Annual Report
ORES
2022

ORES

NAME AND FORM
ORES. Cooperative company. CBE Number 0897.436.971

HEAD OFFICE
Avenue Jean Mermoz 14, 6041 Gosselies.

INCORPORATION
Deed of incorporation published in the Appendices to the Moniteur belge (Belgian Official Gasette) of 10 January 2014 under number 1402014.

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 13th July 2020 under number 20079215.

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INTRODUCTION

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1. Message from the Chairman of the Executive Board

LOOKING BACK AT AN EXTRAORDINARY YEAR

War in Ukraine, widespread shortages, inflation, exploding energy prices: 2022 will be remembered as an exceptional year for all of the hardships it brought. Our industry was affected by the global energy crisis, which began in 2021 just as the strong post-Covid-19 economic recovery got underway. Problems were further intensified with Russia's invasion of Ukraine. And the energy price shock, the like of which had not been seen since the 1970s, disrupted the lives of private individuals and businesses alike, often with very painful economic consequences.

Operating at the heart of the electricity and gas market in Wallonia, ORES faced up to the responsibilities incumbent upon it, with the crisis underlining the importance of the role we play and the relevance of the way we see our way forward. It's up to us, even more than before, to act as the driving force of energy transition, as well as to ensure the inclusion of everyone within this dynamic and to work with our stakeholders so that we can be close to our customers in a way that is more essential than ever.

In 2022, our historical local roots were consolidated by the Walloon Government's decisions to renew the management mandates for the electricity and gas distribution networks of the 262 Walloon towns and municipalities for the period from 2023 to 2043. ORES was confirmed as the leading network manager in the Region and we will be managing these networks in 195 municipalities for electricity and 117 for gas in the future. We are proud of this accolade and intend fully to live up to the trust that the municipal board and local councils have placed in us by selecting ORES as their proposed energy supplier. This choice underlines the pursuit of our ambitions – and in particular in the implementation of the means, infrastructures and systems that will make it possible to facilitate energy transition at a regional and local government level.

Because, despite a background of permanent crisis, the challenges of energy transition, mitigating climate change and decarbonising society by 2050 have not disappeared. The three destructive storms that hit our networks successively in February 2022 served as a powerful reminder of this. The path chosen for achieving this transition involves the massive and accelerated development of renewable energy. This will enable us to progress towards greater energy independence in Europe. To help us prepare for these challenges, which will have a direct and rapid effect on us, ORES commissioned an in-depth analysis in 2022 to identify the societal changes at stake – both current and future – and, above all, the consequences they are going to have on our distribution networks. A number of evolutionary scenarios were identified from the analysis, enabling us to outline our new industrial plan. Fundamental changes are expected in methods of production, mobility and heating. These changes will require networks that are more resilient, smarter and capable of operating more flexibly. And the aim of this ambitious industrial plan is to make us part of these major changes.

It was with this aim in mind, coupled with our desire to continue making distribution tariffs an element of stability in the energy bills of people and businesses in Wallonia, that our teams also worked during the year to prepare our reactions and proposals with regard to the Walloon regulator's new tariff methodology. Energy transition will require greater investment in the networks and the method of financing these investments is at the heart of the debate. The next tariff period, initially scheduled to run from 2024 to 2028, was postponed until the end of October by the CWaPE, which decided to put it back a calendar year to give all of the parties involved the time they need to conduct a quality consultation process. As a result, the new tariff period will run from 2025 to 2029, with 2024 acting as a transitional year between the two tariff periods and continuing the methodology that applies currently.

Energy transition will also inevitably rely on increased digitalisation and the use of data in new market processes – such as energy sharing – and in the targeting of network investments. This process will include smart meters and intelligent networks, with more frequent and faster transfers of data between the various parties involved in the market. The new unified data exchange platform for the gas and electricity sectors began operating at the end of 2021. For the vast majority of customers, the transition to this new platform passed off without difficulty. But the system also suffered from teething problems and thousands of customers found themselves having to contend with problems throughout 2022, some of which are still continuing today. Faced with these persistent difficulties, we also took robust measures to strengthen our IT teams and the people in charge of managing individual customer cases, as well as adding to the staff at our call centre. This is another area in which we aim to assume our responsibilities, especially when things do not always go to plan.

This is also the case for the social and public service work we do, helping the customers most affected by the explosion in energy prices. And there is no doubt about it: fuel poverty has gained ground in recent months. As part of our role as a social provider, we have not only carried out the additional protective measures ordered by the authorities, but we have also gone further by supporting customers in difficulty as part of a highly individualised approach. In addition, we have worked closely with the PCSWs and social housing companies to authorise a minimum supply in the most problematic cases. And the winter tariff shield – meaning a freeze on the collection of unpaid bills, a freeze on instalments and a freeze on prices – has also been pre-financed by our company.

In addition to reporting on the elements relating to our financial statements for the financial year, this 2022 annual report also reviews these various events and the achievements and non-financial results of our company. It also outlines the prospects for the coming months against a background subject to extremes of change. This report also reaffirms our aspirations and our wish to take on our responsibilities, fully and in the long term, by not leaving anyone stranded by the wayside and by monitoring the quality of the local relationships we enjoy with all of our stakeholders.

I hope you enjoy reading this report.

Fernand Grifnée
Chairman of the Executive Board

«Our energy and expertise working on behalf of local energy transition for all»

2. Presentation of the company

The vision of ORES sums up in one sentence the main lines along which the company's aims and ambitions run: we want to be a real driver of the energy transition process. At the same time, ORES ensures that everyone is included in the energy system and the way it develops. Since it was first created, the company has been part of the local socio-economic fabric and has maintained close relations with its stakeholders. And, whenever it makes sense from a societal point of view, ORES is always ready and willing to usefully fulfil any new missions that may be entrusted to it.

Faced with the dangers of global warming and environmental breakdown, Wallonia has committed to following the European Green Deal policy – for CO2 emissions to be 55% lower by 2030 – and to be carbon-neutral by 2050. If we want to leave a sustainable world for future generations, it is essential that we reduce our carbon footprint dramatically by using less energy and by ensuring that the energy we do use is cleaner.

Achieving these aims will only be possible if we initiate significant changes to the way we produce energy, the way we travel and move around and the way we heat ourselves. These changes all have a single common denominator: the energy distribution networks. As the leading distributor of energy in Wallonia, ORES is at the heart of these changes and the company fully intends to play its role in speeding up energy transition.

In fact, the network will be one of society's main allies in gradually reducing its own dependence on fossil fuels and by acting in favour of the climate. In practical terms, ORES will transform its distribution infrastructures by strengthening the capacity of its networks to accommodate the production of energy from renewable sources, as well as the development of electric mobility and decarbonised heating methods.

This challenge is both environmental and social. ORES wants to achieve energy transition for all and is making every effort to improve social inclusion in terms of access to that transition (decentralised production, renewable energy communities, etc.). So that every citizen – as well as every business and every public service – can take full advantage of market innovations to reduce their consumption. We also want our customers to consume renewable energy produced near their home or business, at the best time and at an affordable price. We firmly believe that it is possible to build a fair and inclusive energy transition together – and this is the purpose of our corporate strategy and our industrial plan.

OUR COMMITMENT – EVERY DAY

The 2,500 or so members of ORES staff are responsible on a daily basis for managing and operating the electricity and/or gas distribution networks, as well as the public lighting networks, in more than three out of four municipalities in Wallonia. Our company is constantly making ambitious and targeted investments in these networks so that we can guarantee high-quality power and lighting to all of the consumers we serve and supply. In a context of accelerated energy transition, the trend today is clearly towards the progressive, wide-scale electrification of power requirements. The management of networks and the way the energy markets operate are becoming increasingly complex: more renewable energy, more electricity injected into low-voltage networks, the need for more flexibility – and higher expectations from consumers.

The health and energy crises we have lived through over the past three years – in particular the explosion in energy prices in 2022 – have once again underlined the important role played by public utility companies and by the network managers in particular. They will need to invest appropriately in the infrastructure and systems that make it possible guarantee energy supplies to customers. And, at the same time, those sections of the population weakened by the various crises require specific support. This is part of our public service obligations and something that we have strengthened over the past year, in line with the aid measures decreed by the authorities.

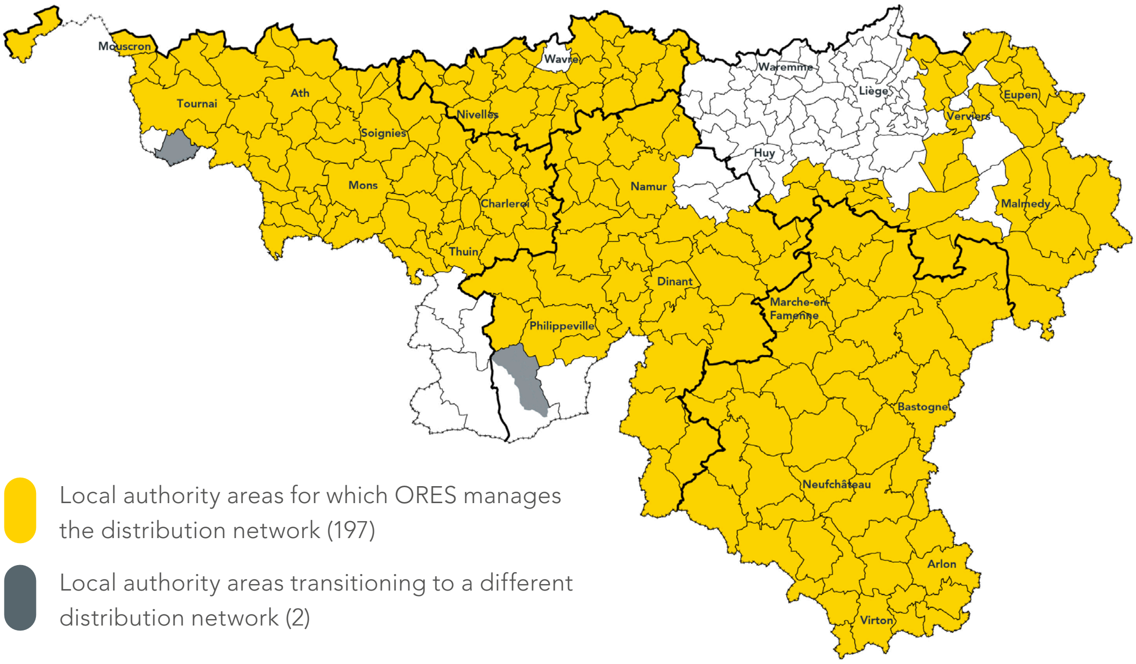
The impact of climate change on ORES also continues to be felt. Although 2022 as a whole was generally mild in terms of weather events, the year began in February with three successive storms that hit the entire western half of our territory and Picardy Wallonia in particular. Once again, our technical teams stepped up to the mark and were on hand to assist. In the end, thanks to everyone's involvement – with reinforcements drafted in from the regions spared by the bad weather – customers suffered only limited power cuts.

AREAS OF ACTIVITY

At the end of the procedure for renewing the management mandates for the electricity and gas distribution networks for the period 2023-2043, which was completed at the end of 2022, ORES's areas of activity changed little compared with the situation in 2021. Our company was confirmed as the main network manager in practically all associated towns and local authority areas. Once the transfer paperwork for the areas changing manager has been completed, our teams will manage the electricity distribution networks for 195 towns and municipalities. For gas, our territory is expanding slightly following the adjustment of past situations and a number of developments near existing networks on the outskirts of new municipalities. In all, we have been appointed as the gas distribution network manager in 117 towns and local authority areas.

The maps below show the situation at the end of the procedure and from the end of February 2023.

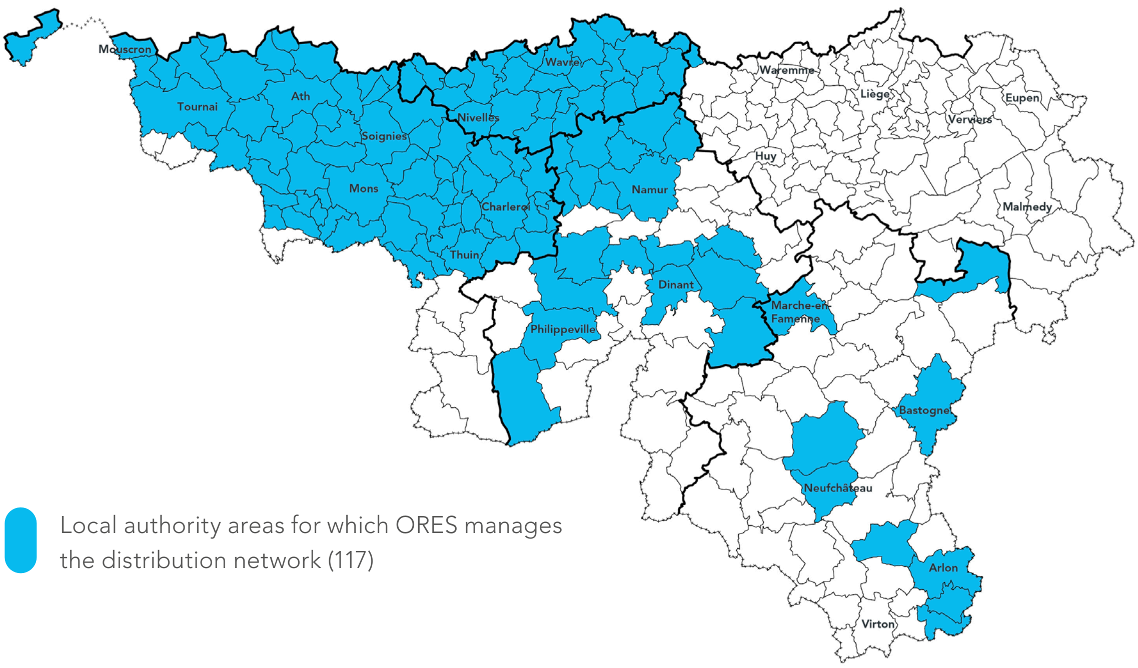
ELECTRICITY



Local authority areas for which ORES manages the distribution network (197)

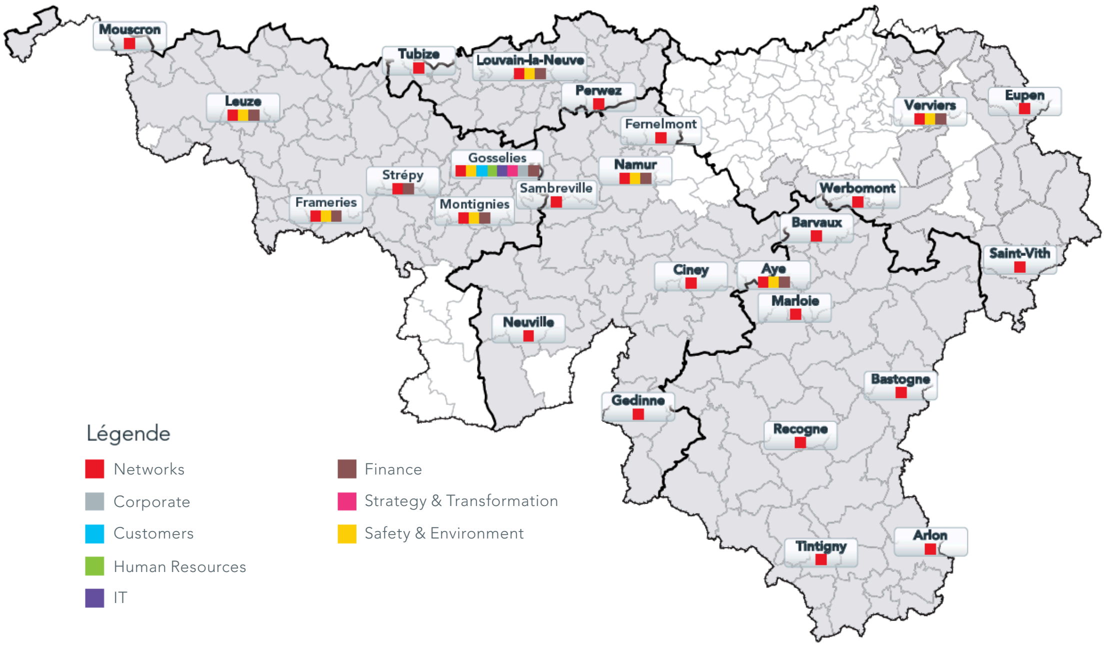
Local authority areas transitioning to a different distribution network (2)

GAS



Local authority areas for which ORES manages the distribution network (117)

The map below shows all of the ORES locations in Wallonia at the end of 2022, identifying the divisions, departments or businesses conducted in each of these locations.



For the towns and local authorities, customers and partners of ORES, this organisation ensures that there is efficient and effective local service across the whole of the territory covered by our company.

PREPARING FOR THE FUTURE

Over the past five years, ORES has invested more than 1.5 billion euros in its distribution networks. These investments will focus even more in the coming years on developments related to energy transition and the fight against global warming. To enable us to target these investments as accurately as possible, on the basis of current and future societal changes, in 2022 we commissioned an overall study from the consultancy firm, Climact, which assists numerous public and private organisations. This study developed a range of different scenarios about how the carbon-neutrality targeted by the Walloon Region by 2050 will play out. The study, and in particular the avenues explored by a median evolution scenario, will serve as a basis for defining our future investment policies, taking into account the projected developments in renewable electricity production, the large-scale arrival of electric vehicles and the changes expected in terms of heating buildings.

In the area of renewable electricity, ORES has connected more than 174,000 local electricity production units (wind, photovoltaic, hydro or biomass) to its electricity networks since it was created. In 2022, nearly 22,000 new production units were added to the existing stock on our network. During the year, a little under 3,220 GWh of green electricity was injected into the grid from large production units with a power in excess of 10 kVA. That corresponds to 26.5% of the total electricity transmitted across the ORES network. Added to this were the injections of power generated by small residential units. In terms of green gas, three biomethanisation units are busy injecting gas into our distribution network and the equivalent of about 10,000 households now consume gas produced locally from organic waste generated in particular from agriculture.

We are also working on the development of innovative solutions designed to contribute towards the development of the injection of electricity from renewable sources into our networks and to accelerate energy transition, in particular through the use of artificial intelligence to avoid network congestion and to support renewable energy community projects. The electricity grid and the way it is operated and managed is evolving and adapting to new flows of energy, as well as to the intermittent nature of renewable energy production, bidirectional flows and, above all, to the considerable increase in electricity needs that is expected in the coming years.

Finally, ORES is convinced that energy and ecological transition must be accessible to all. We must progress in an inclusive and positive way towards providing greener energy by involving all Walloons in the process, including those among us who are in vulnerable or economically weakened situations. Our company is taking on its responsibilities in this respect too, so that transition can be a source of progress, employment and prosperity for the whole community. All of these aspects of what we do are discussed in the following pages.

I. ACTIVITY AND SUSTAINABLE DEVELOPMENT REPORT

II

1. A look back at 2022: the highlights, in figures and events

Our teams…

2.495 employees

33% women
and **67%** men

23,8 h of training
(average per employee)

manage over 1.9 million supply points.

Electricity 1,396,220
Gas 526,202

The length of our networks is in excess of 62,000 km

Electricity 52,522 km
Gas 10,161 km

and manage over 65,000 prepayment meters on our network

Electricity 46,158
Gas 19,280

We supply energy to almost 60,000 protected customers

Electricity 39,475 customers
Gas 19,643 customers

We distribute more than 25 million MWh of energy per year.

Electricity 12,139,144 MWh
Gas 16,478,685 MWh*

Our overall turnover is in excess of a billion euros…

Consolidated turnover
1,049 millions €

with huge investments in the networks to ensure quality of service and energy transition.

Total gross investments
325.5 millions €

…
and we also maintain a network of public lighting of

467,595 light fixtures
with **32,300** repairs per year

ERRATUM

* A clerical error was made in the text of the annual reports. The correct wording should be as follows:

We distribute almost 25 million MWh of energy per year

Electricity : 12,139,144 MWh
Gas : 12,685,709 MWh

2022 at a glance…

JANUARY

An agreement is signed between ORES and Proximus under which the telecoms operator can use electricity poles to carry optical fibre to households and businesses.

This solution helps to speed up the rollout of fibre in Wallonia, with less inconvenience and fewer disruptions for the environment.

ORES gains "Top Employer" certification for the first time, recognising its HR policy and the focus it places on wellbeing within the company, as well as the engagement of all its teams.

FEBRUARY

In the space of five days, three successive storms rage across Wallonia, causing extensive damage to the networks, particularly in the west of the Region. The result: more than 12,000 calls from customers, 1,600 individual repair jobs on the ground and, in the end, thanks to the commitment and solidarity of all the ORES teams, disruptions are brought under control.

MARCH

A first of its kind in Wallonia: ORES installs a structure on an electricity pole in Lessines, in a known nesting area, to accommodate a storks' nest.

Schneider Electric is appointed as supplier of the new Advanced Dynamic Distribution Management System (ADMS), an essential tool for achieving energy transition and preparing for increased demands on power grids in the years to come.

MAY

Launch of LogisCER, a renewable energy community (REC) project in social housing for the Logivesdre intermunicipal company in Verviers. Conducted in conjunction with sociologists from UMons, the project enables 18 tenant households to share locally produced electricity and better control their energy bills.

JUNE

The project to convert the distribution network to rich gas takes another step forward. On 1st June, after several months of preparation and work, the 2,500 households served in the municipality of Rebecq are successfully switched to rich gas. The final two phases of the project will follow in 2023 and 2024.

JULY-AUGUST

The ORES Training department launches the Summer Camp 2022 initiative. Self-service e-learning modules are offered to staff throughout the summer. The programme includes webinars dealing with collaboration in the company, trust within teams and non-violent communication, as well as other content designed to help with the use of office automation applications.

SEPTEMBER

Against a background of soaring energy prices, ORES makes a proposal to the local authorities for which it manages public lighting to switch off the lights from 1st November or 1st December until 31st March, between midnight and 5.00 am. The aim is twofold: to participate in the collective effort to reduce power consumption and to limit the financial impact on municipal budgets. A total of 164 authorities request to have their public lighting switched off.

OCTOBER

Start of an in-house survey on wellbeing in the workplace. 70% of staff take part, enabling the survey to generate meaningful results. Three main trends come to the fore: strong and positive commitment to work; a shared feeling that the tasks performed are generally enjoyable; but also a definite need for recovery after work, with problems linked to the difficulty of concentrating or relaxing at the end of the day and the expression of a feeling of exhaustion. An action plan, geared to the needs of the company's various departments, is being prepared in 2023.

NOVEMBER

Official inauguration in the municipality of Bons Villers of the "Biométhane du Bois d'Arnelle" biomethanisation unit, connected to the distribution network the previous year. For Wallonia, the biomethane solution is a real opportunity for transition on the way to total decarbonisation, scheduled for 2050.

DÉCEMBER

The ORES head office is granted BREEAM certification. BREEAM is the international standard for assessing the impact of buildings on the environment. This distinction rewards the eco-responsible approach chosen for the design of the company headquarters. Within a few days, the new directions taken by the company's CSR policy are approved by the Board of Directors.

Closure of the legal procedure for renewing the mandates of the distribution system operators (DSOs) in Wallonia: at the end of December, the last Government Decrees designating the DSOs of the 262 Walloon municipalities were published in the Belgian Official Gazette. Officially appointed to manage the networks on the territory of 195 municipalities for electricity and 117 municipalities for gas, ORES remains the leading DSO in the Region.

2. Corporate Social Responsibility and Sustainable Development

The action carried out by ORES in relation to corporate social responsibility and sustainable development is based on the United Nations' 17 Sustainable Development Goals. In the context of the progress made by the European regulatory framework on sustainability and related reporting, our company decided on a new CSR policy for 2022 and structured its monitoring accordingly.

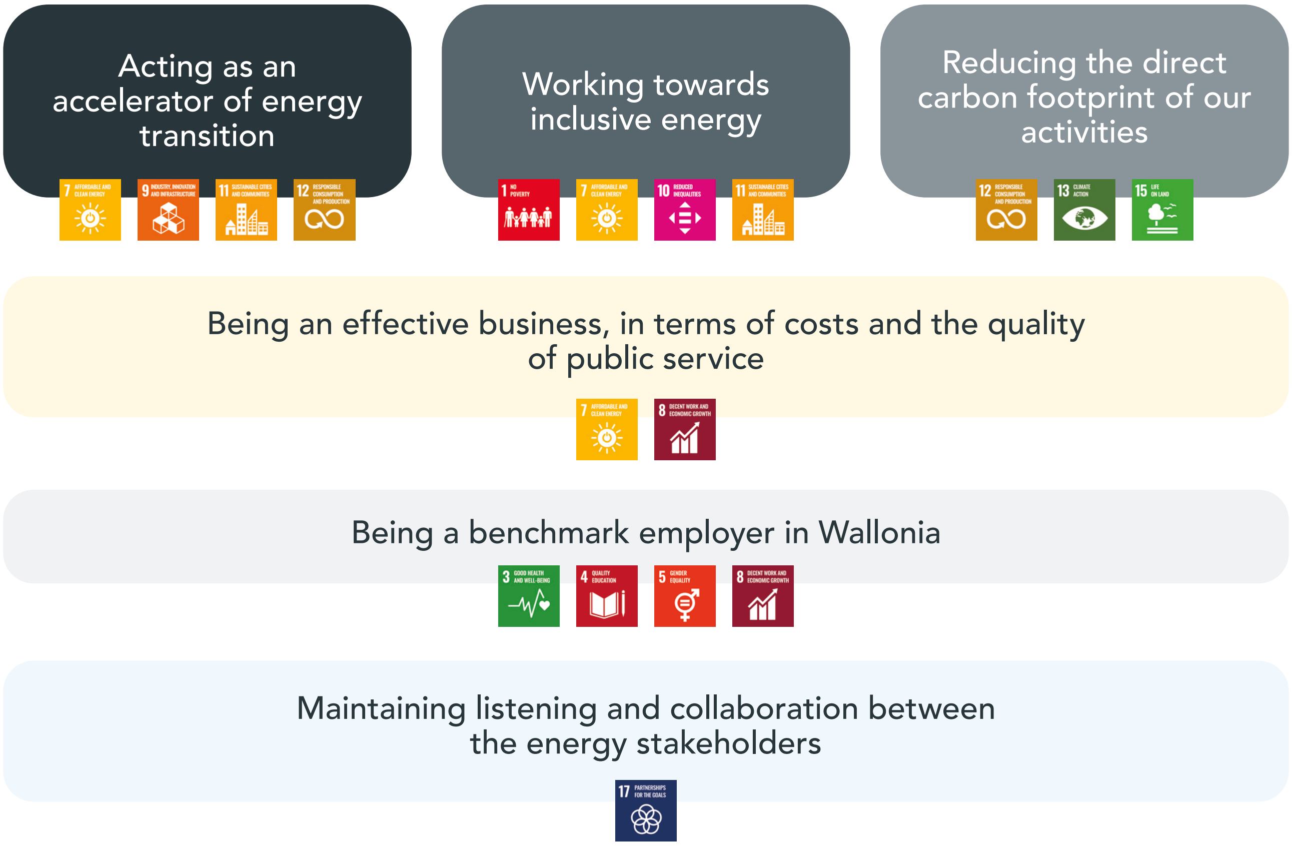
NEW IMPETUS

Since 2018, ORES has opted to structure and report on its sustainability approach based on the guidelines of the Global Reporting Initiative (GRI), which is one of the main standards recognised internationally. For comparative purposes, our economic, social, environmental and governance initiatives and performance are discussed in this report with reference to the GRI methodology (2016 version).

In 2021, the company sought to redefine its major sustainable development challenges. This was based on the results of the materiality exercise carried out with its stakeholders at the end of 2020 (see 2021 annual report). The matrix obtained at the end of this exercise reflected a general convergence of the major sustainable development issues.

Following the formulation of the 2021-2023 strategic plan, a company-wide working group was set up internally to assess the challenges and impacts facing the company on the most relevant sustainability themes relating to its activities. The aim was to develop an initial unified vision, aligned both with these major topics and with the company's strategic plan. In 2022, this work led to the definition of a new corporate social responsibility policy based on six major lines of action, grouping the main challenges in line with the United Nations' sustainable development targets. The lines of action for the policy are broken down into commitments that are themselves accompanied by monitoring indicators. This structured policy and the methods for its implementation were adopted by the Management Committee during the year and endorsed by the Board of Directors in December. The policy was then published on the ORES website.

SIX MAIN LINES OF ACTION LINKED TO THE SUSTAINABLE DEVELOPMENT GOALS



The action lines of the CSR policy and the related commitments are monitored through a dashboard of 28 indicators due to be operational by early 2023. This dashboard is not set in stone and will continue to evolve in line with current thinking and developments. Monitoring these indicators is handled by the CSR Coordination, a discussion and consultation body that was integrated into corporate governance in the autumn of 2022. CSR Coordination and its members, who represent all of the company's departments, ensure implementation of the commitments made. They identify potential CSR initiatives and support their development. These commitments and initiatives, as well as the monitoring indicators, are discussed in the following sections of this report.

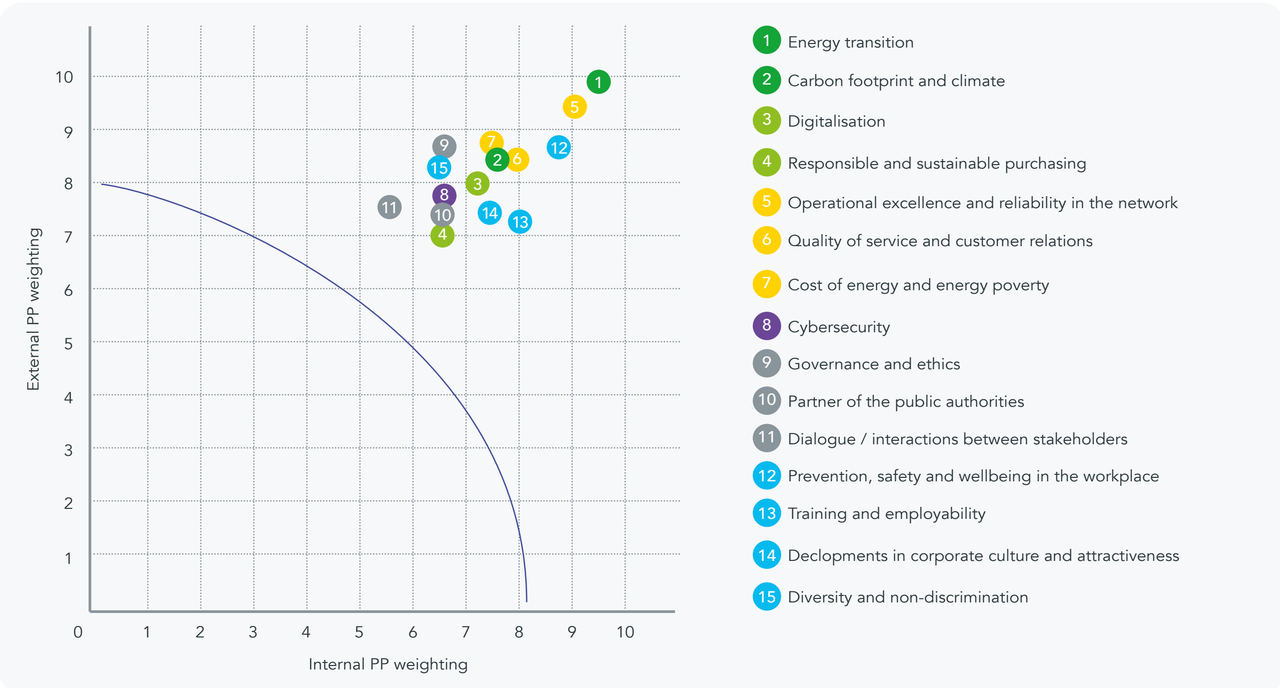
CONSULTATION WITH STAKEHOLDERS

Following on from the approval of this policy – in line with its sixth main line of action and the GRI standards – the company re-launched a consultation exercise with its external and internal stakeholders in December 2022 and January 2023.

The major challenges that made it possible to define the six lines of action of the policy were used as a basis for drawing up a materiality questionnaire, which also took into account the remarks made during the previous exercise in December 2020. This questionnaire – addressing 15 sustainability issues relevant to ORES – was sent to some 30 external recipients in December. Details of these issues and the full list of stakeholders consulted can be found in the GRI index (pages 73-92). These stakeholders were then invited to participate in a round-table discussion on 26th January 2023. 11 representatives out of the 30 parties invited to the exercise took part. On this occasion, they discussed the materiality of the issues listed in the questionnaire and expressed their priorities, as well as possible areas of improvement for ORES.

At the same time, the exercise was carried out internally, by sending the same questionnaire to a representative sample of staff in terms of age, gender, type of activity carried out, geographical location and category within the hierarchy. This sample also included members of the three trade union organisations represented in the company's social consultation bodies. As with external stakeholders, staff were asked to prioritise sustainability issues, weighting them on a scale of 0 to 10.

By the end of the exercise, which closed in mid-February 2023, 22 internal and 19 external stakeholders had returned their completed questionnaires. Based on their responses, a new materiality matrix was constructed, weighting the importance of the sustainability issues and impacts facing ORES. It is shown below.



As with the exercise carried out at the end of 2020, the matrix obtained reflects both the strong convergence of the topics in question and their increasing importance over the years. This proves that sustainability issues are at the heart of people's concerns today. The majority of the topics scored between 6 and 8. Three issues stand out clearly at the top of the priority list: energy transition, operational excellence and network reliability/resilience, as well as prevention, safety and wellbeing at work. The key issues and the company's situation in this respect form the basis for the structuring of this report and are discussed in the sections that follow.

3. Energy transition and carbon footprint

ORES aims to put its energy and expertise to work on behalf of energy transition. To facilitate the target Wallonia has set itself in this area, i.e. a 55% reduction in greenhouse gases by 2030 compared with 1990, our company must support and promote the production of electricity from renewable sources. At the same time, internally, the energy crisis generally prompted us to adopt more energy-saving measures in 2022, in addition to the efforts already being made to control our emissions and waste management better.

In the fight against global warming and greenhouse gas emissions, network operators will need to boost the efficiency of the way in which they manage the increasing quantities of renewable energy being injected into the grid, mainly by wind farms or photovoltaic systems. To help facilitate energy transition, the strategy deployed by ORES includes the following objectives:

- to make it easier to connect and inject renewable energy
- to make the investments required for energy flow management that is consistent with the new market realities
- to enable the rollout of renewable energy communities
- to facilitate the smart rollout of electric mobility
- to continue converting the public municipal lighting stock to LED
- to switch gas distribution towards renewable solutions in the same way as the current policy for the electricity network, in particular by supporting and promoting the connection of biomethane production units.

FACILITATING THE CONNECTION AND INJECTION OF RENEWABLE ENERGY

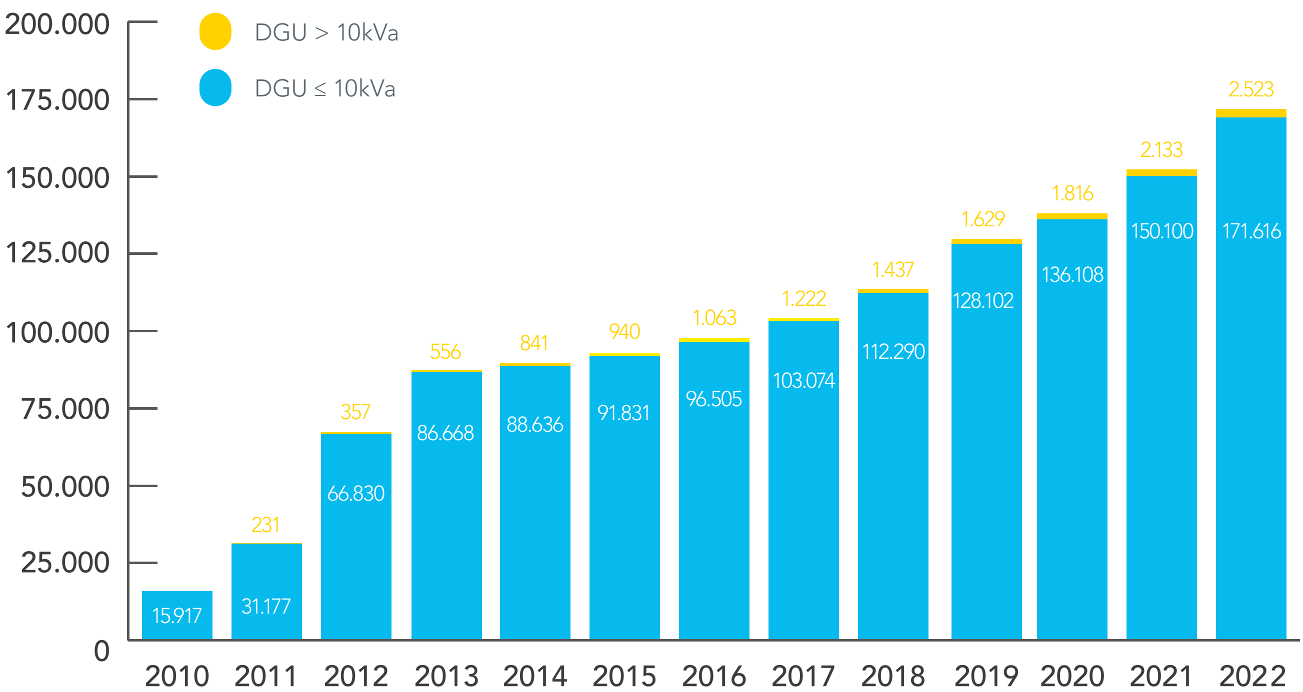
To contribute towards the targets set by Wallonia as part of its contribution to the National Energy-Climate Plan, ORES must be able to accommodate a total capacity of more than 6 GW of renewable electricity production by 2030. At the end of 2022, all channels combined, no less than 4,860 GWh of renewable electricity[1] was produced in Wallonia during the year. From just a few thousand at the end of the 2000s, more than 174,000 decentralised production units – photovoltaic, wind, hydro, etc. – were connected to the ORES grid at the end of 2022. The bulk of renewable production in Wallonia comes from windfarms and photovoltaic systems. In 2022, ORES connected almost 22,000 new local production installations to its networks. The generation of electricity from renewable origins that passed through our distribution network from production facilities with an output of more than 10 kVa represents a consumption of approximately 3,220 GWh. This figure was up by 49% compared with 2022, which is considerable.

Although renewable energy is still in the minority in terms of the overall quantity of electricity transiting through the ORES distribution networks, the figures are increasing year by year. The tables and graphs below show this ongoing development, which was further accentuated in 2022. During the year, more than 26.5% of the energy transiting through the ORES network came from renewable origins.

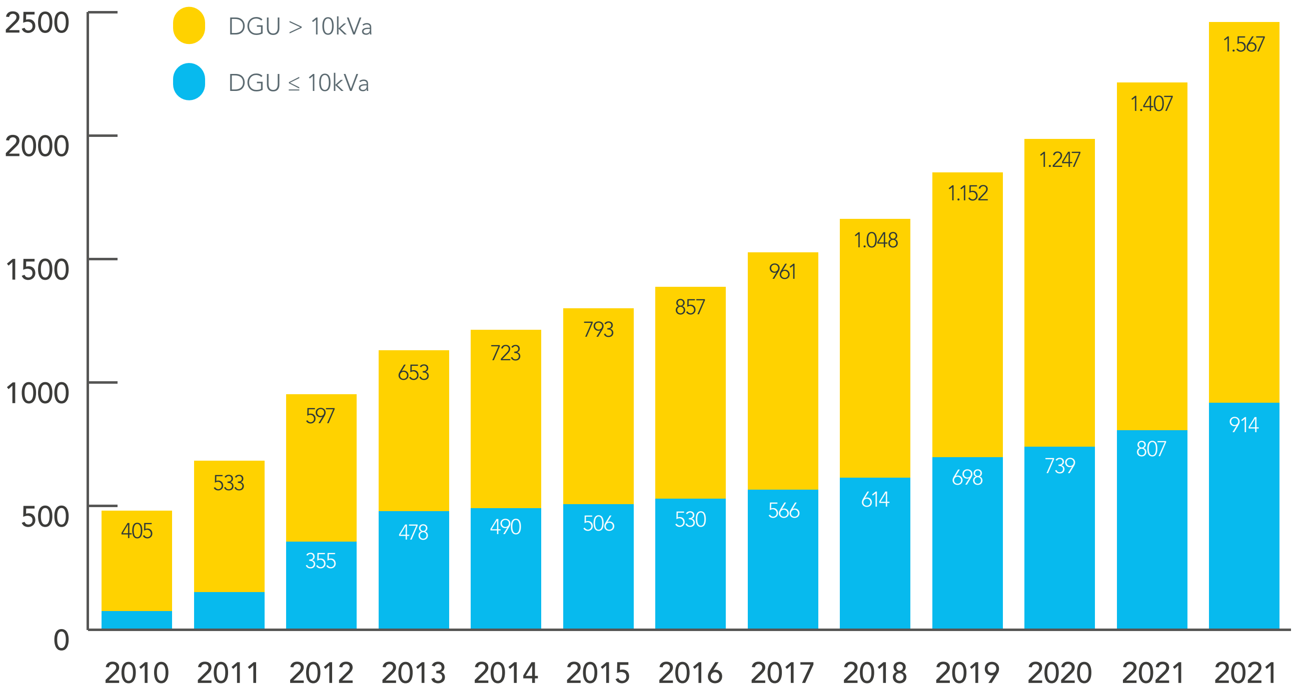
1. *Source: Renouvelle "Energie Commune" statistics 2022*

Total number of distributed generation units (DGUs) connected to the ORES network

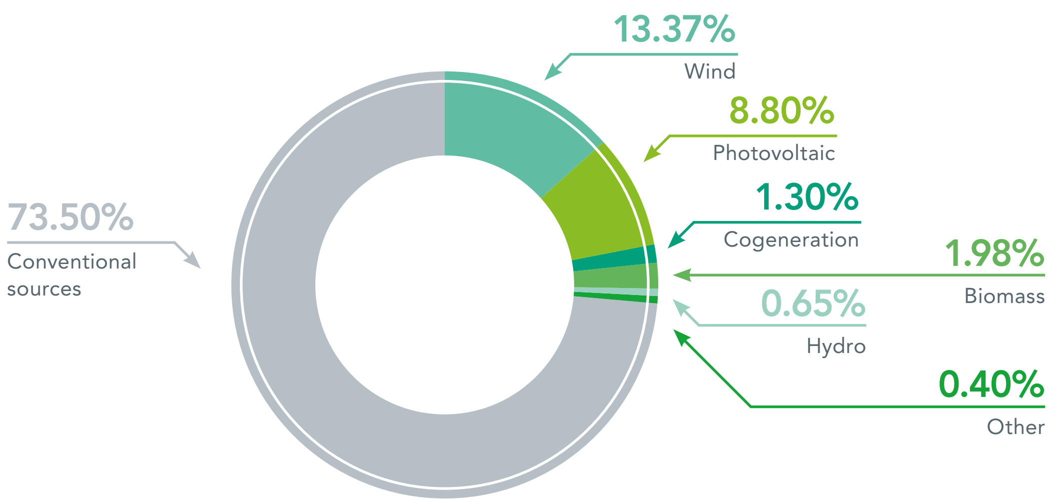
Annual movements in the number of DGUs, by type of power



Development of the total installed capacity of distributed generation units (in MVA)



Share and origin of renewable energy vs. total electricity injected into the ORES network DGU >10kVA



BETTER MANAGEMENT OF ELECTRICITY FLOWS AND FLEXIBILITY

The development of renewable energy injection points and the increasing level of electrification require processes to be adapted and new methods of infrastructure management. This management is becoming more complex and will need to become more active, particularly given the increase in demand linked to the development of electric mobility and heat pumps. The times when electricity is injected into the grid and peak demand, which are some of the main constraints and design elements of the electricity network, will necessarily be influenced by this development. The company's technical responses to this new situation are discussed in the section on the distribution networks (pp. 41-51).

In addition, ORES has been working for years on flexibility mechanisms, whereby the company offers large customers flexible connection contracts. These enable the network to be managed more dynamically. ORES also acts directly – within the framework of the technical flexibility mechanism – on certain production units so that they can adjust to potential congestion situations. This mechanism, which was instituted in the decree relating to the organisation of the regional electricity market, and surplus to requirements to guarantee the optimum integration of renewable energy, carries constraints for the producers. To reduce these constraints to the minimum, ORES works with partners such as ULiège and its spin-off, BlackLight Analytics, and is developing new artificial intelligence tools in collaboration with public and private partners.

PROMOTING COLLECTIVE SELF-CONSUMPTION AND THE DEVELOPMENT OF RENEWABLE ENERGY COMMUNITIES

Even though the legal framework for energy communities and energy-sharing in Wallonia has not yet been fully completed, it made progress over the past year. The decree of 5th May 2022, transposing the relevant European directives, came into force on 15th October. In particular, it introduces the concepts of the renewable energy community and citizen energy community, as well as the possibility of carrying out an energy-sharing operation within the same building or within an energy community.

The distribution system operators are responsible for managing the technical implementation and metering of energy flows to and within the community. They gather information about the quantities of electricity consumed and pass this data on to the suppliers of the participants and to the energy community. By doing so, they contribute to the smooth running of the energy communities in a transparent and equitable way.

These communities are clearly part of the societal dynamics of short supply circuits. The companies were the first to implement them, aware that they could offer efficient and rational solutions for managing their production and consumption, provided they are correctly sized. ORES initially contributed its expertise to pilot experiments of this type on the medium-voltage network, particularly in business parks.

After months of preparation, another renewable energy community pilot project was officially launched in May 2022 in social housing belonging to the intermunicipal company, Logivesdre, in Stembert (Verviers). Called LogisCER, the project is developed by ORES in conjunction with the intermunicipal company and the University of Mons (UMons), enabling 18 tenant households to share locally produced renewable energy. Approximately 30% of their energy requirements should be covered by the production of power from photovoltaic panels installed on the roofs of the houses. Against a background of sharply rising energy bills, the project aims to demonstrate that all types of audiences can benefit from energy transition and that renewable and locally produced forms of energy make a practical short-term contribution to controlling energy costs better transition and that renewable and locally produced forms of energy make a practical short-term contribution to controlling energy costs better.

PREPARING AND SUPPORTING THE WIDE-SCALE ROLLOUT OF ELECTRIC MOBILITY

The transport sector accounts for nearly a quarter of greenhouse gas emissions in Wallonia. While the future of mobility will depend in part on affordable and ecological alternatives to the private car as we know it today, it is clear that the large-scale and rapid arrival of electric vehicles is essential to achieving the targets for reducing emissions. By 2030, according to the Climact study, more than 500,000 electric vehicles are expected to be on the road and this will have a profound impact on the electricity distribution sector.

The distribution network will therefore have to respond in the short and medium term to the increased demand for recharging cars. This will require the distribution network to be reinforced in certain areas by switching from 230V to 400V and by providing greater flexibility in the way this network is managed, in particular through the use of smart meters (see p. 45), as well as other measures designed to raise awareness and encourage vehicle owners to behave responsibly. This is the direction taken by the ORES 2023-2038 industrial plan, which takes all these parameters into account.

CONVERTING PUBLIC STREET LIGHTING TO LED AND PROPOSING NEW APPROACHES TO LOCAL AUTHORITIES

For ORES, facilitating energy transition in Wallonia also means modernising municipal public lighting equipment and making it more efficient. This lighting equipment belongs to the towns and local councils, which in turn entrust their design, construction, operation and maintenance to our company. In view of the explosion in energy prices in 2022, rationalising consumption has become a real challenge for our municipal partners. On average, night-time road lighting accounts for more than 50% of their electricity bill.

The task of modernising and improving the fixtures used for public lighting is taking place in the context of a uniform plan, known as e-LUMin, which is running for a period of 10 years, from 2019 to 2029. The systematic replacement of public lighting with LED technology, coupled with the reduction of their light intensity between 10.00 pm and 6.00 am (dimming systems), is already enabling an average reduction in consumption of 60 to 65%. When the whole operation is completed for the 450,000 or so light points concerned, more than 100,000 MWh will be saved every year – corresponding to an annual reduction in Wallonia's emissions of some 29,000 tons of CO_2 equivalent. By the end of 2022, ORES had replaced almost 38% of the light fittings for which it is responsible, meaning that 169,294 are now equipped with dimmable LEDs.

During the summer of 2022, we also proposed to each of the local authorities within our territory to switch off public lighting – if they wished – from 1st November (or 1st December) to 31st March, between midnight and five in the morning. This has the dual objective of participating in the collective effort to reduce consumption and reducing the impact of the soaring cost of electricity on their municipal budgets. By the end of October, 164 authorities had accepted this proposal. The gradual implementation of this change by our technical teams was carried out in compliance with certain specific requests aimed in particular at maintaining lighting in well-defined areas. Even though some authorities subsequently changed their mind and asked for a return to a normal lighting regime, these measures made it possible to reduce consumption by an average of 39% over four to five months. At the end of 2022, 147 local authority areas were applying the switch-off measures and, at the time of writing, a possible extension of the measure was under consideration.

Combining the savings from the switch to LEDs and the application of the switch-off measures, an overall saving of almost 15,200 MWh of electricity was achieved in 2022, compared with 2021 and the equivalent of 4,200 tons of CO_2 emissions avoided. Taken across the whole of the territory managed by ORES for the municipalities, the total estimated financial saving was almost 5 million euros over the year.

Consideration is now being given to the future. A number of avenues are being explored, such as adapting traditional time regimes, identifying potential excess lighting – also with the aim of protecting biodiversity better (see p. 40) – or using the possibilities opened up by remote management. Our services focus on offering municipalities the best technologies available on the market by integrating aspects relating to consumption, compliance with legislation and standards, as well as finding the best compromise between the choice of technology, the total cost of its implementation and the benefits for the environment. This information should enable local authority leaders to make informed decisions.

PREPARING THE FUTURE OF THE GAS NETWORK

On the road to achieving carbon neutrality by 2050, the gas distribution network has some disadvantages – especially given the environmental and climate effects of methane – but it also has opportunities. ORES believes that the network has a role to play in energy transition. Eventually, it will make it possible to distribute other molecules – biomethane, synthetic gas generated by capturing CO2 on industrial sites or even green hydrogen – that are greener than natural gas to companies or in many urban centres.

In terms of biomethane production, Wallonia has a strong potential that can serve the regional targets set for producing renewable energy and reducing greenhouse gas emissions. If the development of this sector fulfils its promises, 25 to 33% of the gas circulating in the ORES pipelines, i.e. 3 TWh, could be green by 2030. In doing so, the gas market can become more local, with initiatives from individuals, cooperatives, companies and public organisations. For ORES, this involves connecting these units to the distribution network, as well as conducting any system reinforcement work required. It also means carrying out calculations, analyses and preliminary tests, installing injection booths and, finally, controlling and guaranteeing the quality of the gas distributed to customers, downstream from the injection point.

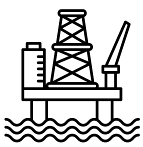
In November 2022, the inauguration ceremony for the third biomethane injection unit on our network was attended by numerous representatives from the regional and European public authorities. These are installations belonging to "BBA - Biométhane du Bois d'Arnelle", which is located in the municipality of Bons Villers. Connected to the network a year earlier by the ORES technical teams, this unit allows many farmers in the local area to use their farm residues and livestock effluents on-site so that they can be converted into energy that is then consumed locally. The biomethane injected supplies about 3,000 customers in the neighbouring municipalities of Bons Villers, Pont-à-Celles, Fleurus and Courcelles. In total, nearly 10,000 households are currently heated using renewable Walloon gas supplied by the network managed by ORES. Additional projects for the construction and connection of other biomethane production units are being studied for 2024.

REDUCING OUR CARBON FOOTPRINT

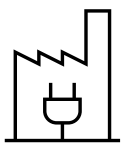
As part of the process of preparing for recent regulatory developments at a European level – the Sustainable Corporate Governance and Sustainability Reporting Directives – our company has now finalised its first carbon footprint audit. This first step is essential for properly assessing and understanding the impact that ORES makes on the climate.

To account for our carbon footprint as accurately as possible, we have opted to consider a broad-brush scope of activity that is in line with the Greenhouse Gas Protocol (GHG) and its internationally standardised framework. This calculation not only takes account of the emissions linked to our own activities, such as gas losses and leaks on our networks, consumption by our buildings and vehicles, electricity losses on our distribution infrastructures, etc., but also indirect emissions both upstream and downstream of our activities, such as emissions linked to the extraction and upstream production of the energy that we distribute, purchases of goods, services and materials, travel, waste, transport, etc. This all-encompassing vision will enable us to act more effectively to reduce our emissions and to choose our priorities for action in the future.

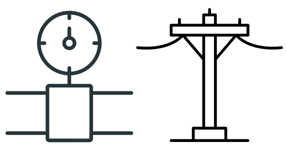
OPERATIONAL SCOPE: THE ENTIRE VALUE CHAIN OF ELECTRICITY AND GAS DISTRIBUTED BY ORES IS TAKEN INTO ACCOUNT IN OUR CARBON FOOTPRINT



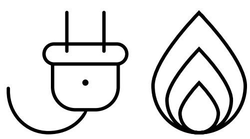
Extraction, production and upstream transport of ttprimary fuels



Emissions from power stations



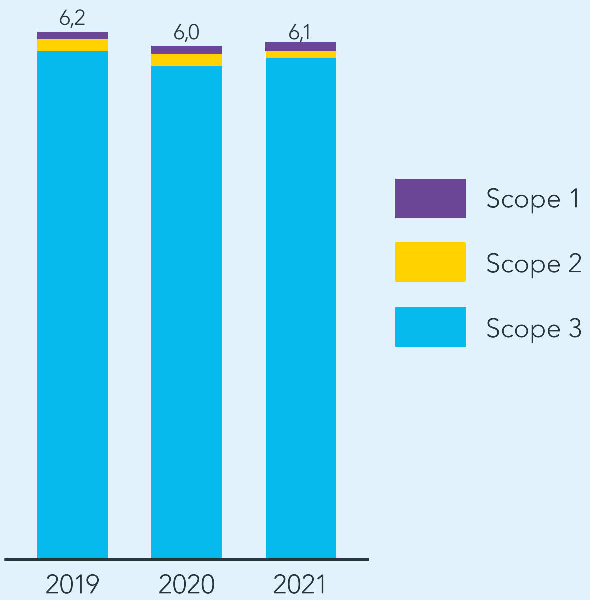
Losses of electricity and gas from the distribution network + fugitive emissions



Emissions from the end consumer due to gas combustion

The conclusion of our first carbon footprint project* is that indirect emissions make up the vast majority of our footprint, amounting to 6.1 million tons of CO2 equivalent. ORES's action on these emissions will also be indirect in nature. Whatever happens, our projects to promote energy transition are all triggers for accelerating change and moving the market towards forms of production and consumption that are less polluting.

Movements in the total carbon footprint per year (MtCO2e)



Source CLIMACT
Note: Emissions are reported here using the "location-based" approach.

In the context of a carbon footprint, the emissions of CO2e generated by companies are generally broken down into three categories or "scopes".

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

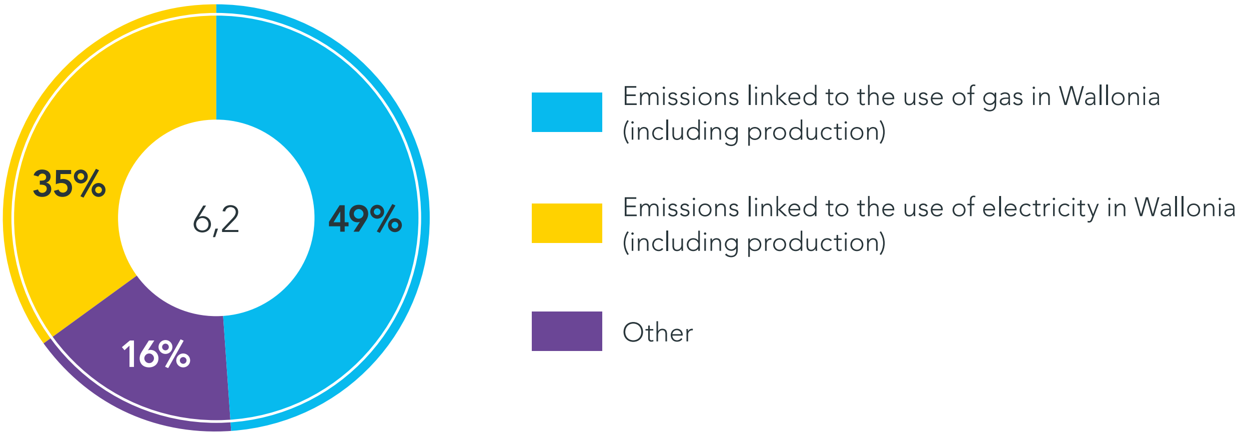
SCOPE 2
Includes all indirect emissions resulting from the production of electricity purchased or acquired for the company's activities. In our case, these are mainly related to losses on our network (power lines and cables), the energy consumed by our sites and infrastructures, and the electricity consumed on the public lighting network that we manage.

SCOPE 3
Includes all other emissions generated indirectly by the organisation. This category includes all emissions related to the extraction, production and transport of fuels used to generate the electricity that flows through our networks. It also includes emissions related to the extraction of natural gas that passes through our networks and emissions related to combustion by customers. Scope 3 includes emissions related to the purchase of goods and services, investments, employee travel, other fuel and energy-related activities not included in scopes 1 and 2, waste, transport, etc.

Overall, the production and consumption of electricity and gas account for around 84% of our total carbon footprint. Although ORES has no direct control over these emissions, its energy transition activities and energy efficiency measures will have a positive leverage effect.

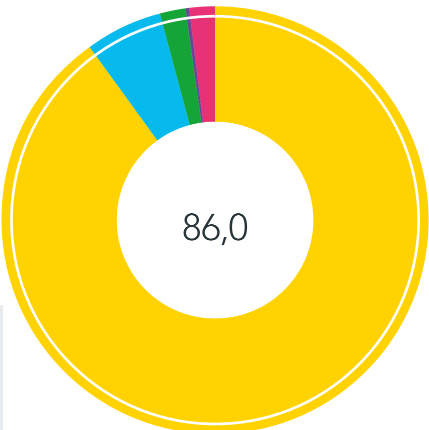
** The figures presented in this report about the carbon footprint correspond to the calculations made by Climact based on the data delivered by ORES. Some data will need to be refined in the future and hypotheses were made for the data which are missing and/or imprecise at this stage.*

Breakdown of emissions for the year 2019 [Mt CO2e]



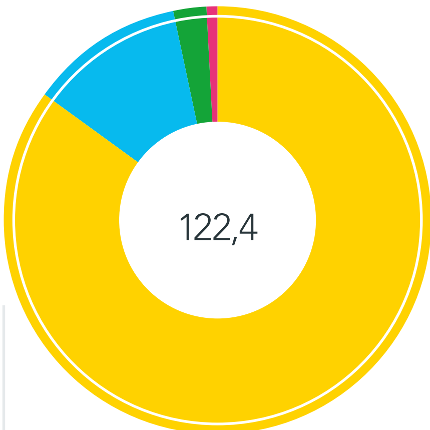
Among the emissions linked to scopes 1 and 2 – presented below and expressed in $ktCO_{2e}$ – emissions related to network losses – for both gas and electricity – constitute our greatest source of emissions of CO_{2e}.

Scope 1



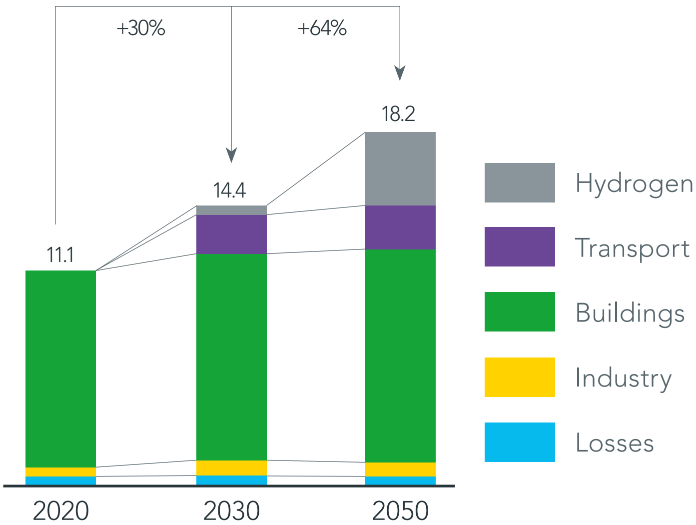
- Losses of gas: 90.0%
- Fleet vehicles: 5.9%
- Heating: 2.0%
- Management vehicles: 1.9%
- Losses of SF6: 0.2%

Scope 2



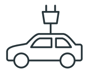
- Losses of electricity: 85.0%
- Electricity bought for protected customers: 11.8%
- Electricity bought for customers operating under supplier X: 2,6%
- Electricity for ORES buildings: 0.6%

Losses correspond to the difference between the amount of energy entering our networks and the amount of energy taken by consumers. The reduction of losses on electricity networks has already been the subject of specific action plans in recent years. The possibilities for further reducing these losses are limited, but real. ORES will continue to explore all possible options to restrict them, both from a technical and administrative point of view, in particular through the fight against fraud. This is in a context of the increasing electrification of consumer needs, with a significant increase in consumption estimated at +30% for the decade 2020-2030 and as much as +64% by 2050.

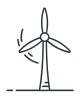


*Source : Climact**

44% of residential heating requirements will be electrified by 2050



88% of vehicles will be electric or plug-in hybrids by 2050



40% of the green hydrogen synthesised in Belgium is produced in Wallonia. The electrolysers are connected to the distribution network

An action plan will have to be developed to deal with losses in the gas network. For the remainder, a significant part of the indirect emissions is also linked to the purchase of equipment and materials, used in particular in the context of investment work. The company is committed to promoting sustainable and responsible purchasing aimed at reducing emissions in the medium term (see p.71).

An action plan will be drawn up on the basis of this first carbon assessment. Over the years, measures have been adopted to progressively reduce our environmental footprint through the sustainable management of our infrastructure, real estate, fleet and waste.

* *Climact Study 2022: estimated movement in electricity demand in Wallonia between 2030 and 2050 based on Belgian low-carbon scenarios.*

CONTROLLING OUR CONSUMPTION

Controlling the energy consumption of our buildings and fleet is part of this approach. Centralised management systems – automating the operation of technical equipment for heating, air conditioning, lighting, etc. – all make it possible to reduce losses and better control energy expenditure. The most efficient techniques in terms of insulation, ventilation and the use of natural light are implemented in the design of new buildings. However, there are other savings opportunities at a number of energy-intensive sites that will be put into action over the coming months and years.

The company's central headquarters building in Gosselies has been operational since autumn 2020. Covering an area of approximately 15,000 m², the building has very low energy consumption in terms of extraction, thanks to the use of geothermal energy, photovoltaic panels and its low rate of heat loss. The building is designed to be a benchmark in terms of rational use of energy and water, as well as in terms of ergonomics. After obtaining a VALIDEO certificate in 2021, the building received its final BREEAM certification in December 2022. This label is now the international benchmark standard for assessing the environmental impact of buildings.

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Final Certificate
The assessment of:
Nouveau Siège Social ORES
Avenue Jean Mermoz,
Gosselies
6041
Belgium

has been carried out according to Technical Manual:
BREEAM International New Construction 2016
Office
Fully Fitted
and based on the Assessment Report produced by:
SECO
has achieved a score of **63.8%**
Very Good
Certificate Number: **BREEAM-0083-7963** Issue: **01**

BRE Global Limited is accredited by UKAS. The assessment process is certified by BRE Global Limited in accordance with the requirements of Scheme Document SD123

12 December 2022 Date of Issue	ORES Client for the Assessment
Signed for BRE Global Ltd., Catherine Butcher	Gérald Coppieters Licensed Assessor
BAEV Architect	GC24 Assessor Number
ORES Assets scrl Developer	MATRICIEL M & E Consultants
GEI sa M & E Engineers	Alexandre Geuens BREEAM Accredited Professional
FRANKI Main Contractor	

SD123 Cert. No. BREEAM-0083-7963

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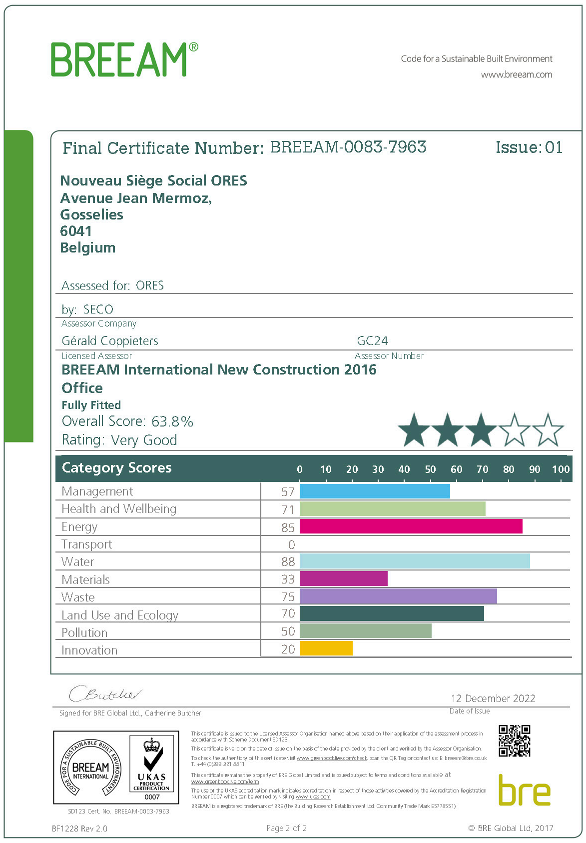

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Final Certificate Number: BREEAM-0083-7963 Issue: 01

Nouveau Siège Social ORES
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6041
Belgium

Assessed for: ORES
by: SECO
Assessor Company
Gérald Coppieters GC24
Licensed Assessor Assessor Number
BREEAM International New Construction 2016
Office
Fully Fitted
Overall Score: 63.8%
Rating: Very Good

Category Scores	
Management	57
Health and Wellbeing	71
Energy	85
Transport	0
Water	88
Materials	33
Waste	75
Land Use and Ecology	70
Pollution	50
Innovation	20

Signed for BRE Global Ltd., Catherine Butcher
12 December 2022
Date of Issue

SD123 Cert. No. BREEAM-0083-7963

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As for the company's other sites throughout Wallonia, 10 buildings are also equipped with photovoltaic panels representing a total installed capacity of 663 kWp. These PV installations produced the equivalent of 710 MWh of electricity in 2022 (+38%), covering on average 26% of the power requirements of the buildings where the panels are fitted, and 8.65% of our entire building stock. Overall, 68% of the electricity produced was self-consumed.

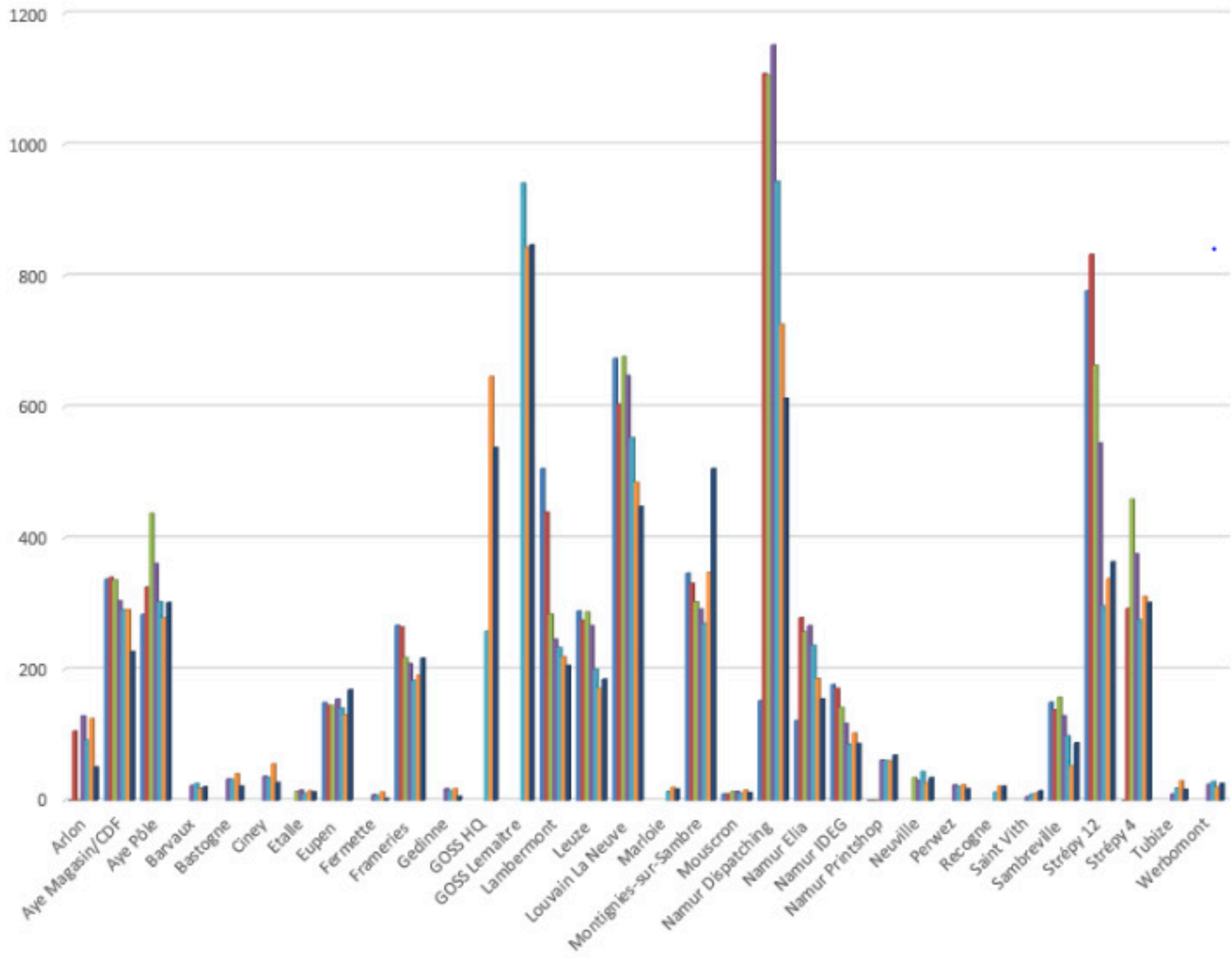
MEASURES TO REDUCE CONSUMPTION

Along with everyone else, the company has also been hit by soaring energy prices and has taken steps to reduce its consumption accordingly. In October, the Executive Board decided to implement a number of energy-saving measures. These included reducing the temperature by 2°C during the day in all buildings and lowering the minimum temperature threshold to 15°C at night; optimising interior and exterior lighting by switching it off completely between 10.00 pm and 6.00 am in all areas where a light source is not required; changing the switch-on times for equipment identified as being high consumption (ventilation units, air conditioning, etc.) in the technical rooms; rationalising the occupation of certain premises and closing or temporarily mothballing unoccupied spaces or buildings; accelerating measures to improve the performance and insulation of buildings with high energy usage; and improving the energy efficiency of buildings. Finally, an internal awareness campaign was run, using targeted messages to highlight the actions that can be taken collectively and individually by employees, both in the company and at home.

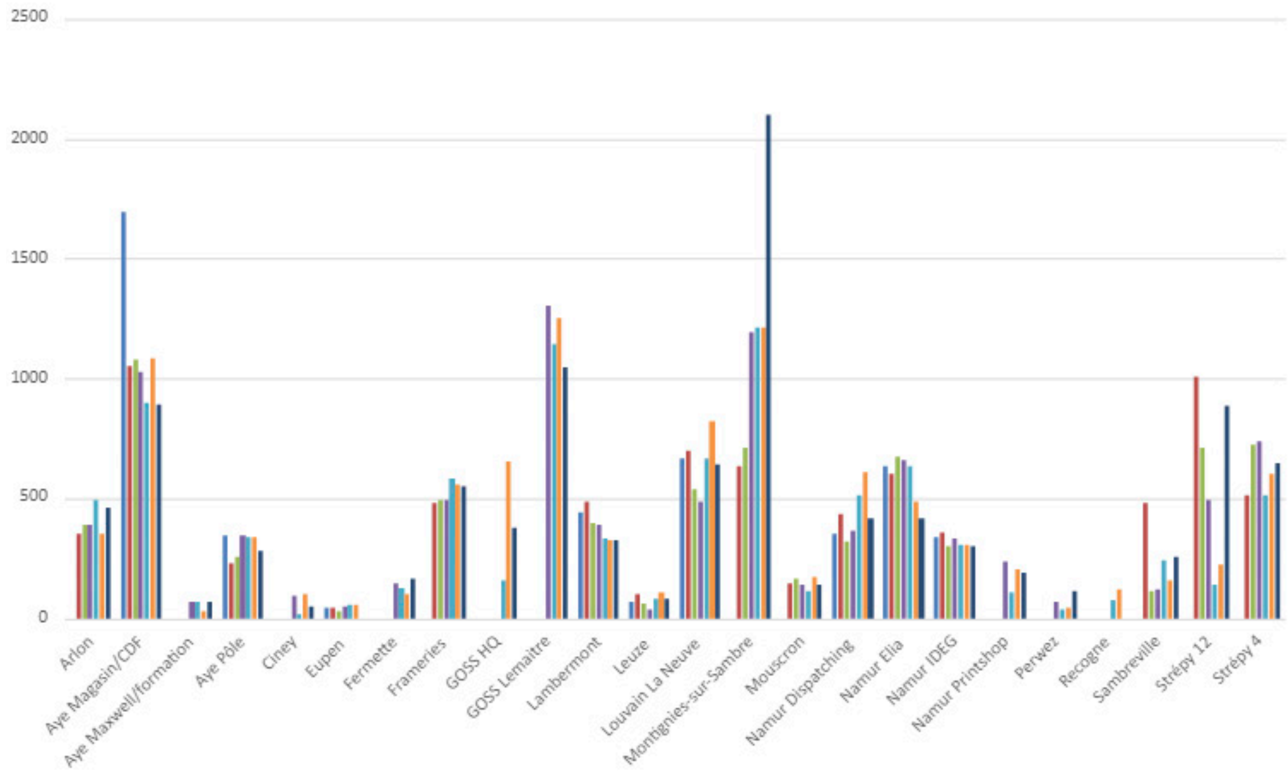
In 2022, there was an overall reduction of 4% in electricity consumption in our buildings. For gas, the figures were up by 5% compared with 2021. This was explained – despite a slightly warmer year than the previous one – to over-consumption at two of the company's sites. This was due in particular to the operation of a cogeneration unit and the property department has identified the technological corrective actions that need to be taken to remedy the situation.

Consumption at the sites now equipped with smart meters can be monitored down to quarter-hourly readings. This should help to reduce consumption further, particularly at small sites that have not been monitored much up to now and by means of a more comprehensive and detailed analysis. The replacement of cooling units at two major sites will also help to reduce consumption while improving user comfort. Finally, contacts are underway with SWDE with a view to equipping water meters with telemetry systems. This will make it possible not only to generate automatic meter readings, but also to detect any leaks.

Movements in electricity consumption at ORES sites (in MWh)



Movements in gas consumption at ORES sites (in MWh)



CHANGES IN TERMS OF MOBILITY

At the end of 2022, the ORES service fleet consisted of 1,156 vehicles, of which just over 10.5% were equipped with an alternative, less polluting engine to conventional fossil fuels. Currently, given the models and configurations available on the market for the different types of vehicle making up our fleet, it still has a fairly conventional composition. However, developments are underway and thoughts about the progressive electrification of the fleet, with its own specific features, are gathering pace.

In addition, staff entitled to a leased company car (managers) are now required to order a hybrid or electric model for any new vehicle. In 2022, 82 managers opted for one or the other solution, which represents almost 28% of the total. The complete replacement of the fleet with hybrid or electric vehicles is planned by 2026. To support this development, the company has increased the number of charging stations at its main sites. By the end of 2022, 15 dual-socket charging stations were available to employees in the company's car parks. By 2024, this number will have increased by a factor of seven.

Carpooling is also encouraged for employees who travel to work with a private vehicle. In 2022, carpooling figures remained relatively low, especially given the success of the teleworking measures put in place. However, the figures for homeworking for employees in roles that allow it decreased compared with 2021 (73 days a year on average per employee). For the staff of the head office in Gosselies, a carpooling initiative is being developed jointly with several other companies located in the Aéropole Science Park area; this was in the processed of being finalised at the beginning of 2023.

WASTE: A POSITIVE TREND

The two tables below show the movements in the company's waste production statistics and treatment methods over the past three years. The volumes produced during the year 2022 were clearly lower (-11.5%). It needs to be remembers in this respect that 2021 was marked by the gradual resumption of activities on the networks after the Covid-19 crisis in 2020, as well as by the catastrophic floods of July, which had a significant effect on the volumes of waste produced and collected. It should also be noted that the impact of waste in our carbon footprint (Scope 3) is very low.

Movements in the volumes of waste produced

Waste by type (in kg)	2020	2021	2022
Ordinary industrial waste (class II)	449,106	484,993	472,690
Paper/cardboard mixed	116,635	106,302	103,800
PMC	4,902	6,583	8,721
Various oils	16,956	15,402	3,006
Transformers	400,701	500,494	337,847
SF6 cells	2,386	12,608	9,020
Other hazardous waste			18,75
Wood	41,640	45,280	45,440
Discarded equipment	4,488	9,147	
Contaminated soil	21,060		
Asbestos	24,350	14,482	21,960
Copper, bronze, brass	5,723	6,020	6,930
Miscellaneous metals	431,494	450,343	413,335
Small hazardous waste	2,118	2,170	18,875
Total	**1,521,558**	**1,653,823**	**1,460,499**

Movements in the quantities of waste disposed of, by treatment method

	2020		2021		2022	
Treatment methods	**Hazardous waste**	**Non-hazardous waste**	**Hazardous waste**	**Non-hazardous waste**	**Hazardous waste**	**Non-hazardous waste**
Energy recovery		13,936		9,540		11,496
Organic recycling						
Inorganic recycling	1,750	457.90		1,470		280
Exchange for recovery	411,447	1,037,401	504,106	1,097,763	356,382	1,058,015
Use as backfill or foundations	1,240		2,200			3,240
Landfill (CET)	780		1,180			8,700
Physico-chemical treatment before disposal	30,190		10,660		2,560	
Consolidation before disposal	136		1,298		480	
Storage off-site before disposal	23,950		25,606		9,326	10,020
Total (in kg)	**469,493**	**1,051,795**	**545,050**	**1,108,773**	**368,748**	**1,091,751**

PROTECTING THE BIODIVERSITY IN CONTACT WITH OUR NETWORKS

In terms of protecting biodiversity, we have been engaged since 2019 in regular dialogue with various stakeholders involved in the protection and preservation of the environment in Wallonia. A number of ORES departments have worked with the Walloon Public Service in charge of Natural Resources and the Environment, in particular to address the disruptive effects that lighting has on wildlife. We have cross-referenced the various mapping databases and, with the help of the association, Natagora, we have identified those sections of municipal roads that are lit and "sensitive", as well as potentially superfluous light points. Being close to the Natura 2000 network and to sites of major biological interest, we have examined the presence of protected species, allocation to the area plan, proximity to surface water, proximity to housing and the grouping of relevant light points into logical sections, etc. These elements are now all taken into account to better inform and support the ORES partner municipalities in their decisions regarding the modernisation of their lighting stock, on the one hand, and issues of mitigating light or even the removal of some light fittings near sensitive sites, on the other.

Another initiative worthy of mention, given its unprecedented nature on the distribution network in Wallonia, was the installation in March 2022 of a structure designed to accommodate a stork's nest on one of our electricity poles located in Lessines. Due to the proximity of the Pairi Daiza Park, migratory birds regularly return to this area in the spring, many with the particular habit of remaining faithful to the same nesting site, year after year. After being approached by an enthusiastic local resident, our teams in Wallonia Picardy studied a solution and set up this structure, which takes safety constraints into account, both for the birds and for our network.

4. Operational excellence, network reliability and resilience

The issue of sustainability is at the heart of the ORES business. Without reliable and resilient networks, energy transition is not possible. To manage them effectively, the company must have efficient teams and systems. And therefore be able to continue to invest to meet the expectations of customers and society as a whole.

In order to actively contribute to the dynamics of energy transition and integrate renewable production into its business, ORES wants and needs to continue investing ambitiously and efficiently in its networks. Our principal responsibility is to ensure the sustainable supply of energy to customers across the territory we serve. Faced with the challenges of climate change and its increasingly obvious consequences, the electricity network must become more robust, more resilient and also “smarter”. The 2023-2038 industrial plan developed during 2022 provides for an additional investment envelope of one billion euros to support energy transition.

In addition to the upgrades required for the network, the “smartisation” of our distribution infrastructures through the implementation of remote control and telecontrol systems in electrical cabinets and substations, for example, is a fundamental element in this evolution. More than 12% of our total stock of 23,000 distribution cabinets are now equipped with this type of system. In 2022, another major step was taken in this dynamic, as ORES appointed Schneider Electric to be the supplier of the new dynamic network advanced distribution management system (ADMS) that will be implemented in the coming years. In addition, the rollout of smart meters to customers continued and, by the end of the year, more than 115,000 smart meters had been installed across our network.

ELECTRICITY NETWORK

CONSISTENT QUALITY

ORES has a duty to ensure a secure supply, 24 hours a day, for the benefit of consumers who legitimately rely on the continuous, high-quality provision of energy. The company's operational and breakdown services are organised and sized accordingly. Our electricity networks benefit from an investment strategy that is applied for over fifteen years. Significant sums have been devoted over the years to the maintenance, modernisation and development of our high-voltage and low-voltage electricity networks: burying lines, maintaining and upgrading infrastructures, remote reading of medium voltage meters, etc. The aim is to offer an outstanding quality of service to network users and to lay solid foundations for developing the networks of tomorrow.

The quality statistics for 2022 remain in line with the trend observed in recent years. It should be noted that in 2021, the number of sudden weather-related events pushed up these figures and in doing so lengthened the time taken to complete unplanned repair and maintenance work. Across the ORES electricity network, our teams carried out repairs 11,051 times in 2022. This figure was down on the previous year (-5%). The average work and service restoration times on the high-voltage network are shown below (expressed in hours).

High-voltage	2021	2022
Scheduled unavailability – work carried out	00:25:32	00:30:01
Power restored	02:32:30	02:34:07
Unscheduled unavailability – work carried out	01:01:00	00:33:00
Power restored	01:11:51	00:37:45

On the low-voltage network, which supplies customers directly from the distribution cabinets, power cuts are usually caused by damage or technical faults, as well as by bad weather or even "external aggression" – most often cables inadvertently ripped out by companies carrying out roadworks in the public domain near the network infrastructure. The indicators relating to the time taken to arrive on site and the average time taken to rectify faults were slightly up on the previous year: almost 2 minutes for the first indicator and over 3 minutes for the second. The number of work interventions resulting in downtime of more than 6 hours increased significantly: 201 in 2022, compared with 140 in 2021.

Low-voltage	2021	2022
Average time to arrive on-site	00:58:03	01:00:59
Average time for the work to be carried out	02:05:41	02:09:03
Unscheduled unavailability time	03:03:44	03:10:02

THREE DAYS OF STORMS AT THE BEGINNING OF FEBRUARY

Between midday on Friday 18th February and the evening of Sunday 20th February, the ORES call centre received no fewer than 12,000 calls from customers reporting a power cut. This figure was quite exceptional, reflecting the three successive storms that swept across northern Europe and hit our country during this period.

These storms – named Dudley, Eunice and Franklin – caused a great deal of damage to the electricity network throughout Wallonia. But they also hit Walloon Brabant and Hainaut – and Picardy Wallonia in particular – where ORES engineers were called out more than 550 times over these three days, working under extremely difficult conditions.

Lines fell to the ground, poles were ripped out, trees or branches fell on the overhead network, and the damage was extensive. In addition to the emergency callouts during the weekend and at the beginning of the week to restore power to all customers without electricity, the final repairs also required a great deal of work to be completed during the weeks that followed. As was the case during the serious floods of July 2021, the solidarity of our staff was exemplary: engineers from Charleroi, Marche-en-Famenne, Namur and Verviers – as well as many subcontractors – lent a hand to the teams in Western Hainaut to restore power and safety conditions on the network as quickly as possible. On the social media networks, many mayors and customers praised their courage and self-sacrifice in the face of the untamed elements.

DEVELOPMENTS ON THE ELECTRICITY NETWORK

The electricity network has been growing at a limited but steady pace in recent years and grew by almost 464 km more in 2022, reaching a length 52,522 km. As part of this growth, our teams installed 113 new distribution cabinets, nearly 8,000 new connections and almost 14,000 new meters. They also maintained 102 km of overhead electricity cabling and buried 54 km of lines.

During the course of the year, a number of major projects were completed throughout Wallonia: transformer stations were refurbished and high-voltage cables installed to connect wind power projects. Work was also carried out to make connections more reliable and add cabinets to accommodate local photovoltaic production. Low-voltage and low-pressure networks were upgraded as part of energy renovation projects for social housing companies, and work was completed in synergy with local authorities and other cable and pipe managers as part of major urban renovation projects.

As mentioned above, the modernisation of the electricity infrastructure and making it fit in with the intensive development of renewable energies also involves the digitalisation and "robotisation" of the network. These developments concern in particular the high-voltage transformer stations that provide the link between the network of the transmission system operator, Elia, and the electricity distribution network, along with the main distribution cabinets. At the end of 2022, ORES had more than 400 interconnection points with the transmission network and other DSOs and 23,000 distribution cabinets, of which more than 2,800 have been "smartised", i.e. they can be remotely controlled. The use of new digital technologies in these facilities makes it possible to secure their operation and make it more reliable. This is for the ultimate benefit of all customers, as well as for energy transition.

Another important element in this respect is the continued rollout of smart meters. Old-style electromechanical meters are gradually being replaced by digital meters that have the ability to receive and transmit information. In 2022, our programme to install this type of meter on customer premises accelerated sharply, with almost 80,000 new installations completed during the year, bringing the total to over 115,000 units by the end of December. The development of residential photovoltaic production, the gradual replacement of budget meters (see pp 62-63) and the premium granted by the Walloon Region to cover the cost of installing smart meters with residential customers until the end of 2023 have all played a part in this acceleration.

To provide customers with the best possible support, as well as to help them make the best use of these new meters and to maximise the positive effects for customers in their daily use, specific communication tools were developed and made available on the company website.

ROLLOUT OF FIBRE OPTICS: ORES ALSO A STAKEHOLDER

In January 2022, Proximus and ORES signed an agreement making the use of ORES electricity poles available for the rollout of optical fibre in Wallonia. To mark this occasion, the CEOs of the two companies, Guillaume Boutin and Fernand Grifnée, as well as the mayor of Namur, Maxime Prévot, reiterated the importance of optical fibre for economic development. Installing fibre optics on poles speeds up the connection of users, while greatly reducing the impact that traditional excavation techniques and the blowing of cables underground have on local residents.

This agreement is an important milestone for the even faster deployment of fibre in Wallonia, which, given the acceleration currently underway, is likely to exceed the target set by Proximus of 70% coverage by 2028. It should also be noted that this agreement is open to all telecoms providers operating in Belgium.

GAS NETWORK

Across the gas distribution network, 2022 was marked by work aimed mainly at upgrading infrastructure, completing network loops, connecting new customers to the existing network and continuing the programme to convert from lean gas to rich gas in Walloon Brabant. As in previous years, network extensions were kept to a minimum and the network itself grew by barely 50 km during the year.

UPGRADE WORK AND CONNECTIONS

Older infrastructures continue to be upgraded. By the end of 2022, only 51 kilometres of our gas network – which covers a total of more than 10,000 km in all – was still nodular cast iron or fibre cement pipes. In addition, 22 km of steel pipes were renovated and replaced with polyethylene. Many additional customers were connected to the network, too, with our teams installing more than 5,600 new connections, corresponding to 8,300 additional meters in all. Finally, some 5,000 connections were upgraded during the year.

PREVENTION AND CHECKS

As part of our preventative approach, around 20% of the total length of the natural gas distribution networks are inspected each year. As part of the systematic search for leaks, 2,090 km of medium and low-pressure pipes were inspected in 2022. The number of leaks detected and repaired increased slightly.

Piping checked (in km)	2021	2022
Medium-pressure	833	825
Low-pressure	1,219	1,265
Total	**2,052**	**2,090**

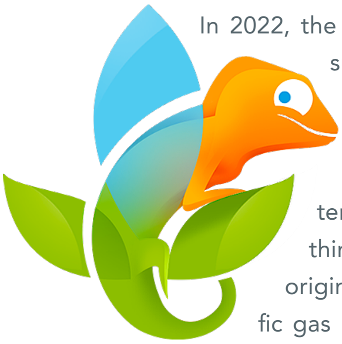
Repairs of leaks in the gas network	2021	2022
Work carried out following a call from a third party	1,156	1,188
Work carried out following a systematic check on the network	176	197

With regard to incidents and leaks on the network caused by external factors, it should be remembered that the introduction of the Impetrants Decree and the launch of the "Powalco" platform four years ago have improved communication and synergies between the various cable and pipe managers when carrying out their excavation work. Safety remains the main priority, of course, and any report of a smell of gas or leak is dealt with urgently.

The number of leak repairs following events related to this type of work was up slightly – 459 in total, compared with 383 in 2021 – but remains below the 2020 level. The number of leaks repaired on connections due to material defects was down slightly (-4%). The average response times are given below.

Urgent work response times on the gas network (following damage) (in hours)	2021	2022
Average time to arrive on-site (call to arrival)	00:45:50	00:51:26
Average time to carry out work (arrival to completion)	01:12:46	01:12:42
Time to arrive and carry out the work (call to completion)	01:58:36	02:04:08

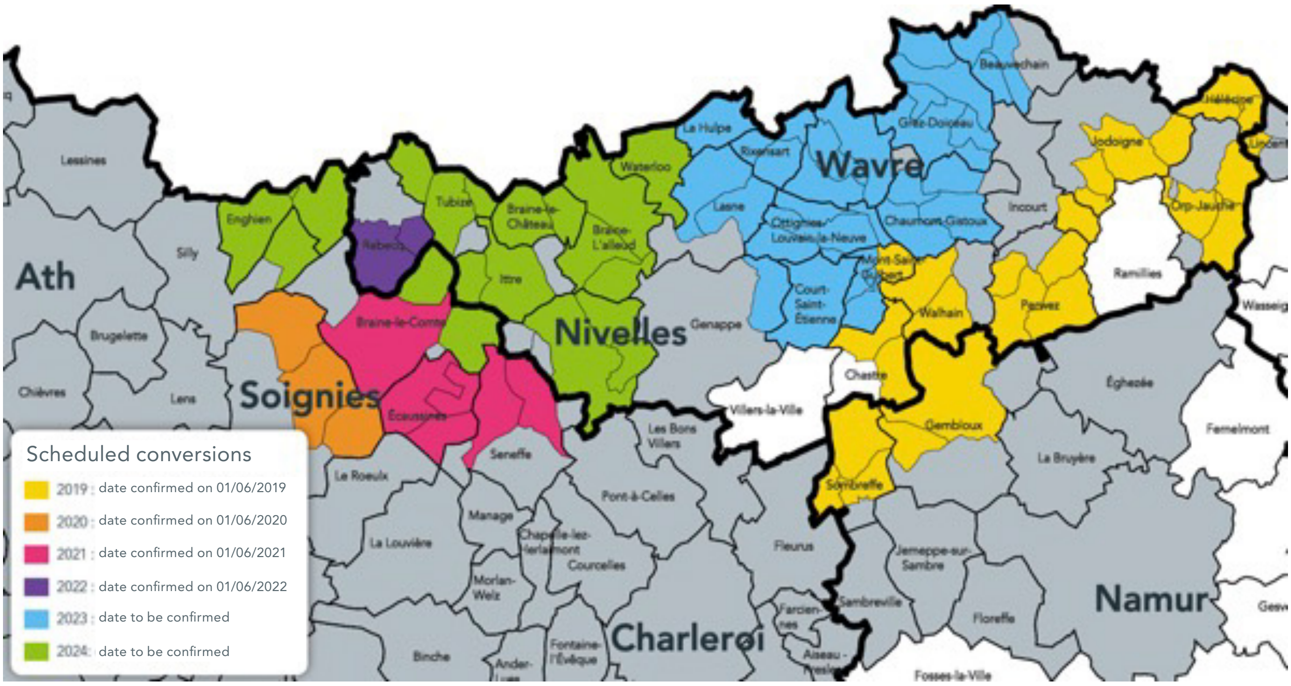
CONTINUED CONVERSION FROM L TO H



In 2022, the gradual conversion of networks supplied with lean gas (L-gas) to rich gas (H-gas) continued as announced at the beginning of the programme. Across the territory covered by ORES, some thirty local authority areas were originally supplied with low-calorific gas imported from the Netherlands. Following the announcement that our Dutch neighbours would soon be stopping exports, the networks of the municipalities concerned have gradually switched to rich gas. For ORES, this operation has been taking place since 2019 and is scheduled for completion in 2024.

After Arquennes, Écaussinnes-d'Enghien, Écaussinnes-Lalaing, Marche-lez-Écaussinnes and Feluy in 2021, it was the turn of Rebecq to be converted in the spring of 2022, with the supply of rich gas switched on since 1st June. Our teams make sure that the network is converted and that any pressure regulator near the customer's meter is replaced. They also make users aware of the possible need to adapt some older household appliances for the use of rich gas.

The networks in the municipalities coloured blue and green on the map below will be converted in 2023 and 2024 respectively. A structured communication plan is in place to enable those customers affected to make arrangements well in advance for the changeover.



MUNICIPAL PUBLIC LIGHTING: PERFORMANCE AND ADAPTATIONS

The maintenance of municipal street lighting is a public service obligation (PSO) assigned to the distribution network operators. On behalf of the municipalities that own the equipment, ORES maintains, repairs and upgrades the lighting fittings on municipal roads and in parks and public squares, as well as the lighting structures that highlight certain municipal buildings. (See section 3 "Energy transition and carbon footprint").

At the end of 2022, the number of public light fittings managed by the company increased slightly (+0.9%), although the installed capacity (33,800 KW) and overall consumption (approximately 143,000 MWh) of the lighting stock decreased by 7.5% and 7.4% respectively compared with 2021. This reduction in consumption was due mainly to the performance of the new LED units, which are fitted with dimming systems. The overall savings achieved across the territory of the municipalities managed by ORES were more than 30,000 kWh per day in 2022. And taking into account the winter switch-off measures, no less than 15,171 MWh will have been saved overall by the local authority areas for which ORES manages the public lighting.

Changes in the composition of the lighting stock managed by ORES

Number of units by type of lamp	2021	2022
NaLP – low-pressure sodium	64,765	39,540
NaHP – high-pressure sodium	211,846	186,001
MHHP – metal halides/iodides	66,301	63,871
LED – light-emitting diodes	119,457	177,438
Other	763	745
Total	**463,132**	**467,595**

For several years now, ORES has had an app that enables the public and municipalities to report broken street lamps with just a few clicks. The switch-off measure implemented in the majority of local authority areas from November or December had a minor effect on the voluntary use by customers of this feature, which is available on ores.be. Direct or indirect reports resulted in the repair of directs 32,339 light points across the network. 52,682 other fittings were also given preventative maintenance.

	2021	2022
Total number of reports of defective light fittings by made by the public via the ORES website or the application for local authorities	40,758	42,410

5. Prevention, safety and wellbeing in the workplace

Some of the activities carried out by ORES are potentially dangerous for field staff, subcontractors and local residents living near the distribution networks. The company has an ambitious prevention policy, aiming for zero accidents, as part of an overall action plan to improve employee wellbeing. And to meet the challenges of energy transition, ORES has adapted by focusing on more robust HR solutions and the development of staff skills, as well as far-reaching and responsible talent management.

PREVENTION AND AWARENESS

Given the nature of its activities and the risks associated with them, ORES has developed a safety dynamic that is part of its DNA. For some years now, the company has been working to develop this safety dynamic regarding prevention and wellbeing. The aim is to achieve "wellness", seen as the result of taking an overall view of workers, both in their working and private lives.

The good health of employees has a direct effect on the company, as well as on their work and the impact on their own personal health. The aim is to implement a comprehensive approach to the prevention of internal, external and multidisciplinary risk factors for the health and safety of all workers. This new approach is based on several guiding principles, structured around an overall five-year prevention plan. The aim is to take personalised preventative action in order to increase the maturity of prevention and move towards wellness, with particular attention on mental wellbeing.

To achieve this, the ORES department for prevention and protection at work has restructured its organisation and operation, with a view to increasing its closeness and availability to staff. Following the introduction of training and awareness-raising modules that can be accessed remotely by all staff, in particular via the company's intranet, the department organised a wellbeing at work week in June 2022. The themes of vitality, psychosocial wellbeing, living together, industrial hygiene, ergonomics and physical health, as well as respect for safety rules, were all addressed through a general communication campaign, based on awareness videos.

"SAFETY DAYS" AND "CONTRACTOR DAYS"

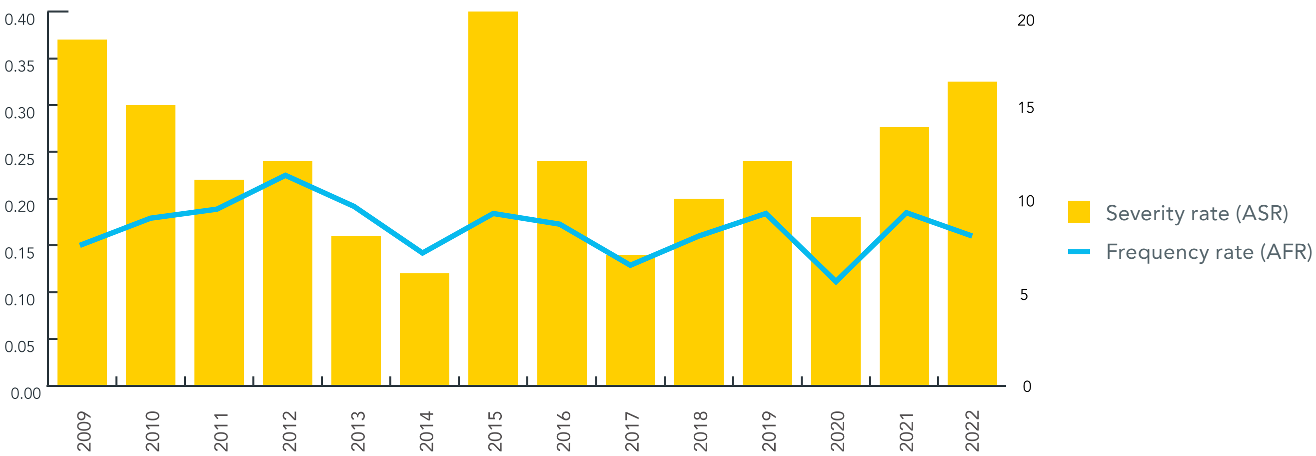
With the aim of actively promoting prevention and safety, theme days are organised for staff and the contractors who work with our teams in the field on a daily basis. These theme days are based on different workshops where the causes and sources of accidents are discussed so that participants can better understand the risks involved with their work and also to remind people about the right reflexes and procedures to adopt. For contractors, these days are an opportunity to highlight the results of those companies that have excelled in carrying out their work with us. They also allow us to strengthen the links with our teams, with a view to creating a "win-win" partnership.

RESULTS BELOW EXPECTATIONS

For 2022, the Prevention and Environment Department and the Executive Board wanted to maintain the ambitious and proactive safety targets set the previous year – i.e. not to exceed 26 accidents over the year, with a maximum of 712 days of disability-related absence (DRA). These figures correspond to a frequency rate of 7.50 and a severity rate of 0.20 for the company.

Despite numerous awareness-raising campaigns, ORES experienced an upsurge in accidents in 2021. These were related mainly to travel, handling materials and working with tools and equipment. The situation improved in 2022 in terms of the total number of accidents with DRA (28 in 2022, compared with 33 in 2021), but the number of days with DRA increased (1175 in 2022, compared with 935 in 2021). There were fewer accidents, and in particular fewer fluid accidents directly related to electricity and gas operations, but with more serious consequences. The frequency and severity rates for the year were 7.9 and 0.33 respectively. Risk prevention work will therefore continue in order to further reduce the occurrence of accidents and limit their severity, with particular focus on feedback, especially on "near misses".

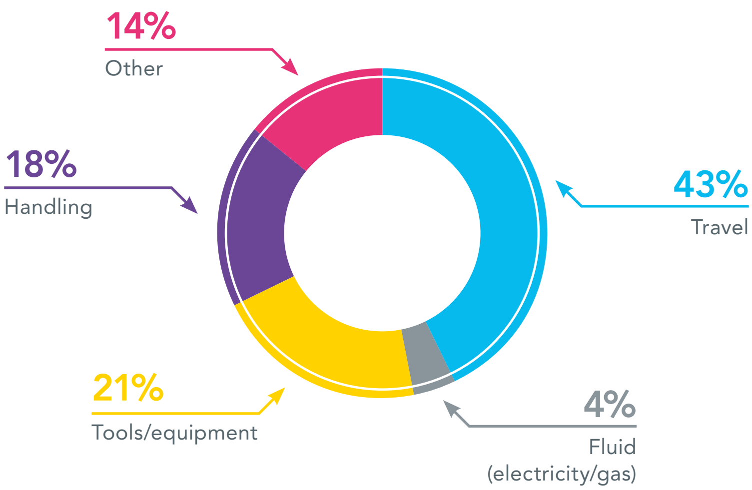
Movements in the safety statistics 2009-2022



ASR = number of working days lost due to temporary incapacity per 1,000 hours worked

AFR = ratio between the total number of accidents at work having resulted in total incapacity for at least one day and the number hours of exposure to risk (multiplied by 1,000,000)

Causes and sources des accidents in 2022



BETTER ORGANISED TO MEET CHALLENGES

After a year of reflection about the reorganisation of human resources (HR) in 2021, the company implemented the structural and organisational changes planned within its HR department at the beginning of 2022. As part of the "HoRizon" plan, the policy defined to support the company's transformation in the long term is now being implemented. The aim is to promote the commitment, development and recognition of employees, while also ensuring that their wellbeing is improved. The employee experience is placed at the heart of HR processes.

EMPLOYMENT, RECRUITMENT AND TRAINING

ORES continued to look for new talent, not only to fill vacancies caused by retirement, but also in the context of its transformation and the new jobs linked to energy transition and digitalisation. After a slowdown in recruitment during the period of the pandemic, a gradual recovery began in 2021 and continued into 2022. During the year, 242 new staff joined ORES, compared with 146 departures. The "ORES TechniDays", which are specific recruitment days for technicians with practical work experience, were able to resume without health restrictions. Four TechniDays were held during the year, enabling ORES to interview 116 potential technical candidates and to hire 48 of them. These days are particularly useful in the context of a general shortage of technical profiles and the war for talent being waged between companies.

At the end of 2022, ORES had a total of 2,495 active employees – of whom 2,312 were on permanent contracts. Female staff represented 33.1% of the workforce. The breakdown of staff by gender and age group is given below.

Breakdown of staff members, by gender and age group

	Employees	Supervisory staff	Management staff	Senior management	Total
Male	Total	10,66%	8,21%	0,28%	66,89%
Female	26,29%	3,41%	3,33%	0,08%	33,11%
Total	**74,03%**	**14,07%**	**11,54%**	**0,36%**	**100,00%**

Age groups	Employees	Supervisory staff	Management staff	Senior management	Total
< 30	9,46%	0,00%	0,60%	0,00%	10,06%
≥ 30 < 50	50,74%	7,25%	7,58%	0,16%	65,73%
≥ 50	13,83%	6,82%	3,36%	0,20%	24,21%
Total	**74,03%**	**14,07%**	**11,54%**	**0,36%**	**100,00%**

THE IMPORTANCE OF TRAINING

After the introduction of the new Talentsoft e-learning platform in 2021, new modules were made available to staff in 2022. These make it possible to expand the range of training, as well as to introduce more diversified and up-to-date learning methods (e-learning, distance learning, videos, etc.) and to facilitate access to training and its content for each employee.

During the summer, the Training department organised the "Summer Camp 2022" initiative in which e-learning modules are offered to staff on a self-service basis. These modules are supplemented by webinars about corporate collaboration, trust within teams and non-violent communication. There was also a wide range of content to help employees use the company's office automation applications.

In addition, technical training at the company's two training centres in Strépy-Bracquegnies (La Louvière) and Aye (Marche-en-Famenne) was able to resume at a more normal pace after a long period of pandemic-related restrictions. Although the average number of training hours per staff member reported in the table below is a positive development compared with 2021, it remains lower than before the pandemic.

ON AVERAGE, MEMBERS OF ORES STAFF COMPLETED 23.8 HOURS OF TRAINING IN 2022.

Training by professional category and be gender

Average number of hours of training in 2021	Male	Female	Total
Senior management	3.74	7.50	4.05
Management staff	14.51	14.74	14.58
Supervisory staff	14.89	19.42	15.98
Employees	32.23	18.48	27.56
Average	**26.47**	**18.01**	**23.79**

The partnership entered into with Forem in the autumn of 2021 for training and recruitment of computer-aided designers, led to the hiring of seven new colleagues. To mark the signing of their contract, at the end of a period of training conducted both at Forem and within the company, a press conference was held in February 2022. It provided an opportunity to reiterate both the effectiveness of this type of course for jobseekers and the needs that ORES has in terms of recruitment. The collaboration with Forem will continue in the months and years to come, focusing in particular on other customised training courses such as this one.

Finally, the beginning of 2023 saw the renewal of "Top Employer" certification for our company. After obtaining the coveted quality label in 2022, ORES made sure it extended and strengthened its efforts in terms of HR policy. The 2023 certification was obtained with a report of the company's progress in all of the areas assessed.

top EMPLOYER BELGIË BELGIQUE BELGIUM 2023
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

70% PARTICIPATION IN THE IN-HOUSE SURVEY INTO WELLBEING IN THE WORKPLACE

A major survey into wellbeing at work in the company was launched in October 2022. All staff were invited to respond and 70% of employees completed their questionnaire within a few weeks. This very high response rate provided results that were representative of the general feeling within the company. The survey was designed to analyse employees' reactions to stress factors and to examine their sources of motivation. It initially revealed three main trends:

- More than 75% of employees feel engaged in their work
- More than 75% say they enjoy their work
- Almost 44% of respondents indicated a need to recover after work (an acute need for 27%), with problems relaxing at the end of the day, a feeling of exhaustion and problems with concentration.

A full and detailed analysis of the results was then launched in December. The conclusions from the survey were still to be delivered at the time of writing this report. However, it is clear that the process and action plans to be put in place must address, in particular, the strong need for post-work recovery mentioned by many respondents. Other actions will be defined by topic, category of staff and division and/or department.

SOCIAL DIALOGUE AND CLAIMS

After the signing at the end of 2021 of three new collective labour agreements relating to on-call services and the organisation of practical arrangements for remote working following the expression of internal tensions, dialogue and social consultation resumed in 2022 within the company's joint representation bodies.

During the year, the issue of upgrading technical occupations was brought to the debate by workers' representatives. Judging the responses given to their demands by the company's managers to be insufficient, union representatives and some staff decided to take strike action and blockade the company's head office and several of its operating sites in mid-February 2022. An agreement in principle on new proposals was reached on 23rd February and after a vote by staff at local meetings, the blockades were lifted the following day. Consultation on these proposals was still ongoing at the time of writing this report.

6. Customer service, energy prices and energy insecurity

ORES aims to make life easier for customers. In a year marked in particular by an extraordinary surge in prices, our company was keen to strengthen its service, particularly for the benefit of the least privileged customers.

In carrying out its various activities, ORES systematically takes into account the changing needs and constraints of its customers in order to offer them a service that meets their expectations and requirements. In 2022, this desire to keep the customer at the heart of our processes and organisation found new practical expression. Against the background of a serious energy crisis that is often having a very significant financial impact on people, our authorities following the pandemic have been supplemented by various aid schemes implemented by ORES. However, our company wants to do more than just carry out public service obligations and we support customers who find themselves in difficulty with an approach that is usually individualised.

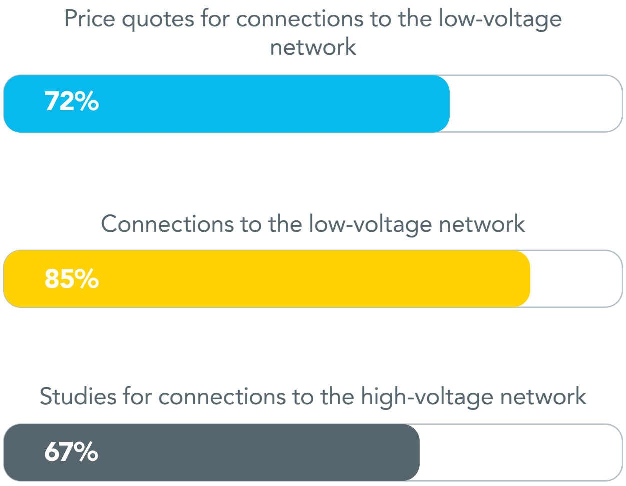
USING THE CUSTOMER EXPERIENCE AS A COMPASS

Again in 2022, customer satisfaction surveys were conducted to measure the quality of our services. On average over the year, the overall satisfaction rating of customers contacted following interactions with ORES or work carried out in their homes reached 8/10, which was in line with the target set.

MEETING DEADLINES

Clearly, the quality of the work carried out on customers' premises by ORES engineers and subcontractors is a vital necessity and so it is subject to rigorous monitoring. In addition to the home meter readings conducted once every two years, physical interactions with ORES services usually occur at important moments in customers' lives, such as when their home is being built and when they need to be connected to the energy networks. It is essential that we take the specific features of each request into account and carry out the work not only within the deadlines set by the market regulator, but also in a spirit of good communication with the customers themselves. The quality of our compliance with the regulatory deadlines (see figures below) set for submitting price quotes for new connections and carrying out low-voltage connections and studies for high-voltage connections, was very much the same as it was in 2021. There is still room for improvement and efforts are being made in this direction.

Percentage of work carried out on time



EASIER NEW CONNECTIONS

Launched two years ago, the Connect My Home service gives customers the opportunity to handle the formalities involved in connecting their new home to the electricity, gas, water and telecoms networks via a single administrative request, with a single price quote and at no extra cost for the multiple utility connections involved. Once scheduled, the work is carried out in a day or even half a day, saving the customer time, effort and stress. Connect My Home is offered across the territory managed by ORES and has become the company's standard offering for new connections.

COMPLAINTS AND DISSATISFACTION

In order to improve its performance, ORES is always on the lookout for reasons for customer dissatisfaction. The aim is to remedy complaints, target recurring points of complexity and, if necessary, make adjustments to our processes. In addition to the lessons learned for internal company use and improving services, customer feedback is also used to raise awareness among our subcontractors and in particular those contractors responsible for excavation and earthmoving works on the customer's premises. Many complaints concern work carried out on pavements, in front of houses, both during connection work or when making modifications to connections.

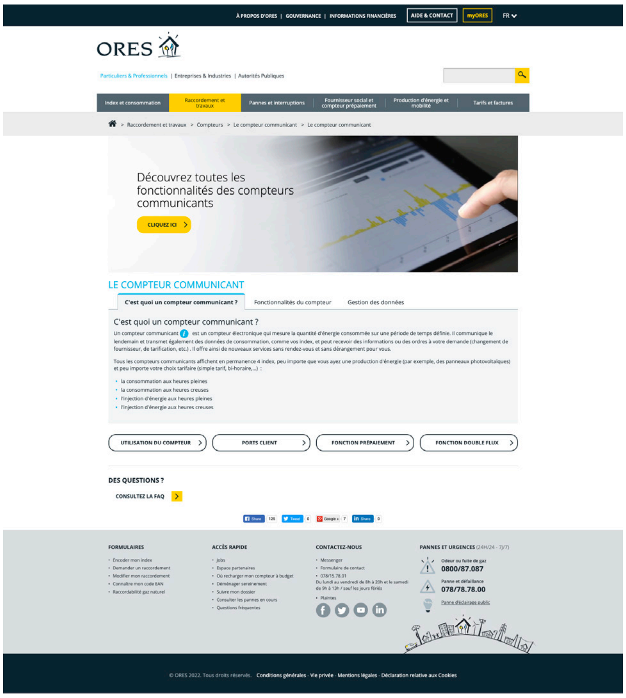
To enable them to pass on their grievances – whether some sort of dissatisfaction, an application for compensation or a request for mediation – customers are now able to lodge their complaints using the online forms on the website. Customers today prefer the digital channel to submit their enquiries. Given the difficulties encountered during the year following the implementation of the federal data exchange platform (see page 69), the number of complaints and claims for compensation received increased significantly (+33%) compared with the previous year. At the same time, the proportion of complaints received digitally – online and by e-mail – also rose (+ 45%).

DIGITAL CONTACT CHANNELS INCREASINGLY POPULAR

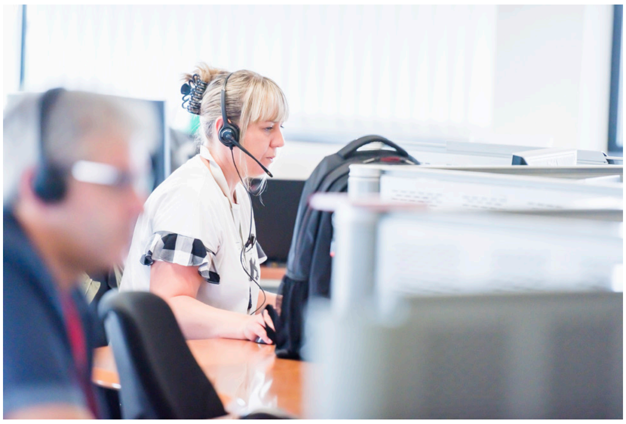
A large majority of customers prefer to use digital channels for their dealings with ORES. Digital developments are transforming the world and customers want fast, accessible service, quick responses and simple, smooth interactions with service companies. In 2022, 72% of contacts with customers went down the digital route. The company's website recorded more than 2.7 million visits over the year, which was up by 16.7% compared with 2021. The share of mobile contacts by smartphone or tablet also increased very significantly, representing 61.4% of the total, compared with 37% in 2021. The main reason for interacting with the company remains submitting meter readings, which represent 65% of contacts on ores.be.

The "customer pathways" on the website have been improved further, with new content and explanatory videos to make it easier for customers to deal with the issues of smart meters, energy production facilities and electric vehicles.

Finally and not surprisingly, social networks are also gaining in importance: the number of subscribers to the company's Facebook and LinkedIn pages increased (+13%), as did the reach of posts and the number of reactions received to these posts.



A VERY BUSY CALL CENTRE



Alongside the digital channel, service quality also includes the consideration shown to users who prefer other, more traditional, means of communication. Working through our subsidiary, Comnexio, which specialises in customer contact activities, we make sure that we preserve telephone solutions for customers, in particular by providing specific call numbers, based on the type of enquiry.

Our advisers answer customers' questions and provide them with the information and solutions they want. This information is given not only by telephone, but also by e-mail, online chat or any other means of communication appropriate to the customer. In 2022, given the context of the crises already mentioned above, telephone traffic increased again, with more than 880,000 calls received (up by 10% compared with 2021). In this way, Comnexio dealt with almost 28% of total interactions with customers, excluding "face-to-face" contacts at our reception offices located at our main operating sites. The employees at these offices mainly see customers so that they can top up the cards for their budget meter.

SOCIAL INCLUSION AND THE FIGHT AGAINST ENERGY POVERTY

ORES is resolutely committed to social inclusion and helping vulnerable customers. As part of our public service obligations, we actively assist persons experiencing difficulties using an approach that is designed to be social and individualised. We ensure that access to energy for all is preserved, in particular by participating in Local Energy Committees (LEC) with the PCSWs, by actively helping people who find themselves in difficulty, as well as by ensuring the social supply of electricity and gas for eligible customers and by contributing to the fight against over-indebtedness by providing pre-payment solutions.

DEVELOPMENT OF SMART PREPAYMENT METERS

One of public service missions taken on by ORES concerns the installation or activation of budget meters. Most of the time, these meters are installed at the request of their supplier for customers who are in default of payment. The principle of these meters is the prepayment by the user of the energy consumed. Until recently, this prepayment was made by the customer recharging an individual smart card, which was then inserted into the meter. Sometimes criticised for the social stigma attached to the top-up operation and for its current complexity, the prepayment system can also be seen as an energy budget management tool for the households concerned, providing greater direct awareness of consumption volumes and therefore easier control.

With the development of smart meters, an easier and less burdensome recharging solution is now emerging for customers. In 2021, ORES launched a pilot project to allow 3,600 households to experiment with remote, online-based energy prepayment as a replacement for their conventional budget meter. The project, carried out in collaboration with the Department of Family Sciences at UMons, to qualitatively and quantitatively measure the impact that the introduction of these meters has on household practices, particularly in a context of fuel poverty, has had positive conclusions. The results showed that the majority of customers were enthusiastic about the online tools associated with the meter, while stressing the need for targeted support.

ORES then began the operational rollout of smart prepayment meters for new customers and as a gradual replacement for budget meters. At the end of 2022, the total number of active prepayment meters – both smart and budget meters – was 46,518 units for electricity and 19,280 for gas. The breakdown by type of meter is shown in the table below.

Prepayment meters situation at the end of 2022

	Electricity	Gas	Total
Total number of prepayment meters installed, of which	132,202	49,779	181,981
Active smart meters	25,096	5,817	30,913
Active budget meters	21,422	13,463	34,885
Percentage if active prepayment meters	35,2%	38,7%	36,2%

Taken overall, due to the energy crisis situation and the severe hardship it created for many households in 2022, the number of customers with active prepayment meters is increasing significantly (+25%). The communicating meters are gradually replacing the traditional budget meters, which make life much easier for customers. A specific information section is dedicated to them on the ORES website, where they can access a space for managing their prepayments.

SOCIAL PROTECTION

The status of protected customer allows consumers in difficult financial situations to access a number of benefits for their gas and electricity supply, in particular the social tariff, which is the cheapest on the market. Rocketing prices have further strengthened the benefits of the social tariff, which in the autumn of 2022 had a favourable differential of 50% compared with the commercial tariff for electricity and 80% for gas.

ORES acts as an energy supplier for certain categories of customers: either as a social supplier for socially protected customers or as a temporary supplier – also called “Supplier X” – when customers are without a contract with a commercial supplier. The number of social customers supplied by our company, which had already risen sharply in 2021 (+18%), continued to increase in 2022, in particular due to the extension of the economic protection measures decreed by the Walloon authorities: in electricity, the annual increase was 7% and in gas it was 8%. A communication campaign was also run to inform customers of the options open to them, as well as about the bonuses introduced. The number of customers operating «under Supplier X» continued to fall sharply (-29%), given the measures taken at the instigation of our teams to facilitate the settlement of problematic situations in which customers find themselves. Details of the figures by type of energy are given in the table below.

ORES supplier – number of customers	Electricity	Gas	Total
Social supplier	39,475	19,643	59,118
Supplier X	1,304	622	1,926

ORES also plays the role of facilitator for customers in difficulty by participating in Local Energy Committees (LECs), in collaboration with the PCSWs and municipal social action councils. These LECs meet with the aim of finding specific and individual solutions for customers going through difficult social or financial periods and who are no longer able to pay for the charges linked to their consumption of energy. During a very difficult year for a growing number of vulnerable customers, the number of LECs (detailed below) increased by 110% year on year.

Number of cases examined by the Local Energy Committee in 2022	Electricity	Gas	Total
Cases relating to the minimum supply	14	-	14
Cases relating to the loss of protected customer status	1,722	962	2,684
Cases relating to the granting of natural gas supply cards in winter periods	-	1,207	1,207

At the end of 2022, in view of the enormous difficulties encountered by part of the population, ORES introduced a winter plan of additional aid. A tariff shield was set up to safeguard socially protected customers from the explosion in energy prices. The recovery of unpaid bills was suspended until 31st March 2023 and customers were also able to freeze their monthly instalments. Finally, the increase in the social tariff was offset for prepayment customers by means of an advance granted on request, amounting to 50 euros for electricity and 70 euros for gas. This scheme was pre-financed in full by ORES.

7. Governance, transparency and ethics

In terms of governance, 2022 fell within the framework of the "Corporate Governance Charter", as amended at the end of November. It also saw the completion of the procedure for renewing the mandates granted to the distribution network operator of Walloon towns and local authority areas for a new 20-year period. Finally, ORES also reviewed its risk management methodology and operations.

Corporate governance covers a set of rules and behaviours based on the principles of transparency and responsibility which, by establishing an appropriate balance between the spirit of enterprise and its control, is designed to make it possible to establish the company's objectives, as well as the means of attaining them in terms of its values and missions.

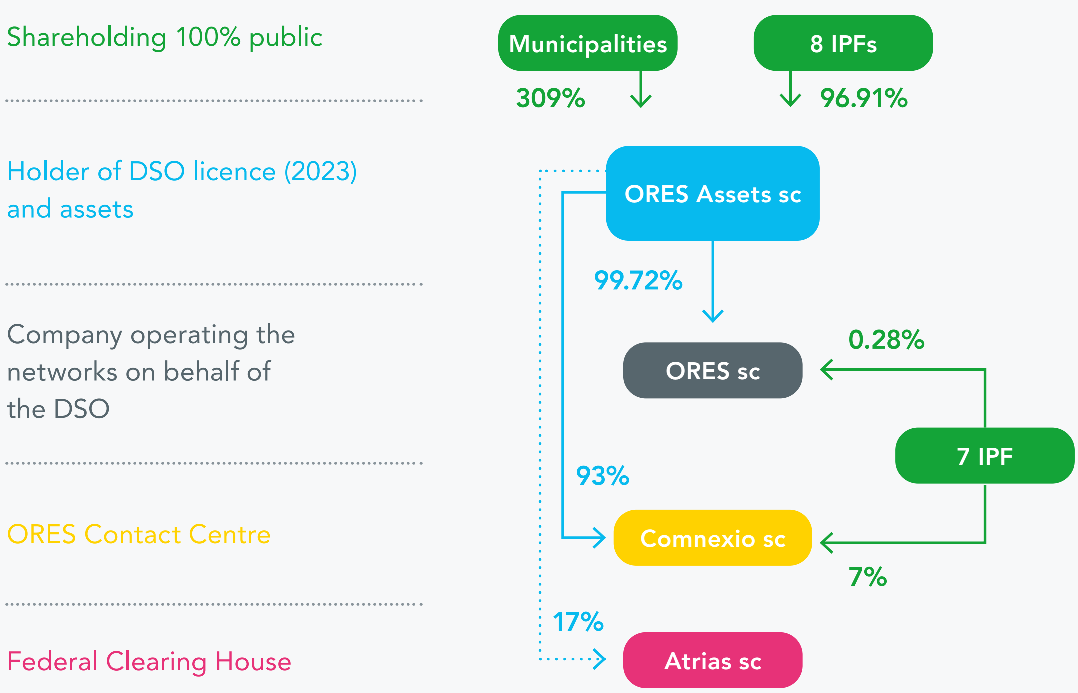
The ORES governance charter, available on ores.be, sets out the operating procedures and regulations of the company's management bodies. It also establishes the principles for the remuneration of the members of these various bodies. In line with the Local Democracy and Decentralisation Code and the requirements of the Companies and Associations Code, this annual report details the tasks of these bodies, the way they operate, their composition and the remuneration of their members. All of this information is available in the second part of this report, in the section headed "Remuneration reports" (pp. 142 to 161).

SHAREHOLDER STRUCTURE

The shareholder structure of the distribution network operator, ORES Assets, is currently made up of the holdings of 8 pure intermunicipal financing companies (IFCs) and those of 200 towns and associated municipalities.

The mission of the IFCs is to guide and support the municipalities in their financial participation, particularly in the distribution networks

Shareholder structure of the ORES group at 31/12/2022



In addition to ORES sc, which is its operating subsidiary, ORES Assets has holdings in two companies: 17% of Atrias, which hosts the new federal market data exchange platform for the electricity and gas market (see p. xx), and Comnexio, which is the subsidiary specialising in contact centre activities and, in particular, the front-line incoming telephone services.

RENEWAL OF THE MANDATES OF THE DSOs

The distribution system operators (DSOs) for electricity and gas are appointed by the towns and local authorities for a period of 20 years. As the mandates of the Walloon DSOs expire in February 2023, it was necessary to apply a renewal procedure, which was officially launched in February 2021. The 262 towns and cities of the Region were therefore invited to initiate, individually or collectively,

*. *Pure intermunicipal financing companies associated in ORES Assets: Finest, Finimo, Idefin, IEG, IFIGA, IPFBW, CENEO and Sofilux; associated in ORES sc and in Comnexio: Finest, Finimo, Idefin, IEG, IPFBW, CENEO and Sofilux*

a call for applications with a view to proposing a candidate for their territory covering the next twenty years for electricity and, where applicable, for gas. Based on the analysis of the applications received, they then notified the Walloon market regulator, the CWaPE, of a proposal for a DSO candidate in their territory. This proposal had to be made by 16th February 2022 at the latest and the Walloon Government had to appoint the future DSOs by 26th June on the basis of the analyses carried out by the CWaPE. These appointments were set out in decrees, which were then published in the Belgian Official Gazette.

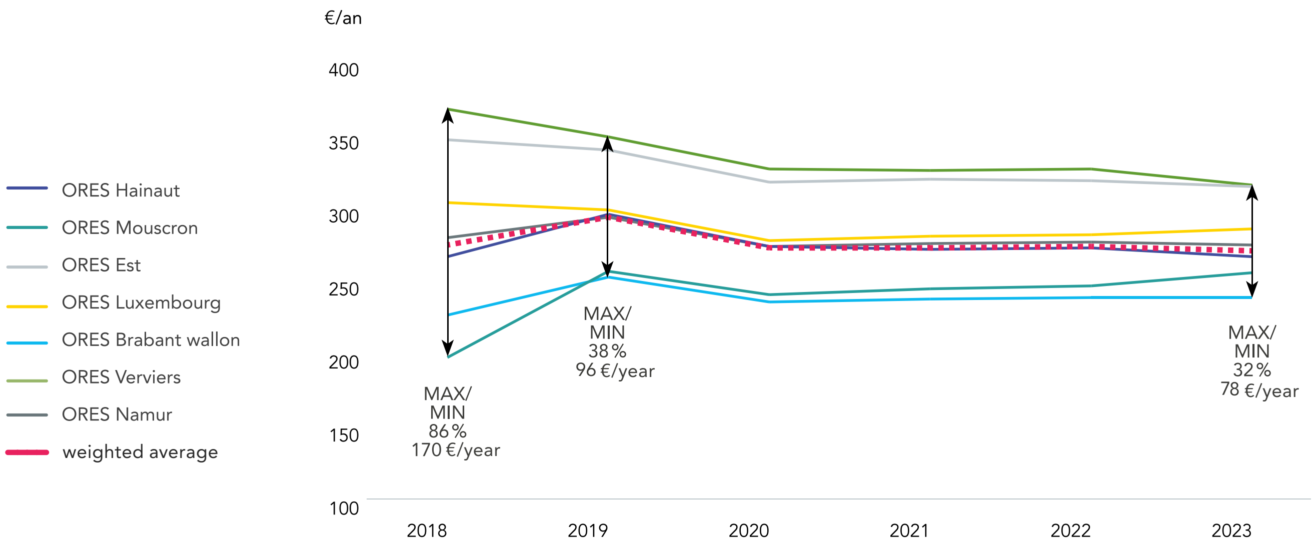
The multidisciplinary team formed internally to put together the applications for ORES responded to the various calls for tenders issued by the municipalities served at the time the procedure was launched, as well as to those of eleven other towns and municipalities located in the Provinces of Hainaut, Namur and Walloon Brabant, whose networks are managed by AIESH, AIEG or Réseaux d'Énergies de Wavre. In addition, these three DSOs applied to take over mandates in some fifteen municipalities managed by our company.

At the end of 2022, following the decisions published, ORES – through the intermunicipal company ORES Assets – was confirmed as the leading manager of electricity and/or gas networks in the Region, because in the future we will be managing these networks in 195 municipalities for electricity and 117 for gas. Two municipalities chose another DSO for electricity: Brunehaut and Couvin (for the localities in the north of the municipality that ORES has managed until now). The procedures for transferring ownership of the infrastructure and data relating to this change were underway at the beginning of 2023. As far as gas is concerned, the new municipalities that are being added to our territory are Fernelmont, Habay, Hamois, Ramillies and Villers-la-Ville.

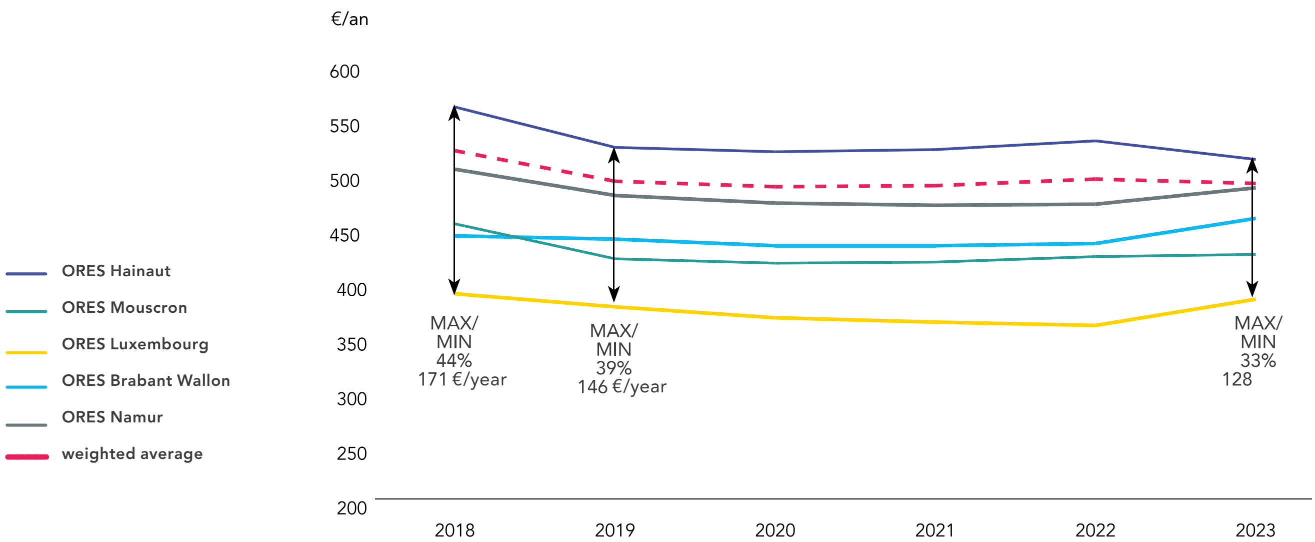
REGULATION AND DISTRIBUTION TARIFFS

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 CWaPE, the regulator for the Walloon market, based on a tariff methodology that applies to all DSOs. This revenue is then transposed into distribution tariffs. The distribution tariffs for electricity and gas currently in effect 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 also succeeded in limiting tariff disparities as much as possible – disparities linked to operating 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, remained practically stable across the whole period, rising by less than inflation.



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 489 € per year.



This stability of distribution tariffs is an important element, all the more so in 2022 when customers were faced with an extraordinary increase in the energy component of their bills. It is thanks to the operational and budgetary efforts made by the company in recent years that the increase in network costs – and therefore in distribution tariffs – has been kept under control. It is also important to stress that movements in ORES's tariffs – excluding charges, taxes and public service obligations – has remained overall below the level of inflation since the beginning of deregulation, i.e. since 2009.

In mid-2021, the ORES Board of Directors decided on tariff equalisation, i.e. an alignment of the tariffs applied throughout the territory of the intermunicipal company. In practical terms, from 1st January 2024, all ORES customers, depending on their category, will pay a single tariff for energy distribution wherever they live in Wallonia. For ORES, this means that the implementation of this equalised tariff will make it possible to release investment budgets focused on energy transition for all of the municipalities managed and no longer split up by tariff sector.

The new tariff period was to run from 2024 to 2028. The CWaPE published and submitted for consultation a draft tariff methodology for this period on 1st June 2022. An essential issue for all Walloon DSOs in the context of the future financing of the significantly increased network investments made necessary by energy transition and the large-scale electrification of society's needs, this new methodology and its application conditions will be determining for the future.

ORES and the other DSOs submitted their opinions on the methodology during the summer. For both our company and our distribution colleagues, the draft methodology did not take sufficient account of future realities and imposed disproportionate and unreasonable efficiency efforts. The effect was to considerably reduce the resources of DSOs. In view of the opinions received, the CWaPE decided at the end of October to postpone the start of the new tariff period by one year in order to allow time for proper consultation process between all parties. At the time of writing this report, discussions were ongoing on the draft tariff methodology for the period 2025-2029. The 2024 period will constitute a transition year between the two tariff periods and will be a year in which the tariff methodology is based mainly on continuing the methodology that currently applies. Authorised income will be very similar to authorised income for 2023.

THE WAY THE MARKET OPERATES AND EXCHANGES OF DATA

2022 also saw the effects of the launch of the new federal data exchange platform for the gas and electricity sector. The network operators had been working for a number of years on the development of the platform, in consultation with the energy suppliers, through their subsidiary, Atrias. At the end of 2021, a gradual start-up phase led to the final launch of the CMS, the Central Market System for energy in Belgium.

The platform allows for the unified processing and centralised transfer of millions of transactions and market data between the different parties involved. The aim is to achieve greater speed, transparency, accuracy and better service for consumers in a rapidly changing market where new services are being rolled out.

During the operational implementation of the CMS, the transfer of customer information for the whole country – five million for electricity and three million for gas – between DSOs and suppliers went more than well, with a success rate of 99%. However, for some customers, the transfer did not work or malfunctioned. And subsequently, in some exchange scenarios, blockages occurred at random. These problems affected all DSOs and suppliers, with unpleasant delays for the tens of thousands of customers affected.

In terms of the ORES systems, 36,000 problem cases were registered at the beginning of the summer of 2022. An action plan was implemented to resolve these problems, either on a massive scale through the application of IT patches for each family of cases, or through specific checks and solutions, including individual ones. The IT and customer teams were strengthened, as were the teams at the contact centre. This was because Comnexio found itself facing very significant increases in the number of incoming calls due to the difficulties encountered by customers. By February 2023, the number of problem cases had been reduced by 50%. At the time of writing, all of the stops had been pulled out to overcome the difficulties, in partnership with the other market providers.

A NEW POLICY ON RISK MANAGEMENT

Internal control and risk management are embedded in our corporate governance. The risk management process is fundamental to the achievement of our strategic objectives. In view of the rapid developments in the energy market and the new uncertainties that come with them, the company decided in 2022 to carry out a complete review of the methodology followed since 2018 to identify, assess and manage its risks.

This exercise, which involved all the company's departments, resulted in a proposal for a new internal organisation for managing the risk management process. The proposed approach is based on a "top-down" assessment for the analysis of macroeconomic risks to the company as a whole and a "bottom-up" approach for the analysis of the risks to which its various processes are exposed, by speciality area. A new body, Risk Governance Coordination, will ensure the convergence of these different approaches for better overall risk management.

In the proposed model, Risk Governance Coordination ensures that the probability and impact scales are established and that common typologies are available for all risks; it provides the consolidated view and an overall dashboard to monitor how the company's risk profile evolves. It also ensures common reporting. The risks identified and other monitoring results are fed back to Internal Audit to inform the annual audit plan. In this context, a renewed typology of risks, with a hierarchy on three levels, as well as new probability and impact studies by type of risk were carried out. They will be submitted for approval to the Executive Board during the first half of 2023.

ETHICS AND SUSTAINABILITY OF PRAC-TICES

The company's ethics are based on its values: professionalism, sense of responsibility, sense of service, audacity and the value of "respect and conviviality". In their day-to-day activities, our teams also respect the imperatives of impartiality, non-discrimination and independence from other market players, which are inherent to the role of distribution network operator and to our position as a regulated monopoly.

Our employees are committed to respecting the basic rules set out formally in an internal code of ethical conduct. These rules cover the use of company assets and resources, guidance on how to deal with attempted bribery or conflicts of interest, the protection of information – with particular emphasis on inside information – and the protection of customers' personal data under the GDPR regulation. In addition, internal control processes are put in place for material orders: double endorsement of requests by line management, calls for tenders from different suppliers, definition of signing powers and monitoring of purchase orders.

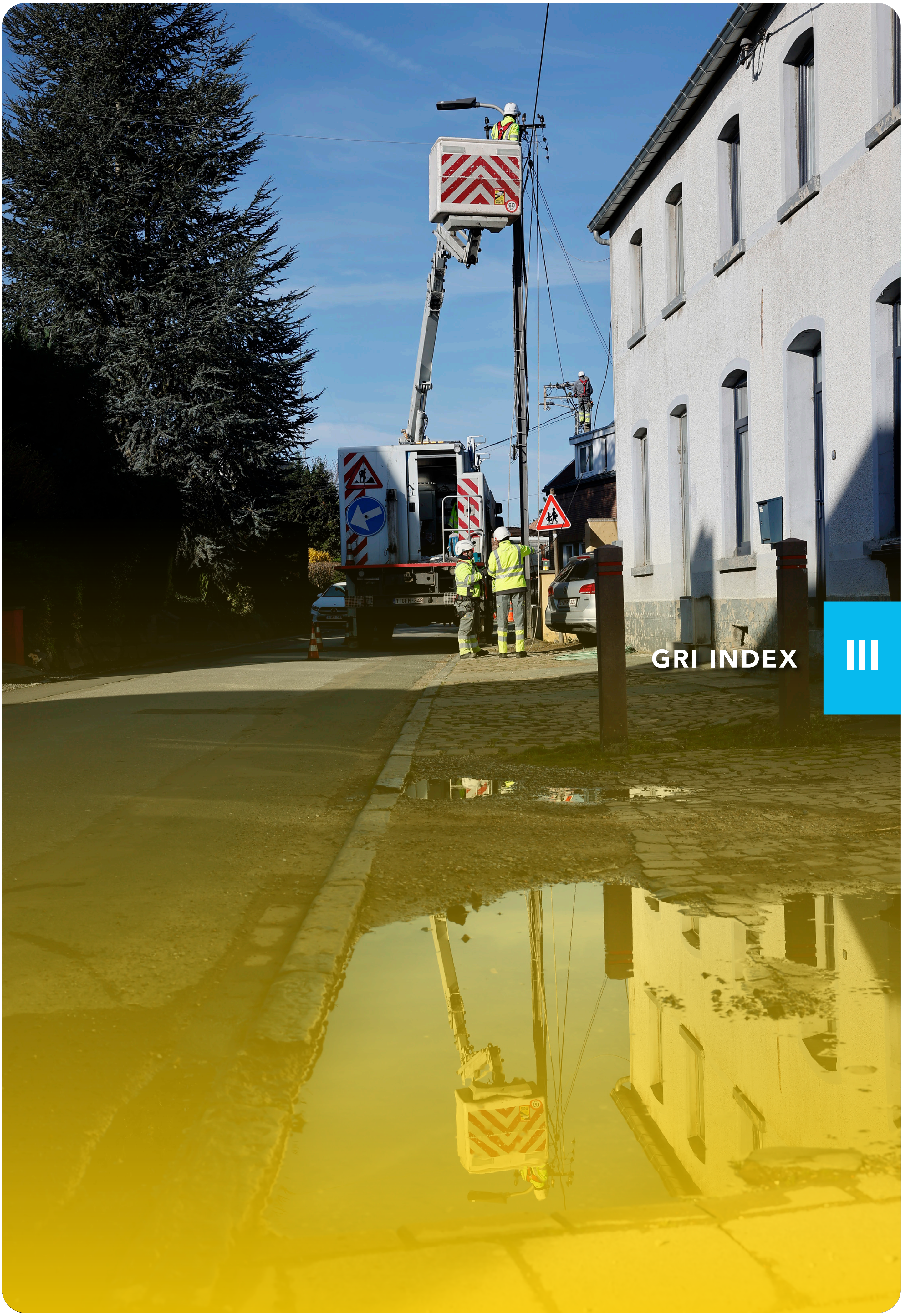
Sustainable purchasing policy

In the context of the public contracts to which it is subject, ORES also requires its suppliers, contractors and subcontractors to respect a code of ethics. Those contracts most sensitive to fraud, in particular those linked to works on-site, are governed by special provisions. The successful contractors must guarantee registration both of the work and the workers, their pay, the reporting of seconded personnel, sufficient knowledge by the subcontracted workers of the language of the contract, dignified and suitable accommodation for workers who cannot return home every day, etc. Dissuasive one-off or daily penalties are provided for in the specifications according to the type of breaches found.

In addition to focusing on compliance with human rights, social dumping, corruption, safety, prevention and environmental legislation, the company promotes principles of social responsibility and sustainability. In practical terms, when supplying services or materials, the company bases itself on specific regulations in terms of prevention, safety and environmental protection. These regulations specify the safety requirements and stipulate the supplier's obligation to comply with environmental regulations on waste management, the obligation to provide information on any incident that may have an impact on the environment, the obligation to take appropriate measures to limit damage in the event of an incident, etc. In addition, for supply contracts, reference to eco-labels, as well as to eco-responsible or equivalent products, is encouraged through the specifications. The list of successful tenderers and the amounts involved in the contracts awarded are stated in the ORES Assets annual report (section on Annual Financial Statements – pages 153-158).

A COMMITMENT TO SUPPORT AND SOLIDARITY

As a distribution systems operator, ORES is at the heart of Wallonia's socioeconomic fabric. Our company has been involved for years in partnerships and support programmes in the fields of energy, the environment, culture and socio-humanitarianism. The most emblematic commitment is undoubtedly the involvement in Viva for Life, the RTBF's charity operation aimed at raising funds to fight mainly against child poverty. ORES has been a partner of the operation since it was first launched and our staff were once again involved in various collection campaign across several months in 2022. The result: a record number of donations – doubled by the management – and a cheque for 36,174 euros presented to the organisers at the end of December.



III GRI INDEX

Organisation profile

GRI 102	General disclosures	102-1	Name of the organisation	ORES and ORES Assets
GR1 102	General disclosures	102-2	Activities, brands, products and services	See section 2. "Presentation of the company", pages 8 to 12
GR1 102	General disclosures	102-3	Location of head office	Avenue Jean Mermoz, 14 6041 Gosselies - Belgium
GR1 102	General disclosures	102-4	Location of operational sites	The company's business territory and its main operating sites are presented in the section 2. "Presentation of the company", pages 8 to 12
GR1 102	General disclosures	102-5	Capital and legal form	See the inside cover page, as well as the Management report, including the annual financial statements, pages 93 to 134
GR1 102	General disclosures	102-6	Markets served	See section "Presentation of the company", pages 9, 10 and 11
GR1 102	General disclosures	102-7	Size of the organisation	See section "Presentation of the company", pages 9, 10 and 11
GR1 102	General disclosures	102-8	Information about employees and other workers	See section "Prevention, safety and wellbeing at work", pages 55 and 56
GR1 102	General disclosures	102-9	Supply chain	See section "Governance, transparency and ethics", page 70, as well as the List of successful contractors, the Management Report, pages 153 to 158 of the ORES Assets Annual Report.
GR1 102	General disclosures	102-10	Significant changes to the organisation and its supply chain	See section "Governance, transparency and ethics", page 70, as well as the List of successful contractors, the Management Report, pages 153 to 158 of the ORES Assets Annual Report.
GR1 102	General disclosures	102-11	Principle of precaution or preventative approach	See section "Governance, transparency and ethics", page 70, as well as the "Description of the main risks and uncertainties facing the company", page 98

GR1 102	General disclosures	102-12	External initiatives	Walloon Public Lighting Charter – Internet of Energy
GR1 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 from the Chairman of the Executive Board, pages 6 and 7

Ethics and integrity

GRI 102	General disclosures	102-16	Values, principles, standards and rules of conduct	See sections "Governance, transparency and ethics", page 71, as well as the "Remuneration reports", section Presentation of management bodies, pages 142 to 161
GR1 102	General disclosures	102-17	Mechanism for advice and management of concerns about ethics	Ethics charter for members of staff – Ethics charter for suppliers – Market Abuse Enforcement Code

Governance

GRI 102	General disclosures	102-18	Governance structure	The Board of Directors has the broadest powers when it comes to achieving the corporate objects as well as managing the company. Everything that is not specifically entrusted by law or the articles of association to the general meeting comes under its jurisdiction. The various Committees and their respective missions are described the section "Remuneration Report". Additional information available in the articles of association, the ORES Governance Charter and the Internal Policies and Procedures.

GR1 102	General disclosures	102-19	Delegation of authority	The Board of Directors may delegate 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, delegation is made for the benefit of the Chairman of the Executive Board. Additional information available in the articles of association, the ORES Governance Charter and the Internal Policies and Procedures.
GRI 102	General disclosures	102-20	Executive-level responsibility for economic, environmental and social topics	Pursuant to the company's articles of association, the ORES Board of Directors may delegate all or some of its management powers to an Executive Board, which itself may sub-delegate them 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 Executive Board 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 Policies and Procedures of the Executive Board through an appendix to the Corporate Governance Charter.

GR1 102	General disclosures	102-21	Consulting stakeholders on economic and social issues	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 and ORES Assets are concerned, after its various Committees have expressed their views regarding their respective areas of expertise, fulfil the various roles described in the Corporate Governance Charter. Additional information is available in the ORES Governance Charter and the Internal Policies and Procedures. As part of the definition and updates of its major sustainable development issues and revising its materiality matrix – see on this topic section “Corporate social responsibility and sustainable development”, page 19 – the company consults its stakeholders at regular intervals. The most recent consultations took place in December 2022 and January 2023.
GR1 102	General disclosures	102-22	Composition of the highest governance body and its committees	See section “Remuneration reports”, pages 142 to 161
GR1 102	General disclosures	102-23	Chair of the highest governance body	See section “Remuneration reports”, pages 142 to 161
GR1 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 ORES Board of Directors is made up exclusively of non-executive directors. The Board of Directors makes sure that, overall, thanks to its diverse composition, it encompasses the skills and experience needed to fulfil its roles. The General Meeting appoints and dismisses the directors.
GR1 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 and by the electricity and gas decrees. More information in the Corporate Governance Charter and Internal Policies and Procedures.

GR1 102	General disclosures	102-26	Role of the highest governance body in setting purpose, values and strategy	See sections "Governance, trans-parency and ethics", page 65 and "Remuneration report", pages 142 to 161.
GR1 102	General disclosures	102-27	Collective knowledge of the highest governance body	See sections "Governance, trans-parency and ethics", page 65 and "Remuneration report", pages 142 to 161.
GR1 102	General disclosures	102-28	Evaluation of the performance of the highest governance body	The Board of Directors reviews and evaluates: 1. its own effectiveness, as well as the effectiveness of the company's governance structure, and the role and tasks of the various Com-mittees and the Executive Board; 2. every year, the performance of the Chairman of the Executive Board and, at the proposal of the Chair-man of the Executive Board, other members of the Executive Board, within the context of the proce-dure relating to determining the proportion of their remuneration linked to performance.
GR1 102	General disclosures	102-29	Identifying and managing economic, environmental and social impacts	See the sections "Corporate social responsibility and sustainable deve-lopment", page 17 and "Manage-ment Report", page 93.
GR1 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 Commit-tee and the Executive Board carry out an annual evaluation.
GR1 102	General disclosures	102-31	Review of economic, environmental and social issues	This review is carried out: 1. annually in the Management Report (risk report) 2. quarterly (summary report on main performance indicators)

GR1 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, examines all of the supporting elements of the annual report and submits them to the General Meeting for approval.
GR1 102	General disclosures	102-33	Communicating critical concerns	See sections "Responsibility and sustainable development" pages 17 to 20, and "Management report" – Description of key risks and uncertainties faced by the company, pages 98 and 103
GR1 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, pages 98 to 103
GR1 102	General disclosures	102-35	Remuneration policies	See section "Remuneration reports", pages 142 to 161
GR1 102	General disclosures	102-36	Process for determining remuneration	In accordance with the requirements of the Local Democracy and Decentralisation Code, remuneration for the directorships fulfilled by the non-executive directors is defined overall by the General Meeting, on the proposal of the Board of Directors after the Appointment and Remuneration Committee has expressed its views. Furthermore, the remuneration granted to members of the Committees and the Executive Board and the directors for fulfilling specific roles as well as those of the Chairman of the Management Committee are determined by the Board of Directors on the recommendation of the Appointments and Remuneration Committee.
GR1 102	General disclosures	102-37	Stakeholder involvement in remuneration	The legal framework is defined by the Local Democracy and Decentralisation Code (CDLD).

GR1 102	General disclosures	102-38	Annual Total Compensation Ratio	The organisation is required to provide the following information:

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

4.4 When compiling the information stated in the Element of information 102-38, the organisation must, for each country where there is significant business:

- 4.4.1 identify the highest paid person for the reporting period, as defined by the total remuneration:
  Chairman of the Executive Board
- 4.4.2 calculate the total average annual remuneration for all employees, with the exception of the highest paid person:
  59.220,07
- 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.
  507 %

4.5 when compiling the information stated in the Element of information 102-38, the organisation must:

- 4.5.1 for each country where there is significant business, define and provide details of the composition of the total annual remuneration of the highest paid person and all employees
  - 4.5.1.1 draw up an inventory of the types of remuneration included in the calculation;
    basic pay
    bonus
    CCT90
  - 4.5.1.2 state whether full-time and part-time employees are included in the calculation;
    yes
  - 4.5.1.3 state whether full-time equivalent pay rates are used for each part-time employee;
    yes
  - 4.5.1.4 state which operations or countries are included and whether the organisation elects not to consolidate this ratio for the whole of the organisation;
    ORES
- 4.5.2 based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:
  - 4.5.2.1 base salary: monetary remuneration guaranteed in the short term and non-variable;
  - 4.5.2.2 monetary remuneration: the sum of the elements of the base salary, allowances, bonuses, commission, incentives and other forms of variable cash payments;
  - 4.5.2.3 direct remuneration: the sum of the total monetary remuneration and the total fair value of all long-term incentives, such as stock options, shares or limited share units, shares or share units based on performance, phantom stock, added value rights to shares and long-term cash bonuses.

GR1 102	General disclosures	102-39	Percentage increase in annual total compensation ratio	The organisation is required to provide the following information:

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

4.6 When compiling the information stated in the Element of information 102-39, the organisation must, for each country:

- 4.6.1 identify the highest paid person for the reporting period, as defined by total remuneration;
  Chairman of the Executive Board
- 4.6.2 calculate the increase in percentage terms of the remuneration of the highest paid person for the reporting period, compared with the previous reporting period;
  17,80 % (*)
  (*) 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
- 4.6.3 calculate the average total annual remuneration for all employees, with the exception of the highest paid person;
  59.220,07
- 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;
  13,49 %
- 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.
  132 %

4.7 When compiling the information stated in the Element of information 102-39, the organisation must:

- 4.7.1 for each country where there is significant business, define and provide details of the composition of the total annual remuneration of the highest paid person and all employees
  - 4.7.1.1 draw up an inventory of the types of remuneration included in the calculation;
    basic pay
    bonus
    CCT90
  - 4.7.1.2 state whether full-time and part-time employees are included in the calculation;
    yes
  - 4.7.1.3 state whether full-time equivalent pay rates are used for each part-time employee;
    yes
  - 4.7.1.4 state which operations or countries are included and whether the organisation elects not to consolidate this ratio for the whole of the organisation;
    ORES
- 4.7.2 based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:
  - 4.7.2.1 base salary: monetary remuneration guaranteed in the short term and non-variable;
  - 4.7.2.2 monetary remuneration: the sum of the elements of the base salary, allowances, bonuses, commission, incentives and other forms of variable cash payments;
  - 4.7.2.3 direct remuneration: the sum of the total monetary remuneration and the total fair value of all long-term incentives, such as stock options, shares or limited share units, shares or share units based on performance, phantom stock, added value rights to shares and long-term cash bonuses.

Engagement of stakeholders

GRI 102	General disclosures	102-40	List of stakeholder groups	See section "Corporate social responsibility and sustainable development", pages 17 - 20. In January 2023, the company invited some thirty stakeholders, selected with regard to the place occupied by ORES in Walloon society, to take part in a round table on the question of the company's corporate social responsibility and the challenges of sustainability. Prior to this, it had sent each of them a materiality questionnaire to enable them to prioritise 15 sustainability issues determined following the previous exercises. The stakeholders invited were the following: Office of the Walloon Minister-President, Office of the Minister for Energy, Office of the Vice President and Minister for the Economy, Walloon Public Service Energy – Regional Energy Markets department, Walloon Public Service Sustainable Development, Walloon Public Service – DNE/DNF, the CWaPE, the Belgian Federation of Electricity and Gas Producers and Suppliers, the intermunicipal company IDEA – Energy and Sustainable Solutions department, the Catholic University of Louvain, the University of Liège, the Federation of PCSWs, the Union of Towns and Local Authorities, the Walloon Sustainable Energy Access Network, Test-Achats, the Union of Small Traders, the Walloon Union of Enterprises, the Federation of General Building Contractors (Embuild), the Walloon Union of Architects, Belfius, the Belgian Federation of Industry and Car Manufacturers – Technical Studies Advisory department, the association CANOPEA (Inter-Environnement Wallonie), the association Be Prosumer, the Walloon Anti-Poverty Network, Rescoop Wallonie, the association Natagora, SWDE, Act for Climate Justice - Youth for Climate, the association Énergie Commune, the Tenants' Union and the social housing company, La Sambrienne. This meeting was held on 26th January 2023 and brought together, in addition to manager from ORES, 11 representatives from stakeholders. In addition, nine other external stakeholders who were unable to take part in the exercise provided their input via the materiality questionnaire sent out beforehand. Internally, a representative sample of 40 colleagues received the same questionnaire and 22 responded.
GRI 102	General disclosures	102-41	Collective bargaining agreements	100%

GRI 102	General disclosures	102-42	Identifying and selecting stakeholders	See section "Corporate social responsibility and sustainable development", page 19 and point 102-40 above.
GRI 102	General disclosures	102-43	Approach to stakeholder involvement	See section "Corporate social responsibility and sustainable development", page 19 and point 102-40 above.
GRI 102	General disclosures	102-44	Key issues and concerns raised	See section "Corporate social responsibility and sustainable development", page 19 and point 102-47 above.

Reporting method

GRI 102	General disclosures	102-45	Entities included in the consolidated financial	ORES Assets, ORES, Comnexio and Atrias
GRI 102	General disclosures	102-46	Defining report content and topic boundaries	See section "Corporate social responsibility and sustainable development", page 19 and point 102-47 above.
GRI 102	General disclosures	102-47	List of pertinent issues	See section 2. "Corporate Social Responsibility and Sustainable Development", pages 19 and 20, and point 102-40. The list of the 15 materiality challenges identified by the company in 2022 is given below.

Energy transition	The activity of the energy sector today is linked directly to the climate challenge and to decarbonisation. Energy transition is underway. As a distributor, ORES faces numerous challenges for facilitating this transition: integrating renewable production, growing large-scale electrification, increasing energy efficiency, upgrading the public lighting stock, integrating biomethane into the gas distribution network, etc.
Carbon footprint – climate	The activities carried out by ORES affect the environment and the climate. Our company aims to limit its overall footprint by acting in the following areas in particular: greenhouse gas emissions from buildings, vehicles, infrastructure (loss of electricity and gas), effects on the biodiversity of electric, gas and public lighting infrastructures; limiting the production and better management of waste in particular.
Digitalisation/ digitisation	The operation and management of the energy market is based increasingly on data, its processing and availability. In addition to the future contribution to the optimisation of investments and energy transition, the digitalisation/digitisation of data, smart metering and the smartisation of the networks will enable the markets to evolve and develop flexibility and to enable customers to play a more active role. The company wishes to progress along these lines given the central role it plays in the market.
Responsible and sustainable purchasing	In addition to complying with legal regulations and requirements, the purchases/procurement contracts entered into by ORES are moving towards greater sustainability as a result of taking into consideration environmental, ethical and social criteria, as well as quality. The company also aims to maintain and build a balanced and healthy relationship with its suppliers.

Operational excellence, reliability and resilience of the network	The reliability and resilience of the distribution networks are essential. They make it possible to maintain sustainable economic development and to guarantee energy supply continuity for the citizens, businesses and public authorities.
Quality of the service and customer relations	ORES serves various categories of customer: private individuals, businesses (SMEs) and local authorities such as Towns and Municipalities, who are also its shareholders. ORES aims to make life easier for its customers by offering them fast, efficient and user-friendly service that meets their expectations.
Cost of energy and fuel poverty	Both electricity and gas are essential commodities and the level of energy bills is currently at the heart of everyone's concerns. ORES take the measures necessary to control the movement of distribution costs of all of its customers (private individuals, professionals, businesses) while at the same time guaranteeing access to energy for all. It is vital to ensure that the service provided is fair and of good quality, with a strong commitment and tangible actions in favour of customers who are vulnerable or adversely affected by the digital divide.
Cybersecurity	In an increasingly digitised environment, protecting ORES's business, its employees and customers now involves implementing effect systems and strict procedures when it comes to cybersecurity and the protection of data, while complying in particular with the GDPR.
Governance and ethics	ORES provides essential services for the community and is of course required to comply with statutory and regulatory requirements, particularly in terms of governance and the scope of its business, as well as to display flawless ethics. ORES implements and observes principles of fairness and transparency in its operating practices and commercial relationships.
Partner of the public authorities and citizens	ORES accepts its responsibility as a facilitator, adviser and supporter of the public authorities and citizens when defining, implementing and developing policies, as well as for energy consumption practices.
Dialogue / interactions with stakeholders	ORES seeks to take account of the requirements of its stakeholders and to promote exchanges with them and between them so that it can better meet expectations, particularly in the context of the position it occupies in the Walloon and local socioeconomic fabric.
Prevention, safety and wellbeing in the workplace	The trades carried out by ORES are potentially dangerous for members of its staff on the ground, as well as for its subcontractors and local residents who are close to the distribution networks. The company conducts an ambitious prevention policy aimed at zero accidents within the framework of an overall action plan to improve the wellbeing of employees,
Training and employability	The various trades at ORES tend to evolve quickly and constantly require the input of new forms of knowledge. The success of the company depends on its ability to cope with change, particularly by (re)training its staff and the employees of subcontractors.
Changes to corporate culture and attractiveness	The way the energy market is changing and the current level of demands from customers means that our corporate culture needs to evolve. It does so by incorporating greater agility and trust and by preserving fundamentals such as the technical skills and expertise of our workers. In view of the shortage of suitable profiles on the employment market, ORES aims to offer an environment and working conditions capable of attracting new talents and hence guaranteeing a constant supply of new staff.
Diversity and non-discrimination	From any point of view whatsoever – gender, age, nationality, sexuality, disability, philosophical beliefs, etc. – treating people unequally is unacceptable. ORES takes every necessary measure to avoid any risk of discrimination in the workplace.

The three major issues identified as a result of the materiality exercise at the end of 2022-beginning of 2023 with external and internal stakeholders are energy transition, operational excellence and network reliability/resilience, as well as the issue of prevention, safety and wellbeing at work.

GRI 102	General disclosures	102-48	Restatement of information	NA
GRI 102	General disclosures	102-49	Changes to reporting	Reorganisation of the various sections in this report based on the issues identified as most relevant during the materiality exercise.
GRI 102	General disclosures	102-50	Reporting period	Financial year 2022
GRI 102	General disclosures	102-51	Date of most recent report	NA
GRI 102	General disclosures	102-52	Reporting cycle	Annual reporting cycle
GRI 102	General disclosures	102-53	Contact point for questions regarding the report	Jean-Michel Brebant – CSR Manager – jeanmichel.brebant@ores.be
GRI 102	General disclosures	102-54	Reporting declarations in accordance with GRI standards	This annual report has been prepared in accordance with GRI standards GRI 2016.

Specific sections

GRI 201	Economic performance	201-1	Direct economic value generated and distributed	The reader is referred to the organisation's Annual Financial Statements in the section "Management Report"
GRI 201	Economic performance	201-2	Financial implications and other risks due to climate change	See section "Management Report"

GRI 201	Economic performance	201-4	Government financial aid	The Group benefits from grants received from Wallonia for general interest industrial research projects regarding, on the one hand, the use of smart meters in a context of fuel poverty ("Smart User" project, completed in 2022) and, on the other, social inclusion in energy communities ("SOCCER" project, which will come to an end in 2023). Elsewhere, as part of the "Interpreter" project, which ended in 2022 and relative to the modelling of networks in the context of digitalisation – smart networks and smart meters – and efficiency and sustainability, ORES benefited from funding provided by the European Commission within the framework of the Horizon programme.
GRI 205	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	See section "Governance, transparency and ethics", pages 65 to 70
GRI 302	Energy	302-1	Energy consumption within the organisation	See section "Energy transition and carbon footprint", pages 36 and 37
GRI 302	Energy	302-4	Reduction of energy consumption	See section "Energy transition and carbon footprint", page 35
GRI 306	Effluent and waste	306-2	Waste by type and disposal method	See section "Energy transition and carbon footprint", pages 39
GRI 306	Effluent and waste	306-4	Transport de déchets dangereux	See section "Energy transition and carbon footprint", pages 38
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:		2020			2021			2022		
		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

Number of entries

		2020 Male	2020 Female	2020 Total	2021 Male	2021 Female	2021 Total	2022 Male	2022 Female	2022 Total
	<30	35	14		32	27		51	31	
>=30	<50	39	18		42	37		84	68	
	>=50	1	0		1	3		4	4	
		75	**32**	**107**	**75**	**67**	**142**	**139**	**103**	**242**
	Recruitment rate	6,60%	10,90%	8,01%						
		out of the male popula-tion	out of the female popula-tion	out of the total popula-tion	out of the male popula-tion	out of the female popula-tion	out of the total popula-tion	out of the male popula-tion	out of the female popula-tion	out of the total popula-tion

b. The total number of employees and the churn rate of staff during the reporting period, by age group, gender and region.

Region = Wallonia

Number of departures

		2020 Male	2020 Female	2020 Total	2021 Male	2021 Female	2021 Total	2022 Male	2022 Female	2022 Total
	<30	20	10		17	10		14	8	
>=30	<50	20	42		23	32		38	39	
	>=50	38	7		36	12		37	10	
		78	**59**	**137**	**76**	**54**	**130**	**89**	**57**	**146**
	Churn rate									
		Num-ber of depar-tures	out of the female popula-tion	out of the total popula-tion	Num-ber of depar-tures	out of the female popula-tion	out of the total popula-tion	Num-ber of depar-tures	out of the female popula-tion	out of the total popula-tion

GRI 401	Employment	401-2	Benefits granted to full-time employees that are not granted to temporary or part-time employees

The standard benefits granted to the organisation's full-time employees standards and not to temporary or part-time employees.

These are a minimum of:

i. life insurance	Included in the group insurance policy, with employer and personal contributions
ii. healthcare	Admission to hospital and out-patient care
iii. care for the disabled and disability	Included in the group insurance policy, with employer and personal contributions.
iv. parental leave	Further to CLA 64 of 29/4/1997: contractual parental leave / parental leave in the context of career breaks
v. occupational retirement provision	As part of a career break
vi. staff shareholdings	Included in the group insurance, with employer and personal contributions
vii. other benefits	None
	Rate benefits, Social Fund

GR1 401	Employment	401-3	Parental leave

The organisation must provide information about the following:

	2020	2021	2022
a. The total number of employees entitled to parental leave, by gender			
Male	692	726	702
Female	290	353	311
Total	**982**	**1.079**	**1.013**
b. The total number of employees taking parental leave, by gender			
Male	111	75	88
Female	151	73	78
Total	**262**	**148**	**166**
c. The total number of employees returning to work during the reporting period at the end of their parental leave, by gender			
Male	58	24	41
Female	39	29	31
Total	**97**	**53**	**72**
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	138	134	145
Female	109	117	120
Total	**247**	**251**	**265**

e. Rates of returning to work and retention of employees taking parental leave, by gender

	2020 Return	2020 Retention	2021 Return	2021 Retention	2022 Return	2022 Retention
Male	52,25%	88,99%	32,00%	78,63%	46,59%	66,90%
Female	25,83%	70,64%	39,73%	73,50%	39,74%	66,67%
Total	**37,02%**	**70,45%**	**35,81%**	**70,92%**	**43,37%**	**66,79%**

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, long prepared and organised for autumn 2020, was raised for the first time in a Works Council meeting three years in advance. According to the Collective Labour Agreement of 2/03/1989, the time needed to present an agreement is 2 hours. In practical terms, when an agreement is entered into collectively (CLA), union representatives have 2 to 4 weeks to present it to staff. However, this notice period is not included in an agreement.
GRI 403	Health and safety at work	403-1	Worker representation on official health and safety committees involving both workers and management	ORES has two Health & Safety Committees (HSC). The "West" HSC features an Employee Board made up of 10 effective members and 10 deputies, as well as a Young Employee Board, consisting of one effective member and one deputy. The "East" HSC has an Employee Board made up of 10 effective members and 10 deputies. Employer delegations are made up of the same number of representatives.
GRI 403	Health and safety at work	403-2	Types of occupational accidents and occupation accident rates, occupational diseases, lost working days, absenteeism and number of work-related deaths	See section "Prevention, safety and wellbeing at work", pages 54 and 55.

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	403-4	Health and safety issues covered in formal agreements with trade unions	100%
GRI 404	Training and education	404-1	Average number of hours of training per year per employee	See section "Prevention, safety and wellbeing at work", page 57.
GRI 404	Training and education	404-2	Programmes for upgrading employee skills and transition assistance programmes	See section "Prevention, safety and wellbeing at work", pages 56.
GRI 404	Training and education	404-3	Percentage of employees receiving regular performance and career development reviews	

The organisation is required to provide the following information :

The percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period:

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

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

GRI 405 | Diversity and equal opportunities | 405-1 | Diversity of governance bodies and employees

The organisation is required to provide the following information:

a. The percentage of individuals who are members of the organisation's governance bodies in each of the following diversity categories:

Gender and Age group	Male	Female
<30	0,00%	0,00%
>=30 <50	0,16%	0,04%
>=50	0,12%	0,08%
Total	**0,28%**	**0,12%**

b. The percentage of employees per employee category and per diversity category – See section "Prevention, safety and wellbeing at work", page 56

GR1 405 | Diversity and equal opportunities | 405-2 | Ratio of basic salary and remuneration of women to men

The organisation is required to provide information about the following:

The ratio of the basic salary and the remuneration for women to men for each professional category, by major operating site.

No "major operating sites", but consolidated results for a single region, i.e. the ORES territory in Wallonia.

2022	
Ratio	**Féminin/Masculin**
Senior management	4,66%
Executives	-8,78%
Supervisors	-10,55%
Employees	-1,80%
Total	**-1,68%**

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 section "Governance, transparency and ethics", page 71
GRI 414	Social assessment of suppliers	414-1	New suppliers analysed using social criteria	See section "Governance, transparency and ethics", page 71

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	2 substantiated complaints were received about customer data were received during the reporting period and 6 cases of data leaks, theft or loss were identified, of which 3 were reported.

MANAGEMENT REPORT IV

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

The development of the business is set out in greater detail in section II – Activity and Sustainable Development Report. In addition, the following financial highlights for the year 2022 are noted:

- the General Meeting of ORES Assets on 16th June 2022 appointed BDO Réviseurs d'Entreprises srl, represented by Mr Christophe Colson, permanent representative for the function as company auditor for the financial years 2022 to 2024;

- to help counter the extraordinary increase in the energy component of customers, as mentioned in the item headed "Regulation and distribution tariffs" in the section on "Governance, transparency and ethics", the Walloon Government wished to examine, in the context of the analysis of possible excess profits made in the energy sector[2], the possibility of converting the bonuses for the 2019 to 2022 financial years into regulatory liabilities that could reduce distribution tariffs. Discussions between the DSOs concerned, including ORES Assets, the CWaPE and the Walloon Government followed, at the end of which it was confirmed that these bonuses did not constitute excess profits. ORES Assets has committed to using natural bonuses to meet the higher costs for 2022-2023 and not to apply for a tariff increase in 2023. In addition, the intermunicipal company also committed, in its 2019-2028 vision, that "good management" should be reinvested in energy transition;

- as stated by the National Bank of Belgium in its 2022 report, the main driver behind the rapid rise in inflation is the Russian invasion of Ukraine. Pre-existing tensions in energy markets have increased, resulting in a significant increase in the price of natural gas in particular and the related electricity. This was followed by an increase in prices, as more and more companies passed on the increase. The extremely high inflation in 2022 has had consequences for the ORES Assets Group. These are set out in the following notes to the company's results and situation below.

• The company's results and situation

i. Elements of the profit-and-loss account at 31st December 2022

Sales and services amounted to 625,053 k€ (595,530 k€ in 2021). This figure is made up of the turnover for ORES of 614,498 k€ (584,467 k€ in 2021). This represents the expenses charged to ORES Assets as part of the management services for the distribution networks of 608,370 k€ (579,854 k€ in 2021) and works carried out on behalf of third parties of 6,128 k€ (4,613 k€ in 2021). Other operating income was 10,338 k€ (10,806 k€ in 2021), including mainly the recovery of overheads and staffing costs from third-party companies in the context of joint projects, or re-invoicing related to agreements entered into by the company. Capitalised production related to the capitalisation of staffing costs on development projects was also recorded in the amount of 217 k€ (257 k€ in 2021).

As a reminder, the result for ORES at 31st December 2022 was zero. This is because ORES handles the management of the distribution networks (electricity and gas) on behalf of ORES Assets at cost.

Purchases of goods were 90,947 k€, up by 17.9% compared with 2021. This was due to a large extent to the

2. Namely windfall effects, profits that are not supposed to happen and that occur when the selling price is very high compared to the production price.

rise in commodity prices, combined with the significant increase in the business in 2022.

This growth in the business and the inflation experienced in 2022 also justifies the increase in miscellaneous goods and services, amounting to 305,934 k€ at the end of 2022 (284,823 k€ in 2021). They mainly concern investment and operating work, as well as payments to third parties (external consultants' fees, lawyers' fees and fees paid for IT services). The balance is made up of expenses relating to user fees (computer systems), cartage, rents and rental charges, postage, representation, training, etc.

Salaries, social charges and pensions amounted to 233,104 k€, an increase compared with 2021 (+7.96%). This increase is mainly due to the impact of inflation on salary expenses, in addition to changes in the workforce.

Depreciations of 702 k€ (580 k€ in 2021) represent the depreciation of investments capitalised as development costs.

Impairments on stocks, orders in progress and trade receivables was -436 k€ (income) (compared with an expense of 3,694 k€ in 2021). As a reminder, impairments on stocks were recorded in 2021 amounting to 3,676 k€, on the one hand, on stocks of electromechanical and budget meters (3,331 k€), that are no longer intended to be installed on the network and are being gradually replaced by smart meters and, on the other, on very low-rotation stock, such as items that have not moved for a minimum of five years (345 k€). The application in 2022 of these same rules had the effect of updating the associated impairments.

Provisions for risks and charges were 1,595 k€ (expense) in 2022, compared with -849 k€ (income) in 2021. This amount is composed of the update of the provision for excavated soil (Walloon Government Excavated Soil Decree – net amount of 2,719 k€), the adjustment of a provision for social disputes (net amount of -818 k€), as well as the updating of the provision relating to the cancellation of the IT services contract for the implementation of an IT contract for smart metering (net amount of 109 k€). Finally, a partial writeback of the provision relating to the Walloon platform for the management of master plans – vectorisation – was recorded for 415 k€.

Other operating expenses recorded were 637 k€, including miscellaneous taxes and expenses in particular. These were down compared with 2021, when they amounted to 1,096 k€.

Financial expenses were 22,095 k€ (27,081 k€ in 2021, down 18.4%). These mainly included interest on bond loans and bank loans (20,505 k€). In view of the volatility of the financial markets in 2022, ORES recorded losses (821 k€) on sales made from a cash fund held in the portfolio. However, the rise in interest rates in the second half of the year made it possible to reduce the unrealised loss (476 €) on the amounts still held in this fund at the end of December.

Financial income was also 22,095 k€, made up mainly of the invoicing by ORES to ORES Assets of its financial result.

Taxes amounting (income net of tax) to 7,428 k€ consisted mainly of the estimated tax charge on expenditure not admitted from the 2022 financial year of 953 k€ and of the tax adjustment to be recovered in relation to the 2021 financial year (436 k€), as well as the tax of 7,977 k€ to be recovered following the rectifying tax notice received in 2021 relating to the tax inspection covering the year 2018. As a reminder, in 2021, ORES had been required to pay an additional amount of tax (8,067 k€) following a tax inspection relating to the 2018 financial year. The dispute lodged by ORES was accepted by the tax authorities for virtually the whole amount and the tax adjustment received in 2021 was cancelled as a result.

ii. Elements from the balance sheet at 31st December 2022

ii. a. Assets

Intangible fixed assets amounting to 2,034 k€ (2,372 k€ in 2021) were made up of development projects (mainly Smart Grid et Smart Metering). This reduction is explained as follows:

• investments for the period: +363 k€;

• depreciations for the period: -701 k€ .

It should be noted that following the annual impairment test, no disposals were carried out this year.

Financial fixed assets amounting to 1,776,447 k€ (1,689,010 k€ in 2021) were made up mainly of funds made available long-term to ORES Assets and should be compared with the long-term financial debts in the liabilities on the balance sheet. ORES also owns 1 share in Laborelec.

It should be noted that as part of the dispute between us and a service provider (termination of the IT services contract, see below under "Provisions"), a ruling has been handed down ordering ORES to pay an amount to 31st December 2022 of 3,036 k€. Although an appeal against this ruling was lodged at the end of 2022, a payment has been made into a frozen account by way of a provision.

Outstanding stocks and orders were 59,942 k€ (53,489 k€ in 2021). This increase is explained, on the one hand, by an increase in the weighted average price of items as a result of the global increase in raw material costs and inflation. On the other hand, the number of items in stock rose slightly and is justified by an increase in current and future building sites.

Trade receivables were 33,863 k€ (63,846 k€ in 2021). These trade receivables were made up of debts on miscellaneous customers, as well as receivables from ORES Assets under the distribution network management agreement. These were 28,948 k€ and explain the reduction compared with 2021 (58,528 k€ in 2021).

Other receivables of 77,851 k€ (140,723 k€ in 2021) were represented mainly by funds made available to ORES Assets until 2023 totalling 65,600 k€ (138,600 k€ in 2021) and should be compared with the long-term financial debts in the liabilities on the balance sheet. The balance was made up of tax debts and VAT to be recovered.

Cash investments amounting to a total of 227,880 k€ (152,116 k€ in 2021), were made up of investments in SICAVs (218,480 k€), term investments in bank accounts amounting to (5,400 k€) and investments in commercial paper of 4,000 k€. As stated above, in order to avoid negative interest on current accounts, ORES invested in SICAVs or term deposits.

Available assets of 102,433 k€ at 31st December 2022 (64,967 k€ in 2021) included cash held in current accounts and social funds.

Accruals in the assets were 3,984 k€ (5,893 k€ in 2021) were made up of charges to be carried forward and interest income to be received linked to our hedging instruments.

II.b. Liabilities

Available input (439 k€) and non-available input (19 k€) were represented by 2,460 shares held by ORES Assets, as well as by the pure intermunicipal financing companies IDEFIN, CENEO, FINEST, SOFILUX, FINIMO, IPFBW and IEG, broken down as follows:

Shareholders	%	Number of shares
ORES Assets	99,72%	2,453
IDEFIN	0,04%	1
CENEO	0,04%	1
FINEST	0,04%	1
SOFILUX	0,04%	1
FINIMO	0,04%	1
IPFBW	0,04%	1
IEG	0,04%	1
TOTAL	**100,00%**	**2,460**

The capital subsidies account (51 k€) represents the net book value of a subsidy received from Wallonia for a general interest industrial research project relating to smart meters (Smart Metering).

Provisions for risks and expenses of 18,117 k€ (16,522 k€ in 2021) were made up of:

- a recorded provision of 8,290 k€ relating to the Walloon platform for the management of master plans – vectorisation;
- 3,827 k€ set aside following the termination of the IT services contract to implement an information system for smart metering;
- a provision of 1,021 k€ recorded for social disputes;
- 4,651 k€ set aside within the framework of statutory provisions on excavated soil (Walloon Government Excavated Soil Decree);
- a provision of 328 k€ made for the dispute with a contractor for the construction of the new head office.

Long-term financial debts of 1,773,400 k€ (1,689,000 k€ in 2021) and short-term debts of 118,600 k€ (138,600 k€ in 2021) were made up of:

- long-term bank loans amounting to 1,393,400 k€ and 118,600 k€ maturing within the year;
- long-term bond loans in the form of private placements of 380,000 k€.

In 2022, ORES took out new loans totalling 150,000 k€ from Belfius (60,000 k€) and ING (90,000 k€) banks, while it also repaid bank and bond loans totalling 138,600 k€. These funds are made available to ORES Assets, and therefore generate long and short-term receivables on the assets side of the balance sheet.

Commercial debts at 31st December 2022 amounting to 88,478 k€ (89,991 k€ in 2021) correspond to unpaid suppliers, as well as to invoices receivable.

Tax, payroll and social debts totalling 59,961 k€ (63,050 k€ in 2021) included:

- tax debts (9,003 k€) consisting of:
    - the balance of the VAT to pay of 3,016 k€;
    - the balance of the withholding tax to be paid of 5,987 k€.
- payroll and social debts of 50,958 k€, consisting mainly of:
    - provisions for bonuses and remuneration to be paid of 17,329 k€;
    - NOSS contributions to be paid of 12,027 k€;
    - the provision for holiday pay to be paid in 2023 of 21,522 k€.

Other debts amounted to 211,501 k€ (161,466 k€ in 2021) and consisted in particular of the current account with ORES Assets totalling 206,317 k€ (155,715 k€ in 2021). The increase in the current account is explained by the loans taken out at the end of the year and made available to ORES Assets (see the explanation of the financial debts above).

Liability accruals of 13,858 k€ (13,269 k€ in 2021) include:

- the amount invoiced to other companies to cover the annuities to be paid to staff who worked for those companies of 2,325 k€ ;
- an amount of 8,465 k€ associated with the financial expenses to be paid on our bond loans and bank loans.

iii. Description of the main risks and uncertainties facing the company

ORES and ORES Assets together form a coherent economic group for which a consolidated analysis of risks and uncertainties is performed. The following paragraphs describe the measures taken to identify the main known risks and uncertainties that ORES ("the Group") may face and the measures taken to mitigate them. Risk management is a key process when it comes to helping ORES fulfil its strategic goals, as documented in the strategic plan, as well as its operating risks. The risk management methodology defined by the Group has evolved since 2018 as part of an ongoing improvement process. In mid-2022, new thinking about the development of this methodology was initiated with the aim of strengthening the way risks are controlled. It will be implemented in April 2023.

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 ORES strategic plan. The methodology used in this process is described in the 2021 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 2021 are explained in more detail below, focusing on the most significant risks, as highlighted by the risk analysis finalised in October 2021 . Some unidentified risks could exist or, whereas they appear to be limited today, they could become more significant in the future. Nevertheless, the methodology put in place, by making all departments accountable and by expanding the sources of information as a result, makes it possible to greatly reduce the probability of ignoring a significant risk.

i. Risks associated with transformation and the extent of change

This covers the risks associated with human and financial sustainability and hence the ability of ORES to implement its strategic plan, transformation and the extent

3. 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.

of the associated changes. In particular, these risks may produce difficulties associated with:

- the simultaneity of projects and hence the number of projects that can be conducted jointly, the management of dependencies and achieving objectives in terms of scope/planning/budget;

- human resources, particularly the sustainability of staff workload, as well as the retention of talented staff and the ability to attract them to the company while also taking account of the skills required in the future.

These difficulties may impact the implementation of this strategic plan.

Among the actions implemented or introduced to mitigate this risk, we should mentioned the special attention paid to governance and the project framework methodology, the close monitoring of human resources and the launch of initiatives such as talent management, support with change, etc. In the same way, the implementation of these actions opens up opportunities for ORES, such as mobilising staff behind a new long-term vision, reflecting on efficiency, making people aware of the budget process and complying with it, developing agility and adapting the organisation and its processes, etc.

ii. Risks associated with business continuity

The Covid-19 pandemic demonstrated the importance of putting in place business continuity measures in order to continue working even in downgraded mode. Having a continuity and recovery strategy is not a one-off need. It is a long-term approach that enables us to deal with unforeseen events (weather-related hazards, malicious attacks, failure of equipment and infrastructure, etc.) that may have an impact on ORES's business and activities at all levels (operation of distribution facilities, market processes, etc.).

The war in Ukraine underlined this risk throughout 2022 through strong pressure on the availability of certain raw materials that are essential to the various ORES businesses, while also pushing up prices.

This was compounded by the frequency and severity of extreme weather events, such as storms, temperature variations and increases, intense rainfall and associated flooding, etc.

Consequently, the Management Board decided in June 2022, in line with the risk picture, to strengthen its governance in terms of business continuity by implementing a "Business Continuity" Working Group that aims to strengthen governance and provide ongoing improvement that will enable the company to ensure business resilience. The activities carried out include drawing up an inventory of critical processes and scenarios to be taken into account, the drafting or updating of continuity plans in accordance with the defined governance, ensuring consistency with the IT recovery plan and carrying out exercises and feedback as part of the continuous improvement process.

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

- preserve the health of its staff;

- maintain the essential public service work provided by the company.

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

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. A new strategic plan was approved at the end of 2022 and is monitored regularly.

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.). In a study carried out for the Group by Climact, it estimated the increase in electricity consumption on the ORES Assets network at 30% between 2020 and 2030 and at 64% between 2030 and 2050.

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), energy communities, flexibility, storage, etc. There are many opportunities and these are being monitored very closely by ORES.

The development of the company's strategy incorporates these risks and opportunities in order to make a successful transition to the world of tomorrow, while still ensuring that customers are supported in these changes and anticipating potential problems, such as power grid congestion.

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 energy poverty

The succession of crises, such as Covid-19, the heavy floods in mid-2021 and the explosion in energy prices have all weakened Walloon households, particularly in terms of their access to energy. ORES stands at the side of its customers to help them face their difficulties by setting up a free telephone number (1718) to answer their questions and advise them as best as possible with regard to the aid available (access to the social tariff, protected customer status, winter plan, etc.).

The growth in the number of customers benefiting from these subsidies has put pressure on the volume of energy that has to be purchased by ORES Assets and its cost. Attention is also paid to fraud detection, in a more favourable context.

Against this difficult economic backdrop, the risk of energy supplier(s) defaulting is real in view of energy prices that remain very high, while suppliers still have to supply part of their customers at a fixed price that is well below market prices (in the case of fixed contracts). Many customers also find themselves unable to pay their energy bills or with a repayment plan. Action has also been taken following an audit on the management of access contracts.

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 19th July 2018 relating to the rollout 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). Discussions between the CWaPE and ORES about the envelope specifically reviewed to take these new assumptions into account finally ended in October 2021 with the regulator approving the review of net charges.

Discussions relating to the adoption of the tariff methodology to be applied during the next tariff period have begun. Given the postponement of the adoption of the 2024-2028 methodology to 1st June 2023 and the modification of the regulatory period of this tariff methodology to 2025-2029, 2024 will be a transition year. In the main, the 2024 tariff methodology will be similar to the tariff methodology for 2019-2023. Discussions on the methodology for 2025-2029 are hence still underway. ORES will in particular be attentive during these discussions to ensure that this methodology ensures the sustainability and long-term vision of DSO activities in the context of the energy transition. The modification of the tariff methodology could have an impact on the profitability of ORES, nevertheless the regulator remains bound by the European directives and the tariff decree of 19th January 2017.

Differences may occur between planned controllable costs and actual costs, both in terms of authorised income and specific budgets. In order to mitigate this risk, the following actions are taken:

- 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 must ensure that it complies with financial covenants, which are therefore 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 31st December 2021, the Group's sources of financing consisted mainly of:

- a program of commercial paper with an indefinite duration up to a maximum of 550 M€;

- funds raised via private investments (in 2014, 2015 and 2021);

- amounts raised through the issue of bank loans;

- significant finance raised from the European Investment Bank (550 M€);

- a short-term line of credit for 50 M€ for a term of 3 years.

The series of measures required for the development of the European Union's sustainable finance strategy (regulations on taxonomy, related draft delegated bills, draft directives or regulations on corporate sustainability reporting, on the publication of information relating to sustainability, etc.) and their transpositions into Belgian law could impact the Group and could make access to finance more complex.

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 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 controllable costs made available to ORES Assets to carry out its work. Thus, the increase in prices paid to suppliers for the purchase of materials and goods, for services rendered, etc., as well as the increase in the salaries of the company's personnel resulting from this inflation, may have to involve trade-offs in order to respect the overall budget allocated.

viii. e. Fiscal risks

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

viii. f. Assets and liquidity risks

Within the context of managing these risks and billing fees to use the networks, which accounts for the bulk of the Group's turnover, ORES Assets has 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.

vii. g. Macroeconomic and financial climate risks

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

The economic situation may have repercussions on the demand for electricity and natural gas, or on the Group's financing conditions. 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).

The charges linked to the price of energy, such as the purchase of energy for the price of losses, are essentially expenses that are controllable for the DSOs, such as ORES Assets. The increase in energy prices on the wholesale markets, both for electricity but especially for gas, which began in September 2021, may force these charges of ORES Assets up, causing them to exceed the level of costs accepted by the regulator. In the same way, the increase in energy prices could have an adverse effect on the financial situation of some suppliers who are already weakened. The financial fallout from the bankruptcy of energy providers is also considered by the tariff methodology to be controllable expenses of the DSOs. In addition, this increase could also lead to a slowdown of the investment works requested by customers. At the current time, the impact is not such that it might compromise the continuity of ORES Assets and, as a consequence, of the Group.

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

1.2. Details of significant post-closing events

None.

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

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

These projects relate in the main to IT developments, such as the Smart Grids and Switch 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 inserted here pursuant to the Code of Companies and Associations

Number of shares in circulation at 31st December 2022: 2.460.

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

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, guaranteed by ORES Assets, which means that the group can benefit from a range of financing sources.

Apart from bank financing (which has not been subject to a public contract since 30th June 2017), as of 31st December 2022:

- had a programme of commercial papers worth 550 M€ with an indefinite term;
- had a short-term line of credit, for an overall amount of 50 M€ with a term of three years;
- issued bonds in the form of private placements;
- secured a financing programme from the EIB (European Investment Bank) in 2017 for a total of 550 M€ to be drawn over 5 years.

In 2022, ORES contracted new bank loans for 150 M€.

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

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

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

In addition, hedging instruments are used to protect against increases in interest rates. This risk is managed thanks to the use of derivatives such as interest rate swaps (short-term rates to long-term rates), interest rate caps and collars (combination of buying a cap and selling a floor).

No derivatives are used for the purposes of speculation.

1.9. 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 Belgian Local Democracy and Decentralisation Code.

Ms Anne-Caroline Burnet was appointed Chair of the Audit Committee from 11th September 2019, following the total renewal of the Board of Directors by the general meeting of shareholders on 29th May 2019, in accordance with the CDLD and the articles of association.

She justifies the required independence and competence. In this way, on the one hand she meets the independence criteria required by the legislation while, on the other, she has the required experience in accountancy, audit and financial matters in the sense of the Act of 7th December 2016. These two elements were confirmed in a certificate.

This management report will be lodged in full with the National Bank of Belgium (notes to the financial statements; annual financial statements, with the latter being in the format of the full standardised model; valuation rules and social balance sheet), accompanied by non-financial information (introduction, activity and sustainable development report – statement of non-financial information, as well as the GRI table of contents) and the remuneration report.

2. Annual financial year statements

2.1. Balance sheet after allocation (in euros)

	Ann.	Codes	Financial year	Previous financial year
ASSETS				
SET-UP COSTS	6.1	20		
FIXED ASSETS		21/28	**1,778,481,069.91**	**1,691,382,537.18**
Intangible fixed assets	6.2	21	**2,034,218.29**	**2,372,348.85**
Tangible fixed assets	6.3	22/27		
Land and buildings		22		
Plant, machinery and equipment		23		
Furniture and vehicles		24		
Leasing and similar charges		25		
Other tangible fixed assets		26		
Fixed assets in progress and advance payments		27		
Financial fixed assets	6.4/6.5.1	28	**1,776,446,851.62**	**1,689,010,188.33**
Affiliated companies	6.15	280/1	1,773,400,000	1,689,000,000
Holdings		280		
Receivables		281	1,773,400,000	1,689,000,000
Companies with which there is a shareholding link	6.15	282/3		
Holdings		282		
Receivables		283		
Other financial fixed assets		284/8	3,046,851.62	10,188.33
Stocks and shares		284	288.33	288.33
Receivables and cash guarantees		285/8	3,046,563.29	9,900

	Ann.	Codes	Financial year	Previous financial year
CURRENT ASSETS		29/58	**505,952,790.82**	**481,032,942.58**
Amounts receivable after one year		29		
Trade receivables		290		
Other receivables		291		
Stocks and orders in progress		3	**59,941,507.22**	**53,488,910.55**
Stocks		30/36	59,941,507.22	53,488,910.55
Supplies		30/31	59,941,507.22	53,488,910.55
In manufacture		32		
Finished products		33		
Goods		34		
Real estate property intended for sale		35		
Advance payments		36		
Orders in progress		37		
Amounts receivable within one year		40/41	**111,714,373.65**	**204,568,475**
Trade receivables		40	33,862,949.91	63,845,610.21
Other receivables		41	77,851,423.74	140,722,864.79
Cash investments	6.5.1/6.6	50/53	**227,879,978.54**	**152,116,189.1**
Own shares		50		
Other investments		51/53	227,879,978.54	152,116,189.1
Disposable assets		54/58	**102,433,198.3**	**64,966,713.27**
Accruals	6.6	490/1	**3,983,733.11**	**5,892,654.66**
TOTAL ASSETS		20/58	**2,284,433,860.73**	**2,172,415,479.76**

		Ann.	Codes	Financial year	Previous financial year
LIABILITIES					
SHAREHOLDERS' EQUITY			10/15	**508,375.29**	**517,034.27**
Capital		6.7.1	10/11	**457,560**	**457,560**
Subscribed capital			110	438,960	438,960
Non-subscribed capital			111	18,600	18,600
Revaluation surplus			12		
Reserves			13		
Unavailable reserves			130/1		
Unavailable statutory reserves			1311		
Acquisition of own shares			1312		
Financial support			1313		
Other			1319		
Untaxed reserves			132		
Available reserves			133		
Profit (Loss) carried forward	**(+)/(-)**		14		
Capital grants			15	50,815.29	59,474.27
Advance to the shareholders on the distribution of the net assets			19		
PROVISIONS AND DEFERRED TAXATION			16	**18,116,733.28**	**16,522,109.72**
Provisions for risks and charges			160/5	**18,116,733.28**	**16,522,109.72**
Pensions and similar obligations			160		
Taxes			161		
Major repairs and maintenance			162		
Environmental obligations			163		
Other risks and charges		6.8	164/5	18,116,733.28	16,522,109.72
Deferred tax			168		

	Ann.	Codes	Financial year	Previous financial year
DEBTS		17/49	**2,265,808,752.16**	**2,155,376,335.77**
Amounts payable after one year	6.9	17	**1,773,410,000**	**1,689,000,000**
Financial debts		170/4	1,773,400,000	1,689,000,000
Subordinated loans		170		
Non-subordinated bond issues		171	380,000,000	380,000,000
Lease-financing and similar debts		172		
Credit institutions		173	1,393,400,000	1,309,000,000
Other borrowing		174		
Trade debts		175		
Suppliers		1750		
Notes payable		1751		
Pre-payments on orders		176		
Other debts		178/9	10,000	
Amounts payable within one year	6.9	42/48	**478,540,726.9**	**453,107,816.96**
Long-term debts falling due this year		42	118,600,000	138,600,000
Financial debts		43		
Credit institutions		430/8		
Other borrowing		439		
Trade debts		44	88,478,365.33	89,991,166.59
Suppliers		440/4	88,478,365.33	89,991,166.59
Notes payable		441		
Pre-payments on orders		46		
Debts for taxes, payroll and social contributions	6.9	45	59,961,122.9	63,050,329.92
Taxes		450/3	9,002,926.76	16,058,655.74
Remuneration and social charges		454/9	50,958,196.14	46,991,674.18
Other debts		47/48	211,501,238.67	161,466,320.45
Accruals	6.9	492/3	**13,858,025.26**	**13,268,518.81**
TOTAL LIABILITIES		10/49	**2,284,433,860.73**	**2,172,415,479.76**

2.2. Profit-and-loss account (in euros)

		Ann.	Codes	Financial year	Previous financial year
Sales and services			70/76A	**625,052,886.71**	**595,529,990.62**
Turnover		6.10	70	614,498,161.2	584,466,912.07
Manufacturing work-in-progress, finished products and orders in progress: increase (reduction)	(+)/(-)		71		
Capitalised production			72	216,790.41	256,870.77
Other operating income		6.10	74	10,337,935.1	10,806,207.78
Non-recurrent operating income		6.12	76A		
Cost of sales and services			60/66A	**632,481,343.68**	**582,366,070.22**
Supplies and goods			60	90,946,662.84	77,109,697.93
Purchases			600/8	97,000,132.84	83,139,334.17
Stocks: reduction (increase)	(+)/(-)		609	-6,053,470	-6,029,636.24
Miscellaneous goods and services			61	305,934,048.95	284,822,878.36
Salaries, social charges and pensions	(+)/(-)	6.10	62	233,103,616.52	215,912,701.16
Depreciation and writedowns of set-up costs on intangible and tangible assets			630	701,506.52	579,581.4
Value writedowns on stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)	6.10	631/4	-435,877.28	3,694,311.77
Provisions for risks and expenses: allocations (usage and writebacks)	(+)/(-)	6.10	635/8	1,594,623.56	-849,243.05
Other operating expenses		6.10	640/8	636,762.57	1,096,142.65
Operating expenses transferred to assets as restructuring costs	(-)		649		
Non-recurrent operating expenses		6.12	66A		
Operating profit (loss)	**(+)/(-)**		9901	**-7,428,456.97**	**13,163,920.4**

		Ann.	Codes	Financial year	Previous financial year
Financial income			75/76B	**22,095,434.45**	**27,081,165.81**
Recurrent financial income			75	22,095,434.45	27,081,165.81
Income from financial fixed assets			750		
Income from current assets			751	18,143,710.16	25,086,178.34
Other financial income		6.11	752/9	3,951,724.29	1,994,987.47
Non-recurrent financial income		6.12	76B		
Financial expenses			65/66B	**22,095,434.45**	**27,081,165.81**
Recurrent financial expenses		6.11	65	22,095,434.45	27,081,165.81
Debt charges			650	20,504,706.05	26,310,781.54
Write-downs of current assets other than stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)		651		
Other financial expenses			652/9	1,590,728.4	770,384.27
Non-recurrent financial expenses		6.12	66B		
Profit (Loss) before taxes	**(+)/(-)**		9903	**-7,428,456.97**	**13,163,920.4**
Deductions on deferred taxes			780		
Transfer to deferred taxes			680		
Taxes on the result	**(+)/(-)**	6.13	66/77	**-7,428,456.97**	**13,163,920.4**
Taxes			670/3	984,136.42	13,242,709.46
Tax adjustments and writebacks of tax provisions			77	8,412,593.39	78,789.06
Profit (Loss) from the financial year	**(+)/(-)**		9904	**0**	**0**
Withdrawals from untaxed reserves			789		
Transfer to untaxed reserves			689		
Profit (Loss) from the financial year to be allocated	**(+)/(-)**		9905	**0**	**0**

2.3. Allocations and withdrawals (in euros)

		Codes	Financial year	Previous financial year
Profit (Loss) to be allocated	**(+)/(-)**	9906	**0**	**0**
Profit (Loss) from the financial year to be allocated	(+)/(-)	(9905)	**0**	**0**
Profit (Loss) carried forward from the previous financial year	(+)/(-)	14P		
Transfers from equity capital		791/2		
from input		791		
from reserves		792		
Allocations to equity capital		691/2		
to input		691		
to the statutory reserves		6920		
to other reserves		6921		
Profit (Loss) to be carried forward	**(+)/(-)**	(14)		
Contribution of shareholders in the loss		794		
Profit to be distributed		694/7		
Return on capital input		694		
Directors and managers		695		
Employees		696		
Other beneficiaries		697		

2.4. Appendices (in euros)

STATEMENT OF INTANGIBLE ASSETS

		Codes	Financial year	Previous financial year
DEVELOPMENT COSTS				
Acquisition value at the end of the financial year		8051P	xxxxxxxxxxx	**3,712,087.95**
Movements during the financial year				
Acquisitions, including capitalised production		8021	363,375.96	
Disposals and decommissioning		8031		
Transfers from one heading to another	(+)/(-)	8041		
Acquisition value at the end of the financial year		8051	**4,075,463.91**	
Depreciation and impairments at the end of the financial year		8121P	**xxxxxxxxxxx**	**1,339,739.1**
Movements during the financial year				
Recorded		8071	701,506.52	
Writebacks		8081		
Acquired from third parties		8091		
Cancelled following disposals and decommissioning		8101		
Transferred from one heading to another	(+)/(-)	8111		
Depreciation and impairments at the end of the financial year		8121	**2,041,245.62**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		81311	**2,034,218.29**	

STATEMENT OF FINANCIAL FIXED ASSETS

		Codes	Financial year	Previous financial year
AFFILIATED COMPANIES - PARTICIPATING INTERESTS AND SHARES				
Acquisition value at the end of the financial year		8391P	xxxxxxxxxxx	
Movements during the financial year				
Acquisitions		8361		
Disposals and withdrawals		8371		
Transfers from one heading to another	(+)/(-)	8381		
Acquisition value at the end of the financial year		8391		
Gains at the end of the financial year		8451P	xxxxxxxxxxx	
Movements during the financial year				
Recorded		8411		
Acquired from third parties		8421		
Cancelled		8431		
Transferred from one heading to another	(+)/(-)	8441		
Gains at the end of the financial year		8451		
Impairments at the end of the financial year		8521P	xxxxxxxxxxx	
Movements during the financial year				
Recorded		8471		
Writebacks		8481		
Acquired from third parties		8491		
Cancelled following disposals and withdrawals		8501		
Transferred from one heading to another	(+)/(-)	8511		
Impairments at the end of the financial year		8521		
Uncalled amounts at the end of the financial year		8551P	xxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8541		
Uncalled amounts at the end of the financial year		8551		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(280)		
AFFILIATED COMPANIES - RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		281P	xxxxxxxxxxx	1,689,000,000
Movements during the financial year				
Additions		8581	150,000,000	
Repayments		8591		
Impairments recorded		8601		
Impairments written back		8611		
Exchange rate differences	(+)/(-)	8621		
Other	(+)/(-)	8631	-65,600,000	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(281)	1,839,000,000	
ACCUMULATED WRITEDOWNS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8651		

		Codes	Financial year	Previous financial year
OTHER COMPANIES – SHAREHOLDINGS, STOCKS AND SHARE				
Acquisition value at the end of the financial year		8393P	xxxxxxxxxxxxx	**288.33**
Movements during the financial year				
Acquisitions		8363		
Disposals and withdrawals		8373		
Transfers from one heading to another	(+)/(-)	8383		
Acquisition value at the end of the financial year		8393	**288.33**	
Gains at the end of the financial year		8453P	xxxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8413		
Acquired from third parties		8423		
Cancelled		8433		
Transferred from one heading to another	(+)/(-)	8443		
Gains at the end of the financial year		8453		
Impairments at the end of the financial year		8523P	xxxxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8473		
Writebacks		8483		
Acquired from third parties		8493		
Cancelled following disposals and withdrawals		8503		
Transferred from one heading to another	(+)/(-)	8513		
Impairments at the end of the financial year		8523		
Uncalled amounts at the end of the financial year		8553P	xxxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8543		
Uncalled amounts at the end of the financial year		8553		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(284)	**288.33**	
OTHER COMPANIES – RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		285/8P	xxxxxxxxxxxxx	**9,900**
Movements during the financial year				
Additions		8583	500	
Repayments		8593		
Impairments recorded		8603		
Impairments written back		8613		
Exchange rate differences	(+)/(-)	8623		
Other	(+)/(-)	8633	3,036,163.29	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(285/8)	**3,046,563.29**	
ACCUMULATED WRITEDOWNS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8653		

CASH INVESTMENTS AND ASSET ACCRUALS

	Codes	Financial year	Previous financial year
OTHER CASH INVESTMENTS			
Stocks, shares and investments other than fixed-income investments	51	**218,480,334.49**	**101,777,802.14**
Stocks and shares - Book value increased by the uncalled amount	8681	218,480,334.49	101,777,802.14
Stocks and shares - Uncalled amount	8682		
Precious metals and works of art	8683		
Fixed income securities	52		
Fixed income securities issued by credit institutions	8684		
Term accounts held at credit institutions	53	**6,514,685**	**47,995,420.06**
With a residual term or with notice			
of a maximum one month	8686	2,514,685	40,995,420.06
of more than one month to a maximum one year	8687	4,000,000	7,000,000
of more than one year	8688		
Other cash investments not included above	8689	**2,884,959.05**	**2,342,966.9**

	Financial year
ACCRUALS	
Breakdown of the heading 490/1 of the assets if this represents a significant amount	
IT costs (support, licences, etc.)	3,613,926.23
Other (royalties, documentation, maintenance of machiners and buildings, etc.)	342,789.35

STATEMENT OF CAPITAL INPUT AND SHAREHOLDING STRUCTURE

	Codes	Financial year	Previous financial year
STATEMENT OF CAPITAL INPUT			
Capital input			
Available capital at the end of the financial year	110P	xxxxxxxxxxxx	438,960
Available capital at the end of the financial year	(110)	438,960	
Non-available capital at the end of the financial year	111P	xxxxxxxxxxxx	18,600
Non-available capital at the end of the financial year	(111)	18,600	
EQUITY CAPITAL BROUGHT IN BY SHAREHOLDERS			
In cash	8790		
of which not paid up	87901		
In kind	8791		
of which not paid up	87911		

	Codes	Amounts	Number of shares
Changes during the financial year			
Registered shares	8702	xxxxxxxxxxxxx	2,460
Dematerialised shares	8703	xxxxxxxxxxxxx	

	Codes	Financial year
Own shares		
Held by the company itself		
Number of corresponding shares	8722	
Held by subsidiaries		
Number of corresponding shares	8732	
Commitment to share issues		
Following the exercise of conversion rights		
Amount of outstanding convertible loans	8740	
Amount of capital input	8741	
Maximum number of corresponding shares to be issued	8742	
Following the exercise of subscription rights		
Number of current subscription rights	8745	
Amount of capital input	8746	
Maximum number of corresponding shares to be issued	8747	

	Codes	Financial year
Shares		
Distribution		
Number of shares	8761	2,460
Number of votes attached	8762	2,460
Breakdown by shareholder		
Number of shares held by the company itself	8771	
Number of shares held by the subsidiaries	8781	

	Financial year
ADDITIONAL EXPLANATION RELATIVE TO THE CAPITAL INPUT (INCLUDING CONTRIBUTIONS IN KIND)	

SHAREHOLDER STRUCTURE OF THE COMPANY AT THE CLOSING DATE OF ITS ACCOUNTS

as resulting from the declarations received by the company pursuant to Article 7:225 of the Companies and Associations Code, Article 14, paragraph 4 of the Law of 2 May 2007 relating to the publication of major holdings or Article 5 of the Royal Decree of 21 August 2008 setting out the additional rules applicable to certain multilateral trading facilities.

NAME of the persons holding rights in the company, mentioning the ADDRESS (of the registered office for legal entities) and, for companies under Belgian law, the COMPANY NUMBER	Social rights held			
	Nature	Number of voting rights		%
		Attached to securities	Not linked to securities	
CENEO 0201645281 Boulevard Pierre Mayence 1 1 6000 Charleroi **BELGIUM**	Shares			0.04
FINEST 0257864701 Place de l'Hôtel de Ville 14 4700 Eupen **Belgium**	Shares			0.04
FINIMO 0257884101 Place du Marché 55 4800 Verviers **Belgium**	Shares			0.04
I.E.G. 0229068864 Rue de la Solidarité 80 7700 Mouscron BELGIQUE	Shares			0.04
IDEFIN 0257744044 Avenue Sergent Vrithoff 2 5000 Namur **Belgium**	Shares			0.04
IPFBW 0206041757 Avenue Jean Monnet 2 1348 Louvain-la-Neuve **Belgium**	Shares			0.04
ORES Assets 0543696579 Avenue Jean Mermoz 14 6041 Gosselies **Belgium**	Shares			99.72
SOFILUX 0257857969 Avenue de Houfflaize 58 B 6800 Libramont-Chevigny **Belgium**	Shares			0.04

PROVISIONS FOR RISKS AND CHARGES

	Financial year
BREAKDOWN OF HEADING 164/5 OF LIABILITIES IF THESE REPRESENT A SIGNIFICANT VALUE	
Contractor disputes	327,925.3
Provision under the Excavated Soil Decree (WGD Excavated Soil)	4,650,630.68
Social disputes	1,021,345.02
Master Plan Management Platform - vectorisation	8,289,592.94
Termination of the IT services contract for the implementation of an information system for smart metering	3,827,239.34

STATEMENT OF LIABILITIES AND ACCRUALS

	Codes	Financial year
BREAKDOWN OF LIABILITIES ORIGINALLY DUE IN MORE THAN ONE YEAR, LISTED ACCORDING TO THEIR RESIDUAL TERM		
Long-term debts falling due within one year		
Financial debts	8801	118,600,000
Subordinated loans	8811	
Non-subordinated bond issues	8821	
Lease-financing debts and similar	8831	
Credit institutions	8841	118,600,000
Other borrowing	8851	
Trade debts	8861	
Suppliers	8871	
Notes payable	8881	
Pre-payments on orders	8891	
Other debts	8901	
Total debts after more than one year falling due within the year	(42)	**118,600,000**
Debts due after more than one year, but within a maximum of 5 years to run		
Financial debts	8802	529,066,667
Subordinated loans	8812	
Non-subordinated bond issues	8822	
Lease-financing debts and similar	8832	
Credit institutions	8842	529,066,667
Other borrowing	8852	
Trade debts	8862	
Suppliers	8872	
Notes payable	8882	
Pre-payments on orders	8892	
Other debts	8902	10,000
Total debts after more than one year, but with a maximum of 5 years to run	8912	**529,076,667**
Debts with more than 5 years to run		
Financial debts	8803	1,244,333,333
Subordinated loans	8813	
Non-subordinated bond issues	8823	380,000,000
Lease-financing debts and similar	8833	
Credit institutions	8843	864,333,333
Other borrowing	8853	
Trade debts	8863	
Suppliers	8873	
Notes payable	8883	
Pre-payments on orders	8893	
Other debts	8903	
Total debts with more than 5 years to run	8913	**1,244,333,333.00**

	Codes	Exercice
SECURED DEBTS		
Debts secured by the Belgian authorities		
Financial debts	8921	
Subordinated loans	8931	
Non-subordinated bond issues	8941	
Lease-financing debts and similar	8951	
Credit institutions	8961	
Other borrowing	8971	
Trade debts	8981	
Suppliers	8991	
Notes payable	9001	
Pre-payments on orders	9011	
Payroll and social debts	9021	
Other debts	9051	
Total debts secured by the Belgian authorities	9061	

	Codes	Financial year
Debts secured by s		
Financial debts	8922	
Subordinated borrowing	8932	
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	
Total debts secured by real securities given or irrevocably promised on the company's assets	9062	

	Codes	Financial year
TAX, PAYROLL AND SOCIAL DEBTS		
Taxes (items 450/3 and 179 of the liabilities)		
Overdue tax debts	9072	
Non-overdue tax debts	9073	9,002,926.76
Estimated tax debts	450	
Remuneration and social charges (items 454/9 and 179 of the liabilities)		
Debts overdue to the National Office of Social Security	9076	
Other payroll and social debts	9077	50,958,196.14

	Financial year
ACCRUALS	
Breakdown of heading 492/3 of the liabilities if these represent a significant amount	
Transit fees not raised	8,473,716.19
Provisions linked to staffing	5,227,472.85
Miscellaneous administrative costs	156,836.22

OPERATING RESULTS

		Codes	Financial year	Previous financial year
OPERATING INCOME				
Net turnover				
Breakdown by category of business				
Network manager			614,498,161.2	584,466,912.07
Breakdown by geographical market				
Belgium			614,498,161.2	584,466,912.07
Other operating income				
Operating subsidies and compensatory amounts obtained from public authorities		740	295,246.35	
OPERATING COSTS				
Workers for whom the company lodged a DIMONA declaration or who are registered on the General Personnel Register				
Total number on the closing date		9086	2,577	2,468
Average number of employees in full-time equivalent employment		9087	2,495	2,445
Number of hours actually worked		9088	3,559,752	3,548,708
Staffing costs				
Remunerations and direct social benefits		620	169,263,080.84	153,559,390.65
Employer social insurance contributions		621	41,243,228.01	38,288,490.44
Employer premiums for extra statutory insurance		622	11,582,649.09	12,391,032.67
Other staffing costs		623	10,969,390.64	11,656,133.02
Retirement and survivor pensions		624	45,267.94	17,654.38
Provisions for pensions and similar obligations				
Allocations (usage and writebacks)	(+)/(-)	635		
Writedowns				
On stock and orders in progress				
Recorded		9110	553,102.06	3,676,495.42
Writebacks		9111	952,228.73	
On Trade Debtors				
Recorded		9112	8,158.08	41,176.63
Writebacks		9113	44,908.69	23,360.28
Provisions for risks and charges				
Constitution		9115	4,136,562.78	3,986,891.53
Usage and writebacks		9116	2,541,939.22	4,836,134.58
Other operating expenses				
Taxes relating to operations		640	509,415.61	995,179.88
Other		641/8	127,346.96	100,962.77
Temporary staff and persons made available to the company				
Total number on the closing date		9096	27	25
Average number of full-time equivalent employees		9097	27	25
Number of hours actually worked		9098	51,608	47,307
Cost to the company		617	1,906,424.84	1,604,321.99

FINANCIAL RESULTS

	Codes	Financial year	Previous financial year
RECURRENT FINANCIAL INCOME			
Other financial income			
Subsidies granted by public authorities and charged to the profit-and-loss account			
Subsidies in capital	9125	24,536.99	48,912.55
Subsidies in interest	9126		
Breakdown of other financial income			
Exchange differences realised	754		
Other			
Capital gain in realisation of current assets excluding trade receivables)		14,087.13	42,450.77
Hedging instruments		3,913,042.22	1,903,369.92
Payment differences		57.95	254.23
RECURRENT FINANCIAL EXPENSES			
Depreciation of loan issue costs	6501		
Capitalised interest	6502		
Impairments of current assets			
Recorded	6510		
Written back	6511		
Other financial expenses			
Amount of discount payable by the company on the trading of receivables	653		
Financial provisions			
Allocations	6560		
Uses and recoveries	6561		
Breakdown of other financial expenses			
Exchange differences realised	654		374.28
Currency conversion differences	655		
Other			
Losses on realisation of cureent assets		1,295,857.33	238,388.44
Miscellaneous financial expenses - bank charges		66,105.68	46,229.43
Commission for non-drawdown on credit facilities		120,745.89	175,314.15
Other miscellaneous financial expenses		108,019.5	310,077.97

DUTIES AND TAXES

	Codes	Financial year
TAX ON INCOME		
Tax on the result for the financial year	9134	**984,136.42**
Taxes and withholding taxes due or paid	9135	4,030,860.92
Surplus of the payment of tax or withholding tax recorded in the assets	9136	3,046,724.5
Estimated additional taxes	9137	
Tax on the result from previous financial years	9138	
Additional tax due or paid	9139	
Additional tax estimated or set aside	9140	
Main source of disparity between the profit before tax, expressed in the accounts and the estimated taxable profit		
Inadmissible expenses		4,208,540.86
Deduction for investment		-154,337.37
Exempted donations		-54,663.36
Movements from taxed reserves		-62,994.45

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

	Codes	Financial year
Sources of deferred taxes		
Asset deferrals	9141	
Accumulated tax losses, deductible from subsequent taxable profits	9142	
Other active deferrals		
Tax Shelter		
Liability deferrals	9144	
Breakdown of liability deferrals		

	Codes	Financial year	Previous financial year
VALUE ADDED TAX AND TAXES PAYABLE BY THIRD PARTIES			
Value added tax recorded			
To the company (deductible)	9145	87,819,135.29	81,261,469.1
By the company	9146	117,892,806.45	105,373,752.46
Amounts retained on behalf of third parties for			
Payroll tax	9147	45,538,637.05	40,279,294.67
Withholding tax	9148	30,860.92	13,842.72

OFF BALANCE SHEET RIGHTS AND COMMITMENTS

	Codes	Financial year
PERSONAL GUARANTEES GIVEN OR IRREVOCABLY PROMISED BY THE COMPANY AS SURETY FOR THIRD PARTY DEBTS OR COMMITMENTS	9149	
Of which		
Outstanding commercial papers endorsed by the company	9150	
Outstanding commercial papers drawn or guaranteed by the company	9151	
Maximum amount for which other third party commitments are guaranteed by the company	9153	
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	91611	
Amount of registration	91621	
For irrevocable mandates to mortgage, the amount for which the agent is authorised to register under the mandate	91631	
Pledges on goodwill		
The maximum amount for which the debt is guaranteed and which is the subject of the registration	91711	
For irrevocable mandates to pledge, the amount for which the agent is authorised to proceed to register under the mandate	91721	
Pledges on other assets or irrevocable mandates to pledge other assets		
The book value of the encumbered assets	91811	
The maximum amount for which the debt is guaranteed	91821	
Sureties established or irrevocably promised on future assets		
Amount of the assets in question	91911	
The maximum amount for which the debt is guaranteed	91921	
Vendor's lien		
Book value of the asset sold	92011	
Amount of the price not paid	92021	

	Codes	Financial year
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	91612	
Amount of registration	91622	
For irrevocable mandates to mortgage, the amount for which the agent is authorised to register under the mandate	91632	
Pledges on goodwill		
The maximum amount for which the debt is guaranteed and which is the subject of the registration	91712	
For irrevocable mandates to pledge, the amount for which the agent is authorised to proceed to register under the mandate	91722	
Pledges on other assets or irrevocable mandates to pledge other assets		
The book value of the encumbered assets	91812	
The maximum amount for which the debt is guaranteed	91822	
Sureties established or irrevocably promised on future assets		
Amount of the assets in question	91912	
The maximum amount for which the debt is guaranteed	91922	
Vendor's lien		
Book value of the asset sold	92012	
Amount of the price not paid	92022	
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		
SIGNIFICANT COMMITMENTS FOR THE DISPOSAL OF FIXED ASSETS		
FUTURES MARKET		
Goods purchased (to be received)	9213	
Goods sold (to be delivered)	9214	
Currency purchased (to be received)	9215	
Currency sold (to be delivered)	9216	

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

AMOUNT, NATURE AND FORM OF DISPUTES AND OTHER SIGNIFICANT COMMITMENTS	Financial year
Guarantee from ORES Assets **in favour of ORES SC** relating to bank loans and bonds	2,439,000,000
Sureties received from suppliers to guarantee proper performance of orders	33,910,285.78

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

Brief description

Outsourcing of supplementary pensions via allocations to pension funds.

Outsourcing of supplementary pensions via allocations to pension funds.

Measures talen to cover the expense

Regular payments I nto the pernsion funds in question.

Direct payment by the profit-and-loss account for benefits.

	Codes	Financial year
PENSIONS THAT ARE THE RESPONSIBILITY OF THE COMPANY ITSELF		
Estimated amounts of commitments resulting from services already provided	9220	
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

PURCHASE OR SALE 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	Financial year
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	

RELATIONS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

	Codes	Financial year	Previous financial year
AFFILIATED COMPANIES			
Financial fixed assets	(280/1)	**1,773,400,000**	**1,689,000,000**
Shareholdings	(280)		
Subordinated receivables	9271		
Other receivables	9281	1,773,400,000	1,689,000,000
Receivables	9291	**95,648,525.85**	**197,382,727.26**
After more than one year	9301		
Within one year	9311	95,648,525.85	197,382,727.26
Cash investments	9321		
Equities	9331		
Receivables	9341		
Debts	9351	**206,543,393.52**	**162,124,941.32**
After more than one year	9361		
Within one year	9371	206,543,393.52	162,124,941.32
Personal and real guarantees			
Constituted or irrevocably promised by the company as security for debts or commitments by affiliated companies	9381		
Constituted or irrevocably promised by affiliated companies as security for debts or commitments of the company	9391		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		
Income from current assets	9431	17,939,130.87	25,044,711.14
Other financial income	9441		
Debt expenses	9461		
Other financial expenses	9471		
Disposal of fixed assets			
Gains realised	9481		
Losses realised	9491		

	Codes	Financial year	Previous financial year
ASSOCIATED COMPANIES			
Financial fixed assets	9253		
Shareholdings	9263		
Subordinated receivables	9273		
Other receivables	9283		
Receivables	9293		
After more than one year	9303		
Within one year	9313		
Debts	9353		
After more than one year	9363		
Within one year	9373		
Personal and real guarantees			
Constituted or irrevocably promised by the company as security for debts or commitments by affiliated companies	9383		
Constituted or irrevocably promised by affiliated companies as security for debts or commitments of the company	9393		
Other significant financial commitments	9403		
OTHER COMPANIES WITH A PARTICIPATING INTEREST			
Financial fixed assets	9252		
Shareholdings	9262		
Subordinated receivables	9272		
Other receivables	9282		
Receivables	9292		
After more than one year	9302		
Within one year	9312		
Debts	9352		
After more than one year	9362		
Within one year	9372		

	Financial year
TRANSACTIONS WITH AFFILIATED PARTIES UNDER NON-MARKET CONDITIONS	
Mention of such transactions, if material, including the amount and nature of the relationship with the affiliated party, as well as any other information about the transactions that would be necessary to obtain a better understanding of the company's financial position.	

FINANCIAL REALTIONS WITH

	Codes	Financial year
DIRECTORS AND MANAGERS, NATURAL PERSONS OR LEGAL ENTITIES THAT DIRECTLY OR INDIRECTLY CONTROL THE COMPANY BUT ARE NOT RELATED TO IT, OR OTHER COMPANIES DIRECTLY OR INDIRECTLY CONTROLLED BY SUCH PERSONS		
Claims on the persons mentioned above	9500	
Main terms and conditions of the claims, interest rates, duration, any amounts repaid, cancelled or waived		
Guarantees given in their favour	9501	
Other significant undertakings in their favour	9502	
Direct and indirect remuneration and pensions granted, charged to the profit-and-loss account, provided that this does not relate exclusively or mainly to the situation of a single identifiable person		
To directors and managers	9503	109,349.83
To former directors and former managers	9504	

	Codes	Financial year
THE AUDITOR(S) AND THE PERSONS WITH WHOM THEY ARE CONNECTED		
Emoluments of the auditor(s)	9505	**25,666.67**
Emoluments for exceptional services or special assignments performed within the company by the auditor(s)		
Other certification assignments	95061	1,890
Tax consultancy assignments	95062	
Other assignments outside the audit	95063	
Emoluments for exceptional services or special assignments performed within the company by persons with whom the auditor(s) is (are) connected		
Other certification assignments	95081	
Tax consultancy assignments	95082	
Other assignments outside the audit	95083	

Notes pursuant to article 3:64 §2 and §4 of the Code of Companies and Associations

DERIVATIVE FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE
FOR EACH CATEGORY OF DERIVATIVE FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

				Financial year		Previous financial year	
Category of derivative financial instruments	Risk hedged	Speculation / hedge	Volume	Book value	Fair value	Book value	Fair value
SWAP	Rates	Hedge	120,000		5,914,393.83		-2,867,379
CAP	Rates	Hedge	2,454		116,509.17		8,959

FINANCIAL FIXED ASSETS RECORDED AT AN AMOUNT IN EXCESS OF FAIR VALUE
Amounts of assets taken in isolation or appropriately grouped

Reasons why the book value has not been reduced

Assumptions that the book value will be recovered

	Book value	Fair value
Amounts of assets taken in isolation or appropriately grouped		
Reasons why the book value has not been reduced		
Assumptions that the book value will be recovered		

DÉCLARARTION RELATIVE AUX COMPTES CONSOLIDÉS

INFORMATIONS A COMPLÉTER PAR LES SOCIÉTÉS SOUMISES AUX DISPOSITIONS DU CODE DES SOCIÉTÉS ET DES ASSOCIATIONS RELATIVES AUX COMPTES CONSOLIDÉS

La société n'établit pas de comptes consolidés ni de rapport consolidé de gestion, parce qu'elle en est exemptée pour la (les) raison(s) suivante(s)

La société est elle-même filiale d'une société mère qui établit et publie des comptes consolidés dans lesquels ses comptes annuels sont intégrés par consolidation

Dans l'affirmative, justification du respect des conditions d'exemption prévues à l'article 3:26 §2 et §3 du Code des sociétés et des associations

Name, full address of the registered office and, in the case of a company incorporated under Belgian law, the business number of the parent company which prepares and publishes the consolidated accounts in respect of which the exemption is authorised:

ORES Assets
0543696579
Avenue Jean Mermoz 14
6041 Gosselies
Belgium

INFORMATION TO BE COMPLETED BY THE COMPANY IF IT IS A SUBSIDIARY OR JOINT SUBSIDIARY

Name, full address of the registered office and, in the case of a company incorporated under Belgian law, the business number of the parent company(ies) and an indication of whether the parent company(ies) prepare(s) and publish(es) consolidated accounts in which its annual accounts are included by consolidation*:

ORES Assets
Consolidating parent company - Largest group
0543696579
Avenue Jean Mermoz 14
6041 Gosselies
Belgium

If the parent company(ies) is (are) governed by foreign law, the place where the consolidated accounts mentioned above can be obtained

SOCIAL BALANCE SHEET

Numbers of the joint representation committees under which the company operates: 326

BREAKDOWN OF PERSONS EMPLOYED

WORKERS FOR WHOM THE COMPANY HAS LODGED A DIMONA RETURN OR WHO ARE ENTERED IN THE GENERAL STAFF REGISTER

During the financial year	Codes	Total	1. Male	2. Female
Average number of workers				
Full-time	1001	2,409	1,675	734
Part-time	1002	111	16	95
Total Full-Time Equivalents (FTE)	1003	2,495	1,686	809
Number of hours actually worked				
Full-time	1011	3,448,482	2,439,297	1,009,185
Part-time	1012	111,270	15,983	95,287
Total	1013	3,559,752	2,455,280	1,104,472
Staff overheads				
Full-time	1021	223,945,289.42	165,795,858.88	58,149,430.54
Part-time	1022	9,113,059.16	1,625,701.97	7,487,357.19
Total	1023	233,058,348.58	167,421,560.85	65,636,787.73
Amount of benefits awarded in addition to salary	1033			

During the previous financial year	Codes	P. Total	1P. Male	2P. Female
Average number of FTE workers	1003	2,447	1,670	777
Number of hours actually worked	1013	3,548,707	2,467,139	1,081,568
Staff overheads	1023	215,895,047	155,239,282	60,655,765
Amount of benefits awarded in addition to salary	1033			

WORKERS FOR WHOM THE COMPANY HAS LODGED A DIMONA RETURN OR WHO ARE ENTERED IN THE GENERAL STAFF REGISTER (CONTINUED)

At the end of the financial year	Codes	1. Full-time	2. Part-time	3. Total Full-Time Equivalents
Number of workers	105	2,462	115	2,552.4
By type of employment contract				
Open-ended contract	110	2,279	115	2,369.4
Fixed-term contract	111	183		183
Contract to carry out a specific assignment	112			
Replacement contract	113			
By gender and level of education				
Male	120	1,703	17	1,715.2
primary	1200	470	5	473.7
secondary	1201	785	6	789.2
higher non-university	1202	293	5	296.4
university	1203	155	1	155.9
Female	121	759	98	837.2
primary	1210	172	23	190
secondary	1211	186	22	203.8
higher non-university	1212	317	43	350.8
university	1213	84	10	92.6
By occupation category				
Management	130	290	11	299.3
White-collar employees	134	2,172	104	2,253.1
Blue-collar workers	132			
Other	133			

TEMPORARY STAFF AND PERSONS MADE AVAILABLE TO THE COMPANY

During the financial year	Codes	1. Temporary staff	2. Persons made available to the company
Average number of persons employed	150	23	4
Number of hours actually wrked	151	45,341	6,267
Costs for the company	152	1,295,132.74	611,292.1

TABLE OF STAFF MOVEMENTS DURING THE FINANCIAL YEAR

INCOMING	Codes	1. Full-time	2. Part-time	3. Total Full-Time Equivalents
Number of workers for whom the company has lodged a DIMONA return or who were entered in the general staff register during the financial year	205	237	5	238.7
By type of employment contract				
Open-ended contract	210	92	4	93.6
Fixed-term contract	211	145	1	145.1
Contract to carry out a specific assignment	212			
Replacement contract	213			

OUTGOING	Codes	1. Full-time	2. Part-time	3. Total Full-Time Equivalents
Number of workers whose contract end date was registered in a DIMONA return or in the general staff register during the financial year	305	125	21	131.2
By type of employment contract				
Open-ended contract	310	72	21	78.2
Fixed-term contract	311	53	0	53
Contract to carry out a specific assignment	312			
Replacement contract	313			
By reason for end of cobtract				
Retirement	340	29	1	29.8
Redundancy with company supplement	341	9	0	9
Dismissal	342	13	0	13
Other reason	343	74	20	79.4
Including: the number of persons who continue, at least part-time, to provide services for the benefit of the company as self-employed workers	350			

INFORMATION ABOUT TRAINING COURSES FOR WORKERS DURING THE FINANCIAL YEAR

	Codes	Male	Codes	Female
Formal continuing vocational training initiatives at the expense of the employer				
Number of workers in question	5801	1,485	5811	772
Number of training hours	5802	46,156	5812	17,446
Net cost for the company	5803	8,182,345.56	5813	2,818,795.59
of which the gross cost is linked directly to training	58031	8,182,345.56	58131	2,818,795.59
of which contributions paid and payments to collective funds	58032		58132	
of which subsidies and other financial benefits received (to be deducted)	58033		58133	
Less formal or informal continuing vocational training initiatives at the expense of the employer				
Number of workers in question	5821	701	5831	242
Number of training hours	5822	1,158,468	5832	77,617
Net cost for the company	5823	607,716.34	5833	54,759.88
Initial vocational training initiatives at the expense of the employer				
Number of workers in question	5841		5851	
Number of training hours	5842		5852	
Net cost for the company	5843		5853	

2.5 Valuation rules (in euros)

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 company with article 3:37 of the Royal Decree of 29th 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. Intangible fixed assets are immobilisations then depreciated using the linear method during the estimated period during which the fixed asset is used (set at 5 years).

ORES has taken the option to activate development costs under intangible fixed assets. Those development costs eligible to be placed in the assets under intangible fixed assets are the costs of manufacturing and developing prototypes, products, inventions and expertise of value for the future activities of the company.

In this context, the following expenses have been activated:

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

The intangible fixed asset from the activity incurring development costs is then depreciated using the linear method (set at 5 years) and reduced by any writedowns.

TANGIBLE FIXED ASSETS

Financial fixed assets are recorded at their acquisition value, minus the part not called up.

At the end of each financial year, an individual valuation of each portfolio security is carried out in such a way as to reflect, as satisfactorily as possible, the position, profitability and prospects of the company in which the holding or shares are held.

RECEIVABLES DUE IN MORE THAN ONE YEAR

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

INVENTORIES

Inventories are valued at the weighted average price. A write-down is recorded when the economic value of the inventory is less than its book value. In this respect, additional flat-rate writedowns are recorded to adjust the book value, taking into account different age categories, stock rotation and possible market trends. The reduction rates can vary from 0% to 100%.

RECEIVABLES DUE WITHIN ONE YEAR

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

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

CASH INVESTMENTS

Cash investments are accounted for under balance sheet assets at their book value, excluding associated expenses, or at their input value.

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.

ASSET ACCRUALS

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.

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.

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.

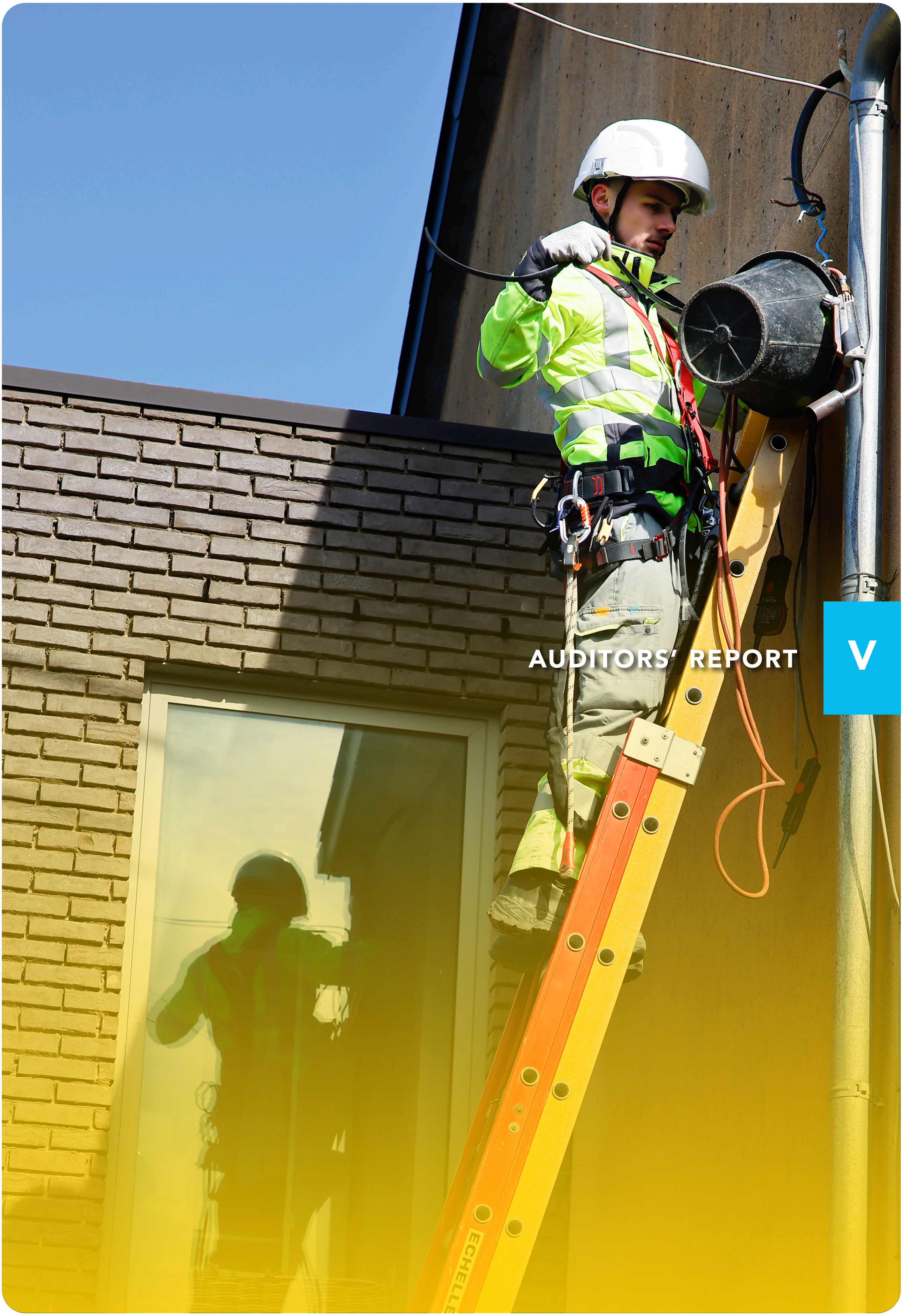
DEBTS DUE IN MORE THAN ONE YEAR

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

LIABILITY ACCRUALS

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.

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 the next financial year.



V AUDITORS' REPORT

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F : +32 (0)2 771 56 56
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Da Vincilaan 9, box E6
B-1935 Zaventem

OPERATEUR DE RESEAUX D'ENERGIES SC

Statutory auditor's report
to the general meeting
for the year ended 31 December 2022

Free translation

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B-1935 Zaventem

Free translation

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF OPERATEUR DE RESEAUX D'ERNERGIES SC FOR THE YEAR ENDED 31 DECEMBER 2022

In the context of the statutory audit of the annual accounts of OPERATEUR DE RESEAUX D'ERNERGIES SC ("the Company"), we hereby present our statutory auditor's report. It includes our report of the annual accounts and the other legal and regulatory requirements. This report is an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting of 16 June 2022, following the proposal formulated by the administrative body issued upon recommendation of the Audit Committee and upon presentation by the works' council. Our statutory auditor's mandate expires on the date of the general meeting deliberating on the annual accounts closed on 31 December 2024. We have performed the statutory audit of the annual accounts of the Company for the first year.

REPORT ON THE ANNUAL ACCOUNTS

Unqualified opinion

We have audited the annual accounts of the Company, which comprise the balance sheet as at 31 December 2022, the profit and loss account for the year then ended and the notes to the annual accounts, characterized by a balance sheet total of 2.284.433.861 EUR and whose profit and loss account shows a balance of 0 EUR.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2022, as well as of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Basis for unqualified opinion

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

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

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

BDO Bedrijfsrevisoren BV / BTW BE 0431.088.289 / RPR Brussel
BDO Réviseurs d'Entreprises SRL / TVA BE 0431.088.289 / RPM Bruxelles

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Other matters

The company's financial statements for the financial year ended 31 December 2021 were audited by another statutory auditor who expressed an unqualified opinion on these financial statements on 4 May 2022.

Responsibilities of the administrative body for the drafting of the annual accounts

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

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

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.
When executing our audit,
we respect the legal, regulatory and normative framework applicable for the audit of annual accounts in Belgium. However, a statutory audit does not guarantee the future viability of the Company, neither the efficiency and effectiveness of the management of the Company by the administrative body. Our responsibilities with respect to the administrative body's use of the going concern basis of accounting are described below.

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

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

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

Company's internal control;

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

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

- Evaluate the overall presentation, structure and content of the annual accounts and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the administrative body regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the administrative body

The administrative body is responsible for the preparation and the content of the director's report and the other information included in the annual report as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Code of companies and associations and with the Company's by-laws.

Responsibilities of the statutory auditor

In the context of our mission and in accordance with the Belgian standard (version revised 2020) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the director's report and compliance with certain provisions of the Code of companies and associations and of the Company's by-laws, as well as to report on these elements.

Aspects related to the director's report

In our opinion, after having performed specific procedures in relation to the director's report, the director's report is consistent with the annual accounts for the same financial year, and it is prepared in accordance with articles 3:5 and 3:6 of the Code of companies and associations.

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

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

Statement related to the social balance sheet

The social balance sheet, to be deposited at the National Bank of Belgium in accordance with article 3:12, §1, 8° of the Code of companies and associations, includes, both in terms of form and content, the information required by the said Code, including that relating to information on wages and training and does not present any material inconsistencies with the information that we have at our disposition during the performance of our mission.

Statement related to independence

- Our audit firm and our network did not provide services which are incompatible with the statutory audit of annual accounts and our audit firm remained independent of the Company during the terms of our mandate.

- The fees related to additional services which are compatible with the statutory audit of annual accounts as referred to in article 3:65 of the Code of companies and associations, were duly itemised and valued in the notes to the annual accounts.

Other statements

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.

- The appropriation of results proposed to the general meeting complies with the legal provisions and the Company's by-laws.

- We do not have to report to you any transactions undertaken or decisions taken in breach of the by-laws or the Code of companies and associations.

Zaventem, 10 May 2023

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


Formateur
ORES
ORES

REMUNERATION REPORT

VI

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

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, customers, suppliers and other creditors. With this in mind, the Board of Directors identifies the strategic challenges and risks faced by the company, defines the company's values, its strategy, the level of risks that it is comfortable taking as well as its key policies, along with monitoring the running of the business.

In view of the introduction of "mirror" Boards of Directors between the intermunicipal company, ORES Assets, and ORES, in accordance with article 13 of the ORES articles of association, the composition of this body comes about at the proposal of ORES Assets. It must be in line with the Walloon legislation relating to intermunicipal companies and more specifically with article L1523-15 of the CDLD, as amended in article 14 of the articles of association of ORES Assets. 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).

Also, the members of Board of Directors sit on the company's management and control committees – offshoots of the Board of Directors – namely Executive Bureau, the Appointments and Remuneration Committee, the Audit Committee and Ethics Committee (abolished on 23rd November 2022).

Executive Board

This Committee is responsible for preparing the decisions of the Board of Directors on all matters relating to the strategic and confidential tasks listed in the Walloon legislation relating to electricity and/or natural gas distribution systems operators. The ORES Executive Board had five members as of 31st December 2022.

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 program 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 was composed of five members. It was abolished on 23rd November 2022.

Management Board

The management of the company is entrusted to the Management Board. It is made up of eight members, including its Chairman

2. Report from the Appointments and Remuneration Committee

Preliminary note

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

Its purpose is to assess the appropriateness of the remuneration paid to the directors of ORES in 2022. 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 Assets.

Assessment of the appropriateness of the remuneration of the directorships held at ORES in 2022

The remuneration terms of directorships are broken down as follows:

i. 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.

ii. Remuneration terms for Committee members

Position	Amount (gross) of remuneration	Payment frequency of the remuneration
Committee Chairman	Attendance fee of 180 € (index 138.01)	Every 6 months (attendance fee + km allowance*)
Member of the Board of Directors	Attendance fee of 125 € (index 138.01).	Every 6 months (attendance fee + km allowance**

(*) 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 paid in 2021 strictly apply the deliberations conducted at the General Meetings – which have authority in the matter – of 28 June 2018 and 29 May 2019.

The records show that in the session of 28 April 2021, the Appointments and Remuneration Committee noted the opinion of the WPS of 2 April 2021 relating to its reading of the provision of article L5311-1, §12 of the CDLD regarding the remuneration of the attendance allowance allocated to the Chair of the Audit Committee.

In view of the change in the interpretation of the provisions of article L 5311-1 of the CDLD, especially on the scope of the principles applicable to the chairmanship of the select management committees, the Appointments and Remuneration Committee reiterated its determination to respect the legality and the rules of governance of the CDLD and mandated ORES to take all useful measures at the level of the competent administrative authorities to clarify this point.

As a result, ORES approached the Union des Villes and Communes de Wallonie (Union of Towns and Municipalities of Wallonia), as well as the Local Government Minister to clarify the question and received the recommendation from the Appointments and Remuneration Committee to align themselves, if necessary, in the context of a future General Meeting; governance remains a constant and changing concern of ORES.

Consequently, Appointments and Remuneration Committee reiterated the recommendation made to comply with the remuneration terms that effectively apply for chairing the select management committees.

In the light of the response to be received from the Local Government Minister regarding the interpretation of having to retain article L 5311-1 of CDLD with regard to the chairing of select management committees, the terms that currently apply will be maintained.

3. Report from the ORES Board of Directors

General information about the institution

Identification number (CBE)	0897.436.971
Type of institution	Company with significant local public participation
Name of the institution	ORES
Reporting period	2022

	Number of meetings
General meeting	01
Board of Directors	10
Executive Board	10
Appointments and Remuneration Committee	04
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
Chairman of the Board of Directors Member of the Executive Board	DE VOS Karl	Total : 37.675,27 € • Indexed amount of the allowance: 37,452.31 € • Mileage allowance: 222.96 € (-PP 37.35%: 14,071.73 €)	*Remuneration as Chairman:* *Gross annual remuneration of 19,997.14 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance:* *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	Remuneration as Chairman	None	90%
Vice Chairman of the Board of Directors Member of the Executive Board	BINON Yves	Total : 28,453.67 € • Indexed amount of the allowance: 28,089.23 € • Mileage allowance: 364.44 € (-PP 37.35%: 10,627.41 €)	*Remuneration as Vice Chairman:* *Gross annual remuneration of 14,997.85 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance:* *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	Remuneration as Vice Chairman	None	100%
Director Member of the Ethics Committee (*)	BELLEFLAMME Elodie	Total: 2,082.68 € • Indexed amount of attendance fees: • BoD: 2,082.68 € Mileage allowance: 220.49 € • Ethics Committee: 0 € (-PP 37.35%: 777.86 €)	*Attendance fee as director/ Committee member:* *Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance:* *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	82%
Director Member of the Audit Committee	BULTOT Claude	Total: 2,777.85 € • Indexed amount of attendance fees: • BoD: 2,338.23 € Mileage allowance: 439.62 € • Audit Committee: 0 € (-PP 37.35%: 1,037.47 €)	*Attendance fee as director/ Committee member:* *Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance:* *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	85%

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
Director Chair of the Audit Committee	BURNET Anne-Caroline	Total: 3,154.24 € • Indexed amount of attendance fees: • BoD: 2,107.28 € Mileage allowance: 294.22€ • Audit Committee: 685.50 € Mileage allowance: 67.24 € (-PP 37.35%:	*<u>Attendance fee as director:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Attendance fee as Chair of the Audit Committee:</u> Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	92%
Director Member of the Ethics Committee (*)	de BEER de LAER Hadelin	Total: 2,069.57 € • Indexed amount of attendance fees: • BoD: 1,885.37 € Mileage allowance: 184.20 € • Ethics Committee: 0 € (-PP 37.35%: 772.97 €)	*<u>Attendance fee as director/ Committee member:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	73%
Director Member of the Appointments and Remuneration Committee	DEMANET Nathalie	Total: 1,688.85 € • Indexed amount of attendance fees: • BoD: 1,155.40 € Mileage allowance: 245.42 € • ARC: 226.43 € Mileage allowance: 61.60 € (-PP 37.35%: 630.77 €)	*<u>Attendance fee as director/ Committee member:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	57%

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
Director Member of the Executive Board	DONFUT Didier (**)	Total: 2,053.64 € • Indexed amount of attendance fees: • BoD: 905.79 € Mileage allowance: 138.42 € • Executive Board: 905.79 € Mileage allowance: 103.64 € (-PP 50%: 1,026.85 €)	*<u>Attendance fee as director/ Board member:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	100%
Director Member of the Audit Committee	DUTHY André	Total: 3,576.15 € • Indexed amount of attendance fees: • BoD: 2,338.23 € Mileage allowance: 624.12 € • Audit Committee: 476.04 € Mileage allowance: 137.76 € (-PP 37.35%: 1,335.66 €)	*<u>Attendance fee as director/ Committee member:</u> Attend-ance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	100%
Director Member of the Appointments and Remunera-tion Committee	FAYT Christian	Total: 2,598.04 € • Indexed amount of attendance fees: • BoD: 2,097.95 € Mileage allowance: 244.06 € • ARC: 226.43 € Mileage allowance: 29.60 € (- PP 37.35%: 970.38 €)	*<u>Attendance fee as director/ Committee member:</u> Atten-dance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	93%

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
Director Chair of the Ethics Com-mittee (*)	FRANCEUS Michel	Total: 2,619.62 € • Indexed amount of attendance fees: • BoD: 1,871.16 € Mileage allowance: 748.46 € • Ethics Com-mittee: 0 € (-PP 37.35%: 978.38 €)	*Attendance fee as director:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Attendance fee as Chair of the Ethics Committee:* Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	82%
Director Member of the Appointments and Remunera-tion Committee	FRANSSEN Roger (**)	Total: 1,524.72 € • Indexed amount of attendance fees: • BoD: 905.79 € Mileage allowance: 292.50 € • ARC: 226.43€ Mileage allowance: 100.00 € (-PP 37.35%: 569.48 €)	*Attendance fee as director/ Committee member:* Atten-dance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Ethics Com-mittee (*)	GAUTHIER Ludivine (**)	Total: 905.79 € • Indexed amount of attendance fees: • BoD: 905.79 € (-PP 37.35%: 338.31 €)	*Attendance fee as director:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index	None	None	100%
Director Member of the Executive Board	GILLIS Alain	Total: 5,107.69 € • Indexed amount of attendance fees: • BoD: 2,338.23 € Mileage allowance: 202.30 € • Executive Board: 2,347.56 € Mileage allowance: 219.60 € (-PP 50%: 2,553.89 €)	*Attendance fee as director/ Board member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%

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
Director	HARDY Cerise	Total: 1,722.61 € • Indexed amount of attendance fees: • BoD: 1,645.09 € Mileage allowance: 77.52 € (-PP 37.35%: 643.38 €)	*Attendance fee as director: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	70%
Director Member of the Audit Committee	LEFEBVRE Philippe (**)	Total: 528.93 € • Indexed amount of attendance fees: • BoD: 221.98 € • Audit Committee: 230.95 € Mileage allowance: 76.00 € (-PP 37.35%: 197.56 €)	*Attendance fee as director/ Committee member: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	40%
Director Member of the Ethics Committee (*)	MELLOUK Mohammed Amine (***)	Total : 968.41 € • Indexed amount of attendance fees: • BoD: 725.65 € Mileage allowance: 242.76 € • Ethics Committee: 0 € (-PP 37.35%: 361.69 €)	*Attendance fee as director: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	75%
Director Member of the Appointments and Remuneration Committee	MEURENS Jean-Claude	Total: 3,508.16 € • Indexed amount of attendance fees: • BoD: 2,338.23 € Mileage allowance: 849.90 € • ARC: 226.43€ Mileage allowance: 93.60 € (-PP 37.35%: 1,310.29 €)	*Attendance fee as director/ Committee member: Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance: Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	100%

<table>
<tr><th>Position</th><th>Last name and first name</th><th>Gross annual remuneration</th><th>Breakdown of remuneration and benefits</th><th>Reason for the remuneration if other than an attendance fee</th><th>List of mandates associated with the position and any remuneration</th><th>Percentage attendance at meetings</th></tr>
<tr><td>Director

Member of the Executive Board</td><td>PIERMAN Thomas (***)</td><td>Total: 2,537.54 €

• Indexed amount of attendance fees:
• BoD: 965.93 €
Mileage allowance: 194.04 €
• Executive Board: 1,206.21 €
Mileage allowance: 171.36 €

(-PP 37.35%: 947.73 €)</td><td><u>Attendance fee as director/ Board member:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index

<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff</td><td>None</td><td>None</td><td>100%</td></tr>
<tr><td>Director
Member of the Appointments and Remunera-tion Committee</td><td>PITZ Mario (*****)</td><td>Total: 708.81 €

• Indexed amount of attendance fees:
• BoD: 485.37 €
Mileage allowance: 223.44 €
• ARC: 0€

(-PP 37.35%: 264.74 €)</td><td><u>Attendance fee as director:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index

<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff</td><td>None</td><td>None</td><td>100%</td></tr>
<tr><td>Director
Chair of the Appointments and Remunera-tion Committee</td><td>STAQUET Danièle</td><td>Total: 2,901.61 €

• Indexed amount of attendance fees:
• BoD: 2,338.23 €
Mileage allowance: 216.13 €
• ARC: 326.05 €
Mileage allowance: 21.20 €

(-PP 37.35%: 1,083.69 €)</td><td><u>Attendance fee as director:</u> Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index

<u>Attendance fee as Chair of the Appointments and Remunera-tion Committee:</u>Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index

<u>Mileage allowance:</u> Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff</td><td>None</td><td>None</td><td>100%</td></tr>
</table>

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
Director Member of the Audit Committee Member of the Ethics Committee (*)	VAN HOUT Florence	Total: 3,023.14 € • Indexed amount of attendance fees: • BoD: 2,107.28 € Mileage allowance: 352.90 € • Audit Committee: 476.04 € Mileage allowance: 86.92 € • Ethics Committee: 0 € (-PP 37.35%: 1,129.15 €)	<u>*Attendance fee as director/ Committee member:*</u> *Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* <u>*Mileage allowance:*</u> *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	86%
Director Member of the Executive Board	VEREECKE Anne	Total: 3,738.52 € • Indexed amount of attendance fees: • BoD: 1,390.96 € • Executive Board: 2,347.56 € (-PP 37.35%: 1,396.30 €)	<u>*Attendance fee as director/ Board member:*</u> *Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index*	None	None	80%
Director Member of the Audit Committee	VITULANO Maria	Total: 1,562.10 € • Indexed amount of attendance fees: • BoD: 725.65 € Mileage allowance: 443.52 € • Audit Committee: 245.09 € Mileage allowance: 147.84 € (-PP 37.35%: 583.43 €)	<u>*Attendance fee as director/ Committee member:*</u> *Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* <u>*Mileage allowance:*</u> *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	100%

(*)The mandates of the Chair and members of the Ethics Committee expired automatically on 23rd November 2022 – the date of the abolition of the Ethics Committee.
(**) Ms Ludivine GAUTHIER, Messrs Didier DONFUT, Roger FRANSSEN and Philippe LEFEBVRE resigned their directorships on 30th April 2022.
(***) Messrs Mohammed Amine MELLOUK and Thomas PIERMAN were co-opted by the Board of Directors on 22nd June 2022 to fill the vacancies of director following the resignation of Ms Ludivine GAUTHIER and Mr Didier DONFUT. Their terms of office expired on 23rd June 2022.
(****) Ms Maria VITULANO was co-opted by the Board of Directors on 28th September 2022 to fill the vacancy of director following the resignation of Mr Philippe LEFEBVRE. Her term of office expired on 29th September 2022.
(*****) Mr Mario PITZ was co-opted by the Board of Directors on 19th October 2022 to fill the vacancy of director following the resignation of Mr Roger FRANSSEN. His term of office expired on 20th October 2022.

Index during 2022													
Position			**February 2022**		**April 2022**		**June 2022**		**September 2022**		**December 2022**	
	Annual gross	**Basic remuneration**	**Index / Increase coeffi-cient**	**Annual gross**	**Index / Increase coeffi-cient**	**Annual gross**	**Index / Increase coeffi-cient**	**Annual gross**	**Index / Increase coeffi-cient**	**Annual gross**	**Index / Increase coeffi-cient**	**Annual gross**
Chairman	19,997.14 €	*Remuneration of Chairman:* *Gross annual allowance of 19,997.14 € (index 138.01) indexed pro rata to the overruns of the central index*	***1.8114***	36,222.82 €	***1.8476***	36,946.72 €	***1.8845***	37,684.61 €	***1.9222***	38,438.50 €	***1.9607***	39,208.39 €
Vice Chairman	14,997.85 €	*Remuneration of Vice Chairman:* *Gross annual allowance of 14,997.85 € (index 138.01) indexed pro rata to the overruns of the central index*	***1.8114***	27,167.11 €	***1.8476***	27,710.03 €	***1.8845***	28,263.45 €	***1.9222***	28,828.87 €	***1.9607***	29,406.28 €
Com-mittee Chairm	180 €	*Attendance fee of Chair of Audit Committee:* *Attendance fee of 180 € (index 138.01) indexed pro rata to the overruns of the central index*	***1.8114***	326.05 €	***1.8476***	332.57 €	***1.8845***	339.21 €	***1.9222***	346.00 €	***1.9607***	352.93 €
Member BoD/ Com-mittee	125 €	*Attendance fee of director/Com-mittee member:* *Attendance fee of 125 € (index 138.01) indexed pro rata to the overruns of the central index*	***1.8114***	226.43 €	***1.8476***	230.95 €	***1.8845***	235.56 €	***1.9222***	240.28 €	***1.9607***	245.09 €

Mileage allowances Gross amount per km	**March 2022**	**September 2022**
	Gross per km	Gross per km
0.37 €	0.40€	0.42€

2. Titulaires de fonction de direction

Position	Last name and first name	Gross annual remuneration	Breakdown of gross annual remuneration		
			Basic gross salary	NOSS contribution on salary	Gross taxable
Local senior official	GRIFNEE Fernand	300,279.34 €**	**300,279.34€**	39,246.51€	261,032.83€
Infrastructure Director	MOES Didier	272,509.01€	**225,871.51€**	29,521.41€	196,350.10€
Seconded Director	DECLERCQ Christine	265,344.30€	**231,285.65€**	30,229.03€	201,056.62€
Customer Director *** from 15.06.2022	DEVOLDER Olivier ***	105,298.45€	**84,986.51€**	11,107.74€	73,878.77€
Strategy and	MAHAUT Sébastien	264,593.40€	**224,218.40€**	29,305.34€	194,913.06€
Transformation Director	MEDAETS Benoît	241,075.05€	**206,962.55€**	27,050.01€	179,912.54€
IT Director	OFFERGELD Dominique	264,663.42€	**230,550.92€**	30,133.01€	200,417.91€
Finance Director	DEMARS Frédéric	255,504.01€	**220,139.01€**	28,772 .17€	191,366.84€
Human Resources Director	DE COSTER Nicolas ***	219,295.46€	**183,930.46€**	24,039.71€	159,890.75€
Corporate Director					
On 1st February 2022	MERTENS Inne Customer Director***	66,045.26€	**66,045.26€**	8,632.12€	57,413.14€
On 31st March 2022	HOUSSARD Benoit Technical Director***	106,057.92€	**105,357.92€**	13,770.28€	91,587.64€
Overall total		**2,360,665.62€**	**2,079,627.53€**	**271,807.33€**	**1,807,820.20€**

Supplementary pension plan for the local senior official (Delete where not applicable)

- Is the holder of the local senior official position covered by a group insurance policy? Yes / ~~No~~
- If yes, is it a defined contribution pension plan according to Appendix 4 of the Local Democracy and Decentralisation Code? Yes / ~~No~~
- Are the percentage and conditions of the group insurance policy equally applicable to all contractual staff in accordance with Appendix 4 of the Local Democracy and Decentralisation Code? Yes / ~~No~~
- Amount received by the local senior official during the year under the group insurance scheme? 62,674.31 €, excluding tax for 2022

Individual bonus *	NOSS contribution on individual bonus	Individual bonus taxable	Collective bonus	List of derived mandates associated with the position and any remuneration
-	-	-	-	Chairman SYNERGRID – Unpaid Director ATRIAS – Unpaid
43,837.50€	1,909.85€	12,702.65€	**2,800.00€**	Director Gas.be – Unpaid
31,312.50€	1,364.18€	9,073.32€	**2,746.15€**	None
18,787.50€	818.51€	5,443.99€	**1,524.44€**	Director ATRIAS – Unpaid Director SYNERGRID – Unpaid
37,575.00€	1,637.02€	10,887.98€	**2,800.00€**	None
31,312.50€	1,364.18€	9,073.32€	**2,800.00€**	None
31,312.50€	1,364.18€	9,073.32€	**2,800.00€**	Director Contassur – Unpaid
32,565.00€	1,418.75€	9,436.25€	**2,800.00€**	Director Enerbel (pension fund) – Unpaid Director Powerbel (pension fund) – Unpaid
32,565.00€	1,418.75€	9,436.25€	**2,800.00€**	None
Directeurs ayant quitté leurs fonctions en 2022				
-	-	-	-	
-	-	-	**700.00 €**	
259,267.50€	11,295.42€	75,127.08€	**21,770.59€**	

Notes

The members of the Executive Board are also entitled to all the benefits set by the sector, as are all of the company's executives.
* The individual bonus amounts are shown here with indexation for March 2023(125.26.).
** In accordance with Appendix 4 of the Local Democracy and Decentralisation Code and Article 82 of the Decree of 28/03/2018, but also as provided for in the employment contract of Mr Fernand Grifnée, an amount of 14,983.02 EUR resulting from movements in the index, as applied in Joint Representation Committee 326, will be reimbursed to ORES in April 2023 in order to comply with the ceiling set by the decree of 245,000 EUR, indexed to 285,296.32 EUR for the year 2022
*** Following the internal reorganisation of ORES and staff movements carried out in 2022:
Ms Isabelle CALLENS left her management position on 31st 2021. Mr Nicolas DE COSTER took over as Corporate Director on 1st January 2022.
Ms Inne MERTENS left her position on 31st January 2022. Mr Olivier DEVOLDER took over as Customer Director on 15th June 2022.
Mr Benoît HOUSSARD left his position on 31st March 2022 – his gross remuneration does not take into account the compensation paid in lieu of notice.

3. Appendices:

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

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

V-€ attendance, giving entitlement to the payment of an attendance fee

ORES - Management board 1: Board of Directors

Position	Last name and first name	BoD 26/01 2022	BoD 23/02 2022	BoD 23/03 2022	BoD 27/04 2022	BoD 25/05 2022	BoD 22/06 2022	BoD 28/09 2022	BoD 19/10 2022	BoD 23/11 2022	BoD 14/12 2022	Total attendance rate - %	
Chair	DE VOS Karl	V	V	V	V	V	V		V	V	V	9/10	90%
Vice Chairman	BINON Yves	V	V	V	V	V	V	V	V	V	V	10/10	100%
Directors	BELLEFLAMME Élodie	V-€	V-€	V-€	V-€		V-€	V-€	V-€	V-€		8/10	80%
	BULTOT Claude	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%
	BURNET Anne-Caroline	V-€	V-€	V-€	V-€		V-€	V-€	V-€	V-€	V-€	9/10	90%
	de BEER de LAER Hadelin	V-€			V-€	V-€	V-€	V-€	V-€	V-€	V-€	8/10	80%
	DEMANET Nathalie	V-€	V-€	V-€				V-€	V-€			5/10	50%
	DONFUT Didier	V-€	V-€	V-€	V-€							4/4	100%
	DUTHY André	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%
	FAYT Christian	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€		V-€	9/10	90%
	FRANCEUS Michel		V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€		8/10	80%
	FRANSSEN Roger	V-€	V-€	V-€	V-€							4/4	100%
	GAUTHIER Ludivine	V-€	V-€	V-€	V-€							4/4	100%
	GILLIS Alain	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%
	HARDY Cerise	V-€			V-€	V-€	V-€	V-€	V-€		V-€	7/10	70%
	LEFEBVRE Philippe	V-€										1/4	25%
	MELLOUK Mohammed Amine							V-€	V-€		V-€	3/4	75%
	MEURENS Jean-Claude	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%
	PIERMAN Thomas							V-€	V-€	V-€	V-€	4/4	100%
	PITZ Mario									V-€	V-€	2/2	100%
	STAQUET Danièle	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%
	VAN HOUT Florence	V-€	V-€	V-€		V-€	V-€	V-€	V-€	V-€	V-€	9/10	90%
	VEREECKE Anne	V-€	V-€	V-€			V-€		V-€	V-€		6/10	60%
	VITULANO Maria								V-€	V-€	V-€	3/3	100%

ORES - Management body 2: Executive Board

Position	Last name and first name	BE 18/01 2022	BE 15/02 2022	BE 15/03 2022	BE 19/04 2022	BE 14/06 2022	BE 13/09 2022	BE 18/10 2022	BE 26/10 2022	BE 15/11 2022	BE 06/12 2022	Total attendance rate - %	
Members	DE VOS Karl	V	V		V	V	V	V	V	V	V	9/10	90%
	BINON Yves	V	V	V	V	V	V	V	V	V	V	10/10	100%
	DONFUT Didier	V-€	V-€	V-€	V-€							4/4	100%
	GILLIS Alain	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%
	PIERMAN Thomas						V-€	V-€	V-€	V-€	V-€	5/5	100%
	VEREECKE Anne	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	10/10	100%

ORES - Management board 3: Appointments and Remuneration Committee

Position	Last name and first name	CNR 09/03/2022	CNR 22/06/2022	CNR 28/09/2022	CNR 19/10/2022	Taux de participation total	%
Présidente	STAQUET Danièle	V-€	V	V	V	4/4	100%
Members	DEMANET Nathalie	V-€		V	V	3/4	75%
	FAYT Christian	V-€	V	V	V	4/4	100%
	FRANSSEN Roger	V-€				1/1	100%
	MEURENS Jean-Claude	V-€	V	V	V	4/4	100%

ORES - Management body - Audit Committe

Position	Last name and first name	CAud 20/04/2022	CAud 28/09/2022	CAud 07/12/2022	Taux de participation total	%
Présidente	BURNET Anne-Caroline	V-€	V	V-€	3/3	100%
Members	BULTOT Claude		V		1/3	33%
	DUTHY André	V-€	V	V-€	3/3	100%
	LEFEBVRE Philippe	V-€			1/1	100%
	VAN HOUT Florence	V-€		V-€	2/3	67%
	VITULANO Maria			V-€	1/1	100%

ORES - Management body 5: Ethics Committee

Position	Last name and first name	CEth 23/03/2022	Taux de participation total	%
Président	FRANCEUS Michel	V	1/1	100%
Members	BELLEFLAMME Élodie	V	1/1	100%
	de BEER de LAER Hadelin		0/1	0%
	GAUTHIER Ludivine	V	1/1	100%
	VAN HOUT Florence	V	1/1	100%

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

CHAIRMAN			
Month	**Amount of remuneration paid (Gross minus withholding tax @ 37.35%)**	**Amount of travel allowance paid (Gross minus withholding tax @ 37.35%**	**Reason**
Januari 2022	1,853.96		90% total attendance at meetings in 2022 (Board of Directors 9/10 and Executive Board 9/10)*
Februari 2022*	1,891.13		
March 2022	1,891.13		
April2022*	1,928.92		
May 2022	1,928.92		
June 2022*	1,967.45	65.40	
July 2022	1,967.45		
August 2022	1,967.45		
September 2022*	2006.81		
October 2022	2006.81		
November 2022	2006.81		
December 2022*	2047.01	74.29	

VICE CHAIRMAN			
Month	**Amount of remuneration paid (Gross minus withholding tax @ 37.35%)**	**Amount of travel allowance paid (Gross minus withholding tax @ 37.35%**	**Reason**
Januari 2022	1,390.47		10% total attendance at meetings in 2022 (Board of Directors 10/10 and Executive Board 10/10)**
Februari 2022*	1,418.35		
March 2022	1,418.35		
April2022*	1,446.70		
May 2022	1,446.70		
June 2022*	1,475.59	87.63	
July 2022	1,475.59		
August 2022	1,475.59		
September 2022*	1,505.11		
October 2022	1,505.11		
November 2022	1,505.11		
December 2022*	1,535.25	140.71	

* Indexation following central index overrun

** By deliberation of the General Meeting on 29th May 2019, 100% of the gross annual remuneration is allocated to the Chairman and Vice-Chairman if the trustee mentioned above attends 80% of management body meetings

Appendix 3: Training

Position	Last name and first name	27/04/2022*	23/11/2022*	Total attendance rate - %	
Chairman	DE VOS Karl	V	V	2/2	100%
Vice Chairman	BINON Yves	V	V	2/2	100%
Directors	BELLEFLAMME Elodie	V	V	2/2	100%
	BULTOT Claude	V	V	2/2	100%
	BURNET Anne-Caroline	V	V	2/2	100%
	de BEER de LAER Hadelin	V	V	2/2	100%
	DEMANET Nathalie			0/2	0%
	DONFUT Didier	V		1/1	100%
	DUTHY André	V	V	2/2	100%
	FAYT Christian	V		1/2	50%
	FRANCEUS Michel	V	V	2/2	100%
	FRANSSEN Roger	V		1/1	100%
	GAUTHIER Ludivine	V		1/1	100%
	GILLIS Alain	V	V	2/2	100%
	HARDY Cerise	V		1/2	50%
	LEFEBVRE Philippe			0/1	0%
	MELLOUK Mohammed Amine		V	1/1	100%
	MEURENS Jean-Claude	V	V	2/2	100%
	PIERMAN Thomas		V	1/1	100%
	PITZ Mario		V	1/1	100%
	STAQUET Danièle	V	V	2/2	100%
	VAN HOUT Florence		V	1/2	50%
	VEREECKE Anne			0/2	0%
	VITULANO Maria		V	1/1	100%

* BoD - no additional travel expenses

In 2022, two training courses were provided for the directors.

The first, held on 27th April 2022, dealt with the topic of "Energy transition"

The second, on 23rd November 2022, dealt with the topic of "Renewable Energy Communities (REC)"

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