

# ORES



**#energy**

**#sustainability**

ANNUAL REPORT

ORES Assets

**2020**



#### Name and form

ORES Assets. Intermunicipal Cooperative Association.

#### Head office

Avenue Jean Mermoz 14, 6041 Gosselies.

#### Incorporation

Deed of incorporation published in the Appendices to the Moniteur belge (Belgian Official Gazette) of 10 January 2014 under number 14012014.

#### Articles of Association

The articles of association have been amended on several occasions most recently under the terms of a deed received by notary, Mr Frédéric de RUYVER, residing in Court-Saint-Etienne, on 18 June 2020, published in the Appendices to the Moniteur belge dated 13 July 2020 under number 20079215.

# Table of contents

<b>I. INTRODUCTION</b>	<b>2</b>
1. Message from the Chairman of the Executive Board.....	4
2. Presentation of the company.....	6
<b>II. ACTIVITY AND SUSTAINABLE DEVELOPMENT REPORT – NON-FINANCIAL INFORMATION STATEMENT</b>	<b>8</b>
1. 2020 at a glance.....	10
2. Corporate social responsibility and sustainable development.....	12
3. Energy transition and the environment.....	16
4. Reliable and sustainable networks.....	32
5. Customers at the heart of the business.....	44
6. Corporate culture and wellbeing at work.....	54
7. Governance and transparency.....	59
8. Ethics and fair practices.....	65
9. Societal engagement and local roots.....	67
<b>III. MANAGEMENT REPORT</b>	<b>70</b>
1. Notes to the annual financial statements.....	72
2. Annual financial statements.....	86
<b>IV. DISTRIBUTION OF PROFITS</b>	<b>128</b>
<b>V. AUDITORS' REPORT</b>	<b>132</b>
1. For advance payments.....	134
2. For the financial statements at 31 December 2020 .....	137
<b>VI. REMUNERATION REPORTS</b>	<b>142</b>
1. Presentation of the management bodies .....	144
2. Report from the ORES Assets Remuneration Committee .....	145
3. Report from the ORES Appointments and Remuneration Committee .....	146
4. Report from the Board of Directors of ORES Assets.....	147
5. Report from the Board of Directors of ORES.....	152
<b>VII. SPECIFIC REPORT ON SHAREHOLDINGS</b>	<b>164</b>
<b>VIII. ANNEXE 1 POINT 1 – LIST OF SHAREHOLDERS</b>	<b>168</b>
<b>IX. GRI INDEX</b>	<b>174</b>

# I

## INTRODUCTION

1. Message from the Chairman of the Executive Board p.4
2. Presentation of the company p.6





# 1. Message from the Chairman of the Executive Board

**2020 will remain in people's memories as a year filled with uncertainty. When, on 9 January, the World Health Organisation announced the appearance of a deadly new coronavirus in the city of Wuhan, China, no one could have imagined then the impact that this situation would have on our lives in the months ahead and the dreadful health, social and economic consequences it would bring.**

Now, as they look back at their business and publish their annual reports, countless companies and manufacturers are seeing the spectre of COVID overshadowing their results. ORES, like all companies responsible for providing so-called "essential" services for the community, has had both the duty and the good fortune to be able to continue its activities throughout the year.

We have, of course, also been affected by the pandemic and our ability to demonstrate our responsiveness and resilience in these troubled times has been put to the test. In order to participate in the collective health effort and to protect our colleagues and customers, we suspended work on our projects in mid-March, before gradually resuming in April. Nevertheless, we maintained our presence on the ground in such a way that was indispensable for the continued reliable distribution of energy. Various occurrences disrupted our roadmap and we experienced some difficulties along the way – my thoughts go in particular to the large-scale IT outage that affected the system handling budget meters – but, looking back today, we can safely say that ORES always did its utmost to be there for its customers.





# ORES

As an introduction to this annual report, I would like to present a positive message. I would like to highlight the speed with which company staff adjusted to the circumstances, not only so that they could continue providing our essential services to the public at large, but also to enable the company's major projects to take new steps forward. Whether it was facilitating and accelerating energy transition, implementing communicating digital metering systems, developing synergies between operators and continuing to make life easier for customers, including those who are most vulnerable, ORES was there. Despite the difficulties inherent to the health crisis – changes to timetables, mandatory working from home for many, interruptions to supply chains on a global scale – our colleagues were able to reinvent themselves, come up with solutions in their jobs and continue to work with great determination and efficiency.

Against a background of social distancing and barrier health gestures, ORES did not distance itself from its everyday partners. Quite the opposite, in fact. Mindful of the recovery that will come after this health crisis, our company chose to continue meeting – albeit virtually – representatives from the public authorities, as well as various providers in the world of energy, consumer rights associations and more vulnerable people, representatives from SMEs and the self-employed, representatives from the academic world and many more. It emerged from these exchanges that the main expectation of our stakeholders in relation to ORES as a network manager lies in providing active, effective and dependable guidance and support for energy transition that is beneficial for the planet and synonymous with opportunities for businesses and to the advantage of every category of consumer.

This inclusive and local energy transition is the vision that we put forward in our strategic plan 2021-2023 and which was demonstrated by the numerous projects we undertook last year. For example, in the context of the implementation of renewable energy communities, in the use of innovative technologies and artificial intelligence for better managing the intermittent nature of renewable energy, or in our support for the promotion of new sectors, such as biomethane, which was injected for the first time into our distribution network in 2020.

Finally, from a financial point of view, our business continued throughout the year, enabling us to maintain our position and strength. Our results are comparable with those of the previous financial year, which is encouraging both for the next stages in our ambitious investment plan and for our shareholders.

I trust you will enjoy reading this report.

**Fernand Grifnée**

Chairman of the Executive Board



## 2. Presentation of the company

**ORES is deeply anchored in Walloon society: it manages and operates the electricity and/or gas distribution networks in three out of four local authority areas, as well as the public lighting stock. The company guides the public authorities in their energy transition and invests in infrastructures and systems preparing the future of the energy market.**

The health crisis that marked 2020 and the early months of 2021 has served to reaffirm the importance of companies that provide basic services to the population. ORES guarantees access to energy for households, professionals, companies and public services and, as such, it is in one of the country's crucial sectors.

### A critical mission

With its 2,400 employees – engineers, technicians, IT specialists and administrative staff – ORES operates nearly 52,000 kilometres of electricity networks in 197 local authority areas and almost 10,000 kilometres of gas networks in 111. In doing so, the company supplies some 1.4 million customers with energy, 24 hours a day, 365 days a year. The company also maintains and monitors the modernisation of the stock of public lighting in more than 75% of local authority areas in Wallonia, currently representing a little over 460,000 lighting points.

As a leading player in the economy, ORES has invested 1.6 billion euros in distribution networks over the past six years in order to guarantee the quality of customer supplies and to prepare for the future. At the same time, the company seeks to control its overheads and, for the past few years it has kept distribution charges – which represent a significant portion of customers' energy bills – below the level of inflation.

### Making energy easier, making life easier

ORES aims to make life easier for its customers in terms of energy by providing them with local services geared to their requirements. For the past few years, the company has worked on simplifying the procedures related to work requests: connections to the network, the installation or relocation of meters, synchronising works with water distribution and telecoms operators, etc.

The company also conducts fundamental work to ensure that the energy market functions properly: collecting and validating data for the consumption and production of energy, updating this data in the access register, managing changes of providers and relocations.

Elsewhere, through its Open Data process and as a party involved in energy transition, ORES aimed in 2020 to make available all usable data linked to its work as a network manager. The data that can be accessed via the ORES website – in compliance with the General Data Protection Regulation – is intended for a range of uses and for partners that include customers, local authorities, government departments, the academic world, companies working in innovation, European projects and public or private administrations, etc.

Finally, through its public service obligations (PSO), ORES seeks to guarantee access to energy for all. The company provides prepayment solutions for customers in payment arrears with their providers, participating in local energy committees (LEC) in PCSWs by providing guidance and support to customers experiencing difficulties in paying, while providing social supplies to customers who meet the conditions to receive a grant.

### The challenge: inclusive energy transition

The company aims to make all of its technological expertise and networks available for energy transition in the Walloon Region and to help society as a whole to move away from its dependence on fossil fuels. In 2021, in the same way as the country's other energy network managers, ORES was granted the title of "SDG Voice" – i.e. to be an ambassador for the Sustainable Development Goals of the United Nations.

Since it was created, ORES has connected almost 140,000 decentralised renewable electricity production units – wind, photovoltaic, hydraulic or biomass – to its electricity networks. In 2020, the first injection station in Wallonia for biomethane produced from organic waste from farming was connected to the gas distribution network. ORES is working on innovative solutions designed to increase the ratio of renewable energy in its networks and to accelerate ecological transition: the use of artificial intelligence to avoid network congestion, community renewable energy projects, opening the energy networks to alternative mobility, etc. The challenge is to be able to transform the network so that it can adapt to these new bidirectional flows

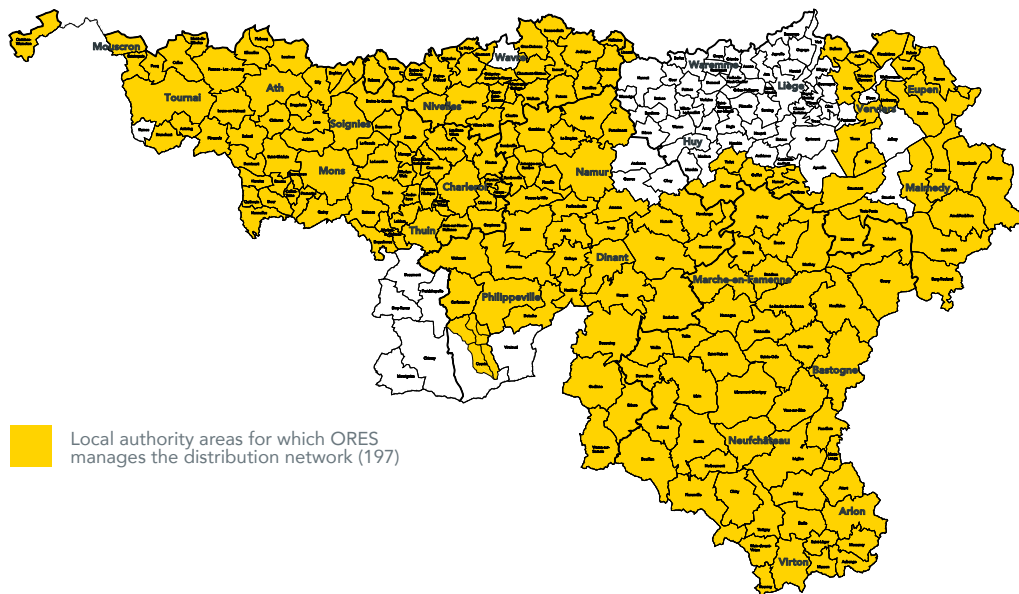


of energy and the intermittent reliability of renewable energy, while still guaranteeing continuity of supply to customers.

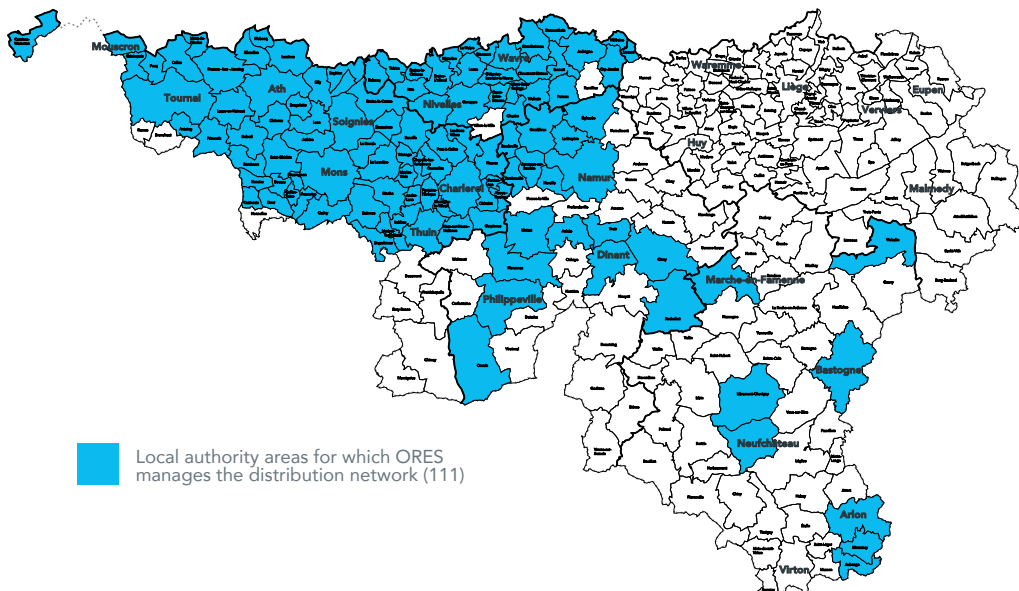
While energy transition is designed to benefit the preservation of our environment, it also needs to be affordable and a source of employment and prosperity for the community. ORES believes strongly in the need to progress inclusively and positively towards greener energy by involving everyone in Wallonia in the process,

including citizens who have been rendered economically vulnerable by the health crisis. This aim is expressed in the company's new vision, validated in its strategic plan 2021-2023 by the Board of Directors at the end of 2020: "Our energy and expertise working locally towards energy transition for everyone".

## Management of electricity distribution networks



## Management of natural gas distribution networks



# III

## ACTIVITY AND SUSTAINABLE DEVELOPMENT REPORT – NON-FINANCIAL INFORMATION STATEMENT

1. 2020 at a glance.....	10
2. Corporate social responsibility and sustainable development.....	12
3. Energy transition and the environment.....	16
4. Reliable and sustainable networks.....	32
5. Customers at the heart of the business.....	44
6. Corporate culture and wellbeing at work.....	54
7. Governance and transparency.....	59
8. Ethics and fair practices.....	65
9. Societal engagement and local roots.....	67



# 2020

## 1. 2020 at a glance

9 February

Storm Ciara blasts Belgium

Storm Ciara caused a great deal of damage as it passed through our country, including to the electricity network. Over a period of 24 hours, ORES received 3,000 calls and attended 800 incidents. February also saw storms Dennis and Ellen, which, although less violent, once again put both engineers and the network to the test. Later in the year, storms Francis, Odette and Bella also saw the technical teams out in force again, repairing the damage they caused.

6 April

Worksites reopen

After several weeks of strict lockdown, the construction sector was given permission to resume work. ORES and the country's various network managers reached an agreement on a phased and secure reopening of worksites. Nevertheless, the supply and logistics problems caused by the health crisis had multiple knock-on effects on the scheduling of works.

18 June

Time-savings for connections to new homes

ORES, Proximus, VOO and SWDE together introduced a new service called "Connect My Home". This programme, which synchronises the work needed from the managers of cables and pipework, enables customers to arrange the various connections to their new homes – electricity, gas, water and telecoms – in a single administrative application. Once scheduled, all works are carried out in a day or even half a day.

17 March

Lockdown: ORES keeps its essential services running

In mid-March, the authorities announced a general lockdown to try and combat the spread of the COVID-19 virus. In these exceptional circumstances, the company took the necessary steps to maintain its essential energy distribution services. Numerous measures were put in place to avoid unnecessary travel and face-to-face contacts between members of staff and customers as much as possible. In addition, non-urgent operations on the ground were suspended on a temporary basis.

2 July

Significant breakdown in the budget meter system

At the request of the authorities, ORES introduced a programme designed to prevent people from being cut off from their energy supply during the first lockdown and also to avoid them having to travel to top up the payment cards for their budget meters. At the beginning of summer, the company prepared to resume normal prepayment operations. A far-reaching information campaign was launched, inviting customers to reactivate their meters before 3 July. Then, on the day before the cut-off date, there was a technical problem causing premature energy cuts to some 5,000 customers. A crisis unit was set up, enabling these customers to regain access to energy.

## 22 September

The Walloon Region's first renewable energy community presents its results

On an industrial estate in Tournai, ORES and IDETA are experimenting with the first renewable energy 'community' in the Walloon Region. This community involves neighbouring companies sharing the electricity generated by their photovoltaic panels and a wind turbine. ORES is helping the emergence of this local loop of green energy by adapting its network and providing a service to monitor and forecast power consumption, while working with the regulator to define a low-cost tariff for energy produced locally. A year after its launch, the results of the pilot project are encouraging: 6,450 MWh of green power has been produced and made available to the partner companies, of which 61% was self-consumed, enabling the participating businesses to cover 39% of their electricity needs.

## 1 October

The prosumer tariff comes into effect in the Walloon Region

The prosumer tariff is designed to encourage the self-consumption of power produced by the owners of photovoltaic panels and to create a fairer sharing of network costs between all customers. The Walloon Government has committed to absorbing a significant proportion of the cost of the new tariff in its initial years: 100% from October 2020 and for 2021 and 54% in 2022 and 2023. The full tariff will not be paid by prosumers in Wallonia until 2024.

## 7 October

Green gas injected for the first time into Wallonia's distribution network

The Walloon Region inaugurated its first green gas injection point into the distribution network. By contributing its technological expertise and strengthening its local infrastructures, ORES is enabling an agricultural structure in Fleurus to recycle its organic waste by injecting it into the gas distribution system in the form of biomethane.

## 9 October

Support for households impacted by the crisis

The Walloon Government introduced a new protection statute aimed at supporting households experiencing temporary difficulties in paying their energy bills. Customers in precarious financial situations or whose income has been badly affected by the pandemic are able to request assistance from their network manager and become a "protected economic customer" for a period up to one year.

## 9 December

ORES tests remote prepayment for the first time

As part of a pilot project, digital meters were installed in place of conventional card meters. The initiative enables the customers involved to no longer have to travel and to top up their balance online in just a few clicks. If these tests prove successful, the technical solution used could be rolled out to all customers who currently have a budget meter installed.

## 2. Corporate social responsibility and sustainable development

Very much aware of its societal responsibilities to all Walloons, in 2020 ORES formalised its policy on sustainable development, based on the United Nations' 17 Sustainable Development Goals (SDG). This policy is one of the driving forces of the company's strategic plan 2021-2023. Called "SDG Voice" – in other words an SDG ambassador – for the whole of 2021 along with the eight other Belgian electricity and gas network operators, as well as their professional federation, Synergrid, the company also re-examined the main issues of sustainability and its priorities with its stakeholders.



OR  
SCAN ME





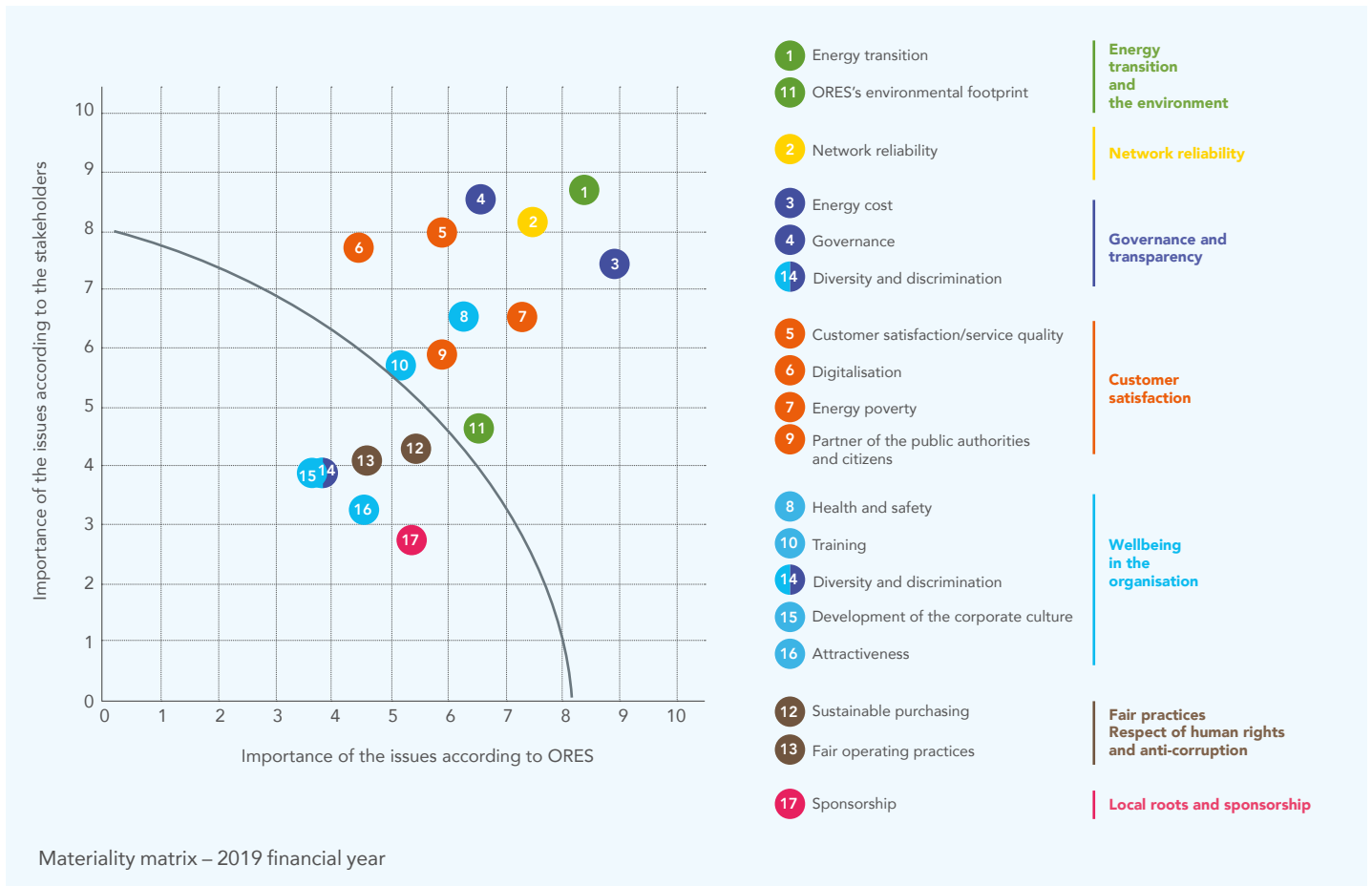
## The GRI as a powerful beacon

Since 2018, ORES has elected to structure and report on its approach to sustainability based on the guidelines of the *Global Reporting Initiative (GRI)*, which is currently the benchmark for best practices. The company's economic, social and environmental performance is presented in this report in line with GRI methodology.

To define its main sustainable development challenges, ORES conducted an initial consultation exercise with its stakeholders in 2019. After identifying 17 areas where its societal engagement and efforts could be of benefit to the community as a whole, the company submitted them to a panel of stakeholders made up of various public and private parties in the energy sector, as well as representatives from the public authorities, the academic world and a union organisation. The exercise, conducted in January 2019, enabled the materiality matrix prioritising the challenges

of sustainable development for ORES, again in accordance with the GRI frame of reference, to be established.

In this matrix, shown below, the various topics are ranked by the importance given them by the stakeholders consulted (ordinate axis) and by the order of priority established by ORES senior management (abscissa axis), based on an average of scores given from 1 to 10. The five challenges defined as being major and endorsed by the Board of Directors are as follows: energy transition, network reliability, governance, customer satisfaction and cost of energy.







## Stakeholder consultation

This consultation exercise was repeated at the end of 2020. Out of the 35 stakeholders of ORES invited to take part – remotely on this occasion, given the context of the pandemic and lockdown – 18 took part in the round table organised on 11 December and 22 completed the materiality questionnaire sent out in advance by e-mail. This questionnaire was designed to enable them to prioritise the challenges before the group discussion on the company's corporate social responsibilities.

The questionnaires received back came from the following stakeholders: various parties in the energy sector, particularly the Belgian Federation of Electricity and Gas Companies and the transmission network operators, Elia and Fluxys, the market regulator for Wallonia (the CWaPE), representatives from public authorities (Walloon ministerial offices and public services for energy and sustainable development), the Walloon Union of Businesses, the Union of Walloon Towns and Municipalities and the Federation of Walloon PCSWs, Inter-Environment Wallonia, the City of Charleroi, Test-Achats, the Walloon Network in the Fight Against Poverty and the Walloon Network for Sustainable Access to Energy, the Don't Touch My Green Certificates association, representatives from the academic world (University of Liège – Catholic University of Louvain) and various professional federations (architects, road-building companies, construction), as well as Rescoop Wallonia, the Walloon federation of citizen renewable energy cooperatives.

During the round table, the participants underlined and confirmed the essential role played by ORES in energy transition in Wallonia. The company is viewed as the backbone around which the market is (will be) organised, as well as a tool working on behalf the policies implemented in the field of energy. Called a "bidirectional platform", ORES is considered to be a reliable partner, a facilitator of energy transition and a guarantor of supplies of electricity and gas to the people – these two energies being viewed as complementary in the context of the gradual move towards the total decarbonisation of the economy, scheduled for 2050 Europe-wide.

Expressed sometimes in various ways, the wishes of participants vis-à-vis ORES covered affordable and transparent tariffs, greater added value in the services offered and more active management of the networks. They encouraged ORES to continue along the path of digitalisation and also to innovate more. They also wanted energy transition to take place in the interests of and for the benefit of the entire population, including the most disadvantaged. In this sense, they invited the company to educate and communicate in a "comprehensive and human way" so that no one is overlooked or left behind.



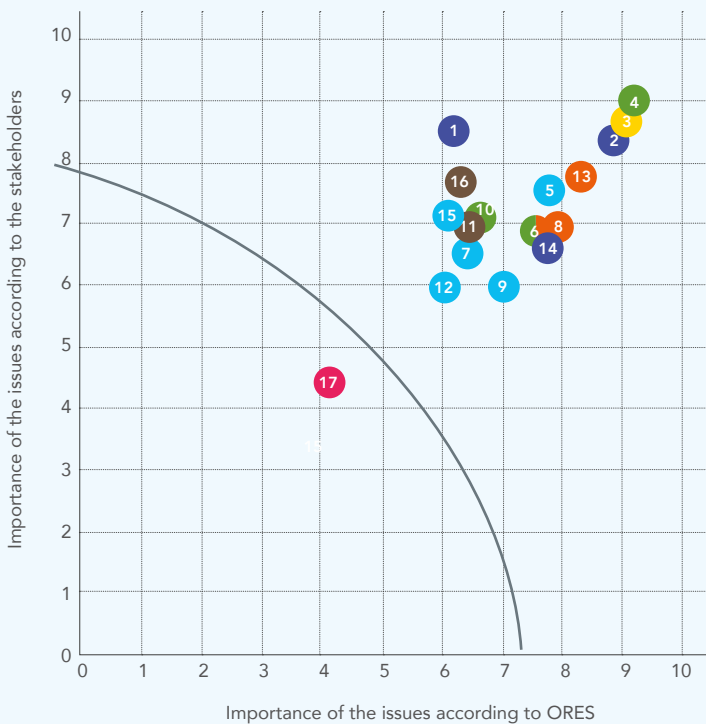
## A new materiality matrix

The internal consultation exercise took place during January 2021. The ORES Executive Board also expressed its views on the weighting of the sustainability issues for the company by completing the same questionnaire. The overall results showing an average of the order of priorities proposed by the external and internal participants in the two exercises are shown in the new materiality matrix below/opposite.

The matrix has changed significantly. It shows both overall progression and a general convergence of the challenges posed by sustainable development, with practically all weighted more heavily than in the exercise conducted 18 months ago. With the exception of one topic, all of the others are above an average of 6 out of 10. The priority challenges now are energy transition, network reliability, the cost of energy, energy poverty and prevention/safety. These latter two topics are in the top 5, confirming the choice made by ORES to focus its policy on sustainable development on the

notion of consideration for human-related matters, in addition to the environment and partnerships.

The exercise also confirms the directions taken for the strategic plan 2021-2023, both in terms of the company's mission and vision, and the five strategic directions agreed on. Finally, both the results gathered and the exchanges from the round table with the external stakeholders encourage thoughts about a regrouping – or even a redefinition – of certain sustainable development issues. On the one hand, it will be a question of clarifying certain concepts while, on the other, it will be about responding better to changes in the energy market, along with the context of European, national and regional regulations. ORES aims to remain attentive to the realities of its stakeholders and will act accordingly in implementing its strategic plan on behalf of energy transition.



- 4 Energy transition
- 10 ORES's environmental footprint
- 3 Network reliability
- 2 Energy cost
- 1 Governance
- 14 Partner of the public authorities and citizens
- 8 Customer satisfaction/service quality
- 6 Digitalisation
- 13 Energy poverty
- 5 Health and safety
- 7 Training
- 15 Diversity and discrimination
- 9 Development of the corporate culture
- 12 Attractiveness
- 11 Sustainable purchasing
- 16 Fair operating practices
- 17 Sponsorship

# 3. Energy transition and the environment

ORES intends putting its energy and expertise to work on behalf of the acceleration of energy transition. Faced with the challenge of climate change and mitigating its effects, the company is making targeted investments in its network while rolling out new technologies, particularly in the field of telecommunications, to promote the incorporation and hence the development of renewable forms of energy. The company is also committed to reducing and controlling the pollution generated by its activities, as well as its production of waste – all while ensuring that biodiversity is preserved.



The energy sector is on the front line in the fight against greenhouse gas emissions. This means that ORES, in its role as a distribution network, has an important role to play in the fight against climate warming.







## Facilitating the connection and injection of renewable energies

In terms of energy transition, one of the main missions of the network managers consists of accommodating and providing more active and effective management of the growing quantities of energy generated by green and renewable production units.

The Walloon Region has set ambitious targets in terms of renewable energy in the context of its contribution to the national Energy Climate 2030 plan. The impact of this development is becoming increasingly significant for network management. From just a few thousand at the end of the 2000s, today there are over 165,000 local production units – photovoltaic, wind, hydraulic, biomass and others – connected to the electricity grid in Wallonia, of which almost 140,000 are connected to the ORES network. The vast majority of these units are solar photovoltaic systems and wind turbines/farms. In 2020, despite the difficulties linked to the health crisis, the installed power represented by these units increased by 10%, to reach 1,986 MW, or the equivalent of the nominal output of two nuclear reactors. Between now and 2030, in line with the targets for Wallonia, this figure is due to exceed 6,000 MW.

For the first time in the Walloon Region, the gas distribution network also “went green”, with the connection of a first biomethanisation unit in Fleurus, which is still the biggest installation in the country in terms of the injection of biomethane (600 m<sup>3</sup> per hour). This green gas production structure is a 100% example of the circular economy, because local farmers and businesses in the region are able to recycle their organic waste in the system to convert it into clean, local renewable energy that is then channelled via the ORES network to customers in the neighbouring local authority areas. In 2021, at least two other projects are due for completion, in Quévy and Les Bons Villers.

As a result, the energy market is becoming both greener and more local, with initiatives coming from private individuals and cooperatives, as well as businesses and public organisations. There are also production units owned by conventional providers and operators.



## Biomethane: remarkable potential in the Walloon Region

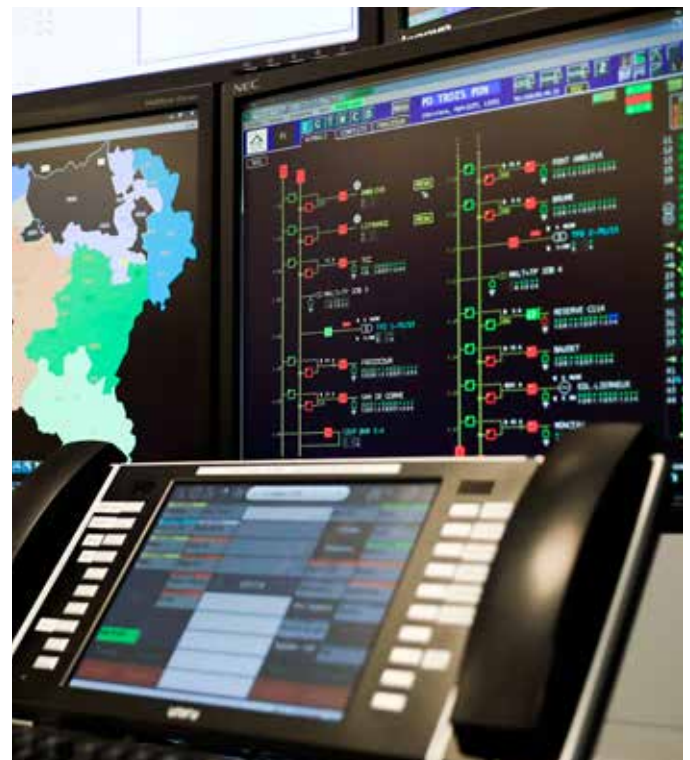
With its extensive farmland, the Walloon Region has significant potential for the production of biomethane – estimated by the non-profit organisation, Valbiom, at 8.7 TWh – which could actively support the regional and national targets for the production of renewable energy and the reduction of emissions of greenhouse gases. The applications that can be envisaged for this biomethane range from heating and mobility to industrial processes. If the development of this line of production lives up to its promises, 25% of the gas flowing through ORES's pipes could be green by 2030.

The company's teams have been working for a number of years already with providers on behalf of the development of the biomethane business in the Walloon Region. These teams are helping to support project leaders, working with them to prepare the conditions for their connection and where necessary reinforcing sections of the network close to the recycling sites and coordinating the necessary injection tests. The challenge consists of accommodating new, local production points by guaranteeing the safety and quality of the energy distributed, while ensuring the continuity of supply for gas customers.

This type of projects is usually run in close collaboration with the transmission network manager, Fluxys. Indeed, to guarantee the ongoing injection of biomethane, including in the event of a significant reduction in the consumption of gas on the distribution network – in summer, for example – it is often necessary to provide reverse injection capabilities into the transmission network.

To help investors wanting to develop green production units and inject the gas into the medium-pressure/voltage distribution networks, ORES makes mapping tools available to them that can be viewed online on its website. These maps not only concern injections of biomethane – and even hydrogen over time – but also the local production of electricity. Just a few clicks enable users to view the capacity of the networks to absorb this green energy, depending on the location selected. By providing project leaders with transparent information and to enable them to take decisions based on documented evidence, ORES aims to facilitate the efficient and sustainable development of renewables in the Walloon Region.

The increased number of injection points for renewable energy also requires the processes used to be adjusted and new methods for managing infrastructures. These infrastructures are subject to more constraints and require more active management of networks, which are more complex than they used to be. The wide-scale development of green electricity also goes hand in hand with the growing electrification of various industrial



processes and everyday activities, such as electric mobility or the development of heat pumps. This means that peak times for drawing and injecting power, which is one of the constraints and main elements regarding the sizing of the power network, will also be affected by these changes.

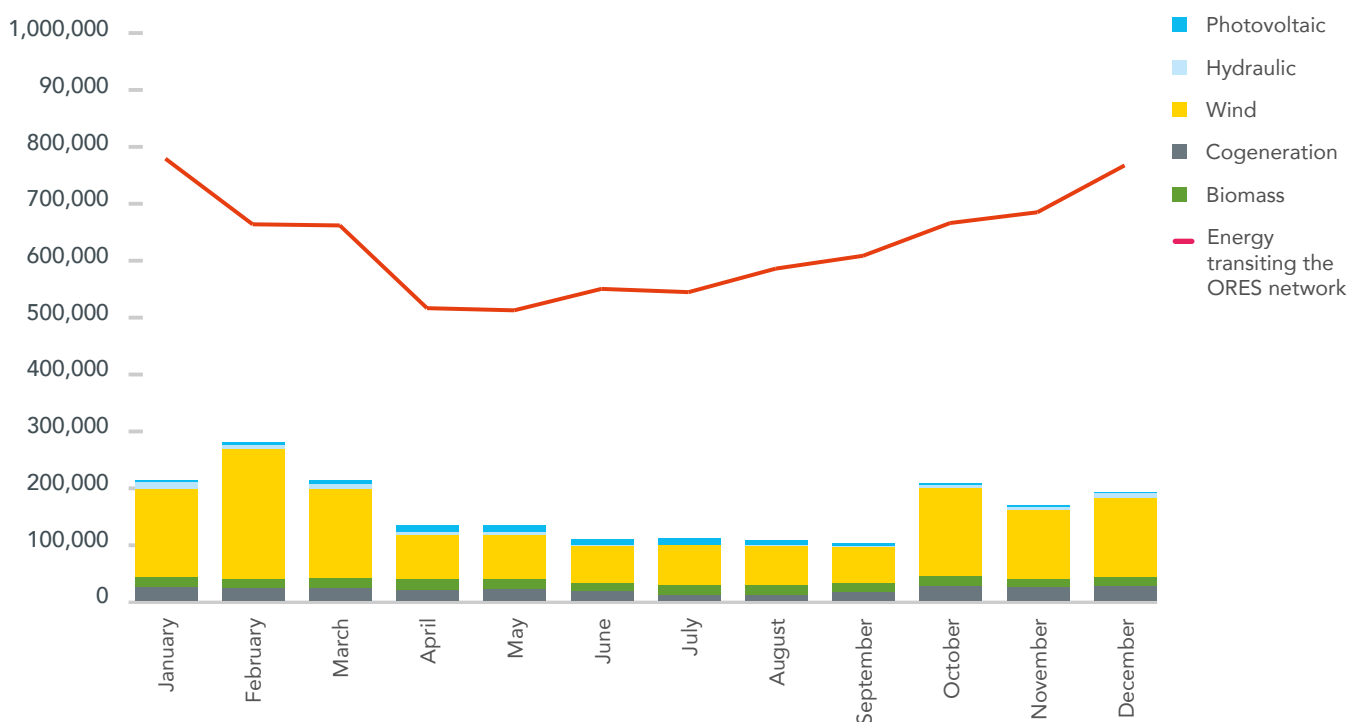
Beyond their pursuit of a targeted and ambitious investment policy focused on modernising the networks, the teams at ORES have been working on flexibility mechanisms for some years. The company offers flexible connection contracts to large customers for which the total supply of energy is not guaranteed at all times. It also carries out direct work – within the context of the technical flexibility mechanism – on certain production units so that they can adapt to potential congestion situations. This latter mechanism, which is essential for guaranteeing optimum

integration of renewables, also brings constraints for producers. To keep these issues to a minimum, ORES has developed an artificial intelligence tool in collaboration with the University of Liège and its spin-off, BlackLight Analytics. This new calculation algorithm, called O-ONE (ORES - Operator Network Expert), makes it possible to calculate and anticipate network constraints in order to maximise injectable – and injected – power into the network by decentralised production units. The tests conducted in 2020, in particular to maximise the injection of renewable electricity from the Lierneux windfarm in the province of Liège, demonstrated the potential for upward adjustment of injection limits by up to 10%. The system will now be able to be used for other production units and improve the injection level of green electricity into the power network.

### Developments in renewable production on the ORES network

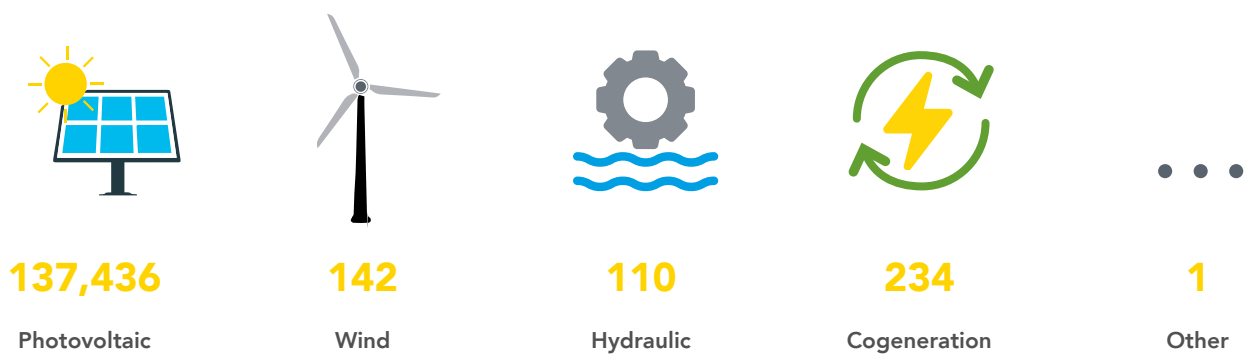
While renewable energy still remains in the minority in terms of the overall amount of energy transiting through the ORES distribution networks, the tables and graphs that follow demonstrate a marked development. During 2020, no less than 20% of the energy transiting the ORES network came from renewable sources, which represents a record to date.

### Share of renewable energy in relation to the energy transiting through ORES networks in 2020 (in MWh)

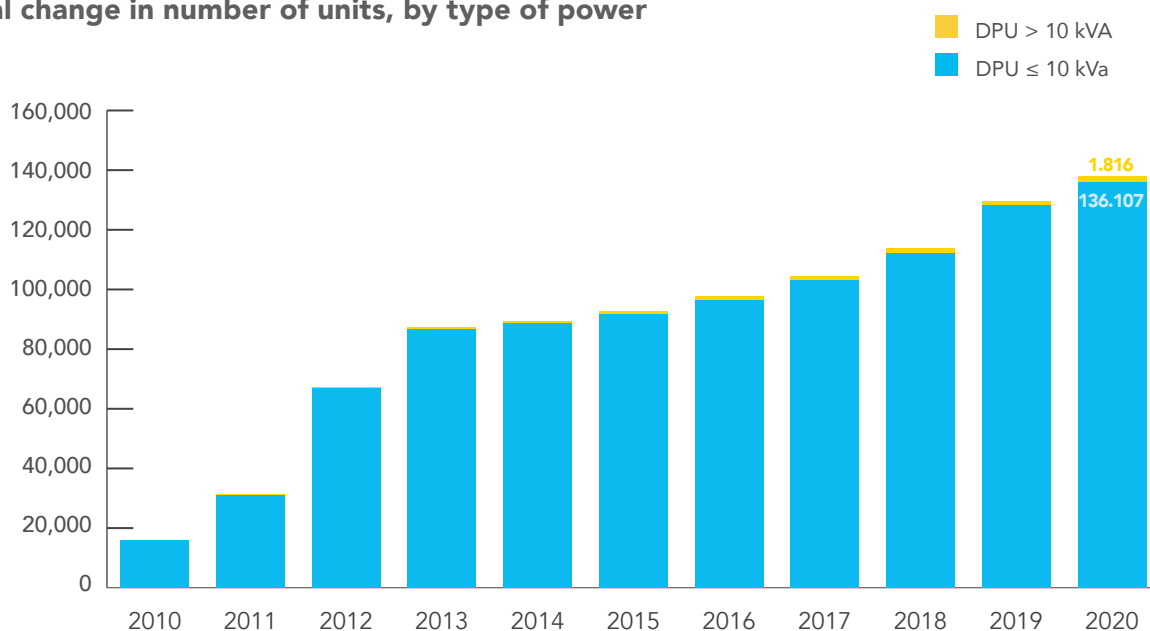




## Total number of decentralised production units connected to the ORES network, by production source

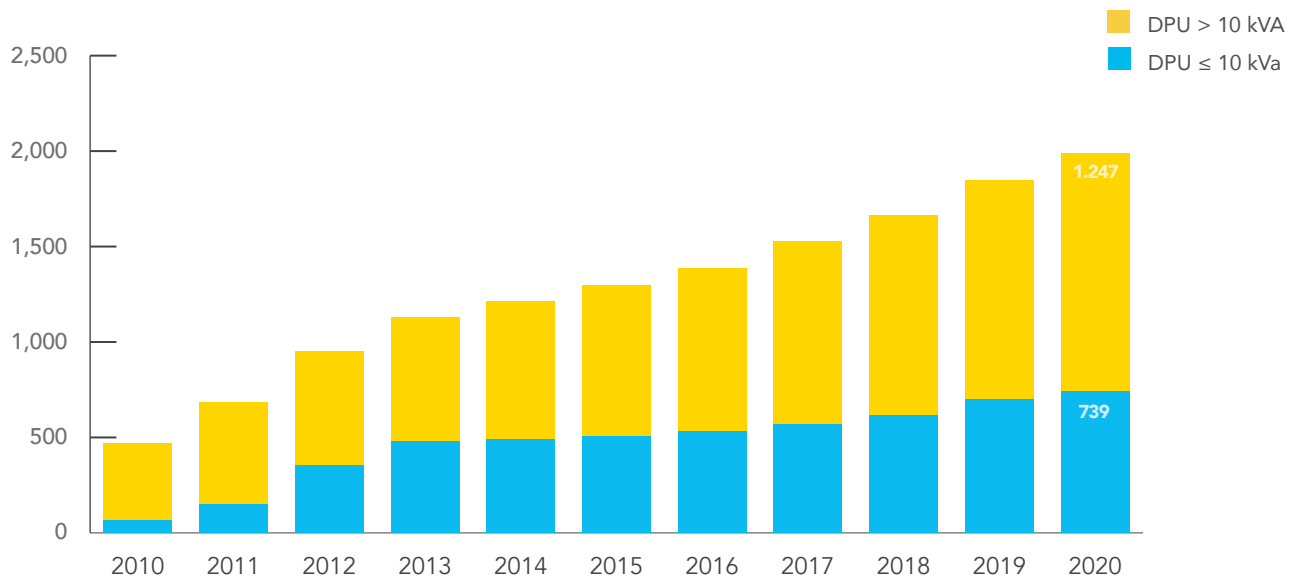


## Annual change in number of units, by type of power

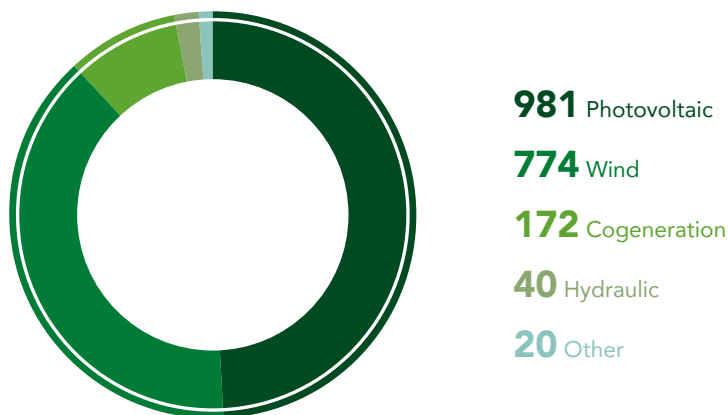




### Change in total installed power (in MVA)



### Breakdown of total power by production source (in MVA)





## Collective self-consumption and renewable energy communities

Currently, the concept of the renewable energy community (REC) is the focus of much attention. These communities, the first outlines of which are already laid down in the context of Walloon and European law, are also a clear part of the societal dynamics of “short circuits”.

ORES was a pioneer in this field, initiating an early pilot experiment with E-cloud in 2017. This particular practical local renewable energy community project, bringing together twelve companies from the Tournai West business park was implemented in 2019 in collaboration with IDETA, the local development agency, and the producer/provider, Luminus, as well companies such as N-Side, Dapesco and Siemens, plus the University of Mons. E-cloud enables the companies involved to consume green power – wind and photovoltaic – as a priority, produced in medium-voltage form at the business park. The results of the project were revealed at a public presentation in September 2020. Over a period of twelve months, no less than 6,450 MWh was generated by renewable systems at the park and made available to the partner companies: 61% of the energy produced was consumed by the project participants themselves, enabling 39% of their electricity needs to be met. These results are encouraging in that E-cloud enabled most of the participants to make consumption savings of between 4 and 8%. This was despite the period of enforced

inactivity that hit the economy in the spring of 2020 and which skewed the results of the pilot project somewhat as a result.

While it is still difficult to evaluate accurately the extent and methods for developing these types of energy ‘communities’, as well as the pros and cons that they may have for the development of renewable energy, for flexibility and for encouraging sensible consumption and production habits, ORES is currently gauging the attraction that these communities hold some customers and stakeholders. Nonetheless, the company has a central role to play in their implementation and aims to facilitate their development. In 2021, working with Logivesdre, the public housing service company in Verviers, ORES will be testing the approach of low-voltage renewable energy communities among a more socially disadvantaged population and in doing so conduct practical checks on the potential uses and benefits of collective self-consumption as part of energy transition that is accessible to all. RECs may also become a tool for fighting energy poverty by making renewable energy produced locally available to vulnerable customers. This may result in the disappearance of some of the other support mechanisms currently required. To be able to operate efficiently, these RECs will need to benefit from the technology of smart meters that enable the amount of energy self-consumed to be calculated accurately, as well as to provide an easy way of making customers aware of their consumption.

## Reduction of network losses

In terms of energy efficiency and especially losses of electricity from the grid – an important factor in the carbon footprint of the power grid managers – ORES has been making both technical and administrative efforts for a number of years. Over a period of five years, these efforts have enabled the company to reduce the overall figure for electricity losses occurring across some 52,000 km of network, by over 76 GWh out of an initial total of 731 GWh. This reduction of more than 10% has been achieved with quantity of energy transmitted remaining practically constant, whereas the length of the electricity networks managed by ORES grew by almost 3.5% over the same period. This improvement is due in particular to the works to modernise and upgrade the grid, as well as precise and targeted audits of the levels of energy consumed, designed to limit non-technical losses, including meter fraud.

## Support for alternative mobility

Another theme that has become essential these days when talking about ecological transition, environmental protection and the fight against climate change, is mobility. The legislative framework is changing, with older and more polluting vehicles being taxed more heavily and even banned from driving in some cities or regions. The electrification of vehicles is now fully underway and some manufacturers have already taken very specific decisions in this regard. As of 31 December 2020, Belgium had more than 120,000 vehicles powered by “virtuous” fuels, such as plug-in petrol and diesel hybrids, fully electric, compressed natural gas (CNG) and hydrogen. Of this number, almost 27% were electric and 18% CNG.

While fast recharging at home for electric or CNG vehicles presents some constraints, ORES is supporting a number of public and private providers seeking to install public recharging terminals and charging stations. This essentially involves informing them

about the capacity of the networks available to accommodate their facilities at a lower cost, supporting them through the licensing procedures and, of course, connecting these facilities to the distribution network. In the local authority areas associated with the company, 39 public recharging terminals have been installed in recent years to enable public partners to promote electric mobility.

Although a fossil fuel, the gas used as fuel is becoming a practical transition solution in the context of the gradual decarbonisation of society: CNG vehicles have the benefit of emitting less CO<sub>2</sub> than their diesel or petrol equivalents and practically no nitrogen oxide. From a health point of view they also have a crucial role to play given that their emissions of fine particles are 77% lower than conventionally powered vehicles. This means they help with air quality. And with the future development of bio-CNG – the first public service station in the Walloon Region supplying this green, sustainable fuel was opened in March 2021 – they will provide even more benefit to the environment.

In agreement and collaboration with the CWaPE, ORES has also developed a tariff and incentive method of connection for operators of CNG service stations. At the beginning of 2021, the Walloon Region had approximately forty public stations connected to the distribution network – of which 34 were within the territory managed by ORES. Another thirty or so projects are also underway. The gradual increase in the number of recharging points in Wallonia is helping to increase the attractiveness of this fuel: in 2020, the total number of CNG vehicles registered in the Walloon Region was up sharply compared with 2019, totalling 2,911 against 717 the previous year.

## Natural gas mobility

# 41

public CNG service stations  
available in the Walloon  
Region

situation as of January 2021





### Gas, CNG, bio-CNG and then...?

CNG presents numerous benefits compared with conventional fossil fuels – if only from a health point of view as it dramatically reduces emissions of fine particles and NO<sub>x</sub> – responsible for over 20,000 deaths in Belgium each year. The arrival of bio-CNG produced from biomethane and, in the future, of synthetic methane (SNG) produced from green hydrogen, will provide another important environmental benefit given that the carbon footprint of both will be zero. Over a full lifecycle, therefore, these vehicles will perform better than electric ones. At the moment, CNG vehicles are available at no surcharge compared with a classic internal combustion vehicle.

In 2020, ORES also embarked on a transversal thought exercise examining the future of natural gas and CNG. This is about positioning the company regarding this issue for 2030-2050 and in particular in the context of the development of hydrogen technology, currently considered as an alternative fuel. The exercise involves, on the one hand, studying the technical, economic and legal conditions of hydrogen capable of being injected into the ORES distribution network and, on the other, progressing investigations into synthetic methane by taking part in a demonstration project to be conducted with a producer of biomethane or another network manager.

### An increasingly effective stock of public municipal lighting

Controlling and reducing energy consumption is also at the heart of all thinking on energy transition involving, in particular, major changes in residential and tertiary sectors. For local authorities, that challenge of rationalising energy consumption – and electricity in particular – is a very real one. On average, street lighting represents more than 50% of their electricity bills. So it is only by upgrading and optimising their stock of public lighting that more sustainable management of municipal resources can be achieved.

The modernisation dynamic underway is part of the framework defined by the Walloon Government Decree of 2018 organising this change on a regional level and put into effect by the rollout of LED (light-emitting diode) technology across all public lighting. Between 2019 and the end of 2029, the managers of Wallonia's

distribution networks will replace more than 600,000 municipal public lighting fixtures. Priority will be given initially to low-pressure sodium bulbs, which their manufacturers will soon no longer sell, and to the most energy-intensive lighting fixtures.

Across the area operated by ORES, the upgrading of lighting fixtures by installing LEDs, combined with the systematic reduction of their light output between 10.00 pm and 6.00 am, is having the effect of reducing consumption on average by 60 to 65%. Once the programme is completed across all of the lighting points involved, almost 110,000 MWh of consumption will be saved every year – which corresponds to an annual reduction of emissions of some 29,000 tons of CO<sub>2</sub> equivalent. Also, thanks to their longer service life, these lights will require less maintenance than conventional ones. Local authority budgets will be affected positively by this programme, which will result in a significant reduction in the consumption of electricity. It should be noted that the investment





required for the works is partially covered by a closed envelope linked to the public service obligation assumed by the network operators. The balance will be rapidly offset by the cost reductions generated by the enhance energy performance of LED bulbs.

At the end of 2020, the company had replaced a little over 16% of the lighting stock under its responsibility, or 74,812 lighting fixtures now fitted with dimmed LEDs. For the local authorities themselves, this already translates into an overall annual saving of approximately 32,000 MWh of electricity and equivalent of 9,258 tons of CO<sub>2</sub> emissions avoided. However, the COVID-19 pandemic and especially the logistical problems caused by delays to the delivery to manufacturers of certain types of lamps with components originating from China slowed the pace of replacement initially planned for 2020. The rollout strategy that originally planned for the modernisation of municipal lighting by tranches of 10% each year, between 2019 and 2029, was re-examined to absorb the delay over the next four years.

### **The networks and their environmental footprint**

Beyond its role as a facilitator of energy transition, ORES also pays particular attention to the impact that its activities have on the environment. The company wishes to progressively reduce its environmental footprint through the sustainable management of its infrastructures, its real estate assets, its vehicle fleet and its waste. To achieve that aim, its policy is based on sustainable development and its commitment to operate in a way that safeguards the environment, for humans in the broad sense and for all of the partnerships in which it invests.

In the context of its main mission to manage and operate energy distribution networks, ORES aims first and foremost to use products and materials that respect the principles of eco-design. The company is focusing on translating this aim on various levels, in particular through its purchasing policy and the way it awards public tender contracts: in the selection of products and materials, in its concerns for the consumption of energy linked to their production, through optimised packaging to limit transport and, finally, in selecting and implementing appropriate technical solutions in terms of logistics.

The same principle also applies in the implementation of this equipment, for example when new installations are laid out, so that they have a limited impact on local fauna and flora and on the comfort and convenience of local residents. It should be noted that in 2020, ORES buried 94 km of old medium-voltage overhead power lines in order to improve the quality of supply – the underground network being less exposed to bad weather – but also to reduce the impact on bird life and the inconvenience sometimes perceived by local residents on a landscape level.

ORES's responsible approach to biodiversity also takes other forms. The company maintains regular dialogue with various stakeholders involved in the protection and preservation of the environment in the Walloon Region. For the past two years, a number of departments have been working with the Walloon Public Service in charge of Natural Resources and the Environment. Exchanges with the *Direction de la Nature et des Forêts* (DNF – Directorate of Nature and Forests) aim in particular to contribute to the better protection of natural areas with heritage value and of protected and light-sensitive animal species. The first step is to cross-reference the various mapping analyses



in order to identify “sensitive” municipal road sections. Proximity to the Natura 2000 network and sites of great biological interest (fauna and flora), the presence of protected light-avoiding species, allocation to the sector plan, proximity to surface water, proximity to housing, grouping of the lighting points concerned into consistent sections, etc. All these elements are analysed so that ORES’s partner municipalities can be better informed and supported in their decisions on the modernisation of lighting fixtures on the one hand, and on questions of reducing or even eliminating lighting near sensitive sites, on the other.

ORES is also very aware of the issue of bird mortality caused by overhead electricity lines, which is one of the main factors in the non-natural mortality of medium-sized and large birds in Europe. In the east of the territory managed by ORES, the close contacts established with Natagora, and especially with its German-speaking section, enable targeted interventions to be made in relation to bird deaths recorded. During 2020, some of the sections of medium-voltage lines, transformers, poles and connectors reported as being problematic by members of Natagora were made safe in order to limit their negative impact.

## Energy savings

Sustainable development is also incorporated into the management and renewal of the company’s real estate assets, in particular via checks on energy consumption. Centralised management systems – automation of the operation of technical building equipment such as heating, air conditioning, lighting, etc. – enable losses to be reduced and better control over energy expenditure to be achieved in many buildings.

The most efficient techniques for insulation, ventilation and the use of natural light are included in the design of new buildings. 2020 saw the completion of the construction project of the new ORES head office in Gosselies. This building is intended to accommodate all of

the company’s administrative services and corporate departments, totalling almost 800 staff. The situation caused by the pandemic and mandatory homeworking means that “normal” occupation of the building has not yet happened, but tours were organised in small groups in October, always in compliance with the appropriate protective health measures.

The project attracted the attention of the Walloon Region from its design phase back in 2013 and it was awarded a subsidy from the “Exemplary Building Wallonia” (BATEX) programme. The building itself is designed to meet the conditions for VALIDEO and BREEAM certification as part of an overall environmental approach. With floor space of approximately 15,000 m<sup>2</sup>, the building consumes virtually zero energy in terms of drawdown thanks to its geothermal design, the use of photovoltaic panels and its low level of heat loss. It was designed to create a benchmark for the rational use of energy and water, as well as ergonomics. In its structure and internal fit-out, the new head office puts the philosophy of the “New Way of Working” (NWOW) into practice, as well as ensuring it provides users with conditions that promote efficiency, wellbeing and the search for the ideal work-life balance. In addition, by grouping its central services, the new office has enabled ORES to rationalise its real estate assets and its consumption. In particular, the company plans to dispose of some of its old premises – such as the building in Auvélais – and terminate the lease of the rented offices in Namur’s Boulevard de Merckem. Thought is also underway about letting out those parts of the premises or floors that are now vacant, such as in Louvain-la-Neuve or Strépy-Bracquegnies.

The efforts undertaken in recent years in the area of energy management in buildings, as well as promoting staff awareness of ways to save money, are reflected in the consumption figures. At most of the company’s sites, these have been declining almost steadily in recent years. In 2020, these figures were of course affected by the pandemic and the limited occupancy of some sites. This was due to mandatory homeworking for certain categories

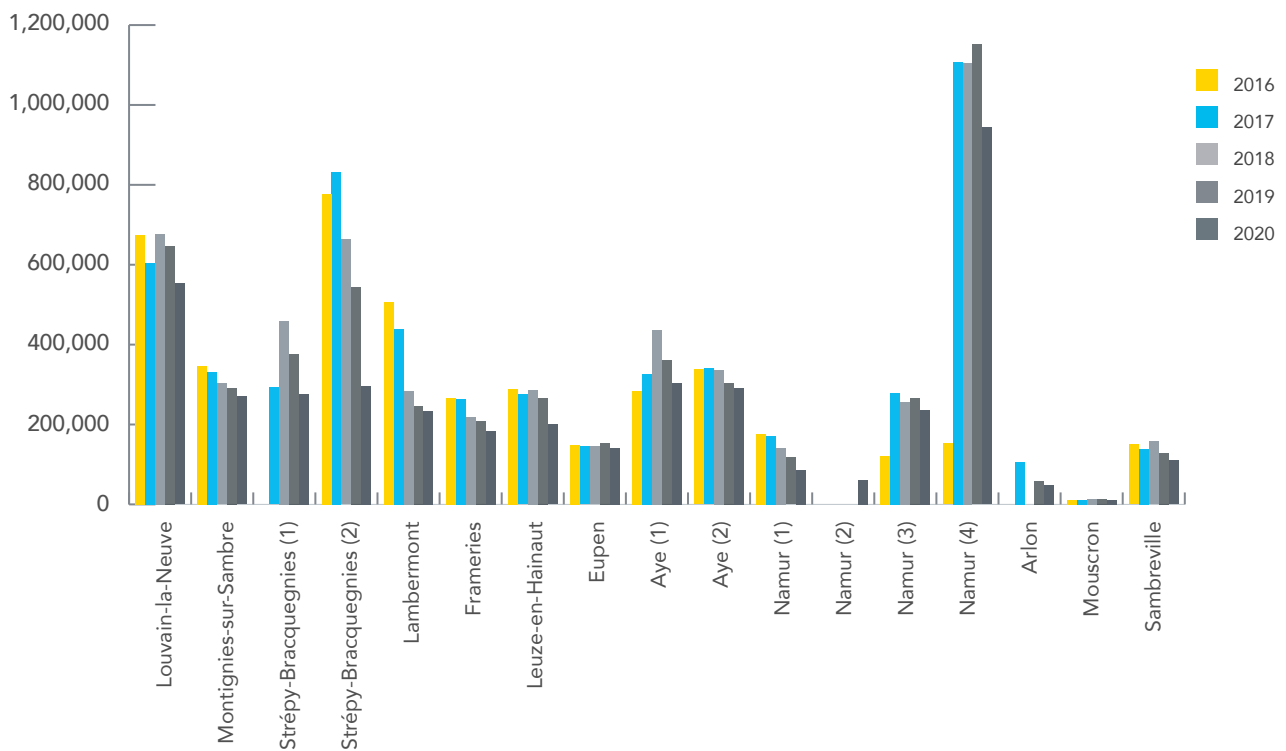


of staff. Compared with 2019, overall consumption of electricity at ORES fell by some 17.5%, while there was a less significant reduction of a little over 10% for natural gas. Whereas a fall in the consumption of gas was recorded at some sites, others saw a rise due to the increased occupancy of certain spaces converted into “local shops” during the second part of the year and the drawing up of inventories.

Also, at the end of 2020, nine of the company’s sites were fitted with photovoltaic panels, providing total installed power of 428 kWc. A further 236 kWc from the building in Gosselies will be taken into account from 2021 onwards. These systems generated the equivalent of 316.7 MWh of electricity during the year.

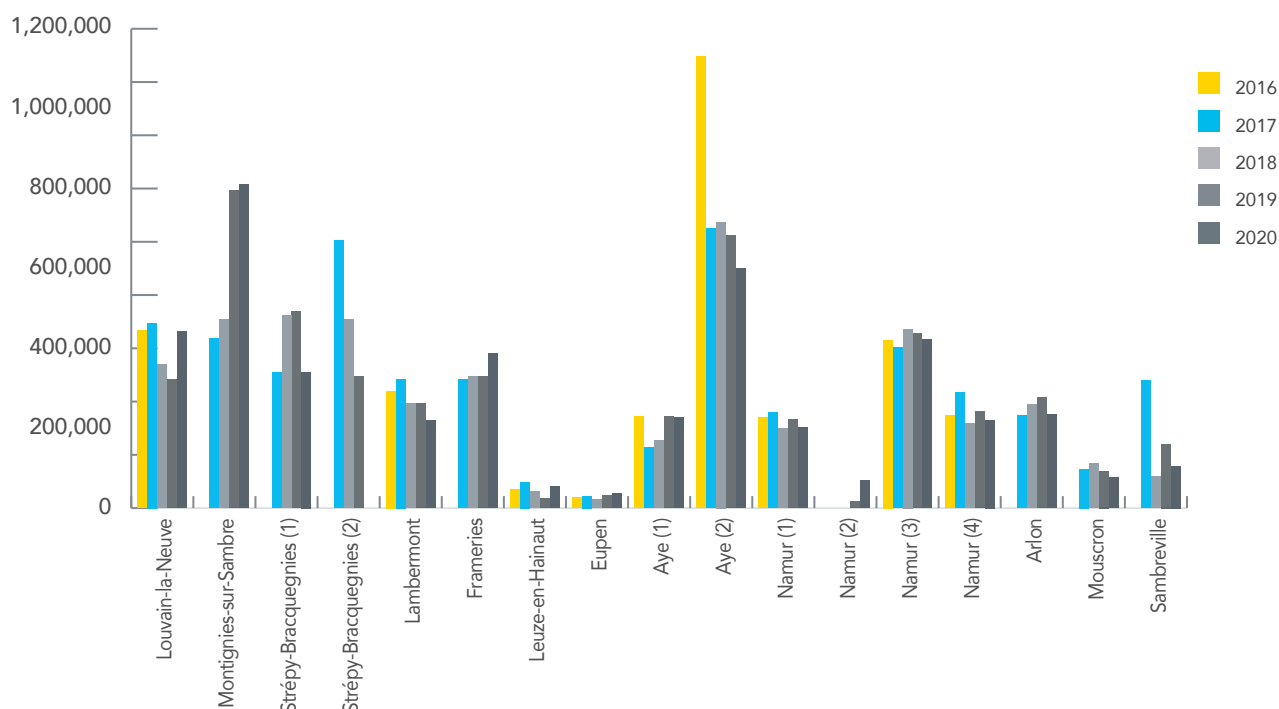
## Energy consumption and photovoltaic production from the company’s main sites and buildings

### Movements in the electricity consumption of the company’s buildings





## Movements in the gas consumption of the company's buildings



## Electricity production from the company's buildings fitted with photovoltaic panels

ORES site	Installed power 2020 (kWc)	PV production 2017 (MWh)	PV production 2018 (MWh)	PV production 2019 (MWh)	PV production 2020 (MWh)	Electricity consumption 2020 (MWh)	Coverage of PV requirement 2020 (%)
Namur	40	34.9	44.9	50.4	33.0	86	27.7%
Strépy-Bracquegnies	32	30.7	32.8	28.5	34.0	297	10.3%
Eupen	10	10.7	11.0	10.8	11.8	141	7.7%
Aye	8	6.9	7.9	7.2	7.8	291	2.6%
Marloie	45				26.0	14	65.0%
Lambermont	45	40.3	41.9	41.5	44.8	233	16.1%
Louvain-la-Neuve	70	65.6	68.1	62.0	68.3	553	11.0%
Freries	50	24.5	51.0	50.6	50.4	183	21.8%
Leuze-en-Hainaut	41	26.6	43.7	42.8	40.8	200	16.9%
<b>Total</b>	<b>341.0</b>	<b>240.2</b>	<b>301.4</b>	<b>293.7</b>	<b>316.7</b>	<b>1,998</b>	

## VALIDEO certification for the ORES office in Picardy Wallonia

In 2014, ORES began the building works at Leuze in Picardy Wallonia. The aim was to create a building that was sustainable not only from an energy point of view (passive building), but also in its overall design: site, construction, comfort, social value. Throughout the works, the various choices to be made were submitted for analysis under the Valideo 2013 frame of reference. In 2019, the building underwent a total audit with a view to obtaining Valideo compliance certification, which ORES received in March 2020. This makes it the company's first building to be certified as sustainable. The sites at Strépy-Bracquegnies (2019) and Gosselies (2020), both designed and built with the same philosophy, will also be submitted for certification.



## Company fleet: emphasis on CNG

At the end of 2020, the ORES service fleet consisted of 1,079 vehicles, of which a little over 8% were fitted with alternative engines to conventional fuels and hence were less polluting. The company is currently prioritising CNG as the fuel of choice for the renewal of its fleet, based on the models available on the

market and the function assigned to the various vehicles. The number of utility vehicles running on CNG did not change in 2020 due to the non-completion of a public tendering process. In the meantime, 35 new utilities of this type are on order and will be delivered in June 2021 to replace old diesel or petrol vehicles.

## Share of CNG in the ORES fleet



**883** Cars/utility vehicles  
< 3.5 tons of which 87 CNG and 2 electric



**110** Truck-mounted  
aerial platforms of which 1 CNG



**66** Vans > 3.5 tons



**20** Trucks

Management and supervisory staff who are entitled to a leased company car, also have a financial incentive to opt for CNG or hybrid electric models. In 2020, 47 managers had opted for one or the other solution.

Carpooling is also encouraged for employees travelling to work in a private vehicle. In 2020, the carpooling figures dropped very sharply, to practically zero, due to the pandemic. On the other hand, "teleworking" or working from home became the order of the day and was made mandatory for administrative staff during the two periods of lockdown experienced during the year.

### Responsible waste management

As part of the new overall 5-year prevention and protection plan, the management of waste is currently the subject of a process designed to redefine procedures and responsibilities, particularly in terms of tracking rubbish collections and recycling, with the overall aim being to keep improving waste management. In 2020, due to the pandemic and the phase during which non-urgent

works were suspended in the spring, followed by a gradual resumption, the waste generated by the company was down overall by 7.5% compared with 2019.

As far as ordinary industrial waste (known as Class II waste) is concerned, ORES has been implementing selective sorting for some years now, with tangible effects. Suppliers have also been encouraged to reduce excessive packaging. These measures are beginning to bear fruit, with ORES recording a little over 449 tons in 2020, which was the lowest figure for this category of waste since records have been kept. This downward trend involves most categories of waste, with the exception of the quantities of asbestos removed while maintaining the distribution cabinets and for contaminated soil, both of which receive special attention. Details of these changes, by waste type and method of processing, are shown in the tables below.

## Changes in the volumes of waste produced

Unit (kg)	2016	2017	2018	2019	2020
Ordinary industrial waste (Class II; OIW)	550,875	523,401	493,460	516,971	449,106
Mixed paper/cardboard	321,837	143,945	126,380	117,559	116,635
PMC	-	5,394	5,459	6,069	4,902
Miscellaneous oil	5,824	10,924	17,854	10,780	16,956
Transformers	360,048	266,328	372,672	461,592	400,701
SF6 cells	3,344	10,502	5,398	6,362	2,386
Wood	10,320	22,280	33,480	33,300	41,640
Scrap equipment	1,180	1,854	6,353	11,797	4,488
Contaminated soil	-	16,608	-	5,700	21,060
Asbestos	13,794	18,480	29,110	18,370	24,350
Copper, bronze, brass	7,477	4,934	7,183	8,579	5,723
Miscellaneous metal	408,718	375,747	431,968	441,885	431,494
Small hazardous waste	972	4,795	2,059	2,212	2,118
<b>Total</b>	<b>1,684,389</b>	<b>1,405,192</b>	<b>1,531,376</b>	<b>1,641,175</b>	<b>1,521,558</b>

## Processing methods and volumes

Unit (kg)	2018		2019		2020	
	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste
Energy recovery		22,751		6,832		13,936
Organic recycling		420				
Inorganic recycling		522		10,091,48	1,750	457,90
Exchange for recovery	388,939	1,080,634	472,952	1,118,656	411,447	1,037,401
Use as backfill foundations	2,280		4,420		1,240	
Landfill (CET)	26,830		13,580		780	
Physicochemical treatment before disposal	3,400		7,500		30,190	
Regrouping before disposal	202		412		136	
Storage off-site before disposal	5,398		6,732		23,950	

## Carbon footprint

ORES has not at this stage set a precise target for the reduction of its carbon emissions. The strategic plan 2021-2023, as well as the initiatives and measures taken in 2020, fall within the Walloon targets for reducing greenhouse gases by 55% between now and 2030. The pandemic and lockdown, resulting in mandatory homeworking for 70% of staff for an average of over 6 months, the temporary stoppage of works on the networks, the company's activities and resulting environmental footprint in 2020, cannot be considered as representative. As a result of the growing digitalisation of activities, the inclusion of renewable energy, the continued reduction of network electricity losses, the effective management of energy consumption for the company's buildings and vehicles, the improvement of its policy on waste, the modernisation of municipal public lighting and the awarding of responsible and more sustainable contracts, ORES is constantly working to fight climate change. This aim is now firmly embedded in the company and its industrial project.



In addition to the digitalisation of its exchanges with customers and the overall reduction in the volume of paper used, ORES has ensured it opts for a responsible contract formula – with the offsetting of emissions – for sending its mail by bpost.



# 4. Reliable and sustainable networks

As reaffirmed by ORES's stakeholders in December 2020, the reliability of its distribution networks is one of the major sustainability challenges for the future. Essential as they are for the community, businesses and households, like genuine cardiovascular systems of society, the electricity and gas networks are the backbone around which energy transition is built.



Overall, the main responsibility of ORES in its role as a DNM is to guarantee the long-term reliability of its energy distribution networks. To contribute actively to the dynamic of energy transition and incorporate the power output from renewable sources, ORES must continue investing in a way that is effective and economically efficient. In the face of climate change and its effects, guaranteeing supply is more important than ever, as is the resilience of the networks, for the benefit of the whole population, which needs to rely legitimately on continued high-quality supplies of energy. The operating and breakdown repair services at ORES are organised and sized to be able to take action on the ground 24/7, particularly if there is an electricity supply problem or an incident in the gas network.

In 2020, against a background marked in particular by the health measures taken against the pandemic, adjustments had to be made to the management of these networks, especially during the first lockdown. Investment works, connections and other work scheduled with customers, as well as maintenance and modernisation works on the networks were totally suspended for a number of weeks, with a gradual resumption of work from May onwards.





## ORES networks – key figures 2020

### Electricity



**51,765 km**  
of networks



**1,379,894**  
active supply points



**11,808,075 MWh**  
of electricity distributed

### Gas



**10,033 km**  
of networks



**512,201**  
active supply points



**13,296,000 MWh**  
of gas distributed

## Electricity distribution networks

**21,496 km**  
**Medium-voltage**  
**electricity network**



**30,269 km**  
**Low-voltage**  
**electricity network**

Despite the temporary suspension of work on the network infrastructures, breakdown and emergency services continued working throughout the year. Our teams were called out 10,514 times to work on the electricity network in 2020. This figure was

slightly lower (down 4.5%) than the average for the past four years. The length of the work and the time to restore power on the medium-voltage network were down for scheduled work, and stable – in combined time – for outages or “unplanned downtime”.

	Average in hours 2019	Average in hours 2020
Planned downtime – response times	00:35:53	00:22:38
Restoration of power supply	03:15:56	03:10:22
Unplanned downtime – response times	00:45:00	00:43:00
Restoration of power supply	00:44:21	00:46:09

On the low-voltage network that supplies customers directly from distribution cabinets, outages may be caused by damage or technical defects, as well as by bad weather and “outside influences” – usually cables pulled out by companies carrying out roadworks close to network infrastructures. The indicators relating to response times were up slightly (+4 minutes) compared with the previous year. This situation was associated in particular

with the significant weather events that occurred during the year and the management of their effects on the 19,200 km of low-voltage overhead electricity networks. The number of outages resulting in downtimes of more than 6 hours were also up – 108 compared with 82 in 2019 – due to the storms at the beginning and end of the year (see box).

	Average in hours 2019	Average in hours 2020
Average time to arrive on-site	00:50:46	00:52:35
Average work time	01:07:53	01:10:04
Unplanned downtime	01:58:39	02:02:39



## On deck in all weathers!

In addition to the pandemic, 2020 saw a number of serious weather events, particularly at the beginning and end of the year, which had repercussions on the management of the network. In February, three storms swept the Walloon Region across three successive weekends. The first, Storm Ciara, caused serious damage on 9 and 10 February, with gusts of wind reaching 130 km/h. In the space of 24 hours, ORES received 3,000 calls and the technical teams attended 800 call-outs in the field. At the height of the disruption, more than 30,000 customers were without electricity. Ciara was followed by Storms Dennis and Ellen, both a little less violent, but which once again placed our engineers and the network under severe pressure. At the end of September, Storm Odette also caused blackouts, particularly in Picardy Wallonia, in the centre of Hainaut and in Walloon Brabant. Finally, in December, falls of snow that were both heavy and sticky, accompanied Storm Bella, causing serious damage, especially in the province of Luxembourg and in the region of Bastogne, where the weight of frozen snow on the power lines caused mechanical outages requiring significant repairs. However, thanks to the commitment and professionalism of the teams, travelling and working in extremely difficult and harsh conditions, the power cuts were limited to a few hours at most.



Even though investments on the network had to be suspended for part of the year, there were still significant works carried out to ensure the maintenance, modernisation and development of the electricity infrastructure across the whole of the area managed by ORES. For example, almost 500 km of new cables were installed as part of the work to connect new windfarms or photovoltaic farms, such as Pairi Daiza (20,000 MWh of electricity production) for which ORES ran 8 km of new cables to connect the system to the transformer unit closest to the farm. These investments also concern the development of industrial estates and new residential subdivisions, as well as work to renovate and

upgrade a number of major urban centres – Charleroi, Verviers and Arlon, for example – and the NATO military base at SHAPE, close to Mons. It should also be pointed out that some of the old overhead medium-voltage lines more exposed to bad weather were dismantled and replaced by underground infrastructure over 94 km in total during the year, while a further 73 km of the overhead network also saw maintenance work.



Modernising the electricity infrastructure and adjusting it to the increasingly intensive development of renewables also includes the digitalisation and robotisation of the network and some of its equipment. In particular, these developments affect the high/medium-voltage transformer substations that provide the link between the Elia TSO network and the electricity distribution system, as well as with the main distribution cabinets. At the end of 2020, ORES had 128 interconnection points with the transmission network and 22,765 distribution cabinets, 10.4% of which were “smart” or operated by remote control. The use of new digital or optical technologies in this equipment also makes it possible

to make their operation safe and reliable, to the benefit of all customers and energy transition.

Finally, the ORES technical teams made more than 6,400 new connections to the electricity networks and installed almost 16,000 new meters, making a total of 1,470,662 units for the area covered by the 197 local authorities served. These include 46,494 active budget meters, which will be replaced in the years ahead by digital smart meters (see section on Customer Satisfaction, page 44).

### Innovation in the network reliability department

In 2020, ORES decided for the first time to use drone technology as part of the work to optimise the maintenance of medium-voltage overhead lines.

The aim is to upgrade these operations in terms of frequency and content by using drones equipped with cameras to make inspections prior to carrying out the maintenance work. The shots taken at the top of power poles, transformers and connectors enable faults and anomalies caused by wear to be diagnosed with great accuracy. The maintenance engineers can then carry out work at the necessary locations, with far more targeted power cuts and less inconvenience for local residents. The protocols for processing the images – using a system of artificial intelligence – are still in the process of being developed, but early tests at the end of the summer 2020 demonstrated the many advantages

that this promising technology has to offer. Over time, these drones could be used regularly as part of the maintenance of the overhead electricity network.







### Response to operating problems

On 28 May 2020, at 2.15 in the morning, ORES suffered an attempt to steal cables on a footbridge over the river Sambre at Monceau, near Charleroi. This footbridge was a sensitive component in the network because it carried 9 medium-voltage main feeder cables supplying part of the Charleroi area from a nearby transformer. The attempted theft ended up causing a fire and all of the cables – including a feeder supplying André Vésale hospital – were seriously damaged. This deprived more than 15,000 customers of their power supply, creating a critical and highly problematic situation in terms of network management.

Fortunately, there were investment works already underway at this location – including in particular drilling under the Sambre – designed to make this footbridge redundant in favour of an underground solution. A crisis meeting was convened at very short notice with the subcontractors and ORES teams to organise works immediately, operating round the clock. In the space of just one week, 400 metres of trenches were dug and new cables run, enabling the footbridge to be permanently abandoned.





## Gas distribution networks

**3,966 km**

**Medium-pressure  
gas network**

**6,067 km**

**Low-pressure  
gas network**



The same health restrictions as elsewhere meant that some works on the gas networks had to be suspended for a number of weeks. Despite this, the ORES customer base continued to grow in 2020, with a little over 9,000 additional supply points. Safety remains the number one priority of the technical teams in their day-to-day work. As a preventative approach, approximately 20% of the length of the natural gas distribution networks is inspected each year as part of the systematic search for leaks. 2,086 km were inspected in 2020, which was 300 km more than in the previous year. The number of leaks detected and repaired was down by 60%, which demonstrates how the quality of the networks has improved as a result of the policy to upgrade and replace the system implemented in recent years.

With regard to incidents and leaks within the network generated by external causes, we should point out first of all that the introduction of the Impétrants Decree and the commissioning

of the “PoWalCo” platform three years ago have resulted in improved communication and greater effort to find synergies between the various providers of cables and conduits when it comes to carrying out their investment works. This new method of consultation enables the number of incidents caused by pipes becoming snagged or pierced to be reduced. Repairs of leaks resulting from incidents such as this were also down by approximately 20%. However, it should be pointed out that the economic slowdown linked to the pandemic and the temporary suspension of numerous worksites was no doubt also involved. The increase in average response and arrival times on-site – up by 9 minutes in total – has to do with the way the department is organised and the changes that had to be made as a result of the pandemic.



<b>Length of pipe inspected (in km)</b>	<b>2019</b>	<b>2020</b>
Medium-pressure	663	779
Low-pressure	1,124	1,307
<b>Total</b>	<b>1,787</b>	<b>2,086</b>

<b>Repairs of leaks in the gas network</b>	<b>2019</b>	<b>2020</b>
Call-outs following calls from third parties	1,223	1,002
Work carried out following a systematic check of the network	575	223

<b>Emergency response times to the gas network (after damage) (in hours)</b>	<b>2019</b>	<b>2020</b>
Average time taken to arrive on-site (from call to arrival)	00:50:40	00:56:59
Average work time (from arrival to end)	01:00:31	01:03:28
Time to arrive and work (from call to end)	01:51:11	02:00:27

Investments in the medium and low-pressure networks for the replacement and upgrading of old pipes or installations continued at a slightly lower rate than in 2019. The low-pressure networks in cast iron or fibre cement continued to be decommissioned and, at the end of 2020, these old systems represented only 62 km – or 0.6% of the network. Beyond this decommissioning and upgrades to steel pipes with replacement by polyethylene (23 km), the main

work was to connect new customers to the network, with more than 6,400 new connections and 9,000 additional meters, as well as the installation of new cabinets on the distribution network and at customers who are major consumers of gas.





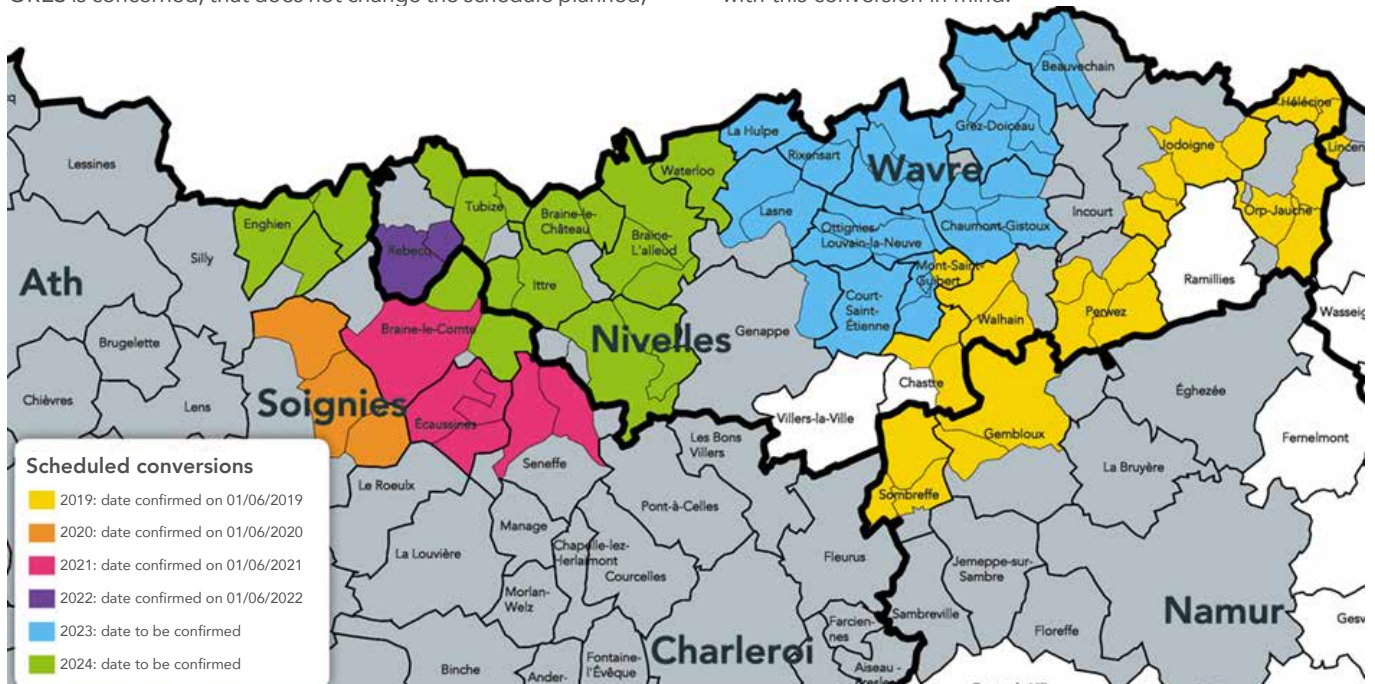
## Development of the network: economic feasibility first and foremost

Extensions to the gas distribution network are not simply a matter of the authorities or customers making a request. They are also the subject of an economic feasibility calculation, with parameters that are set by the Walloon regulator. In view of the upward trend in costs in recent years – particularly in terms of the cost of plant and the prices for the excavation and road works – the conditions for carrying out these extensions have become considerably less favourable in economic terms than in the past. Requests for connections “outside the network” also usually involve significant costs that are beyond the investment envelope available for the network managers and need to be covered, where applicable, by the parties making the requests themselves. This means that extensions to the system are very limited at the present time: in 2020, the network was extended by less than 100 km.



In 2020, the ongoing works to convert networks supplied with ‘lean’ gas (called ‘L’ gas) to ‘rich’ gas (called ‘H’ gas) continued across the territory managed by ORES along the lines previously announced. Taking Belgium as a whole, half of the customers connected to the distribution networks are affected by the decision taken by the Netherlands to reduce their exports of gas with low calorific output. The initial cut-off date for the switch of 2030, which was the year planned for the permanent stoppage of these exports, has been brought forward to 2024. As far as ORES is concerned, that does not change the schedule planned,

because it will be making the conversion in the thirty of so local authority areas concerned between 2019 and 2024 (see map). After Chastre, Gembloux, Hélicine, Incourt, Jodoigne, Lincent, Mont-St-Guibert, Orp-Jauche, Perwez, Sombrefe and Walhain, which were converted in 2019, the municipality of Soignies and 7,400 customers switched to H gas during the summer of 2020. Further conversions will affect Ecaussinnes, Braine-le-Comte and Seneffe in 2021 and the customers in question will receive prior communication to enable them to take the steps they need to with this conversion in mind.



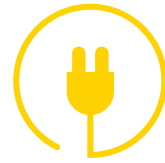
## Management of the municipal public lighting stock



**460,524**  
Lighting  
fixtures



**39,043 kW**  
Installed power



**164,606.380 kWh**  
Total consumption

The maintenance of municipal street lighting is a public service obligation (PSO) devolved to the distribution system operators. In this context, ORES maintains, repairs and modernises – also see the section on “Energy transition and the environment” – the lighting fixtures that serve municipal roads, public parks or squares, as well as the lighting structures that illuminate certain municipal buildings. All this equipment contributes to the safety and enhancement of public spaces. On the other hand, ORES

does not manage the lighting of expressways, motorways and most regional roads. In 2020, the number of lighting fixtures managed by the company increased very slightly (+0.6%), although the power output and overall consumption were both down, by 0.8% and 2.9% respectively, compared with 2019. This situation is linked to the performance of the new dimmed LED fixtures (see the section on Energy transition and the environment, page 16).



## Composition of the stock of lighting fixtures at 31 December 2020

Changes in the number of works by type of lamp	2019	2020
NaLP – low-pressure sodium	96,385	83,909
NaHP – high-pressure sodium	237,032	232,746
MHHP – metal halides/iodides	68,086	68,190
LED – light-emitting diodes	55,164	74,812
Other	983	867
<b>Total</b>	<b>457,650</b>	<b>460,524</b>

Municipal public lighting is designed to enhance the safety of local residents and ensure that pedestrians and motorists can see and be seen. For the past few years, ORES has provided an app for citizens and local authorities that enables them to report a broken lighting fixture in just a few clicks. After gaining

in use over the years, this app is now extensively used and now channels a stable number of approximately 120 reports each day on average. In 2020, these reports led to the repair of 35,114 lighting fixtures. In addition, a further 33,440 fixtures received preventative maintenance.

	2019	2020
Number of reports of defective lighting fixtures via the ORES website (citizens) or the MUSEweb app (local authorities)	45,570	44,395

Finally, public lighting allows municipalities to showcase their architectural heritage. Numerous lighting projects were carried out in 2020 by the company's design offices, sometimes in collaboration with private operators. One of the most symbolic projects of 2020 was without doubt the completion of the works to re-illuminate Tournai Cathedral, which were inaugurated to

mark the 20<sup>th</sup> anniversary of the building being granted UNESCO World Heritage status and 850 years since the cathedral was dedicated. The whole project is part of a master lighting design plan established with the city fathers in 2019.





### **Making life easier for local authorities with the Lighting Service**

At the end of the previous financial year, ORES offered local authorities a new service designed to assist them in the maintenance and repair of their public lighting stock, with the overall aim of making life easier for them. In practical terms, the company works through this service to provide all maintenance and repair work in return for the authority paying a single fixed charge, which is reviewed annually. At the end of 2020, 82% of local authorities had joined this service, which represents 86% of ORES's stock of public lighting (390,000 lighting fixtures). Initial feedback is very encouraging, with authorities mentioning a more efficient service, simpler administrative procedures and shorter lead-times compared with the traditional system.

# 5. Customers at the heart of the business

In its strategic plan 2021-2023, ORES reaffirmed the importance of the customer for the way the company conducts its business and for its continuity. ORES aims to make life easier for its customers. Their satisfaction regarding the services provided is assessed regularly and, where necessary, the range of service is adjusted to meet the needs expressed. Digital transformation continues in addition to traditional channels of interaction, with the aim of also strengthening social inclusion in terms of access to energy transition.



As part of operating its various business lines, ORES take changes to the needs of customers into account in order to offer them a service that meets their expectations. In 2020, the company implemented a number of initiatives to that end by improving the quality of its range of services and making communication and

interaction smoother with customers. Also, in its public service missions and obligations of a social nature, the year was marked by the pandemic and the responses brought to bear to cater for the difficulties encountered by vulnerable people.

## Connect My Home

June 2020 saw the official launch of a service totally focused on the needs of residential customers involved in their own building project. Initiated by ORES in the form of a pilot in 2015, the Connect My Home service is the first of its kind for Belgium: for the first time, four operators of cables and conduits – ORES, Proximus, VOO and SWDE – are offering to take care of the connection of new homes to the electricity, gas, water and telecoms networks via a single administrative request, for a single price and with no surcharges. An ORES customer adviser manages the whole business, from the customer making the request, right through to completion of the works. Once the work has been scheduled,

everything is completed in a day, sometimes even half a day. The customer saves time, effort and stress. For the local authorities involved, this service also offers a range of benefits, because they have to deal with fewer permit applications, while the inconvenience of having multiple works going on in the same road or street is also avoided. At the end of 2020, Connect My Home was available from the four partners in all local authority areas where they operate, with the exception of areas in Walloon Brabant and the province of Luxembourg, where the service will be rolled out at the beginning of 2021.





## Keeping to deadlines when applying for works

The quality of the work carried out for customers by the teams of ORES engineers and subcontractors is closely monitored. In addition to reading meters, the services provided by ORES usually occur at important times in customers' lives, for example when they are building their home and it comes to the essential connection works to the energy networks, as mentioned above with Connect My Home.

ORES aims to hand each request and carry out each item of work within the deadline set by the market regulator, with the notable exception of instance where the customer's request involves work to upgrade the electricity network or even the gas network – which is far more rare.

## Keeping to deadlines into 2020

Price quotes for connections to the low-voltage electricity network

83%

Connections to the low-voltage electricity network

89%

Connections to the medium-voltage electricity network

69%

Price quotes for connections to the low-pressure gas network

66%

Connections to the low-pressure gas network

84%



In terms of keeping to deadlines and works and their preparation, results were generally lower, sometimes significantly, compared with the previous year. Beyond the specific details of some requests – requiring prior studies, resulting in an extension to processing lead-times – the situation caused by the pandemic, mandatory social distancing between the teams dealing with the requests and the stoppage, then gradual resumption, of works carried out by teams, certainly had an effect on these results. Whatever happened, even if 2020 was non-typical in this respect, the company is well aware that it can and must improve in this area.

### The customer experience and satisfaction scores

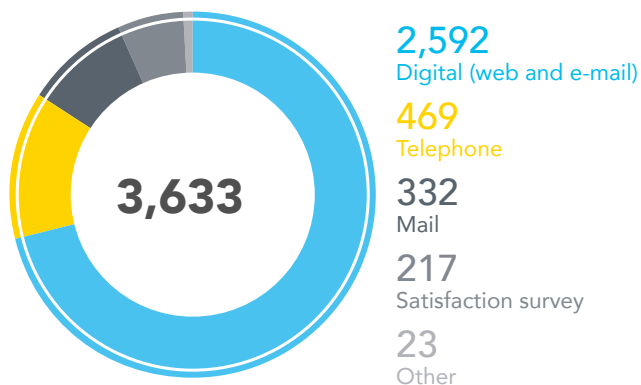
In 2020, ORES continued to conduct satisfaction surveys with its customers. On average over the year, the satisfaction rate of the customers contacted following a technical interaction with our services – usually works carried out at their home – scored 8.13 out of 10. As was the case in 2019, this indicator was part of a shared target set for the whole company in the context of an annual collective labour agreement (CLA) to achieve a score of 8 out of 10.

Another target linked to the same CLA was the call-back rate of customers who said they were dissatisfied in these surveys. This

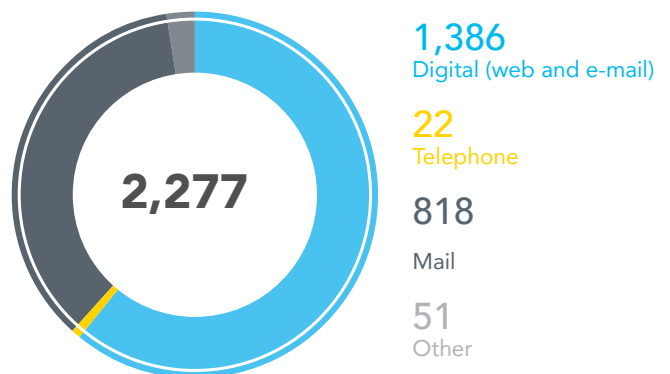
process is designed not only to listen to the reasons for their dissatisfaction and make changes to the process used, but also to target recurrent complexity points and, where applicable, to amend processes. Here the target was set at 95% of customers called back – a score that was not achieved in full, but which was 93.57% on average over the year. In addition to the lessons learned for ORES itself, the feedback received enables the company to make subcontractors aware and particularly contractors responsible for excavation and earthworks. Many of the remarks fed back relate to the work carried out on pavements in front of customers' homes as part of the work to install connections or make modifications.

To enable them to pass on their complaints – whether it's about some form of dissatisfaction, a claim for compensation or a request for mediation – customers' main way of lodging their complaints is via the online forms on the website. These days, customers prefer to use digital channels to make their requests. In 2020, the number of complaints received was down by 11.5% compared with the previous year, which was in line with the overall slowdown in business caused by the pandemic.

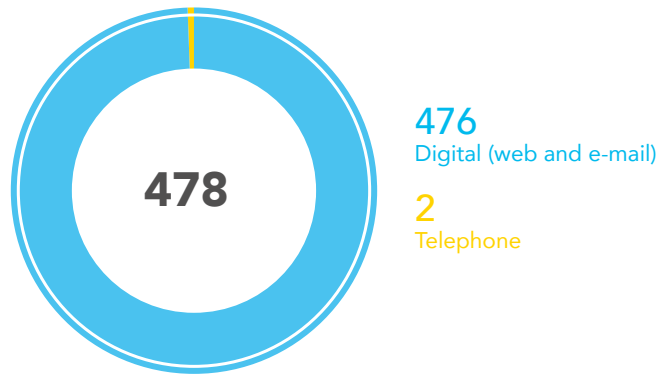
### Number of complaints received – by contact channel



### Claims for compensation



## Requests for mediation



Type of complaint/request	Receive	With grounds
Dissatisfaction	3,633	2,041
Compensation	2,277	665
Mediation	478	42

The teams at ORES responsible for monitoring complaints are set a maximum deadline of 30 calendar days to provide a useful and quality response to a dissatisfied customer. The average time for dealing with and responding to a complaint was longer in 2020, particularly for compensation claims, where the deadline

was significantly exceeded. This situation is explained by the large number of cases appealed by insurance companies and the difficulty in organising assessments involving both parties on-site where the claims were made during the period of lockdown and social distancing.

Type of complaint	Average processing time (in days)
Dissatisfaction	24
Compensation	52
Mediation	20

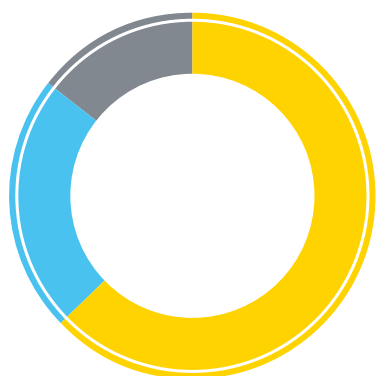


## Digitalisation and personalisation of services

Digital developments are changing customer expectations. ORES has a duty to respond to this, not only in terms of availability and speed of service, but also in terms of accessibility. Customers prefer to use digital channels more than the telephone for their dealings with the company. In 2020, 69% of customer contacts were made via a digital channel. The website recorded more than 1.8 million visits over the year, an increase of 12% compared with 2019. The share of “mobile” contacts – via smartphone or tablet – is also in the majority with nearly 55% of contacts, while use of the website function enabling customers to view supply outages was 83%.

While some inline users still visit the website for purely information purposes, the majority of visits – 60% on average, with a monthly peak of 74% in February 2020 – are for the purpose of a “transaction” between the customer and the company: submitting meter readings, requests for connection, reporting breakdowns in public lighting, requests for bonuses, etc. Submitting and viewing meter readings is the most used function, with over 50,000 visits per month on average.

## ores.be website – breakdown of visits involving a transaction



61% Meter readings and consumption

22% Forms and requests

14% Breakdowns and outages



The digitalisation of customer interactions also generates an increased offering and the introduction of new functional features to the website. In 2020, special emphasis was placed on interactions in terms of incidents: breakdowns, outages, defective public lighting fixtures, etc. The sections of the website relating to these issues have been reviewed and enhanced. New services are being prepared for 2021. Also, in the context of the introduction of the prosumer tariff and bonuses by the Walloon Government in October, the website was modified to help guide customers

in their dealings. A significant increase in visits was recorded in November and December.

Social networks - both internal and external - are also an integral part of the company's communication policy. Whether it is Facebook, Twitter or Instagram, these modes of interaction are increasingly popular with the public. Facebook remains the most successful channel.

## Facebook figures 2020

10,986

Number of subscribers to the ORES page

3,107

Average reach of posts per day  
(online users)

137

Average number of reactions to posts

395

Average number of private messages  
received each month

The COVID-19 crisis once again increased the coverage and impact of digital communication, online and social networks. The Facebook page and specific pages on the website focusing on certain areas of information demonstrated their great usefulness in times of lockdown. In the spring of 2020, after the adoption by the Walloon Government of specific measures to assist customers

supplied by budget meters, visits to the pages dedicated to these customers broke all records. There were peaks of up to 20,000 visits a day, whereas the average number of visits to ores.be is more usually around 35,000 per week. Visits to the site are constantly increasing and have doubled in the space of four years.

## "My consumption under the microscope"

In 2020, as part of the rollout of the first communicating digital meters on its territory, ORES contributed to the enhancement of "maconsosouslalooue.be", a collaborative website designed to help customers use their new meter. This free site, developed under the auspices of the Tweed cluster with ORES, RESA, Sibelga and the Volta federation as partners, gives users simple and practical access to a wide range of information about the products and services that can be installed via the meter's "customer ports". The website is aimed at both private individuals and installers, as well as at the developers of services and applications for managing energy consumption.







However the growing digitalisation of customer interactions should not be to the detriment of the personalisation of exchanges, especially for customers who fall on the wrong side of the digital divide. The company is paying particular attention to this issue.

The problems encountered with the reactivation of budget meters after a period in which they were “frozen” due to lockdown have highlighted the importance of “physical contact” and human assistance for customers facing difficulties.

## Crisis management

In March 2020, the fear of a long-term total preventing customers with budget meters from topping up their prepayment cards prompted the Walloon Government to take specific measures in consultation with the various network operators. The “temporary freeze” measure of the normal operation of these meters resulted in a period during which the recharging system was out of commission. Customers were able to continue consuming energy without having to leave their home to recharge their card. For the territory managed by ORES, this period was due to end on 3 July at 11.00 pm.

Beginning on 4 June, a far-reaching communication plan was put in place to inform customers of the steps they needed to take to reactivate their meter before the cut-off date. This information was broadcast on several occasions via multiple channels: by post, text message, e-mail, press releases, the continuous updating of information on the website, posts on the Facebook page, posters displayed in the reception offices and PCSWs. A crisis unit was also set up to handle customers who did not take appropriate steps before the cut-off date.

Unfortunately, a technical problem caused almost 5,000 meters to become blocked 24 hours before the cut-off date. The teams at ORES and its Comnexio contact centre – which was heavily in demand – responded immediately and the crisis unit was mobilised. Invited to visit our reception offices from Friday 3 July onwards, customers were received and informed throughout the weekend, with all reception offices staying open.

Some 4,000 customers were helped out, either temporarily or by having the recharging card reinitialised. Meter-readers were also sent to the homes of customers who were unable to travel, while breakdown engineers sorted out some of the technical problems on the meters. In what was an exceptional situation, ORES once again demonstrated its ability to cope with problems and provide practical solutions for its customers.



## Consumption data manager

One of the main aims of ORES in the market is to read, validate and transmit customer consumption data to their provider. At the end of 2020, the company was responsible for nearly 1,470,000 electricity meters and 560,000 gas meters. For customers whose energy usage and billing requires more regular reading, meters that are read remotely each month or automatically every quarter of an hour are also available. In addition, as part of the Switch programme, almost 10,000 first digital smart meters were installed in 2020. This programme organises the rollout of these meters with the aim of maximising positive effects for customers and the company.

To enable the energy market to function properly, each connection point to the network must be identified and linked to a supply contract. By managing the access log, ORES tracks changes of provider, as well as the start and finish dates of contracts for

the 1.8 million or so supply points across its territory. When a grid connection point registers energy consumption without a contract being in place with a provider, the network manager has the task of trying to resolve the situation and put forward practical solutions. This type of situation occurs, for example, when a customer moves to a new home without notifying their provider of the change. The administrative services at ORES always look for a solution to avoid supply to the customer being cut off, which is the ultimate regulatory measure for resolving these problematic situations. In 2020, supplies where only cut off in 3.5% of the requests received. This is a figure that has continued to drop in recent years. It should also be pointed out that, for part of the year, a government decision meant that energy supplies were not permitted to be cut off, in the context of the pandemic.

### Situations of problematic changes of address managed by ORES in 2020

	 Electricity	 Gas	Total
Requests received from providers	33,215	13,800	47,015
Number of supply cut-offs	1,094	558	1,652



## The fight against energy poverty

Energy poverty is a growing concern in the Walloon Region. ORES is resolutely committed to helping vulnerable customers. As part of its public service obligations, ORES has the task of installing – and/or activating – budget meters at the premises of customers acknowledged to be in default of payment, at the request of their supplier. This system is aimed at ensuring payment is made for the energy consumed. Sometimes criticised because it is usually forced on the customer, this type of meter is also a budget management tool for households. The vast majority of customers (> 87%) equipped with this type of meter say they prefer it to conventional meters, despite the constraints inherent in topping it up. A few years from now, they will be totally replaced by digital smart meters that allow prepayment for energy, online for example. Conclusive initial remote prepayment tests were conducted by the company's teams in December 2020. As part of the "Smart User" project, organised under the auspices of the Walloon Public Service's Directorate General for

Regional Planning, Housing, Heritage and Energy, teams from ORES help guide a group of customers who have digital meters fitted by experimenting with remote prepayment. The company intends to use the rollout of smart meters as a tool for social inclusion and a way to ramp up the fight against energy poverty. ORES plays a very practical role in the Walloon SocCER (Socio-economy of Renewable Energy Communities) project, which aims to develop tools that promote inclusive energy transition. A first "demonstrator pilot" will be launched in Verviers during the second half of 2021, in conjunction with the social housing company, Logivesdre: 24 single-family houses will be equipped with photovoltaic panels and digital meters to test a low-voltage renewable energy community with their occupants.





## Budget meters – situation at end 2020

	 Electricity	 Gas	Total
Total installed stock of budget meters	132,153	47,232	179,385
Number of applications for installation of budget meters received during the year	48,693	22,238	70,931
Number of active budget meters	46,494	19,982	66,476
Percentage of active budget meters	35.2%	42.4%	37.2%
Total number of budget top-ups	535,709	147,877	683,586

In Belgium, access to energy is a fundamental right and regional legislation provides mechanisms to protect consumers. Having the status of protected customer enables more vulnerable consumers in situations of financial hardship to access a number of benefits and protections for their supply of gas and electricity – specifically

the social tariff, which is the cheapest on the market. ORES plays the role of energy provider for certain categories of customer, either as social provider for socially protected customers, or as temporary provider – also called “provider X” when customers are in a problem situation with their commercial provider.



<b>ORES as a provider – number of customers</b>	 Electricity	 Gas	Total
Social provider	31,223	15,422	46,645
Provider X	7,092	3,084	10,176



Protected customers are guided by ORES in their processes for accessing energy. 2020 saw their number grow significantly (+5.3%), in particular as a result of the effects of the pandemic and less directly following measures adopted in October 2020 by the Walloon Government (see box). These customers benefit from the social tariff, which is the lowest on the market, and they also have the possibility to call on “winter assistance” from 1 November to 15 March if they do not have the financial means to heat themselves during this period of the year.

ORES acts as a facilitator for these customers with Local Energy Committees (CLEs), in collaboration with the PCSWs and local authority social action councils. These CLEs come together to find specific and individual solutions for customers who are going through difficult times or who can no longer afford to pay for their energy consumption.

Number of cases examined by Local Energy Committees in 2020

	 Electricity	 Gas	Total
Minimum supply cases	103		103
Cases relating to the loss of protected customer status	1,609	899	2,508
Cases concerning the granting of natural gas supply cards in the winter period		919	919

### Support for households affected financially by the pandemic

On 10 October 2020, in the aim of assisting and protecting individuals particularly badly affected financially by the COVID-19 crisis, with limited income and struggling to pay their energy bills, the Walloon Government defined a new category of regional protected customer: cyclical protected customers.

Being granted this status enables the customer in question to benefit from the supply of electricity and/or gas at the social tariff for a period of one year. This provision is designed to temporarily relieve these customers from the burden of their energy bills. By mid-March 2021, some 380 customers had lodged an application for this status with ORES.

In addition, at the beginning of 2021, the Federal Government decided to grant a temporary right to the social tariff to all residential customers receiving increased benefits (“BIM” customers), from 1 February to 31 December inclusive. This tariff is applied automatically to recipients by the electricity providers, based on information provided by FPS Economy.



# 6. Corporate culture and wellbeing at work

As part of its strategy and to put its vision of the future into effect, ORES aims to mobilise all of its staff, introduce new dynamics and roll out new tools. This is to enable the company to continue its basic tasks while transforming itself, maintaining safety and enhancing the wellbeing of its employees, who are its primary resource.



The environment in which ORES carries out its tasks is constantly changing – and quickly: energy transition, technological developments, more sophisticated energy markets, digitalisation, changes in customer requirements and expectations, the demands of immediacy, growing energy poverty, the emergence of new ways of working, etc. Change is everywhere. And 2020 saw yet another change, totally unexpected, in the form of a health crisis with unprecedented consequences that put the resilience of the company’s teams to the test.

As part of its transformation process, ORES is banking on the expertise and professionalism of its staff. It is also relying on caring and reinforced leadership: each level of the hierarchy must reflect the values of the company’s corporate culture. Processes and organisation also need to be adjusted and simplified to enable ORES to be more efficient. This requires a whole new level of agility and the COVID-19 pandemic has underlined the essential character of how important this faculty of agility is for the company.







As a result, ORES carefully monitors the maintenance and development of the talents of the people who work for the company, particularly through its training policy. In view of the nature of its business and the risks associated with it, ORES has for many years cultivated a dynamic of health and safety, which it intends to strengthen still further in the future. Finally, the company has every intention of providing an overall working environment that not only promotes efficiency, but also collaboration, trust and a good work-life balance in order to achieve “wellbeing”.

### **COVID-19 and safety**

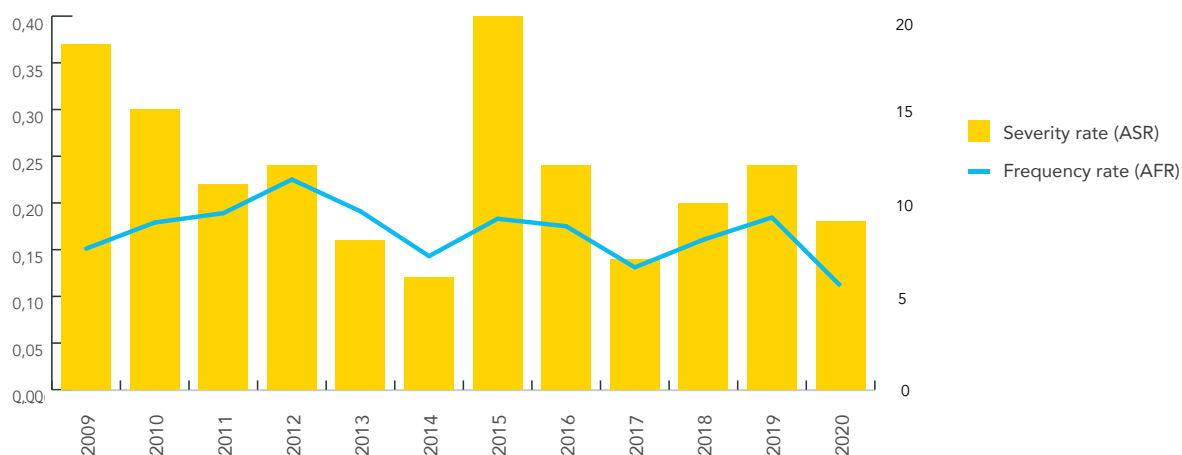
Management of the pandemic and its consequences occupied a good deal of 2020, requiring major involvement from many of the company’s departments. A COVID crisis unit was quickly put in place in March to define the company’s policy, as well as the procedures and recommendations to be implemented. Regularly faced with crisis situations in the management of its networks, for example following unexpected weather events, ORES was quickly able to organise itself, on the one hand to safeguard the safety of staff members and, on the other hand, to continue its public service tasks that are so important for the population. In doing so, the company benefited from the reliability of its networks of electricity and gas, as well as from the investments made in its

IT infrastructure, without which it would not have been possible to keep more than 1400 people in permanent “homeworking” on a day-to-day basis. But despite the uncertainties inherent to the situation, the company maintained its course. In terms of managing its network tasks, beyond the suspension of works in the spring, one of the principal difficulties encountered afterwards was the effect of the pandemic on the supply chain. Sometimes, the equipment required was not available in sufficient quantities for work to continue. Throughout 2020 and into the beginning of 2021, which is still affected by COVID-19, our main care is for the health and safety of our staff – and this takes precedence in all decision taken.

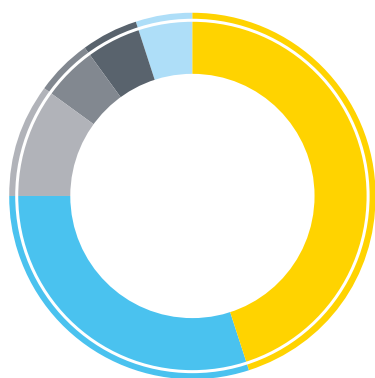
Given these unusual conditions, the review of ORES safety indicators in 2020 is a favourable one: the company recorded 20 accidents resulting in temporary incapacity for work (TIW) – two of which were directly related to activities on the gas and electricity networks – compared with 32 in the previous year. It is important to emphasise that 45% of these accidents occurred in the context of travelling and that this trend has continued at the beginning of 2021. An awareness campaign to staff is planned for 2021 to reduce the occurrence of this type of accident.



Changes to the accident frequency rate (AFR) and severity rate (ASR) compared with previous years are shown in the graph below. In particular it shows the positive changes in the situation in 2020, with one of the lowest severity rates and the lowest frequency rate since ORES was created. In total, the company recorded 593 days of incapacity for work (TIW) associated with accidents.



### Causes and sources of accidents in 2020



- 45 % Travel
- 30 % Manipulation
- 10 % Fluid accident (electricity /gas)
- 5 % Assault
- 5 % Handling
- 5 % Miscellaneous



During 2020, in consultation with all of the company departments, the internal Health & Safety Department developed the ORES General Safety Plan 2021-2025. This plan, which is both multidisciplinary and transversal in the projects it proposes, will become the backbone of the implementation of health and safety in the company for the next five years.

The aim is to firmly establish a culture of safety, wellbeing and the environment at ORES, with the aim of achieving “better-being” for its staff. The special feature of the plan is its ability to adapt to the needs of each department, service and employee so that everyone can go at their own pace. In addition, for 2021, the H&S department and the Executive Board have set a more ambitious and proactive safety target than in previous years: the aim is not to exceed 26 accidents, with a maximum of 712 days’ TIW, which corresponds to a frequency rate of 7.50 and a severity rate of 0.20.

## Employment, recruitment and training

At the end of 2019, ORES had a total workforce of 2,369 active employees – 2,247 of whom were employed on open-ended contracts. Women represented 32% of the total workforce.

In the context of its transformation, ORES also continues to search for new talent. The pandemic slowed the pace of recruitment and in 2020, with 107 new employees joining the ranks of ORES,

whereas 137 left the company. Specific days for recruiting engineers – called “ORES TechniDays” – also saw their frequency slow down. However, thanks to the dedication and enthusiasm of the Recruitment department and colleagues at the company’s two training centres and the Health & Safety department, a number of TechniDays focusing on electricity or gas were finally held in compliance with health rules and ensuring safety for one and all. In total, 53 candidates were tested, with 21 of them signing an employment contract at the conclusion of the selection process.

To enable everyone to approach the change with confidence and find his or her place as part of the company of tomorrow, ORES places great faith in the training of its staff. 2020 was put to good use by the company’s Talent team to complete preparations for the implementation of the “Talentsoft” platform. This IT tool, which focuses in particular on the development of professional skills and knowledge, enables members of staff to control their own training pathway, in consultation with their line management. Digital training courses are also available to enable employees to be trained at their own pace and when it suits them best. 2020 was, of course, marked by health restrictions and the difficulties associated with organising “face-to-face” training, especially technical courses. This resulted in a sharp reduction of the average number of hours’ training per member of staff, which fell from 47.13 hours in 2019 to 14.85 in 2020.

## Breakdown of staff by gender and age group

	Employees	Supervisory staff	Managerial staff	Senior management staff	Total
Male	48.32%	10.85%	8.23%	0.25%	<b>68.00%</b>
Female	26.23%	3.00%	3.29%	0.17%	<b>32.00%</b>
	<b>74.21%</b>	<b>13.85%</b>	<b>11.52%</b>	<b>0.42%</b>	<b>100%</b>

	Employees	Supervisory staff	Managerial staff	Senior management staff	Total
<30 year	10.72%	0.00%	0.80%	0.00%	<b>11.52%</b>
>=30 <50 year	49.85%	7.43%	7.68%	0.17%	<b>65.13%</b>
>=50 year	13.63%	6.42%	3.04%	0.25%	<b>23.34%</b>
	<b>74.21%</b>	<b>13.85%</b>	<b>11.52%</b>	<b>0.42%</b>	<b>100%</b>

## Training by occupational category and gender (in hours)

	Male	Female	Total
Senior management staff	3.35	21.41	12.38
Managerial staff	10.30	10.28	10.30
Supervisory staff	10.10	8.25	9.74
Employees	19.48	10.79	16.55
<b>Average</b>	<b>16.77</b>	<b>10.56</b>	<b>14.85</b>

### Efficiency and managing recognition

At the end of 2019, after lengthy consultation with the organisations representing the workers, a collective labour agreement relative to improving pay conditions was reached for employed staff. The company has elected to modify the process of assessment and recognition and the old assessment system, called "PACT", was discontinued on 1 January 2020. It has been replaced by the introduction of a salary scale based on 14 pay classes, together with the establishment of a process for managing development and recognition. This process, based along three main lines – collective and/or individual ambitions, ongoing feedback, maintenance of development – has now been formalised and digitalised. It is based on Talentsoft, the new training and development management platform, mentioned above. A "Managing Development and Recognition" training course that is freely available online enables employees to familiarise themselves with the various stages of the process.

### Development of the culture and architectural approach

Wellbeing at work is an essential element in evolving a corporate culture that develops as it goes along. The pandemic, plus lockdown, mandatory working from home for over 70% of staff and complying with strict health rules, has caused considerable changes to be made to the implementation of initiatives planned as part of the process of developing the corporate culture.

Conceived and designed to be the catalyst and symbol of this cultural evolution, the company's head office in Gosselies was initially intended to bring together 800 colleagues in a new working environment that was modern, sustainable and focused on collaboration. The pandemic changed all that and the process of the building's new occupants being introduced to their new

premises was limited to a brief guided tour conducted on-site at the end of October 2020. Organised in small groups of ten or so people, in line with the hygiene rules, these tours went on for four days and enabled the company staff to acquaint themselves more fully with their future work setting.

Maintained despite the circumstances, this relocation to the new offices marked the culmination of a project whose beginnings date back to 2013. In addition to the project team, representatives from many of the company's departments worked together on creating this building, its amenities and the way it is equipped. The building itself totally embodies the new way of working on which ORES has embarked, in its architecture, the way it is organised and the services it provides. A wonderfully professional business tool, symbol of a resolutely forward-looking company, the new offices are also a place for people to meet, making it ideal for transversality and creativity.

The desire demonstrated by ORES to offer the people who work for the company premises that are both pleasant and focused on operational efficiency does not just concern the head office in Gosselies or the sites at Leuze and Strépy-Bracquegnies, which also reflect the company's corporate evolution. This desire also flows on into the province of Luxembourg, where the teams working in the areas of Marche-en-Famenne (2019), Recogne (2020) and Étalle (2021) now also occupy buildings that are larger and better suited to the business of network operator, as well as the logistics that go with it. Solutions are also being examined at Gedinne in the province of Namur and at Mouscron in Picardy Wallonia for the establishment of more functional premises, particularly with regard to the geographical areas in which the technical teams operate.

# 7. Governance and transparency

The rules of governance at ORES are detailed in the “Corporate Governance Charter” that was updated in June 2020, as well as by its “Charter of Ethics”. Taking the adoption of the 2018 General Data Protection Regulation a step further, in March 2020 the company also approved reports relating to its activities and the measures taken to protect the confidentiality of the information about which it gains knowledge.



Corporate governance encompasses a set of rules and behaviours based on the principles of transparency and accountability which, by establishing a proper balance between the spirit of the company and the way it is controlled, is designed to enable the company's objectives to be set, along with the means to achieve them with regard to its values and missions.

The ORES Governance Charter, available from the company website, sets out the terms under which the company's management bodies operate. It also establishes the principle for the remuneration of the members of these various bodies.

Pursuant to the Local Democracy and Decentralisation Code (CDLD) and the requirements of the Code of Companies and Associations (CS&A), this annual report describes the missions of these bodies, as well as the remuneration of their members in the section headed “Remuneration reports” (page 142).

## A single manager with strong local roots

When the company was created in 2009, ORES was the technical operated appointed by eight intermunicipal distribution systems operators (DSOs) – IDEG, IEH, IGH, Interest, Interlux, Intermosane, Sedilec and Simogel – to operate their infrastructures.

As part of an initial governance reform, these eight intermunicipal companies merged at the end of 2013 to create a single DSO for all of their territories. This was how ORES Assets came into being, with the status of a cooperative intermunicipal company with limited liability. To continue ensuring representation of the local interests of each entity, the merger of the intermunicipal companies was accompanied by the creation of eight sector committees within the new structure. These committees were responsible for approving network investment and adaptation plans for their geographical area, as well as the proposed tariffs that concerned them.







In 2017, a second governance reform would lead to the abolition of these sector committees, with their decision-making powers being transferred to the Board of Directors. However, in order to maintain a strong territorial anchorage, which is a guarantee of its proximity policy, ORES has set up regular information and exchange meetings with municipal officials within the context of a dynamic called "ORES Proximité" (ORES Local). Unlike the former sector committees, participation in these meetings is not remunerated. These meetings are held locally, generally twice a year, under the auspices of the seven ORES Regional Directors. In 2019, the programme enabled 19 meetings to be held with local government trustees and officials. In 2020, the "ORES Proximité" programme was totally disrupted as health and hygiene restrictions prevented the planned meetings from being held. In their day-to-day work, the regional directors and their deputies made sure that contact was maintained with local

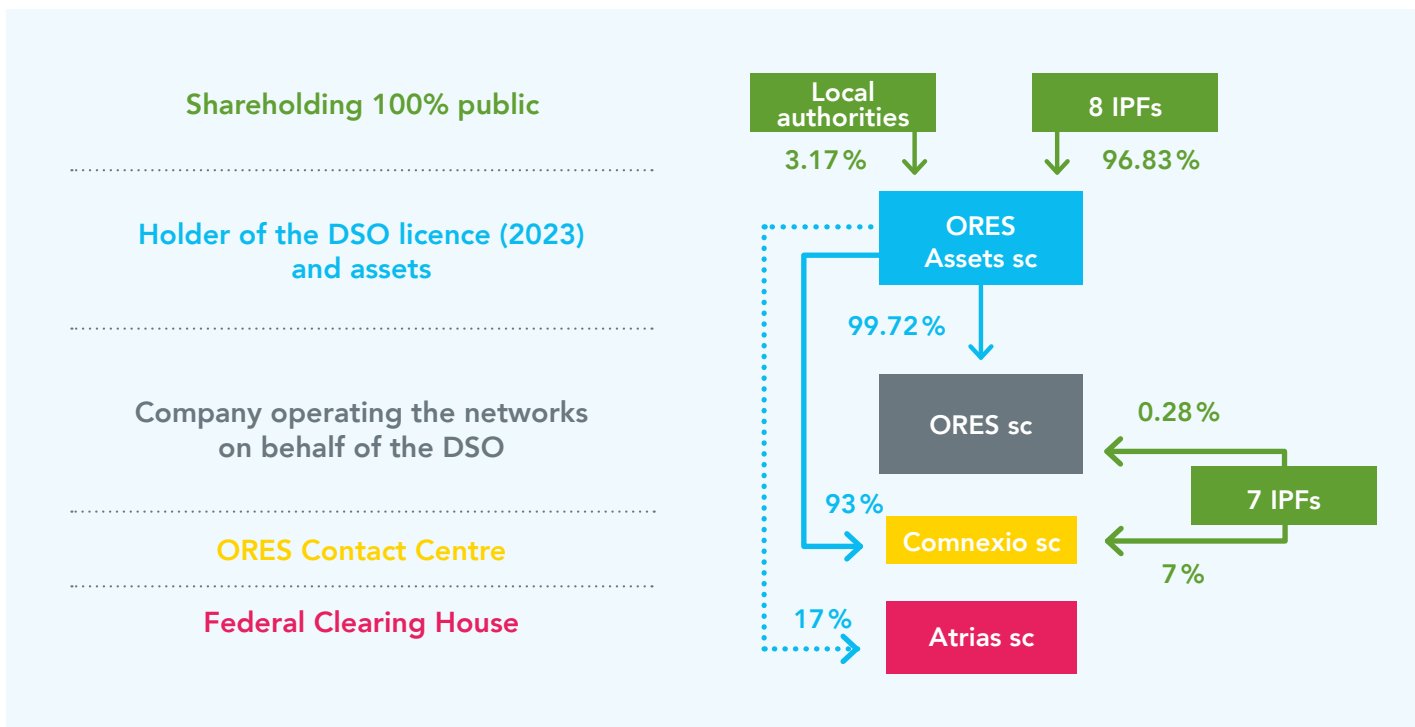
authority leaders and to inform them about current programmes, in particular in relation to public lighting.

### Shareholders

The shareholding of the distribution systems operator, ORES Assets, is currently made up of holdings from eight pure intermunicipal financing companies (IPFs) and those of 200 local authorities. The Board of Directors approved the entry of IFIGA, the pure intermunicipal financing company of French-language municipalities associated with the Flemish DSO, Gaselwest, in the capacity of a new associate in January 2020. The purpose of the IPFs is to guide and support local authorities in their financial shareholdings, especially in distribution networks.

ORES Assets has two subsidiaries – ORES and Connexio – and a 17% holding in Atrias, the company intended to implement a federal market data exchange platform.

### Shareholding (at 31.12.2020)



## Business strategy and follow-up

In 2020, ORES decided to re-examine its mission, vision and strategy, agreed for the previous few years. There were a number of reasons behind this process: to verify the appropriateness of the strategic plan with the expectations of the company's stakeholders; to set new targets to be achieved before the end of the tariff period, in accordance with the resources allocated by CWaPE, via the distribution tariffs 2019-2023 (see below), and, finally, to look beyond 2023 to anticipate the major trends to be incorporated in the company's strategic vision and to prepare the forthcoming tariff period 2024-2028.

This exercise was significantly disrupted by the pandemic and was conducted in a totally unusual manner, mainly via "virtual" discussions – and against a background of crisis management that required much input. Nevertheless, it managed to produce major results thanks to the involvement of the Board of Directors, the Executive Board and numerous senior managers in the company. The relevance of the strategic adopted for the past several years was confirmed, while incorporating new dimensions and ambitions, particularly in terms of corporate vision. This new roadmap was presented at the end of the year and is available on the company website. In particular, it identifies the financial resources for enabling its implementation.

To be able to assess the application of this plan, the Board of Directors receives a document each quarter tracking the main strategic indicators, as well as various reports each year relating to the economic situation, activities and the risks facing the company.

It should also be emphasised that regular training courses are organised for the members of the Board of Directors. These courses are designed to maintain and develop the directors' level of knowledge about the issues facing the company and to ensure that their skills are updated within the exercise of their position. In 2020, two training seminars had been planned on topics related to energy transition and the sustainability of the company's activities: renewable energy, local production, the role of ORES, the effects of tariffs, equalisation, etc. The two seminars, which were to have been held on 19 and 20 March and on 22 and 23 October respectively, had to be cancelled due to the lockdown measures taken by the National Safety Committee, meeting on 12 March 2020 and then due to the worsening of the health situation and the tightening of preventative measures in October.

## Internal governance

In the context of its activities and their management, ORES has established mechanisms that make up its management system – in other words, its internal governance.

The objectives of these mechanisms include the following:

- to demonstrate the ability to provide services that meet stakeholder expectations and the applicable legal and regulatory requirements on an ongoing basis;
- to increase customer satisfaction through continuous improvement.

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

The key principle of operational governance at ORES is accountability: decisions are made at the most appropriate level within a given mandate. This principle is entirely complementary with the delegation of day-to-day and operational management given by the Board of Directors to the Executive Board, and with the principle of management based on trust that ORES implements internally, in its corporate culture – see the section on "Work culture and well-being within the organisation".

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

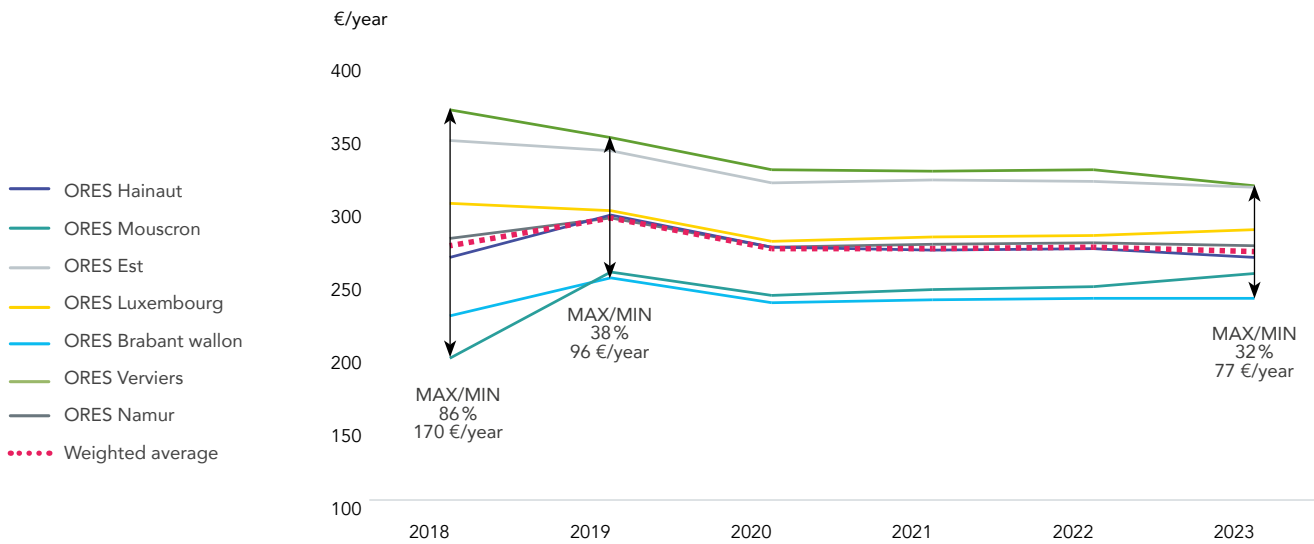
The in-depth analysis work commenced on the business model in 2019 continued in 2020. This process is designed to arrive at a new model. The aim is to tend towards greater simplicity, more efficiency and greater accountability, with stronger involvement from all managers.



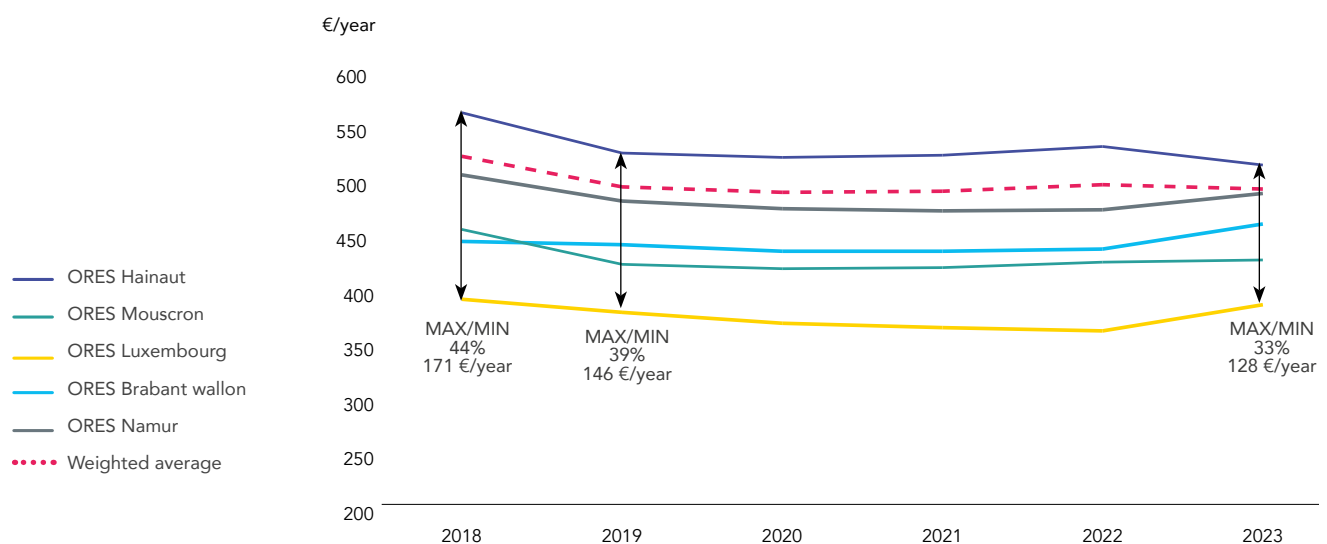
## Regulation and distribution tariffs

The authorised revenue of ORES – which enables it to have the resources required to fulfil its day-to-day tasks and carry out the strategic plan – are approved by the regulator. This revenue is then transposed into distribution tariffs. The first distribution tariffs for electricity and gas, established based on the new methodology set by CWaPE in 2017, were made official at the beginning of 2019. They apply to the period from 2019 to 2023.

As a result of cost controls and their impact on the distribution part of customers' energy bills, ORES has managed to stabilise the "average tariff" of the electricity bill, while at the same time continuing the major internal transformation programmes introduced as part of energy transition. The company has also succeeded in limiting tariff disparities as much as possible – disparities linked to operation conditions and population density – between its various sectors. As shown by the graph below, on average, the distribution tariff paid by the "typical" customer consuming 3,500 kWh per year on a dual tariff, will remain stable across the whole period, falling from 274 € to 270 €.



As far as natural gas is concerned, the distribution tariffs 2019-2023 were down overall over the period and also converged the "average tariff" for a typical customer, dropping from 519 € per year to 488 € per year.

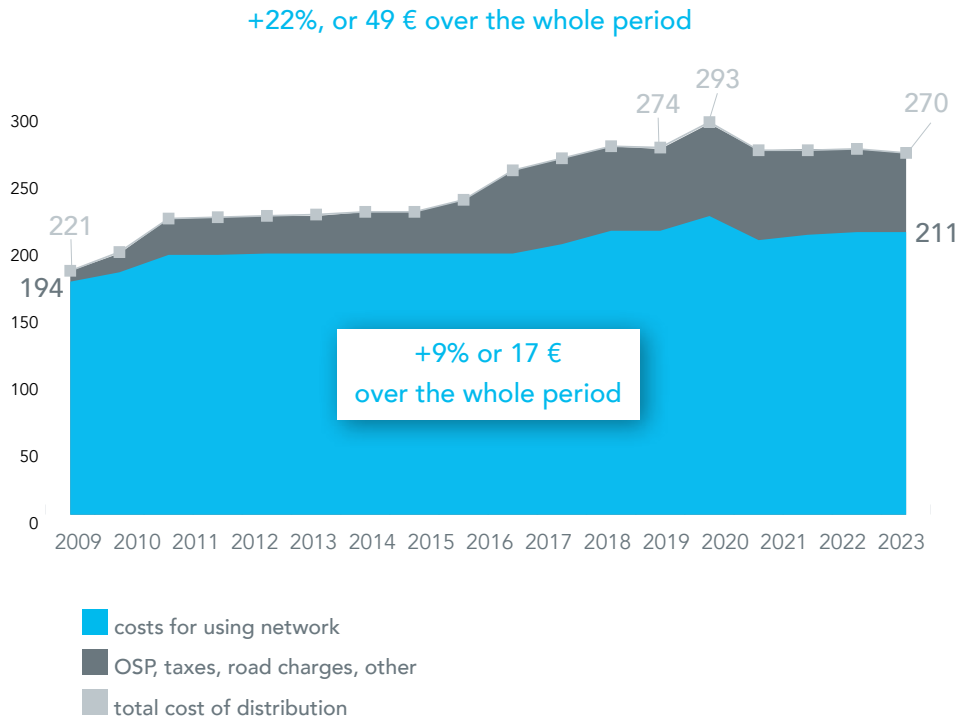


The operating and budget efforts made by the company in recent years have enabled it to control any rise in network costs and hence in distribution tariffs. Overall, movements in these tariffs – excluding charges, taxes and public service obligations – have remained below the level of inflation since the beginning of deregulation. While the “distribution” component of the electricity

bill has risen in recent years, this is due more, as the visual below shows, to an increase in public service obligations – particularly support for renewable energy – taxes and various charges.

### Movements in the average electricity distribution tariff based on its different components

(for a low-voltage customer consuming 3,500 kWh – 1,600 at peak times and 1,900 at off-peak times)





## Prosumer tariff

The distribution tariffs for 2019-2023, approved by CWaPE, took account of the prosumer tariff coming into effect for 1 January 2020. Following lengthy discussions in the Walloon Government, this tariff was first deferred and finally coming into effect from 1 October 2020.

From that date onwards, customers with a decentralised production installation – for example photovoltaic panels – with output not exceeding 10 kVA, are required to pay a tariff for their drawdown of electricity from the distribution and transmission networks. This process has a dual aim: to balance the breakdown of network cost between all customers – with or without panels – and to encourage prosumers to consume their renewable energy when it is at its most abundant.

To offset the payment of this tariff by the customers in question, the Walloon Government decided to introduce a bonus, paid by the network operators. This bonus covers 100% of the amount of the prosumer tariff for the years 2020 and 2021; after that, a little over 50% of the amount will be offset in 2022 and 2023. The Walloon Region has also introduced a second bonus for the installation of a dual-flow smart meter at those prosumer customers who request it.



# 8. Ethics and fair practices

In terms of corporate social responsibility, ORES implements the resources needed to ensure fair practices in its relations at every level, as well as the sustainability and conformity of the products that it uses. As a leading economic player in the Walloon Region, the company generates business and jobs for numerous external suppliers, the vast majority of them local.



The company aims to set an example in all its practices. The way in which it conducts its relations and transactions with its stakeholders relies on strong ethics and specific measures designed in particular to prevent any corruption. ORES is progressively putting a sustainable and responsible purchasing policy in place, with the emphasis on compliance by its suppliers and subcontractors of the laws in effect regarding human rights, social dumping, corruption, health and safety and the environment, as well as compliance with the legislation on personal data in particular.

## Setting the example internally

The company's ethics are based on five values: professionalism, a sense of accountability, a sense of service, daring and the "respect and conviviality" value to which should also be added the spirit of impartiality, non-discrimination and independence

vis-à-vis other providers in the marketplace, in addition to ORES's role as distribution systems manager and the fact that it holds a monopoly.

Each and every member of staff undertakes to abide by the basic rules formalised in an internal charter of ethics. These rules cover the use of the company's property and resources, the instructions to follow in the event of attempted corruption or conflict of interest, the protection of information and data – and in particular information deemed to be privileged, etc.

Internal audit processes are also implemented for orders of equipment that is out of stock: the dual approval of requests by line management, calls for tenders from various suppliers, the definition of signatory powers, monitoring purchase orders, etc.





## Relations with stakeholders

In the same way, ORES requires its suppliers, contractors and service providers to comply with a code of ethics. The areas covered in the code of ethics document are very much identical to the internal charter of ethics.

The company applies the regulations governing public tendering processes in line with the thresholds set by the legislation. The three main categories of tender relate to works, services and supplies. The total volume of turnover represented by the contracts awarded in 2020 by the company was close to 170 million euros. All parties submitting tenders – both Belgian and international – are required to respect various clauses aimed at stemming the flow of social dumping: checks of the company's criminal record, confirmation and verification that social security contributions and tax obligations have been complied with in full.

Contracts that are the most liable to fraud, especially those associated with on-site works, are regulated by special provisions. Successful tenderers are required to comply with the obligations designed to ensure that both works and workers are properly registered, as well as issues such as their pay, the reporting

of seconded personnel, sufficient knowledge on the part of subcontracted workers of the local language, decent and convenient accommodation for workers who are unable to return to their homes on a daily basis, etc. Deterrent, one-off or daily penalties are set out in the specifications, based on any violations recorded.

Limiting subcontracting to one or two levels, depending on the contract, also aims to strengthen the measures put in place by legislation to combat social dumping. The tenderer must ensure that the "tender form" documents are completed with respect to subcontractors, regardless of the extent to which they are involved and regardless of their place in the subcontracting chain.

Finally, co-contractors are required to respect the five basic standards of the International Labour Organisation: freedom of association and effective recognition of the right to collective bargaining, elimination of forced or compulsory labour, effective abolition of child labour, improvement in working conditions, elimination of discrimination in terms of employment and occupation.

## Monitoring and assessing contractors

To ensure cost control, compliance with regulations and quality of the work it subcontracts to its service providers, ORES has set up a unit that continually monitors and assesses this work, in particular through site visits. Points of attention include: administrative thoroughness, flexibility and responsiveness, quality of work, organisation and, most importantly, safety. ORES's customers are also consulted in order to assess the quality of the external service providers responsible for the work that concerns them.

## Sustainable purchasing policy

For supply contracts, ORES encourages reference to "eco-labels" and "eco-responsible" products or equivalent. In practical terms, when it supplies itself with services or materials, the company bases its actions on specific regulations in terms of health, safety and environmental protection. This regulation specifies the safety requirements and stipulates the supplier's obligation to comply with environmental regulations on waste management, as well as the obligation to provide information about any incident that

may have an impact on the environment and the obligation to take appropriate measures to limit damage in the event of an incident, etc.



# 9. Societal engagement and local roots

ORES is an integral part of the socio-economic fabric of the regions and municipalities where it operates. The company maintains close and trusting relationships with its municipal partners, the academic world and the community as a whole. In this context, it develops humanitarian, educational and cultural initiatives in particular.

The activities that ORES is involved with are genuinely at the heart of society in Wallonia, in the regions, local authority areas and localities. The regional services of ORES and their teams work for an in consultation with council authorities in the particular context of urban regeneration and revitalisation projects, development schemes and the "Lumière" plans for public lighting. This day-to-day collaboration takes on various forms. In this way, at the beginning of 2021, at the request of the local authorities, teams from ORES worked on connecting temporary COVID-19 vaccination hubs to the electricity network, as was the case at Sankt Vith in the province of Liège. This work was also reflected in providing the company's expertise, skills and services at municipal events (see section on Reliable and sustainable networks, page 32).



## Partnerships and local support

The policy of partnership conducted by the company is all about consolidating those local roots. Overall, the policy is aimed at energy, culture, the environment and socio-humanitarian issues: festivals of literature, theatre or music, support programmes for the benefit of research in the fight against cancer or cystic fibrosis profit, assistance for the production of books or exhibition catalogues, skills or technical sponsorship at trade fairs devoted to alternative mobility methods, etc. Most of the initiatives supported are selected on application by the ORES regional directors, who have an ad hoc budget that is reassessed annually. All regional partnership budgets are centralised and supervised as part of the company's public relations and communications policy.







The overall budget allocated to these partnerships remained stable in 2020 at 150,000 €.

However, the pandemic brought a halt to practically all cultural, festive and social initiatives that bring together the public in partner local authority areas. Given the circumstances, the company and its regional divisions decided to provide aid to the sectors of healthcare and hospitality, both badly affected, albeit in very different ways, by the crisis, but releasing part of the partnership budget set aside for 2020. During the two periods of lockdown in the spring and autumn, meals provided by ORES were prepared by catering companies and delivered to a whole range of Walloon hospitals (photo opposite).

Elsewhere, to express its support for the professionals in the world of culture and the performing arts, ORES joined the national campaign “Les Artistes du Cœur – Hart voor Kunstenaars” organised by the Prométhéa association of which the company is an active member (also see box below). This crowdfunding

campaign, launched at the end of 2020, raised over 120,000 € from some 400 donors.



Meals being delivered to the emergency department at Saint-Joseph hospital in Arlon.

### Sambria Corporate Sponsors Collective

At the end of 2017, ORES joined Sambria, the Charleroi-based Corporate Sponsors Collective, established under the auspices of the non-profit organ, Prométhéa. This collective and the companies it is composed of, which include Cegelec, Brussels South Charleroi Airport, the Pirnay design bureau, plus six other companies, have chosen to join forces to support initiatives to enhance high-quality heritage spaces in Greater Charleroi for the benefit of cultural projects. Each year, the Sambria Prize is awarded to one or more projects that enhance the built space in Charleroi and promote access to culture.

Meeting in the spring of 2020, the judging panel jury selected two projects capable of being implemented quickly, despite of and in compliance with the health restrictions imposed by the pandemic. The project by the Ruche Theatre in Marcinelle consisted of building a stage in wood in the theatre’s garden to enable its activities to resume from July 2020 with an adjusted programme. This new stage, which was installed quickly thanks to the

proceeds of the Prize and the work of many theatre volunteers, expands and diversifies the cultural offering in Charleroi. The second project, called “Carolographie”, and run by three young students from Charleroi, aims to shine a spotlight in an innovative way on the region and its heritage. First, through an online digital platform that creates a virtual photographic exhibition. And, second, by organising an exhibition in the future – a real one, this time – at Soleilmont Abbey. These exhibitions will illustrate the way in which the regeneration of Greater Charleroi and the richness of its heritage past are able to live side by side.



## **“Energy City”: learning while having fun**

Since it was first established, ORES has conducted awareness programmes for the rational use of energy (RUE), aimed at young people and children. After participating in initiatives such as “Zero Watt Schools” and the “Energy Challenge”, the company has contributed to the production of three special issues of the “Children’s Journal”, focusing on electricity, gas and public lighting respectively. In 2018, it developed and distributed a set of playing cards called “ORES’O” to primary schools in the Walloon Region. The cards provided a fun way for the younger children to learn about electricity and natural gas, the methods by which they are distributed and practical tips for managing consumption better. 2020 was devoted to developing a more serious game, called “Energy City”. The aim of this new learning game, hosted on an online platform, is to enable the teachers of primary schoolchildren in years 5 and 6 to incorporate awareness modules into their curriculum, raising awareness of the responsible consumption of energy by having their pupils play on this computer interface. The beta test was conducted with a panel of teacher in the spring of 2021 and the

learning game itself will be presented to schools and the media officially in autumn 2021.

## **Projects in conjunction with the academic world**

In addition to the O-One solution developed with a spin-off from ULiège and the E-Cloud project involving UMons (see the section of Energy Transition and the Environment), ORES continued to work with the universities in 2020. The company funds 50% of the costs of two doctorates at UMons: one focusing on energy poverty and the other linked to the introduction of smart meters in homes. As part of the SocCER projects, also mentioned previously in this report, three living labs have been set up to test, life-size, renewable energy communities for their social, economic, technical and environmental aspects. The partners in the consortium and the participants in the working groups running these experiments with ORES include UMons and UCL in particular.

## **A record cheque for Viva for Life in 2020**

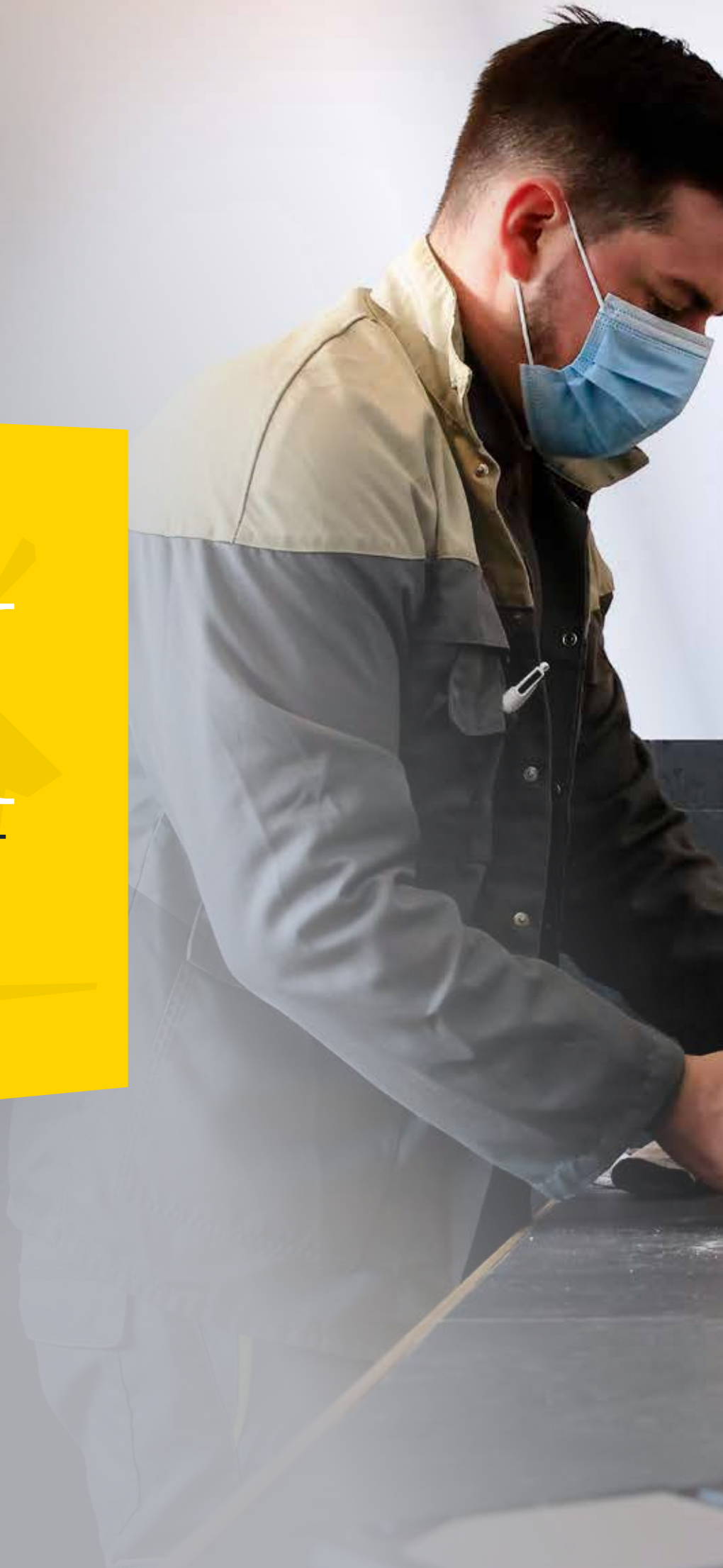
Each year, the Viva for Life operation organised by the RTBF and CAP48 calls for the support of viewers and listeners in the Walloon Region and Brussels to help children living in unacceptable conditions of poverty. In view of the pandemic, the organisers had to reinvent the design of the programme which, since it was first created in 2013, has been based partly on a high level of involvement and the huge presence of the public in the host town or city. The traditional glass cube – originally planned to feature on the Place de Tournai – was set up at the foot of the Reyers tower in Brussels, while the fundraising part of the programme was conducted virtually in the main.

At ORES, where members of staff were also able to demonstrate their support via a central crowdfunding platform, there was great involvement once again because, in the end, with the donations made as part of the ORES challenges issued to the performers and the audience, a record cheque of more than 29,000 € was presented to the organisers. The operation itself sent the needle off the scale in 2020, with over 7 million € raised, thanks to which 151 projects run by aid associations working on behalf of vulnerable families were funded in the Wallonia-Brussels Federation.



# III

## MANAGEMENT REPORT





1. Notes to the annual financial statements	72
2. Annual financial statements	86

# 1. Notes to the annual financial statements

## (article 3:6 of the Code of Companies and Associations)

### 1.1. A true and accurate review of

- The development of the business

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

- The company's results and situation

#### i. Preliminary note

ORES Assets operates in a specific context. Operating distribution systems is a regulated activity, to which a monopoly is granted for a given period. A regulatory framework, made up of laws, decrees, orders and decisions made by regulators, governs the activities of ORES Assets. The authorised revenue and the tariffs billed by the distribution systems operator for the use of its network or for the various services carried out at the request of customers who are users of the network must be approved beforehand by the regulator. The regulator conducts an annual audit of the differentials between the budget and actuals, in addition to monitoring the proper application of the approved tariffs.

The principles and procedures for determining the authorised revenue and the tariffs applied, as well as auditing the differentials are provided for in this regulatory framework, the main components of which are the Walloon Decree of 19 January 2017 relative to the tariff methodology applicable to the distribution systems operators for gas and electricity, as well as the tariff methodology 2019-2023 adopted by the CWaPE (referred to hereinafter as "the CWaPE tariff methodology 2019-2023"). The CWaPE tariff methodology 2019-2023 applies for a period of five years, beginning on 1 January 2019 and ending on 31 December 2023. In particular, it details the components that constitute the authorised revenue that may be passed on in the tariffs and their classification. It establishes a "Revenue cap", determines what a fair profit margin is, sets the depreciation, defines the terms for auditing the differentials between the budget and actuals, lays down the rules relative to the tariffs for rebilling the charges for using the electricity transmission network (grid), etc.

Because they are set for a period of five years (2019-2023), the authorised revenue and tariffs can be forecast.

The authorised revenue of the DSO is made up of net operating income and charges, the fair profit margin and, where applicable, a share of the amount to be cleared from the regulatory balances of previous years. The authorised revenue is identical each year. However, annual charges do not work in the same way. The direct consequence of this is the need to have a multiyear vision, as well as the management of budgets and results within that period of five years.

#### i.a. Fair margin

Since the complete deregulation of the energy markets at the end of the 2018 financial year, it has been fair remuneration that repays the capital invested in the distribution networks (REMCI = Rémunération Équitable Moyenne des Capitaux Investis, or Average Fair Remuneration of Invested Capital). With the introduction of the new tariff methodology 2019-2023, this concept has been replaced by the fair profit margin (FPM). This also constitutes the remuneration of the capital invested in the "Regulated Asset Base" or RAB of the DSO. Unlike the REMCI, it covers, in addition to the remuneration of equity capital, the DSO's external financing. The percentage return applied to the capital invested, the WaCC (weighted average cost of capital), is fixed and cannot be reviewed for the regulatory period. The profit margin is calculated using the following formula:  $MBE = RAB \times WaCC$ .

The formula that applies to calculate the weighted average cost of capital (WaCC) is as follows:

$$WaCC_{\text{after tax}} = \frac{E}{E + D} \times k_e + \frac{D}{E + D} \times k_D$$

where:

E = value of equity capital

D = value of financial debts

$E/(E+D)$  = ratio of equity capital = 47.5 %

$D/(E+D)$  = ratio of debt = 52.5 %

$k_e$  = cost of equity capital =  $r_{f1} + B_e (K_m - r_f) = 5.502\%$

where:

$r_{f1}$  = risk-free rate of cost of equity capital = 2.708%

$B_e$  = equity capital beta = 0.65

$K_m - r_f$  = market risk premium = 4.30%

$K_m$  = expected rate of return on the market

$k_D$  = cost of debt = cost of debt excluding costs (2.593%) + transaction fee (0.15 basis points) = 2.743%

WaCC = 4.053%

The initial value of the regulated asset base (RAB) is its value on 1 January 2019 determined by the sum of the primary and secondary regulated asset bases on 31 December 2015. To this amount is added the acquisition value of "network" and "non-network" investments (including the intangible fixed assets linked to IT projects) for the years 2016, 2017 and 2018. After this, decommissioning, depreciation and third-party interventions for the years 2016, 2017 and 2018 are deducted from the amount obtained.

The value of the regulated asset base changes for each year of the regulatory period, from 1 January 2019, by the addition of the acquisition values of the "network" and "non-network" investments for the financial year in question and by the deduction of decommissions and depreciations, as well as the third-party interventions for the same financial years. The value of the RAB taken into account in the calculation of the fair profit margin of a financial year is the real value of that period.

#### i.b. Operating expenses and income

With regard to operating expenses and income, a distinction needs to be made between controllable and non-controllable items. A new classification has applied since 2019 with the tariff methodology 2019-2023 coming into effect. The proportion of controllable charges increases, while non-controllable charges decreases.

Non-controllable operating expenses and income charges are those over which ORES Assets has no direct control. Controllable operating expenses and income are those over which ORES Assets has direct control.

The annual differentials regarding non-controllable expenses, but also differentials attributable to the difference between the volumes actually distributed and volumes that were estimated when calculating the tariffs constitute, subject to the CWaPE audit, either a credit (regulatory asset or deficit recorded), or a debt (regulatory liability or surplus recorded) with regard to customers and are transferred to the accruals in the balance sheet of ORES Assets.

The annual difference between actual controllable expenses and budgeted controllable expenses is part of the accounting result of ORES Assets. At the end of the tariff period, it is returned in full to the shareholders if the actual controllable expenses are lower than the estimated controllable expenses (bonus); the difference is borne in full by them in the reverse case (malus). As stated above, the fact that the authorised revenue is fixed for a regulatory period of five years and the increase in the share of the controllable expenses in the authorised revenue implies that any bonus/malus may be greater and more volatile than in the past for the same tariff period.

#### i.c. Net expenses relative to specific projects

Having introduced a business plan demonstrating the profitability of these projects, ORES has obtained additional budgets for carrying out the two specific projects authorised by the 2019-2023 tariff methodology, i.e. the deployment of smart meters and the promotion of connections to the natural gas network (Promogaz campaign). In 2020, ORES lodged an appeal against the decision of the CWaPE to put an end to the initial specific project to roll out smart electricity and gas meters. In a ruling handed down on 14 October 2020, the Market Court overturned the decisions of the CWaPE being contested. Discussions aimed at arriving at the approval of a new envelope of expenses, taking account of new obligations imposed on the systems operators in terms of smart meters, were then embarked on with the regulator.

#### i.d. Distribution tariffs

The tariffs are set based on the authorised revenue for electricity and gas approved by the regulator. The proposals for periodic electricity and gas tariffs put forward by ORES Assets for the regulatory period 2019-2023 were approved by the CWaPE on 7 February 2019. The proposals for non-periodic electricity and



gas tariffs were put forward by ORES Assets for the same period on 20 February 2019. The tariffs for the rebilling of usage charges for the transmission network are set annually. The proposal for this tariff, for the period from 1 March 2021 to 28 February 2022, was approved on 17 February 2021.

#### i.e. Regulatory balances

Based on the tariff methodology 2019-2023, the CWaPE has set the amounts to be recovered during the financial years 2019 to 2023 with regard to the balances of the receivables and debts for the years 2008 to 2016 in such a way as to have completely settled these balances by the end of the tariff period. The balance for the years 2008 to 2014 will be recovered at the rate of 25% per year between 2019 and 2022. The balance for the years 2015 and 2016 will be recovered at a rate allowing for the tariff changes to be evened out over the financial years 2019 and 2023.

On 14 November 2019, the CWaPE adopted the rejection rulings relating to electricity and gas balances carried forward by ORES Assets regarding the operating periods 2017 and 2018. As a result of these rulings, the regulator rejected expenses amounting

to 25.1 million €. These rejected expenses were entered in the accounts during 2019 by an adjustment to the regulatory balances equivalent to this amount. Following the appeals lodged by ORES against these rejection decisions, the Market Court ruled in favour of ORES and overturned the decisions of the CWaPE on 7 October 2020. The 25.1 million € that had been deducted from the regulatory balances in 2019 was therefore reinstated for accounting purposes in 2020. On 13 January 2021, the CWaPE adopted the approval decisions relative to the electricity and gas balances carried forward by ORES Assets for the operating periods 2017 and 2018, without cost rejection, thereby confirming their reinstatement. The allocation of these 2017 and 2018 balances to the tariffs has yet to be decided on by the CWaPE.

#### i.f. Joint sector

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

## *ii. Notes on the annual financial statements of ORES Assets with a view to presenting an accurate view of the company's business development and situation*

### ii.a. Elements from the profit-and-loss account at 31 December 2020

Changes in results (in 000 €)	31/12/2020	31/12/2019
Sales and services	1,240,467	1,174,209
Cost of sales and services	-986,698	-944,181
<b>Operating profit</b>	<b>253,769</b>	<b>230,028</b>
Financial income	198	286
Financial expenses	-33,964	-39,305
<b>Profit for the financial year before tax</b>	<b>220,003</b>	<b>191,009</b>
Tax on profit	-59,081	-61,659
Drawdown/Transfer to untaxed reserves	-1,256	-847
<b>Profit for the financial year available for distribution</b>	<b>159,666</b>	<b>128,503</b>
Allocation to the available reserves	-88,749	-58,422
Sums drawn from the available reserves	0	0
<b>PROFIT TO BE DISTRIBUTED</b>	<b>70,917</b>	<b>70,081</b>



### Dividends to be distributed by activity (in €k)

	31/12/2020	31/12/2019
Electricity network operation	49,371	48,787
Gas network operation	21,510	21,256
Other activities	36	38
<b>Total</b>	<b>70,917</b>	<b>70,081</b>

The dividends to be paid to shareholders for the "network operation" of ORES Assets in 2020 are:

- Electricity: 49,371,000 €, compared with 48,787,000 € in 2019, or +1.20%;

- Gas: 21,510,000 €, compared with 21,256,000 € in 2019, or +1.19%.

It should be noted that the profit for "Others" was 36,000 € in 2020, compared with 38,000 € in 2019.

### Dividends to be distributed by sector (in thousands of €)

	31/12/2020	31/12/2019
ORES Namur	11,191	11,059
ORES Hainaut	30,851	30,487
ORES Est	2,624	2,593
ORES Luxembourg	8,067	7,972
ORES Verviers	3,454	3,413
ORES Walloon Brabant	10,372	10,250
ORES Mouscron	2,690	2,659
ORES Joint	1,668	1,648
<b>Total</b>	<b>70,917</b>	<b>70,081</b>

Total sales and services were 1,240,467,000 € in 2020, up by 5.64%. This was made up of turnover for ORES Assets of 1,213,897,000 € compared with 1,147,410,000 € in 2019, or +5.79%. This was made up mainly of:

- transmission charges charged to energy suppliers:
  - ✓ for electricity, these were 940,469,000 € in 2020 compared with 934,984,000 € in 2019 and included the RTNR (unmetered transmission charge). The increase was due mainly to the prosumer tariff. Planned for 1 January 2020, the prosumer tariff was only charged to energy providers from 1 October 2020. Part of the lost revenue for the 9 first months of the year was refunded by the Walloon Region to all Walloon DSOs on 31 December 2020. The balance of 27,253,000 € for ORES Assets, recorded under "other receivables" (see below) was recovered in March 2021;

- ✓ for gas, these were 193,928,000 € in 2020 compared with 206,466,000 € in 2019 and included the RTNR (unmetered transmission charge). The fall was due mainly to a reduction in quantities due to the world health crisis.

- regulatory balances for the period:
  - ✓ for electricity: +19,563,000 € (regulatory assets or RA) compared with +14,439,000 € in 2019;
  - ✓ for gas: + 15,634,000 € (RA) compared with +2,315,000 € in 2019;
  - ✓ following the appeal lodged by ORES against the CWaPE at the beginning of 2020, in which the Market Court rules in favour of ORES, the regulatory balances for the 2017 and 2018 financial years, rejected in 2019 by the CWaPE, were reinstated in 2020, generating an increase in the balances of +16,930,000 € for electricity and +8,158,000 € for gas.

- the deposit recovered (-) / reinstated (+) on the regulatory balances relative to 2008-2014 or those for 2015-2016, based on a percentage determined by the CWaPE:

- ✓ for electricity: -15,067,000 €, compared with -13,669,000 € in 2019;
- ✓ for gas: +694,000 €, compared with +466,000 € in 2019.

The balance of sales and services is represented, in particular, by the other operating income of 26,564,000 € in 2020, compared with 27,797,000 € in 2019, or -4.44%. This income mainly includes recoveries from billing relating to agreements entered into with third parties by ORES Assets, such as the lease of buildings or fibre optics, the billing for cases of fraud detected during the year, the invoicing of expense relating to damage to our facilities, etc.

Purchases of goods were 14,285,000 €, compared with 10,510,000 € in 2019, an increase of 35.92%. These costs mainly represent purchases of energy (electricity or gas) relating to our customers as part of our public service obligations. The increase was caused by the combined effect of the increase in quantities purchased and the price per kWh (+51% for electricity).

Miscellaneous goods and services were 757,66,000,000 €, compared with 738,936,000 € in 2019, an increase of 2.54%. These mainly concern:

- operating management costs invoiced by the subsidiary ORES: 266,272,000 € in 2020, compared with 256,902,000 € in 2019, up by 3.65%;
- the operating management costs invoiced by the subsidiary, Comnexo: 7,046,000 € in 2020, compared with 3,943,000 € for seven operating months in 2019;
- the use of Elia infrastructures, at 359,87,000 € in 2020, compared with 372,80,000 € in 2019, a fall of 3.47%, due mainly to reduction in volumes transmitted;
- the cost of loss compensation of 35,826,000 € in 2020, compared with 24,663,000 €, up by 45.26%, due mainly to an increase in the price per MWh (+49.8%);
- electricity and gas road charges of 46,472,000 € in 2020, compared with 46,904,000 €, down by 0.92%;
- non-capitalised pension costs of 6,491,000 € in 2020, compared with 7,630,000 €, down 14.93%. These costs are constantly reducing, with depreciation ending in 2027.

Depreciation of 168,248,000 € in 2020, compared with 154,923,000 € was up by 8.60%. This includes the depreciation of intangible and tangible investments as well as the depreciation of revaluation surplus.

Value writedowns on trade receivables was -9,483,000 € (income) in 2020, compared with 355,000 € (charge) in 2019. This year, significant bad debts were recorded on old receivables (see below), offset by a writeback of a reduction in value of the same order.

Provisions for risks and charges were -9,903,000 € in 2020 (income), compared with 1,189,000 € (charge) in 2019. This amount is made up of a significant provision writeback (-8,525,000 €) relating to the cover of risks associated with the transition to new IT systems, as well as by the updating of interest related to certain provisions.

Other operating expenses were 40,595,000 € in 2020, compared with 34,392,000 € in 2019, up by 18.04%. These include in particular:

- losses recorded following the decommissioning of tangible fixed assets of 8,609,000 € in 2020, compared with 11,966,000 €, down by 28.05% ;
- losses on trade receivables, the majority of which had been the subject of a write-down: 20,056,000 € in 2020, compared with 8,331,000 €;
- bonuses paid to customers as part of the promotion of connections to the gas network (Promogaz campaign) or support for photovoltaic (Qualiwatt and prosumer tariff), totalling 8,685,000 € in 2020, compared with 10,631,000 €, down by 18.30%;
- taxes and miscellaneous operating expenses for the balance.

For non-recurrent operating expenses, there was first and foremost a capital loss on intangible assets. During the 2020 financial year, the company developed a new accounting manual dealing with the way capitalisable development costs are identified (unlike research costs or other non-capitalisable costs, for example after completion of the project). The accounting processes for intangible fixed assets were reviewed in order to bring them into line as closely as possible with internal project tracking processes. In addition and as it does at each closure, ORES checked whether impairments needed to be recorded in the accounts on capitalised projects by conducting an impairment test. The company proceeded with a detailed review of the projects included in its intangible fixed assets. Following this impairment test, some disposals of intangible assets were recorded. As certain fixed assets were not fully depreciated, a capital loss of 16,765,000 € was generated and recorded in non-recurrent operating expenses.

Then, during the period, the company noted that additional depreciations had to be recorded pursuant to the tariff methodology 2019-2023 in order to align with the depreciation rates of some intangible fixed assets acquired prior to 1 January 2019

on the methodology. A depreciation charge of 8,522,000 € was recorded in non-recurrent operating expenses.

Financial income was 198,000 € in 2020, compared with 286,000 € in 2019. This consisted mainly of late-payment interest charged to customers.

Financial charges of 33,964,000 € in 2020, compared with 39,305,000€, down by 13.59%, mainly include interest on bank borrowing (3,053,000 €), on hedging instruments such as caps or interest rate swaps (1,167,000 €), as well as on borrowing contracted with our subsidiary, ORES (29,709,000 €). This reduction stems from the general fall in our average debt rate between 2019 and 2020.

Taxes were 59,081,000 € in 2020, compared with 61,659,000 down by 4.18% and mainly representing the estimated tax charge for the 2020 financial year. The reduction was due mainly to the fall in the corporation tax rate, which decreased from 29.58% in 2019 to 25% in 2020.

It should be noted that in the context of the "Tax Shelter", a transfer of 2,000,000 € was made to the untaxed reserves in 2020, compared with 847,000 € in 2019. In addition, following receipt of the final certificate for the "Tax Shelter" scheme relative to 2016, a transfer of 744,000 was made from the untaxed reserves to the available reserves.

Total net profit for 2020 was 159,666,000 €, compared with 128,503,000 € in 2019, which was an increase of 31,163,000 € (+24.25%).

As part of the allocation of profits, a provision to available reserves was made in the amount of 88,005,000 €. This was done to comply with the new dividend distribution policy put in place in 2019. With the transfer of 744,000 € from the untaxed reserves, stated above, a total allocation of 88,749,000 € was made to the available reserves.

2020 dividends paid to shareholders were 70,917,000 €, compared with 70,081,000€ in 2019.

#### General note on the profit/loss for "network operation" activities in 2020

The number of active EAN codes (European Article Numbering = supply point) under the direct responsibility of ORES Assets in 2020 was 1,377,894 for electricity (+0.73%, compared with 2019) and 512,201 for natural gas (+1.82%, compared with à 2019).

In 2020, the REMCI (*Rémunération Equitable Moyenne des Capitaux Investis* or average fair remuneration of invested capital) for all of ORES Assets' sectors amounted to:

- Electricity: 67,877,000 €, compared with 67,345,000 € in 2019, or +0.8%;
- Gas: 33,381,000 €, compared with 32,716,000 € in 2019, or +2.0%.

It should be noted that the REMCI is only affected by the average RAB for the financial year from 2019 according to the new methodology.

All sectors combined, the differentials on controllable costs for 2020 (bonus (+)/malus (-)) amounted to:

- Electricity: +27,664,000 €;
- Gas: +6,746,000 €.

At the end of 2020, the combined balances of regulatory assets and liabilities across all sectors for the financial years 2008 to 2020 were 83,177,000 € (regulatory assets), broken down as follows:

- Electricity: +65,805,000 € (RA);
- Gas: +17,372,000 € (RA).

#### ii.b. Elements of the balance sheet at 31 December 2020

The balance sheet total for ORES Assets at 31 December 2020 was 4,316,382,000 €, compared with 4,247,308,000 € at 31 December 2019.

##### ii.b.1. Assets

Intangible fixed assets fell by 20,122,000 € (net book value of 54,218,000 € at 31 December 2020). They are made up of expenses relating to IT projects. Investments for the 2020 financial year mainly concerned the "Atrias" project and "Smart" projects. This decrease is explained as follows:

- investments for the financial year: +24,423,000 €;
- depreciations for the financial year: -19,258,000 €;
- additional depreciations made by applying the tariff methodology (see the explanation of non-recurrent operating expenses, below): -8,522,000 €;
- disposals: -16,765,000 €.

Net tangible fixed assets rose by 49,527,000 € (3,836,243,000 € at 31 December 2020). This increase is explained as follows:

- investments for the financial year: +207,559,000 € ;
- depreciations for the financial year: -148,991,000 € (including the depreciation of the RAB capital gain);
- "decommissioning" of facilities: -9,041,000 €.

Financial fixed assets increased by 2,979,000 € (14,401,000 € at 31 December 2020). This was due mainly to a new advance of 2,974,000 € granted by ORES Assets to Atrias.

It should also be pointed out that ORES Assets holds the following shareholdings:

- 2,453 shares in ORES sc;
- 7 shares in Laborelec;
- 2,400 shares in Igretec;
- 62 shares Atrias;
- 93 shares in Connexio, a subsidiary newly created on 29 May 2019 to provide call centre activities exclusively for ORES Assets.

Receivables at more than one year fell by 250,000 €, compared with 2019 (6,479,000 € at 31 December 2020). 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<sup>1</sup> providing for the replacement in the next ten years of all municipal public lighting bulbs by LEDs.

Stocks and orders pending increased by 4,000 € (7,416,000 € at 31 December 2020). These were made up of works underway for private individuals and municipalities.

Trade receivables were down by 27,589,000 € (144,754,000 € at 31 December 2020). These trade receivables are 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.

"Other receivables" increased by 34,284,000 € (66,349,000 € at 31 December 2020). In particular they include receivables relative to network damage caused by third parties (2,920,000 €, compared with 3,273,000 €), the prosumer tariff to be recovered from the Walloon Region (27,253,000 €, compared with 0 € in 2019 – on this subject, see the explanation in turnover), the current account to its ORES subsidiary (20,367,000 €, compared with 9,482 € in 2019), as well as the tax to be recovered (10,538,000 €, compared with 15,367,000 €).

Liquid assets amounted to 751,000 € at 31 December 2020.

Asset adjustment accounts were up by 29,524,000 € (185,771,000 €). In particular, these include the balance of pension capital yet to be covered at 22,556,000 €, fees for using public roads for gas of 17,761,000 €, regulatory assets worth 114,908,000 €, charges to carry over relating to work to replace the lamps in the public lighting system of 11,568,000 € and the RTNR of 17,190,000 €.

### ii.b.2. Liabilities

Equity capital at 31 December 2020 was 1,799,641,000 €, up by 90,005,000 € compared with 31 December 2019.

Following the change to the form of the company and its articles of association after the new Code of Companies and Associations came into effect, the capital of ORES Assets of 867,080,000 € is now accounted for as "Available Input" of 866,931,000 € and "Unavailable Input" of 533,000 €.

It should be pointed out that the statutory reserve of 384,000 € was incorporated into the unavailable input in 2020.

As of 31 December 2020, the shareholding structure was as follows:

#### Summary of shares per shareholder at 31/12/2020

	ORES Assets shares	
	Number	%
- shares held by municipalities	2,102,641	3.17%
- shares owned by Igretec	4	0.00%
- shares owned by Idefin	10,536,969	15.89%
- shares owned by IPFH (*)	29,613,672	44.65%
- shares owned by Finest	2,504,369	3.78%
- shares owned by Sofilux	7,455,643	11.24%

<sup>1</sup> 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.

- shares owned by Finimo	3,280,295	4.95 %
- shares owned by IPFBW	9,016,024	13.59 %
- shares owned by IEG	1,710,370	2.58 %
- shares owned by IFIGA	102,000	0.15 %
<b>Total</b>	<b>66,321,987</b>	<b>100.00 %</b>

(\*) change of name on 8 March 2021 to CENEO

The capital gain from the revaluation of tangible fixed assets amounted to 491,917,000 €, 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 20,770,000 € following the depreciation of the capital gains calculated at a rate of 2% per annum.

Reserves increased by 110,391,000 € (440,259,000 € at 31 December 2020) following:

- the transfer to unavailable reserves of a share of the revaluation surplus for the amount of the depreciation, i.e. 20,770,000 €;
- the incorporation into the share capital of all of the statutory reserves in the amount of 384,000 €;
- the 88,749,000 € allocation to the available reserves, mainly in the context of the allocation of the 2020 results;
- the net movement to the untaxed reserves of 1,256,000 € relating to the "Tax Shelter".

Provisions for risks and expenses decreased by 9,903,000 € (32,779,000 € at 31 December 2020).

They were made up of:

- environmental provisions in the amount of 3,789,000 €;
- provisions for disputes in the amount of 28,990,000 €, of which:
  - ✓ provisions for relocating installations of 8,288,000 € ;
  - ✓ provision on the sale of the land at Soignies of 2,702,000 € ;
  - ✓ provision within the framework of the "Atrias" project in the amount of 18,000,000 €.

The reduction recorded this year was due to a large extent to the writeback of the provision for coverage of the application risks associated with the transition to new IT systems required for the procurement process (-8,525,000 €).

Debts at more than one year fell by 153,947,000 € (1,861,230,000 € at 31 December 2020). They mainly represent loans taken out from credit institutions (451,931,000 €) and Sowafinal (6,589,000 €),

as well as the funds made available to ORES Assets by ORES (1,402,669,000 €).

Debts due within one year increased by 151,577,000 € (576,597,000 € at 31 December 2020).

Debts falling due in more than one year and maturing within the year were up by 109.358,000 € (384,142,000 € at 31 December 2020). These debts consist of the capital of bank borrowing and other loans falling due in 2021.

Trade debts increased by 40,617,000 € (135,708,000 € at 31 December 2020). They consist of supplier balances as well as invoices and credit notes receivable at 31 December of the financial year. The amounts mainly concern the balance of the management expenses to be charged by the ORES subsidiary, the Elia transmission charge and energy purchases relating to electricity losses and PSOs.

The significant increase stems mainly from the balance of the management invoice to be billed by the subsidiaries, ORES and Comnexio, representing an amount of 40,681,000 € at 31 December 2020.

Advance payments received on orders went up by 4,190,000 € (39,179,000 € at 31 December 2020). These include intermediate invoices sent to protected and "Provider X" customers (PSOs), as well as advance payments from customers for work to be carried out.

Tax liabilities (666,000 €) consisted solely of the VAT to be paid on operations from December 2020.

"Other debts", down by 2,684,000 € (16,902,000 € at 31 December 2020), mainly include the balance of gross dividends for the 2020 financial year to be paid to shareholders after approval by the general meeting of shareholders for the first half of 2021 (9,899,000 €, compared with 13,576,000 €), as well as the amounts for federal contributions and transmission charges to be retroceded (5,096,000 € compared with 4,165,000 € at 31 December 2019).





Liability adjustment accounts fell by de 8,658,000 € (46,135,000 € at 31 December 2020) and consists mainly of regulatory balances (31,730,000 €) and the unmetered transmission charge (13,622,000 €).

- Description of the main risks and uncertainties facing ORES

The following paragraphs describe the measures taken to identify the main known risks and uncertainties which the ORES group may face and to remedy them. Risk management is a key process when it comes to helping ORES fulfil its strategic goals, as documented in the strategic plan. In 2018, ORES established a new methodology for managing risks. This was refined in 2019 on the basis of feedback, then in 2020, in particular to identify and monitor the most significant (major) risks with greater accuracy, as well as to reveal opportunities.

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 the goals set by ORES. The methodology used in this process is described in the 2020 consolidated annual report of ORES Assets and more specifically in the section entitled "Description of the main characteristics of the internal auditing and risk management systems". The main results for 2020 are explained in more detail below, focusing on the most significant risks, as highlighted by the risk analysis finalised in October 2020<sup>2</sup>. 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 severe risk.

### *i. Risks associated with transformation and change*

These are risks associated with the ability of ORES to implement its transformation and change (the transformation plan takes the form of practical programmes and projects).

These risks may produce difficulties associated with:

- the sustainability of the ORES transformation plan and the ability to deliver results within the deadlines set. These risks may impact the implementation of this plan and the efficiency that ORES wishes to establish;

- the differences between the amounts authorised by the regulator to carry out this transformation and the costs actually incurred by the projects and programmes;
- the number of projects to be conducted simultaneously and the resulting dependency between the projects;
- human resources.

The ability of Atrias (new federal clearing house for managing the data and processes associated with the market for supplying electricity and gas) to be operational in line with the scheduled start date (September 2021) and the ability of the platform to incorporate new technologies and market requirements (mainly in terms of smart meters) also constitute a risk factor. Developments in the Atrias project are monitored regularly by the Executive Board. Any dependence with other programmes and the transformation plan, as well as the financial impact and any other effects on the company's legal obligations are constantly identified and monitored. The required resources have been put in place to ensure that the contribution made by ORES to this federal project is at the required level.

Reviewing project governance, strengthening the budget monitoring process, consulting with the regulator on strategic choices and close monitoring of the human resources involved in the transformation (particularly with regard to the policy on commitment or in order to better spread and optimise the workload) are all actions designed to mitigate this risk. In the same way, implementing these actions opens up opportunities for ORES, such as getting staff involved in a new long-term vision, thoughts about efficiency, awareness of the budgeting process and complying with it, developing agility and adjusting the organisation and its processes, etc.

### *ii. Risks associated with pandemics*

Due to the measures to stop normal operations that may be imposed by the government authorities should there be a pandemic, as well as the effect of these measures on the availability of staff, pandemic may affect companies and require them to respond in the face of exceptional unforeseen and anticipated circumstances.

These risks may also constitute opportunities in terms of thinking about a new way of working, as well as on accelerating the digitalisation of processes.

<sup>2</sup> For operating, IT and HR risks not identified as part of the most significant risks, please refer to the to description stated in the 2019 annual report.



ORES has an internal emergency plan and, where applicable, takes exceptional and proportionate measures to:

- safeguard the health of its staff;
- maintain the essential public service tasks provided by the company;
- contribute to the national effort to combat the spread of pandemics;

As a result, practical measures are adopted by the company in order to reduce the risks associated with essential activities (i.e. the availability of engineers to take action in order to ensure the continuity of supplies, the preparation and shipment of orders to restock local stores, activities to monitor and operate the electricity and gas networks, as well as telecoms (radio and fibre optics), breakdown activities for the networks and telecoms, or the maintenance of IT tools and cashflow management).

KPIs to monitor the impact of the measures (human resources, energy passing through the networks, work on the networks, etc.) are established and analysed by the Executive Board. Where required, the frequency of Executive Board meetings is significantly increased to provide the necessary monitoring.

Even though the company has succeeded in maintaining a good level of performance and guaranteeing continuity of service, ORES has conducted an initial “lessons learned” exercise into the effects of the health measures and the company’s ability to respond to them. A more in-depth audit is underway to identify any measures to take to improve management of this new risk in the future.

### *iii. Regulatory risk*

The context of distributing electricity and gas is faced with increasingly rapid and uncertain changes. With this in mind, there is increasing probability that changes to the legislation and/or regulations may have a significant sudden and/or unexpected impact on the company’s strategy, with potential effects on the projects underway, the need to embark on new, very short-term projects and the mobilisation of the company’s human and budgetary resources. These repetitive uncertainties and changes make the development of effective operational strategies more complex. More specifically, the company’s ability to maintain consistency between its vision, strategy and transformation plan, as well as developments in the external context is the subject of special attention. An update of the strategic plan was approved at the end of 2020 and is monitored regularly.

In the same way as risks associated with transformation and change, the implementation of actions to mitigate regulatory risk opens up opportunities for ORES, such as thoughts about efficiency, awareness of the budgeting process and complying with it, developing agility and adjusting the organisation and its processes, etc.

More specifically with regard to tariff risk, please refer to section vii, “Economic and financial risks”, below.

### *iv. Risks associated with the volume of energy distributed*

The ban on the use of fossil fuels by 2050, as well as the measures adopted by the European Union to encourage the gradual introduction of this ban (for example for financing), may have an effect on the Group’s gas-related business. This impact will depend on the agreed vision of where gas fits into the intended low-carbon society. It may involve a reduction in the penetration rate, an increase in associated costs (and hence tariffs), a problem with depreciations if certain assets can no longer be used at the end of their initial service life, or an increase in financing costs. In addition, other sources of energy, such as heat networks, may come to compete directly with the gas-related business.

A reduction in consumption and hence in the volumes transiting through the networks as a result of the improvement in the energy efficiency of buildings and the development of forms of the self-production of energy (such as photovoltaic panels), could also have an impact on the gas business, as well as on electricity. This impact might take the form of a reduction in the base (kWh) for which the cost of activities could be passed on and hence an increase in tariffs. However, this reduction could be offset by the introduction of new uses for energy (electric and CNG vehicles, heat pumps, etc.).

The Promogaz and CNG campaigns aimed at optimising the use of the gas distribution networks, facilitating the use of biomethane by accommodating new injection points, or the monitoring of the development of the injection of hydrogen into the gas distribution network are all actions that would enable this risk to be mitigated and could constitute an opportunity through the development of “green” gas being injected into the network.

Beyond the threats that this could have on the volume of energy (electricity and gas) drawn down from the distribution networks, energy transition also has the effect of placing the distribution networks at the heart of the technological and societal changes associated with this transition. By confirming its wish to be a

facilitator of energy transition, ORES also aims to be an essential conduit working on behalf of these numerous developments: the production of renewable energy connected to the distribution network (photovoltaic panels, wind farms, injections of biomethane), new mobility solutions (electric recharging points, CNG or bio-CNG stations), energy communities, flexibility, storage, etc. There are many opportunities and these are being monitored by closely by ORES.

#### **v. Risks associated with external service providers**

ORES and ORES Assets are subject to the legislation on public procurement for their purchases of supplies, services and works. ORES is seeing an upward trend in the cost of the contractors on which it calls by public tenders. A procedure is to be launched to define a “vision of external service providers” in order to mitigate this risk. In the same way, the strategies for public procurement are currently the subject of changes, which specifications are being reviewed.

#### **vi. Risks associated with organisation and governance**

The environment in which ORES and ORES Assets operate is uncertain and complex. It is also changing quickly and constantly: energy transition, digitalisation, more sophisticated energy markets, the need for immediacy, speed of technological developments, etc. This means that the processes and organisation must be adapted and simplified to enable ORES to be more efficient and to achieve the required level of agility. While the roles and responsibilities of the organisation of tomorrow are not yet clear, there may be tensions and losses of efficiency, etc. In order to mitigate these risks, procedures linked to the efficiency of the organisation have been introduced.

#### **vii. Economic and financial risks (including tariff risks)**

##### **vii.a. Tariff risks**

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 income) or a collection of rules that may have a positive

or negative impact on shareholders’ remuneration (incentive-driven regulation mechanism). In 2018, the regulator approved the authorised revenue available to the Group for the 2019-2023 period and in 2019 the rates for the 2019-2023 period. This is a positive element that gives the company a 5-year view of the means at its disposal. In 2018, the regulator had also approved special budgets for specific projects (notably for smart metering and the promotion of natural gas). Following the publication of the Walloon decree of 19 July 2018 relating to the deployment of smart meters, the assumptions used in the framework of the budget relating to the specific “smart metering” project as approved by the regulator had to be reviewed (in particular, change in metering technology and downward revision of the volumes deployed over the period 2019-2023). The CWaPE’s decision to refuse the envelope specifically reviewed to take these new assumptions into account having been overturned by the Market Court following the appeal by ORES, discussions about this envelope are currently continuing with the regulator. Elsewhere, discussions relating to the adoption of the tariff methodology 2024-2028 are due to begin. In particular, ORES will be careful to ensure during these discussions that this methodology assures the continuity and long-term vision of the activities of the DSOs, that a tariff structure is introduced that meets the needs of customers, as well as complies with the constraints and cost structure of the DSOs, etc. Although any modification of the tariff methodology could have an impact on the profitability of ORES, the regulator’s obligation to take account of the principles of the European directives of the third energy package and the tariff decree of 19 January 2017 will limit this risk.

Differences may appear between controllable costs and actual costs, both in terms of the authorised income and specific budgets. To mitigate this risk, the following actions are being taken in particular:

- monthly budget monitoring, refinement 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 needs to ensure it complies with the financial covenants, which are monitored regularly.

##### **vii.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 31 December 2020, the Group's sources of financing consisted mainly of:

- a programme of commercial paper with an indefinite duration up to a maximum of 550 million €;
- funds raised via private investments (in 2012, 2014 and 2015 via bond markets);
- amounts raised through the issue of bank loans;
- significant finance raised from the European Investment Bank (550 million €);
- two short-term lines of credit, each for 50 million €, for respective terms of 1 year and 3 years.

#### vii.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.

#### vii.d. Inflation risks

The inflation risk is the risk of a more or less sustainable and controllable price increase. The CWaPE tariff methodology provides for controllable costs to change annually on the basis of an indexation factor (linked to the Belgian health index) of 1.575%, which is not revised during the tariff period. As a result, any price increase in excess of the inflation forecast in this methodology could impact the company's earnings. To protect itself from this risk, ORES has acquired partial cover through an inflation swap.

#### vii.e. Tax risk

ORES Assets and ORES are subject to corporation tax. 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.

#### vii.f. Asset and liquidity risk

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 financial 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 lines, 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. ORES is aware of the issue of negative interest rates when it comes to managing its cashflow.

#### vii.g. Macroeconomic and financial climate risks

The economic situation may have repercussions on the demand for electricity and natural gas, or on the Group's financing conditions. With regard to the impact on the demand for electricity and natural gas, this risk and its effects are not normally borne by the Group. The 2019-2023 tariff methodology provides 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 1 January of the year following that of the check (N+2). With regard to the impact on the financing conditions for ORES, 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. Data on significant post-closing events

Since mid-March 2020, as part of the measures taken in the fight against the COVID-19 virus adopted by the National Security Council, as well as by the Federal and Walloon authorities, as stated in the introduction and in the activity report in this report, ORES implemented a series of provisions designed, on the one hand, to safeguard the health of its staff and that of its customers and, on the other, to guarantee the implementation of its public service duties in these exceptional circumstances.

During the 2020 financial year, independent of its impact on the world economy and indicators, COVID-19 had no financial impact likely to jeopardise the continuity of the company. The impact of COVID-19 in 2021 is likely to be of the same kind and hence should not jeopardise the continuity of the company.

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

None.

### 1.4. Information about research and development activities

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

These projects relate mainly to IT developments, such as the Atrias project or the Smart Metering and Smart Grid projects.

### 1.5. Information relating to the existence of branches of the company

None.

### 1.6. Justification of the application of accounting rules on the basis of continuity if the balance sheet shows a loss carried forward or if there is a loss in to the profit and loss account for two successive financial years

The balance sheet does not show any loss carried forward and the profit and loss statement does not show a loss for two successive financial years.

### 1.7. All information to be included here pursuant to the Code of Companies and Associations

Number of shares in circulation at 31 December 2020: 66,321,987. These shares are all of the same class.

We are of the opinion that the report contains all the information required by the Code of Companies and Associations.

### 1.8. Presentation of the use of financial instruments by the company

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

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

Apart from bank financing (which has not been subject to a public contract since 30 June 2017), as of 31 December 2020, ORES:

- had a programme of commercial papers worth 550 million € with an indefinite term;
- had two short-term lines of credit, each for an overall amount of 50 million €, with respective terms of one year and three years;
- issued bonds in 2012 admitted to the official listing and to be traded on the regulated market of the Luxembourg stock exchange within the context of a private investment. Some of this loan was the subject of a buyback in 2018;
- issued bonds in 2014 and 2015 admitted to the listing and to be traded on the "Open market" segment of the Frankfurt stock exchange in the form of private investments;
- secured a financing programme from the EIB (European Investment Bank) in 2017 for a total of 550 million € to be drawn over 5 years.

In 2020, ORES took out new bank loans for 130 million € and drew down 100 million € from the EIB financing programme.

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.

## 1.9. Justification of independence and competence in terms of accounts 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 CDLD – the Belgian Local Democracy and Decentralisation Code.

Ms Anne-Caroline Burnet was appointed Chair of the Audit Committee from 11 September 2019, following the total renewal of the Board of Directors by the general meeting of shareholders on 29 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 7 December 2016. These two elements were confirmed in a certificate.

## 1.10. Additional information

The intermunicipal company does not have its own staff.

“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 sc and ORES, with unpaid mandates at ORES Assets and payment of emoluments at ORES.

These annual 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 accounts, annual financial statements, for the latter in the format of the full standardised template, and valuation rules), accompanied by non-financial information (introduction and activity and sustainable development report – declaration of non-financial information, as well as the GRI table of contents), the remuneration report, the specific report on equity investments and the list of shareholders as at 31 December 2020 (Appendix 1).

# 2. Annual financial statements

## 2.1. Balance sheet (in euros)

### BALANCE SHEET AFTER ALLOCATION

	Ann.	Codes	Financial year	Previous financial year
<b>ASSETS</b>				
<b>SET-UP COSTS</b>	6.1	20		
<b>FIXED ASSETS</b>		21/28	<b>3,904,862,080.37</b>	<b>3,872,477,977.26</b>
<b>Intangible fixed assets</b>	6.2	21	<b>54,217,876.68</b>	<b>74,340,253.13</b>
<b>Tangible fixed assets</b>	6.3	22/27	<b>3,836,243,459.92</b>	<b>3,786,716,112.79</b>
Land and buildings		22	137,907,918.53	132,347,990.26
Plant, machinery and equipment		23	3,663,603,804.38	3,619,384,850.63
Furniture and vehicles		24	34,141,892.16	34,368,395.28
Leasing and similar charges		25		
Other tangible fixed assets		26	589,844.85	614,876.62
Fixed assets in progress and advance payments		27		
<b>Financial fixed assets</b>	6.4/6.5.1	28	<b>14,400,743.77</b>	<b>11,421,611.34</b>
Affiliated companies	6.15	280/1	479,508.00	479,508.00
Holdings		280	479,508.00	479,508.00
Receivables		281		
Companies with which there is a shareholding link	6.15	282/3	13,745,417.24	10,771,569.69
Holdings		282	3,100.00	3,100.00
Receivables		283	13,742,317.24	10,768,469.69
Other financial fixed assets		284/8	175,818.53	170,533.65
Stocks and shares		284	16,891.92	16,891.92
Receivables and cash guarantees		285/8	158,926.61	153,641.73
<b>CURRENT ASSETS</b>		29/58	<b>411,519,863.77</b>	<b>374,830,043.41</b>
<b>Amounts receivable after one year</b>		29	<b>6,479,370.57</b>	<b>6,729,288.58</b>
Trade receivables		290	611,819.41	
Other receivables		291	5,867,551.16	6,729,288.58
<b>Stocks and orders in progress</b>		3	<b>7,415,673.98</b>	<b>7,410,426.77</b>
Stocks		30/36		
Supplies		30/31		
In manufacture		32		
Finished products		33		
Goods		34		
Real estate property intended for sale		35		
Advance payments		36		
Orders in progress		37	7,415,673.98	7,410,426.77
<b>Amounts receivable within one year</b>		40/41	<b>211,103,121.25</b>	<b>204,408,017.29</b>
Trade receivables		40	144,754,470.66	172,343,414.30
Other receivables		41	66,348,650.59	32,064,602.99
<b>Cash investments</b>	6.5.1/6.6	50/53		
Own shares		50		
Other investments		51/53		
<b>Disposable assets</b>		54/58	<b>751,139.99</b>	<b>34,908.57</b>
<b>Accruals</b>	6.6	490/1	<b>185,770,557.98</b>	<b>156,247,402.20</b>
<b>TOTAL ASSETS</b>		20/58	<b>4,316,381,944.14</b>	<b>4,247,308,020.67</b>

**LIABILITIES****SHAREHOLDERS' EQUITY****Capital**

Subscribed capital

Non-subscribed capital

**Revaluation surplus****Reserves**

Unavailable reserves

Unavailable statutory reserves

Acquisition of own shares

Financial support

Other

Untaxed reserves

Available reserves

**Profit (Loss) carried forward****Capital grants****Advance to the shareholders on the distribution of the net assets****PROVISIONS AND DEFERRED TAXATION****Provisions for risks and charges**

Pensions and similar obligations

Taxes

Major repairs and maintenance

Environmental obligations

Other risks and charges

**Deferred tax****DEBTS****Amounts payable after one year**

Financial debts

Subordinated loans

Non-subordinated bond issues

Lease-financing and similar debts

Credit institutions

Other borrowing

Trade debts

Suppliers

Notes payable

Pre-payments on orders

Other debts

**Amounts payable within one year**

Long-term debts falling due this year

Financial debts

Credit institutions

Other borrowing

Trade debts

Suppliers

Notes payable

Pre-payments on orders

Debts for taxes, payroll and social contributions

Taxes

Remuneration and social charges


Other debts

**Accruals****TOTAL LIABILITIES**

Ann.	Codes	Financial year	Previous financial year
	10/15	<b><u>1,799,640,517.02</u></b>	<b><u>1,709,635,818.61</u></b>
6.7	10	<b>867,463,816.03</b>	<b>867,080,033.33</b>
	110	866,931,233.33	867,080,033.33
	111	532582.7	
	12	<b>491,917,281.73</b>	<b>512,687,090.87</b>
	13	<b>440,259,419.26</b>	<b>329,868,694.41</b>
	130/1	288,749,663.57	267,979,854.43
	1311	288,749,663.57	
	1312		
	1313		
	1319		246,697,953.38
	132	4,338,630.00	3,082,880.00
	133	147,171,125.69	58,422,177.28
	14		
	15		
	19		
	16	<b><u>32,779,483.45</u></b>	<b><u>42,682,411.00</u></b>
	160/5	<b>32,779,483.45</b>	<b>42,682,411.00</b>
	160		
	161		
	162		
	163	3,788,933.01	3,788,933.01
6.8	164/5	28,990,550.44	38,893,477.99
	168		
	17/49	<b><u>2,483,961,943.67</u></b>	<b><u>2,494,989,791.06</u></b>
6.9	17	<b><u>1,861,229,740.29</u></b>	<b><u>2,015,176,360.84</u></b>
	170/4	1,861,188,740.29	2,014,713,360.84
	170		
	171		
	172		
	173	451,931,428.12	537,570,503.69
	174	1,409,257,312.17	1,477,142,857.15
	175		
	1750		
	1751		
	176		
	178/9	41,000.00	463,000.00
	42/48	<b>576,597,219.54</b>	<b>425,020,128.39</b>
6.9	42	384,141,995.36	274,783,804.80
	43		
	430/8		
	439		
	44	135,708,374.08	95,091,145.01
	440/4	135,708,374.08	95,091,145.01
	441		
	46	39,178,558.38	34,988,472.06
6.9	45	666.055.74	570,410.10
	450/3	666.055.74	570,410.10
	454/9		
	47/48	16,902,235.98	19,586,296.42
6.9	492/3	<b>46,134,983.84</b>	<b>54,793,301.83</b>
	10/49	<b>4,316,381,944.14</b>	<b>4,247,308,020.67</b>

## 2.2. Balance sheet by business sector (in euros)


ASSETS	Codes	Distribution Grid Management Electricity	
		2020	2019
<b>FIXED ASSETS</b>	<b>21/28</b>	<b>2,612,358,534.69</b>	<b>2,603,237,207.25</b>
<b>II. INTANGIBLE FIXED ASSETS</b>	<b>21</b>	<b>42,535,462.16</b>	<b>55,907,098.52</b>
<b>III. TANGIBLE FIXED ASSETS</b>	<b>22/27</b>	<b>2,558,516,835.94</b>	<b>2,538,369,575.05</b>
A. Land and buildings	22	115,348,048.80	111,147,977.10
B. Technical plant and machinery	23	2,415,464,643.74	2,399,123,957.12
C. Furniture, vehicles and tooling	24	27,704,143.40	28,097,640.83
E. Other tangible fixed assets	26	0.00	0.00
<b>IV. FINANCIAL FIXED ASSETS</b>	<b>28</b>	<b>11,306,236.59</b>	<b>8,960,533.68</b>
A. Affiliated companies			
1. Shareholdings	280	326,988.00	326,988.00
B. Other companies with a shareholding connection			
1. Shareholdings	282	3,100.00	3,100.00
2. Receivables	283	10,815,203.67	8,474,785.64
C. Other financial fixed assets			
1. Stocks and shares	284	2,018.31	2,018.31
2. Cash receivables and guarantees	285/8	158,926.61	153,641.73
<b>CURRENT ASSETS</b>	<b>29/58</b>	<b>381,710,014.70</b>	<b>333,806,741.92</b>
<b>V. RECEIVABLES DUE IN MORE THAN ONE YEAR</b>	<b>29</b>	<b>6,479,370.57</b>	<b>6,729,288.58</b>
A. Trade receivables	290	611,819.41	0.00
B. Other receivables	291	5,867,551.16	6,729,288.58
<b>VI. STOCK AND ORDERS IN PROGRESS</b>	<b>3</b>	<b>7,415,673.98</b>	<b>7,410,426.77</b>
A. Stock			
B. Orders in progress	37	7,415,673.98	7,410,426.77
<b>VII. RECEIVABLES DUE WITHIN ONE YEAR</b>	<b>40/41</b>	<b>230,775,304.08</b>	<b>203,527,312.13</b>
A. Trade receivables	40	120,907,432.07	138,541,924.87
B. Other receivables	41	109,867,872.01	64,985,387.26
<b>IX. DISPOSABLE ASSETS</b>	<b>54/58</b>	<b>750,163.99</b>	<b>33,909.78</b>
<b>X. ADJUSTMENT ACCOUNTS</b>	<b>490/1</b>	<b>136,289,502.08</b>	<b>116,105,804.66</b>
<b>TOTAL ASSETS</b>		<b>2,994,068,549.39</b>	<b>2,937,043,949.17</b>

	 <b>Distribution Grid Management Gas</b>		<b>Other activities</b>		<b>TOTAL</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	1,291,898,827.22	1,268,611,019.78	604,718.46	629,750.23	3,904,862,080.37	3,872,477,977.26
	11,682,414.52	18,433,154.61	0.00	0.00	54,217,876.68	74,340,253.13
	1,277,136,779.13	1,247,731,661.12	589,844.85	614,876.62	3,836,243,459.92	3,786,716,112.79
	22,559,869.73	21,200,013.16	0.00	0.00	137,907,918.53	132,347,990.26
	1,248,139,160.64	1,220,260,893.51	0.00	0.00	3,663,603,804.38	3,619,384,850.63
	6,437,748.76	6,270,754.45	0.00	0.00	34,141,892.16	34,368,395.28
	0.00	0.00	589,844.85	614,876.62	589,844.85	614,876.62
	3,079,633.57	2,446,204.05	14,873.61	14,873.61	14,400,743.77	11,421,611.34
	152,520.00	152,520.00	0.00	0.00	479,508.00	479,508.00
	0.00	0.00	0.00	0.00	3,100.00	3,100.00
	2,927,113.57	2,293,684.05	0.00	0.00	13,742,317.24	10,768,469.69
	0.00	0.00	14,873.61	14,873.61	16,891.92	16,891.92
	0.00	0.00	0.00	0.00	158,926.61	153,641.73
	94,577,281.54	85,074,218.97	-64,767,432.47	-44,050,917.48	411,519,863.77	374,830,043.41
	0.00	0.00	0.00	0.00	6,479,370.57	6,729,288.58
	0.00	0.00	0.00	0.00	611,819.41	0.00
	0.00	0.00	0.00	0.00	5,867,551.16	6,729,288.58
	0.00	0.00	0.00	0.00	7,415,673.98	7,410,426.77
	0.00	0.00	0.00	0.00	7,415,673.98	7,410,426.77
	45,095,249.64	44,931,622.64	-64,767,432.47	-44,050,917.48	211,103,121.25	204,408,017.29
	23,847,038.59	33,801,489.43	0.00	0.00	144,754,470.66	172,343,414.30
	21,248,211.05	11,130,133.21	-64,767,432.47	-44,050,917.48	66,348,650.59	32,064,602.99
	976.00	998.79	0.00	0.00	751,139.99	34,908.57
	49,481,055.90	40,141,597.54	0.00	0.00	185,770,557.98	156,247,402.20
	1,386,476,108.76	1,353,685,238.75	-64,162,714.01	-43,421,167.25	4,316,381,944.14	4,247,308,020.67



## LIABILITIES

	Codes	Distribution Grid Management Electricity	
		2020	2019
<b>EQUITY CAPITAL</b>	<b>10/15</b>	<b>1,258,898,390.32</b>	<b>1,194,039,908.30</b>
<b>I. SHARE CAPITAL</b>	<b>10/11</b>	<b>589,238,415.93</b>	<b>589,017,002.67</b>
A. Available	110	588,924,002.67	589,017,002.67
B. Unavailable	111	314,413.26	0.00
<b>III. REVALUATION GAINS</b>	<b>12</b>	<b>334,026,801.27</b>	<b>350,509,077.14</b>
<b>IV. RESERVES</b>	<b>13</b>	<b>335,633,173.12</b>	<b>254,513,828.49</b>
A. Unavailable reserves	131	0.00	0.00
Statutory reserve	1311	0.00	221,413.26
Reserves statutorily unavailable	1311	224,716,803.51	208,234,527.64
B. Untaxed reserves	132	3,290,417.14	2,444,664.70
C. Available reserves	133	107,625,952.47	43,613,222.89
Profit carried forward	14	0.00	0.00
<b>PROVISIONS FOR RISKS AND EXPENSES</b>	<b>16</b>	<b>20,629,913.35</b>	<b>28,037,886.81</b>
<b>VII. PROVISIONS AND DEFERRED TAXES</b>	<b>16</b>	<b>20,629,913.35</b>	<b>28,037,886.81</b>
A. Provisions for risks and expenses			
4. Other risks and expenses	163/5	20,629,913.35	28,037,886.81
Environmental provisions	163	1,343,933.00	1,343,933.00
Provisions for litigation	164	19,285,980.35	26,693,953.81
<b>DEBTS</b>	<b>17/49</b>	<b>1,714,540,245.72</b>	<b>1,714,966,154.06</b>
<b>VIII. DEBTS DUE IN MORE THAN ONE YEAR</b>	<b>17</b>	<b>1,218,736,234.14</b>	<b>1,336,461,631.48</b>
A. Financial debts	170/4	0.00	0.00
4. Credit establishments	173	311,254,768.17	372,220,634.33
5. Other borrowing	174	907,455,465.97	963,792,997.15
D. Other debts	178/9	26,000.00	448,000.00
<b>IX. DEBTS DUE WITHIN ONE YEAR</b>	<b>42/48</b>	<b>461,336,093.81</b>	<b>345,701,043.08</b>
A. Debts at more than one year maturing within the year	42	248,179,651.15	182,947,374.39
B. Financial debts	43	0.00	0.00
C. Trade debts	44	0.00	0.00
1. Suppliers	440/4	122,127,933.27	92,357,426.92
D. Prepayments received on orders	46	34,893,090.07	30,401,444.95
E. Tax, salary and social debts	45	1,317,195.50	600,787.08
F. Other debts	47/48	54,818,223.82	39,394,009.74
<b>X. ADJUSTMENT ACCOUNTS</b>	<b>492/3</b>	<b>34,467,917.77</b>	<b>32,803,479.50</b>
<b>TOTAL LIABILITIES</b>		<b>2,994,068,549.39</b>	<b>2,937,043,949.17</b>

	 Distribution Grid Management Gas		Other activities		TOTAL	
	2020	2019	2020	2019	2020	2019
	540,742,126.70	515,595,910.31	0.00	0.00	1,799,640,517.02	1,709,635,818.61
	278,225,400.10	278,063,030.66	0.00	0.00	867,463,816.03	867,080,033.33
	278,007,230.66	278,063,030.66	0.00	0.00	866,931,233.33	867,080,033.33
	218,169.44	0.00	0.00	0.00	532,582.70	0.00
	157,890,480.46	162,178,013.73	0.00	0.00	491,917,281.73	512,687,090.87
	104,626,246.14	75,354,865.92	0.00	0.00	440,259,419.26	329,868,694.41
	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	162,369.44	0.00	0.00	0.00	383,782.70
	64,032,860.06	59,745,326.79	0.00	0.00	288,749,663.57	267,979,854.43
	1,048,212.86	638,215.30	0.00	0.00	4,338,630.00	3,082,880.00
	39,545,173.22	14,808,954.39	0.00	0.00	147,171,125.69	58,422,177.28
	0.00	0.00	0.00	0.00	0.00	0.00
	12,149,570.10	14,644,524.19	0.00	0.00	32,779,483.45	42,682,411.00
	12,149,570.10	14,644,524.19	0.00	0.00	32,779,483.45	42,682,411.00
	12,149,570.10	14,644,524.19	0.00	0.00	32,779,483.45	42,682,411.00
	2,445,000.01	2,445,000.01	0.00	0.00	3,788,933.01	3,788,933.01
	9,704,570.09	12,199,524.18	0.00	0.00	28,990,550.44	38,893,477.99
	833,584,411.96	823,444,804.25	-64,162,714.01	-43,421,167.25	2,483,961,943.67	2,494,989,791.06
	642,493,506.15	678,714,729.36	0.00	0.00	1,861,229,740.29	2,015,176,360.84
	0.00	0.00	0.00	0.00	0.00	0.00
	140,676,659.95	165,349,869.36	0.00	0.00	451,931,428.12	537,570,503.69
	501,801,846.20	513,349,860.00	0.00	0.00	1,409,257,312.17	1,477,142,857.15
	15,000.00	15,000.00	0.00	0.00	41,000.00	463,000.00
	179,423,839.74	122,740,252.56	-64,162,714.01	-43,421,167.25	576,597,219.54	425,020,128.39
	135,962,344.21	91,836,430.41	0.00	0.00	384,141,995.36	274,783,804.80
	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00
	13,580,440.81	2,733,718.09	0.00	0.00	135,708,374.08	95,091,145.01
	4,285,468.31	4,587,027.11	0.00	0.00	39,178,558.38	34,988,472.06
	63,541.56	314,920.63	,714,681.32	,345,297.61	666,055.74	570,410.10
	25,532,044.85	23,268,156.32	-63,448,032.69	-43,075,869.64	16,902,235.98	19,586,296.42
	11,667,066.07	21,989,822.33	0.00	0.00	46,174,983.84	54,793,301.83
	1,386,476,108.76	1,353,685,238.75	-64,162,714.01	-43,421,167.25	4,316,381,944.14	4,247,308,020.67

## 2.3. Profit-and-loss account (in euros)


	Ann.	Codes	Financial year	Previous financial year
<b>Sales and services</b>		70/76A	<b>1,240,467,184.44</b>	<b>1,174,209,057.71</b>
Turnover	6.10	70	1,213,897,465.34	1,174,209,057.71
Manufacturing work-in-progress, finished products and orders in progress: increase (reduction)	(+)/(-)	71	5,247.21	998,447.06
Capitalised production		72		
Other operating income	6.10	74	26,564,471.89	27,797,286.27
Non-recurrent operating income	6.12	76A		
<b>Cost of sales and services</b>		60/66A	<b>986,698,114.64</b>	<b>944,181,535.80</b>
Supplies and goods		60	14,284,689.34	10,510,013.65
Purchases		600/8	14,284,689.34	10,510,013.65
Stocks: reduction (increase)	(+)/(-)	609		
Miscellaneous goods and services		61	757,668,961.16	738,935,606.58
Salaries, social charges and pensions	(+)/(-)	6.10 62		
Depreciation and writedowns of set-up costs on intangible and tangible assets		630	168,248,080.50	154,923,377.51
Value writedowns on stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)	6.10 631/4	-9,482,563.30	354,515.39
Provisions for risks and expenses: allocations	6.10	635/8	-9,902,927.55	1,188,847.09
Other operating expenses	6.10	640/8	40,594,510.89	34,392,265.95
Operating expenses transferred to assets as restructuring costs (-)		649		
Non-recurrent operating expenses	6.12	66A	25,287,363.60	3,876,909.63
<b>Operating profit (loss)</b>	(+)/(-)	9901	<b>253,769,069.80</b>	<b>230,027,521.91</b>
<b>Financial income</b>		75/76B	<b>197,720.34</b>	<b>286,271.63</b>
Recurrent financial income		75	197,720.34	286,271.63
Income from financial fixed assets		750		
Income from current assets		751	148,619.48	237,159.87
Other financial income	6.11	752/9	49,100.86	49,111.76
Non-recurrent financial income	6.12	76B		
<b>Financial expenses</b>		65/66B	<b>33,963,995.41</b>	<b>39,305,100.71</b>
Recurrent financial expenses	6.11	65	33,963,995.41	39,305,100.71
Debt charges		650	33,927,869.29	39,262,586.17
Write-downs of current assets other than stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)	651		
Other financial expenses		652/9	36,126.12	42,514.54
Non-recurrent financial expenses	6.12	66B		
<b>Profit (Loss) from the financial year before taxes</b>	(+)/(-)	9903	<b>220,002,794.73</b>	<b>191,008,692.83</b>
<b>Deductions on deferred taxes</b>		780		
<b>Transfer to deferred taxes</b>		680		
<b>Taxes on the result</b>	(+)/(-)	6.13 67/77	<b>59,081,257.75</b>	<b>61,658,823.78</b>
Taxes		670/3	59,081,257.75	61,663,873.67
Tax adjustments and writebacks of tax provisions		77		5,049.89
<b>Profit (Loss) from the financial year</b>	(+)/(-)	9904	<b>160,921,536.98</b>	<b>129,349,869.05</b>
<b>Withdrawals from untaxed reserves</b>		789	<b>744,000</b>	
<b>Transfer to untaxed reserves</b>		689	<b>1,999,750.00</b>	<b>847,280.00</b>
<b>Profit (Loss) from the financial year to be allocated</b>	(+)/(-)	9905	<b>159,665,786.98</b>	<b>128,502,589.05</b>



## 2.4. Profit-and-loss account by sector (in euros)

	Codes	Distribution Grid Management Electricity	
		12/2020	12/2019
<b>I. Sales and services</b>		<b>1,009,170,863.56</b>	<b>960,458,106.13</b>
A. Turnover	70	988,403,789.35	939,963,870.55
B. Variation in current orders	71	5,247.21	-998,447.06
C. Capitalised production	72	0.00	0.00
D. Other operating income	74	20,761,827.00	21,492,682.64
<b>II. Cost of sales and services</b>	<b>60/66</b>	<b>-832,035,592.77</b>	<b>-799,238,761.73</b>
A. Supplies and goods	60	-10,133,000.74	-6,413,811.70
B. Miscellaneous services and goods	61	-673,660,747.40	-658,022,915.22
C. Salaries, social charges and pensions	62	0.00	0.00
D. Depreciation	630	-114,447,203.55	-105,176,890.67
E. Writedowns	631/4	5,809,340.40	-767,659.96
F. Provisions for risks and expenses	635/8	7,407,973.46	-1,020,230.14
G. Other operating expenses	640/8	-27,996,924.90	-24,798,061.29
H. Non-recurrent operating expenses	66	-19,015,030.04	-3,039,192.75
<b>IV. Financial income</b>	<b>75</b>	<b>150,381.62</b>	<b>219,058.06</b>
A. Income from financial fixed assets	750	0.00	0.00
B. Income from current assets	751	108,273.20	173,948.03
C. Other financial income	752/9	42,108.42	45,110.03
<b>V. Financial expenses</b>	<b>65</b>	<b>-21,873,328.01</b>	<b>-25,209,389.39</b>
A. Debt charges	650	-21,842,140.09	-25,169,969.71
B. Writedowns on current assets	651	0.00	0.00
C. Other financial expenses	652/9	-31,187.92	-39,419.68
<b>X. Taxes</b>	<b>67/77</b>	<b>-43,039,961.25</b>	<b>-44,858,612.54</b>
A. Taxes	670/3	-43,039,961.25	-44,862,733.71
B. Tax adjustments	77	0.00	4,121.17
<b>XI Movements to untaxed reserves</b>	<b>789 - 689</b>	<b>-845,752.44</b>	<b>-615,876.34</b>
<b>XII Profit for the financial year</b>	<b>7-6</b>	<b>111,526,610.71</b>	<b>90,754,524.19</b>
Transfer to reserves		-64,012,729.58	-43,613,222.89
Drawdowns on reserves		0.00	0.00
Dividend		47,513,881.13	47,141,301.30



	 <b>Distribution Grid Management Gas</b>		Other activities		TOTAL	
	12/2020	12/2019	12/2020	12/2019	12/2020	12/2019
	<b>231,222,820.88</b>	<b>213,672,254.74</b>	<b>73,500.00</b>	<b>78,696.84</b>	<b>1,240,467,184.44</b>	<b>1,174,209,057.71</b>
	225,493,675.99	207,446,347.95	0.00	0.00	1,213,897,465.34	1,147,410,218.50
	0.00	0.00	0.00	0.00	5,247.21	-998,447.06
	0.00	0.00	0.00	0.00	0.00	0.00
	5,729,144.89	6,225,906.79	73,500.00	78,696.84	26,564,471.89	27,797,286.27
	<b>-154,637,490.10</b>	<b>-144,917,742.30</b>	<b>-25,031.77</b>	<b>-25,031.77</b>	<b>-986,698,114.64</b>	<b>-944,181,535.80</b>
	-4,151,688.60	-4,096,201.95	0.00	0.00	-14,284,689.34	-10,510,013.65
	-84,008,213.76	-80,912,691.36	0.00	0.00	-757,668,961.16	-738,935,606.58
	0.00	0.00	0.00	0.00	0.00	0.00
	-53,775,845.18	-49,721,455.07	-25,031.77	-25,031.77	-168,248,080.50	-154,923,377.51
	3,673,222.90	413,144.57	0.00	0.00	9,482,563.30	-354,515.39
	2,494,954.09	,168,616.95	0.00	0.00	9,902,927.55	-1,188,847.09
	-12,597,585.99	-9,594,204.66	0.00	0.00	-40,594,510.89	-34,392,265.95
	-6,272,333.56	-837,716.88	0.00	0.00	-25,287,363.60	-3,876,909.63
	<b>47,338.72</b>	<b>67,213.57</b>	<b>0.00</b>	<b>0.00</b>	<b>197,720.34</b>	<b>286,271.63</b>
	0.00	0.00	0.00	0.00	0.00	0.00
	40,346.28	63,211.84	0.00	0.00	148,619.48	237,159.87
	6,992.44	4,001.73	0.00	0.00	49,100.86	49,111.76
	<b>-12,090,667.40</b>	<b>-14,095,711.32</b>	<b>0.00</b>	<b>0.00</b>	<b>-33,963,995.41</b>	<b>-39,305,100.71</b>
	-12,085,729.20	-14,092,616.46	0.00	0.00	-33,927,869.29	-39,262,586.17
	0.00	0.00	0.00	0.00	0.00	0.00
	-4,938.20	-3,094.86	0.00	0.00	-36,126.12	-42,514.54
	<b>-16,029,179.44</b>	<b>-16,784,337.11</b>	<b>-12,117.06</b>	<b>-15,874.13</b>	<b>-59,081,257.75</b>	<b>-61,658,823.78</b>
	-16,029,179.44	-16,785,265.83	-12,117.06	-15,874.13	-59,081,257.75	-61,663,873.67
	0.00	928.72	0.00	0.00	-	5,049.89
	<b>-409,997.56</b>	<b>-231,403.66</b>	<b>0.00</b>	<b>0.00</b>	<b>-1,255,750.00</b>	<b>-847,280.00</b>
	<b>48,102,825.10</b>	<b>37,710,273.92</b>	<b>36,351.17</b>	<b>37,790.94</b>	<b>159,665,786.98</b>	<b>128,502,589.05</b>
	-24,736,218.83	-14,808,954.39	0.00	0.00	-88,748,948.41	-58,422,177.28
	0.00	0.00	0.00	0.00	0.00	0.00
	23,366,606.27	22,901,319.53	36,351.17	37,790.94	70,916,838.57	70,080,411.77

## 2.5. Allocations and deductions (in euros)

<b>Profit (Loss) to be allocated</b>	(+)/(-)
Profit (Loss) from the financial year to be allocated	
Profit (Loss) carried forward from the previous financial year	(+)/(-)
<b>Transfers from equity capital</b>	
from input	
from reserves	
<b>Allocations to equity capital</b>	
to input	
to the statutory reserves	
to other reserves	
<b>Profit (Loss) to be carried forward</b>	(+)/(-)
<b>Contribution of shareholders in the loss</b>	
Profit to be distributed	
Return on capital input	
Directors and managers	
Employees	
Other beneficiaries	

Ann.	Codes	Financial year	Previous financial year
	9906	<b>159,665,786.98</b>	<b>128,502,589.05</b>
	9905	159,665,786.98	128,502,589.05
	14P		
	791/2		
	791		
	792		
	691/2	<b>88,748,948.41</b>	<b>58,422,177.28</b>
	691		
	6920		
	6921	88,748,948.41	58,422,177.28
	14		
	794		
	694/7	<b>70,916,838.57</b>	<b>70,080,411.77</b>
	694	70,916,838.57	70,080,411.77
	695		
	696		
	697		

## 2.6. Appendices (in euros)

### STATEMENT OF INTANGIBLE ASSETS

#### DEVELOPMENT COSTS

<b>Acquisition value at the end of the financial year</b>	
<b>Movements during the financial year</b>	
Acquisitions, including capitalised production	
Disposals and decommissioning	
Transfers from one heading to another	(+)/(-)
<b>Acquisition value at the end of the financial year</b>	
<b>Depreciation and impairments at the end of the financial year</b>	
<b>Movements during the financial year</b>	
Recorded	
Writebacks	
Acquired from third parties	
Cancelled following disposals and decommissioning	
Transferred from one heading to another	(+)/(-)
<b>Depreciation and impairments at the end of the financial year</b>	
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>	

Codes	Financial year	Previous financial year
8051P	xxxxxxxxxxxx	<b>125,495,486.48</b>
8021	24,422,539.76	
8031	41,829,162.69	
8041		
8051	<b>108,088,863.55</b>	
8121P	xxxxxxxxxxxx	<b>51,155,233.35</b>
8071	27,779,666.44	
8081		
8091		
8101	25,063,912.92	
8111		
8121	<b>53,870,986.87</b>	
81311	<b>54,217,876.68</b>	

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STATEMENT OF TANGIBLE FIXED ASSETS

	Codes	Financial year	Previous financial year
<b>LAND AND BUILDINGS</b>			
<b>Acquisition value at the end of the financial year</b>	8191P	xxxxxxxxxxxx	171,619,579.53
<b>Movements during the financial year</b>			
Acquisitions, including capitalised production	8161	9,037,106.04	
Disposals and decommissioning	8171	1,512,482.64	
Transfers from one heading to another	8181		
		(+)/(-)	
<b>Acquisition value at the end of the financial year</b>	8191	179,144,202.93	
<b>Gains at the end of the financial year</b>	8251P	xxxxxxxxxxxx	5,179,201.70
<b>Movements during the financial year</b>			
Recorded	8211		
Acquired from third parties	8221		
Cancelled following disposals and decommissioning	8231		
Transferred from one heading to another	8241		
		(+)/(-)	
<b>Gains at the end of the financial year</b>	8251	5,179,201.70	
<b>Depreciation and impairments at the end of the financial year</b>	8321P	xxxxxxxxxxxx	44,450,790.97
<b>Movements during the financial year</b>			
Recorded	8271	3,029,016.67	
Writebacks	8281		
Acquired from third parties	8291		
Cancelled following disposals and decommissioning	8301	1,064,321.54	
Transferred from one heading to another	8311		
		(+)/(-)	
<b>Depreciation and impairments at the end of the financial year</b>	8321	46,415,486.10	
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>	22	137,907,918.53	

	Codes	Financial year	Previous financial year
<b>PLANT, MACHINERY AND EQUIPMENT</b>			
<b>Acquisition value at the end of the financial year</b>	8192P	xxxxxxxxxxxx	5,129,833,926.55
<b>Movements during the financial year</b>			
Acquisitions, including capitalised production	8162	188,446,780.11	
Disposals and decommissioning	8172	30,502,894.79	
Transfers from one heading to another	8182	24139.39	
		(+)/(-)	
<b>Acquisition value at the end of the financial year</b>	8192	5,287,801,951.26	
<b>Gains at the end of the financial year</b>	8252P	xxxxxxxxxxxx	1,033,106,442.95
<b>Movements during the financial year</b>			
Recorded	8212		
Acquired from third parties	8222		
Cancelled following disposals and decommissioning	8232		
Transferred from one heading to another	8242		
		(+)/(-)	
<b>Gains at the end of the financial year</b>	8252	1,033,106,442.95	
<b>Depreciation and impairments at the end of the financial year</b>	8322P	xxxxxxxxxxxx	2,543,555,518.87
<b>Movements during the financial year</b>			
Recorded	8272	135,651,251.81	
Writebacks	8282		
Acquired from third parties	8292		
Cancelled following disposals and decommissioning	8302	21,916,234.18	
Transferred from one heading to another	8312	14053.33	
		(+)/(-)	
<b>Depreciation and impairments at the end of the financial year</b>	8322	2,657,304,589.83	
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>	23	3,663,603,804.38	



**FURNITURE AND VEHICLES**

**Acquisition value at the end of the financial year**

**Movements during the financial year**

Acquisitions, including capitalised production

Disposals and decommissioning

Transfers from one heading to another (+)/(-)

**Acquisition value at the end of the financial year**

**Gains at the end of the financial year**

**Movements during the financial year**

Recorded

Acquired from third parties

Cancelled

Transferred from one heading to another (+)/(-)

**Gains at the end of the financial year**

**Depreciation and impairments at the end of the financial year**

**Movements during the financial year**

Recorded

Writebacks

Acquired from third parties

Cancelled following disposals and decommissioning

Transferred from one heading to another (+)/(-)

**Depreciation and impairments at the end of the financial year**

**NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR**

Codes	Financial year	Previous financial year
8193P	xxxxxxxxxxxxxx	162,433,137.70
8163	10,074,817.32	
8173	2,524,524.08	
8183	-24139.39	
8193	169,959,291.55	
8253P	xxxxxxxxxxxxxx	769,326.59
8213		
8223		
8233		
8243		
8253	769,326.59	
8323P	xxxxxxxxxxxxxx	128,834,069.01
8273	10,285,227.64	
8283		
8293		
8303	2,518,517.34	
8313	-14,053.33	
8323	136,586,725.98	
24	34,141,892.16	

**OTHER TANGIBLE FIXED ASSETS**

**Acquisition value at the end of the financial year**

**Movements during the financial year**

Acquisitions, including capitalised production

Disposals and decommissioning

Transfers from one heading to another (+)/(-)

**Acquisition value at the end of the financial year**

**Gains at the end of the financial year**

**Movements during the financial year**

Recorded

Acquired from third parties

Cancelled

Transferred from one heading to another (+)/(-)

**Gains at the end of the financial year**

**Depreciation and impairments at the end of the financial year**

**Movements during the financial year**

Recorded

Writebacks

Acquired from third parties

Cancelled following disposals and decommissioning

Transferred from one heading to another (+)/(-)

**Depreciation and impairments at the end of the financial year**

**NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR**

Codes	Financial year	Previous financial year
8195P	xxxxxxxxxxxxxx	2,452,693.70
8165		
8175		
8185		
8195	2,452,693.70	
8255P	xxxxxxxxxxxxxx	
8215		
8225		
8235		
8245		
8255		
8325P	xxxxxxxxxxxxxx	1,837,817.08
8275	25,031.77	
8285		
8295		
8305		
8315		
8325	1,862,848.85	
26	589,844.85	



## STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Financial year	Previous financial year
<b>AFFILIATED COMPANIES - PARTICIPATING INTERESTS AND SHARES</b>			
<b>Acquisition value at the end of the financial year</b>	8391P	xxxxxxxxxxxx	479,508.00
<b>Movements during the financial year</b>			
Acquisitions	8361		
Disposals and withdrawals	8371		
Transfers from one heading to another	8381	(+)/(-)	
<b>Acquisition value at the end of the financial year</b>	8391	479,508.00	
<b>Gains at the end of the financial year</b>	8451P	xxxxxxxxxxxx	
<b>Movements during the financial year</b>			
Recorded	8411		
Acquired from third parties	8421		
Cancelled	8431		
Transferred from one heading to another	8441	(+)/(-)	
<b>Gains at the end of the financial year</b>	8451		
<b>Impairments at the end of the financial year</b>	8521P	xxxxxxxxxxxx	
<b>Movements during the financial year</b>			
Recorded	8471		
Writebacks	8481		
Acquired from third parties	8491		
Cancelled following disposals and withdrawals	8501		
Transferred from one heading to another	8511	(+)/(-)	
<b>Impairments at the end of the financial year</b>	8521		
<b>Uncalled amounts at the end of the financial year</b>	8551P	xxxxxxxxxxxx	
<b>Movements during the financial year</b>	8541	(+)/(-)	
<b>Uncalled amounts at the end of the financial year</b>	8551		
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>	280	479,508.00	
<b>AFFILIATED COMPANIES - RECEIVABLES</b>			
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>	281P	xxxxxxxxxxxx	
<b>Movements during the financial year</b>			
Additions	8581		
Repayments	8591		
Impairments recorded	8601		
Impairments written back	8611		
Exchange rate differences	8621	(+)/(-)	
Other	8631	(+)/(-)	
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>	281		
<b>ACCUMULATED WRITEDOWNS ON RECEIVABLES</b>	8651		
<b>AT THE END OF THE FINANCIAL YEAR</b>			





**COMPANIES WITH SHAREHOLDING LINK – SHAREHOLDINGS, STOCKS AND SHARES**

<b>Acquisition value at the end of the financial year</b>		
<b>Movements during the financial year</b>		
Acquisitions		
Disposals and withdrawals		
Transfers from one heading to another	(+)/(-)	
<b>Acquisition value at the end of the financial year</b>		
<b>Gains at the end of the financial year</b>		
<b>Movements during the financial year</b>		
Recorded		
Acquired from third parties		
Cancelled		
Transferred from one heading to another	(+)/(-)	
<b>Gains at the end of the financial year</b>		
<b>Impairments at the end of the financial year</b>		
<b>Movements during the financial year</b>		
Recorded		
Writebacks		
Acquired from third parties		
Cancelled following disposals and withdrawals		
Transferred from one heading to another	(+)/(-)	
<b>Impairments at the end of the financial year</b>		
<b>Uncalled amounts at the end of the financial year</b>		
<b>Movements during the financial year</b>	(+)/(-)	
<b>Uncalled amounts at the end of the financial year</b>		
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>		

Codes	Financial year	Previous financial year
8392P	xxxxxxxxxxxxxxx	<u>3,100.00</u>
8362		
8372		
8382		
8392	<b>3,100.00</b>	
8452P	xxxxxxxxxxxxxxx	
8412		
8422		
8432		
8442		
8452		
8522P	xxxxxxxxxxxxxxx	
8472		
8482		
8492		
8502		
8512		
8522		
8552P	xxxxxxxxxxxxxxx	
8542		
8552		
282	<b><u>3,100.00</u></b>	
<b>COMPANIES WITH SHAREHOLDING LINK – RECEIVABLES</b>		
283P	xxxxxxxxxxxxxxx	<u>10,768,469.69</u>
8582	2,973,847.55	
8592		
8602		
8612		
8622		
8632		
283	<b><u>13,742,317.24</u></b>	
8652		

<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>		
<b>COMPANIES WITH SHAREHOLDING LINK – RECEIVABLES</b>		
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>		
<b>Movements during the financial year</b>		
Additions		
Repayments		
Impairments recorded		
Impairments written back		
Exchange rate differences	(+)/(-)	
Other	(+)/(-)	
<b>NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR</b>		
<b>ACCUMULATED WRITEDOWNS ON RECEIVABLES</b>		
<b>AT THE END OF THE FINANCIAL YEAR</b>		



**OTHER COMPANIES – SHAREHOLDINGS, STOCKS AND SHARE**

**Acquisition value at the end of the financial year**

**Movements during the financial year**

Acquisitions

Disposals and withdrawals

Transfers from one heading to another

(+)/(-)

**Acquisition value at the end of the financial year**

**Gains at the end of the financial year**

**Movements during the financial year**

Recorded

Acquired from third parties

Cancelled

Transferred from one heading to another

(+)/(-)

**Gains at the end of the financial year**

**Impairments at the end of the financial year**

**Movements during the financial year**

Recorded

Writebacks

Acquired from third parties

Cancelled following disposals and withdrawals

Transferred from one heading to another

(+)/(-)

**Impairments at the end of the financial year**

**Uncalled amounts at the end of the financial year**

**Movements during the financial year**

(+)/(-)

**Uncalled amounts at the end of the financial year**

**NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR**

**OTHER COMPANIES – RECEIVABLES**

**NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR**

**Movements during the financial year**

Additions

Repayments

Impairments recorded

Impairments written back

Exchange rate differences

Other

(+)/(-)

(+)/(-)

**NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR**

**ACCUMULATED WRITEDOWNS ON RECEIVABLES**

**AT THE END OF THE FINANCIAL YEAR**

Codes	Financial year	Previous financial year
8393P	xxxxxxxxxxxxxxx	<u>16,891.92</u>
8363		
8373		
8383		
8393	<u>16,891.92</u>	
8453P	xxxxxxxxxxxxxxx	
8413		
8433		
8433		
8443		
8453		
8533P	xxxxxxxxxxxxxxx	
8473		
8483		
8493		
8503		
8513		
8523		
8553P	xxxxxxxxxxxxxxx	
8543		
8553		
284	<u>16,891.92</u>	
285/8P	xxxxxxxxxxxxxxx	<u>153,641.73</u>
8583	6,719.88	
8593	1,435.00	
8603		
8613		
8623		
8633		
285/8	<u>158,926.61</u>	
8653		

## INFORMATION RELATING TO SHAREHOLDINGS

### Shareholdings and ownership rights in other companies

Listed below are the businesses in which the company has a shareholding (included under headings 280 and 282 of the assets), as well as the other businesses in which the company holds shares and ownership rights (included under headings 284 subscribed and 51/53 of the assets) representing at least 10% of the capital, equity capital or class of shares in the company.

COMPANY NAME, full address of the REGISTERED OFFICE and for companies incorporated under Belgian law. state the COMPANY NUMBER	Ownership rights held			Data extracted from the latest available annual accounts				
	Type	Directly		By the subsidiaries	Annual accounts closed on	Currency code	Equity capital	Net result
		Number	%	%			(+) Or (-) (in units)	
<b>ORES</b> BE 0897.436.971 Cooperative company 14 Avenue Jean Mermoz 6041 Gosseles <b>BELGIUM</b>	Shares	2,453	99.72		31/12/19	EUR	524,283.55	0
<b>COMNEXIO</b> BE 0727.639.263 Cooperative company 38 Avenue Georges Lemaître 6041 Gosseles <b>BELGIUM</b>	Shares	93	93		31/12/19	EUR	25,000	0
<b>ATRIAS</b> BE 0836.258.873 Cooperative company 17A Rue de la Chancellerie 1000 Brussels <b>BELGIUM</b>	Shares	62	16.67		31/12/19	EUR	18,600	0

## CASH INVESTMENTS AND ASSET ACCRUALS

### OTHER CASH INVESTMENTS

#### Stocks, shares and investments other than fixed-income investments

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

#### Fixed income securities

- Fixed income securities issued by credit institutions

#### Term accounts held at credit institutions

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

#### Other cash investments not included above

Codes	Financial year	Previous financial year
51		
8681		
8682		
8683		
52		
8684		
53		
8686		
8687		
8688		
8689		

### ACCRUALS

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

- Pension capitals
- Expenditure linked to public lighting
- Transit fees not raised
- Regulatory assets
- Gas highway fees
- Balance of green certificates

Financial year
22,556,496.84
11,334,969.56
17,189,522.89
114,908,052.60
17,760,910.67
1,723,396.00

**STATEMENT OF CAPITAL INPUT AND SHAREHOLDING STRUCTURE**

**STATEMENT OF CAPITAL INPUT**

**Capital input**

Available capital at the end of the financial year  
 Available capital at the end of the financial year  
 Non-available capital at the end of the financial year  
 Non-available capital at the end of the financial year

Codes	Financial year	Previous financial year
110P	xxxxxxxxxxxx	866,931,233.33
110	866,931,233.33	
111P	xxxxxxxxxxxx	148,800.00
111	532,582.70	
8790		
87901		
8791		
87911		

**EQUITY CAPITAL BROUGHT IN BY SHAREHOLDERS**

In cash  
 of which not paid up  
 In kind  
 of which not paid up

Codes	Amounts	Number of shares
8702	xxxxxxxxxxxx	66,321,897.00
8703	xxxxxxxxxxxx	

Changes during the financial year

Registered shares  
 Dematerialised shares

**Own shares**

Held by the company itself  
 Number of corresponding shares  
 Held by subsidiaries  
 Number of corresponding shares

**Commitment to share issues**

Following the exercise of conversion rights  
 Amount of outstanding convertible loans  
 Amount of capital input  
 Maximum number of corresponding shares to be issued  
 Following the exercise of subscription rights  
 Number of current subscription rights  
 Amount of capital input  
 Maximum number of corresponding shares to be issued

Codes	Financial year
8722	
8732	
8740	
8741	
8742	
8745	
8746	
8747	

**Shares**

Distribution  
 Number of shares  
 Number of votes attached  
 Breakdown by shareholder  
 Number of shares held by the company itself  
 Number of shares held by the subsidiaries

Codes	Financial year
8761	66,321,897.00
8762	44,455,945.00
8771	
8781	

**Additional explanation relative to the capital input (including contributions in kind)**

Financial year



**PROVISIONS FOR RISKS AND CHARGES**

**BREAKDOWN OF HEADING 164/5 OF LIABILITIES IF THESE REPRESENT A SIGNIFICANT VALUE**

Provisions made under the Atrias project  
Past "Movement of installations" disputes  
Provisions linked to the sale of the Soignies site

Financial year
18,000,000.00
8,288,577.75
2,701,972.68

## STATEMENT OF LIABILITIES AND ACCRUALS

### BREAKDOWN OF LIABILITIES ORIGINALLY DUE IN MORE THAN ONE YEAR, LISTED ACCORDING TO THEIR RESIDUAL TERM

#### Long-term debts falling due within one year

	Codes	Financial year
Financial debts	8801	384,141,995.36
Subordinated loans	8811	
Non-subordinated bond issues	8821	
Lease-financing debts and similar	8831	
Credit institutions	8841	85,639,075.55
Other borrowing	8851	298,502,919.81
Trade debts	8861	
Suppliers	8871	
Notes payable	8881	
Pre-payments on orders	8891	
Other debts	8901	
<b>Total debts after more than one year falling due within the year</b>	<b>42</b>	<b>384,141,995.36</b>

#### Debts due after more than one year, but within a maximum of 5 years to run

Financial debts	8802	638,423,374.46
Subordinated loans	8812	
Non-subordinated bond issues	8822	
Lease-financing debts and similar	8832	
Credit institutions	8842	281,292,758.64
Other borrowing	8852	357,130,615.82
Trade debts	8862	
Suppliers	8872	
Notes payable	8882	
Pre-payments on orders	8892	
Other debts	8902	41,000.00
<b>Total debts after more than one year, but with a maximum of 5 years to run</b>	<b>8912</b>	<b>638,464,374.46</b>

#### Debts with more than 5 years to run

Financial debts	8803	1,222,765,365.83
Subordinated loans	8813	
Non-subordinated bond issues	8823	
Lease-financing debts and similar	8833	
Credit institutions	8843	170,638,669.48
Other borrowing	8853	1,052,126,696.35
Trade debts	8863	
Suppliers	8873	
Notes payable	8883	
Pre-payments on orders	8893	
Other debts	8903	
<b>Total debts with more than 5 years to run</b>	<b>8913</b>	<b>1,222,765,365.83</b>

### SECURED DEBTS

#### Debts secured by the Belgian authorities

Financial debts	8921	225,525,378.84
Subordinated loans	8931	
Non-subordinated bond issues	8941	
Lease-financing debts and similar	8951	
Credit institutions	8961	225,525,378.84
Other borrowing	8971	
Trade debts	8981	
Suppliers	8991	
Notes payable	9001	
Pre-payments on orders	9011	
Payroll and social debts	9021	
Other debts	9051	
<b>Total debts secured by the Belgian authorities</b>	<b>9061</b>	<b>225,525,378.84</b>

#### Debts secured by real securities given or irrevocably promised on the company's assets

Financial debts	8922	
Subordinated loans	8932	

Codes	Financial year
8801	384,141,995.36
8811	
8821	
8831	
8841	85,639,075.55
8851	298,502,919.81
8861	
8871	
8881	
8891	
8901	
42	384,141,995.36
8802	638,423,374.46
8812	
8822	
8832	
8842	281,292,758.64
8852	357,130,615.82
8862	
8872	
8882	
8892	
8902	41,000.00
8912	638,464,374.46
8803	1,222,765,365.83
8813	
8823	
8833	
8843	170,638,669.48
8853	1,052,126,696.35
8863	
8873	
8883	
8893	
8903	
8913	1,222,765,365.83

Codes	Financial year
8921	225,525,378.84
8931	
8941	
8951	
8961	225,525,378.84
8971	
8981	
8991	
9001	
9011	
9021	
9051	
9061	225,525,378.84
8922	
8932	

	Codes	Financial year
Non-subordinated bond issues	8942	
Lease-financing debts and similar	8952	
Credit institutions	8962	
Other borrowing	8972	
Trade debts	8982	
Suppliers	8992	
Notes payable	9002	
Pre-payments on orders	9012	
Payroll and social debts	9022	
Taxes	9032	
Remuneration and social charges	9042	
Other debts	9052	
<b>Total debts secured by real securities given or irrevocably promised on the company's assets</b>	9062	

#### TAX, PAYROLL AND SOCIAL DEBTS

##### Taxes

Overdue tax debts	
Non-overdue tax debts	
Estimated tax debts	

##### Remuneration and social charges

Debts overdue to the National Office of Social Security	
Other payroll and social debts	

Codes	Financial year
9072	
9073	666,055.74
450	
9076	
9077	

#### ACCRUALS

##### Breakdown of heading 492/3 of the liabilities if these represent a significant amount

Transit fees not raised	
Regulatory liabilities	

Financial year
13,621,543.17
31,730,388.34

## OPERATING RESULTS

	Codes	Financial year	Previous financial year
<b>OPERATING INCOME</b>			
<b>Net turnover</b>			
Breakdown by category of business			
Management of electricity distribution network		988,403,789.35	939,963,870.55
Management of gaz distribution network		225,493,675.99	207,446,347.95
Breakdown by geographical market			
ORES Assets Namur sector		175,391,694.14	174,556,972.21
ORES Assets Hainaut sector		509,182,162.45	494,599,078.18
ORES Assets East sector		48,138,334.13	47,356,997.76
ORES Assets Luxembourg sector		120,867,019.02	117,829,441.28
ORES Assets Verviers sector		65,058,817.56	62,058,999.93
ORES Assets Walloon Brabant sector		167,954,316.41	162,726,812.66
ORES Assets Mouscron sector		67,175,583.16	64,640,516.29
ORES Assets joint sector		60,129,538.47	23,641,400.19
<b>Other operating income</b>			
Operating subsidies and compensatory amounts obtained from public authorities	740		
<b>OPERATING COSTS</b>			
<b>Workers for whom the company introduced a DIMONA declaration or who are registered on the General Personnel Register</b>			
Total number on the closing date	9086		
Average number of employees in full-time equivalent employment	9087		
Number of hours actually worked	9088		
<b>Staffing costs</b>			
Remunerations and direct social benefits	620		
Employer social insurance contributions	621		
Employer premiums for extra statutory insurance	622		
Other staffing costs	623		
Retirement and survivor pensions	624		
<b>Provisions for pensions and similar obligations</b>			
Allocations (usage and writebacks)		(+)/( -)	635
<b>Writedowns</b>			
On stock and orders in progress			
Recorded	9110		
Writebacks	9111		
On Trade Debtors			
Recorded	9112	6,864,394.96	3,314,864.13
Writebacks	9113	16,346,958.26	2,960,348.74
<b>Provisions for risks and charges</b>			
Constitution	9115	1,223,559.49	1,188,847.09
Usage and writebacks	9116	11,126,487.04	
<b>Other operating expenses</b>			
Taxes relating to operations	640		374,085.25
Other	641/8	40,594,510.89	34,018,180.70
<b>Temporary staff and persons made available to the company</b>			
Total number on the closing date	9096		
Average number of full-time equivalent employees	9097		
Number of hours actually worked	9098		
Cost to the company	617		

## INCOME AND EXPENDITURE OF AN UNUSUAL SIZE OR IMPACT

	Codes	Financial year	Previous financial year
<b>NON-RECURRENT INCOME</b>	76		
<b>Non-recurrent operating income</b>	76A		
Adjustments to depreciation and writedowns on intangible and tangible fixed assets	760		
Writebacks of provisions for extraordinary risks and operating expenses	7620		
Capital gains on the disposal of intangible and tangible fixed assets	7630		
Other non-recurrent operating income	764/8		
<b>Non-recurrent operating financial income</b>	76B		
Writebacks on financial fixed assets	761		
Writebacks of provisions for extraordinary risks and financial expenses	7621		
Capital gains on the disposal of financial fixed assets	7631		
Other non-recurrent financial income	769		
<b>NON-RECURRENT EXPENSES</b>	66	<b>25,287,363.60</b>	<b>3,876,909.63</b>
<b>Non-recurrent operating expenses</b>	66A	<b>25,287,363.60</b>	<b>3,876,909.63</b>
Depreciation and non-recurrent writedowns on set-up costs, on intangible and tangible fixed assets	660	8,522,113.83	
Provisions for extraordinary operating risks and expenses : allocations (usage) (+)/(-)	6620		
Capital loss on the disposal of intangible and tangible fixed assets	6630	16,765,249.77	3,876,909.63
Other non-recurrent operating expenses	664/7		
Non-recurrent operating expenses recorded in the assets as restructuring costs (-)	6690		
<b>Non-recurrent financial expenses</b>	66B		
Writedowns on financial fixed assets	661		
Provisions for non-recurrent financial risks and expenses: allocations (usage) (+)/(-)	6621		
Capital loss on disposal of financial fixed assets	6631		
Other non-recurrent financial expenses	668		
Non-recurrent financial expenses recorded in the assets as restructuring costs (-)	6691		



## DUTIES AND TAXES

### TAX ON INCOME

#### Tax on the result for the financial year

Taxes and withholding taxes due or paid  
 Surplus of the payment of tax or withholding tax recorded in the assets  
 Estimated additional taxes

#### Tax on the result from previous financial years

Additional tax due or paid  
 Additional tax estimated or set aside

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

Depreciation of the revaluation of the capital gain – increase in taxable reserves  
 Exemption from writebacks on capital losses on trade receivables prior to 2015

Codes	Financial year
9134	<b>58,960,705.89</b>
9135	60,475,021.17
9136	1,514,315.28
9137	
9138	<b>120,551.86</b>
9139	
9140	120,551.86
	20,769,809.14
	4,856,785.44

#### Effect of non-recurrent results on the amount of tax on income for the financial year

Financial year

#### Sources of deferred taxes

Asset deferrals  
 Accumulated tax losses, deductible from subsequent taxable profits  
 Other active deferrals  
 Tax Shelter

Liability deferrals  
 Breakdown of liability deferrals

Codes	Financial year
9141	
9142	
	4,338,630.00
9144	

### VALUE ADDED TAX AND TAXES PAYABLE BY THIRD PARTIES

#### Value added tax recorded

To the company (deductible)  
 By the company

#### Amounts retained on behalf of third parties for

Payroll tax  
 Withholding tax

Codes	Financial year	Previous financial year
9145	236,330,704.61	252,044,866.45
9146	329,593,243.39	345,962,531.21
9147		0.00
9148	2,557,116.48	2,842,190.38

**OFF BALANCE SHEET RIGHTS AND COMMITMENTS**

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

**Of which**

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

**REAL GUARANTEES**

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

- Mortgages
  - Book value of mortgaged properties
  - Amount of registration
  - For irrevocable mandates to mortgage, the amount for which the agent is authorised to register under the mandate
- Pledges on goodwill
  - The maximum amount for which the debt is guaranteed and which is the subject of the registration
  - For irrevocable mandates to pledge, the amount for which the agent is authorised to proceed to register under the mandate
- Pledges on other assets or irrevocable mandates to pledge other assets
  - The book value of the encumbered assets
  - The maximum amount for which the debt is guaranteed
- Sureties established or irrevocably promised on future assets
  - Amount of the assets in question
  - The maximum amount for which the debt is guaranteed
- Vendor's lien
  - Book value of the asset sold
  - Amount of the price not paid

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

- Mortgages
  - Book value of mortgaged properties
  - Amount of registration
  - For irrevocable mandates to mortgage, the amount for which the agent is authorised to register under the mandate
- Pledges on goodwill
  - The maximum amount for which the debt is guaranteed and which is the subject of the registration
  - For irrevocable mandates to pledge, the amount for which the agent is authorised to proceed to register under the mandate
- Pledges on other assets or irrevocable mandates to pledge other assets
  - The book value of the encumbered assets
  - The maximum amount for which the debt is guaranteed
- Sureties established or irrevocably promised on future assets
  - Amount of the assets in question
  - The maximum amount for which the debt is guaranteed
- Vendor's lien
  - Book value of the asset sold
  - Amount of the price not paid

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

**SIGNIFICANT COMMITMENTS FOR THE ACQUISITION OF FIXED ASSETS**

Codes	Financial year
9149	
9150	
9151	
9153	
91611	
91621	
61631	
91711	
91721	
91811	
91821	
91911	
91921	
92011	
92021	
91612	
91622	
91632	
91712	
91722	
91812	
91822	
91912	
91922	
92012	
92022	



**SIGNIFICANT COMMITMENTS FOR THE DISPOSAL OF FIXED ASSETS**

**FUTURES MARKET**

Goods purchased (to be received)

Goods sold (to be delivered)

Currency purchased (to be received)

Currency sold (to be delivered)

9213	
9214	
9215	
9216	

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

Financial year

**OFF BALANCE SHEET RIGHTS AND COMMITMENTS**

**AMOUNT, NATURE AND FORM OF DISPUTES AND OTHER SIGNIFICANT COMMITMENTS**

- Deposits in favour of Customs and Excise relating to the collection of the energy subscription
- Guarantee established vis-à-vis Ores SC in the context of the programme for the issue of commercial papers, bond loans and borrowing from the EIB
- Bank guarantee for the lease of buildings
- Guarantee in favour of the Walloon Region in the context of the Impétrants (Utilities) Decree
- Guarantee in our favour for transit fees
- Guarantee in our favour for the lease of buildings

Financial year
40,818.00
2,460,000,000.00
172,655.00
100,000.00
5,092,000.00
12,000.00

**SUPPLEMENTARY RETIREMENT OR SURVIVOR PENSION SCHEMES ESTABLISHED FOR THE BENEFIT OF STAFF OR COMPANY OFFICERS**

**Brief description**

**Measures take to cover the expense**

Codes	Financial year
9220	

**PENSIONS THAT ARE THE RESPONSIBILITY OF THE COMPANY**

**Estimated amounts of commitments resulting from services already provided**

Basis and method used for this estimate

**NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS OCCURRING AFTER THE CLOSING DATE NOT TAKEN INTO ACCOUNT IN THE BALANCE SHEET OR IN THE PROFIT-AND-LOSS ACCOUNT**

Financial year

Since mid-March 2020, as part of the measures to fight the COVID-19 virus adopted by the National Security Council, as well as the federal and Walloon authorities, ORES has made a series of provisions designed, on the one hand, to safeguard the health of its staff and that of its customers and, on the other, to ensure its public service tasks can be carried out under these exceptional circumstances.

We should note, among other things, the widespread application of homeworking for eligible employees; in spring 2020, there was the deferral of non-urgent works and technical activities, followed by the gradual and safe reopening of worksites;



the maintenance of supervised face-to-face reception for customers with a budget meter, adjustments to the organisation of on-call services providing for the repair of breakdowns and gas leaks, the handling of incidents on the network and any works essential for guaranteeing access to energy 24 hours a day, 7 days a week. During the 2020 financial year, despite the impact it had on the global economy and its indicators, COVID-19 had no financial impact that might jeopardise the continuity of the company. The impact of COVID-19 in 2021 is likely to be similar and hence should also not jeopardise the continuity of the company.

Financial year

**PURCHASE OR SALES COMMITMENTS INCUMBENT ON THE COMPANY AS THE ISSUER OF SALES OR PURCHASE OPTIONS**

Financial year

**NATURE, COMMERCIAL PURPOSE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT RECORDED ON THE BALANCE SHEET**

Provided that the risks or benefits resulting from such arrangements are significant and insofar as the disclosure of the risks or benefits is necessary to assess the financial situation of the company; if applicable

Financial year

**OTHER OFF-BALANCE SHEET RIGHTS AND COMMITMENTS (INCLUDING THOSE NOT LIKELY TO BE QUANTIFIED)**

Financial year

**NATURE ET IMPACT FINANCIER DES ÉVÈNEMENTS SIGNIFICATIFS POSTÉRIEURS À LA DATE DE CLÔTURE, NON PRIS EN COMPTE DANS LE BILAN OU LE COMPTE DE RÉSULTATS**

Depuis la mi-mars 2020, dans le contexte des mesures de lutte contre le virus COVID-19 adoptées par le Conseil national de sécurité ainsi que les autorités fédérale et wallonne, ORES a pris une série de disposition destinées d'une part, à préserver la santé de son personnel et celle de ses clients, et d'autre part, à garantir l'exercice de ses missions de service public dans ces circonstances exceptionnelles. Evoquons entre autres la généralisation du télétravail pour les employés éligibles; au printemps 2020, le report des travaux et activités techniques non urgentes puis reprise séquencée et sécurisée des chantiers; le maintien

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

	Codes	Financial year	Previous financial year
<b>AFFILIATED COMPANIES</b>			
<b>Financial fixed assets</b>	280/1	<b>479,508.00</b>	<b>479,508.00</b>
Holdings	280	479,508.00	479,508.00
Subordinated debt	9271		
Other receivables	9281		
<b>Receivables</b>	9291	<b>26,307,073.34</b>	<b>35,158,319.32</b>
AFTER one year	9301		
WITHIN one year	9311	26,307,073.34	35,158,319.32
<b>Cash investments</b>	9321		
Shares	9331		
Receivables	9341		
<b>Debts</b>	9351	<b>1,748,210,742.07</b>	<b>1,592,920,609.72</b>
AFTER one year	9361	1,402,668,508.73	1,470,600,000.00
WITHIN one year	9371	345,542,233.34	122,320,609.72
<b>Personal and real guarantees</b>			
Given or irrevocably promised by the company as surety for the debts or commitments of associated companies	9381	2,460,000,000.00	2,415,000,000.00
Given or irrevocably promised by the company as surety for the debts or commitments of affiliated companies	9391		
<b>Other significant financial commitments</b>	9401		
<b>Financial results</b>			
Income from financial fixed assets	9421		
Income from current assets	9431		110.86
Other financial income	9441		
Debt charges	9461	29,708,608.89	31,017,875.02
Other financial costs	9471		
<b>Disposals of fixed assets</b>			
Capital gains realised	9481		
Losses realised	9491		
<b>ASSOCIATED COMPANIES</b>			
<b>Financial fixed assets</b>	9253		
Holdings	9263		
Subordinated debt	9273		
Other receivables	9283		
<b>Receivables</b>	9293		
AFTER one year	9303		
WITHIN one year	9313		
<b>Debts</b>	9353		
AFTER one year	9363		
WITHIN one year	9373		
<b>Personal and real guarantees</b>			
Constituted or irrevocably promised by the company as a guarantee against associated company debts or commitments	9383		
Constituted or irrevocably promised by associated companies as a guarantee against the company's debts or commitments	9393		
<b>Other significant financial commitments</b>	9403		
<b>OTHER COMPANIES WITH A SHAREHOLDING LINK</b>			
<b>Financial fixed assets</b>	9252	<b>13,745,417.24</b>	<b>10,771,569.69</b>
Holdings	9262	3,100.00	3,100.00
Subordinated debt	9272		
Other receivables	9282	13,742,317.24	10,768,469.69
<b>Receivables</b>	9292	119,105.48	
AFTER one year	9302		
WITHIN one year	9312	119,105.48	
<b>Debts</b>	9352	<b>8,451,177.92</b>	<b>11,590,614.32</b>
AFTER one year	9362		
WITHIN one year	9372	8,451,177.92	11,590,614.32



#### TRANSACTIONS WITH RELATED PARTIES CONDUCTED OUTSIDE NORMAL MARKET CONDITIONS

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

None

Financial year

#### FINANCIAL RELATIONSHIPS WITH

##### DIRECTORS AND MANAGERS, NATURAL PERSONS OR LEGAL ENTITIES WHO DIRECTLY OR INDIRECTLY CONTROL THE COMPANY WITHOUT BEING LINKED TO IT OR OTHER COMPANIES DIRECTLY OR INDIRECTLY CONTROLLED BY SUCH PERSONS

###### Amounts receivable from the aforementioned persons

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

###### Guarantees provided in their favour

###### Other significant commitments undertaken in their favour

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

To directors and managers

To former directors and former managers

Codes	Financial year
9500	
9501	
9502	
9503	
9504	

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

###### Auditor(s) fees

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

Other auditing work

Tax advice

Other external assignments in connection with auditing

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

Other auditing work

Tax advice

Other external services in connection to auditing

Codes	Financial year
9505	66,333.33
95061	15,500
95062	
95063	11,900
95081	
95082	
95083	

##### DERIVED FINANCIAL INSTRUMENTS NOT ASSESSED AT FAIR VALUE

For each category of derived financial instruments not assessed at fair value

Category of derived financial instruments	Risk covered	Speculation/cover	Volume	Financial year		Previous financial year	
				Book value	Fair value	Book value	Fair value
SWAPS (volume in 000s €)	Interest rate	Cover	12,685		-758,855		-1,813,377
Collars (volume in 000s €)	Interest rate	Cover	49,816		-1,020,956		-700,841
CAP (volume in 000s €)	Interest rate	Cover	378,669		455,557		1,169,743
Swaps (volume in 000s €)	Inflation	Cover	100,000		1,828,081		2,238,327



Book value	Fair value
3,100	3,100

**Financial fixed assets recorded at an amount greater than the fair value**

Amounts of assets taken in isolation or grouped suitably

ATRIAS sc

Reasons why the book value has not been reduced

ATRIAS sc: ATRIAS works at cost for the Belgian DSOs (ORES share: 16.67%).  
 In view of the above, ORES considers the holding in its subsidiary (which corresponds to an amount equivalent to the percentage of the holding in the equity capital) is valued at its fair value and does not require depreciating.

Elements that allow it to be assumed that the book value will be recovered

**STATEMENT RELATING TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Information to be completed by companies subject to the provisions of the Code of Companies and Associations relating to consolidated financial statements**

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

**GROUP FINANCIAL RELATIONSHIPS HEADED BY THE COMPANY IN BELGIUM WITH THE AUDITOR(S) AND PERSONS WITH WHICH IT IS (THEY ARE) ASSOCIATED**

Codes	Financial year
9507	<b>79,833.33</b>
95071	17,050.00
95072	
95073	11,900
9509	
95091	
95092	
95093	

**Statements pursuant to article 3:65, §4 and §5 of the Code of Companies and Associations**  
**Emoluments of the auditor(s) to exercise the mandate of auditor at the level of the group headed by the company publishing information**  
**Emoluments for exceptional services or special assignments carried out with the group by the auditor(s)**

- Other certification assignments
- Tax advice assignments
- Other assignments in addition to the audit assignment

**Emoluments of persons with which the auditor(s) is (are) associated to conduct the mandate of auditor at the level of the group headed by the company publishing information**

**Emoluments for exceptional services or special assignments carried out with this group by the persons with which the auditor(s) is (are) associated**

- Other certification assignments
- Tax advice assignments
- Other assignments in addition to the audit assignment

**Statements pursuant to article 3:64, §2 and §4 of the Code of Companies and Associations**



## 2.7. Valuation rules

### ASSETS

#### SET-UP 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 set-up costs must comply with article 3:37 of the Royal Decree of 29 April 2019 stipulating that set-up 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.

#### ORES Assets invests mainly in the development of IT projects.

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:

- 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 is then depreciated using the linear method during the period it is used and reduced by any impairment losses. The period of use corresponds to a period of five years until the end of 2018.

For intangible fixed assets acquired from 2019 onwards, under the tariff methodology 2019-2023, the period of depreciation for intangible fixed assets is increased to 10 years.

An adjustment was made in 2020 to align the depreciation rates of certain intangible fixed assets acquired prior to 1 January 2019 with those of the tariff methodology. This adjustment affected the 2020 accounts to the tune of 8,522,000 €.

## 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.

### ANCILLARY COSTS

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


### THIRD-PARTY ACTIONS

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

### DEPRECIATION

Depreciation is calculated using the linear method. Facilities acquired during the financial year have, since 1 January 2015 and following on from ORES Assets being subject to corporation tax, been depreciated pro rata temporis. A facility purchased during the month will be amortised from the 1<sup>st</sup> 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
Sets 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
BT SMART electric 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 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 22 November 1985.

Since 2003, at the same rate 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).

Combined electricity and gas distribution system operators with a technical inventory justifying the value of the tangible fixed assets could establish the initial value of the capital invested as of 31 December 2001 (electricity) / 31 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 31 December 2005 for electricity and 31 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:

$$\text{RAB } n = \text{iRAB} + \text{investments } n - \text{depreciations } n - \text{decommissioning } n \text{ (b)}$$


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

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 1 January 2007, including in particular by deducting the proportion of the capital gain relating to equipment derecognised during the year in question. This capital gain is deducted and carried over into costs at a rate of 2% per year.

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

## FINANCIAL FIXED ASSETS

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

## RECEIVABLES DUE IN MORE THAN ONE YEAR

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

## STOCKS AND ORDERS IN PROGRESS

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

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

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

In 2015, a public tendering process was launched so that receivables could be recovered for the supply of energy to end customers

as well as receivables for works. This public tender stipulates a collection rate for the successful bidder. The proportion of these receivables covered by a write-down is calculated net of the expected recovery percentage.

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

We should point out that there are no 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

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

## LIQUID ASSETS

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

## 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.



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

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

Asset accruals include any “regulated assets” accounted for by virtue of the principle of annuality for expenditure and income. These “regulatory assets” relating to the previous years are recovered using tariffs in accordance with the recommendations issued by the regulator in its decisions. 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%).

## 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 IN 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.

### 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. 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 31 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 31 December and the transmission fees relating to them have to be estimated (total quantities of energy transported during the calendar year - quantities transported and billed during the same financial year) (valuation of transmission fees based on the applicable rates during the course of the financial year concerned).

## 2.8. List of successful contractors

Successful tenderer	Description	Procedure	Amount awarded
<b>SOFTWARE AG Belgium S.A.</b>	Service contract for the acquisition of an enterprise architecture tool	Procedure negotiated without prior competitive tendering	404,859.04 €
<b>ABB N.V./S.A.</b>	Supply of high-voltage switching equipment without external manifestation in the event of an internal fault (AA20)	Procedure negotiated with prior competitive tendering	2,346,988.00 €
<b>KABELWERK EUPEN AG</b>	Energy and telephony cables	Procedure negotiated with prior competitive tendering	47,033,171.15 €
<b>CABELTE S.A.</b>	Energy and telephony cables	Procedure negotiated with prior competitive tendering	6,937,864.34 €
<b>SADINTER S.A.</b>	Energy and telephony cables	Procedure negotiated with prior competitive tendering	6,853,669.69 €
<b>B-CABLES</b>	Energy and telephony cables	Procedure negotiated with prior competitive tendering	245,000.00 €
<b>GENERAL CABLE</b>	Energy and telephony cables	Procedure negotiated with prior competitive tendering	9,841,247.50 €
<b>NEXANS BENELUX S.A.</b>	Energy and telephony cables	Procedure negotiated with prior competitive tendering	13,487,485.09 €
<b>ETWAL-PLATTEAU INFRA S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	628,000.00 €
<b>MOBIX ENGETEC S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	90,000.00 €
<b>VD CABLING S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	91,000.00 €
<b>METUBEL S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	357,000.00 €
<b>FABRICOM S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	180,000.00 €
<b>FODETRA- HOTTON INFRA S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	181,000.00 €
<b>TMS S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	72,000.00 €
<b>CARRIERES ET TERRASSEMENTS S.A.</b>	Works on gas meters based on WQCPGWA qualification	Procedure negotiated with prior competitive tendering	72,000.00 €
<b>VD CABLING S.A.</b>	Works contract on electricity meters	Procedure negotiated with prior competitive tendering	1,607,000.00 €
<b>COLLET LAURENT ELECTRICITE S.P.R.L.</b>	Works contract on electricity meters	Procedure negotiated with prior competitive tendering	356,000.00 €

Successful tenderer	Description	Procedure	Amount awarded
<b>WAUTHIER CTP S.A.</b>	Works contract on electricity meters	Procedure negotiated with prior competitive tendering	177,000.00 €
<b>ESAS Field Services B.V.B.A.</b>	Works contract on electricity meters	Procedure negotiated with prior competitive tendering	165,000.00 €
<b>ETWAL-PLATTEAU INFRA S.A.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	905,900.00 €
<b>FABRICOM S.A.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	382,500.00 €
<b>METUBEL S.A.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	3,139,800.00 €
<b>TRAVOCO-ENGIE FABRICOM INFRA SUD</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	573,400.00 €
<b>DEMOL ETS S.P.R.L.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	135,000.00 €
<b>SM ETWAL INFRA - DEMOL</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	1,694,000.00 €
<b>FODETRA-HOTTON INFRA S.A.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	1,166,000.00 €
<b>WANTY S.A.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	503,000.00 €
<b>TMS S.A.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	503,500.00 €
<b>SIMON JEAN-LUC S.P.R.L.</b>	Works contract for LV, gas and water connections in synergy (Connect My Home) based on the WQCMHWA qualification system	Procedure negotiated with prior competitive tendering	719,000.00 €
<b>TMS S.A.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	603,000.00 €
<b>FODETRA-HOTTON INFRA S.A.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	2,417,000.00 €
<b>CARRIERES ET TERRASSEMENTS S.A.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	1,209,500.00 €

Successful tenderer	Description	Procedure	Amount awarded
<b>FABRICOM S.A.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	1,814,500.00 €
<b>ETWAL-PLATTEAU INFRA S.A.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	2,419,500.00 €
<b>METUBEL S.A.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	1,814,000.00 €
<b>SIMON JEAN-LUC S.P.R.L.</b>	Works contract for gas connections based on the WQGRBWA - WTGRBWA23 qualification	Procedure negotiated with prior competitive tendering	363,000.00 €
<b>COLLET LAURENT ELECTRICITE S.P.R.L.</b>	LV connection works based on the WQERBWA qualification	Procedure negotiated with prior competitive tendering	1,818,500.00 €
<b>SM ETWAL INFRA - DEMOL</b>	LV connection works based on the WQERBWA qualification	Procedure negotiated with prior competitive tendering	174,000.00 €
<b>FABRICOM S.A.</b>	LV connection works based on the WQERBWA qualification	Procedure negotiated with prior competitive tendering	1,402,500.00 €
<b>ABLEC S.P.R.L.</b>	LV connection works based on the WQERBWA qualification	Procedure negotiated with prior competitive tendering	562,000.00 €
<b>SIMON JEAN-LUC S.P.R.L.</b>	LV connection works based on the WQERBWA qualification	Procedure negotiated with prior competitive tendering	1,124,500.00 €
<b>SIMON JEAN-LUC S.P.R.L.</b>	LV connection works based on the WQERBWA qualification	Procedure negotiated with prior competitive tendering	563,000.00 €
<b>API RESTAURATION S.A.</b>	Catering services contract for the new ORES head office building at the Aéroport site in Gosselies	Procedure negotiated with prior competitive tendering	3,902,689.50 €
<b>CARNOY NEGOCE S.A.</b>	Contract for the supply of white-core malleable cast iron accessories on natural gas distribution networks launched on the basis of the WFQAFM qualification system	Procedure negotiated with prior competitive tendering	1,122,081.83 €
<b>INFRATECH S.A.</b>	Contract for the supply of white-core malleable cast iron accessories on natural gas distribution networks launched on the basis of the WFQAFM qualification system	Procedure negotiated with prior competitive tendering	604,197.91 €
<b>SAP BELGIUM</b>	Services contract for the supply of SAP S/4HANA licences, associated maintenance and integration guidance services	Procedure negotiated without prior competitive tendering	14,157,916.71 €
<b>ELEVOLT A.M.</b>	25D60 covers	Procedure negotiated with prior competitive tendering	1,237,568.00 €
<b>Teco N.V.</b>	25D60 covers	Procedure negotiated with prior competitive tendering	1,261,216.00 €
<b>ACCENTURE S.A.</b>	Consultancy services in the context of defining and implementing the digital strategy	Procedure negotiated with prior competitive tendering	1,846,880.00 €
<b>SIGNIFY S.A.</b>	Charleroi Lighting Plan - Feder Programme 2014-2020 - Project portfolio: Charleroi District Créatif	Open tendering procedure	108,521.00 €

Successful tenderer	Description	Procedure	Amount awarded
<b>PYLONEN DE KERF</b>	Charleroi Lighting Plan - Feder Programme 2014-2020 - Project portfolio: Charleroi District Créatif	Open tendering procedure	111,588.50 €
<b>JETTE CLEAN S.A.</b>	Cleaning services contract for the premises and glazed part of the new ORES head office building	Procedure negotiated without prior competitive tendering	308,060.17 €
<b>3P</b>	Contract for corrective and ongoing maintenance of the 3P software	Procedure negotiated without prior competitive tendering	553,056.00 €
<b>MICROSOFT S.A.</b>	Microsoft assistance and expertise	Procedure negotiated without prior competitive tendering	184,608.00 €
<b>SIGNIFY S.A.</b>	Improvements to the public lighting in Place de Cuesmes, Cuesmes	Procedure negotiated without prior competitive tendering	20,899.45 €
<b>APK INFRA WEST S.A. (Armamast)</b>	Improvements to the public lighting in Place de Cuesmes, Cuesmes	Procedure negotiated without prior competitive tendering	9,130.26 €
<b>ACCENTURE S.A.</b>	Guidance services contract for the selection and implementation of an RPA tool	Procedure negotiated without prior competitive tendering	211,205.00 €
<b>MOBIX ENGETEC S.A.</b>	Works contract to install cables and sheaths for fibre optics (specific to Warnach)	Procedure negotiated with prior competitive tendering	344,859.07 €
<b>TRTC - BONFOND FILS S.A.</b>	Works contract to install cables and sheaths for fibre optics (specific to Warnach)	Procedure negotiated with prior competitive tendering	309,188.71 €
<b>ENTREPRISE DEVRESSE S.A.</b>	Works contract to install cables and sheaths for fibre optics (specific to Warnach)	Procedure negotiated with prior competitive tendering	266,804.95 €
<b>USG PEOPLE BUSINESS SOLUTIONS N.V.</b>	Services contract for the supply and management of external resources (MSP), as well as the supply, implementation and maintenance of an integrated external resources management software package (VMS)	Procedure negotiated with prior competitive tendering	4,237,250.00 €
<b>Connecting-Expertise S.A.</b>	Services contract for the supply and management of external resources (MSP), as well as the supply, implementation and maintenance of an integrated external resources management software package (VMS)	Procedure negotiated with prior competitive tendering	984,160.00 €
<b>PEUGEOT Belgique S.A.</b>	Supply contract for the purchase of utility vehicles of less than 7.5 tons for categories S2, S5 and S8 based on the WFQVUTWA qualification	Procedure negotiated with prior competitive tendering	498,815.58 €
<b>G. LAMBERT ET CO S.A.</b>	Supply contract for the purchase of utility vehicles of less than 7.5 tons for categories S2, S5 and S8 based on the WFQVUTWA qualification	Procedure negotiated with prior competitive tendering	957,402.15 €
<b>MONDIA WALLONIE S.A.</b>	Supply of elevated work platforms	Procedure negotiated without prior competitive tendering	412,188.60 €
<b>ESRI BELUX S.A.</b>	Services contract for the acquisition of ArcGis licences/subscriptions and their maintenance	Procedure negotiated without prior competitive tendering	775,455.00 €
<b>INDUSTRIELLE BORAINÉ</b>	Contract to supply public lighting candelabras	Open tendering procedure	1,430,000.00 €

Successful tenderer	Description	Procedure	Amount awarded
<b>OPINUM S.A.</b>	Services contract for the acquisition, implementation and maintenance of a portal accessible online by customers who use the distribution network with the aim of viewing consumption and production data fed back by smart meters	Procedure negotiated with prior competitive tendering	611,170.21 €
<b>UGKA S.R.L.</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	68,400.00 €
<b>CEW &amp; Partners</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	64,000.00 €
<b>Marie-Amélie DELVAUX</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	16,950.00 €
<b>JONES DAY</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	167,250.00 €
<b>Industrious-Law S.C.</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	50,700.00 €
<b>LINKLATERS LLP</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	89,100.00 €
<b>EQUAL Partners</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	51,750.00 €
<b>Groupement S.C. S.C.R.L. Deprevernet - S.C. S.C.R.L. van Cutsem - Marnef - Serrien</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	59,600.00 €
<b>PNT NAMUR S.P.R.L.</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	28,000.00 €
<b>HAVET &amp; VANHUFFEL - ASSOCIATION D'AVOCATS (HV-A)</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	26,400.00 €
<b>ULYS S.C.R.L.</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	24,750.00 €
<b>Osborne Clarke</b>	Framework agreement for legal services	Procedure negotiated without prior competitive tendering	32,250.00 €
<b>SCHREDER CE S.A.</b>	Contract to supply light fittings to illuminate Tournai cathedral	Procedure negotiated without prior competitive tendering	48,437.08 €
<b>AXIOMA</b>	Contract to supply light fittings to illuminate Tournai cathedral	Procedure negotiated without prior competitive tendering	42,749.97 €
<b>ELSTER N.V.</b>	Contract for the supply, installation, commissioning and maintenance of a biomethane cabin in Quévy based on the WQCAGBIOVA qualification	Procedure negotiated with prior competitive tendering	642,000.00 €



Successful tenderer	Description	Procedure	Amount awarded
<b>ACCENTURE S.A.</b>	Contract to acquire licences for the RPA	Procedure negotiated without prior competitive tendering	150,681.82 €
<b>SCHREDER CE S.A.</b>	Upgrading of the public lighting in Rue des Quatre Jalouses in Feluy	Procedure negotiated without prior competitive tendering	17,018.42 €
<b>PYLONEN DE KERF</b>	Upgrading of the public lighting in Rue des Quatre Jalouses in Feluy	Procedure negotiated without prior competitive tendering	15,022.00 €
<b>CN ROOD S.A.</b>	Contract to supply equipment to measure voltage quality, with return of the data taken	Procedure negotiated with prior competitive tendering	279,250.00 €
<b>ABB Industrial Solutions B.V.B.A.</b>	Supply of low-voltage meter boxes and accessories based on the WFQCBTWA qualification system	Procedure negotiated with prior competitive tendering	3,501,385.57 €
<b>TECONEX S.A.</b>	Supply of low-voltage meter boxes and accessories based on the WFQCBTWA qualification system	Procedure negotiated with prior competitive tendering	4,128,434.34 €
<b>ITRON BELGIUM S.A.</b>	Service for the migration of data from Talexus on premise software to a cloud	Procedure negotiated without prior competitive tendering	430,999.99 €
<b>OTN SYSTEMS N.V.</b>	Service contract for the optimisation, modernisation and maintenance of the ORES FO data transmission network	Procedure negotiated without prior competitive tendering	4,986,471.55 €



A worker in a blue uniform and white hard hat is working on a large industrial pipe. The worker is wearing gloves and is focused on a valve or fitting on the pipe. The background shows a large, rusted metal structure, possibly part of a refinery or industrial plant. The overall scene is industrial and technical.

# IV

DISTRIBUTION  
OF PROFITS





In €	Distribution systems operator		Other activities (supply)	TOTAL
	 Electricity	 Gas		
Municipalities	1,859,479.76	387,686.15	1,152.40	2,248,318.31
Idefin	9,207,223.44	2,053,981.66	5,775.36	11,266,980.46
IPFH*	17,866,779.99	13,782,324.57	16,231.27	31,665,335.83
Finest	2,676,501.45		1,372.66	2,677,874.11
Sofilux	7,337,009.39	631,081.41	4,086.47	7,972,177.27
Finimo	3,505,759.07		1,797.94	3,507,557.01
IPFBW	5,787,189.49	3,848,531.64	4,941.71	9,640,662.84
IEG	1,021,840.06	806,088.57	937.45	1,828,866.08
IFIGA	109,010.75		55.91	109,066.66
<b>TOTAL</b>	<b>49,370,793.40</b>	<b>21,509,694.00</b>	<b>36,351.17</b>	<b>70,916,838.57</b>

\* change of name on 08 March 2021 to CENEO



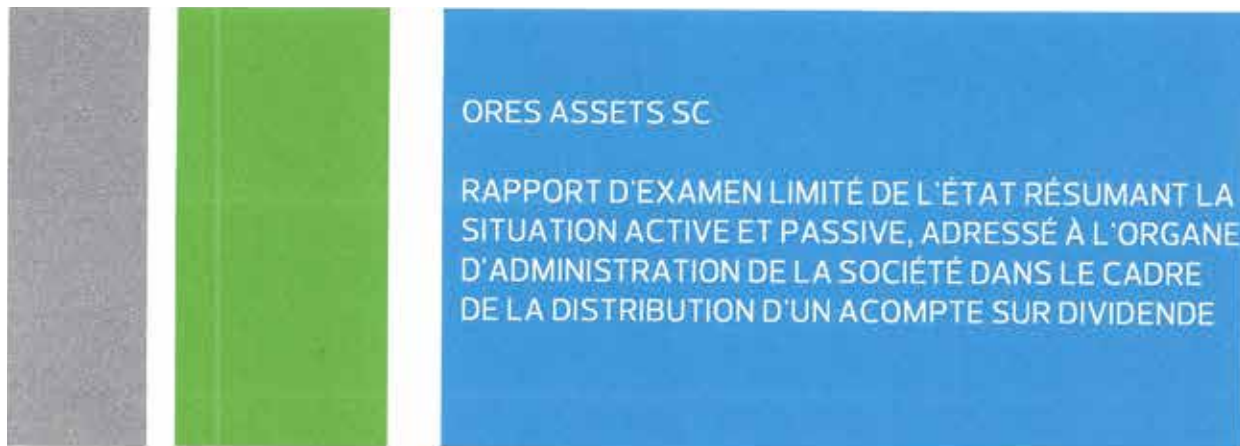
**V**  
AUDITORS'  
REPORT







# 1. For advance payments



## AUDIT | TAX | CONSULTING

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

RSM InterAudit BC<sup>1</sup> - Brussels (Belgium) - Siège social - chaussée de Waterloo 1101 - B 1160 Bruxelles  
Instituut voor de Staat - TVA BE 0430 991 123 - RPM Bruxelles - Société civile à formalité commerciale

Member of RSM Toelen Cols Deport Koozeets - Offices in Antwerp, Brussels, Charleroi, Mous and Zaventem

Conformément à l'article 6:115 du Code des Sociétés et des Associations, nous vous adressons, en notre qualité de commissaire, un rapport d'examen limité adressé à l'Organe d'administration de la société ORES ASSETS SC sur l'état résumant la situation active et passive arrêté au 31 octobre 2020. Ainsi, notre mission s'inscrit dans la prise de décision envisagée de la distribution d'un premier acompte sur le dividende 2020 de 61.017.932,42 € aux actionnaires (soit, un acompte de 42.501.171,41 € en électricité et un acompte de 18.516.761,01 € en gaz).

Nous avons effectué l'examen limité de l'état résumant la situation active et passive ci-joint de la Société au 31 octobre 2020, établi sur la base du référentiel comptable applicable en Belgique.

#### Responsabilité de l'Organe d'administration relative à l'établissement de l'état résumant la situation active et passive

L'Organe d'administration est responsable de l'établissement de cet état résumant la situation active et passive au 31 octobre 2020 conformément au référentiel comptable applicable en Belgique, ainsi que du respect des conditions requises par les articles 6:114 et 6:115 du Code des Sociétés et des Associations.

#### Responsabilité du commissaire

Notre responsabilité est d'exprimer une conclusion sur l'état résumant la situation active et passive, sur la base de notre examen limité.

Nous avons effectué notre examen limité selon la Norme ISRE 2410 "Examen limité d'informations financières intermédiaires effectué par l'auditeur indépendant de l'entité". Un tel examen limité consiste en des demandes d'informations, principalement auprès des personnes responsables des questions financières et comptables et dans la mise en œuvre de procédures analytiques et d'autres procédures d'examen limité. L'étendue d'un examen limité est très inférieure à celle d'un audit effectué selon les normes internationales d'audit (normes ISA, International Standards on Auditing) et, en conséquence, ne nous permet pas d'obtenir l'assurance que nous avons relevé tous les faits significatifs qu'un audit permettrait d'identifier.

En conséquence, nous n'exprimons pas d'opinion d'audit sur cet état résumant la situation active et passive.



### Conclusion

Sur la base de notre examen limité, nous n'avons pas relevé de faits qui nous conduiraient à penser que l'état résumant la situation active et passive ci-joint de la société ORES ASSETS SC arrêté au 31 octobre 2020, qui fait apparaître un total du bilan de 4.433.050.157,68 € et un bénéfice de la période en cours de 153.632.679,66 €, n'a pas été établi conformément au référentiel comptable applicable en Belgique.

### Restriction de l'utilisation de notre rapport

Ce rapport a été établi uniquement en vertu de l'article 6:115 du Code des Sociétés et des Associations dans le cadre de la distribution proposée d'un premier acompte sur dividendes aux actionnaires d'ORES ASSETS SC pour un montant de 61.017.932,42 € et ne peut être utilisé à d'autres fins (soit un acompte de 42.501.171,41 € en électricité et un acompte de 18.516.761,01 € en gaz).

Gosselies, le 17 décembre 2020

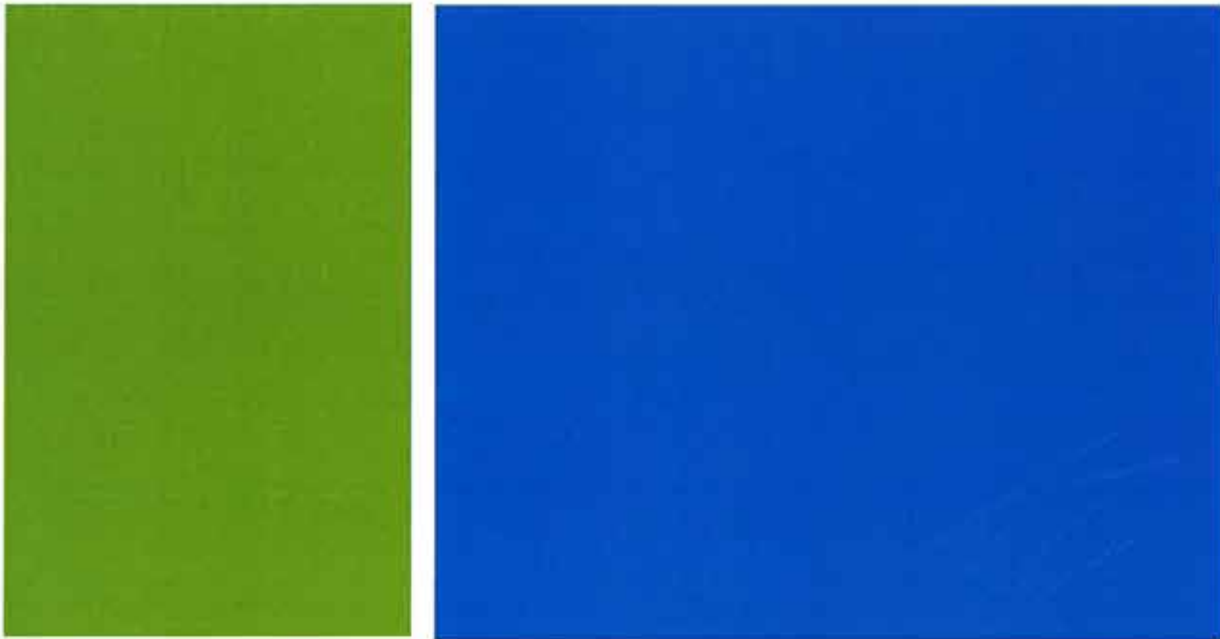
RSM INTERAUDIT SC  
COMMISSAIRE  
REPRÉSENTÉE PAR



THIERRY LEJUSTE,  
ASSOCIÉ



## 2. For the financial statements at 31 December 2020



### **ORES ASSETS SC**

Rapport du commissaire  
31 décembre 2020

**THE POWER OF BEING UNDERSTOOD**  
AUDIT | TAX | CONSULTING



# ORES ASSETS SC

## RAPPORT DU COMMISSAIRE À L'ASSEMBLÉE GÉNÉRALE DE LA SOCIÉTÉ POUR L'EXERCICE CLOS LE 31 DÉCEMBRE 2020

### (COMPTES ANNUELS)

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

Nous avons été nommés en tant que commissaire par l'assemblée générale du 29 mai 2019, conformément à la proposition de l'organe d'administration. Notre mandat de commissaire vient à échéance à la date de l'assemblée générale délibérant sur les comptes annuels clôturés au 31 décembre 2021. Nous avons exercé le contrôle légal des comptes annuels de ORES ASSETS durant quatre exercices consécutifs.

### RAPPORT SUR LES COMPTES ANNUELS

#### Opinion sans réserve

Nous avons procédé au contrôle légal des comptes annuels de la Société, comprenant le bilan au 31 décembre 2020, ainsi que le compte de résultats pour l'exercice clos à cette date et l'annexe, dont le total du bilan s'élève à € 4.316.381.944,14 et dont le compte de résultats se solde par un bénéfice de l'exercice de € 160.921.536,98.

À notre avis, ces comptes annuels donnent une image fidèle du patrimoine et de la situation financière de la Société au 31 décembre 2020, ainsi que de ses résultats pour l'exercice clos à cette date, conformément au référentiel comptable applicable en Belgique.

AUDIT | TAX | CONSULTING

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RSM InterAudit SC - réviseurs d'entreprises - Siège social : chaussée de Waterloo 1151 - B 1180 Bruxelles  
interaudit@rsmbelgium.be - TVA BE 0436.391.122 - RPM Bruxelles Société civile à forme commerciale

Member of RSM Toelen Cats Dupont Koevoets - Offices in Aalst, Antwerp, Brussels, Charleroi, Mons and Zaventem

#### Fondement de l'opinion sans réserve

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

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

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

#### Observation

Sans remettre en cause notre opinion, nous vous renvoyons à l'annexe C-app 6.14 dans laquelle l'organe d'administration expose l'impact estimé de la pandémie Covid-19 sur la situation financière de la société.



### Responsabilités de l'organe d'administration relatives à l'établissement des comptes annuels

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

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

### Responsabilités du commissaire relatives à l'audit des comptes annuels

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

Lors de l'exécution de notre contrôle, nous respectons le cadre légal, réglementaire et normatif qui s'applique à l'audit des comptes annuels en Belgique. L'étendue du contrôle légal des comptes ne comprend pas d'assurance quant à la viabilité future de la Société ni quant à l'efficacité ou l'efficacité avec laquelle l'organe d'administration a mené ou mènera les affaires de la Société.

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

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

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

Nous fournissons également au comité d'audit une déclaration précisant que nous nous sommes conformés aux règles déontologiques pertinentes concernant l'indépendance, et leur communiquons, le cas échéant, toutes les relations et les autres facteurs qui peuvent raisonnablement être considérés comme susceptibles d'avoir une incidence sur notre indépendance ainsi que les éventuelles mesures de sauvegarde y relatives.

## AUTRES OBLIGATIONS LÉGALES ET RÉGLEMENTAIRES

### Responsabilités de l'organe d'administration

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

### Responsabilités du commissaire

Dans le cadre de notre mandat et conformément à la norme belge complémentaire (version révisée 2020) aux normes internationales d'audit (ISA) applicables en Belgique, notre responsabilité est de vérifier, dans leurs aspects significatifs, le rapport de gestion, certains documents à déposer conformément aux dispositions légales et réglementaires, et le respect de certaines dispositions du Code des sociétés et des associations et des statuts, ainsi que de faire rapport sur ces éléments.

### Aspects relatifs au rapport de gestion

A l'issue des vérifications spécifiques sur le rapport de gestion, nous sommes d'avis que celui-ci concorde avec les comptes annuels pour le même exercice et a été établi conformément aux articles 3:5 et 3:6 du Code des sociétés et des associations.

Dans le cadre de notre audit des comptes annuels, nous devons également apprécier, en particulier sur la base de notre connaissance acquise lors de l'audit, si le rapport de gestion et les autres informations contenues dans le rapport annuel annuel (dont les informations non financières établies conformément au standard GRI) comportent une anomalie significative, à savoir une information incorrectement formulée ou autrement trompeuse.

Sur la base de ces travaux, nous n'avons pas d'anomalie significative à vous communiquer.

### Mentions relatives à l'indépendance

- ▶ Notre cabinet de révision n'a pas effectué de missions incompatibles avec le contrôle légal des comptes annuels et est resté indépendant vis-à-vis de la Société au cours de notre mandat.
- ▶ Les honoraires relatifs aux missions complémentaires compatibles avec le contrôle légal des comptes annuels visées à l'article 3:65 du Code des sociétés et des associations ont correctement été ventilés et valorisés dans l'annexe des comptes annuels.

### Mention relative aux documents à déposer conformément à l'article 3 :12, § 1er, 9° du Code des sociétés et des associations

Les documents suivants, à déposer à la Banque nationale de Belgique conformément à l'article 3:12, § 1, 9° du Code des sociétés et des associations reprennent - tant au niveau de la forme qu'au niveau du contenu – les informations requises par ce Code et ne comprennent pas d'incohérences significatives par rapport aux informations dont nous avons eu connaissance dans le cadre de notre mission :


- ▶ un rapport de rémunération donnant un aperçu, sur base individuelle, du montant des rémunérations et autres avantages, tant en numéraire qu'en nature, accordés directement ou indirectement, pendant l'exercice social faisant l'objet du rapport de gestion.

### Autres mentions

- ▶ Sans préjudice d'aspects formels d'importance mineure, la comptabilité est tenue conformément aux dispositions légales et réglementaires applicables en Belgique.
- ▶ La répartition des résultats proposée à l'assemblée générale est conforme aux dispositions légales et statutaires.
- ▶ Dans le cadre de l'article 6:115 du Code des Sociétés et des Associations nous avons établi le rapport d'examen limité joint en annexe relatif au test d'actif net.
- ▶ Nous confirmons avoir exécuté la mission visée par l'article 6 :116 du Code des Sociétés et des Associations pour les distributions de dividendes de juin et décembre 2020.
- ▶ Nous n'avons pas à vous signaler d'opération conclue ou de décision prise en violation des statuts ou du du Code des Sociétés et des Associations.

Gosselies, le 6 mai 2021

RSM INTERAUDIT SC  
COMMISSAIRE  
REPRÉSENTÉE PAR



THIERRY LEJUSTE  
ASSOCIÉ.



# VI

## 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 regulations), this Annual Report publishes the overviews 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 Annual General Meeting either by law, decree or the articles of association. Its main goal is to ensure the company's long-term success, in accordance on the one hand with the interests of all the third-party stakeholders essential for achieving this goal, namely shareholders, 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, along with monitoring the running of the business. The intermunicipal company ORES Assets and its subsidiary ORES have had 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 sexes, of whom 13 members (2/3) represent the municipal shareholders and must, as such, be municipal representatives. The other seven represent the IPFs 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 Annual General Meeting and report on their relevance by carrying out an annual assessment of the justification for the remuneration arrangements. It is made up of five directors who provide this service free of charge.

### 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 Annual General Meeting either by law, decree or the articles of association. Its main goal is to ensure the company's long-term success, in accordance with the interests of all the third-party stakeholders essential for achieving this goal, namely shareholders, staff, clients, suppliers and other creditors. With this in mind, the Board of Directors identifies the strategic challenges and risks faced by the company, defines the company's values, its strategy, the level of risks that it is comfortable taking and its key policies, as well as monitoring the running of the company's business.

Given the establishment of "mirror" Boards of Directors between the inter-municipal company ORES Assets and ORES, in accordance with Article 13 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 Bureau, the Appointment and Remuneration Committee, the Audit Committee and the Ethics Committee.

### **Executive Bureau**

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 Executive Bureau of ORES had five members as of 31 December 2020.

### **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.

### **Ethics Committee**

This Committee is responsible for advising on compliance with the rules on the confidentiality of personal and commercial information. It is composed of five members.

### **Executive Board**

The management of the company is entrusted to the Executive Board. It is composed of nine members, including its Chair.

## 2. Report from the ORES Assets Remuneration Committee

### **Preliminary note**

This report has been prepared by the Remuneration Committee and is submitted to the Board of Directors of ORES Assets for approval in accordance with the provisions of Article 19.6 of the Articles of Association of the intermunicipal company and Article L 1523-17, §2 of the Local Democracy and Decentralisation Code (CDLD).

Its purpose is to assess the appropriateness of the remuneration paid to the directors of the intermunicipal company in 2020. The individual attendance record of the directors is an integral part of the report to be drawn up by the Board of Directors pursuant to Article L6421-1 of the CDLD – remuneration report consolidated with ORES.

### **Evaluation of the appropriateness of the non-remuneration of the directorships held within ORES Assets**

The Remuneration Committee records that, as decided by the General Meeting on 22 June 2017 and confirmed by the deliberations on 28 June 2018 and 29 May 2019, all the directorships for ORES Assets are unpaid, it being understood that the same individuals make up the Board of Directors for ORES and are remunerated within the context of this directorship, in accordance with CDLD (Local Democracy and Decentralisation Code) thresholds and requirements on this subject.

The same is true for directorships for Committees established within the Board.

## Conclusions of the Remuneration Committee

The Remuneration Committee, meeting on 10 March 2021, noted that the terms of remuneration stated above reflect the strict application of the deliberations mentioned above conducted in the General Meeting, which has authority in the matter.

It also noted that directorships within ORES Assets are unpaid, in accordance with the governance rules shared with ORES Assets and ORES, remains appropriate, and that, as a result, the Committee does not make a recommendation to the General Meeting for any change in the remuneration of the directorships within ORES Assets.

Carried out at the meeting of 10 March 2021.

# 3. Report from the ORES Appointments and Remuneration Committee

## Preliminary note:

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

Its purpose is to assess the appropriateness of the remuneration paid to ORES directors in 2020. The individual attendance record of the directors and their remuneration is 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.

## Evaluation of the appropriate nature of the remuneration of the directorships held within ORES

The remuneration terms of directorships are broken down as follows:

### **A. Remuneration terms for a directorship (Chairman, Vice-Chairman and member of the Board of Directors):**

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

(\*) Weighted according to attendance rate – subject to attendance clause.

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

## Remuneration terms for Committee members:

Position	Amount of remuneration
Committee Chairman	attendance fee of 180 € (index 138.01) + km allowance* remuneration paid every 6 months
Committee Member	attendance fee of 125 € (index 138.01) + km allowance* remuneration paid every 6 months

(\*) a kilometre allowance of 0.35 € per km is granted to committee members and indexed in accordance with FPS Finance regulations.

## Conclusions of the Remuneration Committee

The Appointments and Remuneration Committee records that the remuneration terms stated above strictly apply the deliberations conducted at the General Meetings – which have authority in the matter – of 28 June 2018 and 29 May 2019.

It also records that the applicable remuneration is in compliance with the CDLD regarding Public Companies with Significant Local Holdings (SPPLS).

Consequently, the Committee does not make any recommendation to the General Meeting with a view to any change on the remuneration of directorships within ORES

Carried out at the meeting of 10 March 2021.<sup>1</sup>

# 4. Report from the Board of Directors of ORES Assets

## General information about the institution

Identification number (CBE)	0543.696.579
Type of institution	Intermunicipal company
Name of the institution	ORES Assets
Reporting period	2020

	Number of meetings
General meeting	02
Board of Directors	10
Remuneration Committee	01
Audit Committee	03

<sup>1</sup> On 28 April 2021, the Appointments and Remuneration Committee again met to consider the letter from the Walloon Public Service to Ms Van Hout, dated 2 April 2021, regarding the remuneration of the Chair of the Audit Committee. The Appointments and Remuneration Committee reiterated the firm wish of ORES to comply with the legality and governance rules of the CDLD and, as a result, given the development in the interpretation of the provisions of article L 5311-1 of the CDLD, the Appointments and Remuneration Committee recommended to the Board of Directors to grant ORES a mandate to make any provision of value with the competent administrative authorities to clarify this point and, if required, to align with it.

## Members of the board

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
<b>Chairman of the Board of Directors</b>	DE VOS Karl				None	100 %
<b>Vice Chairman of the Board of Directors</b>	BINON Yves				None	90 %
<b>Director</b>	BELLEFLAMME Élodie				None	100 %
<b>Director - member of the Audit Committee</b>	BULTOT Claude				None	100 %
<b>Director – Chair of the Audit Committee</b>	BURNET Anne-Caroline				None	100 %
<b>Director</b>	DE BEER DE LAER Hadelin				None	100 %
<b>Director - member of the Remuneration Committee</b>	DEMANET Nathalie			The same applies to directorships in the context of the Committees constituted within the Board, as decided by the General Meeting in its deliberations on 29 May 2019.	None	82 %
<b>Director</b>	DONFUT Didier				None	100 %
<b>Director - member of the Audit Committee</b>	DUTHY André				None	100 %
<b>Director - member of the Remuneration Committee</b>	FAYT Christian				None	91 %
<b>Director</b>	FRANCEUS Michel				None	100 %
<b>Director - member of the Remuneration Committee</b>	FRANSSEN Roger				None	100 %
<b>Director</b>	GAUTHIER Ludivine				None	100 %
<b>Director</b>	GILLIS Alain				None	100 %
<b>Director</b>	HARDY Cerise				None	100 %
<b>Director - member of the Audit Committee</b>	LEFEBVRE Philippe				None	92 %
<b>Director - member of the Remuneration Committee</b>	MEURENS Jean-Claude				None	91 %
<b>Director - Chair of the Remuneration Committee</b>	STAQUET Danièle				None	100 %
<b>Director - member of the Audit Committee</b>	VAN HOUT Florence				None	100 %
<b>Director</b>	VERECKE Anne				None	90 %
<b>Overall total</b>	<b>20</b>					

## Holders of senior management positions

Position <sup>2</sup>	Last name and first name	Gross annual remuneration <sup>3</sup>	Breakdown of the gross annual remuneration <sup>4</sup>	List of mandates associated with the position and any remuneration
Senior local official			None	
Director x				
Director ...				
Assistant Director				
Assistant Director ...				
Other ...				
<b>Total remunerations</b>				

ORES Assets does not have any staff and hence there are no managerial positions.  
The day-to-day and operating management of ORES Assets is entrusted by statute to its subsidiary, ORES, pursuant to article 16§1 of the Electricity Decree.

<sup>2</sup> Indicate the position occupied within the structure, on the understanding that only senior management staff are meant by this.

<sup>3</sup> Indicate the total gross annual, indexed remuneration, including all amounts in cash and all benefits that can be assessed in cash.

<sup>4</sup> Give details of the various components of the gross annual remuneration (amounts in cash, any other benefits in accordance with the rules stated in appendix 4 of this Code).



## Appendices

### Appendix 1: Board of Directors – list of members' names and their attendance rate

Position	Last name and first name	Effective attendance at meetings	Number of meetings	Attendance in %
<b>Chairman</b>	DE VOS Karl	10	10	100
<b>Vice Chairman</b>	BINON Yves	9	10	90
<b>Directors</b>	BELLEFLAMME Élodie	10	10	100
	BULTOT Claude	10	10	100
	BURNET Anne-Caroline	10	10	100
	DE BEER DE LAER Hadelin	10	10	100
	DEMANET Nathalie	8	10	80
	DONFUT Didier	10	10	100
	DUTHY André	10	10	100
	FAYT Christian	9	10	90
	FRANCEUS Michel	10	10	100
	FRANSSEN Roger	10	10	100
	GAUTHIER Ludivine	10	10	100
	GILLIS Alain	10	10	100
	HARDY Cerise *	9	9	100
	LEFEBVRE Philippe	9	10	90
	MEURENS Jean-Claude	9	10	90
	STAQUET Danièle	10	10	100
	VAN HOUT Florence	10	10	100
	VERECKE Anne	9	10	90

\*Ms Cerise Hardy was co-opted by the Board of Directors on 22 January 2020 to fill in for the vacant Directorship following the resignation of Mr Raphaël Durant

## Appendix 2: Remuneration Committee – list of members' names and their attendance rate

Position	Last name and first name	Effective attendance at meetings	Number of meetings	Attendance in %
Chair	STAQUET Danièle	1	1	100
Members	DEMANET Nathalie	1	1	100
	FAYT Christian	1	1	100
	FRANSSEN Roger	1	1	100
	MEURENS Jean-Claude	1	1	100

## Appendix 3: Audit Committee – list of members' names and their attendance rate

Position	Last name and first name	Effective attendance at meetings	Number of meetings	Attendance in %
Chair	BURNET Anne-Caroline	3	3	100
Members	BULTOT Claude	3	3	100
	DUTHY André	3	3	100
	LEFEBVRE Philippe	3	3	100
	VAN HOUT Florence	3	3	100

# 5. Report from the Board of Directors of ORES

## 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	2020

	Number of meetings
General meeting	01
Board of Directors	11
Executive Board	08
Appointments and Remuneration Committee	02
Audit Committee	03
Ethics Committee	01

## 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
<b>Chairman of the Board of Directors</b>  <b>Member of the Executive Board</b>	DE VOS Karl	35,008.02 €	<i>Remuneration as Chairman:</i> Gross annual remuneration of 19,997.14 € (index 138.11) i.e. indexed to 34,133.12 € gross annual until 31/03/2020 and 34,815.02 € gross annual from 01/04/2020  <i>Mileage allowance:</i> 0.37 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	Remuneration as Chairman	None	95%
<b>Vice Chairman of the Board of Directors</b>  <b>Member of the Executive Board</b>	BINON Yves	26,323.10 €	<i>Remuneration as Vice Chairman:</i> Gross annual remuneration of 14,997.85 € (index 138.11) i.e. indexed to 25,599.83 € gross annual until 31/03/2020 and 26,211.26 € gross annual from 01/04/2020  <i>Mileage allowance:</i> 0.37 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	Remuneration as Vice Chairman	None	89%
<b>Director</b>  <b>Member of the Ethics Committee</b>	BELLEFLAMME Élodie	2,566.36 €	<i>Attendance fee as director/Committee member:</i> 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  <i>Mileage allowance:</i> 0.37 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%



<b>Director</b> <b>Member of the Audit Committee</b>	BULTOT Claude	3,065.45 €	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	93 %
<b>Director</b> <b>Chair of the Audit Committee</b>	BURNET Anne-Caroline	3,776.90€*	Attendance fee as director: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Attendance fee as Chair of the Audit Committee: 180 € (index 138.11) i.e. 307.24 € until 31/03/2020 and 313.38 from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Ethics Committee</b>	DE BEER DE LAER Hadelin	2,384.74 €	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Appointments and Remuneration Committee</b>	DEMANET Nathalie	2,319.71 €	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	77 %





<b>Director</b> <b>Member of the Executive Board</b>	DONFUT Didier	4,388.16€	Attendance fee as director/ member of the Executive Board: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35€/km from 01/07/2020	None	None	95%
<b>Director</b> <b>Member of the Audit Committee</b>	DUTHY André	3,385.15€	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Appointments and Remuneration Committee</b>	FAYT Christian	2,521.65€	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	85%
<b>Director</b> <b>Member of the Ethics Committee</b>	FRANCEUS Michel	2,869.82€	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%



<b>Director</b> <b>Member of the Appointments and Remuneration Committee</b>	FRANSSEN Roger	3,592.30€	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Ethics Committee</b>	GAUTHIER Ludivine	2,381.12€	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020	None	None	100%
<b>Director</b> <b>Member of the Executive Board</b>	GILLIS Alain	4,401.62€	Attendance fee as director/ member of the Executive Board: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b>	HARDY Cerise (à partir du 22/01/2020)**	2,346.76€	Attendance fee as director: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Audit Committee</b>	LEFEBVRE Phi- lippe	3,121.18€	Attendance fee as director/ Committee member: 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  Mileage allowance: 0.38 €/km until 30/06/2020 and 0.35€/km from 01/07/2020	None	None	93%



<b>Director</b> <b>Member of the Appointments and Remuneration Committee</b>	MEURENS Jean-Claude	3,156.93€	<i>Attendance fee as director/ Committee member:</i> 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  <i>Mileage allowance:</i> 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	92%
<b>Director</b> <b>Chair of the Appointments and Remuneration Committee</b>	STAQUET Danièle	3,235.40€	<i>Attendance fee as director:</i> 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  <i>Attendance fee as Chair of the Appointments and Remuneration Committee:</i> 180 € (index 138.11) i.e. 307.24 € until 31/03/2020 and 313.38 € from 01/04/2020  <i>Mileage allowance:</i> 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Audit Committee</b> <b>Member of the Ethics Committee</b>	VAN HOUT Florence	3,241.37€	<i>Attendance fee as director/ Committee member:</i> 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020  <i>Mileage allowance:</i> 0.38 €/km until 30/06/2020 and 0.35 €/km from 01/07/2020	None	None	100%
<b>Director</b> <b>Member of the Executive Board</b>	VEREECKE Anne	3,682.63€	<i>Attendance fee as director/ member of the Executive Board:</i> 125 € (index 138.11) i.e. indexed to 213.36 € until 31/03/2020 and to 217.63 € from 01/04/2020	None	None	89%

\* included in this amount is an adjustment from 2019 for an import of 187.76 € paid in 2020.

\*\*Ms Cerise Hardy was co-opted by the Board of Directors on 22 January 2020 to fill the vacant Directorship following the resignation of Mr Raphaël Durant.

## 2. Holders of senior management positions – Executive Board

Position	Last name and first name	Gross annual remuneration	Breakdown of gross annual remuneration	List of derived mandates associated with the position and any remuneration
<b>Local senior official</b>	GRIFNÉE Fernand	270,958.84€*	270,958.84 €*	Director SYNERGRID – Unpaid Director Atrias – Unpaid
<b>Infrastructure Director</b>	MOËS Didier**	206,110.29€	178,710.29 € + 25,000 € (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	Director Gas.be – Unpaid
<b>Technical Director</b>	HOUSSARD Benoît	225,297.77€	198,297.77 € + 24,600 € (bonus paid in 2021 regarding performance in 2020) + 2.400 € (collective bonus linked to results)	Director Gas.be – Unpaid Director Laborelec – Unpaid
<b>Seconded Director</b>	DECLERCQ Christine	232,297.43€	202,897.43 € + 27,000 € (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	None
<b>Market &amp; Customer Management Director</b>	MERTENS Inne	224,218.54€	190,818.54€ + 31,000 € (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	Director Atrias – Unpaid
<b>Transformation Director</b>	MAHAUT Sébastien	219,743.16€	187,843.16 € + 29,500 € (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	None
<b>IT Director</b>	MEDAETS Benoît	193,502.53€	161,602.53 € + 29,500 € (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	None
<b>Finance Director</b>	OFFERGELD Dominique	224,165.86€	196,765.86 € + 25,000 € (bonus paid in 2021 regarding performance in 2020) + 2.400 € (collective bonus linked to results)	Director Contassur – Unpaid
<b>HR Director</b>	DEMARS Frédéric ***	123,810.55€	101,410.55€ + 20,000 € (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	Director Enerbel (pension fund) – Unpaid Director Powerbel (pension fund) – Unpaid

Position	Last name and first name	Gross annual remuneration	Breakdown of gross annual remuneration	List of derived mandates associated with the position and any remuneration
<b>Public Affairs, &amp; Communication Director</b>	CALLENS Isabelle	187,298.00€	169,898.10€ + 15,000€ (bonus paid in 2021 regarding performance in 2020) + 2,400 € (collective bonus linked to results)	Director CIRIEC – Belgian section – Unpaid
<b>Directors retiring in 2020</b>				
<b>Infrastructure Director</b>	VAN OPDENBOSCH Philippe ** (until 30 April 2020)	107,566.45€	92.369,01€ + 15.197,44€ (bonus paid in 2021 regarding performance in 2020)	Director Gas.be – Unpaid
<b>Human Resources Director</b>	PONT Chantal*** (until 30 June 2020)	132,765.25€	119.110,50€ + 13.654,75€ (bonus paid in 2021 regarding performance in 2020)	Director Elgabel (pension fund) – Unpaid Director Enerbel (pension fund) – Unpaid Director Pensiobel (pension fund) – Unpaid Director Powerbel (pension fund) – Unpaid Welfare Fund Director – Unpaid
<b>Overall total</b>		<b>2,347,734.67€</b>		

## Notes

Members of the Executive Board also receive all of the benefits set by the sector, like all company executives.

\* In accordance with appendix 4 of the CDLD, but also as stated in Mr Fernand GRIFNÉE's employment contract, an amount of 2,195.89 € resulting from changes to indexation, as applied by Joint Representation Committee 326, will be refunded to ORES in April 2021 in order to comply with the ceiling set by decree of 245,000 €, indexed to 268,762.95 € for 2020.

\*\* Mr Philippe VAN OPDENBOSCH left his position – exercising his right to retirement – on 30 April 2020. Mr Didier MOES succeeded him at the head of the Infrastructure department on 1 May 2020.

\*\*\* Ms Chantal PONT left her position – exercising her right to retirement – effective from 30 June 2020. Mr Frédéric DEMARS assumed the position as head of the Human Resources department on 16 May 2020.

## Appendices

### Appendix 1: Board of Directors – list of members' names and their attendance rate

Position	Last name and first name	Effective attendance at meetings	Number of meetings	Attendance in %
<b>Chairman</b>	DE VOS Karl	11	11	100
<b>Vice Chairman</b>	BINON Yves	9	11	82
<b>Directors</b>	BELLEFLAMME Élodie	11	11	100
	BULTOT Claude	10	11	91
	BURNET Anne-Caroline	11	11	100
	DE BEER DE LAER Hadelin	11	11	100
	DEMANET Nathalie	8	11	73
	DONFUT Didier	11	11	100
	DUTHY André	11	11	100
	FAYT Christian	10	11	91
	FRANCEUS Michel	11	11	100
	FRANSSEN Roger	11	11	100
	GAUTHIER Ludivine	11	11	100
	GILLIS Alain	11	11	100
	HARDY Cerise	10	10	100
	LEFEBVRE Philippe	10	11	91
	MEURENS Jean-Claude	10	11	91
	STAQUET Danièle	11	11	100
	VAN HOUT Florence	11	11	100
	VEREECKE Anne	9	11	82



## Appendix 2: Executive Board – list of members’ names and their attendance rate

Position	First name and last name	Effective attendance at meetings	Number of meetings	Attendance in %
Chairman	DE VOS Karl	7	8	87,5
Vice Chairman	BINON Yves	8	8	100
Members	DONFUT Didier	7	8	87,5
	GILLIS Alain	8	8	100
	VEREECKE Anne	8	8	100

## Appendix 3: Appointments and Remuneration Committee – list of members’ names and their attendance rate

Position	Last name and first name	effective attendance at meetings	Number of meetings	Attendance in %
Chair	STAQUET Danièle	2	2	100
Members	DEMANET Nathalie	2	2	100
	FAYT Christian	1	2	50
	FRANSSEN Roger	2	2	100
	MEURENS Jean-Claude	2	2	100

## Appendix 4: Audit Committee – list of members’ names and their attendance rate

Position	Last name and first name	Effective attendance at meetings	Number of meetings	Attendance in %
Chair	BURNET Anne-Caroline	3	3	100
Members	BULTOT Claude	3	3	100
	DUTHY André	3	3	100
	LEFEBVRE Philippe	3	3	100
	VAN HOUT Florence	3	3	100

## Appendix 5: Ethics Committee – list of members’ names and their attendance rate

Position	Last name and first name	Effective attendance at meetings	Number of meetings	Attendance in %
Members	BELLEFLAMME Élodie	1	1	100
	DE BEER DE LAER Hadelin	1	1	100
	GAUTHIER Ludivine	1	1	100
	FRANCEUS Michel	1	1	100
	VAN HOUT Florence	1	1	100

## Appendix 6: Training

Two training courses were planned in 2020:

### *19 and 20 March 2020 (Seminar)*

Theme: **“The consequences of energy transition and renewable energy on distribution and the network”**

This training course – convened on 4 March 2020 – had to be cancelled on 13 March 2020 due to the lockdown measures taken by the National Safety Committee meeting on 12 March 2020.

### *22 and 23 October 2020 (Seminar)*

Theme: **“Decentralised production and the distribution network - focus on the role of ORES and focus on equalisation”**

This training course – convened on 13 October 2020 – had to be cancelled due to the worsening of the health situation and the strengthening of measures by the Consultation Committee, including the closure of the Hospitality industry to take effect from 19 October 2020.



# VII

SPECIFIC REPORT ON  
SHAREHOLDINGS







Within the context of the missions assigned to it, the Board of Directors has looked at the shareholdings of ORES Assets in the capital of other companies. These shareholdings, which are described below, are included in the balance sheet assets at their purchase value, less any outstanding amounts to be released.

## SHAREHOLDING IN ORES

ORES is the company that manages and operates the electricity and natural gas distribution networks for 75% of the local authority areas in Wallonia. It mainly carries out its activities on behalf of the Walloon distribution system operator, ORES Assets. ORES is therefore responsible, on its behalf, for all operational activities associated with the management and operation of the distribution networks in the associated municipalities: layout of the networks, connection work, callouts and repairs, taking customer meter readings, public service obligations, municipal public lighting management, etc.

On 6 February 2009, the Walloon combined distribution service operators IDEG, IEH, IGH, Interest, Interlux, Interмосane, Sedilec and Simogel (referred to hereinafter as "the DSOs") acquired shares in the company Netwal, incorporated on 18 April 2008, but renamed ORES at that time. These shares were thus 100% owned by the Electrabel group. On 3 April 2009, following transfers of the Index'is and Igretec businesses, these DSOs acquired more ORES shares. In total, as of 31 December 2012, the DSOs owned 2,460 shares.

In 2013, there were a number of disposal of ORES shares:

- In June 2013, one ORES share owned by Interмосane was transferred to Tecteo (RESA). This transfer was part of the Memorandum of Understanding dated 5 October 2011, providing for the demerger of Interмосane, the takeover of the sector covering the centre of the city of Liège by the DSO Tecteo (RES) and the operation of this sector by ORES until 31 December 2016. This date was put back in 2017 to make it possible for RESA to recover certain computer data, essentially customer databases. The return of the share thus transferred to RESA back to ORES Assets, Verviers sector, was contractually postponed to the date on which these databases were fully recovered, i.e. in November 2017.
- In December 2013, prior to the merger of the DSOs and in order to ensure that there were multiple shareholders in the company to be created, IDEG, IEH, Interest, Interlux, Interмосane, Sedilec and Simogel transferred one of their shares

to Idefin, IPFH (name changed on 8 March 2021 to CENEO), Finest, Sofilux, Finimo, Sedifin and IEG respectively (in other words to the purely financing intermunicipal companies associated with ORES Assets).

On 31 December 2013, the DSOs merged to create the company ORES Assets. As of 31 December 2019, ORES Assets owned 2,453 shares in ORES, worth a total of 456,000 €.

## SHAREHOLDING IN LABORELEC

Laborelec is the technical skills centre for the sector that provides research and projects, particularly for energy distribution, as well as specialised services on request. Until 2005, Laborelec was remunerated through a contribution paid by the distribution service operators to Intermixt. In order to make sure that Laborelec's research and projects were as suitable as possible for distribution, and therefore to meet the specific needs of the distribution service operators, the latter have decided to take shareholdings in Laborelec's capital. Each of the electricity DSOs thus purchased one Laborelec share from its owner, Electrabel. The 7 shares were still owned by ORES Assets as of 31 December 2019, worth a total of 2,000 €.

## SHAREHOLDING IN IGRETEC

Igretec, the Intermunicipal Company for the Management and Carrying out of Technical and Economic Studies for the Charleroi Region and South-Hainaut, offers services to companies, authorities and individuals relating to economic development, consultancy or efficiency and energy services.

ORES Assets owned 2,400 Igretec shares valued at €14,900 as of 31 December 2020.

## SHAREHOLDING IN ATRIAS

In 2018, ORES owned 62 shares worth €3,100.00 in Atrias sc. By virtue of article 16 § 4 of the new electricity decree of 11 May 2018, it is no longer permitted for a subsidiary of a DSO to delegate the carrying out of the tasks and obligations entrusted to it by the DSO to a sub-structure.

Now Atrias is responsible for developing an IT platform for the exchange of information between DSOs and suppliers. Consequently, it was appropriate to transfer the shares held in the capital of Atrias to ORES Assets, which is the only entity authorised to



have a subsidiary and to delegate the activities relating to its tasks as a distribution systems operator.

This transfer was approved by the General Meeting of Atrias on 23 April 2019 and by the Board of Directors of ORES Assets on 24 October 2018.

As of 31 December 2020, ORES Assets held a €3,100 stake represented by 62 shares in Atrias.

## SHAREHOLDING IN COMNEXIO

On 29 May 2019, the General Meeting of ORES Assets approved the incorporation of Comnexio as a subsidiary of ORES Assets responsible for "contact centre" activities from 1 June 2019.

Previously the company N'Allo had been responsible for these "contact centre" activities and ORES held an interest in N'Allo. For the same reasons as those mentioned above concerning the holding in Atrias, the company ORES Assets created its own subsidiary, "Comnexio", which has been responsible for Contact Centre tasks for ORES since that date.

The share capital of Comnexio is 25,000.00 €, represented by 100 shares of 250.00 €.

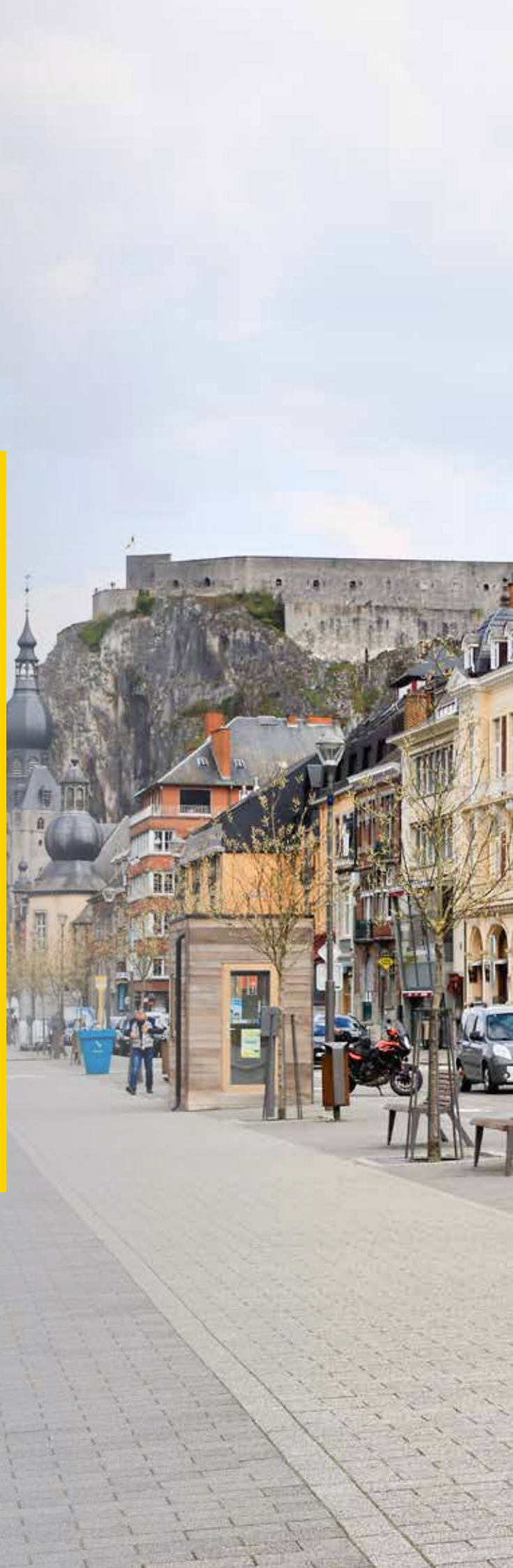
ORES Assets held 93 shares with a value of 23,200 € at 31 December 2020.

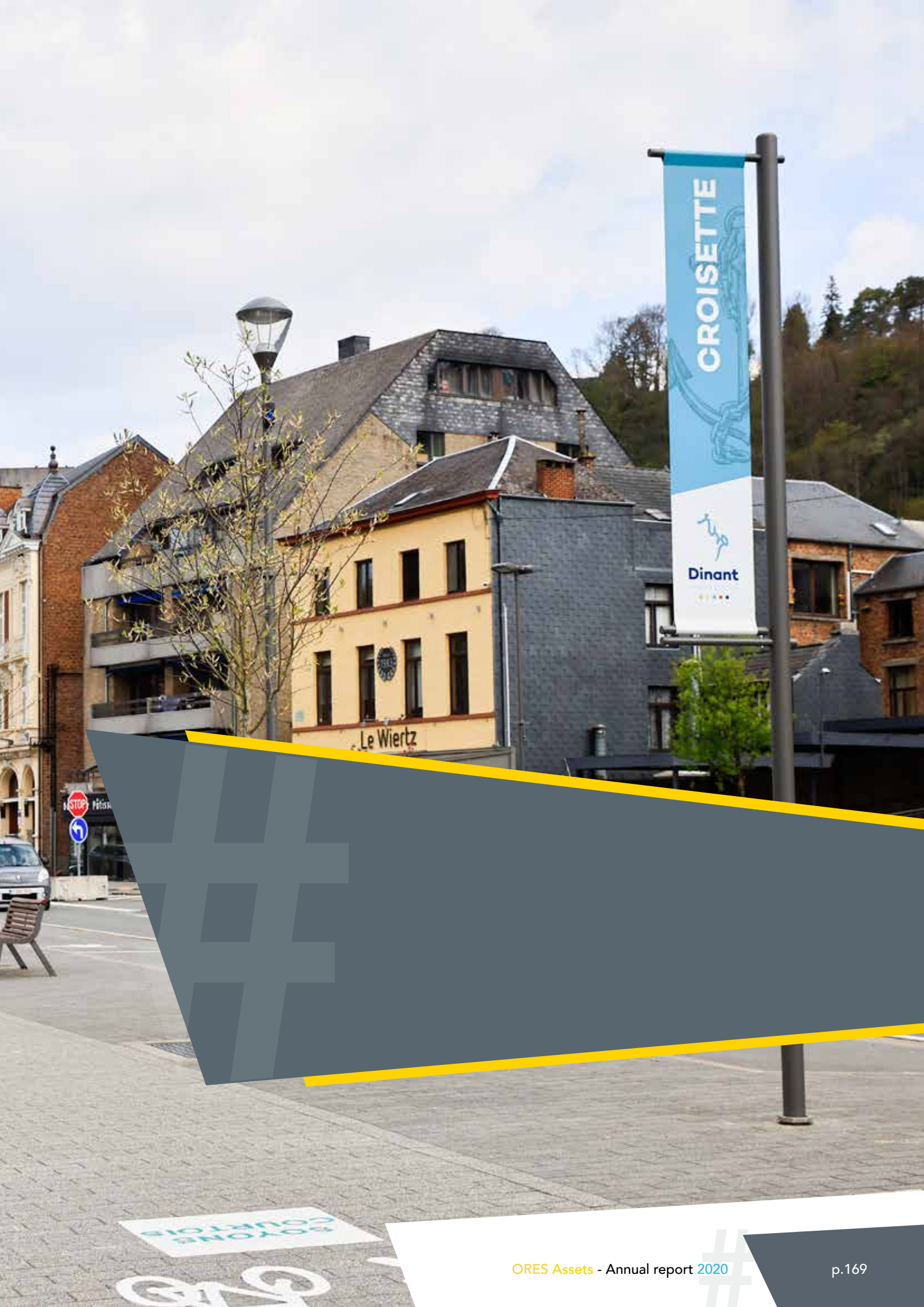
Hence the shareholdings of ORES Assets at 31 December 2020 were 499,500 €. This amount can be broken down as follows:

Shares in ORES	456,300 €
Shares in Laborelec	2,000 €
Shares in Igretec	14,900 €
Shares in Atrias	3,100 €
Shares in Comnexio	23,200 €
<b>Total</b>	<b>499,500 €</b>

# VIII

ANNEXE 1  
POINT 1 – LIST OF  
SHAREHOLDERS







CROISSETTE







Dinant



Le Wiertz







Shareholders	 Shares electricity	 Shares gas
AISEAU-PRESLES	48	13
AMEL	1	-
ANDERLUES	64	37
ANHÉE	48	1
ANTOING	1	1
ARLON	648	13
ASSESE	20	1
ATH	1	72
ATTERT	23	1
AUBANGE	226,469	2
AUBEL	1	-
BAELEN	1	-
BASTOGNE	231	1
BEAURAING	105	1
BEAUVECHAIN	1	1
BELOEIL	1	1
BERNISSART	1	1
BERTOIGNE	12	1
BERTRIX	98	1
BIÈVRE	1,427	1
BINCHE	188	114
BOUILLON	90	1
BOUSSU	144	163
BRAINE L'ALLEUD	1	1
BRAINE-LE-CHÂTEAU	1	1
BRAINE-LE-COMTE	1	68
BRUGELETTE	1	1
BRUNHAUT	1	-
BÜLLINGEN	1	-
BURG-REULAND	1	-
BÜTGENBACH	1	-
CELLES	36,544	6,920

Shareholders	 Shares electricity	 Shares gas
CERFONTAINE	5	1
CHAPELLE-LEZ-HERLAIMONT	90	77
CHARLEROI	1,594	1,126
CHASTRE	123,076	1
CHÂTELET	209	213
CHAUMONT-GISTOUX	1	1
CHIÈVRES	1	1
CHINY	48	1
CINEY	13	1
CLAVIER	1	-
COLFONTAINE	153	114
COMINES	278,290	289,960
COURCELLES	318	136
COURT-ST-ÉTIENNE	1	1
COUVIN	3,053	1
DALHEM	1	-
DAVERDISSE	12	1
DINANT	13	1
DOISCHE	8	1
DOUR	120	73
DURBUY	114	1
ÉCAUSSINNES	57,179	6,250
ÉGHEZÉE	11,031	1
ELLEZELLES	38,238	1
ENGHIEN	1	1
ÉREZÉE	18	1
ERQUELINNES	57	27
ESTAIMPUIS	14,870	1,389
ESTINNES	37	1
ÉTALLE	44	1
EUPEN	1	-

Shareholders	 Shares electricity	 Shares gas
FARCIENNES	1	12
FAUVILLERS	12	1
FERNELMONT	6	1
FERRIÈRES	14,745	-
FLEURUS	1	1
FLOBEQU	1	1
FLOREFFE	6	1
FLORENNES	70	1
FLORENVILLE	83	1
FONTAINE-L'ÉVÊQUE	124	60
FOSSÉS-LA-VILLE	8	1
FRAMERIES	154	131
FRASNES-LEZ-ANVAING	45,841	1
GEDINNE	26	1
GEMBLOUX	19	2,190
GENAPPE	202	150
GERPINNES	9,769	8
GESVES	191	1
GOUVY	36	1
GREZ-DOICEAU	1	1
HABAY	87	1
HAMOIR	1	-
HAMOIS	10	1
HAM-SUR-HEUR/ NALINNES	67	19
HASTIÈRE	10	1
HAVELANGE	290	1
HÉLÉCINE	1	1
HENSIES	29	1
HERBEUMONT	12	1
HERVE	1	-
HONNELLES	36	-

Shareholders	 Shares electricity	 Shares gas
HOTTON	59	1
HOUFFALIZE	50	1
HOUYET	5	1
INCOURT	98,224	13
ITTRE	1	1
JEMEPPE-SUR-SAMBRE	14,830	1
JODOIGNE	1	1
JURBISÉ	1	1
KELMIS	1	-
LA BRUYÈRE	10	1
LA HULPE	1	1
LA LOUVIÈRE	430	472
LA ROCHE-EN- ARDENNE	64	1
LASNE	47,461	970
LE ROEULX	42	31
LÉGLISE	19	1
LENS	1	1
LES BONS VILLERS	7	1
LESSINES	1	1
LEUZE-EN-HAINAUT	1	1
LIBIN	36	1
LIBRAMONT-CHEVIGNY	126	1
LIERNEUX	4,025	-
LIMBOURG	1	-
LINCENT	14,982	29
LOBBES	30	1
LONTZEN	1	-
MALMEDY	1	-
MANAGE	117	146
MANHAY	21	1
MARCHE-EN-FAMENNE	294	1

Shareholders	 Shares electricity	 Shares gas
MARTELANGE	23	1
MEIX-DEVANT-VIRTON	29	1
MERBES-LE-CHÂTEAU	23	10
MESSANCY	73	2
METTET	31	1
MONS	663	779
MONT-DE-L'ENCLUS	37,208	149
MONTIGNY-LE-TILLEUL	109	25
MONT-ST-GUIBERT	1	1
MORLANWELZ	99	99
MOUSCRON	2	1
MUSSON	45	1
NAMUR	17,436	1,273
NASSOGNE	480	1
NEUFCHÂTEAU	69	1
NIVELLES	1	1
ONHAYE	4	1
ORP-JAUCHE	1	1
OTTIGNIES	20,121	20,121
OUFFET	1	-
PALISEUL	61	1
PECQ	10,822	1
PERUWELZ	1	1
PERWEZ	221,297	1
PHILIPPEVILLE	23	1
PLOMBIERES	1	-
PONT-A-CELLES	158	19
PROFONDEVILLE	17	1
QUAREGNON	135	167
QUÉVY	46	3
QUIÉVRAIN	48	44
RAEREN	1	-

Shareholders	 Shares electricity	 Shares gas
RAMILLIES	1	-
REBECQ	1	1
RENDEUX	23	1
RIXENSART	1	1
ROCHFORT	3	1
ROUVROY	20	1
SAINTE-ODE	19	1
SAINT-GHISLAIN	150	63
SAINT-HUBERT	641	1
SAINT-LÉGER	35	1
SAMBREVILLE	71,334	1
SANKT VITH	1	-
SENEFFE	72	24
SILLY	1	1
SOIGNIES	19	94
SOMBREFFE	11	1
SOMME-LEUZE	17	1
SPA	1	-
STOUMONT	1	-
TELLIN	24	1
TENNEVILLE	28	1
THEUX	1	-
THIMISTER-CLERMONT	1	-
THUIN	78	4
TINLOT	1	-
TINTIGNY	35	1
TOURNAI	1	1
TROIS-PONTS	1	-
TUBIZE	5	5
VAUX-SUR-SURE	24	1
VERVIERS	1	-
VIELSALM	92	1



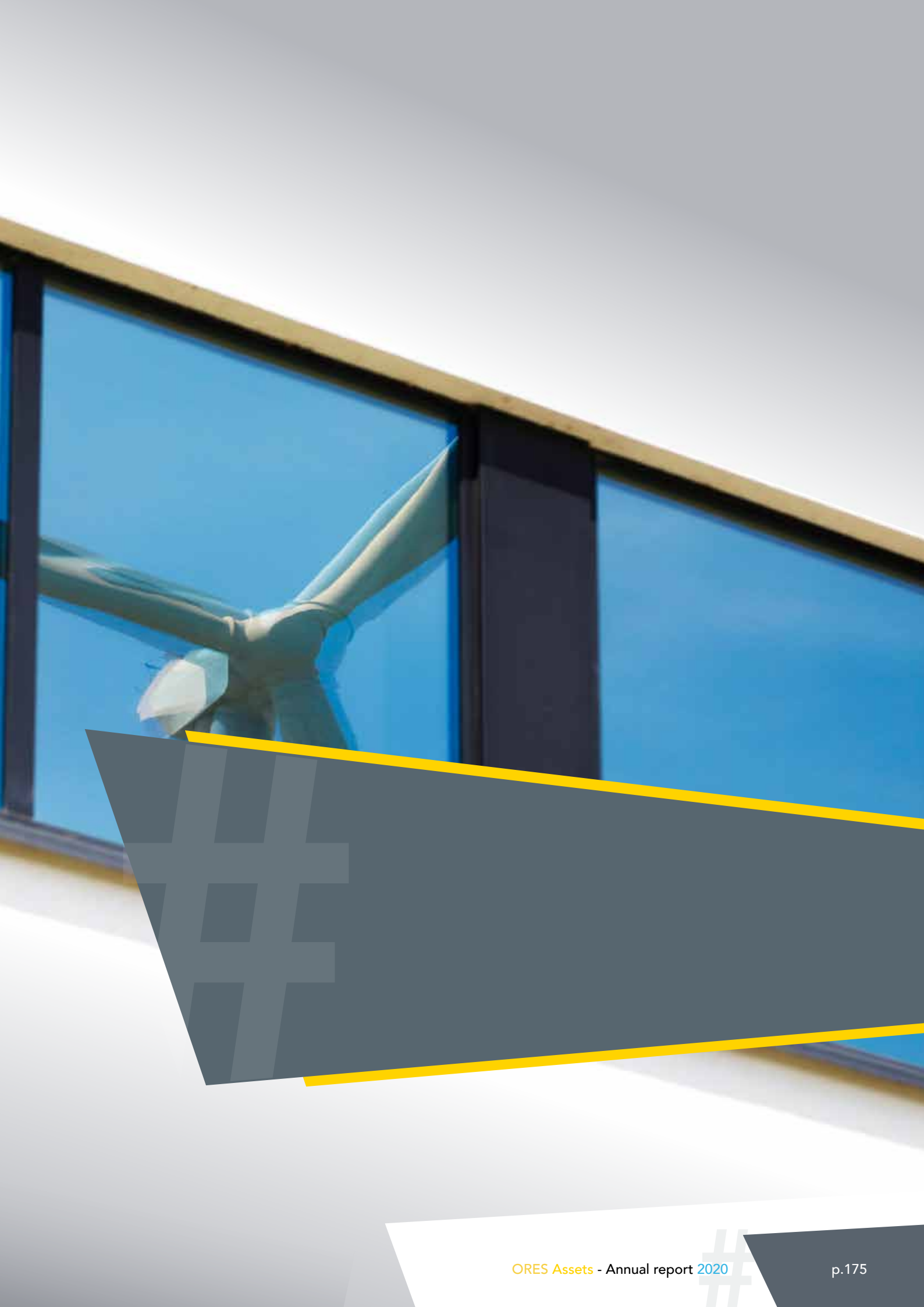
Shareholders	Shares electricity	Shares gas
VILLERS-LA-VILLE	263,899	-
VIROINVAL	7,678	1
VIRTON	227	1
VRESSE	81	1
WAIMES	1	-
WALCOURT	15	1
WALHAIN	1	1
WATERLOO	10,709	9,421
WAVRE	-	19,187
WELLIN	36	1
YVOIR	28,116	149
<b>Municipalities</b>	<b>1,739,890</b>	<b>362,751</b>
<b>IDEFIN</b>	<b>8,615,084</b>	<b>1,921,885</b>
<b>IPFH*</b>	<b>16,717,723</b>	<b>12,895,949</b>
<b>FINEST</b>	<b>2,504,369</b>	<b>-</b>
<b>SOFILUX</b>	<b>6,865,148</b>	<b>590,495</b>
<b>FINIMO</b>	<b>3,280,295</b>	<b>-</b>
<b>IPFBW</b>	<b>5,415,001</b>	<b>3,601,023</b>
<b>IEG</b>	<b>956,123</b>	<b>754,247</b>
<b>IFIGA</b>	<b>102,000</b>	<b>-</b>
<b>IGRETEC</b>	<b>2</b>	<b>2</b>
<b>IPF</b>	<b>44,455,745</b>	<b>19,763,601</b>
<b>Total</b>	<b>46,195,635</b>	<b>20,126,352</b>
<b>Total shares Electricity + Gas</b>	<b>66,321,987</b>	

\* change of name on 8 March 2021 to CENEO

The background of the page is a photograph of a window with blue horizontal blinds. A yellow rectangular overlay is positioned on the left side of the page, partially covering the window. On this yellow overlay, the Roman numeral 'IX' is written in a large, white, serif font. Below the numeral, the words 'GRI INDEX' are written in a smaller, black, sans-serif font. There is also a faint, light-colored watermark of a stylized figure or logo on the yellow background.

IX

GRI INDEX





### Organisation profile

GRI 102	General disclosures	102-1	Name of the organisation	ORES and ORES Assets
GRI 102	General disclosures	102-2	Activities, brands, products and services	See section on "Presentation of the company", pages 6 and 7.
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 is presented in the section on "Presentation of the company", page 7 – the main sites are also stated in the section on "Energy transition and the environment", page 16.
GRI 102	General disclosures	102-5	Capital and legal form	See the section on "Governance and transparency", page 59, as well as the Management Report – page 70. Furthermore, in accordance with the Code of Companies and Associations, which came into effect on 1 January 2020 and which replaces the Companies' Code, ORES and ORES Assets have opted for the form of a cooperative company instead of a limited liability cooperative company.
GRI 102	General disclosures	102-6	Markets served	See the section on "Presentation of the company", page 7.
GRI 102	General disclosures	102-7	Size of the organisation	See the section on "Presentation of the company", page 6.
GRI 102	General disclosures	102-8	Information about employees and other workers	See the section on "Corporate Culture and wellbeing at work", page 54.
GRI 102	General disclosures	102-9	Supply chain	See the section on "Ethics and fair practices", page 65.
GRI 102	General disclosures	102-10	Significant changes to the organisation and its supply chain	NA
GRI 102	General disclosures	102-11	Principle of precaution or preventative approach	See "Description of the main risks and uncertainties facing the company", page 80.
GRI 102	General disclosures	102-12	External initiatives	Walloon Public Lighting Charter – Internet of Energy
GRI 102	General disclosures	102-13	Membership of associations	Ciriec – E.DSO - Gas.be - Synergrid - UVCW - UWE

### Strategy

GRI 102	General disclosures	102-14	Statement from senior decision-maker	See Introductory message, pages 4 and 5.
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### Ethics and integrity

GRI 102	General disclosures	102-16	Mechanism for advice and management of concerns about ethics	See the sections on "Ethics and Fair Practices", page 65 and "Remuneration reports", section on Presentation of the management bodies, page 144.
GRI 102	General disclosures	102-17	Mechanism for advice and management of concerns about ethics	Ethics charter for staff members – 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 different committees and their respective roles are described in the Remuneration Report. Additional information available in the articles of association, the Corporate Governance Charter and the Internal Regulations.
GRI 102	General disclosures	102-19	Delegation of authority	The Board of Directors may delegate - with the option of sub-delegation - the day-to-day management of the company and the representation of the company with regard to this management to the person who is the Chairman of the ORES Executive Board. In the context of day-to-day management, the person delegated may sub-delegate special powers to company employees and particularly to members of the Executive Board. For ORES Assets, the delegation is made to the benefit of the Chairman of the Executive Board. 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 Board in accordance with the Code of Companies and Associations. In matters and for questions relating to the day-to-day management, as entrusted by the Board of Directors and sub-delegated by the person delegated to day-to-day management, the Board of Directors deliberates and issues recommendations each time one of its members (including the Chairman) so requests. The ORES Board of Directors appoints and dismisses the Chairman of the Executive Board after consulting the Appointments and Remuneration Committee. The Chairman of the Executive Board 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 Board through an appendix to the Corporate Governance Charter.



GRI 102	General disclosures	102-21	Consulting stakeholders on economic and social issues	<p>The Board of Directors meets at regular intervals, and at least six times per year, under the leadership of its Chairman in order to, as far as ORES is concerned, after its various Committees have expressed their views regarding their respective areas of expertise, fulfil the different roles described in the corporate governance charter. Additional information is available in the Corporate Governance Charter and the Internal Regulations.</p> <p>As part of the (re)definition of its major sustainable development issues and establishing its materiality matrix - see the "Corporate social responsibility and sustainable development" section, page 12 - the company invited 35 stakeholders, selected with regard to the place that ORES has in Walloon society, to take part in a discussion session on the issue. This meeting took place on 11 December 2020 and brought together, in addition to managers from ORES, 18 representatives of stakeholders, among various players from the energy sector, including the Belgian Federation of Electricity and Gas Companies, the Walloon market regulator (CWaPE), representatives of the public authorities (ministerial offices and the Walloon Public Services for energy and sustainable development, the Union of Walloon Cities and Municipalities, the Federation of Walloon PCSWs, Inter-Environment Wallonia, the City of Charleroi, the Walloon network combating energy poverty and the Walloon network for sustainable access to energy, representatives from the academic world (ULiège – Université Catholique de Louvain) and trade federations (road-building and construction companies).</p> <p>In addition, four other stakeholders who were unable to take part in the exercise submitted their input via the materiality questionnaire sent ahead of the round table to all of the stakeholders consulted.</p>
GRI 102	General disclosures	102-22	Composition of the highest governance body and its committees	See the section on "Remuneration reports", page 142.
GRI 102	General disclosures	102-23	Chair of the highest governance body	See the section on "Remuneration reports", page 142.
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, with the exception of the Chair of the Executive Board. 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.





GRI 102	General disclosures	102-26	Role of the highest governance body in setting purpose, values and strategy	See the section on "Governance and transparency", page 59 and Remuneration Report page 142.
GRI 102	General disclosures	102-27	Collective knowledge of the highest governance body	See the section on "Governance and Transparency", page 59 and Remuneration Report, page 142.
GRI 102	General disclosures	102-28	Evaluation of the performance of the highest governance body	The Board of Directors reviews and evaluates: <ul style="list-style-type: none"> <li>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 Bureau;</li> <li>2) every year, the performance of the Chairman of the Executive Board and, at the proposal of the Chairman of the Executive Board, other members of the Executive Board, within the context of the procedure relating to determining the proportion of their remuneration linked to performance.</li> </ul>
GRI 102	General disclosures	102-29	Identifying and managing economic, environmental and social impacts	See the section on "Governance and transparency", page 12 and Management Report, page 70.
GRI 102	General disclosures	102-30	Effectiveness of risk management processes	The roles of the Board of Directors include examining and analysing the company's financial targets, including in particular in terms of risk profiles and allocating resources and taking into account tariffs to be approved/already approved by the regulator. It is also stipulated that, once a year, a meeting of the Board of Directors addresses the company's strategy. During the year, an update is given on its progress. The Audit Committee and the Executive Board carry out an annual evaluation.
GRI 102	General disclosures	102-31	Review of economic, environmental and social issues	This review is completed: <ul style="list-style-type: none"> <li>1) annually in the Management Report (risk report)</li> <li>2) quarterly (summary report on main performance indicators)</li> </ul>
GRI 102	General disclosures	102-32	Highest governance body's role in reporting on sustainable development	The Board of Directors approves the policy for reporting on sustainable development, analyses all of the supporting documents for the annual report and submits them to the General Meeting for approval.
GRI 102	General disclosures	102-33	Communicating critical concerns	See Management Report – Description of key risks and uncertainties faced by the company, page 80.
GRI 102	General disclosures	102-34	Nature and total number of critical concerns	See Management Report – description of key risks and uncertainties faced by the company, page 80.
GRI 102	General disclosures	102-35	Remuneration Policies	See the section on "Remuneration Report", page 142.



GRI 102	General disclosures	102-36	Process 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 Board and the directors for fulfilling specific roles as well as those of the Chairman of the Management Committee are determined by the Board of Directors on the recommendation of the 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	<p>The organisation is required to provide the following information:</p> <p>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.</p> <p>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:</p> <p>4.4.1 identify the highest paid person for the reporting period, as defined by the total remuneration: <b>Chairman of the Executive Board</b></p> <p>4.4.2 calculate the total average annual remuneration for all employees, with the exception of the highest paid person: <b>49,990.61</b></p> <p>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. <b>543%</b></p> <p>4.5 when compiling the information stated in the Element of information 102-38, the organisation must:</p> <p>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</p> <p>4.5.1.1 state whether full-time and part-time employees are included in the calculation; <b>basic pay</b> <b>bonus</b> <b>CLA90</b></p> <p>4.5.1.2 state whether full-time and part-time employees are included in the calculation; <b>yes</b></p> <p>4.5.1.3 state whether full-time equivalent pay rates are used for each part-time employee; <b>yes</b></p> <p>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; <b>ORES</b></p> <p>4.5.2 based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:</p> <p>4.5.2.1 base salary: monetary remuneration guaranteed in the short term and non-variable;</p> <p>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;</p> <p>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.</p>



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; <b>Chairman of the Executive Board</b> 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; <b>5.88 % (*)</b> <i>(*) Managing Director – Self-employed status as a natural person from 1/1/2018 to 31/5/2018 and salaried status from 1/6/2018 under the decree</i> 4.6.3 calculate the average total annual remuneration for all employees, with the exception of the highest paid person; <b>49,990.61</b> 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; <b>3.26 %</b> 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 <b>181 %</b> 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; <b>basic pay</b> <b>bonus</b> <b>CLA90</b> 4.7.1.2 state whether full-time and part-time employees are included in the calculation; <b>yes</b> 4.7.1.3 state whether full-time equivalent pay rates are used for each part-time employee; <b>yes</b> 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; <b>ORES</b> 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.
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### Commitment of stakeholders

GRI 102	General disclosures	102-40	List of stakeholder groups	See the section on "Corporate social responsibility and sustainable development", page 12 and point 102-21 above.
GRI 102	General disclosures	102-41	Collective Bargaining Agreements	100 %
GRI 102	General disclosures	102-42	Identifying and selecting stakeholders	See the section on "Corporate social responsibility and sustainable development", page 12 and point 102-21 above.



GRI 102	General disclosures	102-43	Approach to stakeholder involvement	See the section on “Corporate social responsibility and sustainable development”, page 12 and point 102-21 above.
GRI 102	General disclosures	102-44	Key topics and concerns raised	See the section on “Corporate Social Responsibility and Sustainable Development”, page 12.

### Reporting method

GRI 102	General disclosures	102-45	Entities included in the consolidated financial statements	ORES Assets, ORES, Connexio and Atrias
GRI 102	General disclosures	102-46	Defining report content and topic boundaries	See the section on “Corporate Social Responsibility and Sustainable Development”, page 12.
GRI 102	General disclosures	102-47	List of pertinent issues	See the section on “Corporate Social Responsibility and Sustainable Development”, page 12.
GRI 102	General disclosures	102-48	Restatement of information	NA
GRI 102	General disclosures	102-49	Changes in reporting	NA
GRI 102	General disclosures	102-50	Reporting period	Financial year 2020
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 – Spokesperson and CSR Coordinator <a href="mailto:jeanmichel.brebant@ores.be">jeanmichel.brebant@ores.be</a>
GRI 102	General disclosures	102-54	Reporting declarations in accordance with GRI standards	This annual report has been prepared in accordance with GRI standards: Core option.
GRI 102	General disclosures	102-55	GRI content index	See page 174.

### Specific elements

GRI 201	Economic performance	201-1	Direct economic value generated and distributed	The reader is referred to the organisation’s Annual Financial Statements.
GRI 201	Economic performance	201-2	Financial implications and other risks due to climate change	See the section on “Management report”, page 83
GRI 201	Economic performance	201-4	Government financial aid	The Group benefits from a grant from the Walloon Region for a general interest industrial research project about smart meters (“Smart Users” project). In addition, a project called “Interpreter” about network modelling in the context of digitalisation – smart grids and smart meters – focusing on efficiency and sustainability, will receive funding from the European Commission under the Horizon 2020 programme.
GRI 205	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	See the section on “Fair practices, respect for human rights and anti-corruption”, page 65.
GRI 302	Energy	302-1	Energy consumption within the organisation	See the section on “Energy transition and the environment”, pages 27 and 28.
GRI 302	Energy	302-4	Reduction of energy consumption	See the section on “Energy transition and the environment”, page 28.



GRI 306	Effluent and waste	306-2	Waste by type and disposal method	See the section on "Energy transition and the environment", page 30.
GRI 306	Effluent and waste	306-4	Transport of hazardous waste	See the section on "Energy transition and the environment", page 30.
GRI 307	Environmental compliance	307-1	Non-compliance with environmental laws and regulations	No non-compliance during the reporting period.
GRI 401	Employment	401-1	Recruitment of new employees and staff turnover	

The organisation must provide information about the following:	2018			2019			2020				
	Male	Female	Total	Male	Female	Total	Male	Female	Total		
a. The total number of employees and the recruitment rate of new employees during the reporting period, by age group, gender and region.	Region = Wallonia										
	<b>Number of entries</b>										
	<30	70	34	104	65	41	106	35	14	49	
	>=30	<50	57	39	96	40	43	83	39	18	57
		>=50	4	0	4	2	2	4	1	0	1
			131	73	204	107	86	193	75	32	107
	Recruitment rate	8,24%	9,95%	8,78%	6,60%	10,90%	8,01%				
		out of the male population	out of the female population	out of the total population	out of the male population	out of the female population	out of the total population	out of the male population	out of the female population	out of the total population	
b. The total number of employees and the churn rate of staff during the reporting period, by age group, gender and region.	Region = Wallonia										
	<b>Number of departures</b>										
	<30	19	16	35	20	11	31	20	10	30	
	>=30	<50	21	13	34	20	13	33	20	42	62
		>=50	21	1	22	14	1	15	38	7	45
			61	30	91	54	25	79	78	59	137
	Churn rate	-3,84%	-4,09%	-3,92%	-3,33%	-3,17%	-3,28%				
		out of the male population	out of the female population	out of the total population	out of the male population	out of the female population	out of the total population	out of the male population	out of the female population	out of the total population	



GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	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 and disability care	Included in the group insurance, with employer and personal contributions. Pursuant to CLA 64 of 29/4/1997:
			iv. parental leave	contractual parental leave / parental leave as part of career breaks.
			v. professional retirement	Included in the group insurance, with employer and personal contributions
			vi. staff shareholding	DNA
			vii. other benefits	Rate benefits, Social fund

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

	2018	2019	2020			
a. The total number of employees entitled to parental leave, by gender.						
Male	690	691	692			
Female	309	296	290			
<b>Total</b>	<b>999</b>	<b>987</b>	<b>982</b>			
b. The total number of employees taking parental leave, by gender.						
Male	75	78	111			
Female	77	69	151			
<b>Total</b>	<b>152</b>	<b>147</b>	<b>262</b>			
c. The total number of employees returning to work during the reporting period at the end of their parental leave.						
Male	34	30	58			
Female	20	22	39			
<b>Total</b>	<b>54</b>	<b>52</b>	<b>97</b>			
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.						
Male	85	92	138			
Female	98	94	109			
<b>Total</b>	<b>183</b>	<b>186</b>	<b>247</b>			
e. Rates of returning to work and retention of employees taking parental leave, by gender.						
	Returning	Retention	Returning	Retention	Returning	Retention
Male	45,33%	71,76%	38,46%	70,65%	52,25%	88,99%
Female	25,97%	72,45%	31,88%	77,66%	25,83%	70,64%
<b>Total</b>	<b>35,53%</b>	<b>72,13%</b>	<b>35,37%</b>	<b>74,19%</b>	<b>37,02%</b>	<b>70,45%</b>





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 head office from Louvain-la-Neuve to Gosselies, planned 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	2020 saw social elections held, which led to the appointment of worker representatives on the company's 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 the section on "Corporate culture and wellbeing at work", page 56.
GRI 403	Health and safety	403-3	Workers with a high incidence and risk of occupational diseases	ORES carries out an inventory of workers with a risk of exposure to asbestos, organises their medical care and regularly reviews and adapts working methods to ensure low exposure. The company is of the opinion that the risk of occupational illness is not 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 the section on "Corporate culture and wellbeing at work", page 58.
GRI 404	Training and education	404-2	Programmes for upgrading employee skills and transition assistance programmes	See the section on "Corporate culture and wellbeing at work", page 58.



GRI 404	Training and education	404-3	Percentage of employees receiving regular performance and career development reviews	<p>The organisation is required to provide information about the following:</p> <p>The percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period:</p>																				
				<table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Senior management</td> <td>100%</td> <td>100%</td> <td><b>100%</b></td> </tr> <tr> <td>Executives</td> <td>100%</td> <td>100%</td> <td><b>100%</b></td> </tr> <tr> <td>Supervisors</td> <td>0.39%</td> <td>0%</td> <td><b>0.39%</b></td> </tr> <tr> <td>Employees</td> <td>0%</td> <td>0%</td> <td><b>0%</b></td> </tr> </tbody> </table>		Male	Female	Total	Senior management	100%	100%	<b>100%</b>	Executives	100%	100%	<b>100%</b>	Supervisors	0.39%	0%	<b>0.39%</b>	Employees	0%	0%	<b>0%</b>
	Male	Female	Total																					
Senior management	100%	100%	<b>100%</b>																					
Executives	100%	100%	<b>100%</b>																					
Supervisors	0.39%	0%	<b>0.39%</b>																					
Employees	0%	0%	<b>0%</b>																					
				<p>It should be noted here that a “new working conditions” sliding scale system was introduced for employees and supervisors on 1 January 2020. For more details, see the section on “Corporate culture and wellbeing at work”, page 58.</p>																				
GRI 405	Diversity and equal opportunities	405-1	Diversity of governance bodies and employees	<p>The organisation is required to provide information about the following:</p> <p>a. The percentage of individuals who are members of the organisation’s governance bodies in each of the following diversity categories:</p>																				
				<table border="1"> <thead> <tr> <th>Gender and Age group</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>&lt;30</td> <td>0.00%</td> <td>0.00%</td> </tr> <tr> <td>&gt;=30 &lt;50</td> <td>0.13%</td> <td>0.04%</td> </tr> <tr> <td>&gt;=50</td> <td>0.13%</td> <td>0.13%</td> </tr> <tr> <td></td> <td><b>0.25%</b></td> <td><b>0.13%</b></td> </tr> </tbody> </table>	Gender and Age group	Male	Female	<30	0.00%	0.00%	>=30 <50	0.13%	0.04%	>=50	0.13%	0.13%		<b>0.25%</b>	<b>0.13%</b>					
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>=50	0.13%	0.13%																						
	<b>0.25%</b>	<b>0.13%</b>																						
				<p>b. The percentage of employees per employee category and per diversity category – see the section on “Corporate culture and wellbeing at work”, page 57.</p>																				
GRI 405	Diversity and equal opportunities	405-2	Ratio of basic salary and remuneration of women to men	<p>The organisation is required to provide information about the following:</p> <p>The ratio of the basic salary and the remuneration for women to men for each professional category, by major operating site.</p> <p>No “major operating sites”, but consolidated results for a single region, i.e. the ORES territory in the Walloon Region.</p>																				
				<table border="1"> <thead> <tr> <th>Ratio Female/Male</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>Senior management</td> <td>-2.74%</td> </tr> <tr> <td>Executives</td> <td>-12.45%</td> </tr> <tr> <td>Supervisors</td> <td>-10.90%</td> </tr> <tr> <td>Employees</td> <td>-0.37%</td> </tr> <tr> <td><b>Total</b></td> <td><b>-6.04%</b></td> </tr> </tbody> </table>	Ratio Female/Male	2020	Senior management	-2.74%	Executives	-12.45%	Supervisors	-10.90%	Employees	-0.37%	<b>Total</b>	<b>-6.04%</b>								
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GRI 412	Assessment of human rights	412-3	Major investment agreements and contracts featuring clauses relating to human rights or human rights compliance records	See the section on "Ethics and fair practices", page 65.
GRI 414	Social assessment of suppliers	414-1	New suppliers analysed using social criteria	See the section on "Ethics and fair practices", page 65.
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.
GRI 418	Customer data privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Four substantiated complaints out of a total of eight complaints received during the reporting period.



## Contacts

ORES - Avenue Jean Mermoz, 14  
6041 Gosselies  
[www.ores.be](http://www.ores.be)

Customer service	078 15 78 01
Breakdown service	078 78 78 00
Emergency gas smell	0800 87 087