 234,472.89 | 7,214.29 | 673,632.58 |
| II. Cost of sales and services | 60 / 64 | -27,217,420.01 | -7,708,332.91 | -486.89 | -34,926,239.81 |
| A. Raw materials, consumables and goods for resale | 60 | -222,555.81 | -334,227.58 | 0.00 | -556,783.39 |
| B. Miscellaneous services and goods | 61 | -23,520,730.75 | -5,279,456.83 | -486.89 | -28,800,674.47 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -2,241,197.18 | -1,623,240.93 | 0.00 | -3,864,438.11 |
| E. Write downs | 631/4 | -90,267.41 | 3,562.67 | 0.00 | -86,704.74 |
| F. Provisions for risks and expenses | 635/8 | -327,927.24 | -222,300.00 | 0.00 | -550,227.24 |
| G. Other operating income | 640/8 | -784,198.25 | -252,670.24 | 0.00 | -1,036,868.49 |
| H. Non-recurrent operating expenses | 66 | -30,543.37 | 0.00 | 0.00 | -30,543.37 |
| IV. Financial income | 75 | 6,189.69 | 1,919.91 | 674.01 | 8,783.61 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 2,956.30 | 1,633.15 | 674.01 | 5,263.46 |
| C. Other financial income | 752/9 | 3,233.39 | 286.76 | 0.00 | 3,520.15 |
| V. Financial expenses | 65 | -966,925.86 | -882,212.24 | 0.00 | -1,849,138.10 |
| A. Debt charges | 650 | -966,132.76 | -881,811.87 | 0.00 | -1,847,944.63 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -793.10 | -400.37 | 0.00 | -1,193.47 |
| X. Taxes | 67/77 | -1,408,482.01 | -466,327.76 | -2,189.34 | -1,876,999.11 |
| A. Taxes | 670/3 | -1,412,510.48 | -467,660.97 | -2,189.34 | -1,882,360.79 |
| B. Tax adjustments | 77 | 4,028.47 | 1,333.21 | 0.00 | 5,361.68 |
| XI Transfer to tax-free reserves | 689 | -22,502.76 | -7,476.00 | 0.00 | -29,978.76 |
| XII Profit for the financial year | 7-6 | 1,381,565.39 | 776,764.23 | 5,212.07 | 2,163,541.69 |
| Movements in reserves | | -96,701.68 | -55,919.56 | 0.00 | -152,621.24 |
| Dividends | | 1,284,863.71 | 720,844.67 | 5,212.07 | 2,010,920.45 |

| ORES ASSETS COMMON Sector | Codes | Distribution Grid Management | | Other activities | TOTAL |
|--|----------------|------------------------------|----------------------|------------------|-----------------------|
| | | Electricity | Gas | | |
| I. Sales and services | 70 / 74 | 19,036,874.72 | 6,106,543.08 | 0.00 | 25,143,417.80 |
| A. Turnover | 70 | 19,036,874.72 | 6,106,543.08 | 0.00 | 25,143,417.80 |
| B. Variation in current orders | 71 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Capitalised production | 72 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Other operating income | 74 | 0.00 | 0.00 | 0.00 | 0.00 |
| II. Cost of sales and services | 60 / 64 | -15,196,895.53 | -4,880,007.69 | 0.00 | -20,076,903.22 |
| A. Raw materials, consumables and goods for resale | 60 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Miscellaneous services and goods | 61 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Salaries, social charges and pensions | 62 | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Depreciation | 630 | -15,196,895.53 | -4,880,007.69 | 0.00 | -20,076,903.22 |
| E. Write downs | 631/4 | 0.00 | 0.00 | 0.00 | 0.00 |
| F. Provisions for risks and expenses | 635/8 | 0.00 | 0.00 | 0.00 | 0.00 |
| G. Other operating income | 640/8 | 0.00 | 0.00 | 0.00 | 0.00 |
| H. Non-recurrent operating expenses | 66 | 0.00 | 0.00 | 0.00 | 0.00 |
| IV. Financial income | 75 | 0.00 | 0.00 | 0.00 | 0.00 |
| A. Income from financial assets | 750 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Income from current assets | 751 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial income | 752/9 | 0.00 | 0.00 | 0.00 | 0.00 |
| V. Financial expenses | 65 | -1,753,252.55 | -473,472.86 | 0.00 | -2,226,725.41 |
| A. Debt charges | 650 | -1,752,238.72 | -473,472.86 | 0.00 | -2,225,711.58 |
| B. Write-downs on current assets | 651 | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Other financial charges | 652/9 | -1,013.83 | 0.00 | 0.00 | -1,013.83 |
| X. Taxes | 67/77 | 0.00 | 0.00 | 0.00 | 0.00 |
| A. Taxes | 670/3 | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Tax adjustments | 77 | 0.00 | 0.00 | 0.00 | 0.00 |
| XI Transfer to tax-free reserves | 689 | 0.00 | 0.00 | 0.00 | 0.00 |
| XII Profit for the financial year | 7-6 | 2,086,726.64 | 753,062.53 | 0.00 | 2,839,789.17 |
| Movements in reserves | | -208,672.66 | -75,306.25 | 0.00 | -283,978.91 |
| Dividends | | 1,878,053.98 | 677,756.28 | 0.00 | 2,555,810.26 |

2.5. Allocations and deductions

| Ann. | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|---------|----------------|----------------------------|
| Profit (Loss) to be allocated | | | |
| | (+)/(-) | | |
| Profit (Loss) for the financial year to be allocated | | | |
| | (+)/(-) | | |
| Profit (Loss) carried forward from the previous financial year | | | |
| | (+)/(-) | | |
| Transfers from capital and reserves | | | |
| on share capital and issue premiums | | | |
| on reserves | | | |
| Allocations to capital and reserves | | | |
| on the share capital and issue premiums | | | |
| to the statutory reserve | | | |
| to other reserves | | | |
| Profit (Loss) to be carried forward | | | |
| | (+)/(-) | | |
| Shareholders' share in loss | | | |
| Profit to be distributed | | | |
| Return on capital | | | |
| Directors or managers | | | |
| Employees | | | |
| Other beneficiaries | | | |

2.6. Appendices

STATEMENT OF INTANGIBLE ASSETS

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-------|-----------------------|----------------------------|
| DEVELOPMENT COSTS | | | |
| Acquisition value at the end of the financial year | 8051P | xxxxxxxxxxxx | 76,975,922.75 |
| Movements during the financial year | | | |
| Acquisitions, including capitalised production | 8021 | 33,540,500.25 | |
| Sales and disposals | 8031 | 1,378,041.16 | |
| Transfers from one section to another | 8041 | | |
| | | (+)/(-) | |
| Acquisition value at the end of the financial year | 8051 | 109,138,381.84 | |
| Depreciation and reductions in value at the end of the financial year | 8121P | xxxxxxxxxxxx | 28,904,622.10 |
| Movements during the financial year | | | |
| Recorded | 8071 | 16,052,166.10 | |
| Write-back | 8081 | | |
| Acquired from third parties | 8091 | | |
| Cancelled following sales and disposals | 8101 | 287,206.24 | |
| Transferred from one section to another | 8111 | | |
| | | (+)/(-) | |
| Depreciation and reductions in value at the end of the financial year | 8121 | 44,669,581.96 | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 210 | 64,468,799.88 | |

STATEMENT OF TANGIBLE FIXED ASSETS

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-------|-----------------------|-------------------------|
| LAND AND BUILDINGS | | | |
| Acquisition value at the end of the financial year | 8191P | xxxxxxxxxxxx | 127,684,409.40 |
| Movements during the financial year | | | |
| Acquisitions, including capitalised production | 8161 | 20,608,243.47 | |
| Sales and disposals | 8171 | 41,592.21 | |
| Transfers from one section to another | 8181 | (+)/(-) | |
| Acquisition value at the end of the financial year | 8191 | 148,251,060.66 | |
| Capital gains at the end of the financial year | 8251P | xxxxxxxxxxxx | 5,037,795.47 |
| Movements during the financial year | | | |
| Recorded | 8211 | | |
| Acquired from third parties | 8221 | 107,067.86 | |
| Cancelled | 8231 | | |
| Transferred from one section to another | 8241 | (+)/(-) | |
| Capital gains at the end of the financial year | 8251 | 5,144,863.33 | |
| Depreciation and reductions in value at the end of the financial year | 8321P | xxxxxxxxxxxx | 39,011,770.35 |
| Movements during the financial year | | | |
| Recorded | 8271 | 2,268,241.82 | |
| Write-back | 8281 | | |
| Acquired from third parties | 8291 | 517,448.57 | |
| Cancelled following sales and disposals | 8301 | 14,524.45 | |
| Transferred from one section to another | 8311 | (+)/(-) | |
| Depreciation and reductions in value at the end of the financial year | 8321 | 41,782,936.29 | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 22 | 111,612,987.70 | |

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-------|-------------------------|-------------------------|
| PLANT, MACHINERY AND EQUIPMENT | | | |
| Acquisition value at the end of the financial year | 8192P | xxxxxxxxxxxxxx | 4,678,084,894.64 |
| Movements during the financial year | | | |
| Acquisitions, including capitalised production | 8162 | 257,056,092.46 | |
| Sales and disposals | 8172 | 32,655,047.55 | |
| Transfers from one section to another (+)/(-) | 8182 | | |
| Acquisition value at the end of the financial year | 8192 | 4,902,485,939.55 | |
| Capital gains at the end of the financial year | 8252P | xxxxxxxxxxxxxx | 1,010,917,964.90 |
| Movements during the financial year | | | |
| Recorded | 8212 | | |
| Acquired from third parties | 8222 | 9,864,864.90 | |
| Cancelled | 8232 | | |
| Transferred from one section to another (+)/(-) | 8242 | | |
| Capital gains at the end of the financial year | 8252 | 1,020,782,829.80 | |
| Depreciation and reductions in value at the end of the financial year | 8322P | xxxxxxxxxxxxxx | 2,278,238,770.76 |
| Movements during the financial year | | | |
| Recorded | 8272 | 128,452,274.58 | |
| Write-back | 8282 | | |
| Acquired from third parties | 8292 | 18,348,852.52 | |
| Cancelled following sales and disposals | 8302 | 25,032,938.84 | |
| Transferred from one section to another (+)/(-) | 8312 | | |
| Depreciation and reductions in value at the end of the financial year | 8322 | 2,400,006,959.02 | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 23 | 3,523,261,810.33 | |

FURNITURE AND VEHICLES**Acquisition value at the end of the financial year****Movements during the financial year**

Acquisitions, including capitalised production

Sales and disposals

Transfers from one section to another

(+)/(-)

Acquisition value at the end of the financial year**Capital gains at the end of the financial year****Movements during the financial year**

Recorded

Acquired from third parties

Cancelled

Transferred from one section to another

(+)/(-)

Capital gains at the end of the financial year**Depreciation and reductions in value at the end of the financial year****Movements during the financial year**

Recorded

Write-back

Acquired from third parties

Cancelled following sales and disposals

Transferred from one section to another

(+)/(-)

Depreciation and reductions in value at the end of the financial year**NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR**

| Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|-------|-----------------------|-------------------------|
| 8193P | xxxxxxxxxxxxx | 149,091,514.63 |
| 8163 | 10,474,326.36 | |
| 8173 | 1,544,081.76 | |
| 8183 | | |
| 8193 | 158,021,759.23 | |
| 8253P | xxxxxxxxxxxxx | 769,326.59 |
| 8213 | | |
| 8223 | | |
| 8233 | | |
| 8243 | | |
| 8253 | 769,326.59 | |
| 8323P | xxxxxxxxxxxxx | 118,464,437.34 |
| 8273 | 6,742,857.96 | |
| 8283 | | |
| 8293 | 10,057.20 | |
| 8303 | 1,524,342.86 | |
| 8313 | | |
| 8323 | 123,693,009.64 | |
| 24 | 35,098,076.18 | |

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-------|---------------------|-------------------------|
| OTHER TANGIBLE FIXED ASSETS | | | |
| Acquisition value at the end of the financial year | 8195P | xxxxxxxxxxxx | 2,452,693.70 |
| Movements during the financial year | | | |
| Acquisitions, including capitalised production | 8165 | | |
| Sales and disposals | 8175 | | |
| Transfers from one section to another | 8185 | (+)/(-) | |
| Acquisition value at the end of the financial year | 8195 | 2,452,693.70 | |
| Capital gains at the end of the financial year | 8255P | xxxxxxxxxxxx | |
| Movements during the financial year | | | |
| Recorded | 8215 | | |
| Acquired from third parties | 8225 | | |
| Cancelled | 8235 | | |
| Transferred from one section to another | 8245 | (+)/(-) | |
| Capital gains at the end of the financial year | 8255 | | |
| Depreciation and reductions in value at the end of the financial year | 8325P | xxxxxxxxxxxx | 1,787,753.54 |
| Movements during the financial year | | | |
| Recorded | 8275 | 25,031.77 | |
| Write-back | 8285 | | |
| Acquired from third parties | 8295 | | |
| Cancelled following sales and disposals | 8305 | | |
| Transferred from one section to another | 8315 | (+)/(-) | |
| Depreciation and reductions in value at the end of the financial year | 8325 | 1,812,785.31 | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 26 | 639,908.39 | |

STATEMENT OF FINANCIAL FIXED ASSETS

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|-------|----------------|-------------------------|
| AFFILIATED COMPANIES - PARTICIPATING INTERESTS AND SHARES | | | |
| Acquisition value at the end of the financial year | 8391P | xxxxxxxxxxxx | 456,258.00 |
| Movements during the financial year | | | |
| Acquisitions | 8361 | | |
| Sales and disposals | 8371 | | |
| Transfers from one section to another | 8381 | (+)/(-) | |
| Acquisition value at the end of the financial year | 8391 | 456,258.00 | |
| Capital gains at the end of the financial year | 8451P | xxxxxxxxxxxx | |
| Movements during the financial year | | | |
| Recorded | 8411 | | |
| Acquired from third parties | 8421 | | |
| Cancelled | 8431 | | |
| Transferred from one section to another | 8441 | (+)/(-) | |
| Capital gains at the end of the financial year | 8451 | | |
| Reductions in value at the end of the financial year | 8521P | xxxxxxxxxxxx | |
| Movements during the financial year | | | |
| Recorded | 8471 | | |
| Write-backs | 8481 | | |
| Acquired from third parties | 8491 | | |
| Cancelled following sales and disposals | 8501 | | |
| Transferred from one section to another | 8511 | (+)/(-) | |
| Reductions in value at the end of the financial year | 8521 | | |
| Amounts uncalled at the end of the financial year | 8551P | xxxxxxxxxxxx | |
| Movements during the financial year | 8541 | (+)/(-) | |
| Amounts uncalled at the end of the financial year | 8551 | | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 280 | 456,258.00 | |
| AFFILIATED COMPANIES - RECEIVABLES | | | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 281P | xxxxxxxxxxxx | |
| Movements during the financial year | | | |
| Additions | 8581 | | |
| Repayments | 8591 | | |
| Provision for impairment of receivables | 8601 | | |
| Reversed value adjustments | 8611 | | |
| Exchange rate differences | 8621 | (+)/(-) | |
| Other | 8631 | (+)/(-) | |
| NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR | 281 | | |
| ACCUMULATED AMOUNTS WRITTEN-DOWN ON RECEIVABLES | 8651 | | |
| AT THE END OF THE FINANCIAL YEAR | | | |

OTHER COMPANIES - PARTICIPATING INTERESTS AND SHARES

Acquisition value at the end of the financial year

Movements during the financial year

Acquisitions

Sales and disposals

Transfers from one section to another

(+)/(-)

Acquisition value at the end of the financial year

Capital gains at the end of the financial year

Movements during the financial year

Recorded

Acquired from third parties

Cancelled

Transferred from one section to another

(+)/(-)

Capital gains at the end of the financial year

Reductions in value at the end of the financial year

Movements during the financial year

Recorded

Write-backs

Acquired from third parties

Cancelled following sales and disposals

Transfers from one section to another

(+)/(-)

Reductions in value at the end of the financial year

Amounts uncalled at the end of the financial year

Movements during the financial year

(+)/(-)

Amounts uncalled at the end of the financial year

NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR

OTHER COMPANIES - RECEIVABLES

NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR

Movements during the financial year

Additions

Repayments

Provision for impairment of receivables

Reversed value adjustments

Exchange rate differences

(+)/(-)

Other

(+)/(-)

NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR

ACCUMULATED AMOUNTS WRITTEN-DOWN ON RECEIVABLES AT

THE END OF THE FINANCIAL YEAR

| Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--------|------------------|-------------------------|
| 8393P | XXXXXXXXXXXXXXXX | 16,891.92 |
| 8363 | | |
| 8373 | | |
| 8383 | | |
| 8393 | 16,891.92 | |
| 8453P | XXXXXXXXXXXXXXXX | |
| 8413 | | |
| 8423 | | |
| 8433 | | |
| 8443 | | |
| 8453 | | |
| 8523P | XXXXXXXXXXXXXXXX | |
| 8473 | | |
| 8483 | | |
| 8493 | | |
| 8503 | | |
| 8513 | | |
| 8523 | | |
| 8553P | XXXXXXXXXXXXXXXX | |
| 8543 | | |
| 8553 | | |
| 284 | 16,891.92 | |
| 285/8P | XXXXXXXXXXXXXXXX | 186,568.12 |
| 8583 | 1,469.56 | |
| 8593 | 9,875.00 | |
| 8603 | | |
| 8613 | | |
| 8623 | | |
| 8633 | | |
| 285/8 | 178,162.68 | |
| 8653 | | |

INFORMATION RELATING TO SHAREHOLDINGS

Shareholdings, shares and associated rights held in other companies

Information is listed below on the companies in which the company has a shareholding (included under headings 280 and 282 of the assets) as well as the other businesses in which the company holds shares and associated rights (included under headings 284 subscribed and 51/53 of the assets) representing at least 10% of the subscribed capital.

| COMPANY NAME, Complete address of the REGISTERED OFFICE and for companies under Belgian law, state the COMPANY NUMBER | COMPANY SHARES HELD | | | DATA EXTRACTED FROM THE LAST AVAILABLE FINANCIAL STATEMENTS | | | | |
|--|---------------------|----------|-------|---|---------------------------|---------------|-----------------------|------------|
| | Nature | DIRECTLY | | BY THE SUBSIDIARIES | ANNUAL ACCOUNTS CLOSED ON | CURRENCY CODE | STOCKHOLDERS EQUITY | NET INCOME |
| | | NUMBER | % | % | | | (+ OR (-) (IN UNITS)) | |
| ORES scrl BE 0897.436.971 Limited liability cooperative company Avenue jean Monnet 2 1348 Louvain-la-Neuve BELGIUM | Capital share | 2,453 | 99.72 | | 31-12-18 | EUR | 528,633.39 | 0 |

CASH INVESTMENTS AND ACCRUED INCOME

CASH INVESTMENTS - OTHER INVESTMENTS

Stocks, shares and investments other than fixed-income investments

- Stocks and shares - Book value increased by the uncalled amount
- Stocks and shares - Uncalled amount
- Precious metals and works of art

Fixed income securities

- Fixed income securities issued by credit institutions

Term deposits at credit institutions

- With a residual term or with notice
 - of a maximum one month
 - of one month to a year
 - after one year

Other cash investments not included above

| Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|-------|----------------|-------------------------|
| 51 | | |
| 8681 | | |
| 8682 | | |
| 8683 | | |
| 52 | | |
| 8684 | | |
| 53 | | |
| 8686 | | |
| 8687 | | |
| 8688 | | |
| 8689 | | |

ACCRUALS

Breakdown of the section 490/1 of the assets if this represents a significant amount

- Capital pensions
- Regulatory assets
- Gas highway charge
- Transit fees not raised
- Expenses associated with public lighting

| FINANCIAL YEAR |
|----------------|
| 36,130,586.27 |
| 117,210,826.46 |
| 17,439,555.71 |
| 6,538,584.06 |
| 11,013,045.94 |

PROVISIONS FOR OTHER RISKS AND CHARGES

BREAKDOWN OF SECTION 164/5 OF LIABILITIES IF THESE REPRESENT A SINGIFICANT VALUE

Provisions for risks associated with the changeover to new IT systems required for market processes, also subsequent changes in them.
Past "Movement of installations" disputes
Provision made under the Atrias project
Provision linked to the sale of the Soignies site

| FINANCIAL YEAR | |
|----------------|---------------|
| | 8,101,211.46 |
| | 8,103,419.43 |
| | 19,500,000.00 |
| | 2,000,000.00 |

STATEMENT OF LIABILITIES AND ACCRUED LIABILITIES

BREAKDOWN OF LIABILITIES ORIGINALLY DUE IN MORE THAN ONE YEAR LISTED ACCORDING TO THEIR DUE DATES

Long-term debts falling due this year

- Financial liabilities
 - Subordinated loans
 - Non-subordinated bond issues
 - Leasing and other similar debts
 - Credit institutions
 - Other borrowing
- Trade liabilities
 - Suppliers
 - Notes payable
- Prepayments received on orders
- Other amounts payable

| Codes | FINANCIAL YEAR |
|-------|------------------------------|
| 8801 | <u>139,786,805.33</u> |
| 8811 | |
| 8821 | |
| 8831 | |
| 8841 | <u>88,665,376.77</u> |
| 8851 | <u>51,121,428.56</u> |
| 8861 | |
| 8871 | |
| 8881 | |
| 8891 | |
| 8901 | |
| 42 | <u>139,786,805.33</u> |
| 8802 | <u>980,643,842.65</u> |
| 8812 | |
| 8822 | |
| 8832 | |
| 8842 | 397,758,128.34 |
| 8852 | 582,885,714.31 |
| 8862 | |
| 8872 | |
| 8882 | |
| 8892 | |
| 8902 | 178,000.00 |
| 8912 | 980,821,842.65 |
| 8803 | 1,013,853,323.02 |
| 8813 | |
| 8823 | |
| 8833 | |
| 8843 | 299,024,751.60 |
| 8853 | 714,828,571.42 |
| 8863 | |
| 8873 | |
| 8883 | |
| 8893 | |
| 8903 | |
| 8913 | 1,013,853,323.02 |

LONG-TERM DEBTS FALLING DUE THIS YEAR

Long-term debts payable after more than one year but within a maximum of 5 years

- Financial liabilities
 - Subordinated loans
 - Non-subordinated bond issues
 - Leasing and other similar debts
 - Credit institutions
 - Other borrowing
- Trade liabilities
 - Suppliers
 - Notes payable
- Prepayments received on orders
- Other amounts payable

TOTAL DEBTS PAYABLE AFTER MORE THAN ONE YEAR BUT WITHIN A MAXIMUM OF 5 YEARS

Long-term debts falling due after more than 5 years

- Financial liabilities
 - Subordinated loans
 - Non-subordinated bond issues
 - Leasing and other similar debts
 - Credit institutions
 - Other borrowing
- Trade liabilities
 - Suppliers
 - Notes payable
- Prepayments received on orders
- Other amounts payable

TOTAL LONG-TERM DEBTS FALLING DUE AFTER MORE THAN 5 YEARS

SECURED LIABILITIES

Liabilities secured by the Belgian government

- Financial liabilities
 - Subordinated loans
 - Non-subordinated bond issues
 - Leasing and other similar debts
 - Credit institutions
 - Other borrowing
- Trade liabilities
 - Suppliers
 - Notes payable
- Prepayments received on orders
- Wages and social liabilities
- Other amounts payable

TOTAL LIABILITIES SECURED BY THE BELGIAN GOVERNMENT

Liabilities secured by real sureties given or irrevocably promised on the company's assets

- Financial liabilities
 - Subordinated loans

| Codes | Exercice |
|-------|----------------|
| 8921 | 285,211,445.39 |
| 8931 | |
| 8941 | |
| 8951 | |
| 8961 | 285,211,445.39 |
| 8971 | |
| 8981 | |
| 8991 | |
| 9001 | |
| 9011 | |
| 9021 | |
| 9051 | |
| 9061 | 285,211,445.39 |
| 8922 | |
| 8932 | |

| | Codes | Exercice |
|---|-------|----------|
| Non-subordinated bond issues | 8942 | |
| Leasing and other similar debts | 8952 | |
| Credit institutions | 8962 | |
| Other borrowing | 8972 | |
| Trade liabilities | 8982 | |
| Suppliers | 8992 | |
| Notes payable | 9002 | |
| Prepayments received on orders | 9012 | |
| Taxes, wages and social liabilities | 9022 | |
| Taxes | 9032 | |
| Remuneration and social security | 9042 | |
| Other amounts payable | 9052 | |
| TOTAL LIABILITIES SECURED BY REAL SURETIES GIVEN OR IRREVOCABLY PROMISED ON THE COMPANY'S ASSETS | 9062 | |

| | Codes | Exercice |
|---|-------|----------------------------|
| TAX, WAGES AND SOCIAL LIABILITIES | | |
| Taxes | | |
| Expired tax payable | 9072 | |
| Non due tax debts | 9073 | <u>1,664,936.74</u> |
| Estimated tax debt | 450 | |
| Remuneration and social security | | |
| Amounts due to the National Office of Social Security | 9076 | |
| Other wages and social liabilities | 9077 | |

| | Exercice |
|--|-----------------------------|
| ACCRUALS | |
| Breakdown of the section 492/3 of the liabilities if this represents a significant amount | |
| Transit fees not raised | <u>12,487,685.25</u> |
| Regulatory liabilities | <u>44,044,660.40</u> |

OPERATING RESULTS

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|---|-------|----------------|-------------------------|
| OPERATING INCOME | | | |
| Net turnover | | | |
| Breakdown by category of activity | | | |
| Management of electricity distribution networks | | 915,809,905.73 | 900,760,456.80 |
| Management of gaz distribution networks | | 203,527,113.23 | 198,369,613.91 |
| Breakdown according to geographical market | | | |
| ORES Assets Namur sector | | 174,177,407.71 | 174,078,019.07 |
| ORES Assets Hainaut sector | | 495,130,223.71 | 492,862,968.70 |
| ORES Assets East sector | | 45,456,464.87 | 45,656,591.72 |
| ORES Assets Luxembourg sector | | 116,332,851.05 | 116,137,292.95 |
| ORES Assets Verviers sector | | 64,285,467.17 | 63,701,400.36 |
| ORES Assets Walloon Brabant sector | | 158,914,685.78 | 150,459,142.51 |
| ORES Assets Mouscron sector | | 39,896,500.87 | 38,153,839.82 |
| ORES Assets joint sector | | 25,143,417.80 | 18,080,815.58 |
| Other operating income | | | |
| Operating subsidies and compensatory amounts obtained from public authorities | 740 | | |
| OPERATING COSTS | | | |
| Workers for whom the company introduced a DIMONA declaration or who are registered on the General Personnel Register | | | |
| Total at the closing date | 9086 | | |
| Average number of employees in full-time equivalent employment | 9087 | | |
| Number of hours actually worked | 9088 | | |
| Personnel costs | | | |
| Remunerations and direct social benefits | 620 | | |
| Employer's social insurance contributions | 621 | | |
| Employer's premiums for extra statutory insurance | 622 | | |
| Other personnel costs | 623 | | |
| Retirement and survivor's pensions | 624 | | |
| Provisions for pensions and similar obligations | | | |
| Appropriations (uses and write backs) | | (+)/(-) | 635 |
| Write-downs | | | |
| On stock and orders in progress | | | |
| Recorded | 9110 | | |
| Write-backs | 9111 | | |
| On Trade Debtors | | | |
| Recorded | 9112 | 4,787,241.69 | 6,978,673.85 |
| Write-backs | 9113 | 2,564,799.83 | 1,643,036.36 |
| Provisions for risks and charges | | | |
| Increases | 9115 | 16,162,084.24 | 9,001,063.90 |
| Uses and write-backs | 9116 | 0.00 | 774,559.29 |
| Other operating costs | | | |
| Taxes relating to operations | 640 | 431,471.35 | 220,015.04 |
| Other | 641/8 | 31,666,918.21 | 26,117,062.08 |
| Temporary personnel and persons made available to the company | | | |
| Total at the closing date | 9096 | | |
| Average number of full-time equivalent employees | 9097 | | |
| Number of hours actually worked | 9098 | | |
| Cost to the company | 617 | | |

INCOME AND EXPENDITURE OF AN EXTRAORDINARY SIZE OR IMPACT

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|--|---------|---------------------|-------------------------|
| NON-RECURRENT FINANCIAL INCOME | 76 | | |
| Non-recurrent operating income | 76A | | |
| Adjustments to depreciation and write-downs on intangible and tangible fixed | 760 | | |
| Reversals of provisions for extraordinary risks and operating costs | 7620 | | |
| Capital gains on the disposal of intangible and tangible fixed assets | 7630 | | |
| Other non-recurrent operating income | 764/8 | | |
| Non-recurrent operating financial income | 76B | | |
| Write-backs on financial fixed assets | 761 | | |
| Reversals of provisions for extraordinary risks and financial expenses | 7621 | | |
| Capital gains on the disposal of financial fixed assets | 7631 | | |
| Other non-recurrent financial income | 769 | | |
| NON-RECURRENT FINANCIAL EXPENSES | 66 | 1,090,834.92 | 589,314.82 |
| Non-recurrent operating expenses | 66A | 1,090,834.92 | 589,314.82 |
| Depreciation and non-recurrent write-downs on set-up costs, on | 660 | | |
| intangible and tangible fixed assets | | | |
| Provisions for extraordinary operating risks and expenses : | 6620 | | |
| increases (use) | (+)/(-) | | |
| Capital loss on the disposal of intangible and tangible fixed assets | 6630 | 1,090,834.92 | 589,314.82 |
| Other non-recurrent operating expenses | 664/7 | | |
| Non-recurrent operating expenses carried to assets as restructuring | (-) | | |
| costs | 6690 | | |
| Non-recurrent financial expenses | 66B | | |
| Write-downs on financial investments | 661 | | |
| Provisions for extraordinary financial risks and expenses- increases | 6621 | | |
| (use) | (+)/(-) | | |
| Capital loss on disposal of financial fixed assets | 6631 | | |
| Other non-recurrent financial expenses | 668 | | |
| Non-recurrent financial expenses carried to assets as restructuring | (-) | | |
| | 6691 | | |

DUTIES AND TAXES

TAX ON INCOME

Tax on the income for the financial year

Taxes and withholding taxes due or paid
 Surplus of the payment of tax or withholding tax booked on the assets
 Estimated additional taxes

Tax on income from previous financial years

Additional income taxes due or paid
 Estimation or provision for additional taxes

Main source of disparity between the profit before tax, expressed in the accounts and the estimated taxable profit

Notional interest - deduction for capital at risk
 DNA – depreciation of Goodwill
 Depreciation of the revaluation of plus-value – increase in taxable reserves.
 Exemption from write-backs on trade receivables prior 2015

| Codes | FINANCIAL YEAR |
|-------|----------------|
| 9134 | 46,992,177.69 |
| 9135 | 53,210,021.10 |
| 9136 | 6,217,843.41 |
| 9137 | |
| 9138 | |
| 9139 | |
| 9140 | |
| | -155,870.66 |
| | 1,785,805.94 |
| | 20,524,444.51 |
| | -5,214,061.45 |

Effect of exceptional results on the amount of tax on income for the financial year

Sources of deferred taxes

Deferred tax assets
 Accumulated tax losses, deductible from later taxable profits
 Other deferred tax assets
 Tax Schelter

Deferred tax liabilities
 Breakdown of deferred tax liabilities

| Codes | FINANCIAL YEAR |
|-------|----------------|
| 9141 | |
| 9142 | |
| | 2,235,600.00 |
| 9144 | |

VALUE ADDED TAX AND TAXES PAYABLE BY THIRD PARTIES

Value added tax booked on the account

To the company (deductible)
 By the company

Amounts retained on behalf of third parties as

Payroll tax
 Withholding tax

| Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|-------|----------------|-------------------------|
| 9145 | 229,438,203.89 | 217,830,919.13 |
| 9146 | 319,548,596.02 | 311,735,761.60 |
| 9147 | 0.00 | 92,396.62 |
| 9148 | 2,728,902.30 | 6,413,382.46 |

OFF BALANCE SHEET RIGHTS AND COMMITMENTS

PERSONAL GUARANTEES GIVEN OR IRREVOCABLY PROMISED BY THE COMPANY AS SURETY FOR THIRD PARTY DEBTS OR COMMITMENTS

Of which

- Outstanding commercial papers endorsed by the company
- Outstanding commercial papers drawn or guaranteed by the company
- Maximum amount for which other third party commitments are guaranteed by the company

REAL GUARANTEES

Real guarantees given or irrevocably promised by the company on its own assets as security for the company's debts and commitments

- Mortgages
 - Book value of mortgaged properties
 - Amount of registration
- Pledges on goodwill - Amount of registration
- Pledges on other assets - Book value of pledged assets
- Securities on future assets - Amount of relevant assets

Real guarantees given or irrevocably promised by the company on its own assets as security for third party debts and commitments

- Mortgages
 - Book value of mortgaged properties
 - Amount of registration
- Pledges on goodwill - Amount of registration
- Pledges on other assets - Book value of pledged assets
- Securities on future assets - Amount of relevant assets

GOODS AND VALUES HELD BY THIRD PARTIES IN THEIR OWN NAMES BUT FOR THE RISK AND PROFIT OF THE COMPANY IF NOT REFLECTED IN THE BALANCE SHEET

SIGNIFICANT COMMITMENTS FOR THE ACQUISITION OF FIXED ASSETS

SIGNIFICANT COMMITMENTS FOR THE DISPOSAL OF FIXED ASSETS

FUTURES MARKET

- Goods purchased (to be received)
- Goods sold (to be delivered)
- Currency purchased (to be received)
- Currency sold (to be delivered)

| Codes | FINANCIAL YEAR |
|-------|----------------|
| 9149 | |
| 9150 | |
| 9151 | |
| 9153 | |
| 9161 | |
| 9171 | |
| 9181 | |
| 9191 | |
| 9201 | |
| 9162 | |
| 9172 | |
| 9182 | |
| 9192 | |
| 9202 | |
| 9213 | |
| 9214 | |
| 9215 | |
| 9216 | |

COMMITMENTS RESULTING FROM TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES ALREADY PERFORMED

| FINANCIAL YEAR |
|----------------|
| |

Amount, nature and form of disputes and other significant commitments

- Guarantee for customs and excise relating to the collection of the energy contribution
- Guarantee provided vis-a-vis ORES scrl in the framework of the issue of commercial papers and bonds and borrowing from the EIB
- Bank guarantee for the rental of buildings
- Guarantee for the WR within the context of the Décret Impétrants (Utilities decree)
- Guarantee in our favour for transit fees
- Guarantee of a loan from Sowafinal in the context of the replacement of HGHP lamps

| FINANCIAL YEAR | |
|----------------|------------------|
| | 40,818.00 |
| | 2,220,000,000.00 |
| | 45,000.00 |
| | 100,000.00 |
| | 5,590,000.00 |
| | 3,486,825.00 |

Additional retirement or survivor's pension schemes instigated for the benefit of staff or company officers

Brief description

Measures taken to cover the resulting expense

PENSIONS WHICH ARE THE RESPONSIBILITY OF THE COMPANY

Estimated amount of commitments resulting from services already provided

Basis and method of this estimate

| Codes | FINANCIAL YEAR |
|-------|----------------|
| 9220 | |

Nature and financial impact of significant post-closing events not taken into account in the balance sheet or the profit and loss statement

| FINANCIAL YEAR |
|----------------|
| |

Purchasing or sales obligations which the company has as issuer of sales or purchasing options

| FINANCIAL YEAR |
|----------------|
| |

Nature, commercial objective and financial consequences of transactions not recorded on the balance sheet

Provided that the risks or benefits resulting from such arrangements are significant and insofar as the disclosure of the risks or benefits is necessary to assess the financial situation of the company; if applicable, the financial consequences of these arrangements for the company must also be mentioned.


| FINANCIAL YEAR |
|----------------|
| |

OTHER OFF BALANCE SHEET RIGHTS AND COMMITMENTS INCLUDING THOSE NOT LIKELY TO BE QUANTIFIED

| FINANCIAL YEAR |
|----------------|
| |

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES WITH WHICH THERE IS A SHAREHOLDING CONNECTION

| | Codes | FINANCIAL YEAR | PREVIOUS FINANCIAL YEAR |
|---|-------|-------------------------|-------------------------|
| AFFILIATED COMPANIES | | | |
| Financial fixed assets | 280/1 | 456,258.00 | 456,258.00 |
| Holdings | 280 | 456,258.00 | 456,258.00 |
| Subordinated debt | 9271 | | |
| Other receivables | 9281 | | |
| Receivables | 9291 | 7,114.00 | 1,258.00 |
| AFTER one year | 9301 | | |
| WITHIN one year | 9311 | 7,114.00 | 1,258.00 |
| Cash investments | 9321 | | |
| Shares | 9331 | | |
| Receivables | 9341 | | |
| Debts | 9351 | 1,439,053,374.58 | 1,265,626,139.08 |
| AFTER one year | 9361 | 1,290,600,000.00 | 1,220,750,000.00 |
| WITHIN one year | 9371 | 148,453,374.58 | 44,876,139.08 |
| Personal and real guarantees | | | |
| Given or irrevocably promised by the company as surety for the debts or commitments of associated companies | 9381 | 2,220,000,000.00 | 2,140,000,000.00 |
| Given or irrevocably promised by the company as surety for the debts or commitments of affiliated companies | 9391 | | |
| Other significant financial commitments | 9401 | | |
| Financial results | | | |
| Income from financial fixed assets | 9421 | | |
| Income from current assets | 9431 | | |
| Other financial income | 9441 | | |
| Debt charges | 9461 | 42,638,946.34 | 32,391,967.28 |
| Other financial costs | 9471 | | |
| Disposals of fixed assets | | | |
| Capital gains realised | 9481 | | |
| Losses realised | 9491 | | |
| ASSOCIATED COMPANIES | | | |
| Financial fixed assets | 9253 | | |
| Holdings | 9263 | | |
| Subordinated debt | 9273 | | |
| Other receivables | 9283 | | |
| Receivables | 9293 | | |
| AFTER one year | 9303 | | |
| WITHIN one year | 9313 | | |
| Debts | 9353 | | |
| AFTER one year | 9363 | | |
| WITHIN one year | 9373 | | |
| Personal and real guarantees | | | |
| Constituted or irrevocably promised by the company as a guarantee against associated company debts or commitments | 9383 | | |
| Constituted or irrevocably promised by associated companies as a guarantee against the company's debts or commitments | 9393 | | |
| Other significant financial commitments | 9403 | | |
| OTHER COMPANIES WITH A SHAREHOLDING CONNECTION | | | |
| Financial fixed assets | 9252 | | |
| Holdings | 9262 | | |
| Subordinated debt | 9272 | | |
| Other receivables | 9282 | | |
| Receivables | 9292 | | |
| AFTER one year | 9302 | | |
| WITHIN one year | 9312 | | |
| Debts | 9352 | 27,262,620.90 | 28,298,368.14 |
| AFTER one year | 9362 | | |
| WITHIN one year | 9372 | 27,262,620.90 | 28,298,369.14 |



TRANSACTIONS WITH RELATED PARTIES OUTSIDE OF NORMAL MARKET CONDITIONS

Mentioning such transactions, if they are significant, including the amount and indication of the nature of the relationship with the related party, as well as all other information on the transactions which would be needed in order to get a better understanding of the company's financial position.

FINANCIAL RELATIONS WITH

DIRECTORS AND MANAGERS, PHYSICAL OR MORAL PERSONS WHO DIRECTLY OR INDIRECTLY CONTROL THE COMPANY WITHOUT BEING LINKED TO IT OR OTHER COMPANIES DIRECTLY OR INDIRECTLY CONTROLLED BY SUCH PERSONS

Amounts receivable from the aforementioned persons

Main conditions for the receivables, interest rate, term, amounts potentially repaid, cancelled or for which this has been waived

Guarantees provided in their favour

Other significant commitments undertaken in their favour

Main conditions of the other commitments

Direct and indirect remuneration and pensions attributed, charged to the profit and loss account, as long as this reference does not relate exclusively or principally to the situation of a single identifiable person

To directors and managers

To former directors and former managers

| Codes | FINANCIAL YEAR |
|-------|----------------|
| 9500 | |
| 9501 | |
| 9502 | |
| 9503 | 0 |
| 9504 | |

THE AUDITOR(S) AND PEOPLE WITH WHOM HE IS (THEY ARE) LINKED

Auditor(s) fees

Fees for exceptional services or special assignments realised within the company by the auditor(s)

Other auditing work

Tax advice tasks

Other external services in connection to auditing

Fees for exceptional services or special assignments realised within the company by persons with whom the auditor(s) is (are) linked

Other auditing work

Tax advice tasks

Other external services in connection to auditing

| Codes | FINANCIAL YEAR |
|-------|------------------|
| 9505 | 60,801.69 |
| 95061 | 37,500.00 |
| 95062 | |
| 95063 | 18,660.00 |
| 95081 | |
| 95082 | |
| 95083 | |

Notices pursuant to article 134 of the Companies Code

DERIVED FINANCIAL INSTRUMENT NOT ASSESSED AT THE RIGHT VALUE

For each category of derived financial instruments not assessed at the right value

| Category of derived financial instruments | Risk covered | Speculation/ coverage | Volume | Financial year | | Previous financial year | |
|---|----------------|-----------------------|---------|----------------|----------------|-------------------------|----------------|
| | | | | Book value | Right value | Book value | Right value |
| Swaps (volume give in k€) | interest rate | coverage | 134,224 | 0 | - 5,721,937.13 | 0 | - 9,478,377.79 |
| CAP (volume give in k€) | interest rate | coverage | 64,957 | 0 | 32,494.73 | 0 | 391,931.88 |
| Collar (volume give in k€) | interest raite | coverage | 466,722 | | 5,139,207.25 | | 1,331,695.33 |
| SWAPS (volume give in k€) | Inflation | Coverage | 100,000 | | 1,648,099.69 | | |

Financial fixed assets accounted for at an amount greater than the right value

Amounts of assets taken in isolation or grouped together in a suitable manner

Reasons for which the book value has not been reduced

Elements which allow it to be supposed that the book value will be recovered

| Book value | Right value |
|------------|-------------|
| | |

STATEMENT RELATING TO THE CONSOLIDATED FINANCIAL STATEMENTS

Information to be completed by companies subject to the provisions of the Code des sociétés (Belgian Company law) relating to consolidated financial statements

The company compiles and publishes consolidated accounts and a consolidated financial report.

2.7. Valuation rules

ASSETS

SET-UP COSTS

Set-up costs are accounted for under balance-sheet assets at their purchase price and are depreciated over a maximum period of 5 years until end 2018.

INTANGIBLE ASSETS

They are recorded under assets on the balance sheet at their purchase value and are depreciated over a period of five years until the end of 2018.

As of 2019, the depreciation period for intangible fixed assets is 10 years.

TANGIBLE FIXED ASSETS

PURCHASE VALUE

Tangible fixed assets are included under assets on the balance sheet at their purchase or cost price or their transfer value.

ANCILLARY COSTS

Ancillary costs are included in the purchase value of the tangible fixed assets concerned. They are depreciated at the same rhythm as the facilities to which they relate.

THIRD-PARTY ACTIONS

Third party actions in the funding of tangible fixed assets are deducted from the latter's purchase values. They are also deducted from the basis for depreciating the abovementioned facilities.

DEPRECIATION

Depreciation is calculated using the straight-line method. Facilities acquired during the financial year have, since 1 January 2015 and following on from ORES Assets being subject to corporation tax, been depreciated prorata temporis. A facility purchased during the month will be amortised from the 1st day of month n+1.

The depreciation rates to take into account are as follows:

| ELECTRICITY FACILITIES | RATES OF DEPRECIATION AS A % | GAS FACILITIES | RATES OF DEPRECIATION AS A % |
|---|------------------------------|--------------------------|------------------------------|
| Intangible fixed assets | 20 | Intangible fixed assets | 20 |
| Land | 0 | Land | 0 |
| Industrial buildings | 3 | Industrial buildings | 3 |
| Administrative buildings | 2 | Administrative buildings | 2 |
| Cables | 2 | Pipes | 2 |
| Lines | 2 | Cabins - stations | 3 |
| Fibre optic cable sheath signalling network | 4 | Connections | 3 |
| SMART equipment signalling network | 10 | Measuring equipment | 3 |

| | | | |
|---|-----|--|-----|
| Poles and cabins (high voltage (HV) and low voltage (LV) equipment) | 3 | LAB, DISPATCHING EQUIPMENT | 10 |
| Connections - transformers | 3 | Budget meters, electronic and automatic meters | 10 |
| Connections – lines and cables | 2 | Low pressure (LP) SMART gas meters | 6.7 |
| Measuring equipment | 3 | Remote control, dispatching equipment, lab equipment | 10 |
| Electronic meters, budget meters, automatic meters | 10 | Teletransmission and fibre optics | 10 |
| Low voltage (LV) SMART electric meters | 6.7 | Tools and equipment | 10 |
| Remote control, lab and dispatching equipment | 10 | Vehicles (to transport people and goods) | 20 |
| Teletransmission and optical fibre | 10 | Mobile equipment | 10 |
| Tools and equipment | 10 | IT equipment | 33 |
| Vehicles (to transport people and goods) | 20 | | |
| Mobile equipment | 10 | | |
| IT equipment | 33 | | |

INITIAL DIFFERENCE BETWEEN THE TECHNICAL RAB AND THE BOOK VALUE OF TANGIBLE FIXED ASSETS

Until the end of 2002, tangible fixed assets valued as assets on the balance sheet according to their book value (or the purchase value less sinking fund) were revalued in accordance with the exemption obtained from the Ministry of Economic Affairs on 22 November 1985.

Since 2003, at the same rhythm that the electricity and natural gas markets have been liberalised, the intermunicipal companies active in these areas have refocused their activities, essentially on the role of electricity and gas distribution system operator, a monopolistic activ-

ity for which there is a regulatory framework made up mainly of tariff methodologies.

These provide for fair remuneration of the capital invested calculated on the basis of a rate of remuneration, a theoretical financing structure and the invested capital base to be remunerated (RAB) (a).

Combined electricity and gas distribution system operators with a technical inventory justifying the value of the tangible fixed assets could establish the initial value of the capital invested as at 31.12.2001 (electricity) / 31.12.2002 (natural gas) based on the economic value of this inventory. The initial values were formally approved by the competent regulator and then confirmed in 2007 on the basis of the values as at 31 December 2005 for electricity and 31 December 2006 for natural gas.

The regulator stipulates that the RAB taken into account to determine the basis for remunerating invested capital changes according to the following formula:
RAB_n = iRAB + investments_n – depreciation_n – derecognised facilities_n (b)

The regulator also needs to be able, at any time, to reconcile the RAB included in the tariff proposals with the DSOs' accounting statements (c).

Meeting the restrictions (a), (b) and (c) would involve accounting for the RAB and that an initial difference is shown compared to the book value.

This initial difference which appears in the ORES Assets balance sheet is, on the one hand, linked to the right to be the exclusive electricity and gas distributor for a defined period and over a fixed territory and, on the other hand, reflects the fact that the network in question has been valued.

Given the specific nature of this initial difference, ORES Assets chose to account for it in as a separate item from tangible fixed assets and to neither depreciate nor derecognise it.

In November 2007, agreements between the DSOs and CREG resulted in a transaction and the publication of the Royal Decrees of 2 September 2008 describing the CREG's tariff methodology, the principles of which have been included in the CWaPE tariff methodology.

It is also indicated that the costs to be covered by the tariffs include in particular the proportion of the capital gain relating to equipment derecognised during the year concerned, as long as the amounts corresponding to this proportion of the capital gain are held in a reserve in the DSO's liabilities. The regulator checks to make sure that the change in this reserve tallies with the recorded instances of derecognition. The method applied by the DSO in order to determine technical derecognitions is certified by the auditor of the DSO in question. The capital gain is carried forward and carried over into costs at a rate of 2% per year.

As a result, the tariff methodologies also stipulate that the value of economic reconstruction has changed every year since 1 January 2007, including in particular by deducting the proportion of the capital gain relating to equipment derecognised during the year in question. This capital gain is deducted and carried over into costs at a rate of 2% per year.

These provisions came into force from the 2008 tariff year and still apply today.

FINANCIAL FIXED ASSETS

Financial fixed assets are included as assets on the balance sheet at their purchase value less the proportion not called up.

RECEIVABLES DUE IN MORE THAN ONE YEAR

Receivables due in more than one year are accounted for at their book value.

INVENTORY AND ORDERS IN PROGRESS

Work in progress is included under assets on the balance sheet at its cost price. As far as work on behalf of third parties is concerned, the costs and billings are transferred to the profit and loss account when the work is considered finished.

RECEIVABLES DUE WITHIN ONE YEAR

Receivables due within one year are accounted for at their book value.

They include receivables from customers for energy supplies (mainly protected customers), transmission fees and miscellaneous work.

They are taken away from those regarded as unrecoverable bad debts, including those relating to known bankruptcies. These bad debts are covered in full by the debits on the profit and loss statement under "other operating charges".

If some of these are subsequently recovered, the total amount recovered will be shown as a credit in the profit and loss statement under "other operating income".

Unpaid receivables are covered by impairments when there is a certain risk that they will not be recovered.

In 2015, a new public contract was launched so that receivables could be recovered for the supply of energy to end customers as well as receivables for works. This public contract stipulates a collection rate for the successful bidder. The proportion of these receivables covered by a write-down is calculated net of the expected recovery percentage.

Following on from ORES Assets' liability for corporation tax, write-downs apply in different stages, following a specific schedule, and after the amount guaranteed by debt collection firms has been deducted, which means they are covered gradually.

We should point out that there are no write-downs for liabilities related to "network damage" less than two years old, as well as for outstanding debts to municipalities, as the Board of Directors feels that these liabilities do not present any risk of not being recovered.

CASH INVESTMENTS

Cash investments are accounted for under balance sheet assets at their book value.

LIQUID ASSETS

Liquid assets are accounted for under balance sheet assets at their book value.

ADJUSTMENT ACCOUNTS

1. The expenses incurred during the financial year but chargeable in full or in part to one or more previous financial years are evaluated using a proportional rule.
2. Income or fractions of income which are only paid during one or more of the following financial years but which are to be associated with the financial year in question are evaluated at the amount of the proportion relating to the financial year in question.

The asset adjustment accounts mainly include the costs relating to the pension charges previously paid in the form of capital to the benefit of the operating company's staff (ORES scrl) previously allocated to the distribution activities on the intermunicipal company's territory.

The inclusion of these costs by the intermunicipal company is staggered over a period of no more than 20 years.

The estimated value of the transmission fees for energy transported but not raised as at 31 December is also included in the asset adjustment accounts.

"Low voltage" and "low pressure" consumption for residential and business customers is only recorded once a year, so the quantities of energy transported for these customers between the date of the last meter reading and 31 December and the transmission fees relating to them have to be estimated (total quantities of energy transported during the calendar year - quantities transported and billed during the same financial year) (valuation of transmission fees based on the applicable rates during the course of the financial year concerned).

The asset adjustment accounts include any "regulated assets" accounted for by virtue of the principle of annuality for expenditure and income. These "regulated assets" relating to the previous years are recovered using tariffs in accordance with the recommendations issued by

the regulator in its decisions relating to balances under "Allocation of regulatory balances". The impact of these regulated assets on the results for the intermunicipal company will be absorbed annually and partially by allocating some of the profits to the available reserves.

LIABILITIES

TAX-FREE RESERVES

This item includes capital gains and profits whose tax-free status is subject to them being kept as the company's assets.

PROVISIONS AND DEFERRED TAXES

At the end of each financial year, applying caution, sincerity and good faith when coming to its decision, the Board of Directors looks at the provisions to be set aside to cover all the expected risks or any losses arising during this and previous years. The provisions relating to the previous financial years are regularly reviewed and the Board of Directors decides on their allocation or purpose.

DEBTS DUE IN MORE THAN ONE YEAR

Debts due in more than one year are accounted for under liabilities in the balance sheet at their book value.

DEBTS DUE WITHIN ONE YEAR

Debts due within one year are accounted for under liabilities in the balance sheet at their book value.

ADJUSTMENT ACCOUNTS

1. The expenses or fractions of the expenses relating to the financial year but which will only be paid during a subsequent financial year are valued at the total amount attributable to the financial year.
2. The income received during the financial year which is attributable in full or in part to a subsequent financial year is also valued at the amount that must be regarded as income for subsequent financial years.

The liability adjustment accounts include any "regulatory liabilities" or "excess liabilities" accounted for by virtue of the principle of annuality for expenditure and income. These "regulatory liabilities" relating to the previous years are covered using tariffs in accordance with the recommendations issued by the regulator in its decisions relating to balances under "Allocation of regulatory balances". The impact of these regulatory assets on the results for the intermunicipal company is fully covered during the year to which they relate.

The estimated value of the transmission fees for energy transported but not raised as at 31 December is also included in the liability adjustment accounts. "Low voltage" and "low pressure" consumption for residential and business customers is only recorded once a year, so the quantities of energy transported for these customers between the date of the last meter reading and 31 December and the transmission fees relating to them have to be estimated (total quantities of energy transported during the calendar year - quantities transported and billed during the same financial year) (valuation of transmission fees based on the applicable rates during the course of the financial year concerned).

2.8. List of contractors

| Contractors | Description | Procedure |
|---------------------------|---|---|
| AG GRONDWERKEN BVBA | Contract to lay cables and sheathing for fibre optics in the Walloon Brabant and Namur regions on the basis of the WQPOSWA qualification system (specific case) | procedure negotiated with a prior competitive bidding process |
| AIG EUROPE | Operational third-party liability insurance | procedure negotiated with a prior competitive bidding process |
| ALLIANZ BELGIUM SA | Operational third-party liability insurance | procedure negotiated with a prior competitive bidding process |
| AQUAENERGIA SA | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| AVK BELGIUM NV | Contract to supply manholes, launched on the basis of the WFQTRP qualification system | procedure negotiated with a prior competitive bidding process |
| AVK BELGIUM NV | Provision of metal valves | procedure negotiated with a prior competitive bidding process |
| AVK BELGIUM NV | Provision of PE valves | procedure negotiated with a prior competitive bidding process |
| AVL EXPRESS SPRL | Internal postal delivery services between the different ORES scrl sites | procedure negotiated with a prior competitive bidding process |
| BDO CONSEILS FISCAUX SCRL | "On-call" tax support services | procedure negotiated with a prior competitive bidding process |
| BLACKLIGHT ANALYTICS SPRL | (O ONE) - SANO Brain - Implementation of a software solution for active congestion management | procedure negotiated with a prior competitive bidding process |

| | | |
|---------------------------------|---|---|
| CARRIERES ET TERRASSEMENTS SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| CARRIERES ET TERRASSEMENTS SA | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| CARRIERES ET TERRASSEMENTS SA | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| CEGELEC SA | Contract for heating - ventilation - air-conditioning (HVAC) and bathroom facilities within the context of building the new head office building for ORES scrL. | procedure negotiated with a prior competitive bidding process |
| CITEGESTION | Service Contract for overseeing and migrating the current EP management solution PackWeb (GEOLUM) to the MUSE version and application maintenance | procedure negotiated with a prior competitive bidding process |
| CLICKSOFTWARE EUROPE Ltd | Updating Click Schedule | procedure negotiated with a prior competitive bidding process |
| COLLET LAURENT ELECTRICITE SPRL | Work on electricity meters on the basis of the WQCPEWA qualification system | procedure negotiated with a prior competitive bidding process |
| CONTIGEA SA | Supply of Linky® ORES G3-PLC meters | procedure negotiated with a prior competitive bidding process |
| ELECOM SA | Contract to supply LV above-ground cabinets, low voltage master distribution boards, rainwater slabs and connectors | procedure negotiated with a prior competitive bidding process |
| ELECTRABEL SA | Contract to supply electricity and gas to compensate for losses, PSOs and specific needs in 2020, 2021 and 2022 | procedure negotiated with a prior competitive bidding process |

| | | |
|----------------------------------|--|---|
| ENGETEC SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| ENGETEC SA | Preventive (systematic) and corrective maintenance contract for public lighting on the basis of the WQEPWA qualification system | restricted procedure |
| ENGETEC SA | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| ENGETEC SA | Contract for combined LV, Gas and Water connections (Connect My Home) on the basis of the WQCMHWA qualification system | procedure negotiated with a prior competitive bidding process |
| ENGETEC SA | Contract for LV connections on the basis of the WQERBWA qualification system | procedure negotiated with a prior competitive bidding process |
| ENGIE FABRICOM INFRA SUD SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| ENGIE FABRICOM INFRA SUD SA | Contract for LV connections on the basis of the WQERBWA qualification system | procedure negotiated with a prior competitive bidding process |
| ENGIE FABRICOM INFRA SUD SA | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| ENTREPRISE JEROUVILLE SA | Contract to lay cables and sheathing for fibre optics in the Namur and Luxembourg regions on the basis of the WQPOSWA qualification system (specific case) | procedure negotiated with a prior competitive bidding process |
| ETABLISSEMENTS OCTAVE TASIAUX SA | Installation of electrical equipment in MV/LV control cabinets on the basis of the WQECEWA qualification system, complementary contract | procedure negotiated with a prior competitive bidding process |

| | | |
|--|---|---|
| ETHIAS DROIT COMMUN ASS. ASSURANCES M. | Comprehensive worksite and ten-year civil liability insurance for the construction/renovation of the Strépy 12 building | procedure negotiated with a prior competitive bidding process |
| ETHIAS SA | Operational third-party liability insurance | procedure negotiated with a prior competitive bidding process |
| ETS E. RONVEAUX SA | Contract for work on fibre optics (blowing, splicing, installation above ground) on the basis of the WQFOPWA qualification system | procedure negotiated with a prior competitive bidding process |
| ETWAL-PLATTEAU INFRA SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| ETWAL-PLATTEAU INFRA SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| ETWAL-PLATTEAU INFRA SA | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| ETWAL-PLATTEAU INFRA SA | Contract for combined LV, Gas and Water connections (Connect My Home) on the basis of the WQCMHWA qualification system | procedure negotiated with a prior competitive bidding process |
| ETWAL-PLATTEAU INFRA SA | Contract for LV connections on the basis of the WQERBWA qualification system | procedure negotiated with a prior competitive bidding process |
| ETWAL-PLATTEAU INFRA SA | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| EVODIS | Contract to supply manholes, launched on the basis of the WFQTRP qualification system | procedure negotiated with a prior competitive bidding process |

| | | |
|------------------------------|--|---|
| EVODIS | Provision of metal valves | procedure negotiated with a prior competitive bidding process |
| FERRANTI COMPUTER SYSTEMS NV | IT services to design, develop and integrate the MDM/MERCURE application with the clearing house ATRIAS, as well as corrective and upgrade maintenance | procedure negotiated with a prior competitive bidding process |
| FJC-METUBEL SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| FJC-METUBEL SA | Contract for combined LV, Gas and Water connections (Connect My Home) on the basis of the WQCMHWA qualification system | procedure negotiated with a prior competitive bidding process |
| FJC-METUBEL SA | Contract for LV connections on the basis of the WQERBWA qualification system | procedure negotiated with a prior competitive bidding process |
| FJC-METUBEL SA | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| FLEXSO BRUSSELS SA | Supply of EPI-Use licences | procedure negotiated with a prior competitive bidding process |
| FODETRA-HOTTON INFRA SA | Contract to lay cables and sheathing for fibre optics in the Namur and Luxembourg regions on the basis of the WQPOSWA qualification system (specific case) | procedure negotiated with a prior competitive bidding process |
| FODETRA-HOTTON INFRA SA | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| FODETRA-HOTTON INFRA SA | Contract for combined LV, Gas and Water connections (Connect My Home) on the basis of the WQCMHWA qualification system | procedure negotiated with a prior competitive bidding process |

| | | |
|----------------------------|--|---|
| FODETRA-HOTTON INFRA SA | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| FRANKI SA | Contract for the fitting out work within the context of building the new head office building for ORES scrl. | procedure negotiated with a prior competitive bidding process |
| GALERE SA | Construction contract for an industrial building with interior renovation of the existing building at the ORES site in Strépy-Bracquegnies | procedure negotiated with a prior competitive bidding process |
| GALERE SA | Contract for the layout work for the surrounding area, roads, water management and various networks within the context of building the new head office building for ORES scrl. | procedure negotiated with a prior competitive bidding process |
| GAS NATURAL EUROPE SAS | Contract to supply electricity and gas to compensate for losses, PSOs and specific needs in 2020, 2021 and 2022 | procedure negotiated with a prior competitive bidding process |
| GENETEC SA | Work to replace the lights in the city of Namur with LED bulbs within the context of the FRIC plan | open procedure |
| GENETEC SA | Preventive (systematic) and corrective maintenance contract for public lighting on the basis of the WQEPWA qualification system | restricted procedure |
| INFRATECH SA | Supply of fibre optic cables | procedure negotiated with a prior competitive bidding process |
| INFRATECH SA | Contract to supply manholes, launched on the basis of the WFQTRP qualification system | procedure negotiated with a prior competitive bidding process |
| INFRATECH SA | Provision of PE valves | procedure negotiated with a prior competitive bidding process |
| KONE BELGIUM SA | Contract to install and maintain lifts within the context of building the new head office building for ORES scrl | procedure negotiated with a prior competitive bidding process |

| | | |
|--|--|---|
| LANDIS+GYR SA | Centralised remote control receivers | procedure negotiated with a prior competitive bidding process |
| NIZET ENTREPRISE SA | Contract for the electrical work within the context of building the new head office building for ORES scl. | procedure negotiated with a prior competitive bidding process |
| NIZET ENTREPRISE SA | Installation of electrical equipment in MV/LV control cabinets on the basis of the WQECEWA qualification system, complementary contract | procedure negotiated with a prior competitive bidding process |
| NSF EURO CONSULTANTS SA | Service contract to help agree, monitor and oversee a contract for catering services | procedure negotiated with a prior competitive bidding process |
| RONVEAUX - ENGETEC - SUDTRAFOR SOC MOM | Contract to lay cables and sheathing for fibre optics and gas pipelines in the Namur, Luxembourg and Picardy Wallonia regions on the basis of the WQPOSWA qualification system (specific case) | procedure negotiated with a prior competitive bidding process |
| SAGEMCOM ENERGY & TELECOM SAS | Supply of Linky® ORES G3-PLC meters | procedure negotiated with a prior competitive bidding process |
| SIMON JEAN-LUC SPRL | Contract to lay cables and sheathing for fibre optics in the Namur and Luxembourg regions on the basis of the WQPOSWA qualification system (specific case) | procedure negotiated with a prior competitive bidding process |
| SIMON JEAN-LUC SPRL | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| SIMON JEAN-LUC SPRL | Contract for LV connections on the basis of the WQERBWA qualification system | procedure negotiated with a prior competitive bidding process |
| SMARTNODES SA | Operational third-party liability insurance | procedure negotiated with a prior competitive bidding process |

| | | |
|-------------------------------------|--|--|
| SODECO VALVES BELGIUM NV | Provision of metal valves | procedure negotiated with a prior competitive bidding process |
| TECHNORD BELGIUM SA | Installation of electrical equipment in MV/LV control cabinets on the basis of the WQECEWA qualification system, complementary contract | procedure negotiated with a prior competitive bidding process |
| TECONEX SA | Contract to supply LV above-ground cabinets, low voltage master distribution boards, rainwater slabs and connectors | procedure negotiated with a prior competitive bidding process |
| TMS SA | Work on gas meters on the basis of the WQCPGWA qualification system | procedure negotiated with a prior competitive bidding process |
| TMS SA | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| TPIM SA | Contract to supply manholes, launched on the basis of the WFQTRP qualification system | procedure negotiated with a prior competitive bidding process |
| TRAVOCO NV | Contract for Gas connections on the basis of the WQGRBWA (WTGRBWA20) qualification system | procedure negotiated with a prior competitive bidding process |
| TRAVOCO SA | Underground installation work in the Charleroi, Mons - La Louvière, Namur and Luxembourg regions on the basis of the WQPOSWA qualification system | procedure negotiated with a prior competitive bidding process |
| TRAVOCO-ENGIE FABRICOM INFRA SUD | Contract for combined LV, Gas and Water connections (Connect My Home) on the basis of the WQCMHWA qualification system | procedure negotiated with a prior competitive bidding process |
| VD CABLING SA | Work on electricity meters on the basis of the WQCPEWA qualification system | procedure negotiated with a prior competitive bidding process |

| | | |
|-----------------------|--|---|
| VEREECKE NV | Contract to lay cables and sheathing for fibre optics and gas pipelines in the Namur, Luxembourg and Picardy Wallonia regions on the basis of the WQPOSWA qualification system (specific case) | procedure negotiated with a prior competitive bidding process |
| VOLTACOM SPRL | Contract to supply LV above-ground cabinets, low voltage master distribution boards, rainwater slabs and connectors | procedure negotiated with a prior competitive bidding process |
| VW AGF MOTOR | Contract to supply 4X4 MMA \geq 3T vehicles | procedure negotiated with a prior competitive bidding process |
| WANTY SA | Preventive (systematic) and corrective maintenance contract for public lighting on the basis of the WQEPWA qualification system | restricted procedure |
| WANTY SA | Contract for combined LV, Gas and Water connections (Connect My Home) on the basis of the WQCMHWA qualification system | procedure negotiated with a prior competitive bidding process |
| WANTY SA | Contract for LV connections on the basis of the WQERBWA qualification system | procedure negotiated with a prior competitive bidding process |
| WAUTHIER CTP SA | Work on electricity meters on the basis of the WQCPEWA qualification system | procedure negotiated with a prior competitive bidding process |
| WAUTHIER CTP SA | Preventive (systematic) and corrective maintenance contract for public lighting on the basis of the WQEPWA qualification system | restricted procedure |
| XL INSURANCE COMPAGNY | Operational third-party liability insurance | procedure negotiated with a prior competitive bidding process |

04

Profit distribution 2018





ORES ASSETS all sectors

(amounts in €)

ELECTRICITY

| Activities | Municipalities | IPF | Total |
|--------------------------------|---------------------|----------------------|----------------------|
| Distribution network operation | 5,768,600.62 | 51,801,252.95 | 57,569,853.57 |
| Supply | 18,903.05 | 168,846.92 | 187,749.97 |
| Total electricity | 5,787,503.67 | 51,970,099.87 | 57,757,603.54 |

GAS

| Activities | Municipalities | IPF | Total |
|--------------------------------|------------------|----------------------|----------------------|
| Distribution network operation | 87,837.04 | 27,364,269.75 | 27,452,106.79 |
| Supply | 366.15 | 17,112.12 | 17,478.27 |
| Total gas | 88,203.19 | 27,381,381.87 | 27,469,585.06 |

ELECTRICITY + GAS

| Activities | Municipalities | IPF | Total |
|--------------------------------|---------------------|----------------------|----------------------|
| Distribution network operation | 5,856,437.66 | 79,165,522.70 | 85,021,960.36 |
| Supply | 19,269.20 | 185,959.04 | 205,228.24 |
| Total electricity + gas | 5,875,706.86 | 79,351,481.74 | 85,227,188.60 |

ORES ASSETS Namur sector

(amounts in €)

ELECTRICITY

| Activities | Municipalities | IDEFIN | Total |
|--------------------------------|-------------------|---------------------|---------------------|
| Distribution network operation | 198,201.01 | 9,483,150.92 | 9,681,351.93 |
| Supply | 175.68 | 17,131.82 | 17,307.50 |
| Total electricity | 198,376.69 | 9,500,282.74 | 9,698,659.43 |

| GAS | | | |
|--------------------------------|-----------------|---------------------|---------------------|
| Activities | Municipalities | IDEFIN | Total |
| Distribution network operation | 4,699.26 | 2,158,009.11 | 2,162,708.37 |
| Supply | 2.92 | 3,489.13 | 3,492.05 |
| Total gas | 4,702.18 | 2,161,498.24 | 2,166,200.42 |

| ELECTRICITY + GAS | | | |
|--------------------------------|-------------------|----------------------|----------------------|
| Activities | Municipalities | IDEFIN | Total |
| Distribution network operation | 202,900.27 | 11,641,160.03 | 11,844,060.30 |
| Supply | 178.60 | 20,620.95 | 20,799.55 |
| Total electricity + gas | 203,078.87 | 11,661,780.98 | 11,864,859.85 |

ORES ASSETS Hainaut sector

(amounts in €)

| ELECTRICITY | | | |
|--------------------------------|------------------|----------------------|----------------------|
| Activities | Municipalities | IPFH | Total |
| Distribution network operation | 73,841.98 | 18,682,051.65 | 18,755,893.63 |
| Supply | 76.38 | 140,983.91 | 141,060.29 |
| Total electricity | 73,918.36 | 18,823,035.56 | 18,896,953.92 |

| GAS | | | |
|--------------------------------|-----------------|----------------------|----------------------|
| Activities | Municipalities | IPFH | Total |
| Distribution network operation | 6,246.22 | 17,086,315.93 | 17,092,562.15 |
| Supply | 9.33 | 11,737.78 | 11,747.11 |
| Total gas | 6,255.55 | 17,098,053.71 | 17,104,309.26 |

| ELECTRICITY + GAS | | | |
|--------------------------------|------------------|----------------------|----------------------|
| Activities | Communes | IPFH | Total |
| Distribution network operation | 80,088.20 | 35,768,367.58 | 35,848,455.78 |
| Supply | 85.71 | 152,721.69 | 152,807.40 |
| Total electricity + gas | 80,173.91 | 35,921,089.27 | 36,001,263.18 |

ORES ASSETS EAST SECTOR

(amounts in €)

ELECTRICITY

| Activities | Municipalities | FINEST | Total |
|--------------------------------|----------------|---------------------|---------------------|
| Distribution network operation | 13.92 | 2,821,816.06 | 2,821,829.98 |
| Supply | 859.91 | 683.28 | 1,543.19 |
| Total electricity | 873.83 | 2,822,499.34 | 2,823,373.17 |

ORES ASSETS Luxembourg sector

(amounts in €)

ELECTRICITY

| Activities | Municipalities | SOFILUX | Total |
|--------------------------------|-------------------|---------------------|---------------------|
| Distribution network operation | 315,466.46 | 8,456,929.52 | 8,772,395.98 |
| Supply | 5,008.01 | 3,559.06 | 8,567.07 |
| Total electricity | 320,474.47 | 8,460,488.58 | 8,780,963.05 |

GAS

| Activities | Municipalities | SOFILUX | Total |
|--------------------------------|----------------|-------------------|-------------------|
| Distribution network operation | 102.67 | 940,838.62 | 940,941.29 |
| Supply | 341.23 | 252.16 | 593.39 |
| Total gas | 443.90 | 941,090.78 | 941,534.68 |

ELECTRICITY + GAS

| Activities | Municipalities | SOFILUX | Total |
|--------------------------------|-------------------|---------------------|---------------------|
| Distribution network operation | 315,569.13 | 9,397,768.14 | 9,713,337.27 |
| Supply | 5,349.24 | 3,811.22 | 9,160.46 |
| Total electricity + gas | 320,918.37 | 9,401,579.36 | 9,722,497.73 |

ORES ASSETS Verviers sector

(amounts in €)

ELECTRICITY

| Activities | Municipalities | FINIMO | Total |
|--------------------------------|------------------|---------------------|---------------------|
| Distribution network operation | 36,568.19 | 3,545,932.02 | 3,582,500.21 |
| Supply | 4,574.50 | 2,257.49 | 6,831.99 |
| Total electricity | 41,142.69 | 3,548,189.51 | 3,589,332.20 |

ORES ASSETS Walloon Brabant sector

(amounts in €)

ELECTRICITY

| Activities | Municipalities | IPFBW | Total |
|--------------------------------|---------------------|---------------------|----------------------|
| Distribution network operation | 5,108,860.88 | 5,684,103.27 | 10,792,964.15 |
| Supply | 8,042.64 | 830.94 | 8,873.58 |
| Total électricité | 5,116,903.52 | 5,684,934.21 | 10,801,837.73 |

GAS

| Activities | Municipalities | IPFBW | Total |
|--------------------------------|------------------|---------------------|---------------------|
| Distribution network operation | 75,328.49 | 5,781,965.54 | 5,857,294.03 |
| Supply | 0.00 | 0.00 | 0.00 |
| Total gas | 75,328.49 | 5,781,965.54 | 5,857,294.03 |

ELECTRICITY + GAS

| Activities | Municipalities | IPFBW | Total |
|--------------------------------|---------------------|----------------------|----------------------|
| Distribution network operation | 5,184,189.37 | 11,466,068.81 | 16,650,258.18 |
| Supply | 8,042.64 | 830.94 | 8,873.58 |
| Total électricité + gas | 5,192,232.01 | 11,466,899.75 | 16,659,131.76 |

ORES ASSETS Mouscron sector

(amounts in €)

ELECTRICITY

| Activities | Municipalities | IEG | Total |
|--------------------------------|------------------|---------------------|---------------------|
| Distribution network operation | 35,648.18 | 1,249,215.53 | 1,284,863.71 |
| Supply | 165.93 | 3,400.42 | 3,566.35 |
| Total électricity | 35,814.11 | 1,252,615.95 | 1,288,430.06 |

GAS

| Activities | Municipalities | IEG | Total |
|--------------------------------|-----------------|-------------------|-------------------|
| Distribution network operation | 1,460.40 | 719,384.27 | 720,844.67 |
| Supply | 12.67 | 1,633.05 | 1,645.72 |
| Total gas | 1,473.07 | 721,017.32 | 722,490.39 |

ELECTRICITY + GAS

| Activities | Municipalities | IEG | Total |
|--------------------------------|------------------|---------------------|---------------------|
| Distribution network operation | 37,108.58 | 1,968,599.80 | 2,005,708.38 |
| Supply | 178.60 | 5,033.47 | 5,212.07 |
| Total électricity + GAS | 37,287.18 | 1,973,633.27 | 2,010,920.45 |

ORES ASSETS Joint sector

(amounts in €)

ELECTRICITY

Activities

IPF's

| | |
|---------------------------------------|---------------------|
| Distribution network operation | 1,878,053.98 |
| - IDEFIN | 336,522.16 |
| - IPFH | 824,137.57 |
| - FINEST | 82,799.20 |
| - SOFILUX | 218,643.41 |
| - FINIMO | 114,726.10 |
| - IPFBW | 248,608.33 |
| - IEG | 52,617.21 |
| Total electricity | 1,878,053.98 |

GAS

Activities

IPF's

| | |
|---------------------------------------|-------------------|
| Distribution network operation | 677,756.28 |
| - IDEFIN | 58,570.20 |
| - IPFH | 440,165.62 |
| - SOFILUX | 14,228.82 |
| - IPFBW | 125,646.33 |
| - IEG | 39,145.31 |
| Total gas | 677,756.28 |

ELECTRICITY + GAS

Activities

IPF's

| | |
|---------------------------------------|---------------------|
| Distribution network operation | 2,555,810.26 |
|---------------------------------------|---------------------|

05

Auditors' reports





1. For the advance payment



RSM InterAudit

Rue Antoine de Saint-Exupéry 14
B 6041 Gosselies

T +32 (0)71 37 03 13
F +32 (0)71 37 01 39

www.rsmbelgium.be

Ores Assets Scri

Rapport du commissaire sur l'état résumant la situation active et passive au
31 octobre 2018 dans le cadre de la proposition de distribution
d'un acompte sur dividende

TABLE DES MATIÈRES

| | |
|--|---|
| 1. Introduction | 3 |
| 2. Contrôles effectués..... | 4 |
| 3. Commentaires sur l'état résumant la situation active et passive | 4 |
| 4. Événements survenus après la clôture intermédiaire | 4 |
| 5. Limitations concernant la répartition bénéficiaire | 4 |
| 6. Conclusion..... | 5 |

A small, handwritten mark or signature in the bottom left corner of the page.

1. Introduction

Le Conseil d'administration propose, conformément à l'article 37 des statuts de distribuer un acompte sur le dividende qui sera octroyé sur les résultats de l'exercice au vu d'un état vérifié par le Collège des contrôleurs aux comptes et résumant la situation active et passive.

Conformément à ces dispositions statutaires, je soussigné Thierry LEJUSTE, Réviseur d'Entreprises, commissaire de la société coopérative à responsabilité limitée ORES ASSETS, et représentant la SCRL RSM InterAudit dont les bureaux sont établis au n° 14, rue Antoine de Saint-Exupéry à 6041 Gosselies, a été mandaté par le Conseil d'administration en vue d'établir le rapport requis par les statuts.

Notre rapport est basé sur un état résumant la situation active et passive de la société ne remontant pas à plus de 2 mois. Une situation comptable arrêtée au 31 octobre 2018 nous a été remise à cet effet.

Nous avons procédé à un examen limité de l'état résumant la situation active et passive intermédiaire pour la période du 1 janvier 2018 au 31 octobre 2018, dont le total du bilan s'élève à 4.095.107.428,44 EUR et dont le compte de résultat de l'exercice au 31 octobre 2018 se solde par un bénéfice de 70.706.493,23EUR

L'état résumant la situation active et passive intermédiaire a été établi sous la responsabilité du Conseil d'administration afin de lui permettre d'évaluer si le bénéfice disponible, tel que déterminé par les dispositions de l'article 37 ses statuts de la Scrl Ores Assets, est suffisant pour permettre la distribution d'un acompte sur dividendes de 50.126.967,82 EUR répartis comme suit par secteur et par énergie :

| ÉLECTRICITÉ | |
|------------------------------------|--------------------------|
| Namur | 5.806.395,89 EUR |
| Hainaut | 11.104.238,40 EUR |
| Est | 1.875.442,80 EUR |
| Luxembourg | 5.226.419,85 EUR |
| Verviers | 2.293.873,89 EUR |
| Brabant Wallon | 4.020.065,67 EUR |
| Mouscron | 647.530,59 EUR |
| Secteur commun | 1.089.051,36 EUR |
| Total Électricité | 32.063.018,45 EUR |
| GAZ | |
| Namur | 1.666.152,46 EUR |
| Hainaut | 11.318.610,01 EUR |
| Luxembourg | 565.848,20 EUR |
| Brabant Wallon | 3.519.893,08 EUR |
| Mouscron | 608.886,16 EUR |
| Secteur commun | 384.559,46 EUR |
| Total Gaz | 18.063.949,37 EUR |
| Acompte sur dividende total | 50.126.967,82 EUR |

2. Contrôles effectués

Notre mission a été effectuée conformément aux recommandations de révision de l'Institut des Réviseurs d'Entreprises relatives à l'examen limité. L'examen limité d'une situation intermédiaire consiste principalement en l'analyse des données financières et la discussion de ces informations avec la Direction.

L'étendue des travaux entrant dans le cadre de cet examen est moins importante que celle qui résulte d'un contrôle plénier conformément aux normes de révision généralement appliquées. De ce fait, nous ne pouvons pas émettre d'opinion sur l'état ci-joint.

Nous nous sommes également assurés que les statuts prévoient expressément que le Conseil d'administration peut distribuer un acompte sur dividende.

3. Commentaires sur l'état résumant la situation active et passive

La situation active et passive intermédiaire au 31 octobre 2018 a été établie sous la responsabilité du Conseil d'administration conformément à la législation comptable et aux règles d'évaluation de la société et concorde avec la comptabilité d'Ores Assets Scrl. Les règles d'évaluation approuvées par le Conseil d'administration sont identiques à celles utilisées au cours de l'exercice précédent.

4. Événements survenus après la clôture intermédiaire

À la date de ce rapport, sur base des discussions que nous avons eues avec la Direction, il ne s'est produit depuis le 31 octobre 2018, date de l'état résumant la situation active et passive intermédiaire, aucun événement important qui aurait un impact significatif sur celle-ci.

5. Limitations concernant la répartition bénéficiaire

Conformément à l'article 428 du Code des Sociétés, un prélèvement d'un vingtième au moins du bénéfice net doit être affecté à la formation d'un fonds de réserve ; ce prélèvement cesse d'être obligatoire lorsque le fonds de réserve atteint le dixième de la part fixe du capital social.

Conformément à l'article 429, aucune distribution ne peut être faite lorsqu'à la date de clôture du dernier exercice, l'actif net tel qu'il résulte des comptes annuels est, ou deviendrait, à la suite d'une telle distribution, inférieur au montant de la part fixe du capital ou au montant du capital libéré lorsque celui-ci est inférieur à la part fixe du capital, augmenté de toutes les réserves que la loi ou les statuts ne permettent pas de distribuer. Par actif net, il faut entendre le total de l'actif tel qu'il figure au bilan, déduction faite des provisions et dettes. Pour la distribution de dividendes, l'actif ne peut comprendre le montant non encore amorti des frais d'établissement et sauf cas exceptionnel à justifier, le montant non encore amorti des frais de recherche et de développement.

Conformément à l'article 384, sauf disposition statutaire contraire, l'Assemblée générale décide de l'affectation des bénéfices et des pertes.



6. Conclusion

Notre examen n'a pas révélé de faits ou d'éléments qui auraient pour effet de modifier de manière significative l'état résumant la situation active et passive ci-joint pour la période du 01 janvier 2018 au 31 octobre 2018.

Le bénéfice de l'exercice repris dans la situation intermédiaire au 31 octobre 2018, réduit de la perte reportée/majoré du bénéfice reporté, à l'exclusion de tout prélèvement sur des réserves constituées et en tenant compte des réserves à constituer en vertu des dispositions légales ou statutaires est supérieur au montant de l'acompte sur dividende proposé.

Le présent rapport a été préparé à l'usage exclusif du Conseil d'administration et des coopérateurs de la société, dans le cadre du projet de distribution d'un acompte sur dividende comme décrit ci-dessus et ne peut être utilisé à d'autres fins.

Gosselies, le 17 décembre 2018

RSM INTERAUDIT SCRL
REPRESENTEE PAR

A handwritten signature in blue ink, appearing to be 'Thierry Lejuste', written over a horizontal line.

THIERRY LEJUSTE
ASSOCIE

2. For the accounts as at 31 décembre 2018



ORES ASSETS SCRL

RAPPORT DU COMMISSAIRE A L'ASSEMBLEE GENERALE DE LA SOCIETE POUR L'EXERCICE CLOS LE 31 DECEMBRE 2018

Dans le cadre du contrôle légal des comptes annuels de la société ORES ASSETS (la "société"), nous vous présentons notre rapport du commissaire. Celui-ci inclut notre rapport sur les comptes annuels ainsi que les autres obligations légales et réglementaires. Le tout constitue un ensemble et est inséparable.

Nous avons été nommés en tant que commissaire par l'Assemblée générale du 23 juin 2016, conformément à la proposition de l'organe de gestion. Notre mandat de commissaire vient à échéance à la date de l'Assemblée Générale délibérant sur les comptes annuels clôturés au 31 décembre 2018. Nous avons exercé le contrôle légal des comptes annuels de la société ORES ASSETS durant trois exercices consécutifs.

RAPPORT SUR LES COMPTES ANNUELS

Opinion sans réserve

Nous avons procédé au contrôle légal des comptes annuels de la société, comprenant le bilan au 31 décembre 2018, ainsi que le compte de résultats pour l'exercice clos à cette date et l'annexe, dont le total du bilan s'élève à € 4.108.810.009,91 € et dont le compte de résultats se solde par un bénéfice de l'exercice à affecter de l'exercice de € 95.091.430,15 €.

À notre avis, ces comptes annuels donnent une image fidèle du patrimoine et de la situation financière de la société au 31 décembre 2018, ainsi que de ses résultats pour l'exercice clos à cette date, conformément au référentiel comptable applicable en Belgique.

Fondement de l'opinion sans réserve

Nous avons effectué notre audit selon les Normes internationales d'audit (ISA) telles qu'applicables en Belgique. Les responsabilités qui nous incombent en vertu de ces normes sont plus amplement décrites dans la section « Responsabilités du commissaire relatives à l'audit des comptes annuels » du présent rapport. Nous nous sommes conformés à toutes les exigences déontologiques qui s'appliquent à l'audit des comptes annuels en Belgique, en ce compris celles concernant l'indépendance.

Nous avons obtenu de l'organe de gestion et des préposés de la société, les explications et informations requises pour notre audit.

Nous estimons que les éléments probants que nous avons recueillis sont suffisants et appropriés pour fonder notre opinion.

AUDIT | TAX | CONSULTING

RSM Intertul is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM Network. Each member of the RSM network is an independent accounting and consulting firm which practices under its own name. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Intertul België BV - Brussels 2 entrepreneurs - Edge 1004 - The Plaza de Woluwe 1101 - B-1180 Brussels
rsmintertulbelgie.be - TVA BE 045 357 122 - RSM Intertul - Société privée à responsabilité limitée

Member of RSM Taxnet, Deloitte Expert Network - Offices in Amsterdam, Brussels, Charleroi, Ghent and Luxembourg

Responsabilités de l'organe de gestion relatives aux comptes annuels

L'organe de gestion est responsable de l'établissement des comptes annuels donnant une image fidèle conformément au référentiel comptable applicable en Belgique, ainsi que du contrôle interne qu'il estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à l'organe de gestion d'évaluer la capacité de la société à poursuivre son exploitation, de fournir, le cas échéant, des informations relatives à la continuité d'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si l'organe de gestion a l'intention de mettre la société en liquidation ou de cesser ses activités ou s'il ne peut envisager une autre solution alternative réaliste.

Responsabilités du commissaire relatives à l'audit des comptes annuels

Nos objectifs sont d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, et d'émettre un rapport du commissaire contenant notre opinion. L'assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément aux normes ISA permettra de toujours détecter toute anomalie significative existante. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsqu'il est raisonnable de s'attendre à ce que, prises individuellement ou en cumulé, elles puissent influencer les décisions économiques que les utilisateurs des comptes annuels prennent en se fondant sur ceux-ci.

Lors de l'exécution de notre contrôle, nous respectons le cadre légal, réglementaire et normatif qui s'applique à l'audit des comptes annuels en Belgique.

Dans le cadre d'un audit réalisé conformément aux normes ISA et tout au long de celui-ci, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique. En outre :

- ▶ nous identifions et évaluons les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définissons et mettons en œuvre des procédures d'audit en réponse à ces risques, et recueillons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- ▶ nous prenons connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, mais non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de la société ;
- ▶ nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par l'organe de gestion, de même que des informations les concernant fournies par ce dernier ;
- ▶ nous concluons quant au caractère approprié de l'application par l'organe de gestion du principe comptable de continuité d'exploitation et, selon les éléments probants recueillis, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité de la société à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport du commissaire sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants recueillis jusqu'à la date de notre rapport du commissaire. Cependant, des situations ou événements futurs pourraient conduire la société à cesser son exploitation ;
- ▶ nous apprécions la présentation d'ensemble, la structure et le contenu des comptes annuels et évaluons si les comptes annuels reflètent les opérations et événements sous-jacents d'une manière telle qu'ils en donnent une image fidèle.

Nous communiquons à l'organe de gestion notamment l'étendue des travaux d'audit et le calendrier de réalisation prévus, ainsi que les constatations importantes relevées lors de notre audit, y compris toute faiblesse significative dans le contrôle interne.

AUTRES OBLIGATIONS LÉGALES ET RÉGLEMENTAIRES

Responsabilités de l'organe de gestion

L'organe de gestion est responsable de la préparation et du contenu du rapport de gestion et des documents à déposer conformément aux dispositions légales et réglementaires, du respect des dispositions légales et réglementaires applicables à la tenue de la comptabilité ainsi que du respect du Code des sociétés et des statuts de la société.

Responsabilités du commissaire

Dans le cadre de notre mandat et conformément à la norme belge complémentaire aux normes internationales d'audit (ISA) applicables en Belgique, notre responsabilité est de vérifier, dans ses (leurs) aspects significatifs, le rapport de gestion et certains documents à déposer conformément aux dispositions légales et réglementaires, de s'assurer du respect de certaines dispositions du Code des sociétés et des statuts, ainsi que de faire rapport sur ces éléments.

Aspects relatifs au rapport de gestion

À l'issue des vérifications spécifiques sur le rapport de gestion, nous sommes d'avis que celui-ci concorde avec les comptes annuels pour le même exercice et a été établi conformément aux articles 95 et 96 du Code des sociétés.

Dans le cadre de notre audit des comptes annuels, nous devons également apprécier, en particulier sur la base de notre connaissance acquise lors de l'audit, si le rapport de gestion comporte une anomalie significative, à savoir une information incorrectement formulée ou autrement trompeuse. Sur la base de ces travaux, nous n'avons pas d'anomalie significative à vous communiquer.

Nous n'exprimons aucune forme d'assurance que ce soit sur le rapport de gestion.

Mentions relatives à l'indépendance

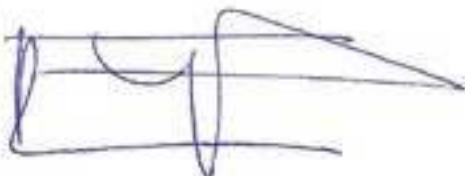
- ▶ Notre cabinet de révision et notre réseau n'ont pas effectué de missions incompatibles avec le contrôle légal des comptes annuels et sont restés indépendants vis-à-vis de la société au cours de notre mandat.
- ▶ Les honoraires relatifs aux missions complémentaires compatibles avec le contrôle légal des comptes annuels visées à l'article 134 du Code des sociétés ont correctement été ventilés et valorisés dans l'annexe des comptes annuels.



Autres mentions

- ▶ Sans préjudice d'aspects formels d'importance mineure, la comptabilité est tenue conformément aux dispositions légales et réglementaires applicables en Belgique.
- ▶ La répartition des résultats proposée à l'assemblée générale est conforme aux dispositions légales et statutaires.
- ▶ Nous n'avons pas à vous signaler d'opération conclue ou de décision prise en violation des statuts ou du Code des sociétés.
- ▶ Au cours de l'exercice, un acompte sur dividende a été distribué à propos duquel nous avons établi le rapport joint en annexe, conformément aux exigences légales.

Gosselies, le 12 avril 2019



RSM INTERAUDIT SCRL
COMMISSAIRE
REPRÉSENTÉE PAR
THIERRY LEJUSTE
ASSOCIÉ



06

ORES scr1 - ORES Assets consolidated remuneration report¹

¹ Report drawn up in accordance with articles (i) L1523-17 of the CDLD and (ii) 100, §1 6°/3 of the Code des sociétés (Belgian company law) (article 3:12 § 1 9° of the Code des sociétés et associations [Belgian company and associations law])





| | | |
|----|-------------------------|-------|
| 1. | Remuneration report | p.164 |
| | A. ORES Assets's bodies | p.164 |
| | B. ORES scrl's bodies | p.169 |
| 2. | Director training | p.180 |

1. Remuneration report

In terms of governance and structures, our intermunicipal company has been committed to a streamlining process since 2013. In December 2013, the first stage was completed with the merger of eight Walloon mixed intermunicipal companies to form ORES Assets, a single intermunicipal company currently made up of 197 municipalities. With this process of simplifying structures, seven intermunicipal companies disappeared along with more than 200 directorships, which also resulted in a reduction in the remuneration associated with these directorships of around €250,000/year. The aim of this process was to respond to the many challenges faced by the distribution sector: the energy transition, the development of the production of renewables connected to the distribution network, increased digitisation, improvements in customer service, the consolidation of operational efficiency and the need for more transparency for the Group in capital markets, to name but a few. However, maintaining strong links and a feeling of closeness with local authorities was a priority. The creation of this single intermunicipal company – the country’s largest energy intermunicipal company – was accompanied by the establishment of eight Sector Committees, granted considerable decision-making powers and a total of 90 directorships.

On 22 June 2017, a second reform continued the process of streamlining the Group’s structures and governance. This second reform can be broken down into three key areas:

- the removal of the Sector Committees on 22 June 2017;
- following this removal, the redefinition of the company’s local roots via greater consultation processes, including in particular regarding the pricing policy, investments and dividends and the efficient organisation of information points aimed at municipal representatives at meetings organised by the region’s directors, quite rightly called “ORES Proximité”;
- the introduction of “mirror” Boards of Directors in the two companies ORES Assets and ORES scrl. This means that the same people make up both Boards; they are remunerated for just one of these two directorships according to their actual presence at meetings and in accordance with the remuneration thresholds stipulated in the Local Democracy and Decentralisation Code (“Code de la Démocratie locale et de la Décentralisation”, CDLD), with the other directorship being unpaid.

The last change to the new governance strategy is one whereby the Annual General Meeting of ORES scrl and ORES Assets on 28 June 2018 transposed the CDLD’s reform requirements into the articles of association and governance rules. The decree of 29 March 2018 modifying the CDLD in order to strengthen governance and transparency when it comes to exercising public roles within local and supra-local structures and their subsidiaries (so-called “Governance Decree”, or “Décret Gouvernance”) has, among other things, revised the threshold of the number of directors, changing it from thirty to twenty directors.

A. ORES Assets’s bodies

ABOUT THE BODIES

REMUNERATION COMMITTEE

The roles and composition of the Remuneration Committee were modified by the “Governance Decree”.

An off-shoot of the Board of Directors, the Remuneration Committee’s role is to make recommendations about remunerating the directors to the Annual General Meeting and report on their relevance by carrying out an annual assessment of the justification for the remuneration arrangements.

It is made up of five directors who provide this service free of charge.

ORES Assets’ Remuneration Committee met twice in 2018.

AUDIT COMMITTEE

Established by the “Governance Decree” issued in March 2018, ORES Assets’ Audit Committee was set up on 17 Oc-

tober 2018 in accordance with the principle of the “mirror” Committee between ORES Assets and ORES.

In accordance with the joint governance of ORES scrl, this off-shoot of the Board of Directors is made up of five directors responsible for checking and overseeing the statutory and consolidated accounts, as well as matters relating to financial information, internal control and risk management.

ORES Assets’ Audit Committee met once in 2018.

BOARD OF DIRECTORS

The Board of Directors is the company’s decision-making body, with the exception of matters reserved for the Annual General Meeting either by law, decree or the articles of association. Its main goal is to ensure the company’s long-term success, in accordance on the one hand with the interests of all the third-party stakeholders essential for achieving this goal, namely shareholders, clients, suppliers and other creditors, and, on the other, with the public service obligations that it assumes.

With this in mind, the Board of Directors identifies the strategic challenges and risks faced by the company, defines the company’s values, its strategy, the level of risks

that it is comfortable taking and its key policies, as well as monitoring the running of the business.

Since 22 June 2017, the intermunicipal company ORES Assets and its subsidiary ORES scrl have had a “mirror” Board of Directors. This joint governance was confirmed within the context of the introduction of the new Boards of Directors appointed by the Annual General Meetings on 28 June 2018. Since then, in accordance with the CDLD’s requirements, there have been twenty directors.

ORES Assets’ Board of Directors met twelve times 2018.

LEVEL OF REMUNERATION FOR THE DIRECTORS OF ORES ASSETS IN 2018

In accordance with the deliberations of the Annual General Meeting on 22 June 2017 and 28 June 2018, all the directorships for ORES Assets are unpaid, it being understood that the same individuals make up the Board of Directors for ORES scrl and are remunerated within the context of this directorship, in accordance with CDLD thresholds and requirements on this subject.

The same is true for directorships for Committees established within the Board, as decided during the deliberations of the Annual General Meeting on 28 June 2018.

LIST OF NAMES – PRESENCE AT MEETINGS OF THE BOARD OF DIRECTORS OF ORES ASSETS – FROM 1 JANUARY 2018 TO 28 JUNE 2018

| Surname | First name | Job title | Actual Presence at Meetings | Number of Meetings | Presence (as a %) |
|------------|------------|------------|-----------------------------|--------------------|-------------------|
| BARBEAUX | Cécile | Director | 7 | 7 | 100.00 |
| BERRENDORF | Bruno | Director | 2 | 7 | 28.57 |
| BINON | Yves | Director | 6 | 7 | 85.71 |
| BORREMANS | Jean-Luc | Vice-Chair | 6 | 7 | 85.71 |
| BULTOT | Claude | Director | 6 | 7 | 85.71 |
| BURNOTTE | Daniel | Director | 6 | 7 | 85.71 |
| CAFFONETTE | Yves | Director | 7 | 7 | 100.00 |
| CAPPE | Robert | Director | 6 | 7 | 85.71 |

| Surname | First name | Job title | Actual Presence at Meetings | Number of Meetings | Presence (as a %) |
|-------------|-------------|------------|-----------------------------|--------------------|-------------------|
| CATTALINI | Nathalie | Director | 2 | 7 | 28.57 |
| DE GHORAIN | Benoît | Director | 3 | 7 | 42.86 |
| DEBIEVE | Jean-Claude | Director | 0 | 7 | 0.00 |
| DEGUELDRE | Renaud | Director | 5 | 7 | 71.43 |
| DEMORTIER | Nathalie | Director | 7 | 8* | 87.50 |
| DESAMA | Claude | Director | 6 | 7 | 85.71 |
| DEVILERS | Cyprien | Chair | 7 | 7 | 100.00 |
| DONFUT | Didier | Director | 6 | 7 | 85.71 |
| DURANT | Raphaël | Director | 7 | 7 | 100.00 |
| GILLIS | Alain | Director | 8 | 8* | 100.00 |
| LANGENDRIES | Benoît | Director | 6 | 7 | 85.71 |
| LASSEAUX | Stéphane | Director | 6 | 7 | 85.71 |
| LEFEBVRE | Philippe | Director | 4 | 7 | 57.14 |
| MEDINGER | Georges | Director | 5 | 7 | 71.43 |
| MEURENS | Jean-Claude | Director | 1 | 7 | 14.29 |
| PALERMO | Vincent | Director | 6 | 7 | 85.71 |
| RIGAUX | Luc | Director** | 3 | 6 | 50.00 |
| SIEUX | Marc | Vice-Chair | 7 | 7 | 100.00 |
| STAQUET | Danièle | Director | 6 | 7 | 85.71 |
| STOFFELS | Heribert | Director | 7 | 7 | 100.00 |
| VAN HOUT | Florence | Director | 7 | 7 | 100.00 |
| VEREECKE | Anne | Director | 5 | 7 | 71.43 |
| WOLFF | Claudy | Director | 6 | 7 | 85.71 |

* Correction for 2018: addition of the meeting on 13/12/2017, not remunerated in 2017

** Until 24 May 2018

LIST OF NAMES – PRESENCE AT MEETINGS OF THE BOARD OF DIRECTORS OF ORES ASSETS – FROM 28 JUNE 2018 TO 31 DECEMBER 2018

| Surname | First name | Job title | Actual Presence at Meetings | Number of Meetings | Presence (as a %) |
|-----------------|--------------------|----------------|-----------------------------|--------------------|-------------------|
| BINON | Yves | Director | 5 | 5 | 100.00 |
| BULTOT | Claude | Director | 5 | 5 | 100.00 |
| BURNOTTE | Daniel | Director* | 4 | 4 | 100.00 |
| CAPPE | Robert | Director | 5 | 5 | 100.00 |
| DEVILERS | Cyprien | Chair | 4 | 5 | 80.00 |
| D'HAEYER | Loïc | Director | 5 | 5 | 100.00 |
| DONFUT | Didier | Director | 3 | 5 | 60.00 |
| DURANT | Raphaël | Director | 5 | 5 | 100.00 |
| FAYT | Christian | Director | 4 | 5 | 80.00 |
| FRANCEUS | Michel | Director** | 1 | 1 | 100.00 |
| GHIGNY | Francis | Director** | 1 | 1 | 100.00 |
| GILLIS | Alain | Director | 4 | 5 | 80.00 |
| LASSEAUX | Stéphane | Vice-Chair *** | 5 | 5 | 100.00 |
| LEFEBVRE | Philippe | Director | 3 | 5 | 60.00 |
| MEURENS | Jean-Claude | Director | 3 | 5 | 60.00 |
| MICHIELS | Daniel | Director | 4 | 5 | 80.00 |
| PAULUS | Fabrice | Director** | 1 | 1 | 100.00 |
| SIEUX | Marc | Vice-Chair* | 4 | 4 | 100.00 |
| STAQUET | Danièle | Director | 4 | 5 | 80.00 |
| STOFFELS | Heribert | Director* | 4 | 4 | 100.00 |
| VAN HOUT | Florence | Director | 4 | 5 | 80.00 |
| VEREECKE | Anne | Director | 3 | 5 | 60.00 |

* Until 5 December 2018

** From 5 December 2018

*** Director until 5 December 2018, then Vice-Chairman after this date.

LIST OF NAMES – PRESENCE AT MEETINGS OF THE REMUNERATION COMMITTEE OF ORES ASSETS – FROM 1 JANUARY 2018 TO 28 JUNE 2018

| Surname | First name | Job title | Actual Presence at Meetings | Number of Meetings | Presence (as a %) |
|----------|------------|-----------|-----------------------------|--------------------|-------------------|
| DEVILERS | Cyprien | Chair | 2 | 2 | 100.00 |
| GILLIS | Alain | Member | 2 | 2 | 100.00 |
| LEFEBVRE | Philippe | Member | 1 | 2 | 50.00 |
| STAQUET | Danièle | Member | 2 | 2 | 100.00 |
| STOFFELS | Heribert | Member | 2 | 2 | 100.00 |

LIST OF NAMES – PRESENCE AT MEETINGS OF THE AUDIT COMMITTEE OF ORES ASSETS – FROM 28 JUNE TO 31 DECEMBER 2018

| Surname | First name | Job title | Actual Presence at Meetings | Number of Meetings | Presence (as a %) |
|----------|------------|-----------|-----------------------------|--------------------|-------------------|
| BINON | Yves | Member | 0 | 1 | 0.00 |
| FAYT | Christian | Member | 1 | 1 | 100.00 |
| LASSEAUX | Stéphane | Member | 1 | 1 | 100.00 |
| LEFEBVRE | Philippe | Member | 1 | 1 | 100.00 |
| VAN HOUT | Florence | Chair | 1 | 1 | 100.00 |

B. ORES scr1's bodies

ABOUT THE BODIES

BOARD OF DIRECTORS

The Board of Directors is the company's decision-making body, with the exception of matters reserved for the Annual General Meeting either by law, decree or the articles of association. Its main goal is to ensure the company's long-term success, in accordance with the interests of all the third-party stakeholders essential for achieving this goal, namely shareholders, staff, clients, suppliers and other creditors.

With this in mind, the Board of Directors identifies the strategic challenges and risks faced by the company, defines the company's values, its strategy, the level of risks that it is comfortable taking and its key policies, as well as monitoring the running of the company's business.

Because of its mirror composition with the Board of Directors of ORES Assets, ORES scr1's Annual General Meeting renewed the mandate of its Board of Directors on 28 June 2018, establishing the number of directors at 20, in accordance with CDLD requirements.

The Board of Directors met twelve times 2018.

As well as this, the members of the Board of Directors of ORES scr1 sit on the company's management and control committees – off-shoots of the Board of Directors – namely:

1) the Executive Board

This Committee is responsible for preparing the decisions of the Board of Directors on all matters relating to the strategic and confidential tasks listed in the Gas and Electricity decrees of 12 April 2001 and 19 December 2002.

In the first half of 2018, ORES scr1's Executive Board had nine members.

In the second half of 2018, the number of members was reduced to seven, it being understood that the Managing Director continues to attend automatically.

The Executive Board met ten times during the year.

2) Appointment and Remuneration Committee

The principles and rules for remuneration granted to the company's directors, the members of the different Management and Control Committees, as well as the management roles within the company, are defined by the Appointment and Remuneration Board of ORES scr1.

In 2018, ORES scr1's Appointment and Remuneration Committee met four times.

3) Audit Committee

Its role is to support the Board of Directors by providing its views on the company's accounts, as well as on the internal control system, the internal audit programme and the conclusions and recommendations formulated by this internal audit in the form of reports. The Audit Committee is made up exclusively of non-executive, independent directors.

In 2018, ORES scr1's Audit Committee, made up of five directors, met four times.

LEVEL OF REMUNERATION FOR THE DIRECTORS OF ORES SCRL

As a reminder, since 22 June 2017, the intermunicipal company ORES Assets and its subsidiary ORES scrl have had a "mirror" Board of Directors. As a result, the same people make up both Boards; they are remunerated for just one of these two directorships (in this case, for ORES scrl) according to their actual presence at meetings and in accordance with the remuneration thresholds stipulated in the CDLD, with the other directorship (for ORES Assets) being unpaid.

LEVEL OF REMUNERATION FOR THE DIRECTORS OF ORES SCRL FROM 1 JANUARY TO 30 JUNE 2018

On the recommendation of the Appointment and Remuneration Committee, approved by the Board of Directors on 3 May 2017, the Annual General Meeting on 22 June 2017 set the following remuneration levels for the directorships, as of 1 July 2017.

| Job title | Remuneration amount | Frequency at which remuneration is paid |
|---|---------------------------|--|
| Chairman of the Board of Directors | €24,996.43 gross per year | Half-yearly (remuneration weighted according to attendance* + mileage costs**) |
| Vice-Chairman of the Board of Directors | €18,747.00 gross per year | Half-yearly (remuneration weighted according to attendance* + mileage costs**) |
| Chairman of the Executive Board and Committees | €14,997.00 gross per year | Half-yearly (remuneration weighted according to attendance* + mileage costs**) |
| Member of the Board of Directors without a specific role | Attendance fee €163.07 | (attendance fee + mileage costs**) |

* weighted according to attendance – subject to attendance clause set out as follows :

- the annual payment is granted in full if the aforementioned representative is present at 80% of the meetings of the management bodies;
- the remuneration is reduced by 10% if the individual in question is present at less than 80% of the meetings of the management bodies;

- if presence at the meetings of the management bodies is less than 70% or 50%, the deduction is 30% and 60% respectively.

The reference period for calculating the presence of the directors in question is twelve months.

** €0.3461 rounded up to €0.35/km from 1 January 2018 to 30 June 2018.

LEVEL OF REMUNERATION FOR THE DIRECTORS OF ORES SCRL FROM 1 JULY TO 31 DECEMBER 2018

On the recommendation of the Appointment and Remuneration Committee, approved by the Board of Directors on 23 May 2018, the Annual General Meeting on 28 June 2018

set the following remuneration levels for the directorships, as of 1 July 2018 (index 138.01).

| Job title | Remuneration amount | Frequency at which remuneration is paid |
|---|--|--|
| Chairman of the Board of Directors | Annual gross allowance of €19,997.14 (index 138.01) So indexed at €33,463.21 gross per year before 28.09.2018 €34,133.12 gross per year after 28.09.2018 (index increase) | Half-yearly (remuneration weighted according to attendance* + mileage costs**) |
| Vice-Chairman of the Board of Directors | Annual gross allowance of €14,997.85 (index 138.01) So indexed at €25,097.40 gross per year before 28.09.2018 €25,599.83 gross per year after 28.09.2018 (index increase) | Half-yearly (remuneration weighted according to attendance* + mileage costs**) |
| Chairman of the Executive Board and Committees | Attendance fee of €180 (index 138.01) So indexed at €301.21 before 28.09.2018 €307.24 after 28.09.2018 (index increase) | (attendance fee + mileage costs**) |
| Member of the Board of Directors without a specific role | Attendance fee of €125 (index 138.01) So indexed at €209.18 before 28.09.18 €213.36 after 28.09.18 (index increase) | (attendance fee + mileage costs**) |

(*) weighted according to attendance – subject to attendance clause set out as follows:

- the annual payment is granted in full if the aforementioned representative is present at 80% of the meetings of the management bodies.
- the remuneration is reduced by 10% if the individual in question is present at less than 80% of the meetings of the management bodies.
- if presence at the meetings of the management bodies is less than 70% or 50%, the deduction is 30% and 60% respectively.

The reference period for calculating the presence of the directors in question is twelve months.

(**) €0.3573 rounded up to €0.36/km from 1 July 2018 to 31 December 2018.

LIST OF NAMES – PRESENCE AT MEETINGS OF THE BOARD OF DIRECTORS OF ORES SCRL – FROM 1 JANUARY 2018 TO 28 JUNE 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|-------------|-------------|-----------------|-----------------------------|--------------------|-------------------|------------------------------|
| BARBEAUX | Cécile | Director | 7 | 7 | 100 | 1,388.94 |
| BERRENDORF | Bruno | Director | 2 | 7 | 28.57 | 0 |
| BINON | Yves | Director | 6 | 7 | 85.71 | 1,243.02 |
| BORREMANS | Jean-Luc | Vice-Chair | 6 | 7 | 85.71 | 8,572.65 |
| BULTOT | Claude | Director | 6 | 7 | 85.71 | 1,335.42 |
| BURNOTTE | Daniel | Director | 6 | 7 | 85.71 | 1,083.42 |
| CAFFONETTE | Yves | Director | 7 | 7 | 100 | 1,484.49 |
| CAPPE | Robert | Director | 6 | 7 | 85.71 | 1,121.22 |
| CATTALINI | Nathalie | Director | 2 | 7 | 28.57 | 405.94 |
| DE GHORAIN | Benoît | Director | 3 | 7 | 42.86 | 625.71 |
| DEBIEVE | Jean-Claude | Director | 0 | 7 | 0 | 0 |
| DEGUELDRE | Renaud | Director | 5 | 7 | 71.43 | 1,039.35 |
| DEMORTIER | Nathalie | Director | 7 | 8* | 87.50 | 1,161.09 |
| DESAMA | Claude | Director | 6 | 7 | 85.71 | 1,440.42 |
| DEVILERS | Cyprien | Chair | 7 | 7 | 100 | 12,767.72 |
| DONFUT | Didier | Director | 6 | 7 | 85.71 | 1,314.42 |
| DURANT | Raphaël | Director | 7 | 7 | 100 | 1,504.09 |
| GILLIS | Alain | Director | 8 | 8* | 100 | 1,455.76 |
| GRIFNÉE | Fernand | Chief Executive | 7 | 7 | 100 | Non applicable |
| LANGENDRIES | Benoît | Director | 6 | 7 | 85.71 | 1,167.42 |
| LASSEAUX | Stéphane | Vice-Chair | 6 | 7 | 85.71 | 1,306.02 |
| LEFEBVRE | Philippe | Director | 4 | 7 | 57.14 | 904.28 |
| MEDINGER | Georges | Director | 5 | 7 | 71.43 | 1,392.85 |
| MEURENS | Jean-Claude | Director | 1 | 7 | 14.29 | 241.47 |
| PALERMO | Vincent | Director | 6 | 7 | 85.71 | 1,369.02 |

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|-----------------|-----------------|------------|-----------------------------|--------------------|-------------------|------------------------------|
| RIGAUX | Luc | Director* | 3 | 6 | 50 | 701.31 |
| SIEUX | Marc | Vice-Chair | 7 | 7 | 100 | 10,059.50 |
| STAQUET | Danièle | Director | 6 | 7 | 85.71 | 1,391.39 |
| STOFFELS | Heribert | Director | 7 | 7 | 100 | 1,994.09 |
| VAN HOUT | Florence | Director | 7 | 7 | 100 | 1,494.29 |
| VERECKE | Anne | Director | 5 | 7 | 71.43 | 815.35 |
| WOLFF | Claudy | Director | 6 | 7 | 85.71 | 1,679.82 |

* Correction for 2018: addition of the meeting on 13/12/2017, not remunerated in 2017

** Until 24 May 2018

LIST OF NAMES – PRESENCE AT MEETINGS OF THE BOARD OF DIRECTORS OF ORES SCRL – FROM 28 JUNE 2018 TO 31 DECEMBER 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|-----------------|--------------------|-----------------|-----------------------------|--------------------|-------------------|------------------------------|
| BINON | Yves | Director | 5 | 5 | 100 | 1,205.67 |
| BULTOT | Claude | Director | 5 | 5 | 100 | 1,292.13 |
| BURNOTTE | Daniel | Director* | 4 | 4 | 100 | 894.97 |
| CAPPE | Robert | Director | 5 | 5 | 100 | 1,134.05 |
| DEVILERS | Cyprien | Chair | 4 | 5 | 80 | 17,021.38 |
| D'HAEYER | Loïc | Director | 5 | 5 | 100 | 1,111.06 |
| DONFUT | Didier | Director | 3 | 5 | 60 | 743.51 |
| DURANT | Raphaël | Director | 5 | 5 | 100 | 1,230.73 |
| FAYT | Christian | Director** | 4 | 5 | 80 | 909.87 |
| FRANCEUS | Michel | Director | 1 | 1 | 100 | 310.56 |
| GHIGNY | Francis | Director** | 1 | 1 | 100 | 232.80 |
| GILLIS | Alain | Director | 4 | 5 | 80 | 881.09 |
| GRIFNÉE | Fernand | Chief Executive | 5 | 5 | 100 | Non applicable |
| LASSEAUX | Stéphane | Vice-Chair *** | 5 | 5 | 100 | 3,184.23 |
| LEFEBVRE | Philippe | Director | 3 | 5 | 60 | 786.61 |
| MEURENS | Jean-Claude | Director | 3 | 5 | 60 | 882.00 |
| MICHIELS | Daniel | Director | 4 | 5 | 80 | 1,206.38 |
| PAULUS | Fabrice | Director** | 1 | 1 | 100 | 299.76 |
| SIEUX | Marc | Vice-Chair* | 4 | 4 | 100 | 10,927.39 |
| STAQUET | Danièle | Director | 4 | 5 | 80 | 0 |

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|-----------------|-----------------|-----------|-----------------------------|--------------------|-------------------|------------------------------|
| STOFFELS | Heribert | Director* | 4 | 4 | 100 | 1,283.77 |
| VAN HOUT | Florence | Director | 4 | 5 | 80 | 1,056.62 |
| VEREECKE | Anne | Director | 3 | 5 | 60 | 585.61 |

* Until 5 December 2018

** From 5 December 2018

*** Director until 5 December 2018, then Vice-Chairman after this date

LIST OF NAMES, PRESENCE AND REMUNERATION AT MEETINGS OF THE EXECUTIVE BOARD OF ORES SCRL – FROM 1 JANUARY 2018 TO 28 JUNE 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|------------------|----------------|-----------|-----------------------------|--------------------|-------------------|------------------------------|
| BURNOTTE | Daniel | Member | 4 | 6 | 66.67 | 801.03 |
| DEGUELDRE | Renaud | Member | 4 | 6 | 66.67 | 858.78 |
| DEVILERS | Cyprien | Member | 5 | 6 | 83.33 | 869.25 |
| DONFUT | Didier | Chair | 6 | 6 | 100 | 7,788.30 |
| DURANT | Raphaël | Member | 6 | 6 | 100 | 1,091.12 |
| GILLIS | Alain | Member | 5 | 6 | 83.33 | 932.95 |
| SIEUX | Marc | Member | 6 | 6 | 100 | 1,513.92 |
| VEREECKE | Anne | Member | 6 | 6 | 100 | 978.42 |

LIST OF NAMES, PRESENCE AND REMUNERATION AT MEETINGS OF THE EXECUTIVE BOARD OF ORES SCRL – FROM 28 JUNE 2018 TO 31 DECEMBER 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|-----------------|-----------------|-----------|-----------------------------|--------------------|-------------------|------------------------------|
| BURNOTTE | Daniel | Member* | 2 | 3 | 66.67 | 508.94 |
| DEVILERS | Cyprien | Member | 3 | 4 | 75 | 640.22 |
| D'HAEYER | Loïc | Chair | 4 | 4 | 100 | 941.42 |
| DONFUT | Didier | Member | 3 | 4 | 75 | 1,112.97 |
| GHIGNY | Francis | Member** | 1 | 1 | 100 | 240 |
| GILLIS | Alain | Member | 4 | 4 | 100 | 1,001.90 |
| LASSEAUX | Stéphane | Member** | 0 | 1 | 0 | 0 |
| SIEUX | Marc | Member* | 3 | 3 | 100 | 961.34 |
| VEREECKE | Anne | Member | 4 | 4 | 100 | 849.26 |

* Until 5 December 2018

** From 5 December 2018

LIST OF NAMES, PRESENCE AND REMUNERATION AT MEETINGS OF THE APPOINTMENT AND REMUNERATION BOARD OF ORES SCRL – FROM 1 JANUARY TO 28 JUNE 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|--------------------|-----------------|-----------|-----------------------------|--------------------|-------------------|------------------------------|
| BINON | Yves | Member | 3 | 4 | 75 | 577.41 |
| CAPPE | Robert | Member | 4 | 4 | 100 | 723.68 |
| LANGENDRIES | Benoît | Member | 4 | 4 | 100 | 746.78 |
| STAQUET | Danièle | Chair | 4 | 4 | 100 | 6,508.61* |
| STOFFELS | Heribert | Member | 4 | 4 | 100 | 1,017.68 |

* 2018 gross remuneration for Mrs Staquet limited to €7,900.00 at her request for all her directorships

LIST OF NAMES, PRESENCE AND REMUNERATION AT MEETINGS OF THE AUDIT COMMITTEE OF ORES SCRL – FROM 1 JANUARY TO 28 JUNE 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|-----------------|-----------------|-----------|-----------------------------|--------------------|-------------------|------------------------------|
| BULTOT | Claude | Member | 2 | 3 | 66.67 | 396.14 |
| GILLIS | Alain | Member | 3 | 3 | 100 | 538.21 |
| LASSEAUX | Stéphane | Chair | 3 | 3 | 100 | 7,554.50 |
| LEFEBVRE | Philippe | Member | 3 | 3 | 100 | 573.21 |
| VAN HOUT | Florence | Member | 2 | 3 | 66.67 | 387.04 |

LIST OF NAMES, PRESENCE AND REMUNERATION AT MEETINGS OF THE AUDIT COMMITTEE OF ORES SCRL – FROM 28 JUNE TO 31 DECEMBER 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €) |
|----------|------------|-----------|-----------------------------|--------------------|-------------------|------------------------------|
| BINON | Yves | Member | 0 | 1 | 0 | 0 |
| FAYT | Christian | Member | 1 | 1 | 100 | 264.48 |
| LASSEAUX | Stéphane | Member | 1 | 1 | 100 | 335.32 |
| LEFEBVRE | Philippe | Member | 1 | 1 | 100 | 255.84 |
| VAN HOUT | Florence | Chair | 1 | 1 | 100 | 276 |

MANAGEMENT COMMITTEE

The company's management is the responsibility of the Management Committee, as of 31 December 2018 made up of the Managing Director, who chairs the Committee, and nine other members.

From 1 January to 1 June 2018, the Managing Director managed the company on a freelance basis, pursuant to the agreement signed in 2012. As he is subject to personal income tax, his total remuneration for this period is akin to his turnover, and all of the social security contributions associated with his remuneration are his responsibility.

The remuneration granted to the Managing Director from 1 January to 1 June 2018 is made up of the following:

- basic remuneration (fixed), remuneration linked to performance subject to achieving annual set targets with a short-term (target 45%) and long-term (target 15%) variable – broken down as explained in the table below.
- a number of benefits applicable to the sector and generally similar to those granted to the members of the Management Committee (group insurance plan, hospitality expenses, vehicle, medical cover).

Gross amount allocated from 1/01/2018 to 31/05/2018 (€)

| | |
|---|-----------|
| Basic fixed remuneration | 123,117 |
| Short-term variable annual remuneration (target 45%) already earned | 56,610.73 |
| Long-term variable annual remuneration (target 15%) already earned | 18,870.24 |

The Decree of 29 March 2018 modifying the Local Democracy and Decentralisation Code in order to strengthen governance and transparency when it comes to exercising public roles within local and supra-local structures and their subsidiaries, added a provision - article L6441-1, §2 of the CDLD - specifying that from now on, "The role of local manager cannot be carried out via a management or intermediary company, or carried out on a freelance basis".

As a result, on the recommendation of the Appointment and Remuneration Committee, and in agreement with the

Managing Director, the Board of Directors has adjusted the way that ORES is managed so that it is in keeping with the new legal framework in Wallonia in terms of remuneration and the status of managers of public companies.

From now on, the Chairman of ORES' Management Committee, working as an employee, will receive fixed remuneration - without any variables - so for the period between 1 June 2018 and 31 December 2018, a gross total of €121,984.

Remuneration of members of the Management Committee

| | Basic salary 2018 (€) | Bonus paid in 2019 (linked to performance in 2018) (€) | Collective bonus linked to 2018 results(*) (€) |
|---|--------------------------|--|--|
| Mr VAN OPDENBOSCH Philippe Infrastructure Director | 205,234 | 42,552 | 2,300 |
| Mr HOUSSARD Benoît Technical Director | 189,949 | 26,595 | 2,300 |
| DECLERCQ Christine Interim Director | 199,334 | 26,595 | 2,300 |
| MERTENS Inne Director of Markets & Customer Relations | 180,008 | 26,595 | 2,300 |
| MAHAUT Sébastien Transformation Director | 171,462 | 37,233 | 2,300 |
| MEDAETS Benoît IT Director | 128,963 | 31,914 | 2,300 |
| OFFERGELD Dominique Finance Director | 191,610 | 14,893 | 2,300 |
| PONT Chantal HR Director | 191,486 | 26,595 | 2,300 |
| CALLENS Isabelle Public Affairs, Legal & Communications Director | 158,393 | 21,276 | 2,300 |

(*) Collective bonus linked to 2018 results for all executive staff and the Management

The members of the Management Committee also enjoy all the benefits defined by the sector, like all of the company's executive staff.

2. Director training

In accordance with the requirements of article L1532-1bis of the CDLD, training for directors was organised on 12 March and 21 November 2018, with a view to making sure that the directors' professional skills are being developed and kept up-to-date.

The theme of the first training session was: "Operational activities - running ORES' electricity networks - an inside view".

The theme of the second was: "The energy market, liberalised markets - Federal State, Wallonia – general framework and recent developments".

Participation at these training sessions is not remunerated. However, if the training is the only meeting that day, travel expenses are paid by mileage:

- €0.3461/km rounded up to €0.35/km for the 1st half of 2018;
- €0.3573/km rounded up to €0.36/km for the 2nd half of 2018.

LIST OF NAMES, PRESENCE AND EXPENSES FOR THE TRAINING SESSIONS

1ST HALF OF 2018 – TRAINING ON 12 MARCH 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €)* |
|------------|-------------|------------|-----------------------------|--------------------|-------------------|-------------------------------|
| BARBEAUX | Cécile | Director | 1 | 1 | 100 | 14.35 |
| BERRENDORF | Bruno | Director | 1 | 1 | 100 | 0 |
| BINON | Yves | Director | 1 | 1 | 100 | 43.40 |
| BORREMANS | Jean-Luc | Vice-Chair | 0 | 1 | 0 | 0 |
| BULTOT | Claude | Director | 0 | 1 | 0 | 0 |
| BURNOTTE | Daniel | Director | 1 | 1 | 100 | 17.50 |
| CAFFONETTE | Yves | Director | 1 | 1 | 100 | 45.15 |
| CAPPE | Robert | Director | 0 | 1 | 0 | 0 |
| CATTALINI | Nathalie | Director | 1 | 1 | 100 | 32.90 |
| DE GHORAIN | Benoît | Director | 0 | 1 | 0 | 0 |
| DEBIEVE | Jean-Claude | Director | 0 | 1 | 0 | 0 |
| DEGUELDRE | Renaud | Director | 0 | 1 | 0 | 0 |
| DEMORTIER | Nathalie | Director | 1 | 1 | 100 | 26.25 |

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €)* |
|-------------|-------------|------------|-----------------------------|--------------------|-------------------|-------------------------------|
| DESAMA | Claude | Director | 0 | 1 | 0 | 0 |
| DEVILERS | Cyprien | Chair | 1 | 1 | 100 | 33.95 |
| DONFUT | Didier | Director | 0 | 1 | 0 | 0 |
| DURANT | Raphaël | Director | 0 | 1 | 0 | 0 |
| GILLIS | Alain | Director | 1 | 1 | 100 | 0 |
| LANGENDRIES | Benoît | Director | 0 | 1 | 0 | 0 |
| LASSEAUX | Stéphane | Director | 1 | 1 | 100 | 26.25 |
| LEFEBVRE | Philippe | Director | 1 | 1 | 100 | 42 |
| MEDINGER | Georges | Director | 1 | 1 | 100 | 94.50 |
| MEURENS | Jean-Claude | Director | 0 | 1 | 0 | 0 |
| PALERMO | Vincent | Director | 1 | 1 | 100 | 76.30 |
| RIGAUX | Luc | Director | 1 | 1 | 100 | 77.70 |
| SIEUX | Marc | Vice-Chair | 1 | 1 | 100 | 107.80 |
| STAQUET | Danièle | Director | 0 | 1 | 0 | 0 |
| STOFFELS | Heribert | Director | 1 | 1 | 100 | 102.90 |
| VAN HOUT | Florence | Director | 1 | 1 | 100 | 63 |
| VEREECKE | Anne | Director | 1 | 1 | 100 | 0 |
| WOLFF | Claudy | Director | 0 | 1 | 0 | 0 |

* Travel costs only

2ND HALF OF 2019 – TRAINING ON 21 NOVEMBER 2018

| Surname | First name | Job title | Actual presence at meetings | Number of meetings | Presence (as a %) | Gross amount received (in €)* |
|----------|-------------|------------|-----------------------------|--------------------|-------------------|-------------------------------|
| BINON | Yves | Director | 1 | 1 | 100 | 0 |
| BULTOT | Claude | Director | 1 | 1 | 100 | 0 |
| BURNOTTE | Daniel | Director | 1 | 1 | 100 | 0 |
| CAPPE | Robert | Director | 1 | 1 | 100 | 0 |
| DEVILERS | Cyprien | Chair | 1 | 1 | 100 | 0 |
| D'HAEYER | Loic | Director | 1 | 1 | 100 | 0 |
| DONFUT | Didier | Director | 0 | 1 | 0 | 0 |
| DURANT | Raphaël | Director | 1 | 1 | 100 | 0 |
| FAYT | Christian | Director | 1 | 1 | 100 | 0 |
| GILLIS | Alain | Director | 1 | 1 | 100 | 0 |
| LASSEAUX | Stéphane | Director | 1 | 1 | 100 | 0 |
| LEFEBVRE | Philippe | Director | 1 | 1 | 100 | 0 |
| MEURENS | Jean-Claude | Director | 1 | 1 | 100 | 0 |
| MICHIELS | Daniel | Director | 1 | 1 | 100 | 0 |
| SIEUX | Marc | Vice-Chair | 1 | 1 | 100 | 0 |
| STAQUET | Danièle | Director | 1 | 1 | 100 | 0 |
| STOFFELS | Heribert | Director | 1 | 1 | 100 | 0 |
| VAN HOUT | Florence | Director | 1 | 1 | 100 | 0 |
| VEREECKE | Anne | Director | 0 | 1 | 0 | 0 |

(*) No travel expenses as the training took place after the meeting of the Board of Directors on the same day

07

Specific report on
shareholdings





Within the context of the missions assigned to it, the Board of Directors has looked at ORES Assets' shareholdings in the capital of other companies. These shareholdings, which are described below, are included in the balance sheet assets at their purchase value, less any outstanding amounts to be released.

SHAREHOLDING IN ORES SCRL

ORES scrl is the company that manages and operates the electricity and natural gas distribution networks for 198 municipalities in Wallonia. It mainly carries out its activities on behalf of the Walloon DSO, ORES Assets. ORES scrl is therefore responsible, on its behalf, for all operational activities associated with the management and operation of the distribution networks in the associated municipalities: layout of the networks, connection work, callouts and repairs, taking customer meter readings, public service obligations, municipal public lighting management etc.

On 6 February 2009, the Walloon combined distribution service operators IDEG, IEH, IGH, Interest, Interlux, Interomosane, Sedilec and Simogel (hereinafter referred to as "the DSOs") acquired shares in the company Netwal, incorporated on 18 April 2008, but renamed ORES at that time. These shares were thus 100% owned by the Electrabel group. On 3 April 2009, following transfers of Index'is and Igretec's business branches, these DSOs acquired more ORES scrl shares. In total, as at 31 December 2012, the DSOs owned 2,460 shares.

In 2013, there were a number of ORES scrl share transfers:

- In June 2013, one ORES scrl share owned by Interomosane was transferred to Tecteo (RESA). This transfer was part of the Memorandum of Understanding dated 5 October 2011, providing for the demerger of Interomosane, the takeover of the sector covering the centre of the city of Liège by the DSO Tecteo (RES) and the operation of this sector by ORES scrl until 31 December 2016. This date was put back in 2017 to make it possible for RESA to recover certain computer data, essentially customer databases. The return of the share thus transferred to RESA back to ORES Assets was contractually postponed to the date on which these databases were fully recovered, so November 2017.

- In December 2013, prior to the merger of the DSOs and in order to ensure that there were multiple shareholders in the company to be created, Ideg, IEH, Interest, Interlux, Interomosane, Sedilec and Simogel transferred one of their shares to Idefin, IPFH, Finest, Sofilux, Finimo, Sedifin and IEG respectively (in other words to the purely financing intermunicipal companies associated with the DSOs).

On 31 December 2013, the DSOs merged to create the company ORES Assets. As at 31 December 2018, ORES Assets owns 2,453 shares in ORES scrl, worth a total of €456,300.

SHAREHOLDING IN LABORELEC

Laborelec is the technical skills centre for the sector which provides research and projects, particularly for energy distribution, as well as specialised services on request. Until 2005, Laborelec was remunerated through a contribution paid by the distribution service operators to Intermixt. In order to make sure that Laborelec's research and projects were as suitable as possible for distribution, and therefore to meet the specific needs of the distribution service operators, the latter have decided to take shareholdings in Laborelec's capital. Each of the electricity DSOs thus purchased one Laborelec share from its owner, Electrabel.

The 7 shares were still owned by ORES Assets as at 31 December 2018, worth a total of €2,000.

SHAREHOLDING IN IGRETEC

Igretec, the Intermunicipal Company for the Management and Carrying out of Technical and Economic Studies for the Charleroi Region and South-Hainaut, offers services to companies, authorities and individuals relating to economic development, consultancy or efficiency and energy services.

ORES Assets owns 2,400 Igretec shares as at 31 December 2018 for a value of €14,900.

ORES Assets' shares as at 31 December 2018 are therefore worth €473,100, which can be broken down as follows:

| | |
|----------------------|-----------------|
| Shares in ORES scrl: | 456.3 k€ |
| Shares in LABORELEC: | 2.0 k€ |
| Shares in IGRETEC: | 14.9 k€ |
| Total | 473.2 k€ |

08

Appendix 1 point 1 – list of shareholders





1. As at 31 December 2018

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|-------------------|----------------------|--------------|----------------------|--------------|
| ORES Namur | AISEAU-PRESLES | 1 | - | - | - |
| ORES Hainaut | AISEAU-PRESLES | 42 | 12 | - | - |
| ORES East | AMEL | 1 | - | - | - |
| ORES Hainaut | ANDERLUES | 57 | 34 | - | - |
| ORES Namur | ANHÉE | 29 | 1 | 4 | - |
| ORES Hainaut | ANTOING | 1 | 1 | - | - |
| ORES Luxembourg | ARLON | 573 | 13 | - | - |
| ORES Namur | ASSESE | 19 | 1 | - | - |
| ORES Hainaut | ATH | 1 | 66 | - | - |
| ORES Luxembourg | ATTERT | 21 | 1 | - | - |
| ORES Luxembourg | AUBANGE | 200,262 | 2 | - | - |
| ORES Verviers | AUBEL | 1 | - | - | - |
| ORES Verviers | BAELEN | 1 | - | - | - |
| ORES Luxembourg | BASTOGNE | 205 | 1 | - | - |
| ORES Namur | BEAURAING | 96 | 1 | - | - |
| ORES Walloon Brabant | BEAUVECHAIN | 1 | 1 | - | - |
| ORES Hainaut | BELOEIL | 1 | 1 | - | - |
| ORES Hainaut | BERNISSART | 1 | 1 | - | - |
| ORES Luxembourg | BERTOGNE | 11 | 1 | - | - |
| ORES Luxembourg | BERTRIX | 87 | 1 | - | - |
| ORES Namur | BIÈVRE | 1,295 | 1 | - | - |
| ORES Hainaut | BINCHE | 167 | 104 | - | - |
| ORES Luxembourg | BOUILLON | 80 | 1 | - | - |
| ORES Hainaut | BOUSSU | 128 | 148 | - | - |
| ORES Walloon Brabant | BRAINE L'ALLEUD | 1 | 1 | - | - |
| ORES Walloon Brabant | BRAINE-LE-CHÂTEAU | 1 | 1 | - | - |
| ORES Hainaut | BRAINE-LE-COMTE | - | 62 | - | - |
| ORES Walloon Brabant | BRAINE-LE-COMTE | 1 | - | - | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|-------------------------|----------------------|--------------|----------------------|--------------|
| ORES Hainaut | BRUGELETTE | 1 | 1 | - | - |
| ORES Hainaut | BRUNHAUT | 1 | - | - | - |
| ORES East | BÜLLINGEN | 1 | - | - | - |
| ORES East | BURG-REULAND | 1 | - | - | - |
| ORES East | BÜTGENBACH | 1 | - | - | - |
| ORES Hainaut | CELLES | 1 | - | - | - |
| ORES Namur | CERFONTAINE | 5 | 1 | - | - |
| ORES Hainaut | CHAPELLE-LEZ-HERLAIMONT | 80 | 70 | - | - |
| ORES Hainaut | CHARLEROI | 1,416 | 1,023 | - | - |
| ORES Walloon Brabant | CHASTRE | 114,732 | 1 | - | - |
| ORES Hainaut | CHATELET | 186 | 194 | - | - |
| ORES Walloon Brabant | CHAUMONT-GISTOUX | 1 | 1 | - | - |
| ORES Hainaut | CHIÈVRES | 1 | 1 | - | - |
| ORES Luxembourg | CHINY | 43 | 1 | - | - |
| ORES Namur | CINEY | 12 | 1 | - | - |
| ORES Verviers | CLAVIER | 1 | - | - | - |
| ORES Hainaut | COLFONTAINE | 136 | 104 | - | - |
| ORES Hainaut | COURCELLES | 282 | 124 | - | - |
| ORES Walloon Brabant | COURT-ST-ETIENNE | 1 | 1 | - | - |
| ORES Namur | COUVIN | 2,770 | 1 | - | - |
| ORES Verviers | DALHEM | 1 | - | - | - |
| ORES Luxembourg | DAVERDISSE | 11 | 1 | - | - |
| ORES Namur | DINANT | 12 | 1 | - | - |
| ORES Namur | DOISCHE | 4 | 1 | 1 | - |
| ORES Hainaut | DOUR | 107 | 66 | - | - |
| ORES Luxembourg | DURBUY | 101 | 1 | - | - |
| ORES Walloon Brabant | ÉCAUSSINNES | 1 | 1 | 14,209 | 1,553 |
| ORES Namur | ÉGHEZÉE | 6,026 | 1 | 1,091 | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|---------------------|----------------------|--------------|----------------------|--------------|
| ORES Hainaut | ELLEZELLES | 1 | 1 | - | - |
| ORES Hainaut | ENGHIEN | 1 | 1 | - | - |
| ORES Luxembourg | ÉREZÉE | 16 | 1 | - | - |
| ORES Hainaut | ERQUELINNES | 51 | 25 | - | - |
| ORES Mouscron | ESTAIMPUIS | 14,008 | 1,271 | - | - |
| ORES Hainaut | ESTINNES | 33 | 1 | - | - |
| ORES Luxembourg | ÉTALLE | 39 | 1 | - | - |
| ORES East | EUPEN | 1 | - | - | - |
| ORES Hainaut | FARCIENNES | 1 | 11 | - | - |
| ORES Luxembourg | FAUVILLERS | 11 | 1 | - | - |
| ORES Namur | FERNELMONT | 6 | 1 | - | - |
| ORES Verviers | FERRIÈRES | 1 | - | 3,664 | - |
| ORES Hainaut | FLEURUS | 1 | 1 | - | - |
| ORES Hainaut | FLOBECQ | 1 | 1 | - | - |
| ORES Namur | FLOREFFE | 6 | 1 | - | - |
| ORES Namur | FLORENNES | 38 | 1 | 7 | - |
| ORES Luxembourg | FLORENVILLE | 74 | 1 | - | - |
| ORES Hainaut | FONTAINE-L'ÉVÊQUE | 110 | 55 | - | - |
| ORES Namur | FOSESSE-LA-VILLE | 8 | 1 | - | - |
| ORES Hainaut | FRAMERIES | 137 | 119 | - | - |
| ORES Hainaut | FRASNES-LEZ-ANVAING | 49,891 | 1 | - | - |
| ORES Namur | GEDINNE | 13 | 1 | 3 | - |
| ORES Namur | GEMBLOUX | 17 | 2,130 | - | - |
| ORES Walloon Brabant | GENAPPE | 1 | 1 | 50 | 37 |
| ORES Namur | GERPINNES | 5,337 | - | 966 | - |
| ORES Hainaut | GERPINNES | - | 8 | - | - |
| ORES Namur | GESVES | 104 | 1 | 19 | - |
| ORES Luxembourg | GOUVY | 32 | 1 | - | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|------------------------|----------------------|--------------|----------------------|--------------|
| ORES Walloon Brabant | GREZ-DOICEAU | 1 | 1 | - | - |
| ORES Luxembourg | HABAY | 77 | 1 | - | - |
| ORES Verviers | HAMOIR | 1 | - | - | - |
| ORES Namur | HAMOIS | 6 | 1 | 1 | - |
| ORES Hainaut | HAM-SUR-HEUR/NA-LINNES | 60 | 17 | - | - |
| ORES Namur | HASTIÈRE | 6 | 1 | 1 | - |
| ORES Namur | HAVELANGE | 158 | 1 | 29 | - |
| ORES Walloon Brabant | HÉLÉCINE | 1 | 1 | - | - |
| ORES Hainaut | HENSIES | 26 | 1 | - | - |
| ORES Luxembourg | HERBEUMONT | 11 | 1 | - | - |
| ORES Verviers | HERVE | 1 | - | - | - |
| ORES Hainaut | HONNELLES | 32 | - | - | - |
| ORES Luxembourg | HOTTON | 53 | 1 | - | - |
| ORES Luxembourg | HOUFFALIZE | 45 | 1 | - | - |
| ORES Namur | HOUYET | 5 | 1 | - | - |
| ORES Walloon Brabant | INCOURT | 91,565 | 1 | - | 3 |
| ORES Walloon Brabant | ITTRE | 1 | 1 | - | - |
| ORES Namur | JEMEPPE-SUR-SAMBRE | 8,103 | 1 | 1,466 | - |
| ORES Walloon Brabant | JODOIGNE | 1 | 1 | - | - |
| ORES Hainaut | JURBISE | 1 | 1 | - | - |
| ORES East | KELMIS | 1 | - | - | - |
| ORES Namur | LA BRUYÈRE | 6 | 1 | 1 | - |
| ORES Walloon Brabant | LA HULPE | 1 | 1 | - | - |
| ORES Hainaut | LA LOUVIÈRE | 382 | 429 | - | - |
| ORES Luxembourg | LA ROCHE-EN-ARDENNE | 57 | 1 | - | - |
| ORES Walloon Brabant | LASNE | 1 | 1 | 11,794 | 241 |
| ORES Hainaut | LE ROEULX | 38 | 28 | - | - |
| ORES Luxembourg | LÉGLISE | 17 | 1 | - | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|---------------------|----------------------|--------------|----------------------|--------------|
| ORES Hainaut | LENS | 1 | 1 | - | - |
| ORES Namur | LES BONS VILLERS | 7 | - | - | - |
| ORES Hainaut | LES-BONS-VILLERS | - | 1 | - | - |
| ORES Hainaut | LESSINES | 1 | 1 | - | - |
| ORES Hainaut | LEUZE-EN-HAINAUT | 1 | 1 | - | - |
| ORES Luxembourg | LIBIN | 32 | 1 | - | - |
| ORES Luxembourg | LIBRAMONT-CHEVIGNY | 112 | 1 | - | - |
| ORES Verviers | LIERNEUX | 1 | - | 1,000 | - |
| ORES Verviers | LIMBOURG | 1 | - | - | - |
| ORES Walloon Brabant | LINCENT | 1 | 1 | 3,723 | 7 |
| ORES Hainaut | LOBBES | 27 | 1 | - | - |
| ORES East | LONTZEN | 1 | - | - | - |
| ORES East | MALMEDY | 1 | - | - | - |
| ORES Hainaut | MANAGE | 104 | 133 | - | - |
| ORES Luxembourg | MANHAY | 19 | 1 | - | - |
| ORES Luxembourg | MARCHE-EN-FAMENNE | 260 | 1 | - | - |
| ORES Luxembourg | MARTELANGE | 21 | 1 | - | - |
| ORES Luxembourg | MEIX-DEVANT-VIRTON | 26 | 1 | - | - |
| ORES Hainaut | MERBES-LE-CHÂTEAU | 21 | 9 | - | - |
| ORES Luxembourg | MESSANCY | 65 | 2 | - | - |
| ORES Namur | METTET | 18 | 1 | 3 | - |
| ORES Hainaut | MONS | 589 | 708 | - | - |
| ORES Hainaut | MONTIGNY-LE-TILLEUL | 97 | 23 | - | - |
| ORES Walloon Brabant | MONT-ST-GUIBERT | 1 | 1 | - | - |
| ORES Hainaut | MORLANWELZ | 88 | 90 | - | - |
| ORES Mouscron | MOUSCRON | 2 | 1 | - | - |
| ORES Luxembourg | MUSSON | 40 | 1 | - | - |
| ORES Namur | NAMUR | 15,820 | 1,238 | - | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|----------------|----------------------|--------------|----------------------|--------------|
| ORES Luxembourg | NASSOGNE | 425 | 1 | - | - |
| ORES Luxembourg | NEUFCHÂTEAU | 61 | 1 | - | - |
| ORES Walloon Brabant | NIVELLES | 1 | 1 | - | - |
| ORES Namur | ONHAYE | 4 | 1 | - | - |
| ORES Walloon Brabant | ORP-JAUCHE | 1 | 1 | - | - |
| ORES Walloon Brabant | OTTIGNIES | 1 | 1 | 5,000 | 5,000 |
| ORES Verviers | OUFFET | 1 | - | - | - |
| ORES Luxembourg | PALISEUL | 54 | 1 | - | - |
| ORES Mouscron | PECQ | 7,447 | 1 | 725 | - |
| ORES Hainaut | PÉRUWELZ | 1 | 1 | - | - |
| ORES Walloon Brabant | PERWEZ | 206,293 | 1 | - | - |
| ORES Namur | PHILIPPEVILLE | 21 | 1 | - | - |
| ORES East | PLOMBIÈRES | 1 | - | - | - |
| ORES Hainaut | PONT-À-CELLES | 141 | 17 | - | - |
| ORES Namur | PROFONDEVILLE | 9 | 1 | 2 | - |
| ORES Hainaut | QUAREGNON | 120 | 152 | - | - |
| ORES Hainaut | QUEVY | 41 | 3 | - | - |
| ORES Hainaut | QUIÉVRAIN | 43 | 40 | - | - |
| ORES East | RAEREN | 1 | - | - | - |
| ORES Walloon Brabant | RAMILLIES | 1 | - | - | - |
| ORES Walloon Brabant | REBECQ | 1 | 1 | - | - |
| ORES Luxembourg | RENDEUX | 21 | 1 | - | - |
| ORES Walloon Brabant | RIXENSART | 1 | 1 | - | - |
| ORES Namur | ROCHEFORT | 3 | 1 | - | - |
| ORES Luxembourg | ROUVROY | 18 | 1 | - | - |
| ORES Luxembourg | SAINTE-ODE | 17 | 1 | - | - |
| ORES Hainaut | SAINT-GHISLAIN | 134 | 57 | - | - |
| ORES Luxembourg | SAINT-HUBERT | 567 | 1 | - | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|----------------------|--------------------|----------------------|--------------|----------------------|--------------|
| ORES Luxembourg | SAINT-LÉGER | 31 | 1 | - | - |
| ORES Namur | SAMBREVILLE | 59,246 | 1 | 1,500 | - |
| ORES East | SANKT VITH | 1 | - | - | - |
| ORES Hainaut | SENEFFE | 64 | 22 | - | - |
| ORES Hainaut | SILLY | 1 | 1 | - | - |
| ORES Hainaut | SOIGNIES | 17 | 86 | - | - |
| ORES Namur | SOMBREFFE | 7 | 1 | 1 | - |
| ORES Namur | SOMME-LEUZE | 16 | 1 | - | - |
| ORES Verviers | SPA | 1 | - | - | - |
| ORES Verviers | STOUMONT | 1 | - | - | - |
| ORES Luxembourg | TELLIN | 22 | 1 | - | - |
| ORES Luxembourg | TENNEVILLE | 25 | 1 | - | - |
| ORES Verviers | THEUX | 1 | - | - | - |
| ORES Verviers | THIMISTER-CLERMONT | 1 | - | - | - |
| ORES Hainaut | THUIN | 69 | 4 | - | - |
| ORES Verviers | TINLOT | 1 | - | - | - |
| ORES Luxembourg | TINTIGNY | 31 | 1 | - | - |
| ORES Hainaut | TOURNAI | 1 | 1 | - | - |
| ORES Verviers | TROIS-PONTS | 1 | - | - | - |
| ORES Walloon Brabant | TUBIZE | 1 | 1 | 1 | 1 |
| ORES Luxembourg | VAUX-SUR-SURE | 22 | 1 | - | - |
| ORES Verviers | VERVIERS | 1 | - | - | - |
| ORES Luxembourg | VIELSALM | 82 | 1 | - | - |
| ORES Walloon Brabant | VILLERS-LA-VILLE | 246,007 | - | - | - |
| ORES Namur | VIROINVAL | 6,967 | 1 | - | - |
| ORES Luxembourg | VIRTON | 201 | 1 | - | - |
| ORES Namur | VRESSE | 45 | 1 | 8 | - |
| ORES East | WAIMES | 1 | - | - | - |

| Sector | Shareholders | A shares electricity | A shares gas | R shares electricity | R shares gas |
|-----------------------|--------------|----------------------|--------------|----------------------|---------------|
| ORES Namur | WALCOURT | 14 | 1 | - | - |
| ORES Walloon Brabant | WALHAIN | 1 | 1 | - | - |
| ORES Walloon Brabant | WATERLOO | 1 | 1 | 2,661 | 2,341 |
| ORES Walloon Brabant | WAVRE | - | 1 | - | 4,768 |
| ORES Luxembourg | WELLIN | 32 | 1 | - | - |
| ORES Namur | YVOIR | 21,859 | 145 | 1,000 | - |
| Municipalities | | 1,067,172 | 8,968 | 48,930 | 13,951 |

| | | | | | |
|----------------------|------------------|-------------------|-------------------|------------------|----------------|
| ORES Namur | IDEFIN | 5,954,583 | 1,520,262 | 435,911 | 73,500 |
| ORES Common | IDEFIN | 201,596 | 36,069 | - | - |
| ORES Hainaut | IPFH | 10,877,859 | 9,966,615 | 986,556 | 336,054 |
| ORES Common | IPFH | 493,263 | 268,961 | - | - |
| ORES East | FINEST | 2,291,510 | - | 2,622 | - |
| ORES Common | FINEST | 49,586 | - | - | - |
| ORES Luxembourg | SOFILUX | 5,005,128 | 519,637 | 233,613 | 8,661 |
| ORES Common | SOFILUX | 131,091 | 9,004 | - | - |
| ORES Verviers | FINIMO | 2,842,116 | - | - | - |
| ORES Common | FINIMO | 68,589 | - | - | - |
| ORES Walloon Brabant | IPFBW ex-Sedifin | 4,290,936 | 3,310,547 | 145,929 | - |
| ORES Common | IPFBW ex-Sedifin | 149,022 | 77,203 | - | - |
| ORES Mouscron | IEG | 765,921 | 576,870 | 25,020 | 19,563 |
| ORES Common | IEG | 31,505 | 23,892 | - | - |
| ORES Hainaut | IGRETEC | 2 | 2 | - | - |
| IPF | | 33,152,707 | 16,309,062 | 1,829,651 | 437,778 |
| TOTAL | | 34,219,879 | 16,318,030 | 1,878,581 | 451,729 |
| | | 50,537,909 | | 2,330,310 | |
| | | A shares | | R shares | |

2. As at 1 January 2019

| Shareholders | A shares | Shareholders | A shares |
|-------------------|----------|-------------------------|----------|
| AISEAU-PRESLES | 61 | CHAPELLE-LEZ-HERLAIMONT | 167 |
| AMEL | 1 | CHARLEROI | 2,720 |
| ANDERLUES | 101 | CHASTRE | 123,077 |
| ANHÉE | 49 | CHATELET | 422 |
| ANTOING | 2 | CHAUMONT-GISTOUX | 2 |
| ARLON | 661 | CHIÈVRES | 2 |
| ASSESE | 21 | CHINY | 49 |
| ATH | 73 | CINEY | 14 |
| ATTERT | 24 | CLAVIER | 1 |
| AUBANGE | 226,471 | COLFONTAINE | 267 |
| AUBEL | 1 | COMINES | 639,617 |
| BAELEN | 1 | COURCELLES | 454 |
| BASTOGNE | 232 | COURT-ST-ETIENNE | 2 |
| BEAURAING | 106 | COUVIN | 3,054 |
| BEAUVECHAIN | 2 | DALHEM | 1 |
| BELOEIL | 2 | DAVERDISSE | 13 |
| BERNISSART | 2 | DINANT | 14 |
| BERTOGNE | 13 | DOISCHE | 9 |
| BERTRIX | 99 | DOUR | 193 |
| BIÈVRE | 1,428 | DURBUY | 115 |
| BINCHE | 302 | ÉCAUSSINNES | 63,429 |
| BOUILLON | 91 | ÉGHEZÉE | 11,032 |
| BOUSSU | 307 | ELLEZELLES | 48,022 |
| BRAINE L'ALLEUD | 2 | ENGHIEN | 2 |
| BRAINE-LE-CHÂTEAU | 2 | ÉREZÉE | 19 |
| BRAINE-LE-COMTE | 69 | ERQUELINNES | 84 |
| BRUGELETTE | 2 | ESTAIMPUIS | 16,259 |
| BRUNEHAUT | 1 | ESTINNES | 38 |
| BÜLLINGEN | 1 | ÉTALLE | 45 |
| BURG-REULAND | 1 | EUPEN | 1 |
| BÜTGENBACH | 1 | FARCIENNES | 13 |
| CELLES | 50,171 | FAUVILLERS | 13 |
| CERFONTAINE | 6 | FERNELMONT | 7 |

| Shareholders | A shares |
|-----------------------|----------|
| FERRIÈRES | 14,745 |
| FLEURUS | 2 |
| FLOBECQ | 2 |
| FLOREFFE | 7 |
| FLORENNES | 71 |
| FLORENVILLE | 84 |
| FONTAINE-L'ÉVÊQUE | 184 |
| FOSSÉS-LA-VILLE | 9 |
| FRAMERIES | 285 |
| FRASNES-LEZ-ANVAING | 51,059 |
| GEDINNE | 27 |
| GEMBLOUX | 2,209 |
| GENAPPE | 352 |
| GERPINNES | 9,777 |
| GESVES | 192 |
| GOUVY | 37 |
| GREZ-DOICEAU | 2 |
| HABAY | 88 |
| HAMOIR | 1 |
| HAMOIS | 11 |
| HAM-SUR-HEUR/NALINNES | 86 |
| HASTIÈRE | 11 |
| HAVELANGE | 291 |
| HÉLÉCINE | 2 |
| HENSIES | 30 |
| HERBEUMONT | 13 |
| HERVE | 1 |
| HONNELLES | 36 |
| HOTTON | 60 |
| HOUFFALIZE | 51 |
| HOUYET | 6 |
| INCOURT | 98,237 |
| ITTRE | 2 |

| Shareholders | A shares |
|---------------------|----------|
| JEMEPPE-SUR-SAMBRE | 14,831 |
| JODOIGNE | 2 |
| JURBISE | 2 |
| KELMIS | 1 |
| LA BRUYÈRE | 11 |
| LA HULPE | 2 |
| LA LOUVIÈRE | 902 |
| LA ROCHE-EN-ARDENNE | 65 |
| LASNE | 48,431 |
| LE ROEULX | 73 |
| LÉGLISE | 20 |
| LENS | 2 |
| LES BONS VILLERS | 8 |
| LESSINES | 2 |
| LEUZE-EN-HAINAUT | 2 |
| LIBIN | 37 |
| LIBRAMONT-CHEVIGNY | 127 |
| LIERNEUX | 4,025 |
| LIMBOURG | 1 |
| LINCENT | 15,011 |
| LOBBES | 31 |
| LONTZEN | 1 |
| MALMEDY | 1 |
| MANAGE | 263 |
| MANHAY | 22 |
| MARCHE-EN-FAMENNE | 295 |
| MARTELANGE | 24 |
| MEIX-DEVANT-VIRTON | 30 |
| MERBES-LE-CHÂTEAU | 33 |
| MESSANCY | 75 |
| METTET | 32 |
| MONS | 1,442 |
| MONTIGNY-LE-TILLEUL | 134 |

| Shareholders | A shares |
|------------------|----------|
| MONT-DE-L'ENCLUS | 46,283 |
| MONT-ST-GUIBERT | 2 |
| MORLANWELZ | 198 |
| MOUSCRON | 3 |
| MUSSON | 46 |
| NAMUR | 18,709 |
| NASSOGNE | 481 |
| NEUFCHATEAU | 70 |
| NIVELLES | 2 |
| ONHAYE | 5 |
| ORP-JAUCHE | 2 |
| OTTIGNIES | 40,242 |
| OUFFET | 1 |
| PALISEUL | 62 |
| PECQ | 10,823 |
| PÉRUWELZ | 2 |
| PERWEZ | 221,298 |
| PHILIPPEVILLE | 24 |
| PLOMBIÈRES | 1 |
| PONT-À-CELLES | 177 |
| PROFONDEVILLE | 18 |
| QUAREGNON | 302 |
| QUEVY | 49 |
| QUIÉVRAIN | 92 |
| RAEREN | 1 |
| RAMILLIES | 1 |
| REBECQ | 2 |
| RENDEUX | 24 |
| RIXENSART | 2 |
| ROCHEFORT | 4 |
| ROUVROY | 21 |
| SAINTE-ODE | 20 |
| SAINT-GHISLAIN | 213 |

| Shareholders | A shares |
|--------------------|----------|
| SAINT-HUBERT | 642 |
| SAINT-LÉGER | 36 |
| SAMBREVILLE | 71,335 |
| SANKT VITH | 1 |
| SENEFFE | 96 |
| SILLY | 2 |
| SOIGNIES | 113 |
| SOMBREFFE | 12 |
| SOMME-LEUZE | 18 |
| SPA | 1 |
| STOUMONT | 1 |
| TELLIN | 25 |
| TENNEVILLE | 29 |
| THEUX | 1 |
| THIMISTER-CLERMONT | 1 |
| THUIN | 82 |
| TINLOT | 1 |
| TINTIGNY | 36 |
| TOURNAI | 2 |
| TROIS-PONTS | 1 |
| TUBIZE | 10 |
| VAUX-SUR-SURE | 25 |
| VERVIERS | 1 |
| VIELSALM | 93 |
| VILLERS-LA-VILLE | 263,899 |
| VIROINVAL | 7,679 |
| VIRTON | 228 |
| VRESSE | 82 |
| WAIMES | 1 |
| WALCOURT | 16 |
| WALHAIN | 2 |
| WATERLOO | 20,130 |
| WAVRE | 19,187 |

| Shareholders | A shares |
|-----------------------|-------------------|
| WELLIN | 37 |
| YVOIR | 28,265 |
| Municipalities | 2,204,641 |
| IDEFIN | 10,536,969 |
| IPFH | 29,613,672 |
| FINEST | 2,504,369 |
| SOFILUX | 7,455,643 |
| FINIMO | 3,280,295 |
| IPFBW | 9,016,024 |
| IEG | 1,710,370 |
| IGRETEC | 4 |
| IPF | 64,117,346 |
| TOTAL | 66,321,987 |

09

GRI content index





Profile of the organisation

| | | | | |
|---------|--------------------|--------|--|---|
| GRI 102 | General disclosure | 102-1 | Name of the organisation | ORES and ORES Assets |
| GRI 102 | General disclosure | 102-2 | Activities, brands, products and services | See chapter entitled "About the company", pages 4 to 6 |
| GRI 102 | General disclosure | 102-3 | Location of headquarters | Avenue Jean Monnet 2, 1348 Louvain-la-Neuve |
| GRI 102 | General disclosure | 102-4 | Location of operations | The locations of the company's operations are shown on page 7 |
| GRI 102 | General disclosure | 102-5 | Share capital and legal form | See chapter entitled "Governance and transparency", page 20 |
| GRI 102 | General disclosure | 102-6 | Markets served | See chapter entitled "About the company", pages 4 to 6. See chapter entitled "Governance and transparency", page 19 |
| GRI 102 | General disclosure | 102-7 | Scale of the organisation | See chapter entitled "Working culture and wellbeing within the organisation", page 63 |
| GRI 102 | General disclosure | 102-8 | Information about employees and other workers | See chapter entitled "Working culture and wellbeing within the organisation", pages 63 and 64 |
| GRI 102 | General disclosure | 102-9 | Supply chain | See chapter entitled "Fair practices, respect for human rights and combating corruption", pages 66 and 67 |
| GRI 102 | General disclosure | 102-10 | Significant changes to the organisation and its supply chain | NA |
| GRI 102 | General disclosure | 102-11 | Precautionary principle or preventive approach | See "Risks" section of management report, pages 82 to 87 |
| GRI 102 | General disclosure | 102-12 | External initiatives | Walloon utilities charter - Walloon public lighting charter |
| GRI 102 | General disclosure | 102-13 | Membership of associations | Ciriec - Edso - Gas.be - Synergrid - UVCW |

Strategy

| | | | | |
|---------|--------------------|--------|--------------------------------------|-------------------------------------|
| GRI 102 | General disclosure | 102-14 | Statement from senior decision-maker | Introductory message, pages 3 and 4 |
|---------|--------------------|--------|--------------------------------------|-------------------------------------|

Ethics and integrity

| | | | | |
|---------|--------------------|--------|---|---|
| GRI 102 | General disclosure | 102-16 | Mechanism for offering advice and managing concerns relating to ethical questions | See chapter entitled "About the company", pages 4 to 8. See chapter entitled "Fair practices, respect for human rights and combating corruption", pages 66 and 67 |
|---------|--------------------|--------|---|---|

| | | | | |
|---------|--------------------|--------|--|---|
| GRI 102 | General disclosure | 102-17 | Mechanism for advice and managing concerns relating to ethical questions | Ethics charter for members of staff - Ethics charter for suppliers - Code for applying the rules relating to market abuse |
|---------|--------------------|--------|--|---|

Governance

| | | | | |
|---------|--------------------|--------|----------------------|---|
| GRI 102 | General disclosure | 102-18 | Governance structure | The Board of Directors has the broadest powers when it comes to achieving the corporate purpose as well as managing the company. Everything that is not specifically entrusted by law or the articles of association to the general meeting comes under its jurisdiction. The different committees and their respective roles are described in the remuneration report. Additional information available in the company's articles of association and governance charter. |
|---------|--------------------|--------|----------------------|---|

| | | | | |
|---------|--------------------|--------|----------------------|--|
| GRI 102 | General disclosure | 102-19 | Delegating authority | The Board of Directors can – with an option to sub-delegate – entrust the day-to-day management of the company, as well as the role of representing the company in all matters relating to this management, for ORES, to one of its members who has the role of Chief Executive Office and chairs the Management Committee. For ORES Assets, sub-delegation involves the operating company represented by the Chief Executive Officer. Additional information available in the articles of association and corporate governance charter. |
|---------|--------------------|--------|----------------------|--|

| | | | | |
|---------|--------------------|--------|---|---|
| GRI 102 | General disclosure | 102-20 | Executive-level responsibility for economic, environmental, and social topics | By virtue of the company's articles of association, ORES' Board of Directors can delegate all or some of its management powers to a Management Committee in accordance with the Code des sociétés (Belgian company law). It is this committee that is charged with the operational management of the company, including day-to-day management and its representation in relationships with third parties. ORES' Board of Directors appoints and dismisses the chairman of the Management Board after consulting the Appointment and Remuneration Committee. The chairman of the Management Committee submits proposals to the Board of Directors on appointing and dismissing members of this Committee after consulting the Appointment and Remuneration Committee. The Board of Director defines the Management Committee's internal regulations. |
| GRI 102 | General disclosure | 102-21 | Consulting stakeholders on economic and social topics. | The Board of Directors meets at regular intervals, and at least six times per year, under the leadership of its Chairman in order to, as far as ORES is concerned, after its various Committees have expressed their views regarding their respective areas of expertise, fulfil the different roles described in the corporate governance charter. Refer to the roles of the Board of Directors in the governance charter. |
| GRI 102 | General disclosure | 102-22 | Composition of the highest governance body and its committees | See remuneration report, pages 162 to 182 |
| GRI 102 | General disclosure | 102-23 | Chair of the highest governance body | See remuneration report, pages 162 to 182 |
| GRI 102 | General disclosure | 102-24 | Nominating and selecting the members of the highest governance body | Without prejudice to the areas that the law stipulates are the responsibility of the General Meeting, the Board of Directors is made up exclusively of non-executive directors, with the exception of the Chairman of the Management Committee. The Board of Directors makes sure that overall, thanks to its diverse composition, it encompasses the skills and experience needed to fulfil its roles. The General Meeting appoints and dismisses the directors. |
| GRI 102 | General disclosure | 102-25 | Conflicts of interests | Directors pay close attention to their legal and ethical obligations in terms of conflicts of interests, particularly in accordance with article 523 of the Code des sociétés (Belgian company law), the provisions of decrees, including in particular those imposed by the Local Democracy and Decentralisation Code ("Code de la Démocratie locale et de la Décentralisation", CDLD) and by electricity and gas decrees. More information in the corporate governance charter. |

| | | | | |
|---------|--------------------|--------|--|---|
| GRI 102 | General disclosure | 102-26 | Role of highest governance body in setting purpose, values, and strategy | See chapter entitled "Governance and transparency", page 26 |
| GRI 102 | General disclosure | 102-27 | Collective knowledge of the highest governance body | See chapter entitled "Governance and transparency", page 26 |
| GRI 102 | General disclosure | 102-28 | Evaluating the highest governance body's performance | The Board examines and assesses: 1. its own effectiveness as well as the effectiveness of the company's governance structure as well as the role and missions of the different Committees and Executive Board; 2. once a year, the performance of the Chairman of the Management Board and, on the proposal of the Chairman of the Management Board, other members of the Management Committee, within the context of the procedure relating to determining the proportion of their remuneration linked to performance. |
| GRI 102 | General disclosure | 102-29 | Identifying and managing economic, environmental and social impacts | See chapter entitled "Governance and transparency", page 26 |
| GRI 102 | General disclosure | 102-30 | Effectiveness of risk management processes | The roles of the Board of Directors include examining and analysing the company's financial targets, including in particular in terms of risk profiles and allocating resources and taking into account tariffs to be approved/already approved by the regulator. It is also stipulated that once a year, a special meeting of the Board of Directors is dedicated to the company's strategy. During the course of the year, an update on its progress is provided. The Audit Committee carries out an annual assessment as well as the Management Committee. |
| GRI 102 | General disclosure | 102-31 | Review of economic, environmental and social topics | A review is carried out: 1. annually (annual report and risk report) 2. quarterly (brochure covering the main performance indicators) |
| GRI 102 | General disclosure | 102-32 | Highest governance body's role in sustainability reporting | The Board of Directors approves the policy for reporting on sustainable development, analyses all of the supporting documents for the annual report and submits them to the General Meeting for approval. |
| GRI 102 | General disclosure | 102-33 | Communicating critical concerns | See "Risks" section of management report, pages 82 to 87 |
| GRI 102 | General disclosure | 102-34 | Nature and total number of critical concerns | See "Risks" section of management report, pages 82 to 87 |
| GRI 102 | General disclosure | 102-35 | Remuneration policies | See remuneration report, pages 162 to 182 |

| | | | | |
|---------|--------------------|--------|--|--|
| GRI 102 | General disclosure | 102-36 | Process for determining remuneration | In accordance with the requirements of the Local Democracy and Decentralisation Code, remuneration for the directorships fulfilled by the non-executive directors is defined overall by the General Meeting, on the proposal of the Board of Directors after the Appointment and Remuneration Committee has expressed its views. Furthermore, the remuneration granted to members of the Committees and the Executive Board and the directors for fulfilling specific roles as well as those of the Chairman of the Management Committee are determined by the Board of Directors on the recommendation of the Appointment and Remuneration Committee. |
| GRI 102 | General disclosure | 102-37 | Stakeholders' involvement in remuneration | The legal framework is defined by the Local Democracy and Decentralisation Code. |
| GRI 102 | General disclosure | 102-38 | Annual total compensation ratio | The entry into force of the Local Democracy and Decentralisation Code led to a change to the status and remuneration of the Chief Executive Office during the year. The information item will be provided in the annual report for 2019. |
| GRI 102 | General disclosure | 102-39 | Percentage increase in annual total compensation ratio | See previous point. |

Commitment of stakeholders

| | | | | |
|---------|--------------------|--------|--|--|
| GRI 102 | General disclosure | 102-40 | List of stakeholder groups | See chapter entitled "Social commitment and responsibility", page 16 |
| GRI 102 | General disclosure | 102-41 | Collective bargaining agreements | 100% |
| GRI 102 | General disclosure | 102-42 | Identifying and selecting stakeholders | See chapter entitled "Social commitment and responsibility", page 16 |
| GRI 102 | General disclosure | 102-43 | Approach to stakeholder engagement | See chapter entitled "Social commitment and responsibility", page 16 |
| GRI 102 | General disclosure | 102-44 | Key topics and concerns raised | See chapter entitled "Social commitment and responsibility", pages 15 and 16 |

Reporting method

| | | | | |
|---------|--------------------|--------|--|-----------------------------------|
| GRI 102 | General disclosure | 102-45 | Entities included in the consolidated financial statements | ORES Assets, ORES scrl and Atrias |
|---------|--------------------|--------|--|-----------------------------------|

| | | | | |
|---------|--------------------|--------|--|--|
| GRI 102 | General disclosure | 102-46 | Defining report content and topic boundaries | See chapter entitled "Social commitment and responsibility", pages 15 and 16 |
| GRI 102 | General disclosure | 102-47 | List of material topics | See chapter entitled "Social commitment and responsibility", pages 15 and 16 |
| GRI 102 | General disclosure | 102-48 | Restatements of information | NA |
| GRI 102 | General disclosure | 102-49 | Changes in reporting | NA |
| GRI 102 | General disclosure | 102-50 | Reporting period | 2018 |
| GRI 102 | General disclosure | 102-51 | Date of most recent report | NA |
| GRI 102 | General disclosure | 102-52 | Reporting cycle | Annual report cycle |
| GRI 102 | General disclosure | 102-53 | Contact point for questions regarding the report | Jean-Michel Brebant Communication Manager jeanmichel.brebant@ores.be |
| GRI 102 | General disclosure | 102-54 | Claims of reporting in accordance with the GRI Standards | This annual report has been prepared in accordance with the GRI standards: Core option |
| GRI 102 | General disclosure | 102-55 | GRI content Index | See page 202 |

Specific parts

| | | | | |
|---------|----------------------|-------|--|--|
| GRI 201 | Economic performance | 201-1 | Direct economic value generated and distributed | Please refer to the organisation's annual accounts. |
| GRI 201 | Economic performance | 201-2 | Financial implications and other risks and opportunities due to climate change | See chapter entitled "Energy transition and the environment", pages 38 to 51 |
| GRI 201 | Economic performance | 201-4 | Financial assistance received from government | Within the context of its activities, the Group benefits from two subsidies received from Wallonia, one within the context of a project for the management of networks open to renewables and the other a general interest industrial research project relating to smart meters (Smart Users). |
| GRI 205 | Anti-corruption | 205-2 | Communication and training about anti-corruption policies and procedures | See chapter entitled "Fair practices, respect for human rights and combating corruption", pages 66 and 67 |
| GRI 302 | Energy | 302-1 | Energy consumption within the organisation | See chapter entitled "Energy transition and the environment", page 46 |

| | | | | |
|---------|--------------------------|-------|--|---|
| GRI 302 | Energy | 302-4 | Reduction of energy consumption | See chapter entitled "Energy transition and the environment", page 48 |
| GRI 306 | Effluents and waste | 306-2 | Waste by type and disposal method | See chapter entitled "Energy transition and the environment", page 51 |
| GRI 306 | Effluents and waste | 306-4 | Transport of hazardous waste | See chapter entitled "Energy transition and the environment", pages 50 and 51 |
| GRI 307 | Environmental compliance | 307-1 | Non-compliance with environmental laws and regulations | No instances of non-compliance during the reporting period. |
| GRI 401 | Employment | 401-1 | New employee hires and employee turnover | See information on next page. |

| 401-1 | | The organisation must provide information about the following: | | Male | Female | Total |
|---|------|--|--|----------------------------|------------------------------|-----------------------------|
| a. The total number of employees and the recruitment rate of new employees during the reporting period, by age group, gender and region. Région = Wallonie | | | | | | |
| | | Number of newcomers | | | | |
| | <30 | | | 70 | 34 | |
| | >=30 | <50 | | 57 | 39 | |
| | | >=50 | | 4 | 0 | |
| | | | | 131 | 73 | 204 |
| | | Recruitment rate | | 8.24% | 9.95% | 8.78% |
| | | | | out of the male population | out of the female population | out of the total population |
| b. The total number of employees and the staff turnover rate during the reporting period, by age group, gender and region Region = Wallonia | | | | | | |
| | | Number of people leaving | | | | |
| | <30 | | | 19 | 16 | |
| | >=30 | <50 | | 21 | 13 | |
| | | >=50 | | 21 | 1 | |
| | | | | 61 | 30 | 91 |
| | | Turnover rate | | -3.84% | -4.09% | -3.92% |
| | | | | out of the male population | out of the female population | out of the total population |

| | | | | |
|---------|------------|-------|--|------------------------|
| GRI 401 | Employment | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | See information below. |
|---------|------------|-------|--|------------------------|

| | | |
|-------|--|--|
| 401-2 | The standard benefits granted to the organisation's full-time employees and not to temporary or part-time employees. | |
| | These include, as a minimum: | |
| i. | life insurance | Included in the group insurance policy with the employer's and the employee's contributions |
| ii. | healthcare; | Hospitalisation and out-patient treatment |
| iii. | disability and invalidity coverage; | Included in the group insurance policy with the employer's and the employee's contributions |
| iv. | parental leave; | According to CLA 64 of 29/4/1997: contractual parental leave / parental leave within the context of career breaks. |
| v. | retirement provision; | Included in the group insurance policy with the employer's and the employee's contributions |
| vi. | employee stock ownership; | None |
| vii. | other benefits | Tariff benefits, Social Fund |

| | | | | |
|---------|--|--------------|---|---|
| GRI 401 | Employment | 401-3 | Parental leave | See information below. |
| 401-3 | The organisation must provide information about the following: | | | |
| | a. The total number of employees entitled to parental leave, by gender | | | |
| | | Male | 690 | |
| | | Female | 309 | |
| | | Total | 999 | |
| | b. The total number of employees who have taken parental leave, by gender | | | |
| | | Male | 75 | |
| | | Female | 77 | |
| | | Total | 152 | |
| | c. The total number of employees who have returned to work during the reporting period at the end of parental leave, by gender. | | | |
| | | Male | 34 | |
| | | Female | 20 | |
| | | Total | 54 | |
| | d. The total number of employees who have returned to work at the end of parental leave and who were still employed 12 months after their return to work, by gender. | | | |
| | | Male | 85 | |
| | | Female | 98 | |
| | | Total | 183 | |
| | e. The rate of employees who returned to work and the retention rate for employees who have taken parental leave, by gender | | | |
| | | | <u>Return</u> | <u>Retention</u> |
| | | Male | 45.33% | 71.76% |
| | | Female | 25.97% | 72.45% |
| | | Total | 35.53% | 72.13% |
| GRI 402 | Labour/ Management Relations | 402-1 | Minimum notice periods regarding operational changes | There is no minimum number of weeks' notice. The organisation undertakes to make sure it discusses significant operational changes in good time and as soon as possible and to involve its employees and their representatives in negotiating and implementing these changes, as soon as they might have positive or negative implications for workers. For example, moving the head office from Louvain-la-Neuve to Gosselies, planned for spring 2020, was raised for the first time in a Works Council meeting three years in advance. According to the Collective Labour Agreement of 2/03/1989, the time needed to present an agreement is 2 hours. In practical terms, when an agreement is entered into collectively (CLA), union representatives have 2 to 4 weeks to present it to staff. However, this notice period is not included in an agreement. |
| GRI 403 | Occupational health and safety | 403-1 | Employee representatives on official health and safety committees involving both workers and management | See chapter entitled "Changes to the working culture and wellbeing within the organisation", pages 61 and 62 |
| GRI 403 | Occupational health and safety | 403-2 | Types of occupational accident and rate of occupational accidents, occupational illnesses, days lost, absenteeism and number of deaths linked to work | See chapter entitled "Changes to the working culture and wellbeing within the organisation", pages 61 and 62 |

| GRI 403 | Occupational health services | 403-3 | Occupational health services | ORES carries out an inventory of workers with a risk of exposure to asbestos, organises their medical care and regularly reviews and adapts working methods to ensure low exposure. The company thinks that the risk of professional illness is not high here. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------|---|--------|---|--|--|------|--------|-------|--|------------|------|------|-------------|--|------------|------|------|-------------|--|-------------------|-----|-----|------------|-------------------------------|-----------|-----|-----|------------|-------------------------------|--|-----|-----|------------|-------------------------------|--------------|-----|-----|------------|--------------------------|--|------|------|-------------|--|
| GRI 403 | Occupational health and safety | 403-4 | Worker participation, consultation, and communication on occupational health and safety | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 404 | Training and education | 404-1 | Average hours of training per year per employee | See chapter entitled "Changes to the working culture and wellbeing within the organisation", page 64 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 404 | Training and education | 404-2 | Programmes for upgrading employee skills and transition assistance programmes | See chapter entitled "Changes to the working culture and wellbeing within the organisation", page 64 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 404 | Training and education | 404-3 | Percentage of employees receiving regular performance and career development reviews | See information below. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 404-3 | <p>The organisation must provide information about the following:</p> <p>a. The percentage of the total number of employees by gender and by professional category who have benefited from a performance or career development review during the reporting period:</p> <table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Total</th> <th></th> </tr> </thead> <tbody> <tr> <td>Management</td> <td>100%</td> <td>100%</td> <td>100%</td> <td></td> </tr> <tr> <td>Executives</td> <td>100%</td> <td>100%</td> <td>100%</td> <td></td> </tr> <tr> <td>Supervisory staff</td> <td>32%</td> <td>67%</td> <td>39%</td> <td>(New working conditions only)</td> </tr> <tr> <td>Employees</td> <td>75%</td> <td>89%</td> <td>80%</td> <td>(New working conditions only)</td> </tr> <tr> <td></td> <td>72%</td> <td>88%</td> <td>77%</td> <td>(New working conditions only)</td> </tr> <tr> <td>Not assessed</td> <td>28%</td> <td>12%</td> <td>23%</td> <td>(Old working conditions)</td> </tr> <tr> <td></td> <td>100%</td> <td>100%</td> <td>100%</td> <td></td> </tr> </tbody> </table> | | | | | Male | Female | Total | | Management | 100% | 100% | 100% | | Executives | 100% | 100% | 100% | | Supervisory staff | 32% | 67% | 39% | (New working conditions only) | Employees | 75% | 89% | 80% | (New working conditions only) | | 72% | 88% | 77% | (New working conditions only) | Not assessed | 28% | 12% | 23% | (Old working conditions) | | 100% | 100% | 100% | |
| | Male | Female | Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Management | 100% | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Executives | 100% | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supervisory staff | 32% | 67% | 39% | (New working conditions only) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Employees | 75% | 89% | 80% | (New working conditions only) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 72% | 88% | 77% | (New working conditions only) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Not assessed | 28% | 12% | 23% | (Old working conditions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 100% | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 405 | Diversity and equal opportunities | 405-1 | Diversity of governance bodies and employees | See information on next page. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 405 | Diversity and equal opportunities | 405-2 | Ratio of basic salary and remuneration of women to men | See information on next page. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

405-1 The organisation must provide information about the following:

a. The percentage of individuals who are members of the organisation's governance bodies in each of the following diversity categories:

i. Gender and

ii. Age group

| | | Male | Female |
|------|------|--------------|--------------|
| >=30 | <30 | 0.00% | 0.00% |
| | <50 | 0.09% | 0.09% |
| | >=50 | 0.17% | 0.13% |
| | | 0.26% | 0.22% |

b. The percentage of employees by professional category in each of the following diversity categories:

| <i>i. Gender</i> | | Employees | Supervisory staff | Executives | Total excluding management | Management | Total |
|------------------|--------|---------------|-------------------|---------------|----------------------------|---------------|----------------|
| | | | | | | | |
| Female | 25.61% | 2.76% | 3.01% | 31.38% | 0.22% | 31.60% | |
| | | 74.64% | 13.30% | 11.58% | 99.53% | 0.47% | 100.00% |

| <i>ii. Age group</i> | | Employees | Supervisory staff | Executives | Total excluding management | Management | Total |
|----------------------|--------|---------------|-------------------|---------------|----------------------------|---------------|----------------|
| | | | | | | | |
| <50 | 48.73% | 7.15% | 7.45% | 63.32% | 0.17% | 63.50% | |
| >=50 | 13.00% | 6.07% | 3.19% | 22.26% | 0.30% | 22.56% | |
| | | 74.64% | 13.30% | 11.58% | 99.53% | 0.47% | 100.00% |

405-2 The organisation must provide information about the following:

a. The ratio of the basic salary and the remuneration for women to men for each professional category, by significant location of operation

No significant location of operation but just one region = Wallonia

| Ratio | Female/Male |
|-------------------|---------------|
| Management | -2.44% |
| Executives | -12.50% |
| Supervisory staff | -13.37% |
| Employees | -2.21% |
| Total | -6.67% |

| | | | | |
|---------|----------------------------|-------|--|--|
| GRI 412 | Human rights assessment | 412-3 | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | See chapter entitled "Fair practices, respect for human rights and combating corruption", pages 66 and 67 |
| GRI 414 | Supplier social assessment | 414-1 | New suppliers analysed using social criteria | See chapter entitled "Fair practices, respect for human rights and combating corruption", pages 66 and 67 |
| GRI 416 | Customer health and safety | 416-1 | Assessment of the health and safety impacts of product and service categories | All technical activities and materials are permanently assessed (products, methodology documents, technical specifications, instruction notes etc.). Monitoring departments trained in safety policies have been set up to make sure that the networks are being monitored 24/7. |
| GRI 418 | Customer privacy | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | One substantiated complaint out of a total of three received during the reporting period. |

Contacts

ORES - Avenue Jean Monnet, 2
1348 Louvain-la-Neuve - Belgium

www.ores.be

Customer service: 078/15.78.01
Technical assistance: 078/78.78.00
Emergency smell of gas: 0800/87.087