BGAAP CONSOLIDATED ACCOUNTS
ORES ASSETS
2023

ORES

NAME AND FORM

ORES Assets. Cooperative company. CBE number 0543.696.579.

HEAD OFFICE

Avenue Jean Mermoz 14, 6041 Gosselies.

INCORPORATION

Incorporated on 31st December 2013. Deed of incorporation published in the appendices to the Moniteur belge (Belgian Official Gazette) of 10th January 2014 under number 14012014.

ARTICLES OF ASSOCIATION

The articles of association have been amended on several occasions, most recent and for the final time under the terms of a deed received by notary, Mr Thibaut van DOORSLAER de ten RYEN, residing in Jodoigne, on 14th December 2023, published in the appendices to the du Moniteur belge (Belgian Official Gazette) of 3rd January 2024 under number 24305273.

BGAAP CONSOLIDATED ACCOUNTS ORES ASSETS 2023

ORES

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1. INTRODUCTION

1. Message from the Chairman of the Executive Committee

The year 2023 saw a number of important milestones in the life of our company. In the wake of the health, energy and economic crises that marked the previous years, ORES focused in particular on drawing up its new strategic plan. This plan reaffirms our ambitions: our aim is to "invest together in energy transition for all". This means fully assuming our role as a public service company and working on behalf of energy transition, both for Wallonia and for all our customers.

Now is the time for action. 2023, with the congestion problems encountered locally on our infrastructures, has shown that to make a success of energy transition, we need to strengthen and modernise our distribution networks. We also need to have cutting-edge tools based on artificial intelligence, among other things – and then to manage them efficiently and use them to their full potential. In the years ahead, very substantial investment will be required, both in the networks themselves and in data management tools. ORES also intends to support and promote developments that will enable customers to make a practical contribution to this transition. These challenges will not be met by Wallonia, unless all of the driving forces, including the political and regulatory authorities, are mobilised and coordinated collectively. This is the goal we have set ourselves, together with consumers and all our stakeholders.

Another major event in 2023 was the publication of the methodologies that, in particular, will enable the distribution tariffs for the years ahead to be established. For ORES, 2024 is the first year in which an equalised tariff will be applied right across its territory. And this tariff is the lowest in Wallonia for practically all customer segments, for both electricity and gas. This, of course, is excellent news for consumers. For ORES, this is the absolute confirmation of a business project that we have pursued with rigour and determination for ten years. In other respects, the tariffs for the period 2025-2029 have not yet been approved at the time of writing. In a context that continues to be marked by real difficulties in terms of access to human, material and financial resources, ORES needs tariffs visibility – and this is what it is calling for. The challenges that face us are enormous and require resources that have never been available before. Of course, and these resources depend to a large extent on the decisions made by the regulator. We are paying close attention to these regulations and will continue to do so.

In addition to our financial results, our annual report looks back at these various milestones, our achievements and our progress in 2023. Looking ahead, it also outlines a number of prospects for our company. More than ever, our ambition is to rise to the challenges of energy transition. We will do this by adapting our approach to the new expectations and requirements of our customers and by ensuring the quality of our collaboration with all of the parties involved in this extraordinary challenge.

I hope you enjoy reading this report.

Fernand Grifnée
Chairman of the Executive Committee


“Our ambition is to
rise to the challenges
of energy transition”

2. Presentation of the company: "Investing together in energy transition for all"

Faced with climate change and its increasingly tangible consequences, our company has for several years been positioning itself as a real driving force behind energy transition in Wallonia. Distribution networks are at the heart of this change; their nature is evolving and ORES wants to take up this challenge.

In 2022, our company commissioned the consultancy firm Climact to examine the practical consequences of energy transition for networks. The conclusions of the study are clear: by 2030, renewable electricity production will have more than doubled in Wallonia; there will be more than 500,000 electric vehicles on the region's roads and, by 2050, the share of electric heating will have increased by 44%. Consequently, even if changes in consumer behaviour and new technologies have a real downward effect on energy consumption, overall demand for electricity will continue to rise inexorably. In practical terms and all other things being equal, the volumes of electricity transiting through ORES networks are likely to increase by 64% between now and 2050.

Faced with this challenge, the company will be implementing a massive and ambitious investment plan, involving both the strengthening of networks and the development of data capture and management systems. The company also intends to use customer relations to leverage transition, while at the same time continuing to modernise its organisation, processes and tools. This is the aim of the Industrial Plan announced at the end of 2023, which provides for some € 6 billion of investment over the next 15 years.

In practical terms, ORES will be speeding up work on its networks, laying 1,600 kilometres of cable a year compared with an average of just under 1,000 kilometres in recent years. It will also be upgrading networks to 400 volts until 60% of low-voltage customers are covered and speeding up the upgrading or installation of new distribution substations, with up to 550 units a year. The plan is also to double the capacity for decentralised power generation, quadrupling the capacity for electric vehicle charging points and, lastly, installing a smart meter with 90% of customers by 2030. The road ahead is both colossal and unprecedented in scale, as well as unusually complex.

"ORES must be flawless in the way it conducts its business and support its customers and partners in their energy transition."

Working on behalf of customers

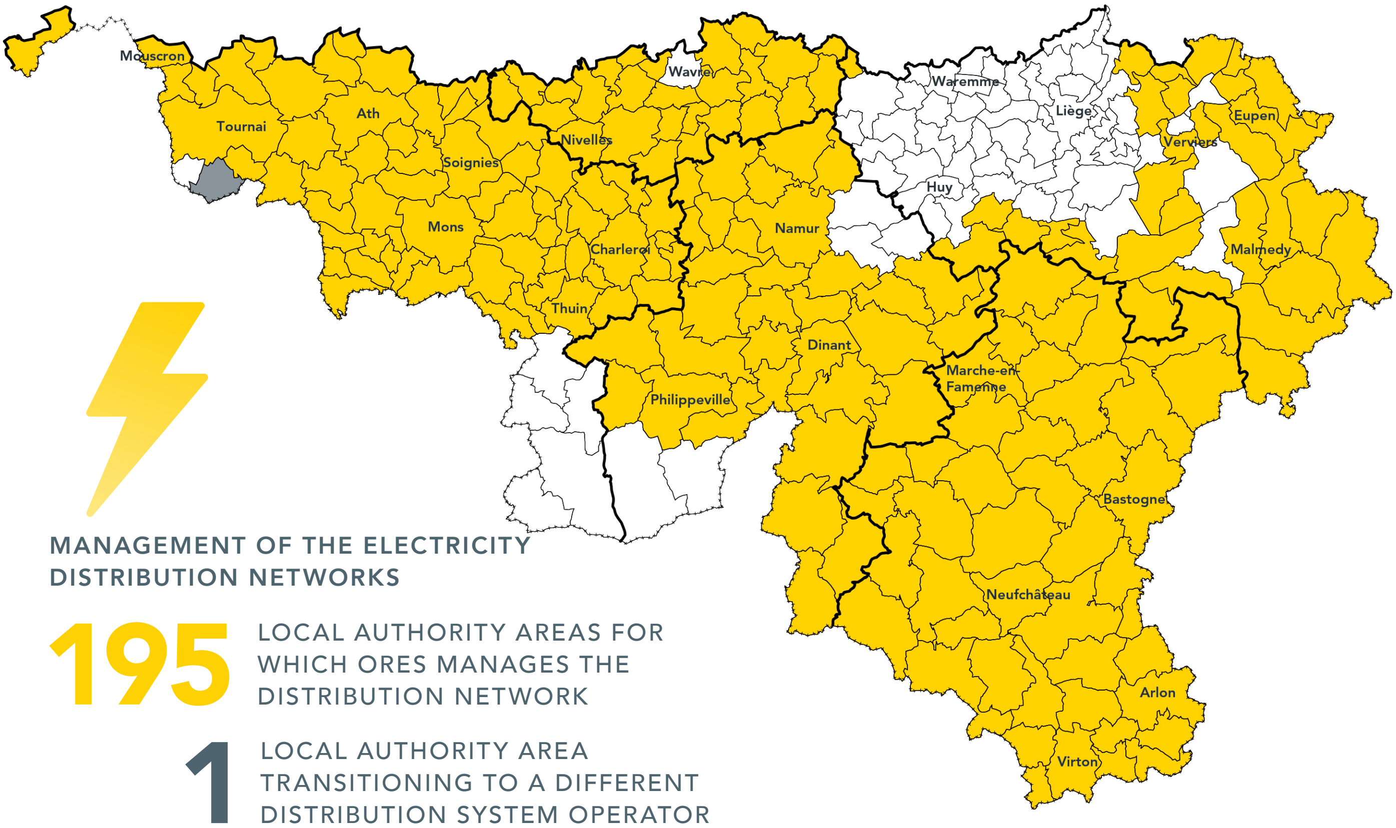
The infrastructures managed by our company currently cover more than 53,000 kilometres of electricity networks – including municipal street lighting – and almost 10,500 kilometres of gas pipes. We supply some 1.5 million customers – households, professionals, businesses and public authorities – all of whom expect a service that meets their needs.

ORES relies on the skills and expertise of its staff for the successful completion of all the work it has to carry out – including the social public service obligations that concern some 53,000 customers. At the end of 2023, 2,665 men and women were employed by the company. In view of the changes and challenges that lie ahead, the teams will need to be strengthened further. While no fewer than 250 new members of staff have been taken on since 2021, almost 500 new recruits are planned for 2024 alone.

Areas of activity

Our teams manage and operate the distribution networks for almost 75% of Wallonia's local authorities. Following the official procedure for renewing the management mandates for these networks for the period 2023-2043, ORES has been confirmed to continue providing services in virtually all of the towns and local authority areas where it carried out these tasks previously.

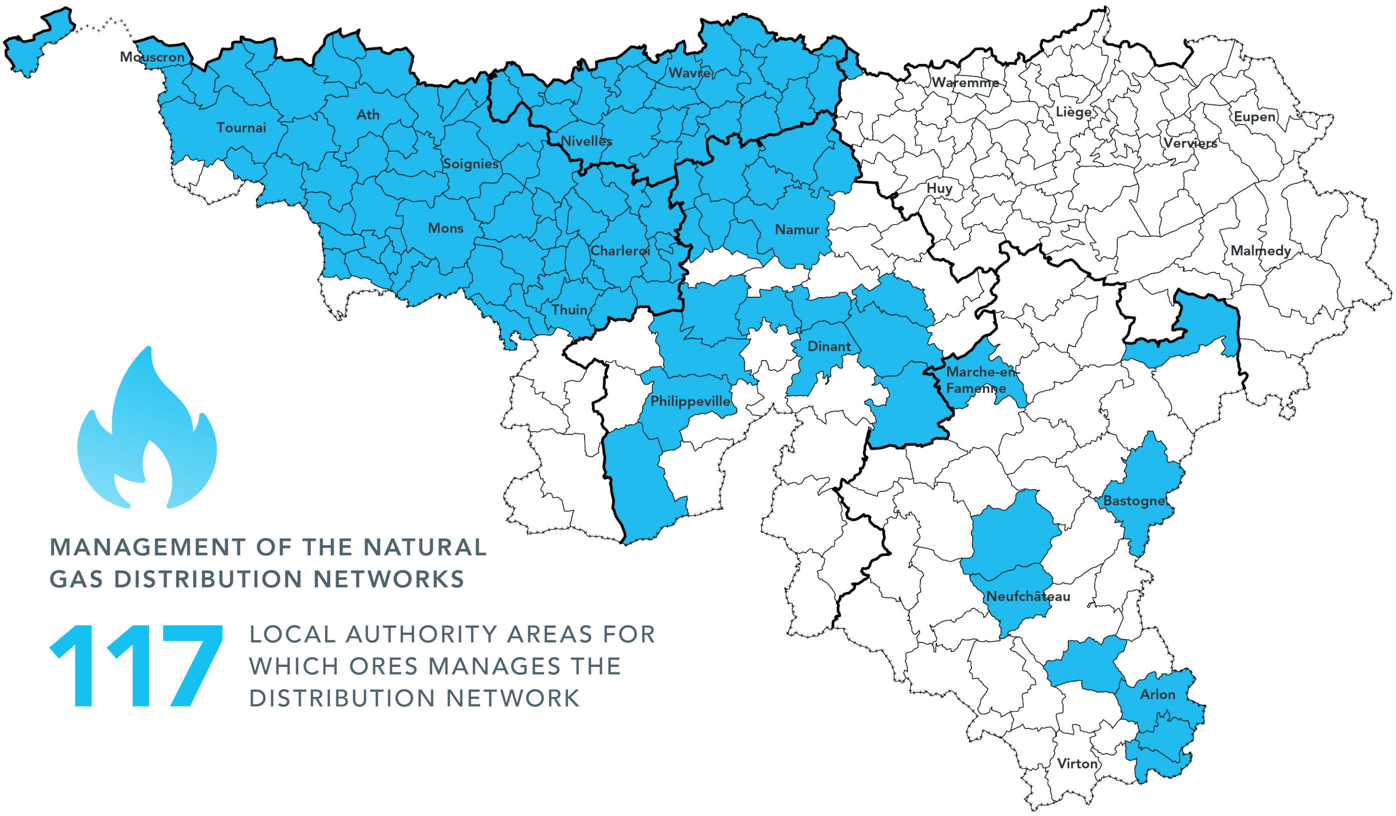
With regard to electricity, the 2023 financial year saw the completion of the transfer to AIESH of the entities in the north of the municipality of Couvin, whose distribution network had been managed historically by our company. This transfer was approved by the General Meetings of the two intermunicipal companies in question, coming into effect from 1st January 2024. Once the transfer relating to the municipality of Brunehaut has been completed – probably during 2024 – our teams will manage the electricity distribution networks of 195 Walloon towns and local authority areas. As far as gas is concerned, our business territory covers 117 towns and municipalities. The following maps show the situation at the beginning of 2024.



MANAGEMENT OF THE ELECTRICITY DISTRIBUTION NETWORKS

195 LOCAL AUTHORITY AREAS FOR WHICH ORES MANAGES THE DISTRIBUTION NETWORK

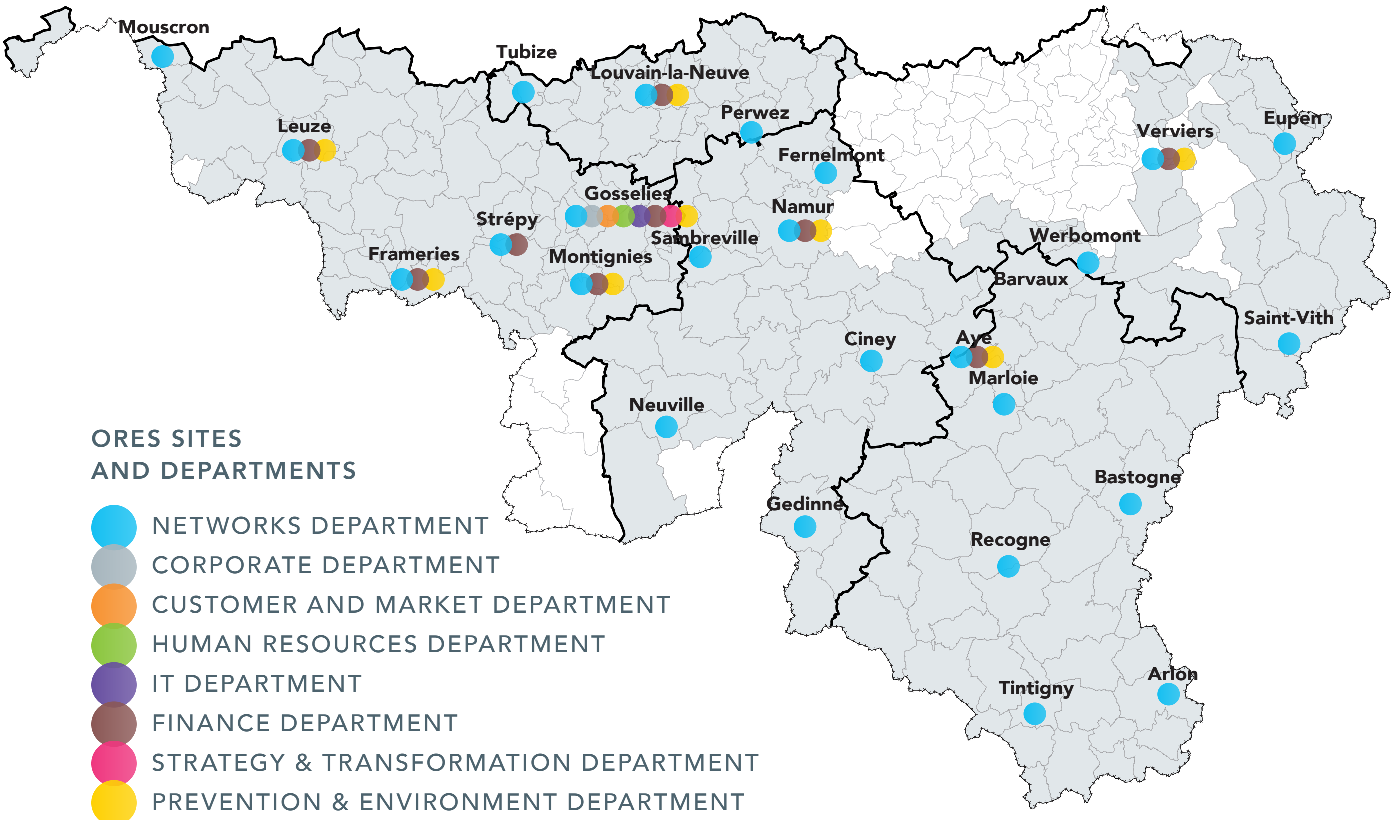
1 LOCAL AUTHORITY AREA TRANSITIONING TO A DIFFERENT DISTRIBUTION SYSTEM OPERATOR



MANAGEMENT OF THE NATURAL GAS DISTRIBUTION NETWORKS

117 LOCAL AUTHORITY AREAS FOR WHICH ORES MANAGES THE DISTRIBUTION NETWORK

The map below shows all of our company's locations and sites in Wallonia at the end of 2023, with an indication of the different departments and activities present in each of these locations. For the towns and local authorities, customers and partners of ORES, this decentralised geographical organisation guarantees an efficient local service right across the territory covered by our company.

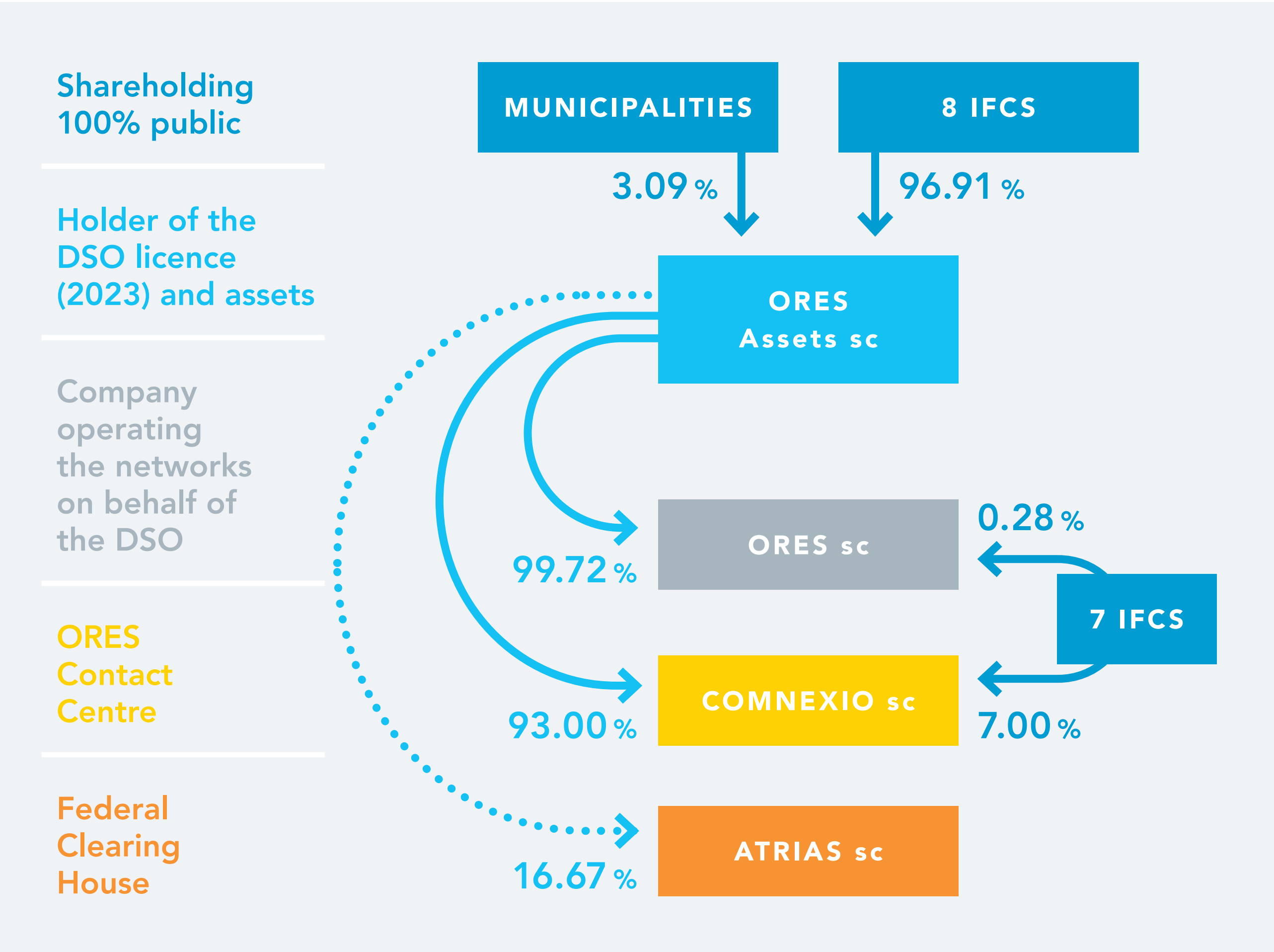


Shareholding structure

The shareholding structure of the ORES Group is the same as ORES Assets' wihich is on official distribution system operator in Wallonia. It is made up of the shareholdings of 8 pure intermunicipal financing companies (IFCs) and those of 200 associated towns and municipalities. The mission of the IFCs is to assist and support local authorities in acquiring financial holdings, particularly in distribution networks.

ORES Assets has two subsidiaries: ORES sc, which is its operating subsidiary, and Comnexio sc, which is the company's subsidiary specialising in contact centre activities, in particular front-line customer care services. It also holds a 16.67% stake in Atrias, which hosts the unified federal platform for exchanging market data (see section headed *The customer relationship as a lever for energy transition, box headed Data exchange problems and market bottlenecks*).

SHAREHOLDING STRUCTURE OF THE ORES GROUP AT 31ST DECEMBER 2023



Multi-faceted commitment

By the very nature of its activities as a distribution system operator, ORES is at the heart of the socio-economic fabric of the areas in which it operates. In parallel with these missions, our company has also been involved for many years in local partnerships and solidarity initiatives in the fields of energy, the environment, culture and socio-humanitarian action. Among these initiatives, the most emblematic commitment is undoubtedly our involvement in Viva for Life. ORES has been a partner of this operation since it was launched in 2013. In 2023, employees once again took part in a number of fund-raising initiatives, with a record number of donations and a cheque for € 42,523 presented to the operation in Bertrix at the end of December.

2

WARNING

ORES is currently preparing to bring its sustainability reporting processes into line with the obligations that will result from the transposition into Belgian law of Directive (EU) 2022/2464, known as the CSRD (Corporate Sustainability Reporting Directive). These obligations should apply to the company from 2026 for reporting relating to the 2025 financial year.

Irrespective of what is stated above, since 2018 ORES has opted to structure and report its approach to sustainability using the guidelines of the Global Reporting Initiative (GRI), one of the major internationally recognised standards. Our economic, social, environmental and governance initiatives and performance are discussed in this report with reference to the GRI 2016 methodology. The GRI index can be found in Section 3 of this document, following this Activity and Sustainable Development Report.

2. ACTIVITY AND SUSTAINABLE DEVELOPMENT REPORT NON-FINANCIAL INFORMATION

FIGURES 2023

TEAMS ON TOP

2,665

active members of staff

- 33.5% female
- 66.5% male
- 33.2 hours of training
  on average, per person per year

OPTIMAL MANAGEMENT

2 million

points of supply

1,409,407
531,404

WALLONIA'S LEADING DISTRIBUTION SYSTEM OPERATOR

22.7 million

MWh of energy distributed in 2023

10,595,740 MWh
12,121,547 MWh

>60,000

active prepaid meters

43,174
16,886

>63,000 km

of networks

- 53,198 km
- 10,168 km

470,749

light fixtures

ORES maintains a municipal public lighting with **25,479** repairs per year

53,600

protected customers

- 35,459 customers
- 18,135 customers

KEY PLAYER

>€ 1.13 billion

consolidated turnover figure

MASSIVE INVESTMENT

€ 385.2 million

Total gross investments

1. Look back at 2023 highlights

TOP EMPLOYER

JANUARY Against a backdrop of a marked shortage of technical trades and massive recruitment needs to meet the challenges of energy transition, ORES is awarded the "Top Employer" label for the second year running.

MYORES

FEBRUARY The "myORES" space is placed online at ores.be for customers equipped with a smart meter, where they can access their energy consumption and injection details. Over time, this space will become the entry point for all interactions with ORES (work requests, case follow-up, etc.).

UPGRADING PROFESSIONS

MARCH After a period of industrial action that led to the blocking of several of the company's sites in February, ORES management reach an agreement with the trade unions on a plan to upgrade the technical trades.

PUBLIC LIGHTING

APRIL The period for switching off public lighting between midnight and 5.00 am, which was introduced for voluntary local authorities in 2022 in response to the energy crisis, comes to an end. ORES offers the municipalities concerned three operating options to be phased in from 1st April: conventional lighting, switching off every night, or limited switching off from Monday to Friday.

GRID OVERVOLTAGE

MAY The photovoltaic boom triggered by the end of the compensation mechanism announced for 1st January 2024 and high electricity prices leads to problems of power surges on the grid and inverters tripping at customer sites. ORES introduces a specific action plan to encourage customers to report any problems they encounter and, in the long term, to enable them to take appropriate action after analysing the difficulties.

DISCUSSIONS ON PHOTOVOLTAICS

MAY Meetings are held with photovoltaic installers throughout Wallonia. The aim is to provide these professionals with the best possible information about smart meters, grid saturation problems, inverter disconnections and the end of the compensation mechanism.

CONVERSION OF THE GAS NETWORK

JUNE The conversion of the distribution network to rich gas reaches a new stage. On 1st June, after several months of preparation and work, all customers served in 11 local authority areas in the central part of Walloon Brabant are successfully converted to rich gas. The final phase of the programme will end in June 2024 with the conversion of the network in six municipalities in the west of the province and in Enghien in Hainaut.

CARBON FOOTPRINT

JUNE With the publication of the 2022 annual report, ORES's first carbon footprint is made public, highlighting the prevalence of indirect emissions in this footprint. Over the period 2019-2021, the company's average annual footprint was 6.1 million tons of CO2 equivalent, of which no less than 97% came from "Scope 3", upstream and downstream of ORES's own activity.

MAJOR CONSULTATION

JULY For the purpose of drawing up its new strategic plan, ORES consults its stakeholders, including suppliers, consumer associations, organisations that help the poor, environmental protection associations, renewable energy producers, mayors, companies and their federations. Their opinions and responses converge into one strong expectation: ORES must be without reproach in the way it conducts its activities, because they are essential to socioeconomic life.

OPTICAL FIBRE

AUGUST On 30 August, ORES and the operator Go Fiber sign an agreement for the use of the overhead electricity distribution network for the rollout of optical fibre in the German-speaking Community. This agreement marks the start of a strategic partnership that is essential for the rollout of fibre, particularly in rural areas.

1st AGRIVOLTAIC FIELD

SEPTEMBER ORES connects Wallonia's first agrivoltaic field to its electricity grid in Wierde (Namur). The concept of agrivoltaics combines renewable photovoltaic energy production and agricultural activity in the same area.

SINGLE TARIFF

OCTOBER The Walloon Energy Commission publishes the new distribution tariffs for 2024. ORES becomes the cheapest energy network operator in Wallonia and for the first time offers a single tariff for its entire area of activity.

STRATEGIC PLAN

DECEMBER ORES presented its new strategic plan to the General Meeting for approval. The wording of the plan, entitled "Investing together in energy transition for all", calls for integrated and collective action.

2. Social responsibility and sustainability

ORES's action in terms of social responsibility and sustainability is based on the 17 United Nations Sustainable Development Goals. The CSR policy is now monitored through a table of specific indicators.

Six main lines of action linked to sustainable development targets

After redefining its major sustainable development challenges, the company is applying a corporate social responsibility policy based along six main lines of action. These bring together the main issues, which are put into perspective with the United Nations' sustainable development objectives. The action lines are broken down into commitments, which are themselves accompanied by monitoring indicators. The policy is published on the company's website.

1 TO ACCELERATE ENERGY TRANSITION

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

2 TO WORK TOWARDS INCLUSIVE ENERGY

1 NO POVERTY
7 AFFORDABLE AND CLEAN ENERGY
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES

3 TO REDUCE THE DIRECT ENVIRONMENTAL FOOTPRINT OF OUR ACTIVITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND

4 TO BE A HIGH-PERFORMANCE COMPANY, IN TERMS OF COSTS AND QUALITY OF PUBLIC SERVICE

7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH

5 TO BE A BENCHMARK EMPLOYER IN WALLONIA

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH

6 TO CONTINUE LISTENING TO AND WORKING WITH ENERGY STAKEHOLDERS

17 PARTNERSHIPS FOR THE GOALS

The action lines of the CSR policy and the related commitments are monitored by means of a dashboard made up of 29 indicators that became operational at the beginning of 2023. Twelve of these indicators are included in the "EC dashboard", which is monitored monthly by the company's Executive Committee. The CSR dashboard presented below – which is not set in stone and will evolve in line with current thinking and developments – is monitored by CSR Coordination, a discussion and consultation body that is an integral part of corporate governance. The members of the CSR Coordination, which represent all departments of ORES, ensure that commitments made are implemented. They also identify potential CSR initiatives and support their development.

The various activities, commitments and initiatives linked to these indicators are described throughout the pages of this report. The issues identified as priorities for ORES during the most recent materiality exercise carried out with our stakeholders at the beginning of 2023, namely energy transition, the operational excellence of the networks (and their fundamental role in this transition), the quality of service and customer relations, health, safety and wellbeing in the workplace, and the environment, are dealt with in the following sections.

TO ACCELERATE ENERGY TRANSITION	FIGURES END 2023**
Number of customers with decentralised production facility (facilities)*	**231,705**
Installed capacity of renewable production on the ORES grid*	**3,050 MVA**
Total number of smart meters (E) installed*	**212,332**
Percentage of biomethane in the network	**3.70%**
Percentage of hybrid or electric vehicles in the ORES fleet	**11.09%**
CO_2 emissions avoided by using LEDs in public lighting	**25,869 tons**
TO WORK TOWARDS INCLUSIVE ENERGY	
Proportion of protected customers supplied by ORES from regional protected customers*	**35%**
Total number of payment plans granted (E)	**8,664**
Total number of payment plans allowed (G)	**3,320**
Number of dossiers examined by CLE concerning the granting of winter aid	**2,830**
TO BE A HIGH-PERFORMANCE COMPANY IN TERMS OF COSTS AND QUALITY OF PUBLIC SERVICE	
Number of work operations on the network per month (E)	**1,002**
Number of work operations on the network per month (G)	**116**
Average duration of work operations (E)*	**1h15m20s**
Average duration of work operations (G)*	**1h40m06s**
Rate of 'smartisation' of electricity cabinets	**13.04%**
Percentage change in network costs vs. change in inflation (E)	**12%**
Percentage change in network costs vs. change in inflation (G)	**15%**
Number of substantiated complaints	**7,957**
Cumulative average customer satisfaction score*	**8.05/10**
Customer satisfaction rating for contact center (Comnexio)	**8.7/10**
TO BE A BENCHMARK EMPLOYER IN WALLONIA	
Rate of absenteeism	**7.22%**
Frequency rate (accident at work)*	**11.66**
Severity rate (accident at work)*	**0.19**
Number of "Site Quality Contractor" visits	**59**
Ratio of women to men in roles	**33.51%**
Average number of days of training per employee*	**5.87**
Nominal active workforce	**2,665**
TO CONTINUE LISTENING TO AND WORKING WITH STAKEHOLDERS	
Number of "ORES Proximity" meetings*	**9**
Rate of participation in meetings with other stakeholders*	**77.47%**

* CSR indicators included in the Executive Committee's dashboard

** **Warning:** These indicators correspond to data duly validated on 31st December 2023. They do not take account of possible adjustments due to specific situations. On this subject, see the important warning in Section 3 and the graphs relating to renewable generation units.

3. Energy networks: the driving force of energy transition

Sustainability and transition are at the heart of ORES's business. Without reliable, stable, digitised, flexible and resilient networks, energy transition is simply not possible. Our company aims to place all of its energy and expertise to work on behalf of this challenge and make an active contribution to achieving European and Walloon targets set in this area.

Developments on the electricity network

In its new strategic plan, ORES has opted to invest even more heavily in network infrastructure and data management. To enable its networks to distribute a growing volume of energy, which is more variable than in the past because it comes from renewable sources and is therefore less predictable. ORES needs more efficient, more intelligent and more integrated infrastructures. Almost € 275 million was invested in the electricity network in 2023. In addition to the necessary reinforcement of these networks, the "smartisation" of electricity distribution infrastructures, for example via the implementation of remote control and telecontrol systems in electricity cabinets, is a fundamental element in this development. At the end of the financial year, over 13% of our 23,107 distribution cabinets were equipped with this type of system. In addition, the roll-out of smart metering, which is another key element in energy transition, is continuing at customer sites: almost 100,000 units were installed in 2023 and at the end of the year, our network had more than 212,000 "smart" electricity meters in place.

Rollout gathering pace

Smart meters are an essential tool in energy transition. They provide ORES with highly accurate information and form the basis of tools for optimising investment in the network. In this way, they also help to keep distribution costs affordable in the context of energy transition. In addition, smart meters give customers the opportunity to monitor their own consumption more closely, as well as take energy efficiency measures. And, if customers have a photovoltaic installation, smart meters help them to consume their own energy more efficiently. Smart metering is in fact essential for any customer who wants to play a part in energy transition and opt in future for more dynamic pricing models, as well as participate in forms of energy-sharing or subscribe to commercial flexibility products. Our network is now rolling out smart meters at a sustained pace, with our teams installing an average of more than 8,000 meters every month. By the end of 2029, 90% of customers connected to the ORES low-voltage electricity network should be equipped with this tool for more sustainable energy management. There is also a smart meter for gas. These meters are mainly installed with customers who prepay for their energy and who want to benefit from closer monitoring of their consumption, as well as enjoy easier recharging of their meters (see section 4 – paragraph headed *"The development of prepayment meters"*).

Our electricity network continues to expand. In 2023, it grew by almost 680 km to 53,198 km. Our teams installed 107 new distribution cabinets, made almost 9,000 new low-voltage connections and installed more than 15,600 new meters. The network now supplies more than 1.4 million low-voltage and high-voltage customers.

Over the course of the year, maintenance work on the overhead electricity network covered 65 kilometres, and a total of 52 kilometres of lines were buried underground. A number of major projects were carried out throughout Wallonia, including the upgrade of transformer substations and the laying of high-voltage cables to connect wind farms in Gouy-lez-Piéton, Perwez and Quévy. The reliability of connections was also improved and new distribution boxes were installed to accommodate local photovoltaic production, including Wallonia's first agrivoltaic park in Wierde (Namur). Other work included the modernisation of low-voltage networks as part of development or energy upgrade projects for social housing companies. And work was carried out in synergy with local authorities and other cable and pipeline operators as part of major urban redevelopment projects in Ath, Eupen, Mons, Namur and Verviers, among others.

Making it easier to connect and inject renewable energy

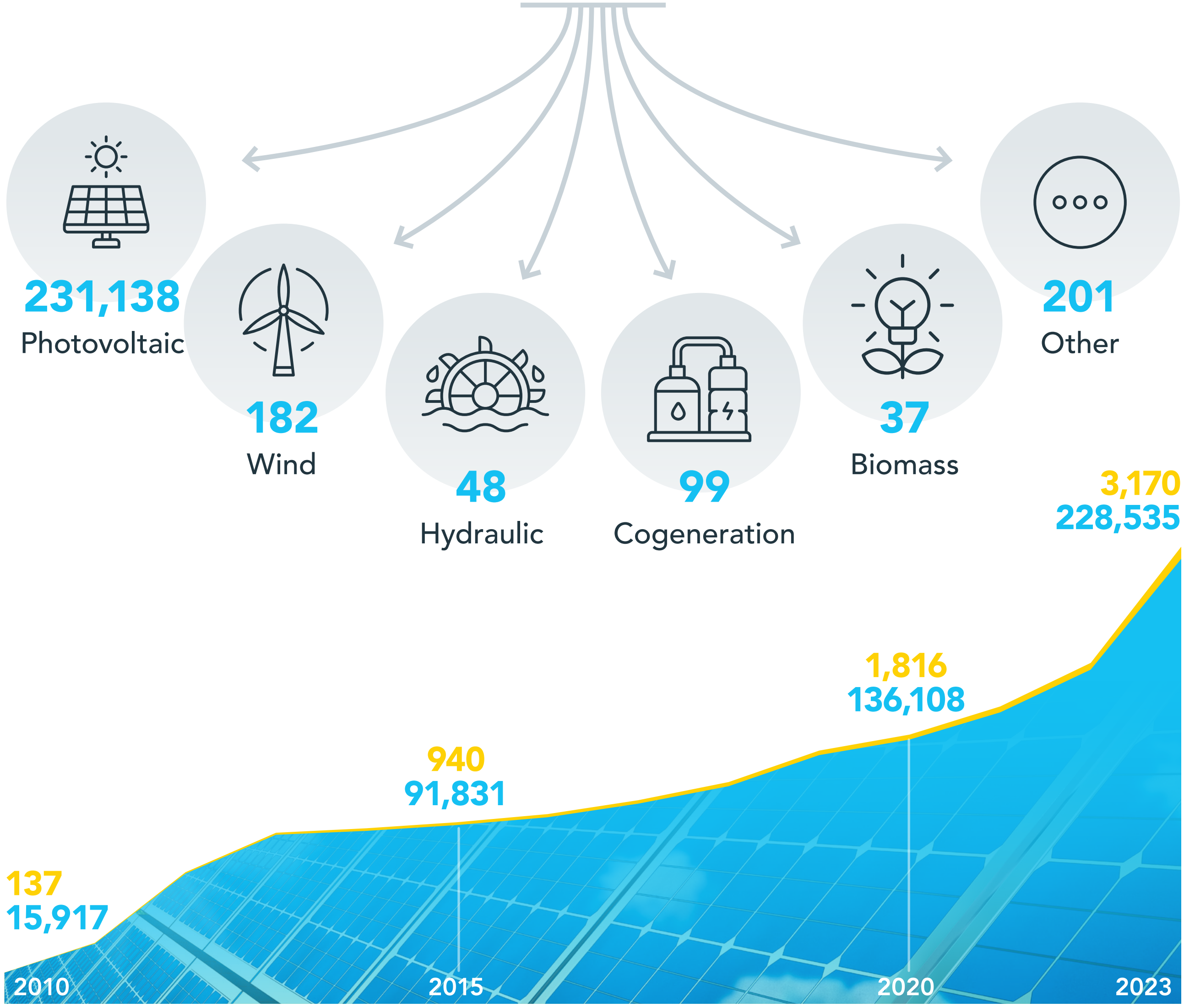
To contribute to the targets set by Wallonia as part of its participation in the national Energy-Climate Plan, ORES must be able to accommodate a total capacity of more than 6 gigawatts of renewable electricity production by 2030.

With the compensation mechanism due to finish at the end of 2023, the year saw the installation of an unprecedented number of photovoltaic production units. Our departments registered more than 60,000 new units of this type, compared with 22,000 the previous year. All sectors combined – photovoltaic, wind, hydro, biomass, etc. – some 231,705 units were registered at 31st December 2023, representing a total installed capacity of 3 GW (or 3,050 MVA – see diagram below). However, given the exceptional number of photovoltaic applications submitted, particularly in the final few months of the year, by prosumers wishing to benefit from the compensation system, there has been a delay in verifying and recording the applications. The figures given here and in the following graphs correspond to the number of applications audited and registered at 31st December 2023. The actual number of decentralised renewable generation installations connected to the grid in 2023 will, in fact, be close to 270,000 units, which corresponds to growth of almost 100,000 new renewable generation installations over a period of 12 months.

In addition, the electricity generated from renewable sources that passed through our distribution network during the year from installations with a capacity of more than 10 kilovolt-amperes represents consumption of around 3,640 GWh – an increase of 30% in one year, and against a background where this increase was already expected to reach 23% in 2022. Although renewable energy is still in the minority when it comes to the overall quantity of electricity passing through our distribution networks, the figures are rising year on year. The tables and graphs below illustrate this steady growth, which increased sharply in 2023.

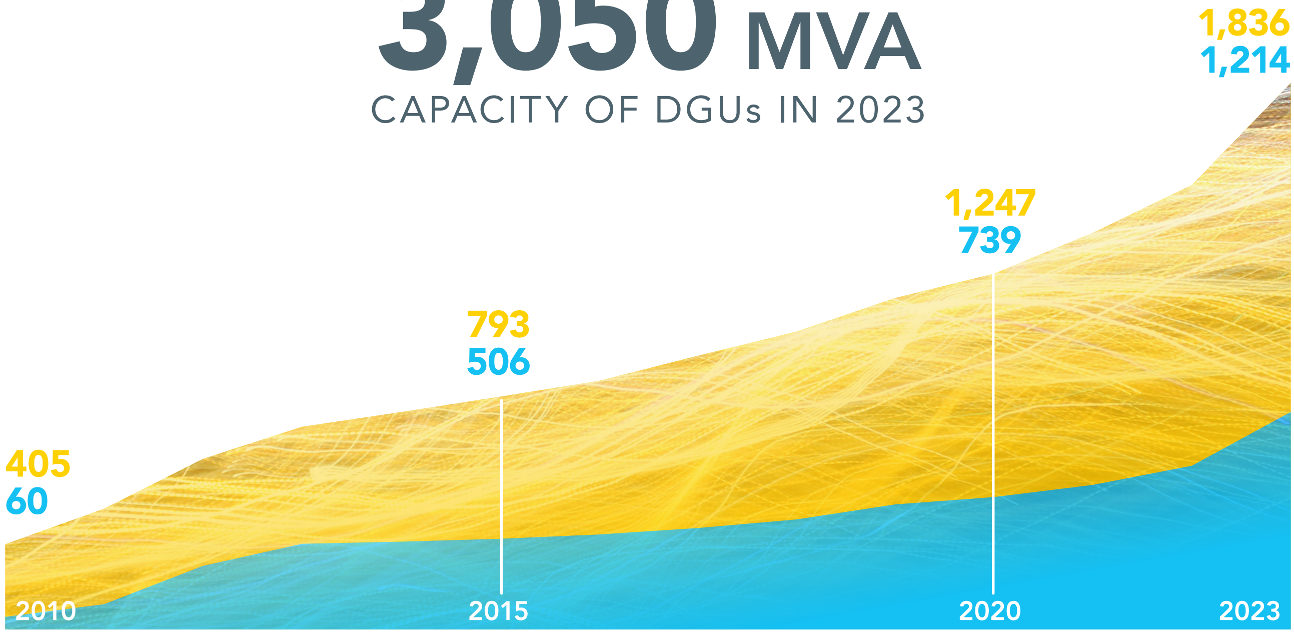
231,705 DGUs

NUMBER OF DISTRIBUTED GENERATION UNITS (DGUs) OFFICIALLY REGISTERED ON THE ORES NETWORK AT 31ST DECEMBER 2023

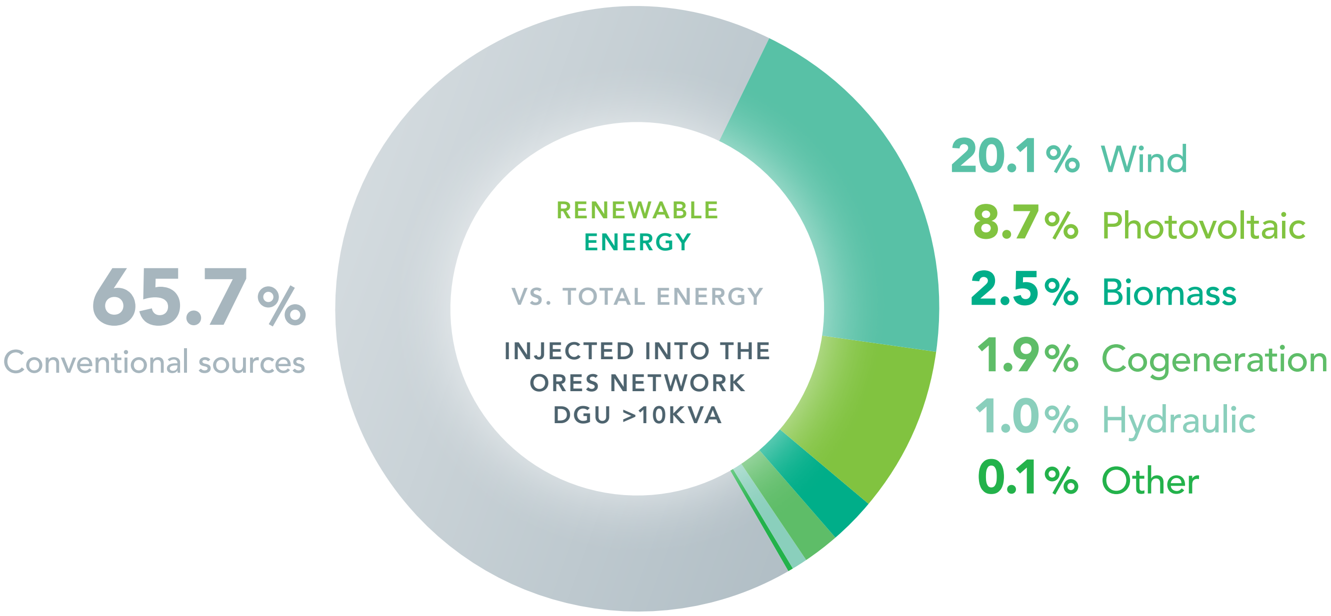


ANNUAL CHANGES IN THE NUMBER OF DGUs DGU> 10KVA DGU ≤ 10KVA

3,050 MVA
CAPACITY OF DGUs IN 2023



CHANGES IN TOTAL INSTALLED CAPACITY OF DISTRIBUTED GENERATION UNITS (DGUs) EXPRESSED IN MEGAVOLT-AMPERES (MVA)
DGU> 10KVA DGU ≤ 10KVA



IMPORTANT

The figures given in the tables and graphs above correspond to the number of applications submitted for distributed generation units validly verified and registered by ORES at 31st December 2023. In view of the planned end of the compensation scheme, an exceptional number of applications were received during the year and particularly in the final few months. The verifying and recording of several thousand applications by ORES encountered delays. If this backlog is taken into account, the number of renewable generation facilities connected to the company's electricity grid by the end of 2023 will, in fact, be close to 270.000 units.

Inverter trippings: Hingeon "test village"

In 2023, the spectacular number of new installations of photovoltaic (PV) panels on private homes placed the ORES low-voltage electricity network under pressure, resulting in congestion problems and, as a consequence, a recurrence of inverter drop-outs in certain districts. Resolving these problems effectively requires work on the network, which can take a long time. However, shorter-term solutions do exist and during the year, ORES implemented a number of actions and put monitoring, diagnostic and analysis tools in place to deal with this problem as efficiently as possible.

Smart meters are an essential tool in this diagnostic process, as they enable data relating to voltage anomalies to be reported on a regular basis and then analysed. As part of a partnership with the "Be Prosumer" association – which supports the interests of owners of photovoltaic panels – and the Fernelmont local authority area, the village of Hingeon was chosen to carry out a pilot project to install smart meters with a large number of prosumers in the same area. The aim was to achieve a 75% installation rate in an area where a number of problems had arisen due to the concentration of PV installations, as well as to gather as much information as possible and effectively reduce the phenomenon of local drop-outs. In the autumn of 2023, teams of ORES connectors and subcontractors installed 317 meters over three weeks on prosumer premises, out of a total of 382 initially targeted. The analysis results and conclusions of this pilot project are expected in the first quarter of 2024.

Consistent quality of service

ORES's principal duty is to guarantee the security of the electricity supply, 24 hours a day, for the benefit of all the consumers it serves. The company's operational and breakdown/repair services are organised and sized accordingly. Our electricity networks benefit from the investment strategy we have been applying for over the past fifteen years. Significant sums are devoted each year to maintaining, upgrading and developing the high-voltage and low-voltage electricity networks.

The quality statistics for 2023 remain in line with the trend seen in recent years. On the electricity network, our teams had to carry out repairs on almost 12,000 occasions in 2023, a figure higher than in the previous year. The average response times taken to implement action and restore power to the high-voltage network are given below (expressed in hours).

INTERVENTIONS ON HIGH VOLTAGE	2022	2023
Response time in the event of **planned** interventions	00:30:01	**00:39:42**
Average downtime	02:34:07	**02:25:40**
Response time in the event of **unplanned** interventions	00:33:00	**00:30:00**
Average downtime	00:37:45	**00:34:29**

On the low-voltage network that supplies customers directly from the distribution cabinets, power cuts are caused mainly by damage or technical faults, but also by bad weather or even "external aggression" – most often cables ripped out by companies carrying out roadworks in the public domain near our infrastructure. The indicators relating to the time taken to arrive on site and the average time taken to complete a breakdown/repair service are down slightly on the previous year due to less frequent episodes of storms or extreme weather conditions than there were in 2022. As a result, the number of interventions resulting in power cuts of more than 6 hours also fell significantly: 167 in 2023 compared with 201 in 2022.

INTERVENTIONS ON LOW VOLTAGE	2022	2023
Average time taken to arrive on site	01:00:59	**00:55:32**
Average time to complete the work	02:09:03	**02:08:24**

Managing the remote network

With the increase in renewable energy generation, the challenge for ORES is to maintain the right balance on the electricity network in order to avoid congestion and the risk of blackouts. Our teams are currently implementing a new Advanced Distribution Management System (ADMS), which will be fully operational in 2025. Remote supervision and control of the infrastructure will be based on an algorithm that captures and interprets information from the electricity network in great detail, even in places where the cabinets are not equipped with telecommunication systems. This ensures a balance between the places where renewable energy is generated and the places where it is consumed. In the event of a failure on the electricity network, this tool also improves the quality of diagnostics and offers rapid re-supply solutions for as many customers as possible. This will help to keep supply interruption times under control in a more complex environment than in the past.

A new partnership for the rollout of fibre optics in Wallonia

On 30th August 2023, Glasfaser Ostbelgien (Go Fiber) and ORES signed an agreement for the use of distribution infrastructures, in particular power poles, for the rollout of fibre optics in the German-speaking Community. The greatest challenge concerns the "blank zones", i.e. the most rural regions, where fixed Internet coverage remains very limited and which represent 58% of the territory of the German-speaking Community. The provision of the electricity distribution network by ORES offers significant social added value for residents who were previously unable to enjoy the benefits of a high-speed Internet connection. This is an ambitious project that will have an impact on ORES's services in several respects: first, in terms of strength calculations and the possible renewal of low-voltage supports for the integration of the fibre into the overhead network, and second, in terms of monitoring the synergies associated with the electrical connection work on the substations required for the fibre optic network.

Street lighting at the heart of local life

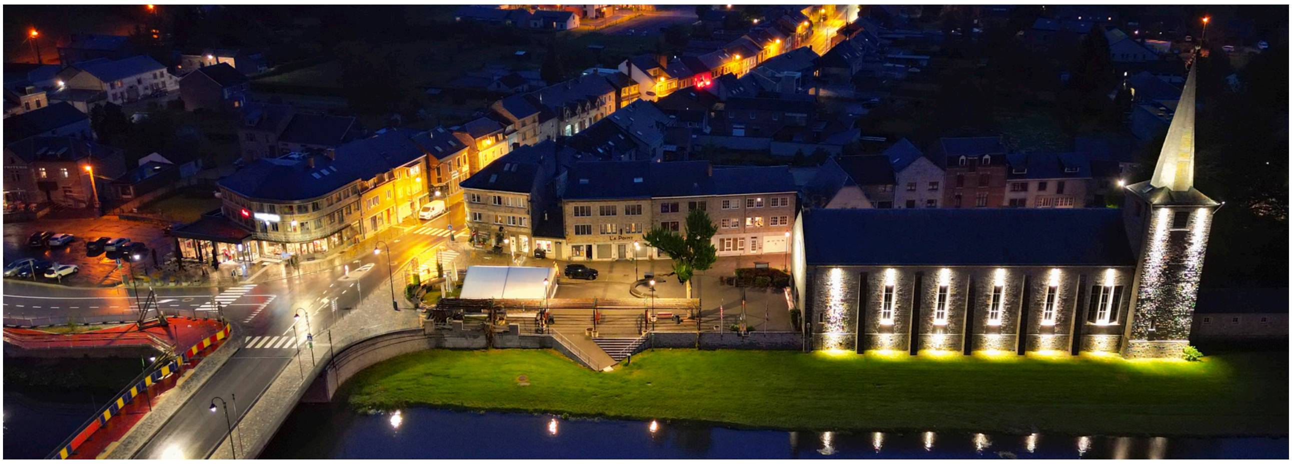
Maintaining municipal street lighting is a public service obligation (PSO) that is devolved to the distribution system operators. The street lighting equipment managed by our teams belongs to the towns and municipalities that are our partners. They entrust the design, construction, operation and maintenance of their infrastructure to our company.

A far-reaching modernisation plan – called e-LUMin and extending over a 10-year period from 2019 to 2029 – is underway to improve the energy efficiency of the light fixtures themselves. Systematically replacing old equipment with LED technology, coupled with a dimming system that reduces light intensity between 10pm and 6am, will cut consumption by an average of 60 to 65%. This is far from negligible when one considers that night-time lighting generally accounts for more than 50% of the average local authority's electricity bill. When the entire plan is completed for the 450,000 lighting points concerned at the start of the programme, more than 100,000 MWh will be saved each year. This will also correspond to an annual reduction in emissions in Wallonia of some 29,000 tonnes of CO_2 equivalent. By the end of 2023, our teams had replaced almost 50% of the light fittings under our responsibility, representing almost 234,000 light points now equipped with dimmable LEDs.

CHANGES TO THE NUMBERS OF MUNICIPAL PUBLIC LIGHTING MANAGED BY ORES

NUMBER OF WORKS CARRIED OUT BY TYPE OF LAMP	2022	2023
NaLP – low-pressure sodium	39,540	**17,857**
NaHP – high-pressure sodium	186,001	**157,725**
MHHP – metal halides/iodides	63,871	**60,759**
LED – light-emitting diodes	177,438	**233,707**
Other	745	**701**
Total	**467,595**	**470,749**

Despite a very slight increase in the total number of light fixtures managed by the company, the total installed capacity, i.e. 31,493 kW, and overall consumption, i.e. around 92,000 MWh, were noticeably down, by 5.7% and 36% respectively, compared with 2022.



When electricity prices exploded in 2022, rationalising consumption became a real challenge for most local authorities. ORES suggested that they turn off their street lighting between midnight and 5.00 am from 1st November 2022 to 31st March 2023. The aim was twofold: to participate in the collective effort to reduce consumption, but also to reduce the impact of soaring costs on local authority budgets. More than 80% of local authorities initially accepted this proposal. The gradual implementation of the switch-off by our technical teams took place in compliance with a number of specific requests, in particular to maintain lighting within well-defined perimeters. Even though some local authorities subsequently changed their minds and requested a return to normal lighting, these measures enabled consumption to be cut by an average of 39% over a period of four to five months. This was in addition to the savings already generated by the switch to dimmable LEDs.

At the beginning of 2023, almost 150 local authorities were still applying switch-off measures. Before the end of the first quarter, the local ORES managers got back in touch with their respective local authorities to offer them three options for continuing the experiment, to be phased in gradually from 1st April: either a conventional lighting regime, or switching off from midnight to 5.00 am every night, or switching off only during the week, from Monday to Friday. 20% of local authorities opted to remain with or return to conventional lighting, while the others opted – in almost equal proportions – for one or other of the proposed switch-off options.

Taking the whole of the area served by ORES, the total financial savings achieved by local authorities were estimated at around € 6 million for 2023. And the programme of gradually switching over to LEDs and the switch-off measures led to a total reduction in emissions of around 26,000 tons of CO_2 equivalent, compared with the previous year.

Showcasing local municipal assets

ORES's specialist street lighting consultancy and local teams also work with towns and municipalities to provide illumination for their architectural assets. Our services offer local authorities the best technologies available on the market, taking into account aspects relating to consumption and compliance with legislation and standards, as well as the best compromise between the choice of technology, the total cost of implementing the project and the environmental benefits, particularly in terms of reducing light pollution. These details and information enable local authorities to make informed decisions. The most emblematic projects for 2023 included the relighting of the Mons belfry, the illumination of the churches of Saint Quentin in Tournai and Hotton, the renovation and upgrading of the lighting in the Grand-Place and Binche Town Hall, Virton Town Hall and the illumination of noteworthy buildings in the municipality of Rouvroy.

An evolving gas network

Taking the road towards energy transition and carbon neutrality by 2050 and managing a gas distribution network presents risks – particularly given the harmful effects of methane on the environment and climate. But at the same time, it also presents opportunities. ORES is convinced of the useful role that its network will play in energy transition. Over time, it should make it possible to distribute other types of molecules to businesses and many urban centres that are greener than natural gas, such as biomethane, synthetic gases generated by capturing CO_2 at industrial sites and green hydrogen.

Biomethane is one of the most tangible avenues towards this transition. It has been established that Wallonia has a strong potential for introducing biomethane, which can serve the regional objectives of generating renewable energy and reducing greenhouse gas emissions. If the development of this sector lives up to its promises over the coming years, 25 to 33% of the gas flowing through ORES's pipelines, amounting to 3 TWh, could be green by 2030. This means that the gas market would become more local, with initiatives coming from individuals or cooperatives, businesses and public organisations. With this in mind, our company's technical role involves not only connecting the biomethanisation units to the distribution network and carrying out any necessary network reinforcement work and preliminary calculations, analyses and tests, installing the injection substations, but also monitoring and guaranteeing the quality of the gas distributed to customers.

By the end of 2023, three biomethane injection units had been connected to our network. In total, almost 10,000 households are now heating and/or cooking with renewable gas produced in Wallonia. Other projects to build and connect biomethane production units are being studied for 2024. Our teams support project developers, particularly from the agricultural sector, in their initiatives, providing them with expertise that is not only technical, but which also helps them with their administrative formalities.

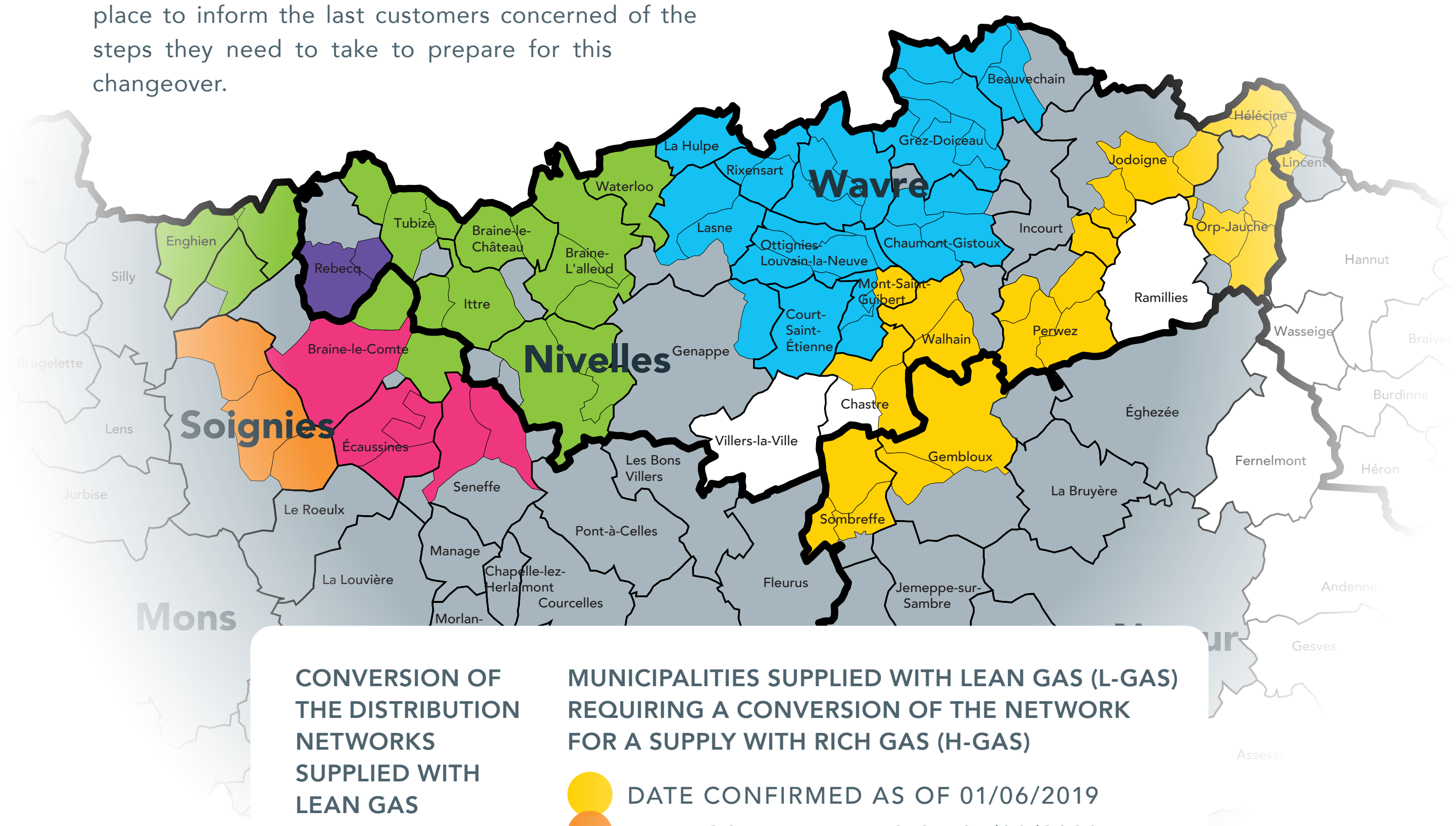
Upgrades, conversions and connections

In 2023, a great deal of work was carried out to ensure the smooth operation of the network and service to customers: cleaning up and renovating infrastructure, looping, increasing capacity, connecting housing and industrial estates to the existing network and continuing the programme to convert from lean gas (L-gas) to rich gas (H-gas) in Walloon Brabant. In all, more than € 90 million was invested in this area during the year.

Following the conversion of the Rebecq local authority area in 2022, no fewer than 11 municipalities have switched to rich gas since 1 June 2023 (marked in blue on the map below). The challenge was a demanding one: several thousand connections and connection renewals had to be carried out to achieve the conversion. Our teams also had to organise any replacements of pressure regulators located near customer meters. A communication campaign helped to raise awareness of the need to adapt or replace certain older household appliances that were not compatible with rich gas. Finally, for the 750 industrial customers concerned in the conversion zone, work was also carried out to replace cabinets or install peak limiters where necessary. The challenge of the conversion works has been met and more than 35,000 additional customers are now using high-calorific gas.

The final phase of the conversion programme will take place in 2024. A structured communication plan is in place to inform the last customers concerned of the steps they need to take to prepare for this changeover.

As in recent years, our teams again concentrated on maintaining and upgrading the existing network. There are no longer any real extensions to the network and this year just over 7 kilometres of new pipes were laid. The oldest infrastructure continues to be renovated and upgraded. By the end of 2023, our gas network – which covers a total of 10,168 km – had only 37 kilometres of old nodular cast iron or fibre cement pipes left. In addition, 32 km of steel pipes were renovated and replaced with polyethylene. Despite the energy crisis and the spike in gas prices prompted by the war in Ukraine in 2022, new customers are still asking to be connected to the existing network and our teams installed 4,466 new connections in 2023, corresponding to 6,527 additional meters. Lastly, just over 4,600 connections were renovated during the year, particularly in connection with the L gas/H gas conversion mentioned above.



CONVERSION OF THE DISTRIBUTION NETWORKS SUPPLIED WITH LEAN GAS

MUNICIPALITIES SUPPLIED WITH LEAN GAS (L-GAS) REQUIRING A CONVERSION OF THE NETWORK FOR A SUPPLY WITH RICH GAS (H-GAS)

- DATE CONFIRMED AS OF 01/06/2019
- DATE CONFIRMED AS OF 01/09/2020
- DATE CONFIRMED AS OF 01/06/2021
- DATE CONFIRMED AS OF 01/06/2022
- DATE CONFIRMED AS OF 01/06/2023
- DATE PLANNED AS OF 01/06/2024

MUNICIPALITIES SUPPLIED WITH RICH GAS (H-GAS)

- NO CONVERSION REQUIRED

Gas changes

Checks and safety

As part of a preventative approach, around 20% of the total length of gas distribution networks is inspected each year. As part of this systematic search for leaks, 1,830 kilometres of medium-pressure and low-pressure pipes were inspected in 2023. The number of leaks detected and repaired under this programme – 207 in total over the year – was slightly up on the previous year.

Safety remains a priority for ORES, and any report of a potential gas smell or leak on the network or at a customer's premises is systematically dealt with as a matter of urgency. With regard to incidents and leaks caused by external causes or parties, the number of repairs rose sharply: 721 in total, compared with 459 in 2022. The number of leaks repaired on connections due to faulty equipment was down (-16%). The average response times for this type of incident are given below. There was a very slight increase in response times.

PIPES INSPECTED (IN KM)	2022	2023
Medium-pressure	825	**808**
Low-pressure	1,265	**1,022**
Total	**2,090**	**1,830**

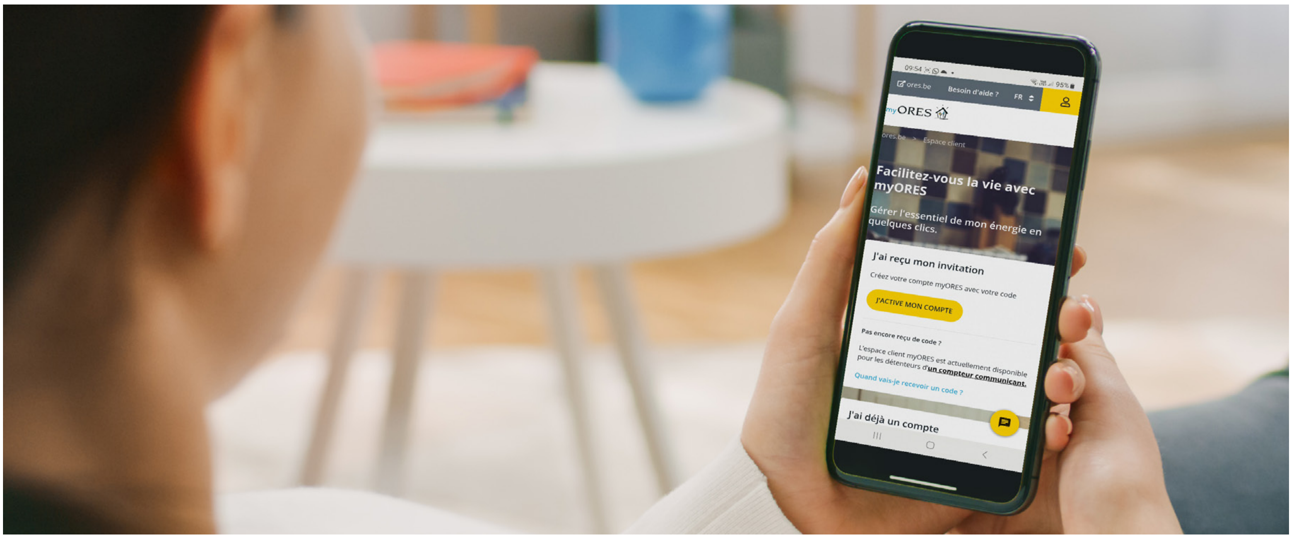
REPAIRS OF LEAKS ON THE GAS NETWORK	2022	2023
Work following a systematic inspection on the network	197	**207**
Working following a third-party call	1,188	**1,015**

URGENT RESPONSE TIMES ON GAS NETWORKS (AFTER DAMAGE) (IN HOURS)	2022	2023
Average time to arrive on-site (call – arrival)	00:51:26	**00:46:13**
Average duration of works (arrival – end)	01:12:42	**01:22:28**
Average time for closing a job (call – end)	02:04:08	**02:08:41**

4. The customer relationship as a lever for energy transition for all

The world of energy is changing. It is becoming more complex, and for customers, these changes bring their own set of issues. ORES intends to support and guide customers through this transition process, while continuing to meet its public service obligations, without leaving anyone by the wayside.

In its various business lines, ORES systematically takes into account the changing needs and constraints of its customers so that it can offer them a service that meets their expectations. Although energy transition is now our top priority, it is not always the main concern of consumers. Our company therefore has a duty to maintain a basic quality service at the best price for those who expect nothing more than a qualitative energy supply or reliable metering data delivered on time. ORES seeks to set an example in terms of service quality, while also remaining accessible in a simple and efficient way for all customers.



To achieve this, we focus first and foremost on high-quality online services and developing new digital means of communication, so that customers can contact us whenever they like. One of the tangible results of this digitalisation in 2023 is the provision of a personal online space called "myORES" for customers equipped with a smart meter. This space is fed directly by the data collected by customers' meter and gives them online access to different types of interactions and standard requests. On our website, we also provide simulation and other customisation tools so that customers can find the answers to their questions and the solutions best suited to their needs in just a few clicks.

Customer choices and behaviour have an impact on the network, on how it operates, on the level of investment required locally or on a wider scale, and therefore potentially also on distribution costs. The tools available on the ores.be website – tutorials, chatbots, frequently asked questions, etc. – are designed to present the different options available to customers, as well as to inform them of the consequences of their choices. For example, the installation of a private electric charging point that is oversized in relation to actual needs could have an effect on the quality of the general power supply to the home, necessitating an increase in power – at a potentially significant cost to the customer – or even, in the long term, a reinforcement and upgrading of the local network. With the current proliferation of requests from consumers and prosumers, the digitalisation of services is essential to guaranteeing an efficient relationship.

Even though the majority of customers prefer this method of communication – 75% of customer interactions were digital in 2023 – it is essential to maintain other means of contact. In addition to the digital channel, the quality of our service also depends on the consideration shown to users who prefer other types of interaction. Through our subsidiary, Comnexio, which is based in Wallonia and specialises in customer contact activities, we ensure that telephone solutions are maintained, in particular via specific call numbers linked to the nature of the requests. This deliberate choice of communication option is a partial response to the phenomenon of digital exclusion.

Comnexio's advisers are there to listen to customers. They provide information and solutions over the telephone. They can also respond by e-mail, online chat or any other appropriate means of communication. In 2023, telephone traffic rose sharply, with more than one million calls received (up by 21% compared with 2022). The strongest growth was seen in the lines dedicated to works and meter readings, against a backdrop of changing needs related to electrification and difficulties with the Atrias platform (see below). Measures are taken on an ongoing basis to personalise the customer experience, anticipate needs and recommend proactive actions, as well as to maintain satisfactory waiting times and control operating costs. The contact centre handled 25% of customer interactions with ORES in 2023, excluding face-to-face contacts in the reception offices located at our main operating sites.

Data exchange problems and market bottlenecks

2023 saw a continuation of the problems encountered the previous year following the launch of the new federal platform for data exchange in the gas and electricity sector (Atrias). This structure, set up jointly by the distribution system operators in consultation with the energy suppliers, organises the unified processing and centralised transfer of millions of transactions and market data between the various parties involved. The aim: to achieve greater speed, greater transparency, greater accuracy and better service for consumers in a market made more complex by recent developments, in particular the rollout of smart meters.

Following its operational implementation, and despite the successful transfer for several million consumers, problems have arisen in certain exchange scenarios, with data transfers being blocked, sometimes randomly. At the beginning of summer 2022, 36,000 problem cases had been identified in ORES systems. An action plan was implemented to resolve these problems, either through the application of IT patches by family of cases, or through specific checks and solutions, including individual ones. The IT and Customer teams were strengthened, as were those at the contact center, which faced a significant increase in the number of calls. By the spring of 2023, the number of problem cases had been reduced by 50%. However, new cases were identified over the months, which hampered the resolution of a large number of backlog cases. For several thousand users, this situation remains extremely problematic, as some of them have not received a bill for many months, sometimes even for as long as two and a half years.

This situation is clearly unacceptable, and since the end of 2023 a specific task force has been dedicated to resolving the blockages as a matter of priority. The first half of 2024 is crucial and should see significant progress for these customers.

A support service for companies as well

Companies, both public and private, are obviously very much involved in energy transition. In 2023, ORES strengthened its team of account managers and created a new unit for SMEs. The aim is to put a fast track in place to help accelerate their projects for renewable generation, technical flexibility, electric mobility and so on. Each of these business customers will eventually be able to benefit from a support service that will be both highly reactive and proactive. Companies will be contacted in an unsolicited manner by our teams when opportunities arise in the energy market in order to better anticipate their future needs.

Social public service obligations

ORES also remains committed to helping disadvantaged or vulnerable customers as part of its social public service work. The status of protected customer enables consumers struggling in difficult situations to benefit from the social tariff, which is the cheapest on the market. The surge in prices in 2022 has further strengthened the level of protection offered by the social tariff, which, at the beginning of 2023, had a very favourable differential compared with general electricity and gas prices.

In the wake of the energy crisis, which has often had very heavy financial consequences for customers, ORES put assistance and protection measures in place for the winter of 2022-2023 to supplement the measures planned by the authorities. This "winter shield" included the suspension of bill collection until 31st March 2023 and the possibility for customers to block their monthly instalments. Lastly, the increase in the social tariff was offset for prepayment customers by a € 50 advance for electricity and € 70 for gas, granted on request. This scheme was fully pre-financed by ORES and ended in April 2023.

The number of protected customers supplied by our company rose sharply in 2021 and 2022, mainly as a result of the economic protection measures decreed by the Walloon authorities in response to the various crises that arose at the time. However, in 2023, this figure fell, for both electricity and gas: at the end of the financial year, ORES was supplying exactly 35,459 protected customers with electricity (-10%) and 18,135 customers with gas (-7.6%). This development is precisely linked to the end of the "extended protection" measure in July 2023, put in place temporarily by the government and which granted protected customer status to all customers benefiting from increased intervention ("BIM customers").

Development of smart prepayment meters

One of the company's public service missions is to install or activate prepayment meters at the request of their commercial provider, usually for customers who have defaulted on their payments. Until recently, energy was prepaid by customers charging an individual smart card that was then inserted into the meter, known as a "budget meter". Although sometimes criticised for the social stigma attached to the recharging operation, the prepayment card system has also been viewed by the households concerned as a useful tool for managing their energy budget, through more direct awareness of the volumes consumed and easier control.

With the development of smart meters, a prepayment solution that is both easier to manage and less burdensome is now available to customers. A pilot project launched at the end of 2021 has enabled 3,600 households to experiment with prepayment of energy remotely, via the Internet, as a replacement for their conventional budget meters. At the time, the UMons Family Sciences Department carried out a qualitative and quantitative study into the impact of the introduction of these meters on household habits, particularly in a context of fuel poverty. Its positive conclusions highlighted the overwhelmingly enthusiastic feedback from customers, particularly with regard to the online tools associated with the prepayment meter. On the basis of these conclusions, ORES organised the operational rollout of prepayment smart meters for new customers and as a gradual replacement for budget meters. These activities were actively pursued in 2023 and, by the end of the year, there were more than 44,000 meters of this type in operation.

The total number of "active" prepayment meters – a cumulative figure for smart and budget meters – is 43,174 for electricity and 16,886 for gas. The breakdown of the number of active meters in relation to the total number of prepayment meters installed on the network is shown in the table below.

Smart meters are now in the majority and will rapidly replace traditional budget meters, making life much easier for the customers concerned. A specific information section is dedicated to them on the ORES website, where customers can access a space for managing their prepayments.

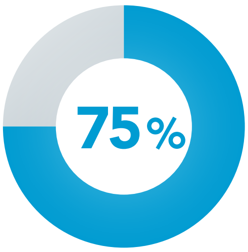
STATUS OF PREPAYMENT METERS ON THE ORES NETWORK

SITUATION AT END 2023	Electricity	Gas	**Total**
Total number of prepayment meters installed	121,996	46,992	**168,988**
Active smart meters	34,096	10,146	**44,242**
Active budget meters	9,078	6,740	**15,818**
Percentage of active prepayment meters	35.4%	35.9%	**35.5%**

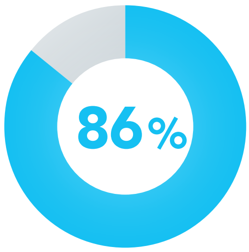
Statistics for quality of service

Another aspect of the ORES customer relationship is the work carried out by our technicians and subcontractors. The quality of these services is clearly essential and is rigorously monitored. In addition to home meter readings once every two years for conventional meter-holders, the face-to-face interactions that consumers have with ORES services generally occur at important moments in their lives, for example when their home is being built and they need to be connected to the energy networks. It is essential for ORES to take into account the specifics of each request and to carry out the work not only within the deadlines set by the market regulator, but also in a spirit of good communication with customers. The quality of compliance with regulatory deadlines (figures below) for submitting price quotes for connections and carrying out low-voltage connections improved compared with 2022. However, it deteriorated in terms of inspections for connections to the high-voltage network. This situation stems from the sharp increase in the number of connection applications received in 2023, as energy transition gathers pace. Clearly, there is room for improvement, and efforts are being made in this direction.

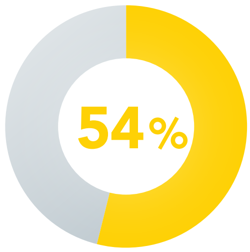
COMPLIANCE WITH REGULATORY DEADLINES FOR WORK



Price quotes for connections to the low-voltage electricity network



Connections to the low-voltage electricity network



Inspections for connections to the high-voltage electricity network

Complaints and dissatisfaction

To improve its performance, our company is always on the lookout for reasons for customer dissatisfaction. The aim is to capture complaints, target recurring points of complexity and, where necessary, adjust our processes. In addition to the lessons learned for internal use and for improving our service, customer feedback also helps to raise awareness among our subcontractors, particularly the contractors responsible for carrying out earthworks. Numerous complaints relate to work being carried out "on the pavement", in front of homes, during connections or changes to connections.

To report their grievances to ORES – whether they are about dissatisfaction, a claim for compensation or a request for mediation – customers can submit their complaints via online forms available from the ORES website. Today's customers also prefer using the digital channel for this type of request. In view of the difficulties encountered during the year – in particular inverter drop-outs and the consequences of the blockages linked to the implementation of the federal data exchange platform – the number of complaints and compensation claims received rose sharply compared with the previous year, by 20% and 110% respectively. The initiatives taken to remedy the various difficulties should ultimately reduce the number of complaints.

Regulation and distribution tariffs

It is the CWaPE, the Walloon market regulator, which determines the authorised revenues of network operators – and therefore the resources needed to carry out their work and implement their strategies – on the basis of a tariff methodology that applies to all Walloon operators. These revenues are then transposed into distribution tariffs, which are passed on to customers via their energy supplier's bill.

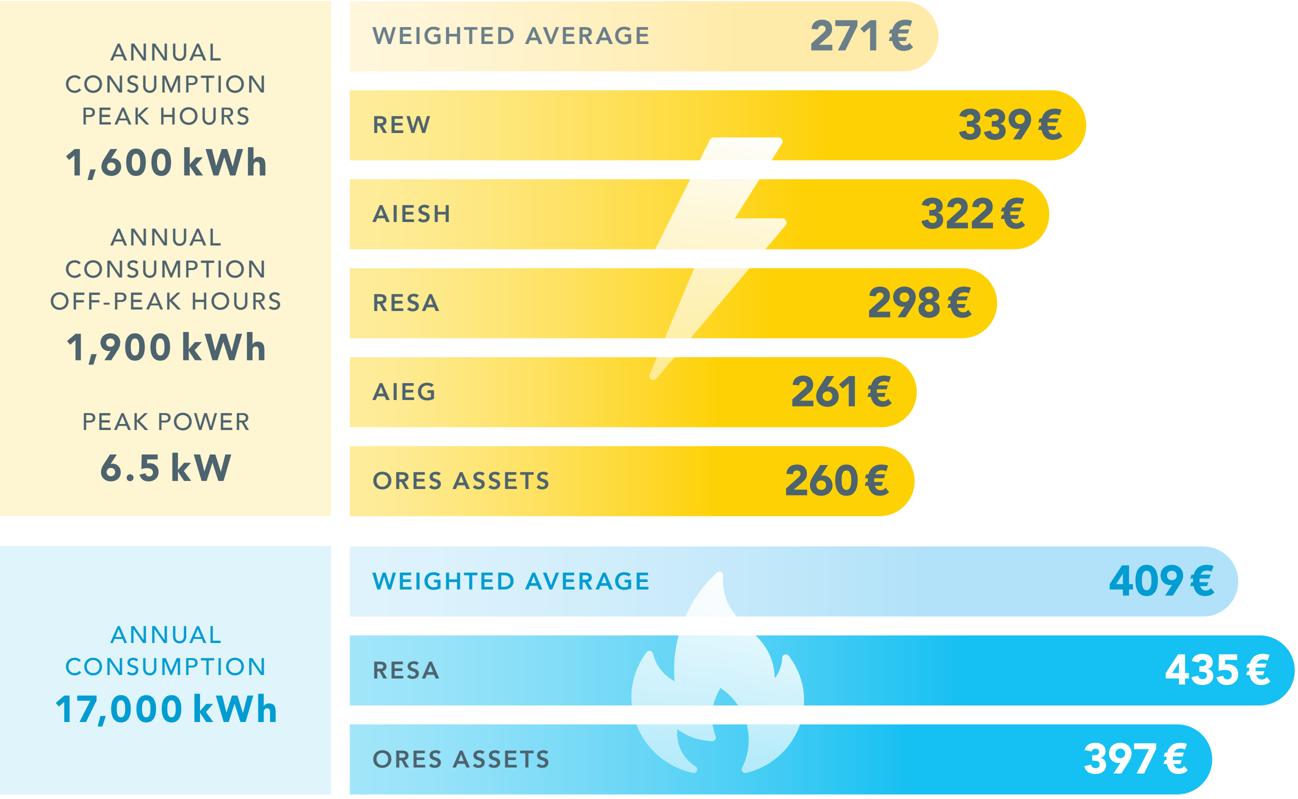
The electricity and gas distribution tariffs in force in 2023 in the various ORES territories (seven tariff schedules for electricity and five tariff schedules for gas) applied over a period extending from 2019-2023. By controlling costs and their impact on the distribution component of customers' energy bills, our company has managed to stabilise an "average tariff" throughout this period. This stability is crucial, especially at a time when customers are faced with sometimes significant variations in the energy component of their household bills. It is thanks to the operational and budgetary efforts made by the company in recent years that the increase in network costs and hence of distribution tariffs has been kept under control. It is also important to note that ORES's tariffs – excluding charges, taxes and public service obligations – have generally remained below the level of inflation since the start of deregulation.

2023 was the last year in which disparities in distribution tariffs existed between different geographical sectors within the ORES operating territory. At the end of 2021, the ORES Assets Board of Directors decided to equalise tariffs, i.e. to apply an identical tariff throughout the intermunicipal company's territory. In practical terms, from 1st January 2024, all customers, depending on their category, would be subject to a single tariff for the distribution of energy, wherever they live. For our company, opting for this equalised tariff reflected a desire to release investment budgets geared towards energy transition from an overall perspective, covering the networks of all municipalities and no longer split up by tariff sector.

As stated in the 2022 annual report, the date of publication for the new tariff methodology was postponed to 1st June 2023, requiring a change in the regulatory period of this tariff methodology to 2025-2029 and the introduction of a transition year for 2024 to run between two five-year regulatory periods (2019-2023 and 2025-2029).

On 13th April 2023, the regulator published the tariff methodology for 2024, the transition year. Following the approval procedures provided for in this methodology, the 2024 electricity and gas distribution tariffs were made official in October. A major change for ORES customers was the application from 1st January 2024 of the single tariff schedule mentioned above, for both electricity and gas. Another piece of good news is that the tariff applied by ORES Assets for each typical customer – again for both electricity and gas – is the cheapest in 2024. The two tables below, taken from the CWaPE's analysis of 2024 distribution tariffs, illustrate this situation.

DISTRIBUTION TARIFFS 2024 (€/YEAR. EXCLUDING VAT) ELECTRICITY & GAS



Source: CWaPE – “Distribution tariffs 2024: analysis and figures”

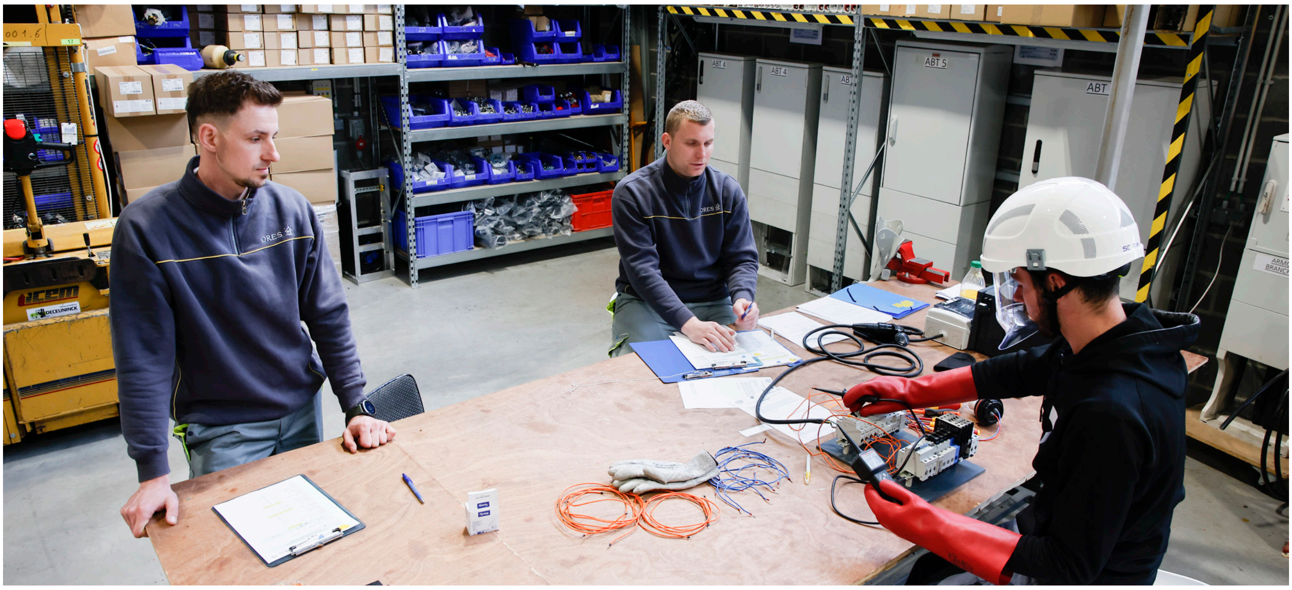
Another important change from 2024: for the most common services, the same work at the customer’s premises will be priced the same throughout Wallonia. In accordance with the tariff methodology, the harmonisation of certain services in the so-called non-periodic tariffs means that the Walloon network operators must label the service identically and harmonise the price accordingly. In terms of price levels, 2024 is a transitional year for these tariffs: depending on the user’s location and precise needs, the harmonisation and standardisation of non-periodic tariffs may have an upward or downward effect on their bill compared with the past.

In addition, discussions on the draft tariff methodology for the period 2025-2029 continued in early 2023. On 1st June, the regulator published details of this new methodology. In addition to the new terms and conditions of this draft, such as those relating to the authorised revenue of network operators, the tariff structure introducing incentive tariff and the taking into account of inflation, the overall conclusion for Walloon consumers is that an increase in distribution tariffs over the period is more than likely. At stake, in particular, are the huge investments required as part of energy transition.

On the basis of this methodology, the ORES teams submitted a proposal for authorised revenue to the regulator in October 2023. The CWaPE commented on this proposal and asked a number of questions. ORES provided the expected responses and, at the end of March 2024, the authorised income was approved by the regulator for the period 2025-2029.

5. Human resources, prevention and environment

ORES's responsibility also extends to human resources, prevention and the environment. To meet the challenges of transition, ORES is adapting by focusing on staff and subcontractor training, responsible talent management and enhanced HR solutions. Aware of the impact of its business lines, as well as of the various activities that carry risks for employees, service providers, local residents near distribution networks and the environment, the company is pursuing a renewed policy of prevention and environmental management.



Recruitment and training at the heart of the challenges

Over the past three years, ORES has implemented structural and organisational changes to provide long-term support for the transformation of the company, which is at the heart of energy transition. To achieve this aim, ORES must encourage the commitment, development and recognition of its employees, while also taking care to improve their wellbeing. We also need to be able to draw on sufficient, qualified human resources in the various areas of our business. It is therefore imperative to recruit new colleagues.

After a slowdown in recruitment during the pandemic, followed by a gradual recovery, starting in 2021. ORES has stepped up its recruitment over the past two years. The company has continued to look for new talent to replace staff who are retiring and also to meet new needs, particularly those linked to digitalisation. In 2023, 322 new employees joined ORES, while 163 departures were recorded during the year. "ORES Techni-Days", recruitment days aimed specifically at qualified engineers and technicians, were held on six occasions; 169 applicants were welcomed on the days and 74 recruited. These days are particularly valuable against a backdrop of the war for talent between companies and the widespread shortage of technical profiles.

At the end of 2023, ORES had a total of 2,665 active employees - 2,416 of them on permanent contracts. Women accounted for 33.5% of the workforce. The breakdown of staff by gender and age group is given below.

BREAKDOWN OF STAFF MEMBERS

BY GENDER	Employees	Supervisory staff	Management staff	Senior management	Total
Male	47.80%	10.24%	8.18%	0.26%	**66.49%**
Female	26.72%	3.38%	3.34%	0.08%	**33.51%**
Total	**74.52%**	**13.62%**	**11.52%**	**0.34%**	**100.00%**
BY AGE GROUP					
< 30	9.38%	0.00%	0.71%	0.00%	**10.09%**
≥ 30 < 50	50.51%	7.02%	7.58%	0.11%	**65.22%**
≥ 50	14.63%	6.60%	3.2%	0.23%	**24.69%**
Total	**74.52%**	**13.62%**	**11.52%**	**0.34%**	**100.00%**

On average, ORES staff completed 33 hours of training in 2023.

ORES attaches great importance to training, both for its own staff and for its subcontractors. Technical training in gas and electricity takes place at the company's two dedicated sites in Strépy-Bracquegnies (La Louvière) and Aye (Marche-en-Famenne). In 2023, the main emphasis was on low-voltage training, particularly in the context of the rollout of smart metering and work linked to the transition. In addition, the Talentsoft online platform, which is now fully operational, enables all employees to manage their training more actively via a wider catalogue and learning methods adapted to new needs: e-learning modules, distance learning, videos, etc. With an average of 40% more training hours completed than in 2022, the training indicator for all staff, including interns and trainees, shown in the table below, continued the positive trend that began in 2022, after the pause caused by the Covid-19 pandemic.

Building on the initiatives developed together in previous years, a new partnership agreement was signed with Forem. Our company will be recruiting no fewer than 500 new employees across the whole of Wallonia in 2024. Forem is going to mobilise its teams and launch a number of "shortage punch" training courses for electrical connection technicians. The first of these courses, which will run for ten months, was launched at the end of March. The courses will start at Forem and continue at one of our training centres. The aim is for at least 80% of candidates who successfully complete the training to be offered a permanent contract with our company.

Last, but not least, our company was awarded "Top Employer" certification for the third year running. Following the re-awarding of this quality label in 2023, ORES has sought to extend and strengthen its efforts in terms of HR policy and employee wellbeing. 2024 certification is obtained with notification of the company's progress in areas such as the induction of new recruits, employer branding and talent management.

top EMPLOYER BELGIË BELGIQUE BELGIUM 2024 CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Social dialogue: claims and solutions

In the context of dialogue and social consultation within the company's joint representation bodies, the issue of upgrading technical jobs was brought up for debate by employee representatives in 2022. At the beginning of 2023, union representatives and some of the staff, deeming the responses given to their demands by company management to be insufficient, took strike action and set up blockades, first at the head office and then at several of the company's operating sites in mid-February 2023. After negotiations, an agreement in principle on new proposals was reached and, following a vote by staff at local meetings, the blockades were lifted.

In the autumn, sector-based negotiations about social programming for the years 2023 and 2024 also led to disagreements, culminating in a breakdown in dialogue. Discussions resumed at the beginning of December and the partners reached an agreement which was then presented to staff by the trade union organisations. A collective agreement was signed before the end of the year, setting out a number of social measures covering leave entitlements, insurance, price benefits and training, as well as a purchasing power bonus of € 500 net for all workers in active employment.

TRAINING BY PROFESSIONAL CATEGORY AND BY GENDER

AVERAGE NUMBER OF HOURS OF TRAINING IN 2023	Male	Female	Total
Senior management	8.39	0.00	**8.39**
Management staff	26.62	25.96	**26.43**
Supervisory staff	19.38	18.82	**19.26**
Employees + interns/trainees	43.08	19.90	**27.56**
Average	**39.69**	**22.02**	**33.18**

Prevention and awareness

ORES has developed a safety dynamic linked to the risks inherent in its activities and is committed to developing this dynamic further towards prevention and wellbeing, in order to achieve "better wellbeing". This is seen as the result of taking overall account of workers in both their working and private lives. An employee's good health has a direct impact on the company and his or her work has an influence on his or her personal health.

The aim is to prevent internal, external and multidisciplinary risk factors. The approach is based on several guiding principles, structured around an overall five-year prevention plan. To increase the maturity of prevention and move towards wellbeing, with particular attention paid to mental wellbeing, the internal prevention department has restructured its organisation and operations to provide greater proximity and availability. Training and awareness modules accessible remotely are available to all staff, in particular via the company intranet, whose sections dedicated to prevention and health and wellbeing were completely overhauled in 2023.

In June, the company held its second Wellbeing at Work Week. The topics of vitality and physical health were at the heart of the actions organised and supported by a communication campaign. An internal challenge was organised, inviting volunteer employees to run or walk over 10,000 km on their own or in a group. The challenge was met, raising € 10,000 for the Viva for Life operation (For more on this subject, see the section headed *Company Presentation*).

"Safety Days" and "Contractor Days"

To actively promote prevention and safety, theme days are organised every year for staff and subcontractors who work with our teams in the field on a daily basis. They are structured around various workshops in which the causes and sources of accidents are discussed in order to better understand the risks and to remind people of the correct reflexes and procedures. The Contractors Days 2023 also provided an opportunity to highlight the achievements of companies that have excelled in the work carried out for ORES, through the presentation of Quality Awards for the previous year's work. They also provide an opportunity to discuss a range of issues and strengthen links between the internal and external teams.

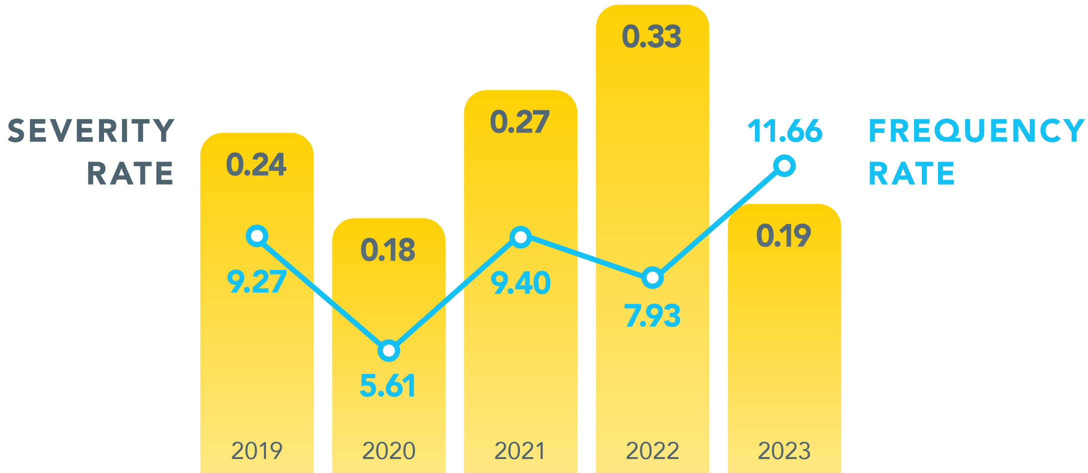
Results well below expectations

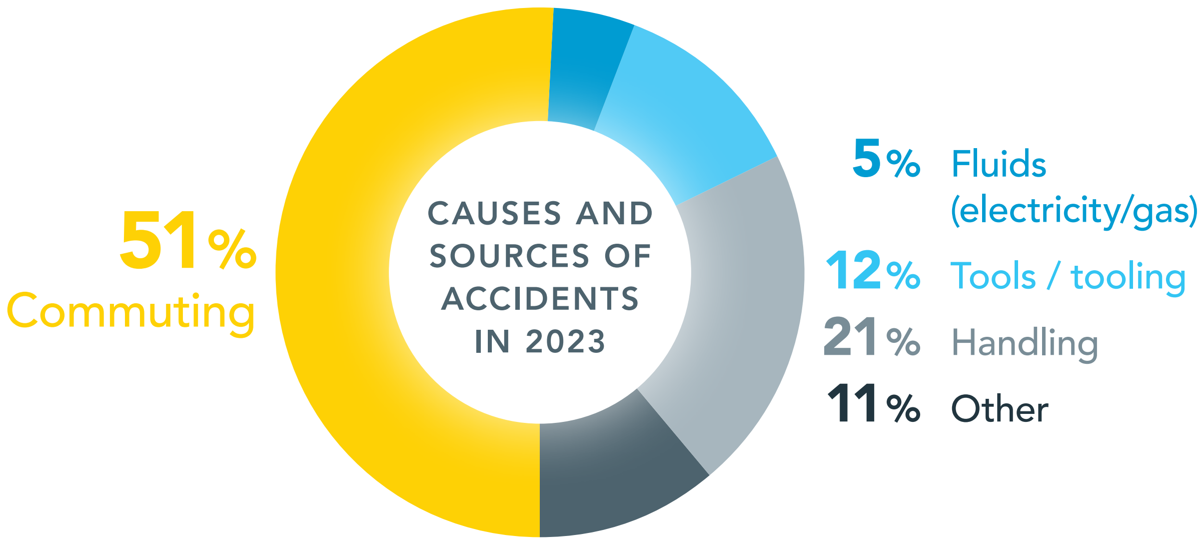
For 2023, the Prevention and Environment department and the Executive Committee had set voluntary safety targets, in line with those of previous years. These were not to exceed 26 accidents over the year, with a maximum of 712 days of temporary incapacity for work (TIW), which corresponded to a frequency rate of 7.50 and a severity rate of 0.20 for the company.

After an improvement in the number of accidents in 2022, the year 2023 ended with results that were both disappointing and worrying: despite recurring awareness campaigns, accidents – mainly travel-related – were on the increase. No fewer than 45 work-related accidents with TIW (28 in 2022) were recorded, a record figure since the company was founded, although the number of days with TIW fell sharply (717 compared with 1,175 in 2022). Accidents have therefore become more numerous, albeit less serious, and the company has also had to report two "fluid accidents" among its engineers, directly linked to electricity and gas operations. Sadly, a worker from an ORES subcontractor also lost his life in 2023 during work to install an electrical network on a new industrial estate.

In statistical terms, the frequency and severity rates for the year were 11.7 and 0.19 respectively. Risk prevention work will continue and be stepped up in order to reduce the occurrence of accidents as well as limit their severity, with particular emphasis on travel and handling, which accounted for more than 70% of accidents and was the cause of 90% of TIW in 2023.

CHANGES TO SAFETY STATISTICS 2019-2023





Against this background and building on the observations already made in 2022, two "Prevention Culture" workshops were created, structured and tested on the issues of falls while commuting and correct handling habits. Dedicated areas were set up for this purpose at the ORES site in Sambreville. Pilot sessions organised with field technicians validated the concept and the workshops are due to be rolled out in 2024.

Finally, in collaboration with the IT Department, the Prevention Department also launched a project in 2023 relating to site visits and the replacement of the digital tool used to monitor these visits. A rollout plan, together with appropriate training and communication, has been in place since the beginning of 2024, and the feedback has already been very positive.

Fresh impetus for environmental management

The ORES environmental management policy has been undergoing a restructuring phase since spring 2023. The new approach is based on a long-term vision and on bringing the company into line with changes in statutory obligations. At the same time, the process of preparing for ISO 14001 certification began: numerous internal audits were carried out, in particular to prepare the required legal inventory, a precise analysis of the company's environmental impact and the updating of various procedures. A comprehensive priority action plan was launched to remedy the shortcomings identified.

In addition, soil studies were carried out at two major ORES sites in Namur and Montignies-sur-Sambre, based on historical and orientation analyses. Soil samples were taken and characterisation studies to map the nature and extent of soil contamination were under way in early 2024.

Lastly, the company's waste management policy was re-analysed, specifically in the context of the obligation to sort organic waste selectively, which applies to all companies from 1st January 2024. The Environment Department is working with the external company responsible for waste collection and the building management teams to identify and implement the most effective solutions to meet the legal requirements. Waste data is provided at the end of this section.

Carbon footprint and impact management

The first carbon audit for ORES was carried out at the end of 2022 and published in spring 2023. Based on operational scopes in line with the Greenhouse Gas Protocol (GHG) and its internationally standardised framework, the assessment takes into account the entire value chain of electricity and gas distributed by the company. The audit covered not only emissions linked to ORES's own activities – such as gas losses and leaks on our networks, as well as fossil fuel consumption by our buildings and vehicles, electricity losses on our distribution infrastructures, etc. – but also indirect emissions upstream and downstream. These include emissions linked to the extraction, generation and consumption of the energy we distribute, emissions linked to the goods, services and materials we purchase, and the transport of materials and investments, etc.

This first carbon audit covered data for the financial years 2019 to 2021. Over these three years, emissions amounted to an average of 6.1 million tons of CO_2 equivalent per year. The breakdown of emissions into categories, as set out in the GHG protocol, clearly showed that it was the indirect emissions in scope 3 (see below) that made up the vast majority of our total footprint over the three years (97%). The impact we can have on these emissions can only be indirect by nature. But all our projects to promote energy transition are levers for accelerating change and moving the market towards less polluting and greener forms of generation and consumption. This will ultimately have an effect on this part of our carbon footprint.

AS PART OF ASSESSING A COMPANY'S CARBON FOOTPRINT, ITS CO_2 EMISSIONS ARE DIVIDED INTO THREE CATEGORIES OR 'SCOPES'.

Scope 1

Includes all **direct emissions linked to the activities of the organisation.** In this scope, ORES's emissions include methane losses from our network, leaks of sulphur hexafluoride (SF6, an insulating gas used in certain transformers), gas consumption in our buildings, and fossil fuel consumption by service and leased vehicles. Emissions linked to gas leaks and losses make up the bulk of our Scope 1 emissions.

Scope 2

Includes all **indirect emissions resulting from the generation of electricity or electricity acquired for the company's activities.** In our case, these emissions are mainly linked to electrical losses on our network (lines and cables), to the electricity consumed by our sites and infrastructures and to the public lighting network that we manage.

Scope 3

Includes **all other emissions generated indirectly by the company's activities.** These are emissions linked to the extraction, production and transport of the fuels used to produce the electricity that passes through our networks. Scope 3 also includes emissions linked to the extraction of natural gas that passes through our networks, and emissions linked to its combustion by customers. It also includes the calculation of emissions linked to our purchases of goods and services, investments, travel, waste, transport and other associated activities not included in Scopes 1 and 2.

The new carbon footprints calculated for the years 2022 and 2023 show a significant reduction in total emissions. From an average of 6.1 million tons of CO_2 equivalent, the total footprint fell to 5.7 million tons in 2022 to a little less than 5.6 million tons in 2023. This reduction in our footprint of more than 8% in two years is due essentially to the reduction in the volumes of gas distributed across our network in 2022 (-16.5%) and then to the fall in the volumes of electricity distributed in 2023 (-13%).

ANNUAL CHANGES IN ORES'S TOTAL CARBON FOOTPRINT IN MEGATONS OF CO_2 EQUIVALENT (MT CO_2e)

Source: CLIMACT and the ORES Data Management department
Note: Emissions are reported using the "location-based" approach.

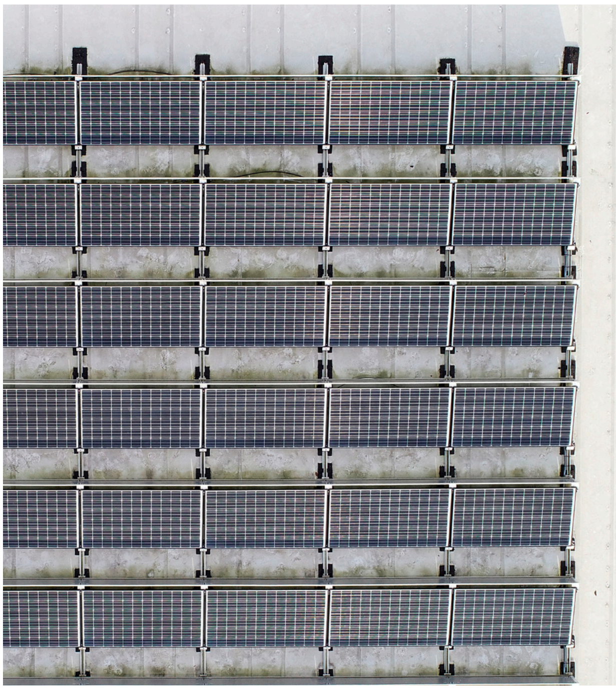
Scope 1 and 2 emissions remained very constant over the period. The slight reduction in Scope 2 emissions over the three years is linked to the reduction in the volume of electricity purchased for our own needs and for those of social customers. Scope 1 direct emissions showed little change over the period under review. However, we should note a slight reduction in gas losses (-4%) and a return in 2023 to the 2021 level in terms of volumes of gas consumed for heating our buildings. This came after a fairly significant increase in 2022.

Monitoring and controlling the energy consumption of buildings, as well as that of the company's vehicle fleet, are among the factors that can be used to reduce our Scope 1 emissions. Centralised management systems – automating the operation of technical equipment for heating, air conditioning, lighting, etc. – are gradually being installed at ORES sites. The most efficient techniques in terms of insulation, ventilation and use of natural light are already being implemented in the design of new buildings. But there are still savings to be made in some older, energy-intensive buildings, and these will be put to good use in the coming years.

The generation of photovoltaic electricity is another way of reducing consumption. In 2023, photovoltaic installations on the company's buildings produced the equivalent of some 600 MWh of electricity. This was 10% less than in 2022, a year with more sunshine overall. On average, this production covered 25% of the electricity consumed in the buildings concerned, representing a saving of more than 10% on the total electricity consumption of our buildings. Overall, 87% of the electricity generated was self-consumed.

Energy-saving measures

Also affected by the gradual rise in energy prices from 2022, ORES took steps to reduce its consumption. As a result, the Executive Committee decided to implement a number of energy-saving measures: reducing



the temperature by 2°C during the day in all buildings and lowering the minimum temperature threshold to 15°C at night, optimising interior and exterior lighting, changing the switch-on times for equipment identified as high consumers (ventilation units, air conditioning, etc.) in the technical rooms, rationalising the occupation of certain rooms and, finally, running an internal awareness-raising campaign via targeted communications.

Although these measures were adjusted over the months to suit the realities of the company's various sites, they nevertheless bore fruit. By the end of 2023, there was a significant reduction in the amount of natural gas used to heat our buildings. Electricity consumption was also down slightly, despite greater use of air conditioning and ventilation due to a particularly hot summer.

ENERGY INDICATORS FOR THE ORES BUILDING 2022-2023 (MWh)	2022	**2023**	**2023/2022**
Total gross gas consumption	8,534	**7,454**	**-13%**
Total normalised gas consumption following the heating season	10,489	**8,743**	**-17%**
Total consumption of electricity	5,459	**5,332**	**-2%**
Photovoltaic generation	661	**596**	**-10%**
Total electricity consumed for the buildings, including PV self-consumption	6,002	**5,745**	**-4%**
Injection of electricity from photovoltaic generation	-98	**-76**	**-22%**
Use of electricity to recharge electric vehicles	33	**107**	**325%**

The consumption of sites that are now equipped with smart meters can be monitored by quarter-hourly peaks. Over the next few years, consumption may fall, particularly at smaller sites that have received little monitoring until now, thanks to a more comprehensive and detailed analysis of consumption headings. The replacement of cooling production units at two major sites will also help to reduce consumption while improving user comfort.

An overall review is being carried out of ORES's property management policy, particularly with regard to the outdated buildings still in the portfolio. Decisions will be taken in 2024 regarding the measures to be adopted to improve the company's overall energy balance, taking into account its development in terms of human resources.

In addition to energy, water consumption is also closely monitored. All the meters in the buildings served by SWDE were fitted with telemetry systems in 2023. These systems have already detected anomalies, including a few leaks in sanitary equipment, corresponding to significant volumes of consumption - up to 40% for one particular site. Corrective measures have been taken, and the installation of telemetric meters at sites in local authority served by municipal water distribution boards will continue in 2024.

Mobility on the move

Efforts are also being made to improve the environmental performance of the company's fleet of service vehicles and vehicles leased for management. At the end of 2023, the ORES service fleet consisted of 1.191 vehicles, 10.4% of which were equipped with a less polluting alternative to conventional fossil fuels. At the present time, taking account of the models and configurations available on the market for the different types of vehicle in our fleet, the composition of the fleet itself is still fairly classic. Developments are underway and discussions about making the fleet electric, complete with its own specific features, are gathering pace. Since the summer of 2023, for example, a project has been underway with employees responsible for taking physical meter readings: two vehicles were made available to them so that they can be tested in their day-to-day work. After six months of testing in an urban environment, with very positive reactions from the staff concerned, the experiment is now continuing in a more rural environment in the Marche-en-Famenne region.

In addition to this, orders for vehicles for executives and managers who are entitled to a leased vehicle are now exclusively for electric vehicles. In 2023, 115 managers opted for a hybrid or 100% electric vehicle. Full replacement is planned by 2026. To support this development, ORES has increased the number of recharging points at its main sites. At the end of 2023, 15 dual-socket charging points were available to employees in the company's car parks. By the spring of 2024, this number had risen to 65, and should exceed 100 by the end of the year. So it comes as no surprise that the volume of consumption associated with recharging points more than tripled in 2023 (see table above).

Revamp of the policy on waste management

Energy transition is leading to an increase in the amount of activity ORES is involved in on electricity networks – and these additional activities generate waste. The challenge now is to manage the increase in volumes of waste – which will inevitably rise in the coming years – as effectively as possible. Above all, we need to further improve sorting and the recovery of waste.

The two tables below show the trends in statistics relating to waste production and the quantities disposed of and processed. 2022 saw a downward trend in this regard (-11.5%), although this followed a year marked by the resumption of activities after the pandemic and by the disastrous floods in July 2021, which had a major impact on the volumes of waste produced and collected. 2023 saw an increase in the total quantity of waste generated (+3.7%).

CHANGES IN THE VOLUMES OF WASTE GENERATED

CATEGORIES (KG)	2020	2021	2022	**2023**
Non-hazardous industrial waste (Class II; LLW)	449,106	484,993	472,690	**481,629**
Paper/cardboard (mixed)	116,635	106,302	103,800	**116,761**
PMC (Plastic, Metal packaging, Cardboard)	4,902	6,583	8,721	**10,709**
Miscellaneous oils	16,956	15,402	3,006	**2,182**
Transformers	400,701	500,494	337,847	**331,145**
SF6 cells	2,386	12,608	9,020	**25,832**
Other hazardous waste	—	—	18,875	**—**
Wood	41,640	45,280	45,440	**47,160**
Discarded equipment	4,488	9,147	—	**—**
Contaminated soil	21,060	—	—	**—**
Asbestos	24,350	14,482	21,960	**29,860**
Copper, bronze, brass	5,723	6,020	6,930	**1,687**
Miscellaneous metals	431,494	450,343	413,335	**427,259**
Small hazardous waste	2,118	2,170	18,875	**10,660**
Waste electrical equipment	—	—	—	**28,442**
Total	**1,521,558**	**1,653,823**	**1,460,499**	**1,513,326**

CHANGES IN QUANTITIES OF WASTE DISPOSED OF, BY TREATMENT METHOD	2020 HAZARDOUS WASTE	2020 NON-HAZARDOUS WASTE	2021 HAZARDOUS WASTE	2021 NON-HAZARDOUS WASTE	2022 HAZARDOUS WASTE	2022 NON-HAZARDOUS WASTE	**2023 HAZARDOUS WASTE**	**2023 NON-HAZARDOUS WASTE**
Energy recovery	—	13,936	—	9,540	—	11,496	—	**10,103**
Organic recycling	—	—	—	—	—	—	—	—
Exchange for recovery	1,750	457,90	—	1,470	—	280	—	—
Exchange for value	411,447	1,037,401	504,106	1,097,763	356,382	1,058,015	**334,699**	**1,103,544**
Use as backfill or foundations	1,240	—	2,200	—	—	3,240	—	**4,800**
Landfill (CET)	780	—	1,180	—	—	8,700	—	**2,180**
Physico-chemical treatment before disposal	30,190	—	10,660	—	2,560	—	**3,000**	—
Grouping before disposal	136	—	1,298	—	480	—	**1,518**	—
Storage off-site before disposal	23,950	—	25,606	—	9,326	10,020	**30,442**	**22,880**
Total	469,493	1,051,795	545,050	1,108,773	368,748	1,091,751	**369,659**	**1,143,507**

Initiatives to promote biodiversity

Since 2019, ORES has engaged in regular and open dialogue with various stakeholders involved in the protection and preservation of the environment and biodiversity in Wallonia. A number of ORES departments have worked with the Walloon Public Service responsible for Natural Resources and the Environment, in particular on the disruptive effects of lighting on flora and fauna. Various mapping databases belonging to partners have been cross-referenced and sections of illuminated and "sensitive" roads identified, along with potentially superfluous lighting points, in collaboration with the Natagora association. Numerous factors were taken into account in this analysis: proximity to the Natura 2000 network and sites of great biological interest, the presence of protected species, allocation to the sector plan, the proximity of surface water, proximity to residential areas, etc.

This preparatory work enabled the Wallonia Public Service to launch a project at the end of 2023, aimed at promoting the "black grid" in Wallonia. The black grid is defined as a connected set of biodiversity reservoirs and ecological corridors, the identification of which takes into account a sufficient level of darkness for nocturnal biodiversity. The project is organised into two phases: first, to raise awareness and provide information about light pollution, energy efficiency and the black grid of the ecological network, and second, to support ten local authority areas in Wallonia in developing an action plan to set up a black grid and to combat light pollution by doing so. At the beginning of 2024, a selection was made from the potential local authorities to be involved in this project and it emerged that the lighting equipment for nine of them was managed by ORES. Our company will of course be working with them on this project to reduce light pollution and eliminate light fixtures where appropriate, as it has already done with the local authorities in Chaumont-Gistoux, which decided to eliminate almost 80% of the area's light points in 2022 and 2023.

Beyond street lighting, ORES also works with public and private partners on possible changes to distribution networks to preserve or promote biodiversity. In March 2022, a structure to house a stork nest was installed on one of our electricity poles in Lessines, not far from the Pairi Daiza animal park, at the request of a local resident who is a member of a bird protection association. The "nest", which was designed and installed by our teams, in compliance with safety constraints for the birds and our network, attracted a pair of storks who settled there and the first stork chicks, born in April 2023, were ringed in June.

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3. GRI INDEX

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GRI 102 GENERAL DISCLOSURES

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GRI 102 GENERAL DISCLOSURES

102-3 Location of head office — 14 Avenue Jean Mermoz, 6041 Gosselies – Belgium

GRI 102 GENERAL DISCLOSURES

102-4 Location of operational sites — The company's business territory and its main operating sites are presented in the section headed "Presentation of the company".

GRI 102 GENERAL DISCLOSURES

102-5 Capital and legal form — See the inside back cover, as well as the section headed "Management Report".

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GRI 102 GENERAL DISCLOSURES

102-9 Supply chain — The framework of the ORES supply chain as a Group and that of its purchases is defined by Belgian legislation on public procurement contracts, since ORES Assets is an intermunicipal company subject to this legislation. Invitations to tender take place in several phases, from the official publication of the contract notice, to the pre-qualification of bidders, through the detailed evaluation of proposals, to the final awarding of the contract. The comparison criteria are based on a wide range of indicators, such as total cost, technical quality, suitability for the specific market, certain environmental criteria and others. Throughout this process, a demanding code of ethics is respected: transparency of actions, equal treatment of candidates and absence of discrimination. This framework ensures that each bidder receives a fair evaluation based on pre-established, objective criteria. See also the section headed "List of successful bidders" in ORES Assets' report.

GRI 102 GENERAL DISCLOSURES

102-10 Significant changes to the organisation and its supply chain — See GRI 102-9 above, as well as the section headed "List of successful bidders" in the ORES Assets annual report.

GRI 102 GENERAL DISCLOSURES

102-11 Principle of precaution or preventative approach — See paragraph headed "Description of the main risks and uncertainties facing the company" in section 1. Notes to the annual financial statements in the Management Report.

GRI 102 GENERAL DISCLOSURES

102-12 External initiatives — ORES is a signatory of the EDSO Sustainable Grid Charter.

GRI 102 GENERAL DISCLOSURES

102-13 Membership of associations — Ciriec – E.DSO - Gas.be - Synergrid – Union des Villes et Communes de Wallonie – Walloon Business Union

Strategy

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102-14 Statement from senior decision-maker — See section headed "Message from the Chairman of the Executive Committee"

Ethics and integrity

GRI 102 GENERAL DISCLOSURES

102-16 Mechanism for advice and management of concerns about ethics — ORES applies a code of ethical conduct. Our employees abide by the rules of this code, which cover the use of company assets and resources, the guidelines to follow in the event of attempted corruption or a conflict of interest, the protection of information – with particular emphasis on insider information – and the protection of customers' personal data in the context of the GDPR regulations. In addition, internal control processes have been put in place for equipment orders, including the double validation of requests by line management, calls for tenders from different suppliers, definition of signing powers and monitoring of purchase orders.

GRI 102 GENERAL DISCLOSURES

102-17 Mechanism for advice and management of concerns about ethics — Code of Ethics for members of staff – Ethics Charter for suppliers – Market Abuse Enforcement Code

Governance

GRI 102 GENERAL DISCLOSURES

102-18 Governance structure — The Board of Directors has the broadest powers when it comes to achieving the corporate objects 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 various committees and their respective roles are described in the section headed "Remuneration Reports". The various Committees and their respective missions are detailed in the section headed "Remuneration reports". Additional information is available in the company's Articles of Association, the ORES Governance Charter and the ORES Assets Internal Regulations.

GRI 102 GENERAL DISCLOSURES

102-19 Delegation of authority — The Board of Directors may delegate – with the ability to subdelegate – the day-to-day management of the company and the representation of the company with regard to this management to the Chairman of the ORES Executive Committee. For ORES Assets, the delegation is made for the benefit of the operating company, ORES. Additional information available in the articles of association, the Corporate Governance Charter and the Internal Regulations.

GRI 102 GENERAL DISCLOSURES

102-20 Executive-level responsibility for economic, environmental and social topics — By virtue of the company's articles of association, the ORES Board of Directors can delegate all or some of its management powers to an Executive Committee in accordance with the Code of Companies and Associations. This Committee is responsible for the operational management of the company, including day-to-day management and representation in dealings with third parties. The ORES Board of Directors appoints and dismisses the Chairman of the Executive Committee after consulting the Appointments and Remuneration Committee. The Chairman of the Executive Committee submits proposals to the Board of Directors on appointing and dismissing members of this Board after consulting the Appointments and Remuneration Committee. The Board of Directors establishes the Internal Regulations of the Executive Committee through an appendix to the Corporate Governance Charter.

GRI 102 GENERAL DISCLOSURES

102-21 Consulting stakeholders on economic and social issues — As part of the process of defining and updating its major sustainable development challenges, the company consults its stakeholders at regular intervals. The most recent consultation took place in December 2022 and January 2023. More information can be found in GRI 102-40 below. At the end of this exercise, the priority issues identified during the consultation concerned the energy transition, the operational excellence of the networks (and their fundamental role in this transition), the quality of service and customer relations, prevention and wellbeing in the workplace, and the environment.

GRI 102 GENERAL DISCLOSURES

102-22 Composition of the highest governance body and its committees — See section headed "Remuneration reports".

GRI 102 GENERAL DISCLOSURES

102-23 Chairmanship of the highest governance body — See section headed "Remuneration reports"

GRI 102 GENERAL DISCLOSURES

102-24 Appointing and selecting 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. The Chairman of the Executive Committee participate, by right, to the meetings of the Board of Directors. 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 DISCLOSURES

102-25 Conflicts of interest — Directors pay close attention to their legal and ethical obligations in terms of conflicts of interests, particularly in accordance with article 6:64 of the Code of Companies and Associations, the provisions of decrees, including in particular those imposed by the Local Democracy and Decentralisation Code (CDLD) and by electricity and gas decrees. More information in the Corporate Governance Charter and Internal Regulations.

GRI 102 GENERAL DISCLOSURES

102-26 Role of the highest governance body in setting corporate purpose, values and strategy — More information on this topic in the section headed "Remuneration reports".

GRI 102 GENERAL DISCLOSURES

102-27 Collective knowledge of the highest governance body — The Board of Directors meets at regular intervals, at least six times a year, under the chairmanship of its Chairman, in order to carry out, as far as ORES is concerned, the various tasks described in the Corporate Governance Charter, on the advice of the Board Committees in their respective areas of competence. See also the section on "Remuneration reports". More information in the Corporate Governance Charter.

GRI 102 GENERAL DISCLOSURES

102-28 - Evaluation of the performance of the highest governance body — The Board of Directors reviews and evaluates:

1. its own effectiveness, as well as the effectiveness of the company's governance structure, and the role and tasks of the various Committees and the Executive Committee;
2. every year, the performance of the Chairman of the Executive Committee and, at the proposal of the Chairman of the Executive Committee, other members of the Executive Committee, within the context of the procedure relating to determining the proportion of their remuneration linked to performance.

GRI 102 GENERAL DISCLOSURES

102-29 - Identifying and managing economic, environmental and social impacts — See the sections headed "Corporate responsibility and sustainability" and "Management report", paragraph headed "Description of the main risks and uncertainties facing the company".

GRI 102 GENERAL DISCLOSURES

102-30 Effectiveness of risk management processes — The Board of Directors is responsible for examining and studying the company's financial objectives, particularly in terms of risk profile and allocation of resources. It is also stipulated that, once a year, a meeting of the Board of Directors addresses the company's strategy and the risks associated with it. During the year, an update is given on its progress. The Audit Committee and the Executive Committee carry out an annual evaluation.

GRI 102 GENERAL DISCLOSURES

102-31 Review of economic, environmental and social issues — This review is completed:

1. annually in the Activity and Sustainable Development Report and the Management Report (paragraph headed "Description of the main risks and uncertainties facing the company")
2. quarterly (dashboard and summary report on key performance indicators)

GRI 102 GENERAL DISCLOSURES

102-32 Role of the highest governance body in reporting on sustainable development — Thee 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 DISCLOSURES

102-33 Communicating critical concerns — See sections headed "Responsibility and sustainable development" and Management Report (paragraph headed "Description of the main risks and uncertainties facing the company", as well as information elements **102-21, 102-40** and **102-47**.

GRI 102 GENERAL DISCLOSURES

102-34 Nature and total number of critical concerns — See sections headed "Responsibility and sustainable development" and "Management report" – paragraph headed "Description of the main risks and uncertainties facing the company", as well as information elements **102-21, 102-40** and **102-47.**

GRI 102 GENERAL DISCLOSURES

102-35 Remuneration policies — See section headed "Remuneration reports".

GRI 102 GENERAL DISCLOSURES

102-36 Procedure for determining remuneration — In accordance with the requirements of the Local Democracy and Decentralisation Code (CDLD), 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 Committee 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 Appointments and Remuneration Committee.

GRI 102 GENERAL DISCLOSURES

102-37 Stakeholder involvement in remuneration — The legal framework is defined by the Local Democracy and Decentralisation Code (CDLD).

GRI 102 GENERAL DISCLOSURES

102-38 Annual Total Compensation Ratio — The organisation is required to provide the following information:

A. The ratio of the total annual remuneration of the highest paid person in the organisation in each country where there is significant business, compared with the total average annual remuneration of all employees (excluding the person with the highest remuneration) in the same country

4.4	When compiling the information stated in the Element of information 102-38, the organisation must, for each country where there is significant business:	
4.4.1	identify the highest paid person for the reporting period, as defined by the total remuneration:	**Chairman of the Executive Committee**
4.4.2	calculate the total average annual remuneration for all employees, with the exception of the highest paid person:	**60,226.92**
4.4.3	calculate the ratio of the total annual remuneration of the highest paid person compared with the average total annual remuneration of all employees.	**519%**
4.5	when compiling the information stated in the Element of information 102-38, the organisation must:	
4.5.1	for each country where there is significant business, define and provide details of the composition of the total annual remuneration of the highest paid person and all employees	
4.5.1.1	draw up an inventory of the types of remuneration included in the calculation;	**basic pay**
4.5.1.2	state whether full-time and part-time employees are included in the calculation;	**yes**
4.5.1.3	state whether full-time equivalent pay rates are used for each part-time employee;	**yes**
4.5.1.4	state which operations or countries are included and whether the organisation elects not to consolidate this ratio for the whole of the organisation;	**ORES**
4.5.2	based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:	
4.5.2.1	base salary: monetary remuneration guaranteed in the short term and non-variable;	
4.5.2.2	monetary remuneration: the sum of the elements of the base salary, allowances, bonuses, commission, incentives and other forms of variable cash payments;	
4.5.2.3	direct remuneration: the sum of the total monetary remuneration and the total fair value of all long-term incentives, such as stock options, shares or limited share units, shares or share units based on performance, phantom stock, added value rights to shares and long-term cash bonuses.	

GRI 102 GENERAL DISCLOSURES

102-39 Percentage increase in annual total compensation ratio — The organisation is required to provide the following information:

A. The ratio of the increase in percentage terms of the total annual remuneration of the highest paid person in the organisation in each country where there is significant business, compared with the increase in percentage terms of the average total annual remuneration of all employees (excluding the highest paid person) in the same country

4.6	When compiling the information stated in the Element of information 102-39, the organisation must, for each country:	
4.6.1	identify the highest paid person for the reporting period, as defined by total remuneration;	Chairman of the Executive Board
4.6.2	calculate the increase in percentage terms of the remuneration of the highest paid person for the reporting period, compared with the previous reporting period;	4.04%
4.6.3	calculate the average total annual remuneration for all employees, with the exception of the highest paid person;	60,226.92
4.6.4	calculate the increase in percentage terms of the average total annual remuneration between the previous reporting period and the current reporting period;	1.70%
4.6.5	calculate the ratio of the increase in percentage terms of the remuneration of the highest paid person, compared with the increase in percentage terms of the average total annual remuneration of all employees	238%
4.7	When compiling the information stated in the Element of information 102-39, the organisation must:	
4.7.1	for each country where there is significant business, define and provide details of the composition of the total annual remuneration of the highest paid person and all employees	
4.7.1.1	draw up an inventory of the types of remuneration included in the calculation;	basic pay
4.7.1.2	state whether full-time and part-time employees are included in the calculation;	yes
4.7.1.3	state whether full-time equivalent pay rates are used for each part-time employee;	yes
4.7.1.4	state which operations or countries are included and whether the organisation elects not to consolidate this ratio for the whole of the organisation;	ORES
4.7.2	based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:	
4.7.2.1	base salary: monetary remuneration guaranteed in the short term and non-variable;	
4.7.2.2	monetary remuneration: the sum of the elements of the base salary, allowances, bonuses, commission, incentives and other forms of variable cash payments;	
4.7.2.3	direct remuneration: the sum of the total monetary remuneration and the total fair value of all long-term incentives, such as stock options, shares or limited share units, shares or share units based on performance, phantom stock, added value rights to shares and long-term cash bonuses	

Engagement of stakeholders

GRI 102 GENERAL DISCLOSURES

102-40 List of stakeholder groups — In January 2023, the company invited some thirty external stakeholders, selected on the basis of ORES's position in Walloon society, to take part in a round table discussion on the company's social responsibility and sustainability issue. Prior to this, it had sent each of them a materiality questionnaire to enable them to prioritise 15 sustainability issues determined following the previous periods. The stakeholders invited were the following: Office of the Walloon Minister President, Office of the Energy Minister, Office of the Vice President and minister for the Economy, WPS Energy Regional Energy Markets Division, WPS Sustainable Development, WPS - DNE/DNF, the CWaPE, the Belgian Federation of Electricity and Gas Producers and Suppliers, the IDEA intermunicipal company - Energy and sustainable solutions department, Catholic University of Louvain, University of Liège, Federation of PCSWs, Union of Towns and Municipalities, the Walloon Network for Sustainable Access to Energy, Test-Achats, Union of Small Businesses, Walloon Union of Businesses, Federation of General Construction Contractors (Embuild), Walloon Union of Architects, Belfius, Belgian Federation of industry and automotive manufacturers – Technical Design Consultancy, the CANOPEA association (Inter-Environnement Wallonie), the Be Prosumer association, the Walloon Anti-Poverty Network, Rescoop Wallonia, the Natagora association, the SWDE, Act for Climate Justice - Youth for Climate, the Shared Energy association, the Tenants' Union and La Sambrienne social housing company. This meeting took place on 26th January 2023 and was attended by 11 stakeholder representatives in addition to ORES managers. In addition, nine other external stakeholders who were unable to take part in the exercise provided their input via the materiality questionnaire sent out prior to the meeting. Internally, a representative sample of 40 ORES employees received the same questionnaire and 22 responded to it.

GRI 102 GENERAL DISCLOSURES

102-41 Collective bargaining agreements — 100%

GRI 102 GENERAL DISCLOSURES

102-42 Identifying and selecting stakeholders — See section headed "Social Responsibility and Sustainability" and information element **102-40** above.

GRI 102 GENERAL DISCLOSURES

102-43 Approach to stakeholder involvement — See section headed "Social Responsibility and Sustainability" and information elements **102-21** and **102-40** above.

GRI 102 GENERAL DISCLOSURES

102-44 Key issues and concerns raised — See section headed "Social Responsibility and Sustainability" and information elements **102-21** and **102-40** above and **102-47** below.

Reporting method

GRI 102 GENERAL DISCLOSURES

102-45 Entities included in the consolidated financial statements — ORES Assets, ORES, Comnexio and Atrias

GRI 102 GENERAL DISCLOSURES

102-46 Defining report content and topic boundaries — See section headed "Social Responsibility and Sustainability" and information elements **102-21** and **102-40** above and **102-47** below.

GRI 102 GENERAL DISCLOSURES

102-47 List of pertinent issues — See section headed "Social Responsibility and Sustainability" and information elements **102-21** and **102-40.** The list of the 15 basic materiality issues identified by the company in 2022 and used to determine the materiality matrix at the beginning of 2023 is provided below.

Energy transition	Today, activity in the energy sector is directly linked to the climate challenge and decarbonisation. Energy transition is underway. As a distributor, ORES is facing many challenges to facilitate this transition: integration of renewable generation, growing and massive electrification, increasing energy efficiency, modernisation of public lighting, integration of biomethane into the gas distribution network, etc.
Environmental footprint - climate	ORES' activities have an impact on the environment and climate. Our company aims to limit its overall footprint by taking action in the following areas in particular: greenhouse gas emissions from buildings, vehicles and infrastructure (electricity and gas losses); the effects on biodiversity of electricity, gas and public lighting infrastructure; limiting the production and better management of waste, in particular.
Digitalisation/ digitisation	Market operations and management are increasingly based on data, how that data is processed and how it is made available. As well as contributing to the optimisation of investments and the energy transition, the digitalisation/digitisation of data, smart metering and the *smartisation* of networks will enable markets to evolve, flexibility to develop and customers to play a more active role. The company seeks to make progress in this area, given its central role in the market.
Responsible and sustainable purchases	In addition to complying with legal regulations and requirements, ORES' purchasing/ public procurement is moving towards greater sustainability by taking into account environmental, ethical and social requirements, as well as quality criteria. The company also wants to maintain and build a balanced and healthy relationship with its suppliers.
Operational excellence, reliability and network resilience	The reliability and resilience of distribution networks are essential. They make it possible to support sustainable economic development and guarantee the continuity of energy supplies to citizens, businesses and public authorities.
Quality of the service and the customer relationship	ORES serves different categories of customers: private individuals, professionals (SMEs) and local authorities such as Towns and Municipalities, which are also its shareholders. ORES aims to make life easier for its customers by offering them an efficient, fast and user-friendly service that meets their expectations.
Energy costs and fuel poverty	Electricity and natural gas are essential commodities and the amount of energy bills is currently at the heart of everyone's concerns. ORES is taking the necessary steps to keep distribution costs under control for all customers (private individuals, professionals and businesses), while guaranteeing access to energy for all. It is essential to provide a fair, high-quality service, with a clear commitment and tangible actions to help customers in vulnerable situations or with the digital divide.
Cybersecurity	In an increasingly digitised environment, protecting the activities of ORES, its employees and customers now requires the implementation of high-performance systems and strict procedures in terms of cybersecurity and data protection, in particular in compliance with the GDPR.
Governance and ethics	ORES provides services that are essential to the community, and must of course comply with legal and regulatory requirements, particularly in terms of governance and the scope of its activities, as well as unfailing ethics. It implements and observes principles of fairness and transparency in its operational practices and commercial relations.
Partner to public authorities and the people	ORES assumes its responsibility as a facilitator, adviser and supporter of public authorities and citizens in the definition, implementation and development of energy consumption policies and practices.
Dialogue / interactions between stakeholders	ORES wants to take into account the expectations of its stakeholders and encourage exchanges with and between them in order to better respond to their needs, particularly in the context of its position in the Walloon and local socioeconomic fabric.

Prevention, safety and wellbeing at work	The activities carried out by ORES are potentially hazardous for field staff, subcontractors and local residents living near distribution networks. The company pursues an ambitious accident prevention policy, aiming for zero accidents, as part of an overall action plan to improve employee wellbeing.
Training and employability	ORES' businesses are evolving rapidly and constantly require new knowledge. The company's success depends on its ability to cope with change, in particular by (re) qualifying its own staff and those of subcontractors.
Changes to corporate culture and attractiveness	The transformation of the energy market and the current level of customer demands mean that we need to develop our corporate culture, by integrating greater agility and trust, while preserving fundamental values such as the technical expertise of our employees. Faced with a shortage of profiles on the job market, ORES wants to offer a motivating working environment and conditions to attract new talent and ensure the renewal of its workforce.
Diversity and non- discrimination	Unequal treatment at any level - gender, age, nationality and origin, sexuality, disability, philosophical outlook - is unacceptable. ORES takes the necessary measures to avoid any risk of discrimination in the workplace

The three issues identified as major at the end of the materiality exercise finalised at the beginning of 2023 with the external and internal stakeholders are as follows: energy transition, operational excellence of the networks (and their fundamental role in this transition), the quality of the service and the customer relationship and prevention and wellbeing at work, as well as the environment.

GRI 102 GENERAL DISCLOSURES

102-48 Restatement of information — NA

GRI 102 GENERAL DISCLOSURES

102-49 Changes to reporting — Restructuring and summarising the sections of this report in relation to 2022 reporting, based on grouping the sections around the issues identified as major.

GRI 102 GENERAL DISCLOSURES

102-50 Reporting period — Financial year 2023

GRI 102 GENERAL DISCLOSURES

102-51 Date of most recent report — NA

GRI 102 GENERAL DISCLOSURES

102-52 Reporting cycle — Annual reporting cycle

GRI 102 GENERAL DISCLOSURES

102-53 Contact point for questions regarding the report — Jean-Michel Brebant – CSR Coordinator - jeanmichel.brebant@ores.be

GRI 102 GENERAL DISCLOSURES

102-54 Reporting declarations in accordance with GRI standards — This annual report has been prepared based on GRI standards 2016.

Specific sections

GRI 201 ECONOMIC PERFORMANCE

201-1 Direct economic value generated and distributed — The reader is referred to the organisation's Annual Financial Statements in the section headed "Management report".

GRI 201 ECONOMIC PERFORMANCE

201-2 Financial implications and other risks due to climate change — See section headed "Management report"

GRI 201 ECONOMIC PERFORMANCE

201-4 Government financial aid — The Group benefits from a grant from the Walloon Region for a general interest research project about, on the one hand, the use of smart meters against a background of energy poverty and, on the other, social inclusion in energy communities ("SOCCER" project, which ended in 2023). In addition, in the context of the "Interpreter" project dealing with the modelling of network modelling in the context of digitalisation – smart grids and smart meters – focusing on efficiency and sustainability, ORES received funding from the European Commission under the Horizon programme.

GRI 205 FIGHT AGAINST CORRUPTION

205-2 Communication and training about anti-corruption policies and procedures — ORES applies a code of ethical conduct. Our employees abide by the rules of this code, which cover the use of company assets and resources, the guidelines to follow in the event of attempted corruption or a conflict of interest, the protection of information – with particular emphasis on insider information – and the protection of customers' personal data in the context of the GDPR regulations. In addition, internal control processes have been put in place for equipment orders, including double approval of requests by line management, calls for tenders from various suppliers, definition of signing authority and monitoring of purchase orders. See also the section headed "Remuneration reports" in the section headed "Presentation of management bodies".

GRI 302 ENERGY

302-1 Energy consumption within the organisation — See section 5, "Human resources, prevention and environment" - section "Fresh impetus for environmental management"

GRI 302 ENERGY

302-4 Reduction of energy consumption — See section 5, "Human resources, prevention and environment" - section "Fresh impetus for environmental management"

GRI 306 EFFLUENT AND WASTE

306-2 Waste by type and disposal method — See section 5, "Human resources, prevention and environment" - section "Fresh impetus for environmental management"

GRI 306 EFFLUENT AND WASTE

306-4 Transport of hazardous waste — See section 5, "Human resources, prevention and environment" - section "Fresh impetus for environmental management"

GRI 307 ENVIRONMENTAL COMPLIANCE

307-1 Non-compliance with environmental laws and regulations — See section 5, "Human resources, prevention and environment" - section "Fresh impetus for environmental management"

GRI 401 EMPLOYMENT

401-1 Recruitment of new employees and staff turnover — The organisation is required to provide the following information:

A. The total number of employees and the rate of recruitment of new employees during the reporting period, by age group, gender and region.

NUMBER OF ARRIVALS 2023

WALLONIA	Male	Female	Total
<30	65	35	**100**
>=30 <50	109	87	**196**
>=50	12	14	**26**
Total	**186**	**136**	**322**

B. The total number of employees and staff turnover during the reporting period, by age group, gender and region.

NUMBER OF DEPARTURES 2023

WALLONIA	Male	Female	Total
<30	15	16	**31**
>=30 <50	38	50	**88**
>=50	30	14	**44**
Total	**83**	**80**	**163**

GRI 401 EMPLOYMENT

401-2 Benefits granted to full-time employees that are not granted to temporary or part-time employees — The standard benefits granted to the organisation's full-time employees and not to temporary or part-time employees. These are a minimum of:

I. life insurance
Included in the group insurance, with employer and personal contributions

II. healthcare
Hospitalisation and outpatient care

III. handicap disability care
and Included in the group insurance, with employer and personal contributions.

IV. parental leave
Pursuant to CLA 64 of 29/4/1997: contractual parental leave / parental leave as part of career breaks

V. retirement professional
Included in the group insurance, with employer and personal contributions retirement

VI. staff shareholding
None

VII. other benefits
Rate benefits, Social Fund

GRI 401 EMPLOYMENT

401-3 Parental leave — The organisation must provide information about the following:

2023	Male	Female	Total
A. The total number of employees entitled to parental leave, by gender	748	332	**1,080**
B. The total number of employees taking parental leave, by gender	87	89	**176**
C. The total number of employees returning to work during the reporting period at the end of their parental leave	31	34	**65**
D. The total number of employees returning to work at the end of their parental leave and who were still employed 12 months after returning to work, by gender	145	120	**265**
E. Rates of returning to work and retention of employees taking parental leave, by gender	35.63% *65.52%*	38.20% *66.67%*	**36.93%** ***66.04%***

GRI 402 EMPLOYEE/MANAGEMENT RELATIONS

402-1 Minimum notice periods regarding operational changes — There is no minimum number of weeks of 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 company's head office from Louvain-la-Neuve to Gosselies, long prepared and organised for autumn 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 HEALTH AND SAFETY AT WORK

403-1 - Worker representation on official health and safety committees involving both workers and management — ORES has two Health & Safety Committees (HSC). The "West" HSC features an Employee Board made up of 10 effective members and 10 deputies, as well as a Young Employee Board, consisting of one effective member and one deputy. The "East" HSC has an Employee Board made up of 10 effective members and 10 deputies. Employer delegations are made up of the same number of representatives.

GRI 403 HEALTH AND SAFETY AT WORK

403-2 Types of occupational accidents and occupation accident rates, occupational diseases, lost working days, absenteeism and number of work-related deaths — See section 5 headed *"Human resources, prevention and environment"*, section headed *"Prevention and awareness"*.

GRI 403 HEALTH AND SAFETY AT WORK

403-3 Workers with a high incidence and risk of occupational diseases — Also see section 5 headed "Human resources, prevention and environment", section headed "Prevention and awareness", 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. On this basis, the risk of occupational illness is not considered to be high.

GRI 403 HEALTH AND SAFETY AT WORK

403-4 Health and safety issues covered in formal agreements with trade unions — 100%

GRI 404 TRAINING AND EDUCATION

404-1 Average number of hours of training per year per employee — See section 5 headed "Human resources, prevention and environment", section headed "Recruitment and training at the heart of challenges".

GRI 404 TRAINING AND EDUCATION

404-2 Programmes for upgrading employee skills and transition assistance programmes — See section 5 headed "Human resources, prevention and environment", section headed "Recruitment and training at the heart of challenges".

GRI 404 TRAINING AND EDUCATION

404-3 Percentage of employees receiving regular performance and career development reviews — The organisation is required to provide the following information: The percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period:

	Male	Female	Total
Senior management	100%	100%	**100%**
Executives	100%	100%	**100%**
Supervisors	0%	0%	**0%**
Employees	0%	0%	**0%**

A sliding-scale system was introduced for the "employee" and "supervisor" categories of employee on new working conditions from 1st January 2020 and the old evaluation and performance review system was discontinued for these categories following the signing of a collective labour agreement relating to the improvement of remuneration terms. This system is matched by a development and recognition management process.

GRI 405 DIVERSITY AND EQUAL OPPORTUNITIES

405-1 Diversity of governance bodies and employees — The organisation is required to provide information about the following:

A. The percentage of staff members in the organisation's governing bodies in each of the following diversity categories:

GENDER AND AGE GROUP	Male	Female
< 30	0.00%	0.00%
≥ 30<50	0.11%	0.00%
≥ 50	0.15%	0.08%
Total	**0.26%**	**0.08%**

B. The percentage of employees per employee category and per diversity category - See section 5 headed "Human resources, prevention and environment", section headed "Recruitment and training at the heart of challenges".

GRI 405 DIVERSITY AND EQUAL OPPORTUNITIES

405-2 Ratio of basic salary and remuneration of women to men — The organisation is required to provide information about the following: The ratio of the basic salary and the remuneration for women and men (pay gap) for each professional category, by major operating site. Consolidated results for a single region – i.e. the ORES territory in Wallonia.

RATIO 2023	Female / Male
Senior management	-1.58%
Executives	-6.46%
Supervisors	-10.27%
Employees	-1.27%
Total	**-4.03%**

GRI 412 ASSESSMENT OF HUMAN RIGHTS

412-3 Major investment agreements and contracts featuring clauses relating to human rights or human rights compliance records — In the context of the legislation on public procurement contracts to which it is subject, ORES requires its suppliers, contractors and subcontractors to comply with European, national and Walloon rules on sustainability and therefore respect for human rights and ethics. Those contracts that are the most sensitive to fraud, in particular those relating to works on site, are governed by special provisions. Successful bidders must guarantee the registration of work and workers, their remuneration, the reporting of seconded personnel, sufficient knowledge of the contract language on the part of subcontracted workers, decent and suitable accommodation for workers who cannot return home every day, etc. Deterrent one-off or daily penalties are provided for in the specifications depending on the infringements observed. See also the "List of successful bidders" in the "Management report" section of the ORES Assets annual report.

GRI 414 SOCIAL ASSESSMENT OF SUPPLIERS

414-1 New suppliers analysed using social criteria — See information element **412-3** above.

GRI 416 HEALTH AND SAFETY OF CONSUMERS

416-1 Assessment of the health and safety impacts of product and service categories — All technical actions and materials used by the company are evaluated in a constant and systematic way (method documents, technical specifications, product datasheets instruction notes, etc.). Operational teams and monitoring departments, trained in safety and risk prevention policies, have been set up to ensure operations activities and that the networks are monitored 24/7.

4

4. MANAGEMENT REPORT

1. Notes to the annual financial statements

(article 3:32 of the Code of Companies and Associations)

1.1 A true and accurate review of

The development of all of the companies included in the consolidation

The development of the business is set out in greater detail in section 2 – Activity and Sustainable Development Report. In addition, it should be noted for the 2023 financial year that, although growth in the health index slowed sharply during 2023 (4.33%), this index remained higher than the flat rate used in the tariff methodology for that year (1.575%). Rising prices for goods and services, as well as wages, are reducing the authorised revenue envelope available to the DSO. It should be noted that from the 2024 financial year onwards, the tariff methodologies provide for an ex-post review mechanism of the budgets for controllable costs for the years 2024 to 2029, based on the real health index for these years. This mechanism protects against unpredictable and uncontrollable increases in inflation. For consistency purposes, this indexation review mechanism works in both directions and implies that if the actual health index were to be lower than the budgeted health index, the controllable cost budget calculated ex post will be lower than the controllable cost budget calculated ex ante. The entity's inflation risk will therefore be reduced.

The results and situation of all of the companies included in the consolidation

I. ELEMENTS OF THE PROFIT-AND-LOSS ACCOUNT AT 31ST DECEMBER 2023

Movements in the consolidated result (in k€)	31/12/2023	31/12/2022
Sales and services	1,412,572	1,308,946
Cost of sales and services	-1,251,324	-1,172,080
Operating profit	**161,248**	**136,866**
Financial income	13,846	4,897
Financial expenses	-42,916	-25,872
Profit for the period, before tax	**132,178**	**115,891**
Tax on the result	-25,972	-36,390
Profit for the period	**106,206**	**79,501**

The Group's turnover was 1,130,317 k€ in 2023, compared with 1,049,631 k€ in 2022. It was made up mainly of transit charges billed to energy suppliers, energy sales to protected customers and income from work carried out on behalf of third parties. Despite a reduction in the volumes billed in both electricity (-12.7%) and gas (-18.0%) since the energy crisis, turnover were up slightly (+7.7%), because this reduction in volume was offset in full by an increase in regulatory balances (assets) of +304.0 M€ compared with 2022, of which 73.1 M€ related to 2022 (see below).

Other operating income was 101,196 k€ in 2023, compared with 103,581 k€ in 2022. This income was comprised mainly of recoveries from invoices relating to agreements signed with third parties (such as the leasing of buildings or optical fibre), recoveries of overheads and staffing costs from third-party companies in connection with joint projects, invoicing for fraud detected during the year, invoicing for costs relating to damage to installations, etc. This item also included recoveries to be received from the Walloon Region, in particular for premiums relating to the prosumer tariff reimbursed to customers by ORES Assets and the amount to be received from the federal government for social customers billed according to a specific tariff.

The cost of sales and service in 2023 was 1,251,324 k€, which was an increase of 79,244 k€ compared with 2022. These were the main changes related to this increase:

- purchases of goods amounted to 172,483 k€, up by 40,448 k€. These costs largely represent purchases of energy (electricity or gas) relating to ORES Assets customers in the context of public service obligations, as well as purchases of goods relating to our stock. The significant increase in this item stemmed from:
  - expenditure linked to electricity purchases following the increase in the average purchase price (the price being set on the basis of a public contract in force for 2023 and 2024);
  - expenditure linked to the purchase of goods following a significant increase in activity, in accordance with the Industrial Plan, requiring a large stock, but also due to a rise in the price of raw materials.
- miscellaneous goods and services in 2023 amounted to 625,119 k€ (an increase of 112,578 k€).

  The Elia fee was the largest element of this cost item in 2023, at 220,649 k€, compared with 252,026 k€ in 2022. This reduction was due mainly to the reduction in the cost of surcharges and subscriptions, and more particularly to the item relating to support measures for renewable energy. Volumes carried were down slightly (-6.3%), while the price per KWh increased, partly offsetting the favourable impact of volumes.

  Also included in this item was the cost of loss compensation, amounting to 156,308 k€ in 2023 (compared with 25,713 k€ in 2022). This increase is due to the significant 575% increase in the average price in 2023 (the price being set on the basis of a public contract in force for 2023 and 2024), offset slightly by the fall in quantities, compared with 2022 (-8.0%).
- remuneration and social charges rose by 11.4%, reaching 266,059 k€ in 2023, compared with 238,781 k€ in 2022. This increase was mainly due to the increase in employee headcount and the impact of inflation on salary costs, which although lower than last year, was still relatively high compared with previous years.
- depreciations of tangible and intangible fixed assets rose by 3,307 k€, to 172,012 k€ in 2023.
- writedowns on stocks and trade receivables were 290 k€ (charge), compared with -5,227 k€ (income) in 2022. As in previous years, bad debts were written off, with a corresponding writedown of the same amount. The variation between the two years is explained largely by the fact that 2022 saw significant reversals of impairment losses in respect of both "fraud" and "transit charges" following the payment of receivables recorded as doubtful in 2021.

  With regard to inventories, and as a reminder, the procedure for writing down the value of inventories has been implemented since 2021. These relate, on the one hand, to the stock of electromechanical and budget meters that will no longer be installed on the network (replaced by smart meters) and, on the other hand, stock with very low turnover, i.e. items that have not been moved for at least five years. Since then, these two rules have been maintained, with the effect of updating the related writedowns.
- in 2023, income of 56,251 k€ was recorded in relation to the provisions for risks and expenses, compared with an expense in 2022 of 51,578 k€. This amount included significant reversals of provisions set aside at the end of 2022 or earlier, such as the provision for loss-making contracts on energy purchases to cover our public service obligations (PSOs) and network losses (-49,778 k€) or the provision for "facility relocations", which finally came to an end during the 2023 financial year, in favour of the Walloon Region (-6,889 k€). Also to be noted was the update on the provision relating to the statutory provisions on excavated soil (Walloon Government Excavated Soil Decree) and the provision for social disputes, as well as the provision relating to the Walloon platform for the management of master plans - vectorisation;.

- other operating expenses were 71,365 k€ in 2023, compared with 70,572 k€ in 2022. These included in particular the losses recorded following the decommissioning of tangible fixed assets, the losses on trade receivables, the majority of which had been written down, and the premiums paid to customers in relation with the promotion of connections to the gas network (Promogaz campaign) and support for photovoltaic (prosumer tariff).
- other non-recurrent operating expenses were 247 k€. As it does at each year-end, the Group checks whether writedowns need to be recorded on projects capitalised as intangible fixed assets by conducting an impairment test. As a result of this test, disposals of intangible fixed assets were recorded, without having an impact as they were already fully written down. In addition, one project had its useful life reduced, resulting in an additional writedown being recorded, generating an expense of 247 k€.

The financial result for the Group ended with an expense of 29,070 k€ in 2023, compared with 20,975 k€ in 2022. This consisted mainly of interest paid on our bank loans and bonds. This increase was linked to the rise in interest rates in 2023, coupled with taking out new loans at the end of 2022, amounting to 150 M€, and was partly offset by income from derivative instruments.

Taxes, consisting mainly of corporation tax, were 25,972 k€ in 2023, compared with 36,390 k€ in 2022. The reduction was due mainly to the exemption from the writeback of provisions for loss-making contracts, already taxed in 2022.

Total net profit was 106,206 k€ in 2023, compared with 79,501 k€ in 2022. This was an increase of 26,705 k€.

II. ELEMENTS OF THE CONSOLIDATED BALANCE SHEET AT 31ST DECEMBER 2023

The balance sheet total was 4,790,343 k€, compared with 4,765,044 k€ at the end of 2022.

Consolidated balance sheet in k€	31/12/2023	31/12/2022
ASSETS		
Fixed assets	4,118,105	4,016,385
Current assets	672,238	748,659
TOTAL ASSETS	**4,790,343**	**4,765,044**
LIABILITIES		
Equity capital	1,948,878	1,917,363
Third-party interests	3	3
Provisions, deferred taxes and latent tax liability	22,325	78,577
Debts	2,819,137	2,769,101
TOTAL LIABILITIES	**4,790,343**	**4,765,044**

II.A ASSETS

Intangible fixed assets were up by 9,354 k€ (net book value of 69,505 k€, compared with 60,151 k€ in 2022). These were made up of expenditure relating to IT projects and development charges.

Investments for the 2023 financial year were made up mainly of expenses relating to the following IT projects: Smart Grid – "development of smart grids" and Switch – "smart meters". This increase is explained as follows:

- investments for the financial year: +20,737 k€;
- depreciations for the financial year: -11,383 k€.

Tangible fixed assets were 4,034,452 k€ in 2023, compared with 3,942,093 k€ in 2022. This was an increase of 92,360 k€. This increase is explained as follows:

- investments for the financial year: +271,538 k€;
- depreciations for the financial year: -160,874 k€ (including depreciation of the revaluation gain);
- the decommissioning of installations: -18,304 k€.

Financial fixed assets amounting to 14,148 k€, compared with 14,141 k€ in 2022, were made up mainly of an advance from ORES Assets to Atrias of 10,987 k€, as well as the shares owned in Laborelec, Igretec and Atrias.

Receivables after more than one year amounted to 7,263 k€ at 31st December 2023 and were stable compared with 2022 (7,295 k€). These are receivables held on local authorities in the context, on the one hand, of the replacement of Hg/HP lamps (for which the project was completed in 2019) and, on the other, following the Walloon Government EP decree[1] providing for the replacement over the next ten years of all municipal public lighting bulbs by LEDs.

Stocks and orders pending were 87,861 k€, compared with 71,484 k€. These were made up of goods (77,023 k€), as well as works underway for private individuals and local authorities (10,838 k€). The increase in the stock of goods is explained, on the one hand, by increase in activity, requiring higher levels of stock to supply that increase, and a large number of current construction sites and, on the other, by the upward trend in the price of raw materials.

Trade receivables were 157,470 k€, compared with 135,207 k€ in 2022 and were made up mainly of receivables from energy providers in the context of the invoicing of transit charges, receivables on protected and "Provider X" customers, as well as the amount of credit notes to be received. This item has also been made up, since this year, of the amount to be received from CREG for the special tariff granted to certain social customers (20,476 k€).

In particular, the item for "Other receivables" (69,633 k€ compared with 51,229 k€ in 2022) includes the balance of transport reconciliation to be recovered (36,804 k€) and the tax for the financial year to be recovered (21,948 k€), as well as receivables relating to that damage caused to the network by third parties (1,672 k€).

At the end of 2023, cash investments amounting to a total of 9,007 k€, compared with 227,880 k€ in 2022, were made up solely of term investments in bank accounts. This sharp reduction is explained by the sale of SICAVs during the first half of 2023, taking advantage of the recovery in the financial markets (-218,480 k€).

Available assets (108,173 k€) included cash held in current accounts and social funds.

Accruals (232,832 k€, compared with 150,563 k€ in 2022) were made up mainly of the balance of pension capital yet to be covered of 8,145 k€, fees for using public roads for gas of 18,252 k€, regulatory assets of 173,253 k€ and expenses carried forward relating to work to replace the lamps in the public lighting network of 22,293 k€, as well as the RTNR (unmetered transmission fee) (OSP share) of 2,342 k€.

The amount in regulatory assets recorded at the end of 2023 was largely due to three factors:

- the fall in volumes mentioned above;
- the price of purchasing electricity for ORES in 2023, which literally exploded (see above);
- in addition, following an adjustment to the methodology for calculating the RTNR in 2023 for electricity, with retroactive effect from 1st January 2022, the amount of RTNR recorded in 2023 was a charge of 112,370 k€ (of which -73,112 k€ came from 2022). This resulted in a significant reduction in our sales in 2023, offset by an equally significant increase in our regulatory assets. At the request of the CWaPE, following this adjustment to the RTNR for 2022, a regulatory asset of 73,112 k€ was recorded in electricity in 2023, correcting our 2022 regulatory balances previously recorded in the accounts. This is therefore merely a transfer between sales and regulatory balances, which has no impact on net income for 2023.

II.B LIABILITIES

The contribution from ORES Assets was 867,464 k€ and was made up of the available input (866,931 k€) and the unavailable input (533 k€).

The revaluation gain of tangible fixed assets amounted to 429,610 k€, representing the as yet non-depreciated part of the initial difference between the RAB and the book value of these assets. This item went down by 20,769 k€ following the depreciation of the capital gains calculated at a rate of 2% per annum.

Consolidated reserves increased by 52,307 k€ due to:

- the transfer to unavailable reserves of a share of the revaluation surplus for the amount of the depreciation, i.e. 20,769 k€;
- the allocation to the available reserves in the context of the allocation of the results for 2023 and a transfer from the untaxed reserves for an amount totalling 32,495 k€;
- the net movement to the untaxed reserves of -957 k€, relating to the Tax Shelter scheme.

1 The Walloon Government Decree of 14 September 2017 amending the Walloon Government Decree of 6 November 2008 relative to the public service obligation imposed on the distribution systems operator in terms of maintenance and the enhancement of the energy efficiency of public lighting installations.

The capital subsidies account (28 k€) represents the net book value of a subsidy received from the Walloon Region for an industrial research project of general interest relating to smart meters ("smart metering").

Third-party interests represent the share of the subsidiaries, ORES and Comnexio, transferred by ORES Assets to the pure financing intermunicipal companies.

Provisions for risks and expenses decreased by 56,251 k€, falling from 78,577 k€ to 22,325 k€ at 31st December 2023. These are made up of:

- environmental provisions of 3,619 k€;
- provisions for disputes of 4,704 k€, of which:
    - the provision set aside following the termination of the IT services contract for the implementation of an information system for smart metering (3,851 k€);
    - the provision relating to social disputes (853 k€);
- provision relating to the Walloon platform for the management of master plans – vectorisation – of 10,922 k€
- provision within the context of statutory provisions on excavated soil (Walloon Government Excavated Soil Decree) of 3,080 k€.

Readers are referred to the notes provided under the item "Cost of sales and services", in the elements relating to the profit-and-loss account.

Debts after more than one year were 2,054,669 k€, down by 25,850 k€ compared with the previous financial year. These debts represent in particular:

- bank loans and other loans amounting to 1,672,281 k€;
- bond loans in the form of private placements of 380,000 k€.

In 2023, the Group took out new loans totalling 180,000 k€ from credit establishments, whereas it repaid bank loans and other loans totalling 189,771 k€.

Debts after more than one year falling due within the year were up by 15,730 k€ (209,001 k€ at 31st December 2023) and were made up of the capital from loans maturing in 2024.

Miscellaneous suppliers and invoices to be received make up the bulk of commercial debts (225,392k€, compared with 164,121 k€ in 2022).

Advances received on orders (75,235 k€, compared with 77,271 k€) included interim billings sent to protected customers and under "Provider X" (public service obligations, or PSOs), as well as deposits received from customers for works to be carried out.

Tax, payroll and social debts amounting to 71,677 k€ (79,014 k€ in 2022) included:

- tax debts (12,107 k€ compared with 26.778 k€ in 2022): mainly the balance of the withholding tax to be paid, as well as the VAT to be paid on operations for December (11,916 k€);
- payroll and social debts (59,570 k€ compared with 52,236 k€ in 2022): provisions for salaries, bonuses to be paid and various annual subscriptions (Inami, NOSS).

"Other debts" (90,862 k€ compared with 79,269 k€ in 2022) mainly included the various advances received from the Walloon Region and the Federal State as part of the various premiums granted to customers through ORES Assets (62,280 k€, compared with 52,382 k€), the balance of gross dividends associated with the 2023 financial year to be paid after approval by the Ordinary General Meeting for the first half of 2024 (11,315 k€, compared with 10,485 k€), as well as debts to third parties and staff (social funds). We should also note an advance received from the Walloon Region (7,857 k€) as part of a subsidy linked to energy transition. This will be used to fund the investments to be made between 2024 and 2027 aimed at improving the energy efficiency of the distribution network, as well as increasing the capacity for accommodating production of renewable energy and controlling the costs associated with energy transition.

Accruals in the liabilities (92,300 k€, compared with 95,636 k€ in 2022) were made up mainly of:

- regulatory balances linked to transmission of 9,613 k€;
- an amount of 10,879 k€ in financial expenses mainly relating to our bond loans and bank borrowing;
- an amount invoiced to other companies to cover the annuities to be paid to their former staff of 1,860 k€;
- the RTNR at the end of 2023, amounting to 66,398 k€.

III. DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES FACING THE GROUP

ORES and ORES Assets together form a coherent economic group for which a consolidated analysis of risks and uncertainties is performed. The following paragraphs describe the measures taken to identify the main known risks and uncertainties that ORES ("the Group") may face and the measures taken to mitigate them. Risk management is a key process when it comes to helping ORES fulfil its strategic goals, as documented in the strategic plan, as well as its operating risks. In early 2023, risk management governance was optimised to ensure greater convergence between the risk experts (enterprise risk manager, internal control, CISO[2], DPO[3], P&E[4], internal audit), to make all Departments more accountable and thus strengthen control and informed decision-making. It has been implemented as part of the 2023/2024 risk picture.

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 targets, as well as on the strategic and operational challenges facing ORES and the company's projects. The methodology used in this process is described in the section headed "Description of the main features of the internal control and risk management systems". The main results for the 2023 financial year are explained in more detail below, focusing on the most significant risks, as highlighted by the risk analysis presented in June and updated in December 2023. Some unidentified risks could exist or, whereas they appear to be limited today, they could become more significant in the future. Nevertheless, the methodology put in place, by making all departments accountable and by expanding the sources of information as a result, makes it possible to greatly reduce the probability of ignoring a significant risk.

1. RISKS ASSOCIATED WITH A CYBERATTACK AND BUSINESS RESILIENCE

Cybercrime is increasing exponentially, a phenomenon exacerbated by the war in Ukraine and the context of digital transformation. In February 2022, the Belgian federal government announced a national security strategy (NSS) with the aim of improving our country's resilience.

For ORES, the impact is being reinforced by the GDPR legislation, the NIS / NIS 2 Directive and the "risk preparedness for energy sector" bill. In addition to strong governance in terms of information system security, ORES is preparing itself with business continuity plans for its critical processes, combined with an IT disaster recovery plan (see point 6).

2. RISKS ASSOCIATED WITH NETWORK CONGESTION

The challenges linked to the energy transition are many and varied, ranging from the integration of an increasing number of renewable production capacities into the grid, to the strong growth in the uses of electrification, particularly in terms of mobility and heating. They both involve a shift from a centralised system (orchestrated by generation with one-way integration into the network) to a large ecosystem with multiple, decentralised and intermittent sources of generation, leading to high volatility in the energy flows passing through the networks.

Two specific issues are taken into account in the ORES Industrial Plan to increase network resilience: the high-voltage network bottleneck, for which ORES is working closely with Elia (the transmission system operator), and congestion on the low-voltage network as a result of

- variations in off-take (voltage drops) impacted by the increase in electric vehicles
- increased decentralised production, which generates overvoltage.

By stating its desire to be a facilitator of energy transition, ORES aims to be a key player working on behalf of these many developments: renewable energy production connected to the distribution network (photovoltaic panels, wind farms, biomethane injections), energy communities, flexibility, storage, etc. There are numerous opportunities and these are being closely monitored by ORES.

The development of the company's strategy incorporates these risks and opportunities to ensure a successful transition to the world of tomorrow, while at the same time taking care to support customers through these changes and anticipating potential problems, such as power grid congestion. ORES is also focusing fully on reports of voltage anomalies from its customers, implementing appropriate measures to resolve these issues as quickly as possible and taking technical and budgetary constraints into account.

2 Chief Information Security Officer

3 Data Protection Officer

4 Prevention and Environment

3. RISKS ASSOCIATED WITH SHORTAGES IN THE SUPPLY CHAIN

Geopolitical conflicts and strong demand for semiconductors as part of energy transition are exacerbating the supply difficulties encountered since the Covid-19 pandemic, complicating the production of critical equipment and the supply of certain raw materials (electronic components, shortage of semiconductors, construction materials, meters, cables, etc.).

These disruptions are keeping prices very high. The fact that they have intensified in recent months may also jeopardise business continuity if a safety buffer stock is not built up on critical equipment.

A critical materials management strategy has also been defined, along with an action plan for the supply chain management process.

4. RISKS ASSOCIATED WITH EXTERNAL SERVICE PROVIDERS AND CONTRACTORS

The implementation of the Industrial Plan requires the use of contractors. The labour market is tight, particularly for workers with technical qualifications, which is also having an impact on our contractors.

An increase in the risk regarding the availability of contractors will also have a collateral impact on their prices (lack of healthy competition and reduction in the number of providers).

A "vision of the external service provider" has been defined with the aim of identifying the main levers and mitigate these risks.

5. RISKS ASSOCIATED WITH REQUIREMENTS IN HUMAN RESOURCES

Our employees are a key element in achieving ORES's strategy and objectives. In the face of changes linked to energy transition, digitalisation and an increasingly tight labour market, having the right skills in place, both now and in the future, as well as a corporate culture aligned with our strategy, is a major challenge. The energy sector and our business are becoming increasingly complex, requiring greater agility and forward thinking. The Human Resources Department launched a Horizon Plan in 2022 to meet these challenges, particularly in terms of attracting and recruiting the right talent, as well as training, wellbeing at work and leadership.

6. RISKS ASSOCIATED WITH BUSINESS CONTINUITY

The Covid-19 pandemic and the rise in cyberattacks demonstrated the importance of putting in place business continuity measures in order to continue working even in downgraded mode. Having a continuity and recovery strategy is not a one-off need. It is a long-term approach that enables us to deal with unforeseen events (weather-related hazards, malicious attacks, failure of equipment and infrastructure, etc.) that may have an impact on ORES's business lines. As mentioned above, the war in Ukraine increased this risk throughout 2023 by putting pressure on the availability of certain raw materials essential to ORES's businesses, while also pushing up prices. Added to this is the frequency and severity of exceptional weather events, such as storms, temperature rises and variations, intense rainfall and the flooding caused as a result.

Consequently, the Executive Committee decided in 2022, in line with the risk image, to strengthen its governance in terms of business continuity via a Business Continuity Working Group, which aims to strengthen governance and provide ongoing improvement, enabling the company to ensure business resilience. The activities carried out include drawing up an inventory of critical processes, impact and risk analyses, drafting or updating of continuity plans in accordance with the defined governance, ensuring consistency with the IT recovery plan and carrying out exercises and feedback as part of the continuous improvement process. These are major elements and are in addition to the actions linked to the IT disaster recovery plan drawn up as part of the ISO 27001 certification planned by the end of 2024.

In addition, ORES has an internal emergency plan and, if necessary, is able to take exceptional and proportionate measures to:

- safeguard the health of its staff;
- maintain the essential public service work provided by the company.

ORES has demonstrated its ability to carry out its public service work effectively against the background of the unprecedented health crisis of recent years.

7. ECONOMIC AND FINANCIAL RISKS (INCLUDING TARIFF RISKS)

A. TARIFF RISKS

The tariffs for the activities of ORES and ORES Assets 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 revenue) or a collection of rules that may have a positive or negative impact on shareholders' remuneration (incentive-driven regulation mechanism). Any changes made to these rules may therefore affect the Group's revenues, profits and/or financial position. A new tariff methodology was approved by the CWaPE at the end of May 2023 for the period 2025-2029. Proposals for authorised electricity and gas income based on this tariff methodology were submitted to the regulator in October 2023. By 31st March 2024, the regulator should have approved the Group's authorised revenue for the period 2025-2029. On this basis, the Group will be able to introduce tariff proposals to determine the applicable tariffs for the period 2025-2029. Having authorised revenue fixed for a period of 5 years is a positive element that will give the company visibility over the resources it can draw on and which are necessary for the implementation of its Industrial Plan. It should be noted that on 30th June 2023, the partners of ORES Assets lodged a complaint with the CWaPE for reconsideration of the 2025-2029 tariff methodology, and more specifically of certain methods used to determine the fair profit margin. Given the rejection of this complaint by the regulator at the end of September 2023, the partners of ORES Assets lodged an appeal with the Market Court regarding the tariff methodology. At the beginning of December 2023, ORES and RESA decided to apply to the Market Court to intervene in this appeal. The ruling was handed down during the 1st half of 2024 (see point 1.2. Details of significant post-closing events).

Differences may occur between planned controllable costs (those approved in the authorised revenue) and actual costs. To mitigate this risk, the following actions have been put in place:

- monthly budget monitoring, fine-tuning of budgets as and when required and the production of a "best estimate";
- monitoring the indexation parameters, as well as the development of certain costs.

Finally, the company must ensure that it complies with financial covenants, which are therefore monitored regularly.

B. CREDIT RISKS

The Group conducts a financing policy that calls on a variety of sources in the capital markets. Since 2012, the Group's financing has been carried out by ORES, with a guarantee from ORES Assets.

At 31st December 2023, the Group's sources of financing consisted mainly of:

- a programme of commercial paper with an indefinite duration up to a maximum of 550 M€;
- funds raised via private investments;
- amounts raised through the issue of bank loans;
- significant finance raised from the European Investment Bank (550 M€);
- a short-term line of credit for 50 M€ for a term of 3 years.

The series of measures required for the development of the European Union's sustainable finance strategy (regulation on taxonomy, related delegated acts, directive on the publication of information relating to sustainability, draft directive on "due diligence", ...) and their transpositions into Belgian law could impact the Group and could make access to finance more complex.

C. INTEREST RATE RISKS

Any change in interest rates has an impact on the level of financial expenses. In order to minimise this risk, the Group 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. With a view to managing interest rate risks, the Group 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). No derivatives are used for the purposes of speculation. The financing policy also takes debt maturity into account. Debt management and market data are carefully monitored.

D. FISCAL RISKS

ORES Assets and ORES are subject to corporation tax. Changes to the tax regulations and their interpretation by the tax authorities may impact the group. The tariff methodology stipulates that any fiscal charges for ORES Assets are incorporated into the tariffs as a non-controllable cost. As a result, the impact of changes to the tax legislation is limited essentially to ORES.

E. ASSETS AND LIQUIDITY RISKS

Within the context of managing these risks and billing fees to use the networks, which accounts for the bulk of the Group's turnover, ORES Assets has guarantees from many of its energy suppliers active on the network. These guarantees are defined by the contract granting access to the network and may be reviewed annually.

ORES has short-term financing capacity thanks to its programme of commercial paper and credit line, as outlined above; the liquidity risk can therefore be regarded as more than manageable. Cashflow 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.

F. MACROECONOMIC AND FINANCIAL CLIMATE RISKS

The economic situation may have repercussions on the demand for electricity and natural gas, or on the price of certain charges linked to the price of energy or on the Group's financing conditions.

With regard to the impact on electricity and natural gas demand, this risk and its effects are not normally supported by the Group. The 2019-2023 and 2024 tariff methodologies provide for the regulator to check the differences between the budget and the actual situation during the financial year following the year in question (N+1), including volume risk. The tariff for regulatory balances shall, in principle, be adjusted to take account of these differences as from 1st January of the year following that of the check (N+2).

The volatility of energy prices can have an impact on some of the DSOs' expenses and therefore create risks for the Group. This is the case, for example, if the authorised price corridor for electricity purchases is exceeded, or if an energy supplier goes bankrupt. The Group takes care to limit these risks, in particular by paying close attention to public procurement procedures for energy purchases and their implementation, and to procedures for monitoring energy suppliers (payment, guarantees, etc.).

With regard to the impact on the financing conditions for the Group, reference is made to the paragraph on interest rate risk (derivatives for hedging purposes, financing and debt management policy and monitoring of market data).

1.2 Details of significant events occurring after the end of the financial year

On the basis of the approval of the transaction by the ORES Assets shareholders, the transfer of the municipal sections of Boussu-en-Fagne, Couvin, Frasnes-lez-Couvin, Mariembourg and Pétigny from the Town of Couvin from ORES Assets to AIESH for the management of the electricity distribution networks on these municipal sections came into effect on 1st January 2024. This means from that date onwards, ORES Assets is no longer the distribution system manager for electricity for the Town of Couvin.

On 1st March 2024, the CWaPE published draft guidelines on the tariff structure applicable to users of the low-voltage distribution network in the Walloon Region for the years 2026 to 2029. Public consultations on this draft will be held from 1st March 2024 to 31st March 2024.

Since October 2023, the Walloon DSOs and the CWaPE have been discussing the proposals for authorised electricity and gas income for the years 2025-2029 submitted to the regulator by the DSOs. On 28th March 2024, the regulator approved ORES Assets' authorised revenue proposals and published them on its website the following day. This was the culmination of the first of two stages in setting distribution tariffs for the next regulatory period. This phase is all the more important as it sets out the budget available to DSOs for the next five years. These resources will enable DSOs to carry out their day-to-day tasks and to support and implement their industrial plan, as set out in the strategic plan entitled "Investing Together In Energy Transition For All".

At the end of March 2024, the Walloon Government also approved two decrees relating to the granting of subsidies to DSOs. The aim of these subsidies is to support the modernisation of the distribution networks in order to speed up energy transition by enabling the networks to absorb greater production of renewable energy in the future and to cope with the electrification of everyday life (such as electric mobility). The two subsidies awarded in this way, one under the Walloon Recovery Plan 2024 and the other from European funding under the European REPOWER EU programme, come in addition to the subsidy awarded in December 2023 under the Walloon Recovery Plan 2023, making a total subsidy package of 146 M€. All this is in addition to the resources made available through the authorised revenue and will therefore make it possible to supplement support for part of the future investments included in the industrial plan.

At the beginning of April 2024, the Market Court rejected the appeal lodged by the partners of ORES Assets against the 2025-2029 tariff methodology and, more specifically, against certain procedures for determining a fair profit margin. The application to intervene made by ORES and RESA was deemed unfounded on procedural grounds, as the Market Court did not rule on the merits of the case.

1.3 Provided they are not of a nature as to be seriously prejudicial to a company included within the scope of consolidation, information about circumstances likely to have a significant influence on the development of the consolidated entity

None.

1.4 Information about research and development activities

Technical developments in terms of network management, smart metering and other developments (including computer applications for managing metering data) show that significant development costs were generated and that it is highly probable that they will be spread over longer periods than in the past. With this in mind, ORES took the option of activating staff expenses for researchers, technicians and other support staff, insofar as they are allocated to working on a project qualified as "development".

These projects relate in the main to IT developments, such as the "Smart" projects: Smart Grid – "Development of smart grids" and Switch – "Smart meters".

1.5 Presentation on the 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 procurement contracts) from leading Belgian financial institutions.

Since 2012, the Group's funding has been carried out by ORES, guaranteed by ORES Assets, which means that the group can benefit from a range of financing sources.

Apart from bank financing (which has not been subject to a public contract since 30th June 2017), as of 31st December 2023:

- had a programme of commercial papers worth 550 M€ with an indefinite term;
- had a short-term line of credit, for an overall amount of 50 M€ with a term of three years;
- issued bonds in the form of private placements;
- secured a financing programme from the EIB (European Investment Bank) in 2017 for a total of 550 M€.

In 2023, ORES contracted new bank loans for 180 M€.

ORES will continue to pursue a financing policy that 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. The financing policy also takes into account different lifetimes of loans and the lifespan of the 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.

In addition, 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.

1.6 Justification of independence and competence in terms of accounting and auditing of at least one member of the Audit Committee

Since June 2018, the Audit Committee has been mirrored in ORES and ORES Assets, according to the rules of common governance and in accordance with the provisions of the Belgian Local Democracy and Decentralisation Code.

Ms Anne-Caroline Burnet was appointed Chair of the Audit Committee from 11th September 2019, following the total renewal of the Board of Directors by the General Meeting of shareholders on 29th May 2019, in accordance with the CDLD and the articles of association. She justifies the required independence and competence. In this way, on the one hand she meets the independence criteria required by the legislation while, on the other, she has the required experience in accountancy, audit and financial matters in the sense of the Act of 7th December 2016. These two elements have been confirmed in a certificate.

1.7 Description of the main characteristics of the internal auditing and risk management systems of associated companies with regard to the process of drawing up consolidated accounts

As the daily operational management of the business at ORES Assets, including keeping the accounts, is entrusted to ORES – as the operating company – this description sets out the main characteristics of the internal auditing and risk management systems in relation to the process of drawing up the accounts in place at ORES in 2023.

At ORES, internal auditing and risk management are part of the corporate governance put in place to enable the company to take its decisions in a responsible, efficient and transparent manner, as well as to ensure the reliability of the financial information and compliance with the legislation and regulations.

A. Audit environment

I. CORPORATE GOVERNANCE

In accordance with the ORES articles of association and governance charter, the Board of Directors has established various committees that assist it in exercising its responsibilities: The Audit Committee, the Executive Board and the Appointments and Remuneration Committee. In particular, the Board has entrusted the following missions to the Audit Committee: (i) to assist it in examining financial information, (ii) to monitor the effectiveness of the internal auditing and risk management systems, (iii) to supervise internal auditing and its effectiveness, and (iv) to monitor the legal checks carried out on the accounts and the recommendations made by the auditor. This Committee meets at least three times a year to discuss these various points.

The Board of Directors has delegated the day-to-day management of the company, as well as its representation regarding this management to the person who chairs the Executive Committee (delegated to day-to-day management). As the person delegated to day-to-day management, the Chairman of the Executive Committee may, as part of this management, sub-delegate special powers to members of ORES staff and in particular to the members of the Executive Committee. In this case, the Finance Department supports the Committee by making reliable and relevant financial information available to it in timely fashion. This information is essential for taking both strategic and operating management decisions, as well as for the effective management of the company's financial missions. This information is made up of financial and tax reports (statutory and consolidated financial statements) and regulatory reports.

To meet the need to manage and audit the activities conducted at ORES, the Executive Committee has adopted governance based on the IPMS (Integrated Performance Management System) methodology. It sets the management rules which, when applied to the various processes and activities – including those relating to financial, tax and regulatory reporting – enable ORES manage its objectives, monitor its activities, control its risks, improve the efficiency of its operations through a system of evaluation and through the optimum allocation of the various roles and responsibilities. This governance is on two levels: corporate governance (the relationship between the shareholder and management and hence essentially the way the company's management bodies operate) and operational governance.

II. BREAKDOWN OF OBJECTIVES

The company's strategy takes the form of a strategic plan that includes, in particular, an overview of the main lines of the strategy, as well as the means identified to put this strategy into effect. The Industrial Plan, as well as the transformation plan are important tools for reaching those goals. The Industrial Plan identifies and places figures as best it can on the investments to be made within the network, in human resources and in the IT solutions needed to respond fully to the challenges of energy transition and to make it possible to achieve the aims of the fight against climate disruption set on a global and regional level. The transformation plan covers a timeline for the main aims, as well as the constraints (including financial) and the contribution made by projects to ORES's Industrial Plan. These objectives are then broken down by department. ORES management assumes its responsibility in implementing an effective internal auditing system that ensures, among other things, that the company's objectives are achieved.

III. ROLES AND RESPONSIBILITIES

In terms of corporate governance, the roles and responsibilities of the various governing bodies are set out in the articles of association and the governance charter. The wording of these roles and responsibilities is available on the ORES website.

In terms of operational governance, the key principle is accountability:

- The first level of control is exercised by each employee and his or her direct line management, in line with the responsibilities delegated to him or her, as well as the applicable procedures and the instructions given by his or her management.
- The second level of control is exercised by dedicated functions that are independent of the activities being controlled, such as the head of Enterprise Risk Management (ERM), the head of Internal Control (IC), the head of Information Security (CISO), the Data Protection Officer (DPO), the Prevention and Environment Manager (P&E).
- The third level of control is provided by Internal Audit, whose mission it is to provide reasonable assurance and independent, objective advice regarding the adequacy and effectiveness of governance and risk management.

Decisions are taken at the most appropriate level within a given mandate. To make this happen, the Executive Committee has defined and introduced an organisation that is formalised as part of an organisation chart. The Human Resources Department keeps this chart up to date, along with the job descriptions. Each job description includes the reason for the position, the qualifications required, areas of results and key responsibilities. Allocating roles and responsibilities to each member of staff enable the operational tasks within ORES to be distributed appropriately.

In the Finance Department, the "Group Accountancy" section is in charge of keeping the accounts, checking financial information and preparing financial and fiscal reports. The "Management Control" section guides the budgeting process by providing operational coordination and budget controls, as well as by drawing up the financial and management reports that are submitted to the regulator.

In terms of the qualifications required, the skills needed to fulfil ORES's mission are contained in the company's "Capability Map". A skills management policy is in place to encourage training, which in turn enables all members of staff to carry out their tasks efficiently and reliably. The tasks, responsibilities and skills of each employee in the "Group Accountancy" and "Management Control" sections are clearly identified in the policy. Training is available to enable them to maintain and update the acquisition of the skills they need. These courses are mandatory.

An ERP package is used to keep the accounts in good order and for the reports relating to the companies consolidated in ORES Assets. The package includes all of the IT tools required to draw up these reports.

IV. IMPLEMENTING GOVERNANCE

In terms of corporate governance, there is common governance for ORES and ORES Assets in place, based on mirror management bodies. More information about this is to be found in the articles of association and the Governance Charter.

In accordance with the "Management System - General Principles of Governance" directive, at operational level and in addition to the organisation as formalised in the organisation chart, governance also relies on two types of internal operational body (i. the committee and ii. the coordination group). (i) A Committee is set up when a matter requires collective decision-making by more than two departments and is of a recurring nature. This committee, which reports to the Executive Committee, enables strategic decisions to be taken on well-defined issues with a clear, formalised mandate and specified tolerances. (ii) Coordination groups are set up to bring functional or operational counterparts into line with each other, or for the purpose of consulting with or informing the group. They deal with recurring issues.

V. INTEGRITY AND ETHICS

Integrity and ethics are essential elements at ORES within the company's internal auditing environment. The ORES Code of Ethics, based on the company's values, defines the application of ethical rules through its values, as well as the way in which these values are viewed and respected. A code for applying the regulations relating to market abuses also includes the rights and obligations of the directors and staff with regard to the use of insider information or market manipulation. Management monitors staff compliance with these internal codes, values and procedures and, where appropriate, takes the required action, as set out in the company's working regulations. As a result of its legal status as a DSO for electricity and gas, ORES Assets complies with a large number of statutory and regulatory rules defining various fundamental principles, such as confidentiality, transparency and non-discrimination. ORES, as an operating company, is also required to adhere to these rules.

B. Risk management and internal control

I. RISK MANAGEMENT

Risk management is a key process when it comes to helping ORES to realise its strategic and operational objectives. This process identifies, analyses and assesses the relevant risks according to their nature, the probability that they will actually occur and their potential impact on the fulfilment of ORES's objectives and strategic and operational challenges, as well as on the company's projects. In mid-2022, the company decided to carry out a complete review of its risk management methodology. At the beginning of 2023, risk governance was optimised to ensure greater convergence between the various risk players (ERM, IC, CISO, DPO and P&E manager) and to strengthen the control of risk management and informed decision-making. The risk universes and typologies were also reviewed on this occasion, with a view to moving towards a 3-level hierarchical model (with a management level designated for each risk typology to facilitate the aggregated view), as well as the impact and probability scales to harmonise their use.

The application of risk management methodology leads to the establishment of an annual risk map, which is updated on an ad hoc basis according to relevant information that may impact the risk image and, where appropriate, action plans to mitigate these risks. The methodology is fed by each department (based on the principle of accountability) and run by the Risk Manager. The Risk Manager makes available the methodology and tools required in terms of managing risk, then consolidates the results from the analyses of each department to produce the map mentioned above, based on various predefined risk typologies. This map is then submitted to the Executive Committee and Audit Committee by the Risk Manager at least twice a year (in June and December), identifying the level of severity for each typology, the nature of the most severe risks and the opportunities and existing and/or planned action plans for dealing with those risks. Changes in relation to previous periods are also highlighted, as well as each level of residual risk given the action plans. The exercise carried out in this respect within the Finance Department takes into account, among other things, the current and future risks related to financial, tax and regulatory reporting. The body of risks identified in this way is classified by importance, while the action plans are monitored.

II. INTERNAL CONTROL

The COSO framework defines internal auditing as a process performed by management at all levels of the organisation designed to provide reasonable assurance regarding the achievement of the following three objectives:

- the effectiveness and efficiency of transactions,
- the reliability of financial information,
- compliance with laws and regulations.

Internal control is everyone's business: management, executives and staff. It is a daily management process and part of continuous improvement. It is coordinated by the "Internal control" department, which operates under the authority of the Finance Department.

The overall internal control system at ORES is a systematic analysis process aimed at identifying and assessing the risks associated with operating processes and activities, opting to deal with risks, implementing any control measure that enables the risk to be contained at a level that is acceptable for ORES and monitoring the control system in place.

For all of the processes involved, including those relating to financial, tax and regulatory reporting, internal controlling incorporates, in its analysis and control procedures, the protection of assets by separating out tasks within the processes. It avoids having the same person initiate, authorise and record a transaction. It has policies in place for accessing the information systems and it monitors the way in which powers are delegated. This latter point is to limit the risk of errors and fraud. The accounting closure process is carried out in line with a timetable that defines the roles and responsibilities of everyone involved. It also includes control mechanisms designed to reduce the risk of errors to the minimum, as well as tests on certain transactions (for example tests conducted outside normal working hours). The aim is to achieve sufficient assurance as to the reliability of the financial information.

The results of the internal control are the subject of an annual review by the Executive Committee and the Audit Committee in order to assist it in its tasks.v

III. AUDITS

III.A INTERNAL AUDIT

Internal auditing is an independent and objective activity that provides the company with assurance on the degree of control of its operations, advises on how to improve them, and helps to create added value. It helps the company to achieve its objectives by assessing, through a systematic and methodical approach, its risk management, control and governance processes and by making proposals to strengthen their effectiveness.

Internal audit assignments are carried out in accordance with the annual audit plan, which is drawn up taking into account the risks to the company. Each audit report includes the findings, recommendations and action plan. These are monitored on a half-yearly basis. Internal audit activities are reported to the Executive Committee and the Audit Committee.

III.B EXTERNAL AUDIT

ORES is also subject to external audits conducted by an independent company auditor. These audits generally includes an assessment of the internal control and an analysis and review of the accounts, as well as compliance with legislation and regulations. On completion of this work, the auditor also issues an opinion of the statutory and consolidated results (annual and half-yearly). The auditor makes recommendations for improving the internal auditing systems. These recommendations, action plans and their implementation are the subject of an annual report to the Audit Committee.

Internal and external audits are conducted in order to monitor the quality of the financial, tax and regulatory reports.

IV. INFORMATION AND COMMUNICATION

The support methods used to ensure that the internal control process is efficient and that there is proper risk management include the communication of relevant information to ORES staff. This enables them to carry out their responsibilities and to achieve their targets. Financial information is required for budgeting, forecasting and checking compliance with the regulatory framework. Operational information is also essential for drawing up the various reports that are crucial for ensuring that the company functions properly. Numerous channels of communication are used: manual, memos, e-mails, intranet applications, etc.

C. Monitoring and evaluating results

Operational governance is conducted within a framework of an ongoing performance evaluation that includes indicators, risk management, internal auditing and general audits.

Monitoring activities include KPI reporting intended for the Executive Committee, on the one hand, and the Board of Directors, on the other. The main operating indicators are also tracked at a department level.

The financial results are the subject of internal reporting and are approved at various levels: the Executive Committee and, every six months, the Audit Committee whose Chairman presents an opinion to the Board of Directors.

1.8 Information to be inserted here pursuant to article 74, § 7, of the Public Takeover Bids Act of 1st April 2007

Does not apply

1.9 Additional information

The parent company, ORES Assets, does not have any staff of its own.

"Mirror" bodies have been established. In addition to the (Appointments and) Remuneration Committee, a "mirror" Board of Directors and Audit Committee have been established at ORES Assets and ORES, with unpaid mandates at ORES Assets and payment of emoluments at ORES (in accordance with the requirements of the CDLD).

These financial statements are subject to an administrative control procedure.

This management report will be filed in its entirety with the National Bank of Belgium (notes to the annual financial statements, annual financial statements, for the latter in the format of the full standardised template), accompanied by non-financial information (introduction and activity and sustainable development report, as well as the GRI index) and remuneration reports.

2. Annual financial statements

2.1. Consolidated balance sheet after distribution (in euros)[5]

ASSETS	Ann.	Codes	Financial year	Previous financial year
SET-UP COSTS	5.7	20		
FIXED ASSETS		21/28	**4,118,104,885.83**	**4,016,385,262.28**
Intangible fixed assets	5.8	21	**69,505,033.49**	**60,151,350.94**
Positive consolidation differences	5.12	9920		
Tangible fixed assets	5.9	22/27	**4,034,452,226.01**	**3,942,092,654.83**
• Land and buildings		22	133,356,018.49	133,452,061.26
• Plant, machinery and equipment		23	3,867,370,022.76	3,772,301,573.39
• Furniture and vehicles		24	33,109,067.40	35,199,146.95
• Leasing and similar charges		25		
• Other tangible fixed assets		26	617,117.36	1,139,873.23
• Fixed assets in progress and advance payments		27		
Financial fixed assets	5.1 - 5.4/5.10	28	**14,147,626.33**	**14,141,256.51**
• Affiliated companies	5.10	9921	10,989,617.24	10,989,617.24
- Holdings		99211	3,100.00	3,100.00
- Receivables		99212	10,986,517.24	10,986,517.24
• Other companies	5.10	284/8	3,158,009.09	3,151,639.27
- Holdings		284	17,180.25	17,180.25
- Receivables		285/8	3,140,828.84	3,134,459.02
CURRENT ASSETS		29/58	**672,238,456.23**	**748,658,582.13**
Amounts receivable after one year		29	**7,262,640.14**	**7,295,022.48**
• Trade receivables		290	3,980,301.24	3,150,946.16
• Other receivables		291	3,282,338.90	4,144,076.32
• Deferred taxes		292		
Stocks and orders in progress		3	**87,861,267.74**	**71,483,681.33**
• Stocks		30/36	77,023,613.74	59,941,507.22
- Supplies		30/31	77,023,613.74	59,941,507.22
- In manufacture		32		
- Finished products		33		
- Goods		34		
- Real estate property intended for sale		35		
- Advance payments		36		
• Orders in progress		37	10,837,654.00	11,542,174.11
Amounts receivable within one year		40/41	**227,102,267.27**	**186,435,834.26**
• Trade receivables		40	157,469,719.12	135,207,074.27
• Other receivables		41	69,632,548.15	51,228,759.99
Cash investments		50/53	**9,006,933.23**	**227,880,062.69**
• Own shares		50		
• Other investments		51/53	9,006,933.23	227,880,062.69
Disposable assets		54/58	**108,173,232.33**	**105,001,394.25**
Accruals		490/1	**232,832,115.52**	**150,562,587.12**
TOTAL ASSETS		20/58	**4,790,343,342.06**	**4,765,043,844.41**

5 Article 3:114 of the Royal Decree of 29th April 2019 implementing the Code of Companies and Associations.

LIABILITIES	Ann.	Codes	Financial year	Previous financial year
SHAREHOLDERS' EQUITY		10/15	**1,948,878,490.91**	**1,917,362,495.20**
Contribution[6]		10/11	**867,463,816.03**	**867,463,816.03**
• Capital		10		
- Subscribed capital		100		
- Non-subscribed capital stock		101		
• Non-capital		11		
- Issue premiums		1100/10		
- Other		1109/19		
• Available		110	**866,931,233.33**	**866,931,233.33**
• Unavailable		111	532,582.70	532,582.70
Revaluation gains		12	**429,609,826.75**	**450,378,584.95**
Consolidated reserves	(+)/(-) 5.11	9910	651,776,429.72	599,469,278.93
Negative consolidation differences	5.12	9911		
Allocations of consolidation differences		99201		
Exchange rate differences	(+)/(-)	9912		
Capital grants		15	28,418.41	50,815.29
THIRD-PARTY INTEREST				
Third-party interest		9913	3,132.87	3,196.60
PROVISIONS, DEFERRED TAXES AND LATENT TAX LIABILITIES		16	**22,325,291.22**	**78,576,697.18**
Provisions for risks and charges		160/5	**22,325,291.22**	**78,576,697.18**
• Pensions and similar obligations		160		
• Taxes		161		
• Major repairs and maintenance		162		
• Environmental obligations		163	3,619,418.01	3,619,418.01
• Other risks and charges		164/5	18,705,873.21	74,957,279.17
Deferred tax and latent tax liabilities	5.6	168		
DEBTS		17/49	**2,819,136,427.06**	**2,769,101,455.43**
Amounts payable after one year	5.13	17	**2,054,669,151.59**	**2,080,519,081.72**
• Financial debts		170/4	2,052,281,571.59	2,077,782,501.72
- Subordinated loans		170		
- Non-subordinated bond issues		171	380,000,000.00	380,000,000.00
- Leasing and other similar debts		172		
- Credit institutions		173	1,667,539,348.46	1,692,424,751.82
- Other borrowing		174	4,742,223.13	5,357,749.90
• Trade debts		175		
- Suppliers		1750		
- Notes payable		1751		
• Pre-payments on orders		176		
• Other debts		178/9	2,387,580.00	2,736,580.00
Amounts payable within one year	5.13	42/48	**672,167,091.73**	**592,946,831.40**
• Long-term debts falling due within the year		42	209,000,930.02	193,270,743.21
• Financial debts		43		
- Credit institutions		430/8		
- Other borrowing		439		
• Trade debts		44	225,392,171.75	164,121,399.14
- Suppliers		440/4	225,392,171.75	164,121,399.14
- Notes payable		441		
• Pre-payments on orders		46	75,235,237.07	77,271,443.65
• Debts for taxes, payroll and social contributions		45	71,676,659.61	79,014,218.79
- Taxes		450/3	12,106,485.57	26,778,052.10
- Remuneration and social charges		454/9	59,570,174.04	52,236,166.69
• Other amounts payable		47/48	90,862,093.28	79,269,026.61
Accruals		492/3	**92,300,183.74**	**95,635,542.31**
TOTAL LIABILITIES		10/49	**4,790,343,342.06**	**4,765,043,844.41**

6 Total of items 10 and 11 or items 110 and 111.

2.2 Consolidated profit-and-loss account (in euros)

(breakdown of operating results according to their nature)[7]

		Ann.	Codes	Financial year	Previous financial year
SALES AND SERVICES			70/76A	**1,412,572,034.30**	**1,308,946,013.63**
Turnover		5.14	70	1,130,317,079.42	1,049,631,260.52
Manufacturing work-in-progress, finished products and orders in progress: increase (reduction)	(+)/(-)		71	-704,520.11	2,954,599.87
Capitalised production			72	181,763,285.15	152,779,568.66
Other operating income			74	101,196,189.84	103,580,584.58
Non-recurrent operating income		5.14	76A		
COST OF SALES AND SERVICES			60/66A	**1,251,324,025.62**	**1,172,079,939.91**
Supplies and goods			60	172,482,523.62	132,034,795.71
• Purchases			600/8	189,405,985.92	138,088,265.71
• Stocks: reduction (increase)	(+)/(-)		609	-16,923,462.30	-6,053,470.00
Miscellaneous goods and services			61	625,119,171.72	512,540,890.78
Salaries, social charges and pensions		5.14	62	266,058,598.55	238,780,690.71
Depreciation and writedowns of set-up costs on intangible and tangible fixed assets			630	172,012,422.82	168,705,326.83
Value writedowns on stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)		631/4	290,342.69	-5,227,096.35
Provisions for risks and expenses: allocations (usage and writebacks)	(+)/(-)		635/8	-56,251,405.96	51,577,761.23
Other operating expenses			640/8	71,364,904.68	70,571,807.58
Operating expenses transferred to assets as restructuring costs	(-)		649		
Depreciation of goodwill			9960		
Non-recurrent operating expenses		5.14	66A	247,467.50	3,095,763.42
OPERATING PROFITS (LOSS)	(+)/(-)		9901	**161,248,008.68**	**136,866,073.72**
FINANCIAL INCOME			75/76B	**13,845,829.03**	**4,897,470.95**
Recurrent financial income			75	13,845,829.03	4,897,470.95
• Income from financial fixed assets			750	300.17	384.00
• Income from current assets			751	4,106,162.26	635,836.34
• Other financial products			752/9	9,739,366.60	4,261,250.61
Non-recurrent financial income		5.14	76B		
FINANCIAL EXPENSES			65/66B	**42,915,446.27**	**25,872,566.08**
Recurrent financial expenses			65	42,915,446.27	25,872,566.08
• Debt charges			650	42,642,090.35	24,248,780.41
• Depreciation of goodwill			9961		
• Writedowns of current assets other than stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)		651		
• Other financial costs			652/9	273,355.92	1,623,785.67
Non-recurrent financial expenses		5.14	66B		
PROFIT (LOSS) FOR THE FINANCIAL YEAR BEFORE TAXES	(+)/(-)		9903	**132,178,391.44**	**115,890,978.59**
DEDUCTIONS ON DEFERRED TAXES AND LATENT TAX LIABILITIES			780		
TRANSFER TO DEFERRED TAXES AND LATENT TAX LIABILITIES			680		
TAX ON THE RESULT	(+)/(-)		67/77	**25,972,352.95**	**36,389,840.49**
Taxes		5.14	670/3	26,713,470.88	50,607,373.78
Tax adjustments and writebacks of tax provisions			77	741,117.93	14,217,533.29
PROFIT (LOSS) FROM THE FINANCIAL YEAR	(+)/(-)		9904	**106,206,038.49**	**79,501,138.10**
SHARE IN THE RESULT OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD	(+)/(-)		9975		
Results in profit	(+)		99751		
Results in loss	(-)		99752		
CONSOLIDATED PROFIT (CONSOLIDATED LOSS)	(+)/(-)		9976	**106,206,038.49**	**79,501,138.10**
Share of third parties in the result	(+)/(-)		99761		
Share of the group in the result	(+)/(-)		99762	**106,206,038.49**	**79,501,138.10**

7 The operating results can also be classified according to their destination (pursuant to article 3:149, §2 of the Royal Decree of 29 April 2019 implementing the Code of Companies and Associations).

2.3 Notes to the consolidated accounts

LIST OF CONSOLIDATED SUBSIDIARIES AND COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

NAME, full address of the REGISTERED HEAD OFFICE and, for companies incorporated under Belgian law, COMPANY NUMBER	Method used (G/P/E1/ E2/E3/ E4)[8, 9]	Fraction of capital or contribution held (in %)[10]	Variation of the % of capital held or contribution (compared with the previous financial year)[11]
Opérateur de Réseaux d'Energies Cooperative company Avenue Jean Mermoz 14 6041 Gosselies Belgium 0897.436.971	G	99.72	0.0
ATRIAS Cooperative company Rue de la Chancellerie, 17, boite A 1000 Bruxelles 1 Belgium 0836.258.873	E1	16.67	0.0
COMNEXIO Cooperative company Avenue Georges Lemaitre 38 6041 Gosselies Belgium 0727.639.263	G	93.00	0.0

8 G. Full consolidation

P. Proportional consolidation (stating, in the first column, the elements resulting from the joint management)

E1 Associated company accounted for using the equity method (article 3:124, paragraph 1, 3° of the Royal Decree of 29 April 2019 relative to the implementation of the Code of Companies and Associations)

E2 De facto subsidiary accounted for using the equity method if its inclusion in the consolidated accounts is the contrary to an accurate picture (article 3:98 to 3:100 of the aforementioned Royal Decree)

E3 Accounts using the equity method for a subsidiary in liquidation, a subsidiary that has ceased trading, a subsidiary without the prospect of continuing trading (article 3:99 to 3:100 of the aforementioned Royal Decree)

E4 Accounts using the equity method for a joint subsidiary whose activity is not closely involved in the activity of the company with joint control (article 3:124, paragraph 2 of the aforementioned Royal Decree)

9 If a variation in the percentage holding of the capital or contribution causes the method used to be changed, the new method is followed by an asterisk.

10 Fraction of the capital or contribution held in these companies by companies included in the consolidation and by persons acting in their own name, but on behalf of these companies.

11 If the composition of the consolidated whole has been affected significantly during the financial year by variations in this percentage, additional information is provided in the section CONSO 5.5 (article 3:102 of the aforementioned Royal Decree).

CRITERIA FOR THE CONSOLIDATION AND MODIFICATIONS TO THE CONSOLIDATION SCOPE

If this information is of significant importance, the identification of the criteria governing the implementation of the methods of consolidation by full and proportional integration and the equity method, as case, with justification, wheter there are derogation from these criteria (pursuant to article 3:156, I. of the Royal Decree of 29 April 2019 implementing the Code of Companies and Associations).

See attached valuation rules

Information that makes the comparison with the consolidated accounts of the previous year significant if the composition of the consolidated group has undergone significant change during the financial year (pursuant to article 3:102 of the aforementioned Royal Decree).

STATEMENT OF INTANGIBLE FIXED ASSETS		Codes	Financial year	Previous financial year
DEVELOPMENT COSTS				
Acquisition value at the end of the financial year		8051P	xxxxxxxxxxxx	**132,490,752.88**
Movements during the financial year				
Acquisitions, including capitalised production		8021	19,932,313.77	
Disposals and decommissioning		8031	2,003,897.71	
Transfers from one heading to another	(+)/(-)	8041	-621,296.08	
Exchange rate differences	(+)/(-)	99811		
Other variations	(+)/(-)	99821		
Acquisition value at the end of the financial year		8051	**149,797,872.86**	
Depreciation and impairments at the end of the financial year		8121P	xxxxxxxxxxxxx	**72,339,401.94**
Movements during the financial year				
Recorded		8071	11,294,342.78	
Writebacks		8081		
Acquired from third parties		8091		
Cancelled		8101	2,003,897.71	
Transfers from one heading to another	(+)/(-)	8111		
Exchange rate differences	(+)/(-)	99831		
Other variations	(+)/(-)	99841		
Depreciation and impairments at the end of the financial year		8121	**81,629,847.01**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		81311	**68,168,025.85**	

		Codes	Financial year	Previous financial year
CONCESSIONS, PATENTS, LICENCES, EXPERTISE, BRANDS AND SIMILAR RIGHTS				
Acquisition value at the end of the financial year		8052P	xxxxxxxxxxxx	
Movements during the financial year				
Acquisitions, including capitalised production		8022	804,185.38	
Disposals and decommissioning		8032		
Transfers from one heading to another	(+)/(-)	8042	621,296.08	
Exchange rate differences	(+)/(-)	99812		
Other variations	(+)/(-)	99822		
Acquisition value at the end of the financial year		8052	**1,425,481.46**	
Depreciation and impairments at the end of the financial year		8122P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8072	88,473.82	
Writebacks		8082		
Acquired from third parties		8092		
Cancelled		8102		
Transfers from one heading to another	(+)/(-)	8112		
Exchange rate differences	(+)/(-)	99832		
Other variations	(+)/(-)	99842		
Depreciation and impairments at the end of the financial year		8122	**88,473.82**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		211	1,337,007.64	

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	**179,754,097.30**
Movements during the financial year				
Acquisitions, including capitalised production		8161	2,958,138.00	
Disposals and decommissioning		8171	2,039.57	
Transfers from one section to another	(+)/(-)	8181		
Exchange rate differences	(+)/(-)	99851		
Other variations	(+)/(-)	99861		
Acquisition value at the end of the financial year		8191	**182,710,195.73**	
Capital gains at the end of the financial year		8251P	xxxxxxxxxxxxx	**5,179,201.70**
Movements during the financial year				
Recorded		8211		
Acquired from third parties		8221		
Cancelled		8231		
Transfers from one section to another	(+)/(-)	8241		
Exchange rate differences	(+)/(-)	99871		
Other variations	(+)/(-)	99881		
Capital gains at the end of the financial year		8251	**5,179,201.70**	
Depreciations and impairments at the end of the financial year		8321P	xxxxxxxxxxxxx	**51,481,237.74**
Movements during the financial year				
Recorded		8271	3,052,790.96	
Writebacks		8281		
Acquired from third parties		8291		
Cancelled		8301	649.76	
Transfers from one section to another	(+)/(-)	8311		
Exchange rate differences	(+)/(-)	99891		
Other variations	(+)/(-)	99901		
Depreciations and impairments at the end of the financial year		8321	**54,533,378.94**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(22)	**133,356,018.49**	

STATEMENT OF TANGIBLE FIXED ASSETS		Codes	Financial year	Previous financial year
TECHNICAL PLAN, MACHINERY AND EQUIPMENT				
Acquisition value at the end of the financial year		8192P	xxxxxxxxxxxxxx	**5,605,388,413.77**
Movements during the financial year				
Acquisitions, including capitalised production		8162	260,836,518.00	
Disposals and decommissioning		8172	50,399,278.86	
Transfers from one heading to another	(+)/(-)	8182	-5,656.84	
Exchange rate differences	(+)/(-)	99852		
Other variations	(+)/(-)	99862		
Acquisition value at the end of the financial year		8192	**5,815,819,996.07**	
Capital gains at the end of the financial year		8252P	xxxxxxxxxxxxxx	**1,033,106,442.95**
Movements during the financial year				
Recorded		8212		
Acquired from third parties		8222		
Cancelled		8232		
Transferred from one section to another	(+)/(-)	8242		
Exchange rate differences	(+)/(-)	99872		
Other variations	(+)/(-)	99882		
Capital gains at the end of the financial year		8252	**1,033,106,442.95**	
Depreciations and impairments at the end of the financial year		8322P	xxxxxxxxxxxxxx	**2,866,193,283.33**
Movements during the financial year				
Recorded		8272	148,081,324.68	
Writebacks		8282		
Acquired from third parties		8292		
Cancelled		8302	32,718,191.75	
Transferred from one section to another	(+)/(-)	8312		
Exchange rate differences	(+)/(-)	99892		
Other variations	(+)/(-)	99902		
Depreciations and impairments at the end of the financial year		8322	**2,981,556,416.26**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(23)	**3,867,370,022.76**	

STATEMENT OF TANGIBLE FIXED ASSETS		Codes	Financial year	Previous financial year
FURNITURE AND VEHICLES				
Acquisition value at the end of the financial year		8193P	xxxxxxxxxxxxx	**186,039,051.75**
Movements during the financial year				
Acquisitions, including capitalised production		8163	7,690,419.15	
Disposals and decommissioning		8173	5,094,134.78	
Transfers from one section to another	(+)/(-)	8183	5,656.84	
Exchange rate differences	(+)/(-)	99853		
Other variations	(+)/(-)	99863		
Acquisition value at the end of the financial year		8193	**188,640,992.96**	
Capital gains at the end of the financial year		8253P	xxxxxxxxxxxxx	**769,326.59**
Movements during the financial year				
Recorded		8213		
Acquired from third parties		8223		
Cancelled		8233		
Transferred from one section to another	(+)/(-)	8243		
Exchange rate differences	(+)/(-)	99873		
Other variations	(+)/(-)	99883		
Capital gains at the end of the financial year		8253	**769,326.59**	
Depreciations and impairments at the end of the financial year		8323P	xxxxxxxxxxxxx	**151,609,231.39**
Movements during the financial year				
Recorded		8273	9,688,387.63	
Writebacks		8283		
Acquired from third parties		8293		
Cancelled		8303	4,996,366.87	
Transferred from one section to another	(+)/(-)	8313		
Exchange rate differences	(+)/(-)	99893		
Other variations	(+)/(-)	99903		
Depreciations and impairments at the end of the financial year		8323	**156,301,252.15**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(24)	**33,109,067.40**	

STATEMENT OF TANGIBLE FIXED ASSETS		Codes	Financial year	Previous financial year
OTHER TANGIBLE FIXED ASSETS				
Acquisition value at the end of the financial year		8195P	xxxxxxxxxxx	**4,168,451.05**
Movements during the financial year				
Acquisitions, including capitalised production		8165	46,564.13	
Disposals and decommissioning		8175	2,445,091.58	
Transfers from one section to another	(+)/(-)	8185		
Exchange rate differences	(+)/(-)	99855		
Other variations	(+)/(-)	99865		
Acquisition value at the end of the financial year		8195	**1,769,923.60**	
Capital gains at the end of the financial year		8255P	xxxxxxxxxxx	
Movements during the financial year				
Recorded		8215		
Acquired from third parties		8225		
Cancelled		8235		
Transferred from one section to another	(+)/(-)	8245		
Exchange rate differences	(+)/(-)	99875		
Other variations	(+)/(-)	99885		
Capital gains at the end of the financial year		8255		
Depreciations and impairments at the end of the financial year		8325P	xxxxxxxxxxxx	**3,028,577.82**
Movements during the financial year				
Recorded		8275	54,570.45	
Writebacks		8285		
Acquired from third parties		8295		
Cancelled		8305	1,930,342.03	
Transferred from one section to another	(+)/(-)	8315		
Exchange rate differences	(+)/(-)	99895		
Other variations	(+)/(-)	99905		
Depreciations and impairments at the end of the financial year		8325	**1,152,806.24**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(26)	**617,117.36**	

STATEMENT OF FINANCIAL FIXED ASSETS		Codes	Financial year	Previous financial year
COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD - SHAREHOLDINGS				
Acquisition value at the end of the financial year		8391P	xxxxxxxxxxxx	3,100.00
Movements during the financial year				
Acquisitions		8361		
Sales and disposals		8371		
Transfers from one section to another	(+)/(-)	8381		
Exchange rate differences	(+)/(-)	99911		
Acquisition value at the end of the financial year		8391	3,100.00	
Capital gains at the end of the financial year		8451P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8411		
Acquired from third parties		8421		
Cancelled		8431		
Exchange rate differences	(+)/(-)	99921		
Transferred from one section to another	(+)/(-)	8441		
Capital gains at the end of the financial year		8451		
Impairments at the end of the financial year		8521P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8471		
Writebacks		8481		
Acquired from third parties		8491		
Cancelled		8501		
Exchange rate differences	(+)/(-)	99931		
Transferred from one section to another	(+)/(-)	8511		
Impairments 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		
Variations in equity capital at the end of the financial year	(+)/(-)	9994P	xxxxxxxxxxxx	
Variations in equity capital of companies accounted for using the equity method	(+)/(-)	99941		
Share in the result for the financial year		999411		
Elimination of dividends relating to these shareholdings		999421		
Other types of variation of equity capital		999431		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(99211)	3,100.00	
COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD - RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		99212P	xxxxxxxxxxxx	10,986,517.24
Movements during the financial year				
Additions		8581		
Repayments		8591		
Impairments recorded		8601		
Impairments reversed		8611		
Exchange rate differences	(+)/(-)	99951		
Other	(+)/(-)	8631		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(99212)	10,986,517.24	
ACCUMULATED IMPAIRMENTS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8651		

		Codes	Financial year	Previous financial year
OTHER COMPANIES - PARTICIPATING INTERESTS				
Acquisition value at the end of the financial year		8392P	xxxxxxxxxxxx	**17,180.25**
Movements during the financial year				
Acquisitions		8362		
Sales and disposals		8372		
Transfers from one section to another	(+)/(-)	8382		
Exchange rate differences	(+)/(-)	99912		
Acquisition value at the end of the financial year		8392	**17,180.25**	
Capital gains at the end of the financial year		8452P	xxxxxxxxxxxx	
Movements during the financial year				
Recorded		8412		
Acquired from third parties		8422		
Cancelled		8432		
Exchange rate differences	(+)/(-)	99922		
Transferred from one section to another	(+)/(-)	8442		
Capital gains at the end of the financial year		8452		
Reductions in value at the end of the financial year		8522P	xxxxxxxxxxxx	
Movements during the financial year				
Recorded		8472		
Writebacks		8482		
Acquired from third parties		8492		
Cancelled		8502		
Exchange rate differences	(+)/(-)	99932		
Transferred from one section to another	(+)/(-)	8512		
Impairments at the end of the financial year		8522		
Amounts uncalled at the end of the financial year		8552P	xxxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8542		
Amounts uncalled at the end of the financial year		8552		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(284)	17,180.25	
OTHER COMPANIES - RECEIVABLES				
Net book value at the end of the financial year		285/8P	xxxxxxxxxxxx	**3,134,459.02**
Movements during the financial year				
Additions		8582	13,329.82	
Repayments		8592	6,960.00	
Impairments recorded		8602		
Impairments reversed		8612		
Exchange rate differences	(+)/(-)	99952		
Other	(+)/(-)	8632		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(285/8)	3,140,828.84	
ACCUMULATED IMPAIRMENTS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8652		

STATEMENT OF THE CONSOLIDATED RESERVES		Codes	Financial year	Previous financial year
Consolidated reserves at the end of the financial year	(+)/(-)	9910P	xxxxxxxxxxxx	**599,469,278.93**
Movements during the financial year				
Group share in the consolidated result	(+)/(-)	99002	106,206,038.49	
Other variations	(+)/(-)	99003	-53,898,887.70	
Other variations (to be broken down for significant amounts not attributed to the Group's share of consolidated net income)				
• Distribution of dividends			-74,667,709.69	
• Depreciation of revaluation gain			20,768,758.20	
• Variation of third-party interest			63.79	
Consolidated reserves at the end of the financial year	(+)/(-)	(9910)	**651,776,429.72**	

STATEMENT OF DEBT	Codes	Financial year
BREAKDOWN OF LIABILITIES ORIGINALLY DUE IN MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Debts at more than one year falling due within the year		
Financial debts	8801	209,000,930.02
• Subordinated loans	8811	
• Non-subordinated bond loans	8821	
• Finance-leasing and similar debts	8831	
• Credit institutions	8841	208,385,403.25
• Other borrowing	8851	615,526.77
Trade debts	8861	
• Suppliers	8871	
• Notes payable	8881	
Prepayments on orders	8891	
Other debts	8901	
TOTAL DEBTS AT MORE THAN ONE YEAR FALLING DUE WITHIN THE YEAR	(42)	**209,000,930.02**
Debt at more than one year but with a maximum of 5 years to run		
Financial debts	8802	784,818,224.98
• Subordinated loans	8812	
• Non-subordinated bond loans	8822	
• Finance-leasing and similar debts	8832	
• Credit institutions	8842	782,356,117.89
• Other borrowing	8852	2,462,107.09
Trade debts	8862	
• Suppliers	8872	
• Notes payable	8882	
Prepayments on orders	8892	
Other debts	8902	2,387,580.00
DEBT AT MORE THAN ONE YEAR BUT WITH A MAXIMUM OF 5 YEARS TO RUN	8912	**787,205,804.98**
Debts with more than 5 years to run		
Financial debts	8803	1,267,463,346.61
• Subordinated loans	8813	
• Non-subordinated bond loans	8823	380,000,000.00
• Finance-leasing and similar debts	8833	
• Credit institutions	8843	885,183,230.57
• Other borrowing	8853	2,280,116.04
Trade debts	8863	
• Suppliers	8873	
• Notes payable	8883	
Prepayments on orders	8893	
Other debts	8903	
TOTAL DEBTS WITH MORE THAN 5 YEARS TO RUN	8913	**1,267,463,346.61**

STATEMENT OF DEBT	Codes	Financial year
DEBTS (OR PART OF DEBTS) GUARANTEED BY REAL SURETIES ESTABLISHED OR IRREVOCABLY PROMISED ON THE ASSETS OF THE COMPANIES INCLUDED IN THE CONSOLIDATION		
Financial debts	8922	
Subordinated loans	8932	
Non-subordinated bond loans	8942	
Finance-leasing and similar debts	8952	
Credit institutions	8962	
Other borrowing	8972	
Trade debts	8982	
Suppliers	8992	
Notes payable	9002	
Prepayments on orders	9012	
Tax, payroll and social debts	9022	
Taxes	9032	
Remuneration and social charges	9042	
Other debts	9052	
TOTAL DEBTS (OR PART OF DEBTS) GUARANTEED BY REAL SURETIES ESTABLISHED OR IRREVOCABLY PROMISED ON THE ASSETS OF THE COMPANIES INCLUDED IN THE CONSOLIDATION	9062	

RESULTS	Codes	Financial year	Previous financial year
NET TURNOVER			
Breakdown by category of activity			
Distribution system operator		1,130,317,079.42	1,049,631,260.52
Breakdown by geographical market			
Belgium		1,130,317,079.42	1,049,631,260.52
Combined group turnover in Belgium	99083	1,130,317,079.42	1,049,631,260.52
AVERAGE HEADCOUNT (IN UNITS) AND STAFFING OVERHEADS			
Consolidating company and subsidiaries consolidated by full integration			
Average headcount	90901	2,859	2,691
• Workers	90911		
• Employees	90921	2,537	2,390
• Management staff	90931	322	301
• Other	90941		
Staffing overheads			
• Remuneration and social charges	99621	265,984,286.80	238,735,422.77
• Pensions	99622	74,311.75	45,267.94
Average headcount in Belgium employed by the companies concerned	99081	2,859	2,691
Subsidiaries consolidated by proportional integration			
Average headcount	90902		
• Workers	90912		
• Employees	90922		
• Management staff	90932		
• Other	90942		
Staffing overheads			
• Remuneration and social charges	99623		
• Pensions	99624		
Average headcount in Belgium employed by the companies concerned	99082		

RESULTS	Codes	Financial year	Previous financial year
NON-RECURRENT INCOME	76		
Non-recurrent operating income	76A		
Reversals of depreciations and impairments on intangible and tangible fixed assets	760		
Reversals of depreciations on consolidation differences	9970		
Reversals of provisions for exceptional operating risks and charges	7620		
Capital gains on realisation of intangible and tangible fixed assets	7630		
Other non-recurrent operating income	764/8		
• of which			
Non-recurrent financial income	76B		
Reversals of impairments on financial fixed assets	761		
Reversals of provisions for exceptional risks and financial expenses	7621		
Capital gains on the realisation of financial fixed assets	7631		
Other non-recurrent financial income	769		
• of which			

RESULTS		Codes	Financial year	Previous financial year
NON-RECURRENT EXPENSES		66	**247,467.50**	**3,095,763.42**
Non-recurrent operating expenses		66A	247,467.50	3,095,763.42
Non-recurrent depreciation and impairments on set-up costs, on intangible and tangible fixed assets		660	247,467.50	2,494.89
Depreciation on positive consolidation differences		9962		
Provisions for exceptional operating risks and expenses: allocations (usage)	(+)/(-)	6620		
Impairments on the realisation of intangible and tangible fixed assets		6630		3,093,268.53
Other non-recurrent operating expenses		664/7		
• of which				
Non-recurrent operating expenses carried to the assets as restructuring expenses	(-)	6690		
Non-recurrent financial expenses		66B		
Impairments on financial fixed assets		661		
Provisions for exceptional financial risks and expenses: allocations (usage)	(+)/(-)	6621		
Impairments on realisation of financial fixed assets		6631		
Other non-recurrent financial expenses		668		
• of which				
Non-recurrent financial expenses carried to the assets as restructuring expenses	(-)	6691		
Inclusion in the results of negative consolidation differences	(-)	9963		

RESULTS	Codes	Financial year	Previous financial year
TAX ON THE RESULT			
Difference between the tax charge allocated to the consolidated profit-and-loss account for the financial year and for previous financial years and the tax charge already paid or to be paid for these financial years, insofar as this difference is of a certain interest with regard to the future tax charge	99084		
Influence of the non-recurrent results on the amount of tax on the result for the financial year	99085		

OFF-BALANCE SHEET RIGHTS AND COMMITMENTS	Codes	Financial year
PERSONAL GUARANTEES established or irrevocably promised by the companies included in the consolidation as surety for third-party debts or commitments	9149	
REAL GUARANTEES established or irrevocably promised by the companies included in the consolidation on their own assets as surety for debts or commitments respectively:		
of companies included in the consolidation	99086	
of third parties	99087	
GOODS AND VALUABLES HELD BY THIRD PARTIES IN THEIR NAME BUT AT THE RISK AND BENEFIT OF COMPANIES INCLUDED IN THE CONSOLIDATION IF THEY ARE NOT SHOWN IN THE BALANCE SHEET	9217	
SIGNIFICANT COMMITMENTS FOR THE ACQUISITION OF FIXED ASSETS	9218	
SIGNIFICANT COMMITMENTS FOR THE DISPOSAL OF FIXED ASSETS	9219	
FEES RESULTING FROM TRANSACTIONS RELATING:		
to interest rates	99088	
to exchange rates	99089	
to the prices of raw materials or goods	99090	
to similar transactions	99091	
COMMITMENTS RESULTING FROM TRANSACTIONS RELATING:		
to interest rates	99092	
to exchange rates	99093	
to the prices of raw materials or goods	99094	
to similar transaction	99095	

	Financial year
COMMITMENTS RESULTING FROM TECHNICAL GUARANTEES ATTACHED TO SALES OR SERVICE ALREADY PROVIDED	

	Financial year
AMOUNT, NATURE AND FORM OF DISPUTES AND OTHER SIGNIFICANT AMOUNTS	
Surety in favour of Customs and Excise for the collection of the energy levy	40,818.00
Guarantees received from suppliers to ensure proper execution of orders	36,316,756.05
Bank guarantee for the lease of buildings	279,082.00
Guarantee in favour of the Walloon Region under the Impétrants decree	100,000.00
Guarantee in our favour for transit charges	39,903,648.00
Guarantee in our favour for the lease of buildings	12,000.00
COMMITMENTS FOR RETIREMENT AND SURVIVOR PENSIONS FOR THE BENEFIT OF STAFF OR DIRECTORS TO BE BORNE BY COMPANIES INCLUDED IN THE CONSOLIDATION	

	Financial year
NATURE AND FINANCIAL IMPACT OF SIGNIFICANT POST-CLOSING EVENTS not included in the balance sheet or the profit-and-loss account	

	Financial year
NATURE, COMMERCIAL OBJECTIVE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT RECORDED ON THE BALANCE SHEET	
On condition that the risks or benefits arising from such transactions are significant and insofar as the disclosure of risks or benefits is necessary to assess the financial situation of the companies included in the consolidation	

RELATIONSHIPS WITH AFFILIATED COMPANIES AND COMPANIES WITH WHICH THERE IS A SHAREHOLDING CONNECTION THAT ARE NOT INCLUDED IN THE CONSOLIDATION

	Codes	Financial year	Previous financial year
AFFILIATED COMPANIES			
Financial fixed assets			
Holdings and shares	9261		
Receivables	9291		
After one year	9301		
Within one year	9311		
Cash investments	9321		
Shares	9331		
Receivables	9341		
Debts	9351		
After one year	9361		
Within one year	9371		
Personal and real guarantees established or irrevocably promised by the company as surety for the debts or commitments of affiliated companies	9381		
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		
Other financial expenses	9471		
COMPANIES WITH A SHAREHOLDING CONNECTION			
Financial fixed assets			
Holdings and shares	9262		
Receivables	9292		
After one year	9302		
Within one year	9312		
Debts	9352	**9,667,718.43**	**8,955,007.75**
After one year	9362		
Within one year	9372	9,667,718.43	8,955,007.75

	Financial year
TRANSACTIONS WITH AFFILIATED COMPANIES OUTSIDE MARKET CONDITIONS	
Mention of such transactions, with the exception of transactions within the group, if they are significant, including the amount and indicating the nature of the relationship with the affiliated party, as well as any other information about the transactions that may be necessary to obtain a better understanding of the financial position of the companies included in the consolidation as a whole:	
None	

FINANCIAL RELATIONSHIPS WITH	Codes	Financial year
DIRECTORS OR SENIOR MANAGERS OF THE CONSOLIDATING COMPANY		
Overall amount of remuneration allocated on account of their function in the consolidating company, its subsidiaries and associated companies, including the amount for retirement pensions allocated as such to former directors or senior managers	99097	114,334.43
Overall amount of advances and loans granted by the consolidating company, by a subsidiary or by an associated company	99098	

FINANCIAL RELATIONSHIPS WITH	Codes	Financial year
THE AUDITOR(S) AND PERSONS WITH WHOM IT (THEY) ARE AFFILIATED		
Emoluments of the auditor(s) for exercising the mandate of auditor for the group headed by the company that publishes information	9507	**129,918.27**
Emoluments of the auditor(s) for performing exceptional services or for special assignments carried out for companies in the group		
Other certification assignments	95071	5,996.40
Tax advice	95072	
Other assignments in addition to auditing	95073	31,305.00
Emoluments of persons with whom the auditor(s) is (are) affiliated for exercising the mandate of auditor for the group headed by the company that publishes information	9509	
Emoluments of persons with whom the auditor(s) is (are) affiliated for performing exceptional services or for special assignments carried out for companies in the group		
Other certification assignments	95091	
Tax advice	95092	
Other assignments in addition to auditing	95093	
Notices pursuant to article 3:63, §6 of the Code of Companies and Associations		

DERIVED FINANCIAL INSTRUMENTS NOT ASSESSED AT FAIR VALUE

FOR EACH CATEGORY OF DERIVED FINANCIAL INSTRUMENTS NOT ASSESSED AS FAIR VALUE

				Financial year		Previous financial year	
Category of derived financial instruments	**Risk covered**	**Speculation/ covers**	**Volume**	**Book value**	**Fair value**	**Book value**	**Fair value**
Swaps (volumes expressed in 000 €)	Interest rates	Cover	83,189	0,00	3,180,865.97	0.00	6,018,647.19
Collar (volumes expressed in 000 €)	Interest rates	Cover	27,103	0,00	1,033,550.00	0.00	2,072,621.97
CAP (volumes expressed in 000 €)	Interest rates	Cover	134,349	0,00	7,121,180.78	0.00	13,242,969.12

	Book value	**Fair value**
FINANCIAL FIXED ASSETS ACCOUNTED FOR AT AN AMOUNT GREATER THAN THE FAIR VALUE		
Amounts of assets taken in isolation or suitably grouped together		
ATRIAS SC	3,100.00	3,100.00
Reasons for which the book value has not been reduced		
ATRIAS sc : ATRIAS works at cost for the Belgian DSOs (ORES Assets share: 16.67%). In view of the above, ORES Assets considers that the shareholding in its subsidiary (which corresponds to an amount equivalent to the percentage holding in equity capital) is assessed at its fair value and does not require depreciation.		
Elements that allow it to be supposed that the book value will be recovered.		

2.4. Valuation rules

Consolidation principles

ORES Assets is a gas and electricity distribution system operator (referred to hereinafter as DSO) in Wallonia, which, as of 31st December 2023, had exclusive control over its subsidiary, ORES, as well as its subsidiary, Comnexio. In order to prepare the Group's consolidated financial statements, ORES Assets has fully consolidated its two subsidiaries.

The Group's consolidated financial statements include all of the financial statements for the entities that it controls (its subsidiaries).

'Control' is defined as being the power to direct the financial and operational policies of an entity in order to enjoy the benefits of its activities. The type of control is assessed on a case-by-case basis pursuant to the Royal Decree of 29th April 2019 implementing the Code of Companies and Associations (hereinafter the Royal Decree of 29th April 2019).

Subsidiaries are entities controlled by the Group and are fully consolidated from the moment that the existence of control has been established and until such time as this control comes to an end.

Intragroup balances and transactions, as well as any profit resulting from intragroup transactions, are totally eliminated during the consolidation process for preparing the consolidated financial statements.

1. CONSOLIDATION DIFFERENCE

When the consolidating company incorporates a subsidiary into its consolidated accounts for the first time, the subsidiary's equity capital included in the consolidation is:

A the proportion of its equity represented by its stocks and shares owned by the parent company and the subsidiaries included in the consolidation, offset by the book value of these stocks and shares in the accounts of the parent company and the subsidiaries that own it, and;

B the proportion of its equity represented by its stocks and shares owned by persons and entities other than the consolidating company and the subsidiaries included in the consolidation, entered in the liabilities of the consolidated balance sheet under "third-party interests".

The difference resulting from this offsetting is charged in the consolidated accounts, insofar as is possible, to the elements of the assets and liabilities that have a value above or below their book value in the subsidiary's account.

The difference that remains after this is included in the consolidated balance sheet in "Consolidation differences", under assets if it is positive, or under liabilities if negative.

Positive and negative consolidation differences cannot be offset unless they refer to the same subsidiary; in this case, they must be offset.

Negative consolidation differences cannot be recorded in the consolidated profit-and-loss statement. However, when a negative consolidation difference corresponds to a forecast, on the relevant date, of a weakness in the future results of the subsidiary in question, or costs that it will incur, it is included in the consolidated profit-and-loss statement insofar as and at the time that this forecast becomes a reality.

2. COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

Affiliated companies are companies over which the Group exercises significant influence, but that it does not control. They are consolidated according to the equity method from the date on which the significant influence is established and until this influence ends.

When a holding is based on the equity method, it is included on the consolidated balance sheet at the amount corresponding to the proportion of the equity of the company concerned, including the profit/loss for the financial year, represented by this holding.

ASSETS

INCORPORATION COSTS

Included under this heading are costs associated with the incorporation, development or restructuring of the company, such as the charges for incorporation of increase in capital and the fees for issuing loans. The depreciation of incorporation costs must company with article 3:37 of the Royal Decree of 29th April 2019 stipulating that incorporation costs are the subject of appropriate depreciation, in annual tranches of 20% of at least the actual sums disbursed.

The fees for issuing loans are accounted for under this heading and depreciated within the year.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are intangible means of production. They represent fixed assets due to the fact that the company wishes to use them as operating resources. In other words, they imply an operating capability of limited or unlimited duration.

Pursuant to the Royal Decree of 29 April 2019 (article 3:89), a distinction must be made between:

- development costs;
- concessions, patents and licences, know-how, brands and other similar rights;
- goodwill;
- advances paid on intangible fixed assets.

Intangible fixed assets are recorded in the accounts if and only if it is probable that future economic benefits attributable to the asset will go to the company and if the cost of that asset can be valued in a reliable manner. Intangible fixed assets are valued initially at cost. The cost of an intangible fixed asset generated internally includes all costs attributable directly to it and is equal to the sum of the expenses incurred from the date on which this intangible fixed asset meets the accounting criteria in accordance with Belgian standards.

After they have been recorded in the accounts initially, intangible fixed assets are entered at cost, minus accumulated depreciations and accumulated impairment losses.

The Group also invests both in the development of IT projects and in research and development.

Costs likely to be capitalised as intangible fixed assets are the development and manufacturing costs of prototypes, products, inventions and know-how of value for the future activities of the company.

In this context, the following costs have been activated:

- staffing expenditure for researchers, technicians and other support staff, insofar as they are allocated to a project that meets the definition given above;
- the cost of instruments and hardware to the extent that and for as long as they are used for the completion of the project. If they are not used throughout their service life for the completion of the project, only the depreciation costs corresponding to the lifespan of the project will then be admissible;
- the costs for the services of consultants and equivalent services used for the completion of the project;
- other operating costs, in particular the cost of materials, supplies and similar products incurred directly on account of the completion of the project;
- costs incurred for IT licences.

The intangible fixed asset from the development cost activity is then depreciated using the linear method during the period it is used (set at five years) and reduced by any impairment losses.

For intangible fixed assets relating to IT projects, the period of depreciation changed to ten years for assets acquired from 2019 onwards; those predating 2019 continue to be depreciated over five years.

Fixed assets under construction are recognised directly in the commissioned intangible assets accounts.

TANGIBLE FIXED ASSETS

ACQUISITION VALUE

Tangible fixed assets are included under assets on the balance sheet at their purchase or cost price or their contribution value. Fixed assets under construction are recognised directly in the capitalized property, plant and equipment accounts.

ANCILLARY COSTS

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

THIRD-PARTY INPUT

Third-party input 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 facilities mentioned above.

DEPRECIATION

Depreciation is calculated on the basis of the linear method from the moment the asset is capitalised, regardless of the date the asset was put into service.

Facilities acquired during the financial year have, since 1st January 2015 and following on from ORES Assets being subject to corporation tax, been depreciated pro rata temporis. A facility purchased during the month will be amortised from the 1st day of month n + 1.

The depreciation rates to be taken into account are as follows:

Electricity facilities	Depreciation rates in %
Land	0
Industrial buildings	3
Administrative buildings	2
Cables	2
Lines	2
Fibre optic cable sheath signalling network	5
SMART equipment signalling network	10
Substations and cabins (high-voltage (HV) and low-voltage (LV) equipment)	3
Connections – transformers	3
Connections – lines and cables	2
Metering equipment	3
Electronic meters, budget meters, automatic meters	10
LV SMART electricity meters	6.7
Remote control, lab and dispatching equipment	10
Teletransmission	10
Fibre optics	5
Tools and equipment	10
Vehicles (to carry people and goods)	20
Mobile equipment	10
IT hardware	33

Gas facilities	Depreciation rates in %
Land	0
Industrial buildings	3
Administrative buildings	2
Pipes	2
Cabins - stations	3
Connections	3
Metering equipment	3
Lab, dispatching equipment	10
Budget meters, electronic meters, automatic meters	10
Low-pressure (LP) SMART gas meters	6.7
Remote control, dispatching equipment, lab equipment	10
Teletransmission	10
Fibre optics	5
Tools and equipment	10
Vehicles (to carry people and goods)	20
Mobile equipment	10
IT hardware	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 22nd November 1985.

Since 2003, at the same pace at which the electricity and natural gas markets have been deregulated, the intermunicipal companies operating in these areas have refocused their activities, essentially on the role of electricity and gas distribution system operator, a monopolistic activity 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).

Mixed 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 of 31st December 2001 (electricity) / 31st December 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 31st December 2005 for electricity and 31st December 2006 for natural gas.

The regulator requires the RAB to be taken into account to determine the basis for remunerating invested capital changes according to the following formula:

RAB n = iRAB + investments n
– depreciations n – decommissioning 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 with the book value.

This initial difference which appears in the balance sheet of the DSO 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.

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 a result, the tariff methodologies also stipulate that the value of economic reconstruction has changed every year since 1st 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.

At the end of each financial year, an individual assessment of each security in the portfolio is carried out in order to reflect, in as satisfactory a manner as possible, the company's situation, profitability and outlook in the holding where the stocks are held.

RECEIVABLES DUE AFTER MORE THAN ONE YEAR

Receivables due after more than one year are recorded at their book value.

STOCKS AND ORDERS IN PROGRESS

Stocks are valued at a weighted average price stocks. An impairment is recorded when the economic value of the stocks is lower than their book value. On this subject, additional flat-rate writedowns are recorded to adjust the book value, taking into account different age categories, stock rotation and possible market trends. Reduction rates may vary from 0% to 100%.

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 completed.

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 in the profit-and-loss statement. If some of these are subsequently recovered, the amount recovered will be shown as a credit in the profit-and-loss statement.

Unpaid receivables are covered by impairments when there is a certain risk that they will not be recovered. Following on from ORES Assets' liability for corporation tax, write-downs apply in different stages, following a specific schedule, and if a public procurement is in progress 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 writedowns 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

Investment securities are recorded in the assets on the balance sheet at their acquisition price, excluding ancillary costs, or at the input value.

At the end of the financial year, they are valued at the lowest of the following values: purchase price or input value or market value at the end of the financial year.

AVAILABLE ASSETS

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

ASSET ACCRUALS

1 Expenses incurred during the financial year, but chargeable in full or in part to one or more previous financial years, are valued 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.

Accruals 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) 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 not exceeding 20 years.

Also included in the asset accruals is the estimated value of transit charges for energy transported but not collected at 31st December.

"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 tariffs during the course of the financial year concerned).

Asset accruals include any "regulated assets" accounted for by virtue of the principle of annuality for expenditure and income. Indeed, non-controllable operating expenses and income are those over which ORES Assets has no direct control. Annual differences relating to non-controllable expenses, but also variances attributable to the difference between the volumes actually delivered and those estimated when calculating the tariffs, constitute, subject to the control of the CWaPE, either a receivable (regulatory asset or recognised deficit) or a debt (regulatory liability or recognised surplus) with respect to the customers and are transferred to the accruals accounts of the ORES Assets balance sheet.

These "regulatory assets" relating to the previous years are recovered using tariffs in accordance with the recommendations issued by the regulator in its decisions:

	Decision for approval	Decision for allocation
Balance electricity 2017	13th January 2021	27th May 2021 (*)
Balance electricity 2018	13th January 2021	27th May 2021 (*)
Balance electricity 2019	29th April 2021	27th May 2021 (*)
Balance electricity 2020	25th November 2021	To be determined on approval of authorised revenue 2025-2029 or 2026-2029
Balance gas 2020	25th November 2021	12th October 2023 (**)
Balance electricity 2021	15th December 2022	To be determined on approval of authorised revenue 2025-2029 or 2026-2029
Balance gas 2021	15th December 2022	12th October 2023 (**)
Balance electricity 2022	30th January 2024	To be determined on approval of authorised revenue 2025-2029 or 2026-2029
Balance gas 2022	30th January 2024	To be determined on approval of authorised revenue 2025-2029

(*) 20% to be allocated to the 2022 financial year, 40% to 2023 and the balance to be determined when the authorised revenue 2025 to 2029 or 2026-2029 is approved

(**) 100% allocation for 2024

The regulatory balances for 2023 (i.e. a regulatory asset of 142,880 k€ (entered in the asset accruals)) will only acquire definitive status once they have been approved by the CWaPE during its ex-post audit of the accounts for 2023.

The impact of these regulatory assets on the results for the intermunicipal company will be neutralised annually and partially by setting aside part of the fair profit margin (pay-out ratio set at 70% of the REMCI).

LIABILITIES

UNTAXED RESERVES

This item includes capital gains and profits whose untaxed 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 AFTER MORE THAN ONE YEAR

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

DEBTS DUE WITHIN ONE YEAR

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

LIABILITY ACCRUALS

1 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 amount attributable to the financial year.

2 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.

Liability accruals 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 (see the item for "Regulatory assets"). The regulatory balances for 2023, amounting to 142,880 k€ (regulatory liabilities) will only receive final status after their approval by the CWaPE during its ex-post audit of the accounts for the 2023 financial year. 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 of 31st December is also included in the liability accruals. "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 31st 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).

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5. AUDITORS' REPORT

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ORES ASSETS SC

Statutory auditor's report to the general meeting for the year ended 31st December 2023 (Consolidated financial statements)

Free translation

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STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF ORES ASSETS SC FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONSOLIDATED FINANCIAL STATEMENTS)

In the context of the statutory audit of the consolidated financial statements of ORES ASSETS SC ('the Company') and its subsidiaries (together referred to as 'the Group'), we hereby present our statutory auditor's report. It includes our report of the consolidated financial statements and the other legal and regulatory requirements. This report is an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting of 16 June 2022, following the proposal formulated by the administrative body issued upon recommendation of the Audit Committee and upon presentation by the works' council. Our statutory auditor's mandate expires on the date of the General Meeting deliberating on the financial statements closed on 31st December 2024. We have performed the statutory audit of the consolidated financial statements of the Group for 2 consecutive years.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have audited the consolidated annual accounts of the Group, which comprise the consolidated balance sheet as at 31st December 2023, the consolidated profit and loss account for the year then ended and the notes to the consolidated annual accounts, with the most important valuation rules, characterised by a consolidated balance sheet total of 4.790.343.342 EUR and a consolidated profit and loss account showing a consolidated profit for the year of 106.206.038 EUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's net equity and financial position as at 31st December 2023, as well as of its consolidated results for the year then ended, in accordance with the financial reporting framework applicable in Belgium and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) as applicable in Belgium. Our responsibilities under those standards are further described in the 'Statutory auditor's responsibilities for the audit of the consolidated financial statements' section in this report. We have complied with all the ethical requirements that are relevant to the audit of consolidated financial statements in Belgium, including those concerning independence.

We have obtained from the administrative body and the officials of the Company the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the administrative body for the preparation of the consolidated financial statements

The administrative body is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the financial reporting framework applicable in Belgium and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the administrative body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, the administrative body is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the administrative body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

When executing our audit, we respect the legal, regulatory and normative framework applicable for the audit of the consolidated financial statements in Belgium. However, a statutory audit does not guarantee the future viability of the Group, neither the efficiency and effectiveness of the management of the Group by the administrative body. Our responsibilities regarding the continuity assumption applied by the administrative body are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the administrative body;

- Conclude on the appropriateness of the administrative body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, the supervision and the performance of the Group audit. We assume full responsibility for the auditor's opinion.

We communicate with the the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the administrative body

The administrative body is responsible for the preparation and the contents of the director's report on the consolidated financial statements and for the other information included in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

In the context of our mission and in accordance with the Belgian standard (version revised 2020) which is complementary to the International Standards on Auditing (ISA) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the director's report on the consolidated financial statements, as well as to report on these elements.

Aspects relating to the director's report on the consolidated financial statements

In our opinion, after having performed specific procedures in relation to the director's report, this report is consistent with the consolidated financial statements for the same financial year, and it is prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the director's report on the consolidated financial statements contains any material misstatements, i.e. any information which is inadequately disclosed or otherwise misleading. Based on the procedures we have performed, there are no material misstatements we have to report to you.

Statement concerning independence

- Our audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated financial statements and our audit firm remained independent of the Group during the terms of our mandate.
- The fees related to additional services which are compatible with the statutory audit as referred to in article 3:65 of the Code of companies and associations were duly itemised and valued in the notes to the consolidated financial statements.

Battice, 6 May 2024

BDO Réviseurs d'Entreprises SRL
Statutory auditor
Represented by Christophe COLSON*
Auditor
*Acting for a company

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6. REMUNERATION REPORTS

Due to the common governance established in ORES Assets and ORES and for reasons of transparency, given that directorships are unpaid within ORES Assets and remunerated within ORES (in compliance with CDLD provisions), this report publishes the presentation of the management bodies and the remuneration reports of ORES Assets and ORES.

Given the equivalence of the requirements stated in L1523-17 and L6421-1 of the CDLD with those imposed by article 3:12 § 1 9° of the Code of Companies and Associations, this report has been drawn up to meet the obligations required both by the CDLD and the Code of Companies and Associations.

1. Presentation of the management bodies

ORES Assets

BOARD OF DIRECTORS

The Board of Directors is the company's decision-making body, with the exception of matters reserved for the 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, customers, 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, as well as its key policies and monitoring the running of the business. The intermunicipal company ORES Assets and its subsidiary ORES have a "mirror" Board of Directors.

In accordance with article L1523-15 of the CDLD, as set out in Article 14 of the ORES Assets Articles of Association, the Board of Directors is composed of twenty members of different genders, of whom thirteen members (2/3) represent the municipal shareholders and must, as such, be municipal representatives. The other seven represent the IFCs and may (or may not) be municipal representatives.

The members of the Board of Directors are distributed as follows:

- politically (on the basis of a double proportionality referred to in Article 14 of the ORES Assets Articles of Association, i.e. the d'Hondt method on nine directorships and the weighted d'Hondt method on the remaining eleven);
- geographically (in proportion to the supply points as available at the time of the municipal elections).

As well as this, in accordance with the CDLD, the members of the Board of Directors of ORES Assets sit on the company's management and control committees – offshoots of the Board of Directors – namely the Remuneration Committee and the Audit Committee. They are both constituted according to the principle of a "mirror" Committee between ORES Assets and ORES.

REMUNERATION COMMITTEE

The Remuneration Committee's role is to make recommendations about remunerating the directors to the General Meeting and report on their relevance by carrying out an annual assessment of the justification for the remuneration arrangements.

AUDIT COMMITTEE

This Committee is made up of five directors responsible for checking and overseeing the statutory and consolidated financial statements, as well as matters relating to financial information, internal control and risk management.

ORES

BOARD OF DIRECTORS

The Board of Directors is the company's decision-making body, with the exception of matters reserved for the 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, customers, 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.

Given the establishment of "mirror" Boards of Directors between the intermunicipal company ORES Assets and ORES, in accordance with Article 14 of the ORES Articles of Association, the composition of this body is based on a proposal from ORES Assets. It must be carried out in accordance with Walloon legislation relating to intermunicipal companies and more particularly with Article L1523-15 of the CDLD, as set out in Article 14 of the ORES Assets Articles of Association, as mentioned above in the presentation of the management bodies of ORES Assets.

As well as this, members of the Board of Directors of ORES Assets sit on the company's management and control committees – offshoots of the Board of Directors – namely the Executive Board, the Appointments and Remuneration Committee and the Audit Committee.

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 Walloon legislation relating to electricity and/or natural gas distribution systems operators. The ORES Executive Board is made up of five members.

APPOINTMENTS 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 ORES Appointments and Remuneration Committee. Constituted according to the principle of the "mirror" Committee between ORES Assets and ORES, this committee has five members.

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 composed of five directors. It has been established according to the principle of a "mirror" Committee between ORES Assets and ORES.

EXECUTIVE COMMITTEE

The management of the company is entrusted to the Executive Committee. It is composed of eight members, including its Chairman.

2. Report from the ORES Assets Remuneration Committee

ORES Assets – Annual report from the Remuneration Committee on the assessment of the appropriate nature of the remuneration paid to the corporate officers of the intermunicipal company in 2023.

Preliminary remark:

This report is drawn up by the Remuneration Committee and proposed to the ORES Assets Board of Directors for approval in accordance with the requirements of Article 19.6 of the articles of association of the intermunicipal company and Article L1523-17, §2 of the Local Democracy and Decentralisation Code (CDLD).

Its purpose is to assess the appropriate nature of the remuneration paid to the directors of the intermunicipal company in 2023. The individual statement of attendance of directors forms an integral part of the report to be drawn up by the Board of Directors pursuant to Article L6421-1 of the CDLD - consolidated remuneration report with ORES sc.

Assessment of the appropriate nature of the non-remuneration of the mandates held at ORES Assets:

The Remuneration Committee notes that, as decided by the General Meeting of 22 June 2017 and confirmed by the resolutions of 28th June 2018 and 29th May 2019, all mandates in ORES Assets are exercised free of charge, it being understood that the same persons make up the Board of Directors of ORES sc and are remunerated in respect of this mandate in accordance with the limits and requirements of the CDLD in this respect

The same applies to the exercise of mandates within the framework of Committees set up within the Board.

Conclusions of the Remuneration Committee

At its meeting on 20th March 2024, the Remuneration Committee noted that the remuneration arrangements stated above were the strict application of the resolutions mentioned above adopted by the General Meeting, which has authority in this matter.

It also noted that the fact that mandates within ORES Assets are exercised free of charge, as part of the governance rules common to ORES Assets and ORES sc, remains relevant and that, consequently, the Committee does not make any recommendation to the General Meeting with a view to any change in the remuneration of mandates within ORES Assets.

Signed at the meeting of 20th March 2024.

Rosalia TUDISCA, Secretary

Danièle STAQUET, Chair

3. Report from the ORES Appointments and Remuneration Committee

ORES – Annual report from the Appointments and Remuneration Committee on the assessment of the appropriate nature of the remuneration paid to corporate officers in 2023.

Preliminary remark:

This report is drawn up by the Appointments and Remuneration Committee and proposed to the ORES Board of Directors for approval in accordance with the requirements of Article L 1523-17, §2 of the Local Democracy and Decentralisation Code (CDLD).

Its purpose is to assess the appropriate nature of the remuneration paid to ORES directors in 2023. The individual statement of attendance of directors and their remuneration forms an integral part of the report to be drawn up by the Board of Directors pursuant to Article L6421-1 of the CDLD - consolidated remuneration report with ORES Assets.

Assessment of the appropriate nature of the mandates held at ORES in 2023

The terms of remuneration for the mandates were broken down as follows:

i. Terms of remuneration for mandates (Chairman, Vice Chairman and member of the Board of Directors):

Position	(Gross) remuneration	Payment frequency
Chairman of the Board of Directors	Annual remuneration of 19,997.14 € (index 138.01)	Monthly (remuneration + mileage allowance*)
Vice Chairman of the Board of Directors	Annual remuneration of 14,997.85 € (index 138.01)	Monthly (remuneration + mileage allowance*)
Member of the Board of Directors	Attendance fee of 125 € (index 138.01).	Half-yearly (attendance fee + mileage allowance*)

(*) 0.35 € per km, and indexed in accordance with FPS Finance regulations

It should be noted that the attendance clause applicable to remuneration for the mandates of Chairman and Vice Chairman was amended during 2023 on the recommendation of this Committee to the General Meeting of 14th December 2023.

Accordingly, for the first half of 2023 and by resolution of the General Meeting of 29th May 2019, the gross half-yearly remuneration will be awarded to the Chairman and Vice Chairman at a rate of 100% if the aforementioned representative attends 80% of the meetings of the management bodies.

From the 2nd half of 2023, by resolution of the General Meeting of 14th December 2023, the gross monthly remuneration will be allocated to the Chairman and Vice Chairman at 100% if the aforementioned representative attends 100% of the meetings of the management bodies during the month. If this is not the case, the gross monthly fee will be paid on a pro rata basis based on attendance at meetings during the month.

ii. Terms of remuneration for the mandates of Committees:

Position	(Gross) remuneration	Payment frequency
Committee Chair	Attendance fee of 180 € (index 138.01)	Half-yearly (attendance fee + mileage allowance*)
Committee Member	Attendance fee of 125 € (index 138.01).	Half-yearly (attendance fee + mileage allowance**

(*) a mileage allowance of €0.35/km is granted to directors, indexed in accordance with FPS Finance regulations.

Conclusions of the Appointments and Remuneration Committee

The Appointments and Remuneration Committee notes that the terms of the remuneration paid in 2023 are the strict application of the resolutions adopted by the General Meeting – which has authority in this matter – on 28th June 2018 and 29th May 2019 for the first half of 2023 and on 14th December 2023 for the second half of 2023.

It should be noted that at its meeting on 28th April 2021, the Appointments and Remuneration Committee took note of the opinion of the WPS of 2nd April 2021 regarding their interpretation of the provision of Article L5311-1, §12 of the CDLD relating to the remuneration of the fee allocated to the Chairman of the Audit Committee.

In view of the changing interpretation of the provisions of Article L 5311-1 of the CDLD, especially with regard to the scope of the principles applicable to the chairmanship of restricted management committees, the Appointments and Remuneration Committee reiterated its firm determination to comply with the legality and governance rules of the CDLD and mandated ORES to take all necessary steps with the competent administrative authorities to clarify this point.

ORES therefore asked the Union des Villes et Communes de Wallonie and the Minister for Local Authorities to clarify the matter and received a recommendation from its Appointments and Remuneration Committee to align itself, if necessary, at a forthcoming General Meeting; governance remains an ongoing and evolving concern for ORES.

Accordingly, the Appointments and Remuneration Committee reiterates its recommendation that the remuneration arrangements applicable to the chairmanship of select management committees should be complied with.

Subject to a position to be received from the Minister for Local Authorities as to the interpretation to be adopted of article L 5311-1 of the CDLD concerning the chairmanship of the restricted management committees, the currently applicable procedures set out above are maintained.

Signed at the meeting of 20th March 2024.

Rosalia TUDISCA, Secretary

Danièle STAQUET, Chair

4. Report from the ORES Assets Board of Directors

General information about the institution

Identification number (CBE)	0543.696.579
Type of institution	Intermunicipal company
Name of the institution	ORES Assets
Reporting period	2023

	Number of meetings
General meeting	03
Board of Directors	11
Remuneration Committee	01
Audit Committee	03

Members of the Board of Directors

Position	**Last name and first name**	**Gross annual remuneration**	**Breakdown of remuneration and benefits**	**Reason for the remuneration if other than an attendance fee**	**List of mandates associated with the position and any remuneration**	**Percentage attendance at meetings**
Chairman of the Board of Directors	DE VOS Karl	In accordance with the deliberations of the General Meeting of 29th May 2019, all mandates in ORES Assets are exercised free of charge, it being understood that the same persons make up the Board of Directors of ORES and are remunerated in the context of this mandate in accordance with the limits and prescriptions of the CDLD in this matter.			None	100%
Vice Chairman of the Board of Directors	BINON Yves				None	100%
Director	BELLEFLAMME Elodie				None	100%
Director – member of the Audit Committee	BULTOT Claude				None	79%
Director – Chair of the Audit Committee	BURNET Anne-Caroline				None	93%
Director	de BEER de LAER Hadelin				None	100%
Director – member of the Remuneration Committee	DELLICOUR Jean-Pol (*)				None	Not applicable
Director – member of the Remuneration Committee	DEMANET Nathalie				None	25%
Director – member of the Audit Committee	DUTHY André				None	57%
Director – member of the Remuneration Committee	FAYT Christian				None	83%
Director	FRANCEUS Michel				None	55 %
Director	GILLIS Alain				None	100%
Director	HARDY Cerise				None	91%
Director	MAITREJEAN Camille (**)				None	67%
Director	MELLOUK Mohammed Amine				None	91%
Director – member of the Remuneration Committee	MEURENS Jean-Claude (***)				None	91%
Director	PIERMAN Thomas				None	100%
Director – member of the Remuneration Committee	PITZ Mario				None	92%
Director – Chair of the Remuneration Committee	STAQUET Danièle				None	92%
Director - member of the Audit Committee	VAN HOUT Florence				None	100%
Director	VEREECKE Anne(****)				None	100%
Director – member of the Audit Committee	VITULANO Maria				None	100%
Overall total	22					

* Mr DELLICOUR Jean-Pol was co-opted by the Board of Directors on 13th December 2023 to fill the vacant mandate following the resignation of Mr MEURENS Jean-Claude. His term of mandate took effect on 14th December 2023.

** Ms MAITREJEAN Camille was co-opted by the Board of Directors on 24th May 2023 to fill the vacant mandate following the resignation of Ms VEREECKE Anne. Her term of mandate took effect on 25th May 2023.

*** Mr MEURENS Jean-Claude resigned from his mandate on 1st December 2023.

**** Ms VEREECKE Anne resigned from her mandate on 1st March 2023.

Holders of senior management positions

Position[9]	Last name and first name	Gross annual remuneration[11]	Breakdown of gross annual remuneration[12]	List of mandates associated with the position and any remuneration
Local senior officer	**None** ORES Assets has no staff and therefore no management positions. The day-to-day and operational management of ORES Assets is entrusted to its subsidiary ORES under the articles of association pursuant to Article 16§1 of the Electricity Decree.			
Director x				
Director...				
Deputy director				
Deputy director ...				
Other ...				
Total remuneration				

Supplementary pension plan of the local senior officer (Delete where not applicable)

- If the holder of the position of local senior officer covered by a group insurance policy? does not apply
- If yes, is it a defined contributions pension plan, in accordance with Appendix 4 of the Local Democracy and Decentralisation Code? does not apply
- Are the percentage and terms of the group insurance policy applicable identically to all contracted staff, in accordance with Appendix 4 of the Local Democracy and Decentralisation Code? does not apply
- What was the amount received during the year by the holder of the position of local senior officer as part of the group insurance policy? /

[9] Indicate the position occupied within the structure, on the understanding that this only applies to senior management staff of the structure.
[11] Indicate the total gross indexed annual remuneration, including all amounts paid in cash and all benefits assessable in cash.
[12] Give details of the various components of the gross annual remuneration (amounts in cash, any other benefits in line with the rules stated in Appendix 4 of this Code.)

Appendices:

- *Appendix 1: Members' names and list of their attendance at meetings of the management bodies*
- *Appendix 2: Summary sheet of the amounts paid to the Chairman and Vice Chairman of legal entities or de facto associations, and their justification for each month*

Appendix 1: List of members' names and their attendance at management body meetings

ORES Assets – Management Body 1: Board of Directors

Position	Last name – First name	BoD 25/01/2023	BoD 15/02/2023	BoD 22/03/2023	BoD 26/04/2023	BoD 24/05/2023	BoD 21/06/2023	BoD 27/09/2023	BoD 11/10/2023	BoD 18/10/2023	BoD 22/11/2023	BoD 13/12/2023	Total attendance rate - %	
Chairman	DE VOS Karl	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
Vice Chairman	BINON Yves	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
Directors	BELLEFLAMME Elodie	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
	BULTOT Claude	V	V	V	0	V	V	V	V	V	0	0	8/11	73%
	BURNET Anne-Caroline	V	V	V	V	V	V	V	0	V	V	V	10/11	91%
	de BEER de LAER Hadelin	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
	DELLICOUR Jean-Pol (*)												Not applicable	
	DEMANET Nathalie	0	0	0	0	0	0	0	0	V	V	V	3/11	27%
	DUTHY André	0	V	0	V	0	0	V	0	V	V	0	5/11	45%
	FAYT Christian	V	V	V	V	0	V	0	V	V	V	V	9/11	82%
	FRANCEUS Michel	0	V	0	V	V	V	V	0	V	0	0	6/11	55%
	GILLIS Alain	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
	HARDY Cerise	V	V	V	V	V	V	0	V	V	V	V	10/11	91%
	MAITREJEAN Camille						V	0	V	V	0	V	4/6	67%
	MELLOUK Mohammed Amine	V	V	V	V	0	V	V	V	V	V	V	10/11	91%
	MEURENS Jean-Claude	V	V	V	V	V	0	V	V	V	V		9/10	90%
	PIERMAN Thomas	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
	PITZ Mario	V	V	V	V	V	V	V	0	V	V	V	10/11	91%
	STAQUET Danièle	V	0	V	V	V	V	V	V	V	V	V	10/11	91%
	VAN HOUT Florence	V	V	V	V	V	V	V	V	V	V	V	11/11	100%
	VEREECKE Anne	V	V										2/2	100%
	VITULANO Maria	V	V	V	V	V	V	V	V	V	V	V	11/11	100%

(*) Took mandate 14th December 2023

ORES Assets – Management Body 2: Remuneration Committee

Position	Last name – First name	Remuneration Committee 08/03/2023	Total attendance rate - %	
Chair	STAQUET Danièle	V	1/1	100%
Members	DELLICOUR Jean-Pol (*)		Not applicable	
	DEMANET Nathalie	0	0/1	0%
	FAYT Christian	V	1/1	100%
	MEURENS Jean-Claude	V	1/1	100%
	PITZ Mario	V	1/1	100%

(*) Took mandate 14th December 2023

ORES Assets – Management Body 3: Audit Committee

Position	Last name – First name	Audit Committee 19/04/2023	Audit Committee 20/09/2023	Audit Committee 06/12/2023	Total attendance rate - %	
Chair	BURNET Anne-Caroline	V	V	V	3/3	100%
Members	BULTOT Claude	V	V	V	3/3	100%
	DUTHY André	V	V	V	3/3	100%
	VAN HOUT Florence	V	V	V	3/3	100%
	VITULANO Maria	V	V	V	3/3	100%

Appendix 2: Summary sheet of the amounts paid to the Chairman and Vice Chairman of legal entities or de facto associations, and their justification for each month

None: in accordance with the deliberation of the General Meeting of 29th May 2019, all mandates in ORES Assets are exercised free of charge, it being understood that the same persons make up the Board of Directors of ORES and are remunerated in the context of this mandate according to the limits and requirements of the CDLD in this matter.

Gosselies, 20th March 2024

Karl DE VOS
Chairman of the Board of Directors

5. Report from the ORES Board of Directors

General information about the institution

Identification number (CBE)	0897.436.971
Type of institution	Company with significant local public participation
Name of the institution	ORES
Reporting period	2023

	Number of meetings
General meeting	02
Board of Directors	10
Executive Board	09
Appointments and Remuneration Committee	04
Audit Committee	03

1. Members of the Board of Directors

Position	**Last name and first name**	**Gross annual remuneration**	**Breakdown of remuneration and benefits**	**Reason for the remuneration if other than an attendance fee**	**List of mandates associated with the position and any remuneration**	**Percentage attendance at meetings**
Chairman of the Board of Directors Member of the Executive Board	DE VOS Karl	37,420.48 € (incl. mileage allowance 320.78 €) (-WT 37.35%: 13,976.52 €)	*Remuneration as Chairman:* Gross annual remuneration of 19,997.14 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	Remuneration as Chairman	None	95%
Vice Chairman of the Board of Directors Member of the Executive Board	BINON Yves	29,424.60 € (incl. mileage allowance 490.12 €) (-WT 37.35%: 10,990.11 €)	*Remuneration as Vice Chairman:* Gross annual remuneration of 14,997.85 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	Remuneration as Vice Chairman	None	100%
Director	BELLEFLAMME Elodie	2,808.18 € (incl. mileage allowance 303.28 €) (-WT 37.35%: 1,048.85 €)	*Attendance fee as director* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Audit Committee	BULTOT Claude	2,953.14 € (incl. mileage allowance 448.24 €) (-WT 37.35%: 1,102.99 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	77%

Director Chair of the Audit Committee	BURNET Anne-Caroline	4,063.67 € (incl. mileage allowance 471.63 €) (-WT 37.35%: 1,517.76 €)	*Attendance fee as director:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Attendance fee as Chair of the Audit Committee:* Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director	de BEER de LAER Hadelin	2,818.72 € (incl. mileage allowance 313.82 €) (-WT 37.35%: 1,052.79 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Appointments and Remuneration Committee	DELLICOUR Jean-Pol (*)	Not applicable	Not applicable	None	None	Not applicable
Director Member of the Appointments and Remuneration Committee	DEMANET Nathalie	956.21 € (incl. mileage allowance 201.24 €) (-WT 37.35%: 357.13 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	36%
Director Member of the Audit Committee	DUTHY André	2,594.78 € (incl. mileage allowance 589.86 €) (-WT 37.35%: 969.12 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	62%
Director Member of the Appointments and Remuneration Committee	FAYT Christian	2,588.49 € (incl. mileage allowance 333.58 €) (-WT 37.35%: 966.82 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	79%
Director	FRANCEUS Michel	2,132.98 € (incl. mileage allowance 633.04 €) (-WT 37.35%: 796.65 €)	*Attendance fee as director:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index	None	None	60%

			Mileage allowance: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff			
Director Member of the Executive Board	GILLIS Alain	5,226.93 € (incl. mileage allowance 467.12 €) (-WT 50%: 2,613.59 €)	*Attendance fee as director/Board member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director	HARDY Cerise	2,363.67 € (incl. mileage allowance 108.76 €) (-WT 37.35%: 882.81 €)	*Attendance fee as director*: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	90%
Director Member of the Executive Board	MAITREJEAN Camille (**)	2,211.52 € (incl. mileage allowance 701.58 €) (-WT 37.35%: 825.98 €)	*Attendance fee as director/ board member*: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	67%
Director	MELLOUK Mohammed Amine	2,992.27 € (incl. mileage allowance 737.36 €) (-WT 37.35%: 1,117.62 €)	*Attendance fee as director*: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	90%
Director Member of the Appointments and Remuneration Committee	MEURENS Jean-Claude (***)	3,160.61 € (incl. mileage allowance 910.70 €) (-WT 37.35%: 1,180.47 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	92%
Director Member of the Executive Board	PIERMAN Thomas	5,600.99 € (incl. mileage allowance 841.18 €) (-WT 37.35%: 2,091.93 €)	*Attendance fee as director/Board member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%

Director Member of the Appointments and Remuneration Committee	PITZ Mario	3,999.49 € (incl. mileage allowance 1,244.60 €) (-WT 37.35%: 1,493.81 €)	*Attendance fee as director*: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Chair of the Appointments and Remuneration Committee	STAQUET Danièle	2,891.85 € (incl. mileage allowance 276.96 €) (-WT 37.35%: 1,080.10 €)	*Attendance fee as director*: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Attendance fee as Chair of the Appointments and Remuneration Committee:* Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	93%
Director Member of the Audit Committee	VAN HOUT Florence	3,879.49 € (incl. mileage allowance 619.62 €) (-WT 37.35%: 1,448.98 €)	*Attendance fee as director/Committee member*: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance*: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Executive Board	VEREECKE Anne (****)	999.96 € (-WT 37.35%: 373.48 €)	*Attendance fee as director/Board member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index	None	None	100%
Director Member of the Audit Committee	VITULANO Maria	5,169.41 € (incl. mileage allowance 1,909.48 €) (-WT 37.35%: 1,930.75 €)	*Attendance fee as director/Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%

(*) Mr Jean-Pol DELLICOUR was co-opted by the Board of Directors on 13th December 2023 to fill the vacant mandate following the resignation of Mr Jean-Claude MEURENS. His term of mandate took effect from 14th December 2023.

(**) Ms MAITREJEAN Camille was co-opted by the Board of Directors on 24th May 2023 to fill the vacant mandate following the resignation of Ms VEREECKE Anne. Her term of mandate took effect on 25th May 2023.

(***) Mr Jean-Claude MEURENS resigned his mandate on 1st December 2023.

(****) Ms Anne VEREECKE resigned her mandate on 1st March 2023

Holders of senior management positions – Executive Committee

Position	Last name and first name	Gross annual remuneration	Breakdown of gross annual remuneration									List of mandates associated with the position and any remuneration
			Gross base salary	NOSS contribution on salary	Gross taxable	Individual bonus *	NOSS contribution on individual bonus.	Taxable individual bonus	Collective bonus **	Solidarity contribution collective bonus	Taxable collective bonus	
Local senior official	GRIFNEE Fernand	314,818.76 € ***	**314,818.76 €**	41,146.81 €	273,671.95 €	-	-	-	-	-	-	Chairman SYNERGRID – Unremunerated Director Atrias – Unremunerated Chaiman AGRW - Unremunerated
Network director	MOES Didier	305,275.15 €	**256,651.65€**	32,578.55 €	224,073.10 €	**44,523.50 €**	1,939.74 €	12,901.43 €	**4,100 €**	**535.87 €**	**69.54 €**	Director Gas.be – Unremunerated Director AGRW - Unremunerated
Seconded director	DECLERCQ Christine	278,317.82 €	**255,136.32€**	32,348.19 €	222,788.13 €	**19,081.50 €**	831.32 €	5,529.18 €	**4,100 €**	**535.87 €**	**69.54 €**	None
Director Customers and Markets	DEVOLDER Olivier	252,365.81 €				**47,067.70 €**	2,050.58 €	13,638.65 €	**4,100 €**	**535.87 €**	**69.54 €**	Director ATRIAS – Unremunerated Director SYNEGRID - Unremunerated
Director Strategy and Transformation	MAHAUT Sébastien	284,955.04 €	**245,872.29€**	31,161.39 €	214,710.90€	**34,982.75 €**	1,524.08 €	10,136.83 €	**4,100 €**	**535.87 €**	**69.54 €**	None
Director IT	MEDAETS Benoît	275,983.51 €	**236,900.76€**	30,799.69 €	206,101.07€	**34,982.75 €**	1,524.08 €	10,136.83 €	**4,100 €**	**535.87 €**	**69.54 €**	None
Director Finance	OFFERGELD Dominique	272,349.64 €	**249,168.14€**	31,586.83 €	217,581.31€	**19,081.50 €**	831.32 €	5,529.18 €	**4,100 €**	**535.87 €**	**69.54 €**	Director Contassur - Unremunerated
Director Human Resources	DEMARS Frédéric	279,943.85 €	**240,861.10€**	31,320.97 €	209,540.13€	**34,982.75 €**	1,524.08 €	10,136.83 €	**4,100 €**	**535.87 €**	**69.54 €**	Director Enerbel (pension fund) - Unremunerated Director Powerbel (Pension fund) - Unremunerated
Director Corporate	DE COSTER Nicolas	254,084.38 €	**202,916.68€**	26,384.52€	176,532.16€	**47,067.70 €**	2,050.58 €	13,638.65 €	**4,100 €**	**535.87 €**	**69.54 €**	None
Overall total		**2,518,093.96€**	**2,203,523.81€**			**281,770.15 €**			**32,800 €**			

* Estimated value of the individual bonus using the index for March 2024 (127.51), applicable in Joint Representation Committee 326.

** These bonuses are paid in accordance with the Remuneration Policy for Executives and Senior Executives as follows: 1/3 in the form of a gross bonus and 2/3 in financial products. Warrants or stock options represent a benefit in kind that are subject to exceptional withholding tax, the amount of which is only known when they are granted (26/03/2024). This taxable benefit in kind is not included in the taxable amount shown here.

*** Remuneration established in accordance with Appendix 4 of the Local Democracy and Decentralisation Code and Article 82 of the Decree of 28/03/2018, but also as provided for in the employment contract of Mr Fernand Grifnée. The remuneration shown here does not take into account the various negative adjustments made in 2023 to ensure compliance with the CDLD.

**** Total gross remuneration does not include collective benfits granted to ORES executives as employees of the company, such as meal vouchers, eco-vouchers or any consumer vouchers.

Possible comments

Appendices:

- *Appendix 1: Members' names and list of their attendance at meetings of the management bodies*
- *Appendix 2: Summary sheet of the amounts paid to the Chairman and Vice Chairman of legal entities or de facto associations, and their justification for each month*
- *Appendix 3: Training*

Appendix 1: List of members' names and their attendance at management body meetings

V-€ Attendance giving entitlement to attendance fee

ORES – Management body 1: Board of Directors

Position	Last name – First name	BoD 25/01/2023	BoD 15/02/2023	BoD 22/03/2023	BoD 26/04/2023	BoD 24/05/2023	BoD 21/06/2023	BoD 27/09/2023	BoD 18/10/2023	BoD 22/11/2023	BoD 13/12/2023	Attendance rate Total	in %
Chairman	DE VOS Karl	V	V	V	V	V	V	V	V	V	V	10/10	100%
Vice Chairman	BINON Yves	V	V	V	V	V	V	V	V	V	V	10/10	100%
Directors	BELLEFLAMME Elodie	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%
	BULTOT Claude	V - €	V - €	V - €	0	V - €	V - €	V - €	V - €	0	0	7/10	70%
	BURNET Anne-Caroline	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%
	de BEER de LAER Hadelin	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%
	DELLICOUR Jean-Pol (*)											Not applicable	
	DEMANET Nathalie	0	0	0	0	0	0	0	V-€	V - €	V - €	3/10	30%
	DUTHY André	0	V - €	0	V - €	0	0	V - €	V - €	V - €	0	5/10	50%
	FAYT Christian	V - €	V - €	V - €	V - €	0	V - €	0	V - €	V - €	V - €	8/10	80%
	FRANCEUS Michel	0	V - €	0	V - €	V - €	V - €	V - €	V - €	0	0	6/10	60%
	GILLIS Alain	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%
	HARDY Cerise	V -€	V - €	V - €	V - €	V - €	V - €	0	V -€	V - €	V - €	9/10	90%
	MAITREJEAN Camille						V - €	0	V - €	0	V - €	3/5	60%
	MELLOUK Mohammed Amine	V - €	V - €	V - €	V - €	0	V - €	V - €	V - €	V - €	V - €	9/10	90%
	MEURENS Jean-Claude	V - €	V - €	V - €	V - €	V - €	0	V - €	V - €	V - €		8/9	89%
	PIERMAN Thomas	V - €	V - €	V - €	V - €	V - €	V - €	V-€	V - €	V - €	V - €	10/10	100%
	PITZ Mario	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%
	STAQUET Danièle	V - €	0	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	9/10	90%
	VAN HOUT Florence	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%
	VEREECKE Anne	V - €	V - €									2/2	100%
	VITULANO Maria	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	10/10	100%

(*) Took mandate 14th December 2023

ORES – Management body 2: Executive Board

Position	Last name – First name	EB 17/01/2023	EB 14/02/2023	EB 14/03/2023	EB 18/04/2023	EB 16/05/2023	EB 13/06/2023	EB 12/09/2023	EB 14/11/2023	EB 12/12/2023	Attendance rate Total – in %	
Members	DE VOS Karl	V	V	V	0	V	V	V	V	V	8/9	89%
	BINON Yves	V	V	V	V	V	V	V	V	V	9/9	100%
	GILLIS Alain	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	9/9	100%
	MAITREJEAN Camille						V - €	V - €	0	V - €	3 /4	75%
	PIERMAN Thomas	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	V - €	9/9	100%
	VEREECKE Anne	V - €	V - €								2/2	100%

ORES – Management body 3: Appointments and Remuneration Committee

Position	Last name – First name	ARC 08/03/2023	ARC 24/05/2023	ARC 18/10/2023	ARC 13/12/2023	Attendance rate Total – in %	
Chair	STAQUET Danièle	V - €	V	V	V	4/4	100%
Members	DELLICOUR Jean-Pol (*)					Not applicable	
	DEMANET Nathalie	0	0	V	V	2/4	50%
	FAYT Christian	V - €	0	V	V	3/4	75%
	MEURENS Jean-Claude	V - €	V	V		3/3	100%
	PITZ Mario	V - €	V	V	V	4/4	100%

(*) Took mandate 14th December 2023

ORES – Management body 4: Audit Committee

Position	Last name – First name	Audit C. 19/04/2023	Audit C 20/09/2023	Audit C 06/12/2023	Attendance rate Total – in %	
Chair	BURNET Anne-Caroline	V - €	V - €	V - €	3/3	100%
Members	BULTOT Claude	V - €	V - €	V - €	3/3	100%
	DUTHY André	V - €	V - €	V -€	3/3	100%
	VAN HOUT Florence	V - €	V - €	V - €	3/3	100%
	VITULANO Maria	V - €	V - €	V - €	3/3	100%

Appendix 2: Summary sheet of amounts paid to the Chairman and Vice Chairman of legal entities or de facto associations, with justification for each month

Chairman			
Month	Amount of remuneration paid (Gross, minus withholding tax of 37.35%)	Amount of travel allowances paid (Gross, minus withholding tax of 37.35%)	Justification
January 2023	2,087.93		92% total attendance at meetings in the 1st half of 2023 (Board of Directors 6/6 and Executive Board 5/6)**
February 2023	2,087.93		
March 2023	2,087.93		
April 2023	2,087.93		
May 2023	2,087.93		
June 2023	2,087.93	117.75	
July 2023	2,087.93		No meeting => 100%***
August 2023****	233.97		No meeting => 100%***
September 2023	2,087.93		100% attendance at meetings in the month***
October 2023	2,087.93		100% attendance at meetings in the month***
November 2023	2,087.93		100% attendance at meetings in the month***
December 2023*	2,129.70	83.24	100% attendance at meetings in the month***

Vice Chairman			
Month	Amount of remuneration paid (Gross, minus withholding tax of 37.35%)	Amount of travel allowances paid (Gross, minus withholding tax of 37.35%)	Justification
January 2023	1,565.95		100% total attendance at meetings in the 1st half of 2023 (Board of Directors 6/6 and Executive Board 6/6)**
February 2023	1,565.95		
March 2023	1,565.95		
April 2023	1,565.95		
May 2023	1,565.95		
June 2023	1,565.95	177.30	
July 2023	1,565.95		No meeting => 100%***
August 2023****	870.72		No meeting => 100%***
September 2023	1,565.95		100% attendance at meetings in the month***
October 2023	1,565.95		100% attendance at meetings in the month***
November 2023	1,565.95		100% attendance at meetings in the month***
December 2023*	1,597.25	129.74	100% attendance at meetings in the month***

* indexation following central index overrun

** By deliberation of the General Meeting held on 29th May 2019, the half-yearly allowance is allocated 100% to the Chairman and Vice Chairman if the director mentioned is in attendance at 80% of the management body meetings.

*** By deliberation of the General Meeting held on 14th December 2023, the monthly allowance is allocated 100% to the Chairman and Vice Chairman if the director mentioned is in attendance at 100% of the management body meetings for the month. If not, the monthly allowance is paid pro rata to attendance for the month.

**** Chairman: an adjustment of -1,853.96 € was made to the allowance for August regarding an overrun in December 2021.
Vice Chairman: an adjustment of -695.23 € was made to the allowance for August regarding an overrun in November 2021.

Appendix 3: Training

ORES – Training

A training course was held on 21st June 2023 dealing with the conversion of voltage from 230 V to 400 V (challenge of LV and energy transition), as well as a site visit (operating room, dispatching and cabin).

Position	Last name – First name	21/06/2023 (*)	Attendance rate Total – in %
Chairman	DE VOS Karl	V	1/1 – 100%
Vice Chairman	BINON Yves	V	1/1 – 100%
Directors	BELLEFLAMME Elodie	V	1/1 – 100%
	BULTOT Claude	V	1/1 – 100%
	BURNET Anne-Caroline	V	1/1 – 100%
	de BEER de LAER Hadelin	V	1/1 – 100%
	DELLICOUR Jean-Pol (**)		Not applicable
	DEMANET Nathalie	0	0/1 – 0%
	DUTHY André	0	0/1 – 0%
	FAYT Christian	V	1/1 – 100%
	FRANCEUS Michel	0	0/1 – 0%
	GILLIS Alain	V	1/1 – 100%
	HARDY Cerise	V	1/1 – 100%
	MAITREJEAN Camille	V	1/1 – 100%
	MELLOUK Mohammed Amine	V	1/1 – 100%
	MEURENS Jean-Claude	0	0/1 – 0%
	PIERMAN Thomas	V	1/1 – 100%
	PITZ Mario	V	1/1 – 100%
	STAQUET Danièle	V	1/1 – 100%
	VAN HOUT Florence	V	1/1 – 100%
	VITULANO Maria	V	1/1 – 100%

* BoD day – no additional travel expenses

** Took mandate 14th December 2023

Gosselies, 24th April 2024

Karl DE VOS

Chairman of the Board of Directors

7

7. SPECIFIC REPORT ON SHAREHOLDINGS

Specific report on shareholdings

SHAREHOLDINGS (ACCOUNTS 28 FINANCIAL FIXED ASSETS) IN EUROS								
	Subscription			Movements in 2023				
Company	Number of shares	Amount	Financial fixed assets paid up at 01/01/2023 book value	New sub-scriptions	Paid-up capital	Write-offs/ write-downs/ reversals of write-downs	Financial fixed assets paid up at 31/12/2023 book value	% of capital at 31/12/2023
Atrias	62	3,100.00	100%	/	/	/	3,100.00	16.67%
Laborelec	8	2,306.64	100%	/	/	/	2,306.64	0.01%
Igretec	2,400	14,873.61	100%	/	/	/	14,873.61	0.01%
Total	**2,470**	**20,280.25**		/	/	/	**20,280.25**	

ORES

Customer service	**078 15 78 01**
Repair service	**078 78 78 00**
Emergency smell of gas	**0800 87 087**

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