BGAAP
Consolidated Accounts
ORES Assets

2022

NAME AND FORM

ORES Assets. Intermunicipal Cooperative Association. CBE number 0543.696.579..

HEAD OFFICE

Avenue Jean Mermoz 14, 6041 Gosselies

INCORPORATION

Deed of incorporation published in the Appendices to the Moniteur belge (Belgian Official Gazette) of 10 January 2014 under number 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 18th June 2020, published in the Appendices to the Moniteur belge dated 13th July 2020, under number 20079215.

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INTRODUCTION

I

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.

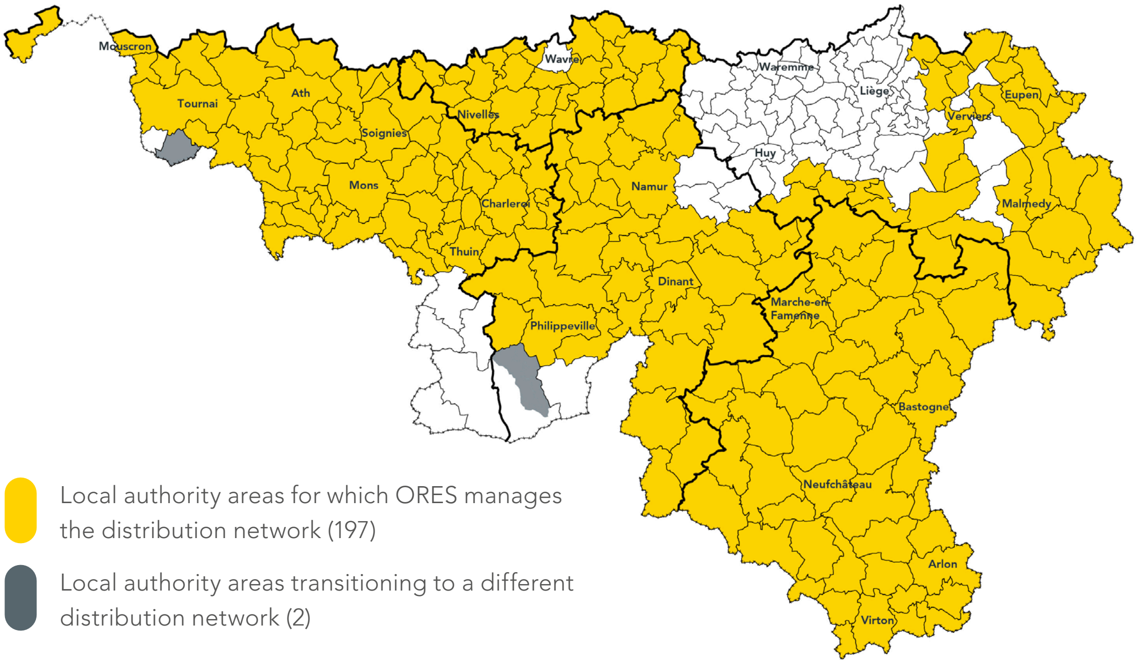
The impact of climate change on ORES also continues to be felt. Although 2022 as a whole was generally mild in terms of weather events, the year began in February with three successive storms that hit the entire western half of our territory and Picardy Wallonia in particular. Once again, our technical 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.

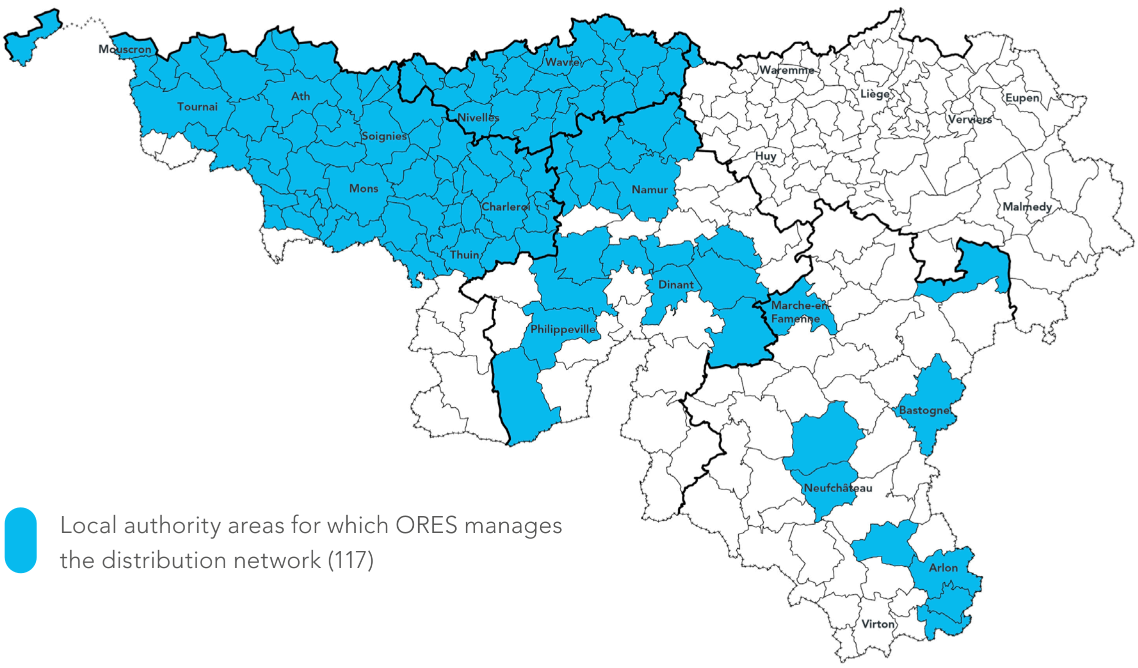
ELECTRICITY



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

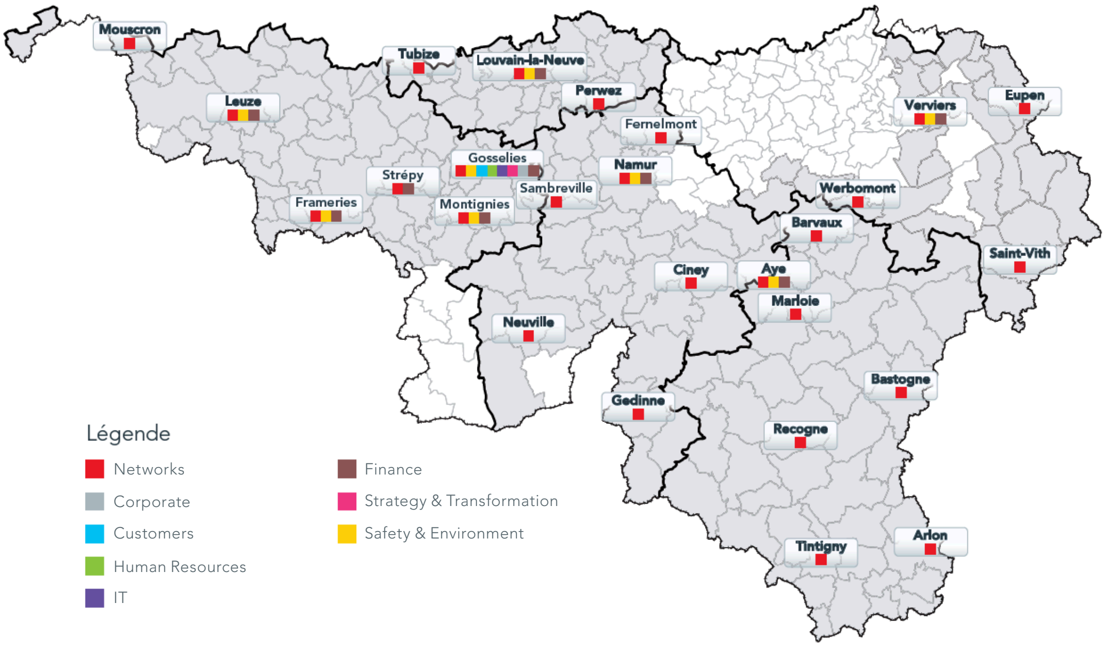
Local authority areas transitioning to a different distribution network (2)

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.

II

I. ACTIVITY AND SUSTAINABLE DEVELOPMENT REPORT

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

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

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

We supply energy to almost 60,000 protected customers

Electricity 39,475 customers
Gas 19,643 customers

and manage over 65,000 prepayment meters on our network

Electricity 46,158
Gas 19,280

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.

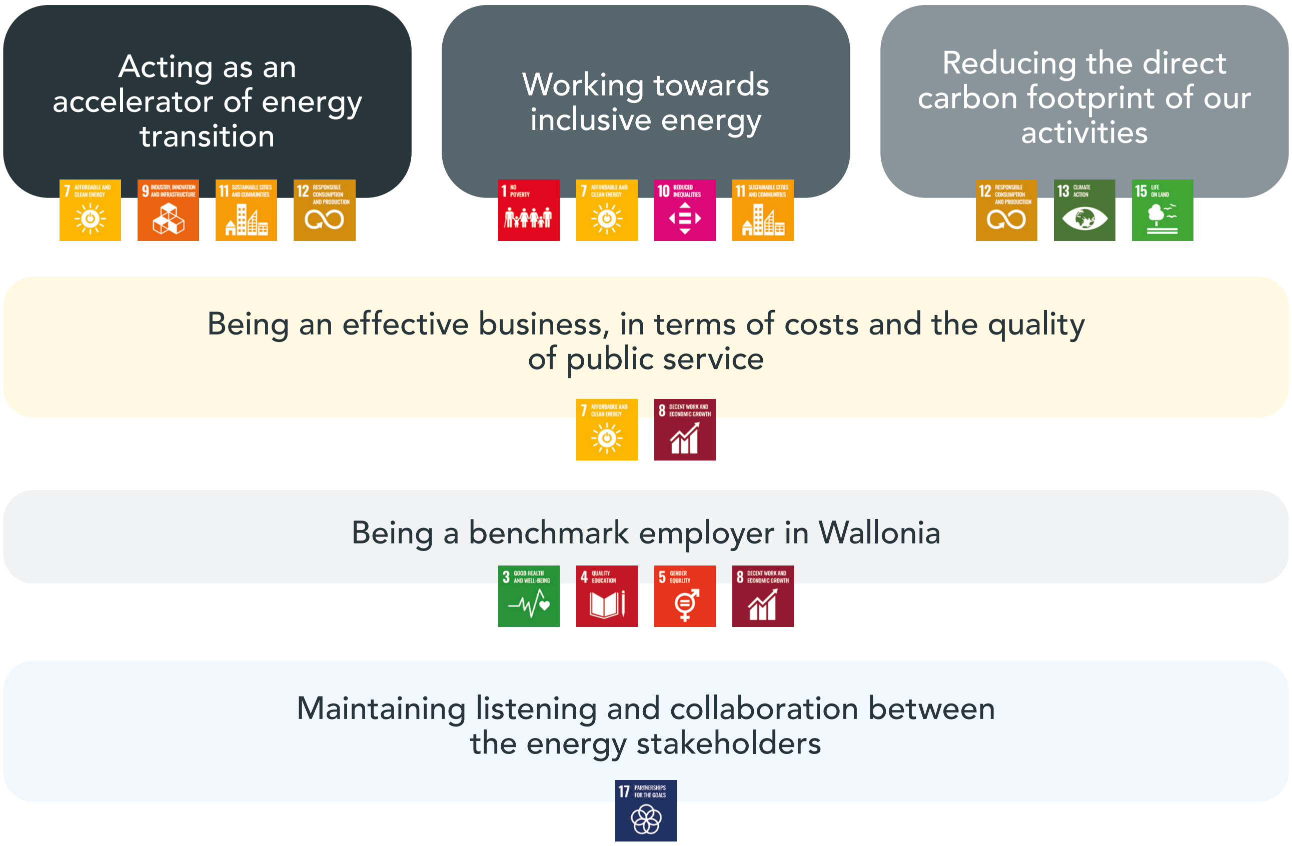
NEW IMPETUS

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.

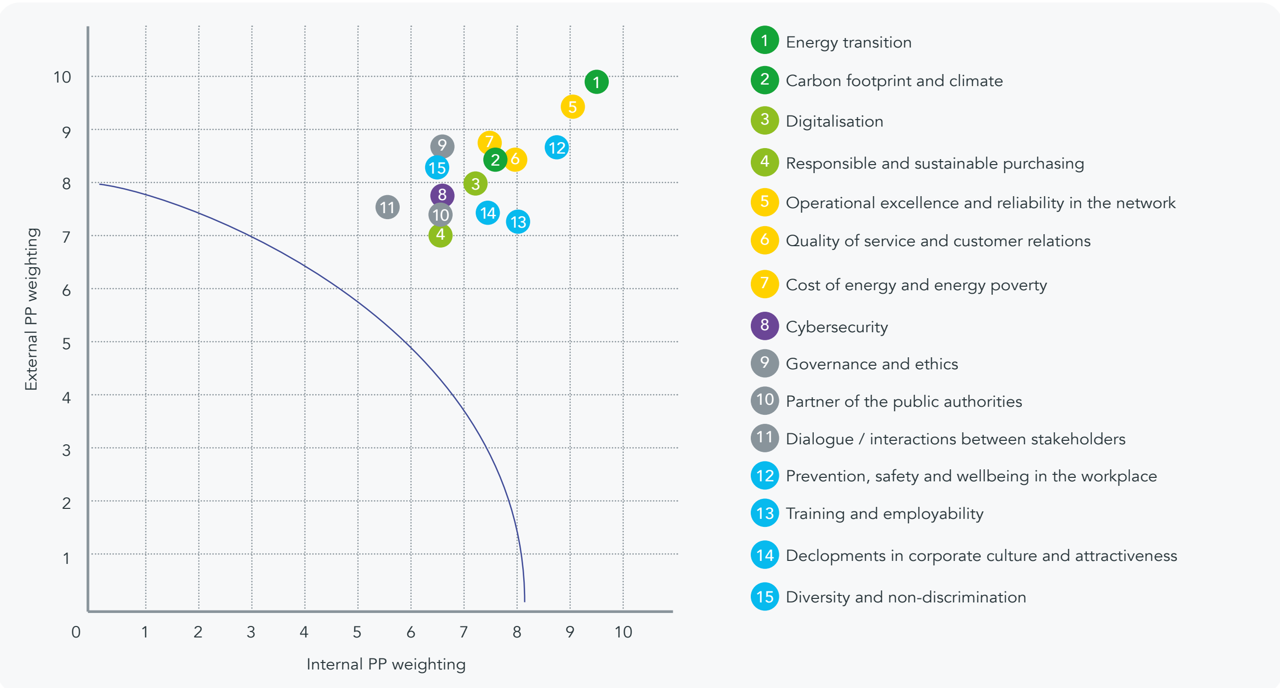
CONSULTATION WITH STAKEHOLDERS

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.

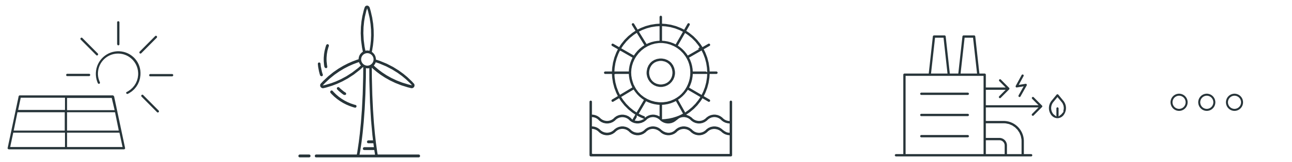
FACILITATING THE CONNECTION AND INJECTION OF RENEWABLE ENERGY

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 wind-farms 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



173,591 Photovoltaic

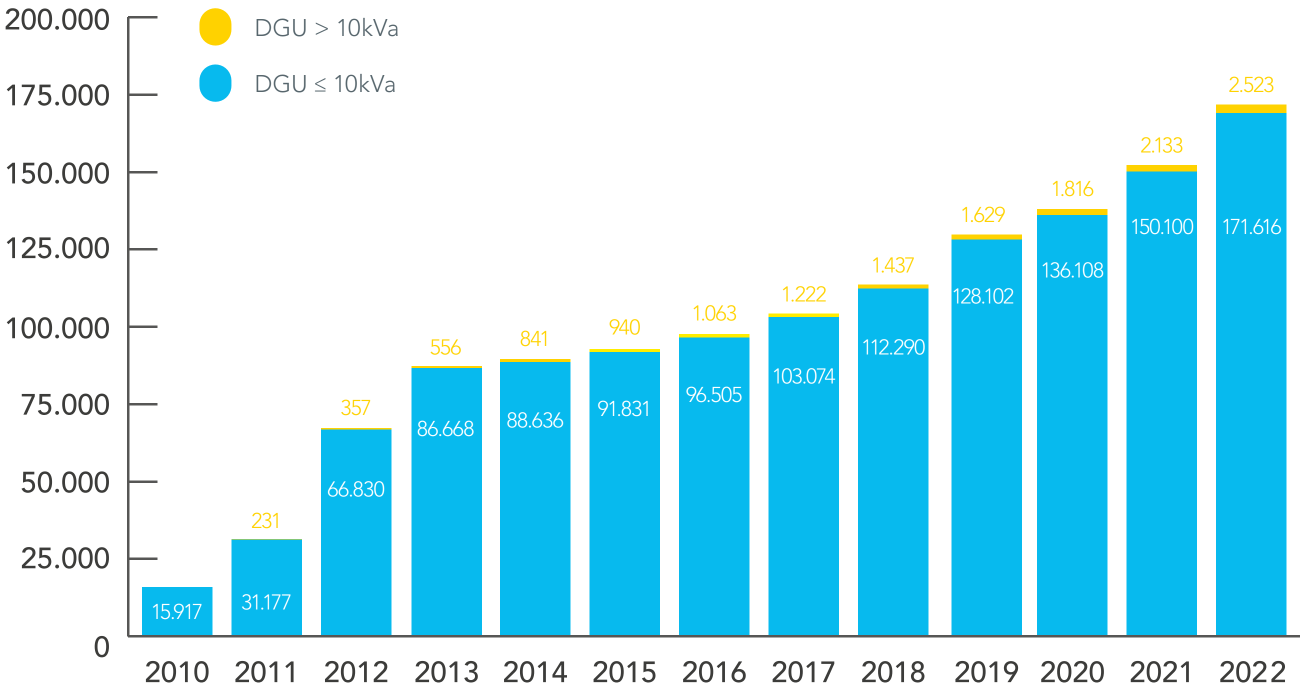
168 Wind

93 Hydraulic

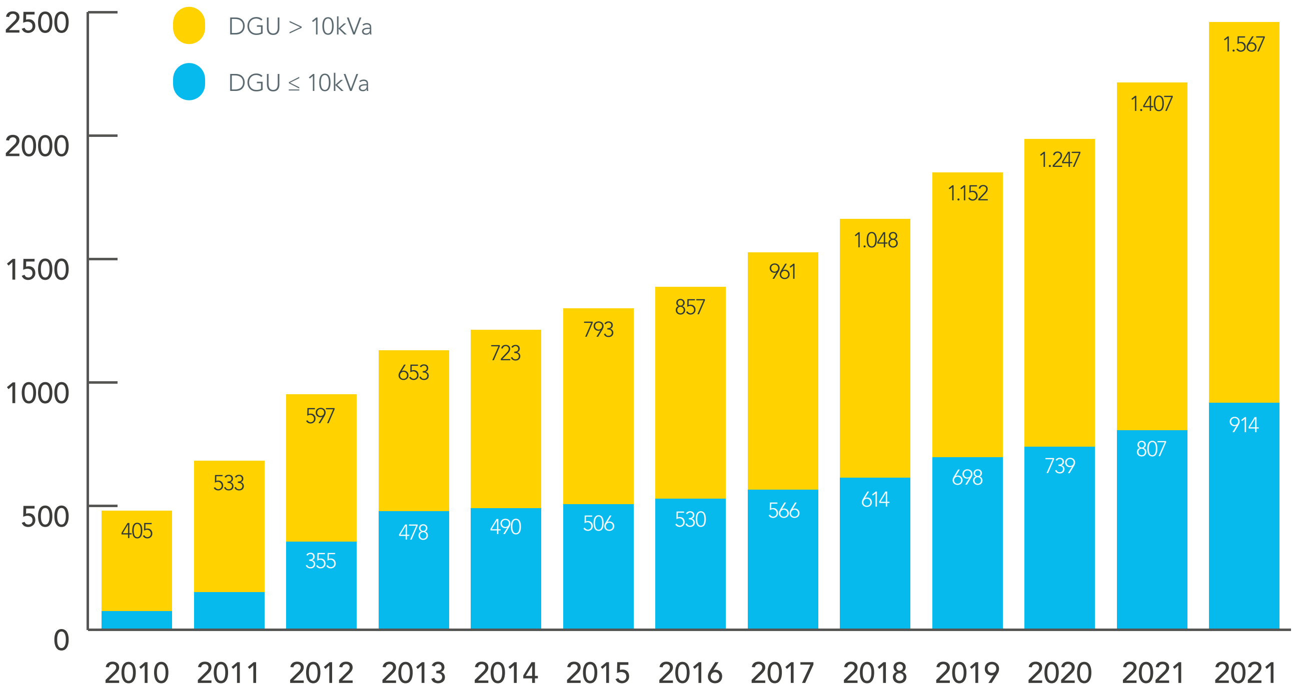
186 Cogeneration

101 Other

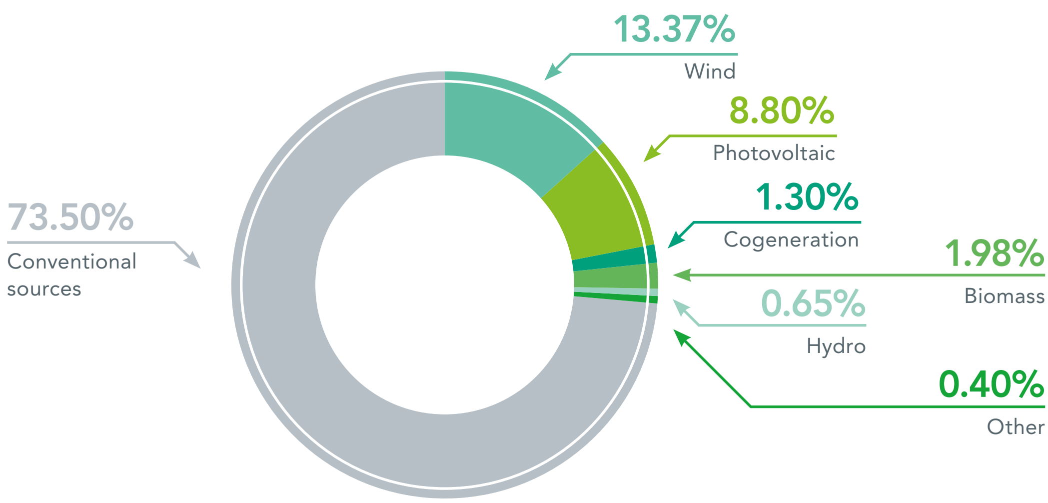
Annual movements in the number of DGUs, by type of power



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. 48), 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.

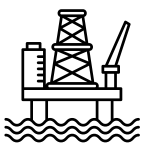
In November 2022, the inauguration ceremony for the third biomethane injection unit on our network was attended by numerous representatives from the regional and European public authorities. These are installations belonging to "BBA - Biométhane du Bois d'Arnelle", which is located in the municipality 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

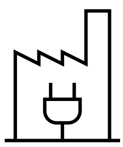
As part of the process of preparing for recent regulatory developments at a European level – the Sustainable Corporate Governance and Sustainability Reporting Directives – our company has now finalised its first carbon footprint audit. This first step is essential for properly assessing and understanding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

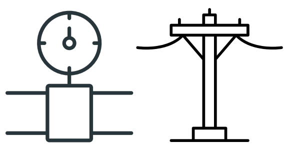
OPERATIONAL SCOPE: THE ENTIRE VALUE CHAIN OF ELECTRICITY AND GAS DISTRIBUTED BY ORES IS TAKEN INTO ACCOUNT IN OUR CARBON FOOTPRINT



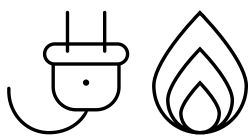
Extraction, production and upstream transport of ttprimary fuels



Emissions from power stations



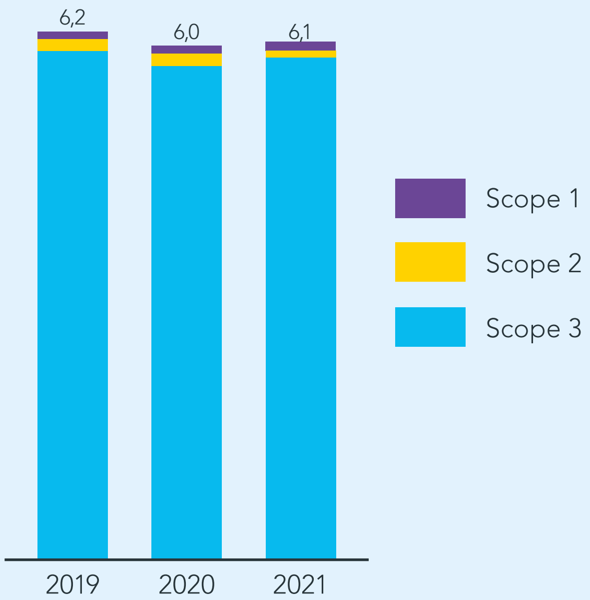
Losses of electricity and gas from the distribution network + fugitive emissions



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.

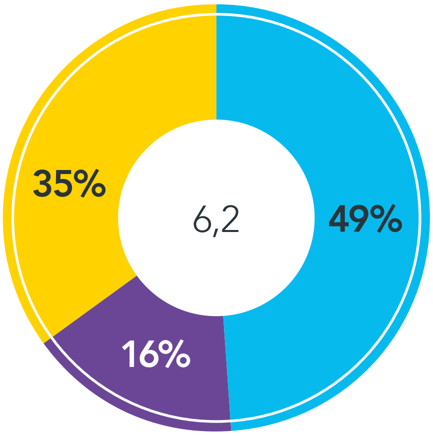
SCOPE 3

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.*

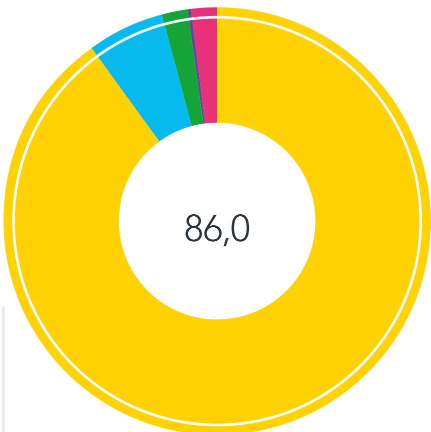
Breakdown of emissions for the year 2019 [Mt CO2e]



- Emissions linked to the use of gas in Wallonia (including production)
- Emissions linked to the use of electricity in Wallonia (including production)
- Other

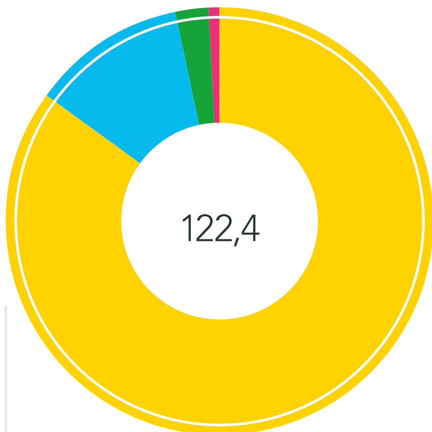
Among the emissions linked to scopes 1 and 2 – presented below and expressed in $ktCO_{2e}$ – emissions related to network losses – for both gas and electricity – constitute our greatest source of emissions of CO_{2e}.

Scope 1



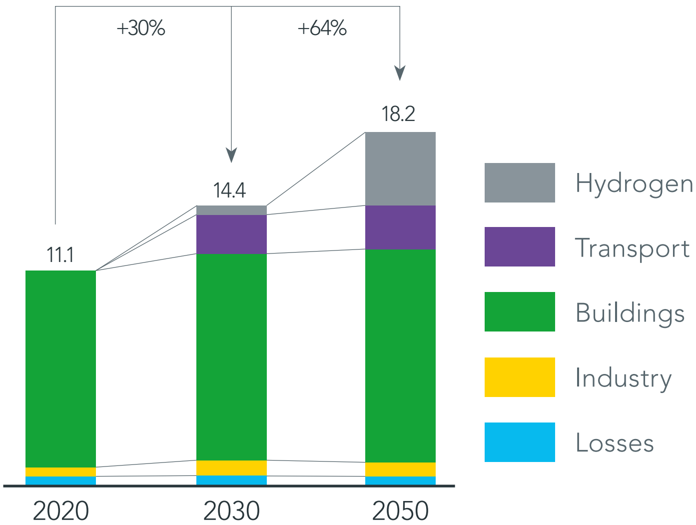
- Losses of gas : 90.0%
- Fleet vehicles: 5.9%
- Heating : 2.0%
- Management vehicles: 1.9%
- Losses of SF6: 0.2%

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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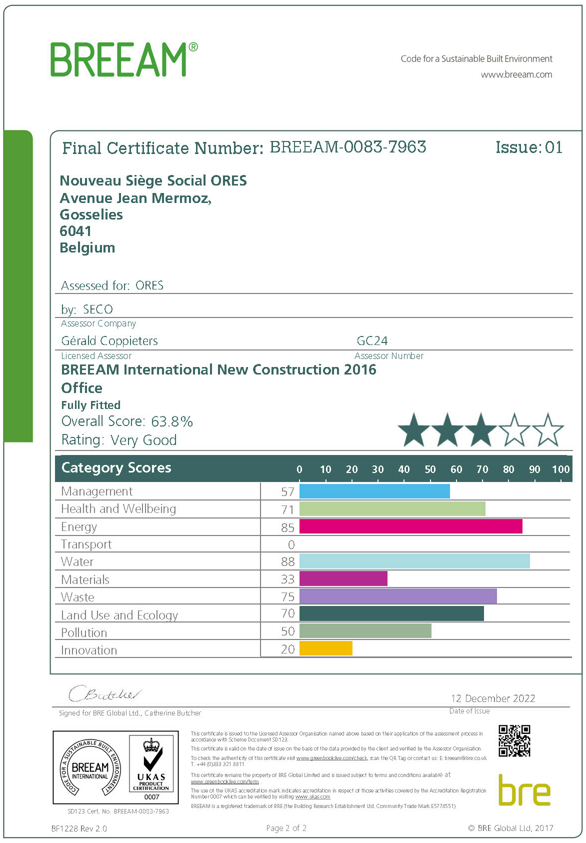

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Final Certificate Number: BREEAM-0083-7963 Issue: 01

Nouveau Siège Social ORES
Avenue Jean Mermoz,
Gosselies
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.

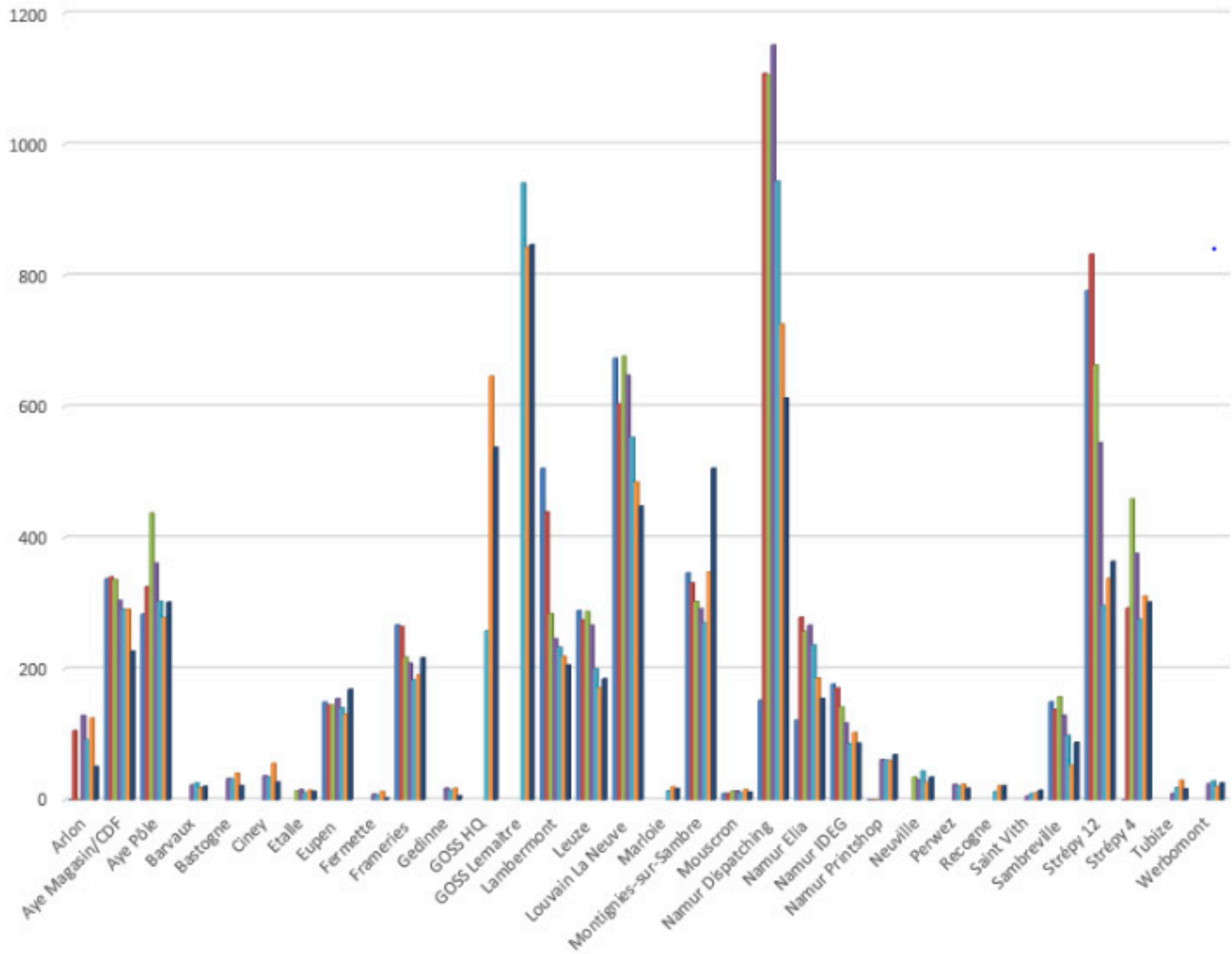
MEASURES TO REDUCE CONSUMPTION

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.

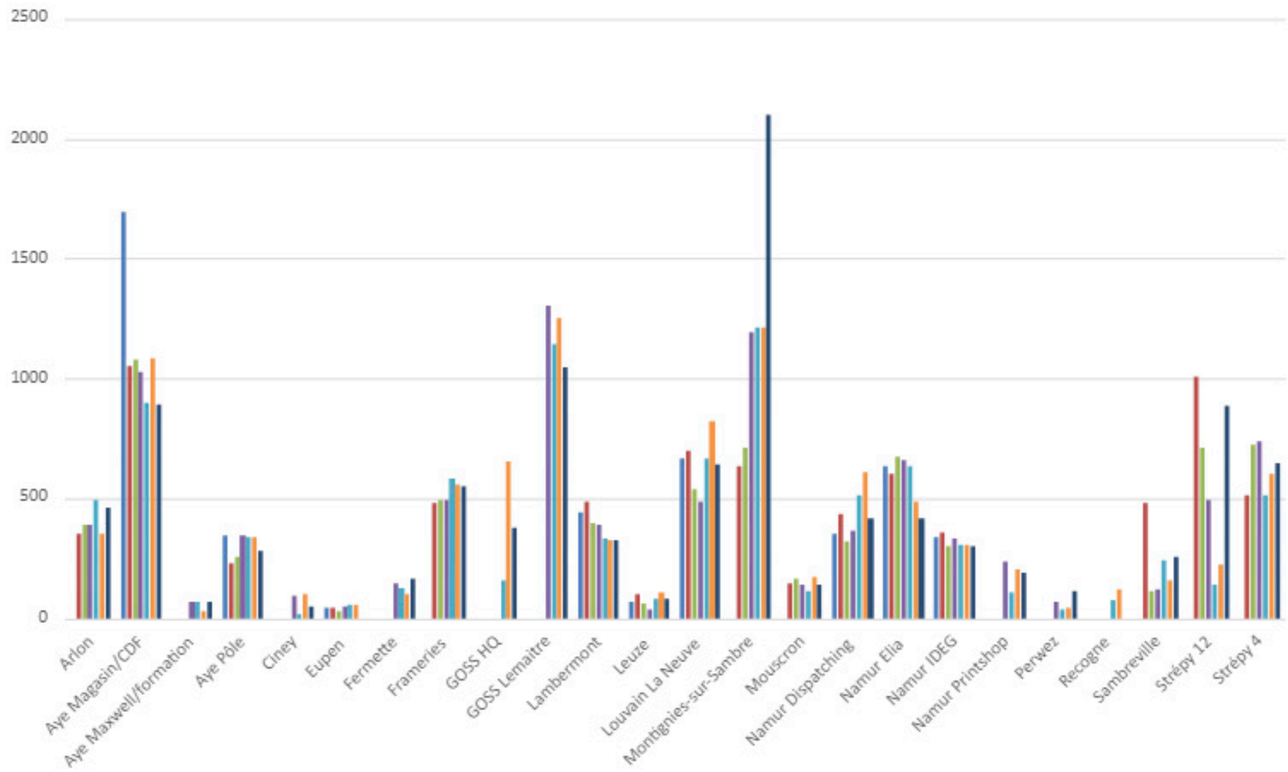
In 2022, there was an overall reduction of 4% in electricity consumption in our buildings. For gas, the figures were up by 5% compared with 2021. This was explained – despite a slightly warmer year than the previous one – to over-consumption at two of the company's sites. This was due in particular to 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**

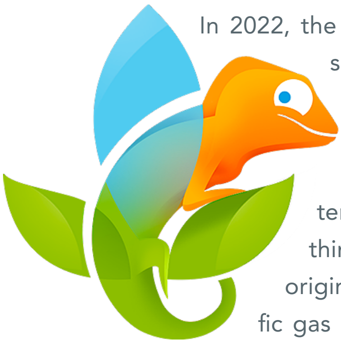
Repairs of leaks in the gas network	2021	2022
Work carried out following a call from a third party	1,156	1,188
Work carried out following a systematic check on the network	176	197

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

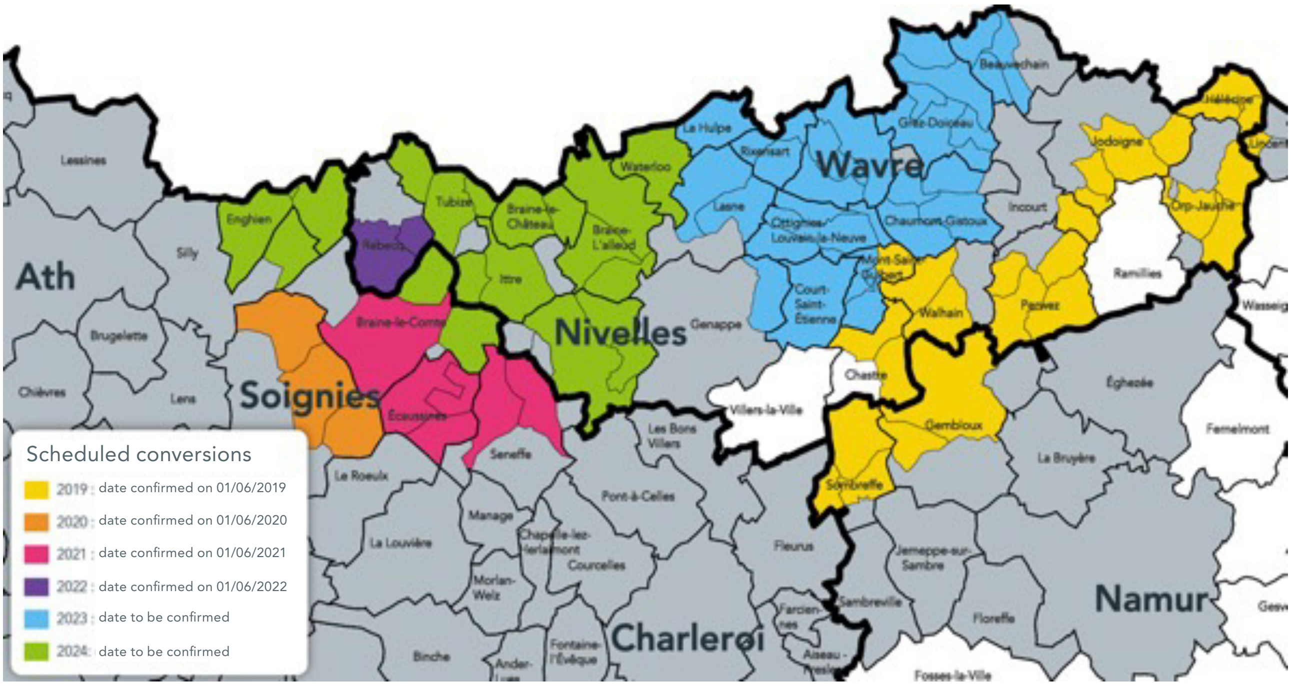
CONTINUED CONVERSION FROM L TO H



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"

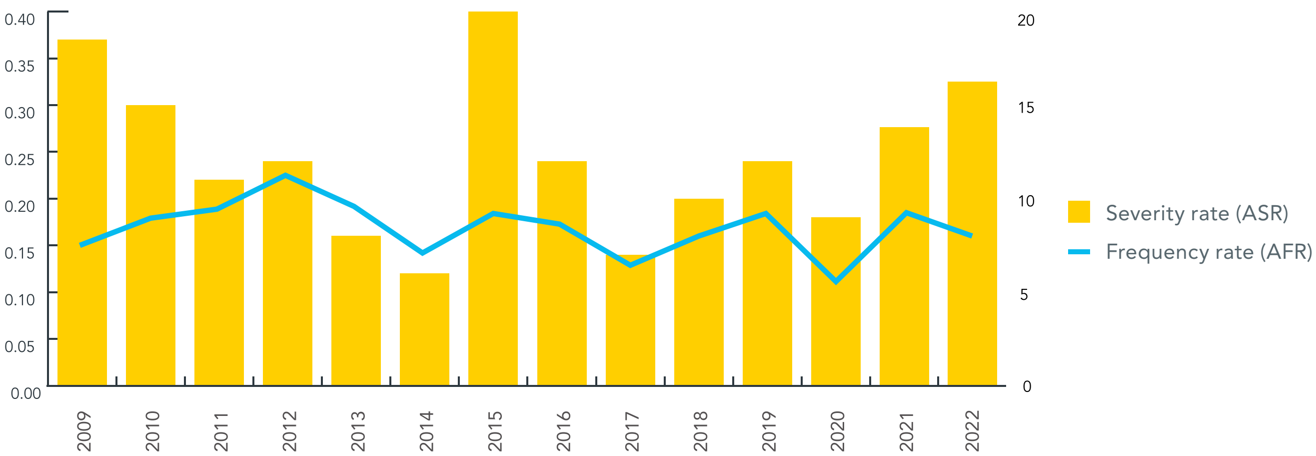
With the aim of actively promoting prevention and safety, theme days are organised for staff and the contractors who work with our teams in the field on a daily basis. These theme days are based on different workshops where the causes and sources of accidents are discussed so that participants can better 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".

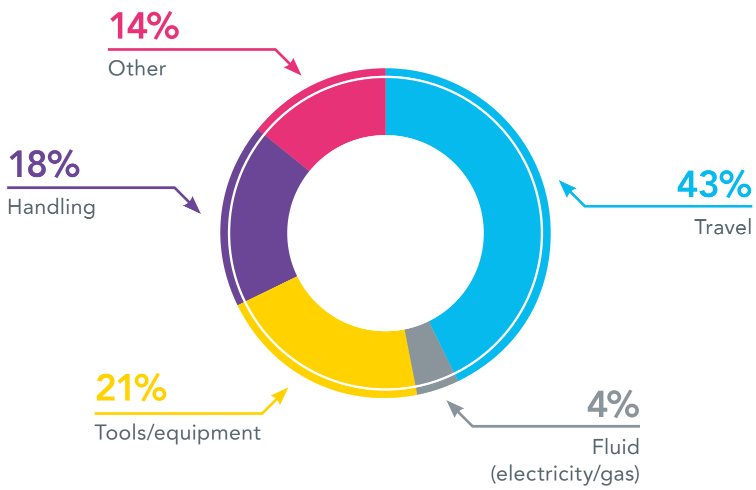
Movements in the safety statistics 2009-2022



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.

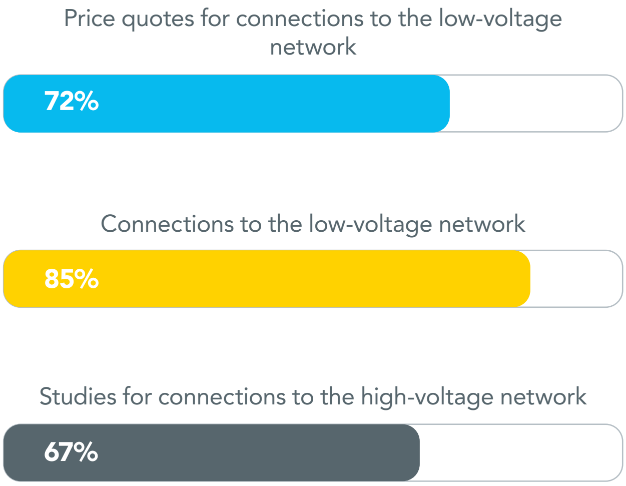
USING THE CUSTOMER EXPERIENCE AS A COMPASS

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.

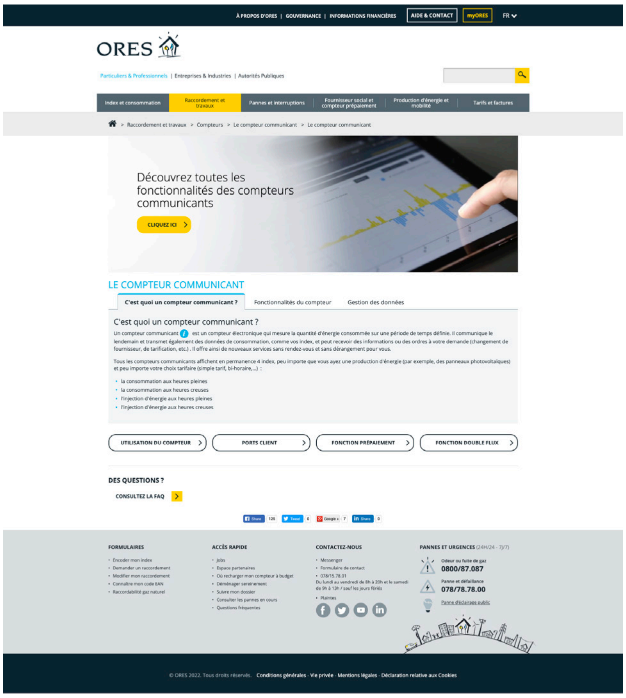
To enable them to pass on their grievances – whether some sort of dissatisfaction, an application for compensation or a request for mediation – customers are now able to lodge their complaints using the online forms on the website. Customers today prefer the digital channel to submit their enquiries. 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

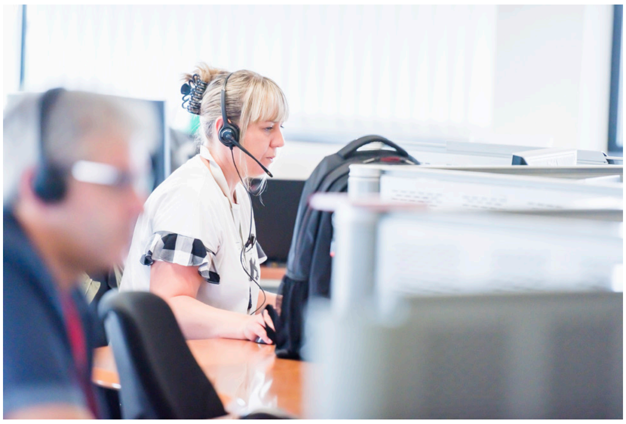
A large majority of customers prefer to use digital channels for their dealings with ORES. Digital developments are transforming the world and customers want fast, accessible service, quick responses and simple, smooth interactions with service companies. In 2022, 72% of contacts with customers went 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.

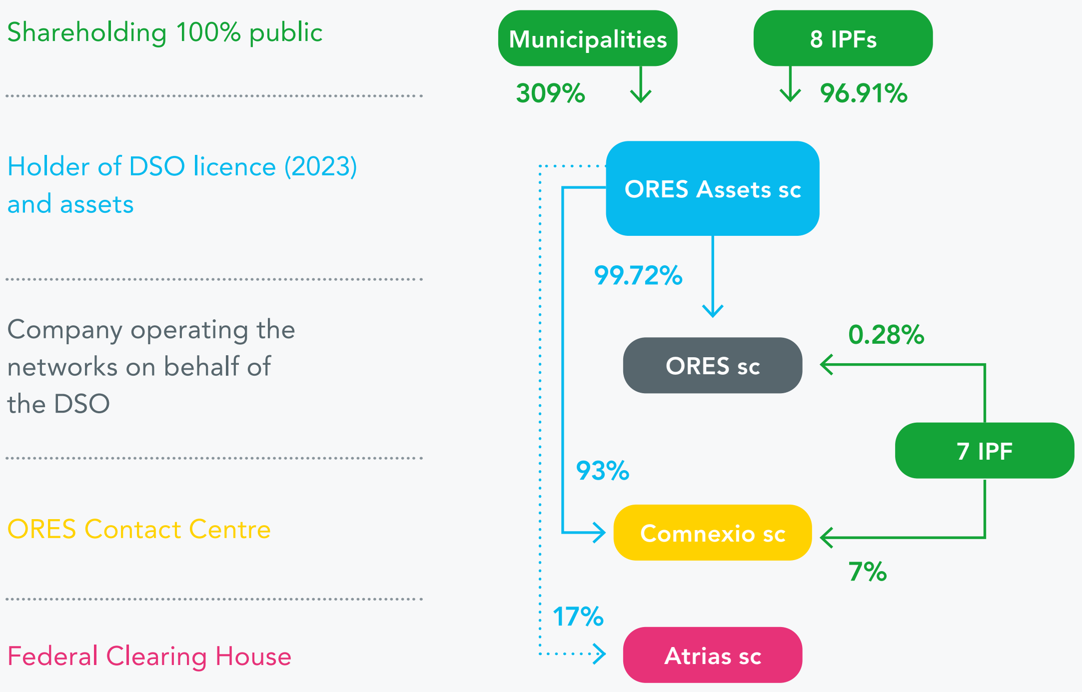
The ORES governance charter, available on ores.be, sets out the operating procedures and regulations of the company's management bodies. It also establishes the principles for the remuneration of the members of these various bodies. In line with the Local Democracy and Decentralisation Code and the requirements 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. 148 to 173).

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.

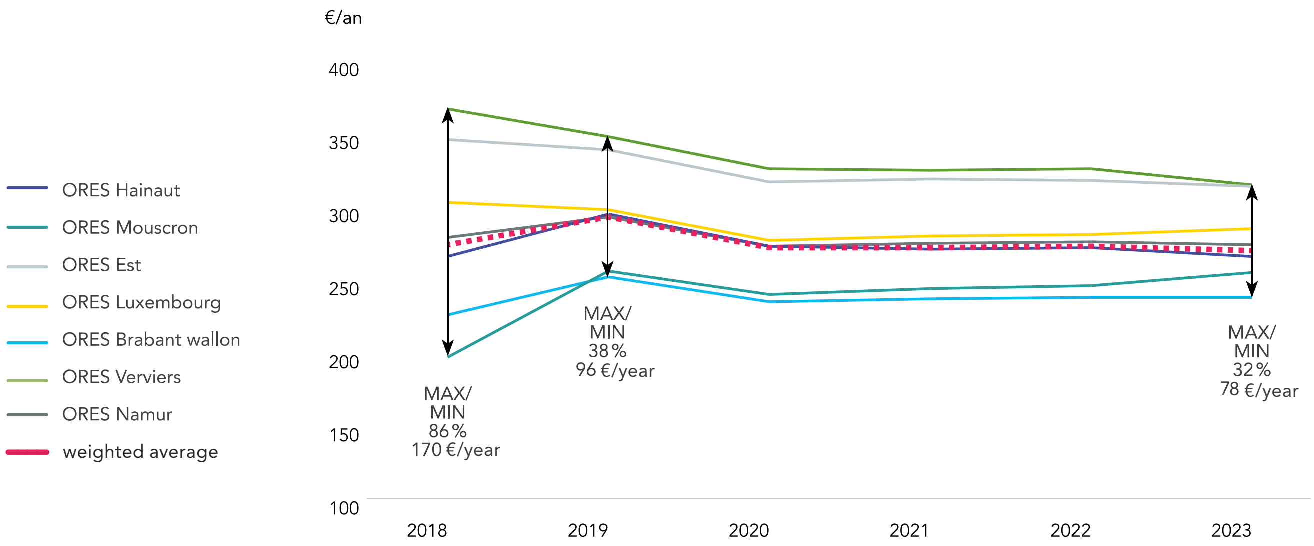
The multidisciplinary team formed internally to put together the applications for ORES responded to the various calls for tenders issued by the municipalities served at the time the procedure was launched, as well as to those of eleven other towns and municipalities located in the Provinces of Hainaut, 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.

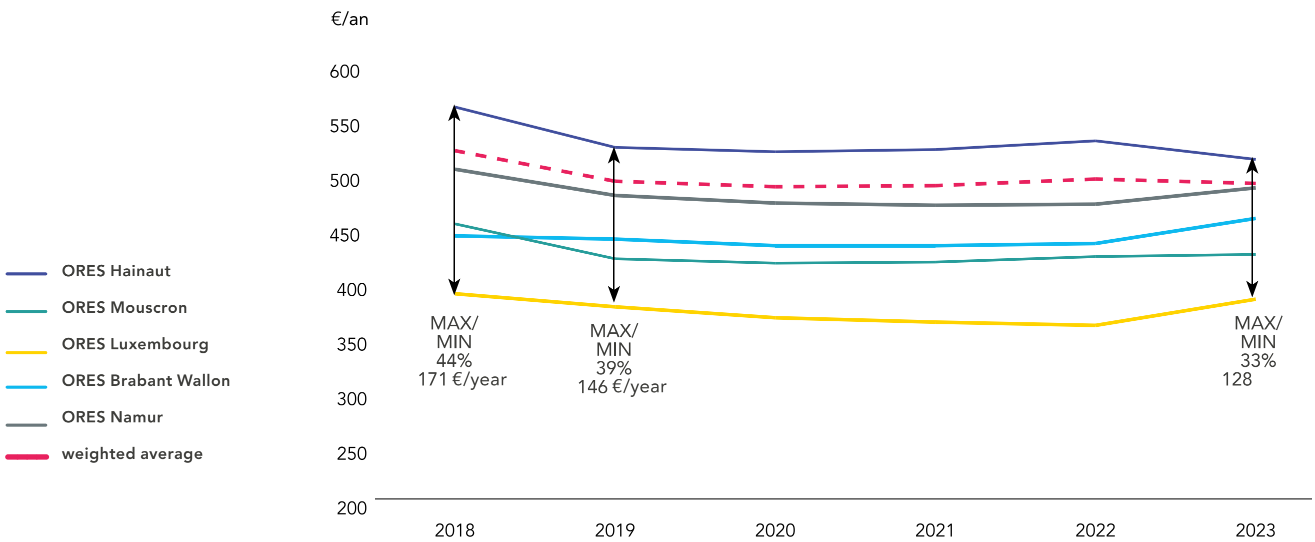
REGULATION AND DISTRIBUTION TARIFFS

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 PRACTICES

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.

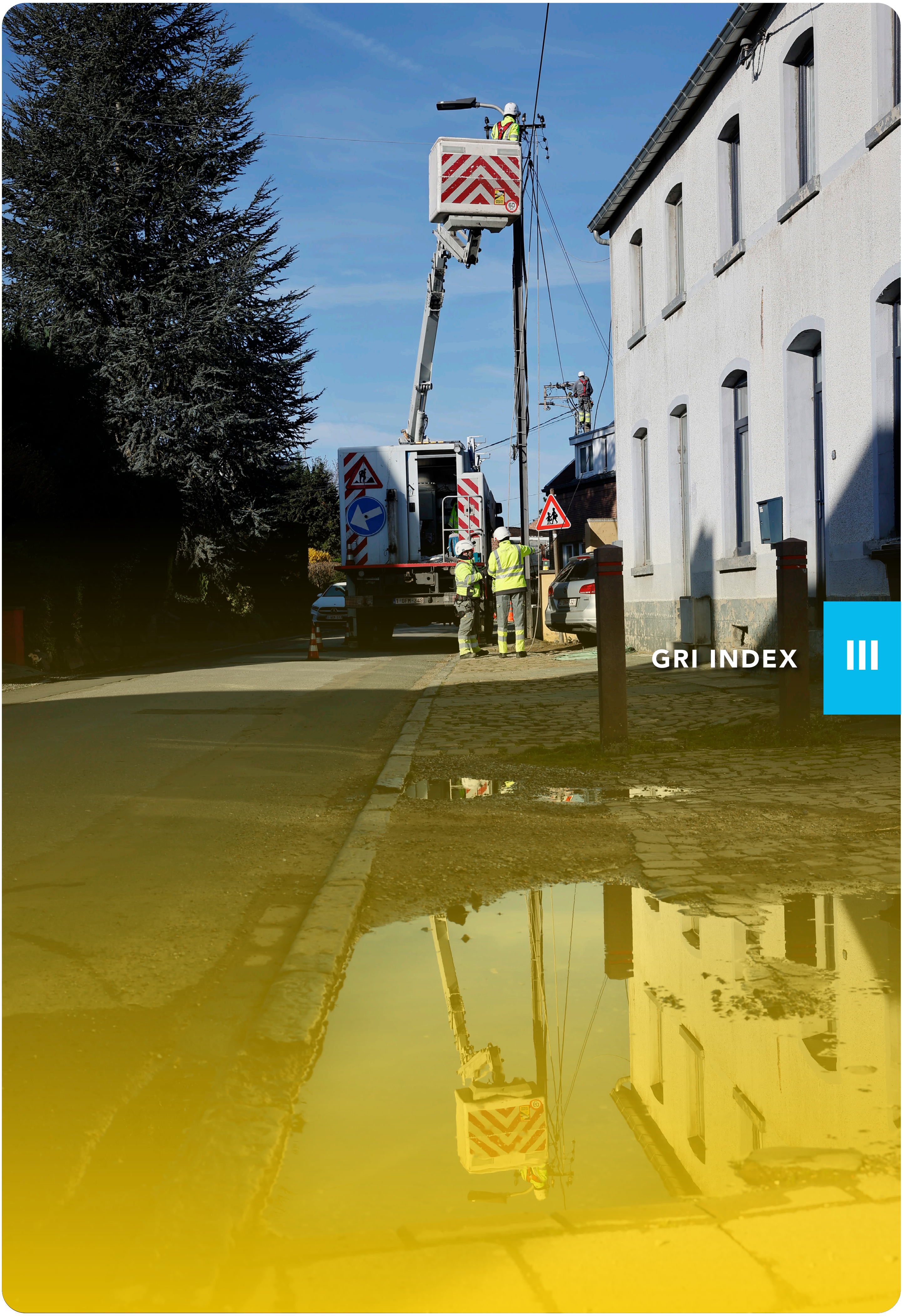
Sustainable purchasing policy

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.



GRI INDEX

III

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 71, 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 71, as well as the "Description of the main risks and uncertainties facing the company", page 101

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 148 and 173
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 148 to 173
GR1 102	General disclosures	102-23	Chair of the highest governance body	See section "Remuneration reports", pages 148 to 173
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 148 to 173.
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 148 to 173.
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 101 to 106
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 101 to 106
GR1 102	General disclosures	102-35	Remuneration policies	See section "Remuneration reports", pages 148 to 173
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										
	<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										
	<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		2021		2022	
	Return	Retention	Return	Retention	Return	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. Management report

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

1.1. A true and accurate view of

i. The development of the business

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

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

- To counter the extraordinary increase in the energy component of customers' budgets, as mentioned in the "Regulation and distribution tariffs" segment of the section on "Governance, transparency and ethics", the Walloon Government wished, as part of the analysis of possible excess profits in the energy sector[2] , to examine the possibility of converting bonuses for the years 2019 to 2022 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 committed to using natural bonuses to meet the 2022-2023 surcharges and not to apply for a tariff increase in 2023. In addition, the intermunicipal company committed, in its 2019-2028 vision, that the "good management" bonus would 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 Group. These are set out in the following notes to the company's results and situation below;

- in a judgment of 22nd December 2022, as part of the appeal lodged by CWaPE against the ruling of the Market Court concerning the refusal decisions of CWaPE regarding the electricity and gas balances reported by ORES Assets for the operating years 2017 and 2018, the Court of Arbitration ruled in favour of the regulator. An additional tariff debt of €25 million with a corresponding impact on profit for the year was recorded in the books of ORES Assets, which may refer the matter to the Market Court, composed otherwise, in order to obtain a new ruling annulling the disputed decisions of the CWaPE.

ii. The company's results and situation

Preliminary note

In order to make the previous financial year comparable with the current financial year, the Group has restated the annual accounts for 2021 in accordance with article 3:59, paragraph 2 of the Royal Decree of 29th April 2019 implementing the Code of Companies and Associations. To this end, the Group has decided to modify the presentation of capitalised production costs at the consolidated level in order to comply with the requirements of Belgian accounting law. This is now recorded under heading 72 – Capitalised production costs – instead of being subtracted from the expenses of the component, particularly in terms of staffing overheads and purchases

2. These are windfall profits – i.e. profits that are not supposed to happen and that occur when the selling price is very high compared with the production price.

of goods. This is only a reclassification between expense and income items and has no impact on the balance sheet or on the net profit for the year 2021. These are the headings concerned:

Consolidated results account (in K€)	31/12/2021 adjusted	31/12/2021 published previously	Difference
Capitalised production costs	135,695	250	135,445
Sales and services	**1,468,744**	**1,333,299**	**135,445**
Procurement and goods	93,157	29,998	63,159
Miscellaneous goods and services	655,687	661,668	-5,981
Remuneration and social expenses	220,466	142,199	78,267
Cost of sales and services	**1,178,557**	**1,043,112**	**135,445**
Profit for the period	**182,449**	**182,449**	**0**

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

Movements in the consolidated result (in K€)	31/12/2022	31/12/2021
Sales and services	1,308,946	1,468,744
Cost of sales and services	-1,172,080	-1,178,557
Operating profit	**136,866**	**290,187**
Financial income	4,897	2,229
Financial expenses	-25,872	-29,630
Profit for the period, before tax	**115,891**	**262,786**
Tax on the result	-36,390	-80,337
Profit for the period	**79,501**	**182,449**

Group turnover was 1,049,631 K€ in 2022, compared with 1,267,508 K€ in 2021. This mainly includes transit fees charged to energy suppliers, energy sales to protected customers and income from work carried out for third parties. One of the reasons for this decrease is the non-invoicing in 2022 of the Federal levy following its abolition by the Federal Government and its replacement by a new special excise duty billed directly by the energy supplier to the end customer. It should be noted that the abolition of the Federal levy also has an impact on the charge for the transit fee invoiced by Elia (see below).

Other income amounted to 103,581 K€ in 2022, compared with 64,354 K€ in 2021. This income mainly includes recoveries from invoices linked to agreements made with third parties (such as the lease of buildings or optical fibre), recoveries of overheads and personnel costs from third-party companies in the context of joint projects, invoicing of fraud recorded during the year, invoicing of costs linked to damage recorded on installations, etc. This item also includes the recoveries to be received from the Walloon Region, in particular for the premiums relating to the prosumer tariff reimbursed to customers by ORES Assets or the amount to be received from the Federal government for social customers invoiced according to a specific tariff, which is the main reason for the increase in this item in 2022.

The cost of sales and services in 2022 was 1,172,080 K€, which was 6,477 K€ lower than in 2021. It should be pointed out that:

- purchases of goods were 132,035 K€, an increase of 38,878 K€. These costs largely represent energy purchases (electricity or gas) related to ORES Assets customers in the context of public service obligations as well as purchases of goods related to our stock. The significant increase in this item comes, on the one hand, from expenses related to gas purchases following the sharp price increases during 2022 and, on the other, from purchases of goods due to the global increase in raw material prices, combined with a growth in activity;

- miscellaneous goods and services amounted to 512,541 K€ in 2022 (down by 143,147 K€); the Elia fee was the largest elements of this cost item, at 252,026 K€ in 2022, compared with 414,956 K€ in 2021. This difference is explained by the reduction in the volumes carried (-10.31%), combined with a drop in prices (-39.59%) following a reduction in surcharges and the Elia tariff, but particularly the abolition of the Federal levy on 1st January 2022, replaced by excise duty billed directly by the energy supplier to the end customer (also on this matter see the impact on the transit charge);

- remuneration and social charges rose by 8.31%, due mainly to the impact of inflation on the cost of salaries, added to changes in the company headcount, amounting to 238,781 K€ in 2022, compared with 220,466 K€ in 2021;

- depreciations of tangible and intangible fixed assets rose by 3,550 K€ to 168,705 K€ in 2022;

- writedowns on stocks and trade receivables were -5,227 K€ (income) compared with -5,935 K€ (income) in 2021. As was the case in 2021, bad debts were written off on old receivables with, in return, a reversal of a writedown of the same order. As a reminder, writedowns on inventories were recorded in 2021 for an amount of 3,676 K€, on the one hand, on the stock of electromechanical and budget meters, which are no longer intended to be installed on the network and are gradually being replaced by smart meters, and, on the other hand, on the stock with a very low turnover, i.e. on items that have not been moved for at least five years. The application in 2022 of these same rules had the impact of updating the related writedowns.

- in 2022, a charge of 51,578 K€ was recorded for provisions for risks and expenses, compared with income of 23,152 K€ in 2021. This amount is made up of a significant new provision, notably for loss-making contracts on energy purchases to cover our PSOs and network losses (49,778 K€) or an update of the provision relating to the legal provisions on excavated soil (Walloon Government Excavated Soil Decree). We should also note the updating of provisions in the context of social litigation and also that relating to the Walloon platform for the management of master plans - vectorisation;

- other operating expenses were 70,572 K€ en 2022, compared with 72,443 K€ in 2021. These included in particular the losses recorded following the decommissioning of tangible fixed assets, the losses on trade receivables, the majority of which had been written down, and the premiums paid to customers in relation with the promotion of connections to the gas network (Promogaz campaign) and support for photovoltaic (Qualiwatt and prosumer tariff);

- other non-recurrent operating expenses were 3,096 K€. As it does at each year-end, the Group checks whether writedowns need to be recorded on projects capitalised as intangible fixed assets by conducting an impairment test. As a result of this test, disposals of intangible fixed assets not fully amortised were recorded, generating a capital loss of 3,096 K€.

The financial result for the Group ended with an expense of 20,975 K€ in 2022, compared with 27,401 K€ in 2021. This consisted mainly of interest paid on our bank loans and bonds. This reduction stems from the overall decrease in the average debt rate between 2021 and 2022.

Taxes, consisting mainly of corporation tax, were 36,390 K€ in 2022, compared with 80,337 K€ en 2021. The decrease is due largely to a tax settlement to be received for the year 2018 (13,782 K€). As a reminder, in 2021, the Group was required to incur an additional amount of tax resulting from tax inspections relating to the 2018 financial year (14,341 K€). The challenges made by the Group to the tax authorities have been accepted in the main and the tax adjustment levied in 2021 has therefore been cancelled accordingly.

Total net profit was 79,501 K€ in 2022, compared with 182,449 K€ in 2021. This was a reduction of 102,948 K€.

ii. Elements of the consolidated balance sheet at 31 December 2022

The balance sheet total was 4,765,044 K€, compared with 4,684,321 K€ at the end of 2021.

Consolidated balance sheet in K€	31/12/2022	31/12/2021
ASSETS		
Fixed assets	4,016,385	3,958,373
Current assets	748,659	725,948
Total ASSETS	**4,765,044**	**4,684,321**
LIABILITIES		
Equity capital	1,917,363	1,910,491
Third-party interests	3	3
Provisions, deferred taxes and latent tax liability	78,577	26,999
Debts	2,769,101	2,746,828
Total LIABILITIES	**4,765,044**	**4,684,321**

ii. a. Assets

Intangible fixed assets were down by 7,891 K€ (net book value of 60,151 K€, compared with 68,042 K€ in 2021). These were made up of expenses relating to IT projects.

Investments for the 2022 financial year were made up mainly of expenses relating to IT projects and development expenses (Smart Grids – "development of smart grids" and Switch – "smart meters"). This increase is explained as follows:

- investments for the financial year: +8,942 K€;
- depreciations for the financial year: -13,740 K€;
- disposals following the impairment test: -3,093 K€.

Tangible fixed assets were 3,942,092 K€ in 2022, compared with 3,876,418 K€ in 2021, which was an increase of 65,674 K€. This increase is explained as follows:

- investments for the financial year: +238,106 K€;
- depreciations for the financial year: -154,968 K€ (including depreciation of the revaluation gain);
- the decommissioning of installations: -17,464 K€.

Financial fixed assets amounting to 14,141 K€, compared with 13,913 K€ in 2021, were made up mainly of an advance from ORES Assets to Atrias of 10,987 K€, as well as the shares owned in Laborelec, Igretec and Atrias.

Receivables after more than one year fell by 179 K€, compared with 2021 (7,295 K€ at 31st December 2022). These are receivables held on local authorities in the context, on the one hand, of the replacement of Hg/HP lamps for which the project was completed in 2019 and, on the other, following the Walloon Government EP decree[3] providing for the replacement over the next ten years of all municipal public lighting bulbs by LEDs.

Stocks and orders pending were 71,484 K€. These were made up of goods (59,942 K€), well as works underway for private individuals and local authorities (11,542 K€). The increase in the stock of goods is explained, on the one hand, by an increase in the weighted average price of items as a result of the worldwide increase in the cost of raw materials 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 135,207 K€, compared with 255,243 K€ in 2021 and were made up mainly of receivables from energy providers in the context of the invoicing of transit charges, receivables on protected and "Provider X" customers, as well as the amount of credit notes to be received. As a reminder, following the launch of Atrias in November 2021, invoicing for transit charges in December covered the months of November and December, which explains the increase in this item at the end of 2021.

In particular, other receivables (51,229 K€, compared with 16,135 K€ in 2021) include tax for the financial year to be recovered (10,655 K€), as well as the tax to be recovered following the tax inspections in 2018 (14,735 K€), the amount to be received from the Federal State for the special tariff granted to some social customers (18,553 K€), les receivables relative to damage to the network caused by third parties (1,695 K€), the debt to be received from the Walloon Region for premiums relating to the prosumer tariff (2,070 K€) and the debt relating to the advanced granted to Atrias (1,969 K€).

Cash investments amounting to a total of 227,880 K€, compared with 153,016 K€ in 2021, were made up of investments in SICAVs of 218,480 K€, term investments on bank accounts amounting to 5,400 K€ and investments in commercial paper of 4,000 K€. The upward movement in investments is explained by the fact that in order to avoid negative interest on current accounts, the Group invested in mutual funds or term deposits.

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

Available assets (105,001 K€) included cash held in current accounts and social funds.

Accruals (150,563 K€, compared with 166,411 K€ in 2021) were made up mainly of the balance of pension capital yet to be covered of 11,650 K€, fees for using public roads for gas of 19,259 K€, regulatory assets of 36,290 K€, expenses carried forward relating to work to replace the lamps in the public lighting network of 17,505 K€, as well as the RTNR (unmetered transmission fee) of 59,817 K€.

ii.b. Liabilities

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

The capital gain from the revaluation of tangible fixed assets amounted to 450,379 K€, representing the as yet non-depreciated part of the initial difference between the RAB and the book value of these assets. This item went down by 20,769 K€ following the depreciation of the capital gains calculated at a rate of 2% per annum.

Consolidated reserves increased by 27,649 K€ due to:

- the transfer to unavailable reserves of a share of the revaluation surplus for the amount of the depreciation, i.e. 20,769 K€;
- the allocation to the available reserves in the context of the allocation of the results for 2022 and a transfer from the untaxed reserves totalling 5,781 K€;
- the net movement to the untaxed reserves of 1,099 K€, relating to the Tax Shelter.

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).

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

Provisions for risks and expenses increased by 51,578 K€, rising from 26,999 K€ to 78,577 K€ at 31st December 2022. These are made up of:

- environmental provisions of 3,620 K€;
- provisions for disputes of 12,238 K€, of which:
    - provisions for the relocation of installations (issues said to be from the past – 6,889 K€);
    - the provision set aside following the termination of the IT services contract to implement an information system for smart metering (3,827 K€);
    - the provision made for employment-related disputes (1,029 K€);
    - provisions for miscellaneous disputes (493 K€).
- provision relating to the Walloon platform for the management of master plans – vectorisation of 8,290 K€;
- provision within the framework of statutory provisions on excavated soil (Walloon Government Excavated Soil Decree) of 4,651 K€;
- provision for loss-making contract on purchases of energy (PSO and losses) of 49,778 K€.

As stated above, most of this year's increase is due to provisions for loss-making contracts on energy purchases to cover our PSOs and network losses. As regards the latter, in accordance with the electricity decree of 12th April 2001, the network operator is responsible for purchasing energy to cover losses based on transparent and non-discriminatory procedures, giving priority to green electricity when it does not generate additional costs. The purchases necessary for this coverage are subject to the principles of public procurement regulations and the contractual provisions arising from the public contracts awarded. The provision set aside at 31 December 2022 represents the deficit that the company expects to realise on the volumes purchased in 2023 to cover its losses, i.e. the difference between the maximum purchase price authorised by the regulator and the actual purchase price that ORES Assets will face during 2023 and set at the end of 2022 (exceeding the upper limit of the authorised corridor).

Debts after more than one year were 2,080,519 K€, up by 10,544 K€ compared with the previous year. These debts represent in particular:

- bank loans of 1,692,425 K€;
- bond loans in the form of private placements of 380,000 K€.

In 2022, the Group took out new loans totalling 150,000 K€ from credit establishments, whereas it repaid bank loans and other loans totalling 218,067 K€.

Debts after more than one year falling due within the year were down by 24,796 K€ (193,271 K€ at 31st December 2022), and were made up of the capital from loans maturing in 2023.

Miscellaneous suppliers and invoices to be received make up the bulk of commercial debts (164,121 K€, compared with 181,608 K€ in 2021).

Advances received on orders (77,271 K€, compared with 54,625 K€) include interim billings sent to protected customers and under "Provider X" (public service obligations, or PSOs), as well as deposits received from customers for works to be carried out. The increase is due to advance payments received in connection with major works to be carried out in 2022, see below (windfarm, construction of the Charleroi General Hospital, etc.), as well as advance payments received from protected customers.

Tax, payroll and social debts of 79.014 K€ (97,397 K€ in 2021) include:

- tax debts (26,778 K€, compared with 49,649 K€ in 2021): the balance of the withholding tax to be paid, as well as the VAT to be paid on operations for December (14,526 K€), but also the estimated balance of tax to be paid for the 2021 tax year (12,224 K€);
- payroll and social debts (52,236 K€, compared with 47,748 K€ in 2021): provisions for salaries, bonuses to be paid and various annual subscriptions (Inami, NOSS).

"Other debts" (79,269 K€, compared with 103,833 K€ in 2021) mainly included the various advances received (52,382 K€) from the Walloon Region (mainly for the prosumer tariff) and from the Federal government, the balance of gross dividends associated with the 2022 financial year to be paid after approval by the Ordinary General Meeting for the first half of 2023 (10,485 K€), the balance for transport and the Federal contribution to be retroceded (6,939 K€), as well as debts to third parties and staff (social funds).

Accruals in the liabilities (95,636 K€, compared with 21,323 K€ in 2021) were made up mainly of:

- regulatory balances of 56,255 K€, compared with 4,601 K€ at the end of 2021, which explains to a large extent the movements under this heading;
- an amount of 8,465 K€ de charges of financial expenses mainly relating to our bond loans and bank borrowing;
- an amount invoiced to other companies to cover the annuities to be paid to their former staff of 2,325 K€;
- the share of the gas road fee still to be paid to the Walloon Region of 6,741 K€;
- the RTNR at the end of 2022 (18,277 K€).

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

ORES and ORES Assets together form a coherent economic group for which a consolidated analysis of risks and uncertainties is performed. The following paragraphs describe the measures taken to identify the main known risks and uncertainties which the ORES group ("the Group") may face and 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. Since 2018, the risk management methodology defined by the Group has been evolving as part of a continuous improvement process. In mid-2022, a new reflection on the evolution of this methodology was initiated in order to strengthen risk control. It will be implemented from 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 goals set by ORES. The methodology used in this process is described in this report and more specifically in the section entitled "Description of the main characteristics of the internal auditing and risk management systems". The main results for 2022 are explained in more detail below, focusing on the most significant risks, as highlighted by the risk analysis finalised in September 2022[4]. Some unidentified risks could exist or, whereas they appear to be limited today, they could become more significant in the future. Nevertheless, the methodology put in place, by making all departments accountable and by expanding the sources of information as a result, makes it possible to greatly reduce the probability of ignoring a severe risk.

i. Risks associated with transformation and the extent of change

These are risks associated with human and financial sustainability and hence with the ability of ORES to implement its strategic plan, transformation and to face the extent of the change associated with it. These risks may produce difficulties associated with:

- the simultaneity of projects and hence the number of projects to be conducted jointly, the management of dependencies and the achievement of objectives in terms of scope/planning/budget;
- human resources, particularly the sustainability of the staff workload, as well as the retention of talented staff and the ability to attract such staff to the company, also taking account for the skills sets required in the future.

These difficulties may impact the implementation of this strategic plan.

Among the actions implemented or established to mitigate this risk, we should mention the particular attention paid to governance and to the project methodology framework, the close monitoring of human resources and the launch of initiatives such as the management of talented staff, support for change, etc. In the same way, the implementation of these actions opens up opportunities for ORES, such as the mobilisation of staff behind a new long-term vision, thoughts about efficiency, awareness of the budget process and abiding by it, the development of agility and adaptation of the organisation, its processes and so on.

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 strategy for continuity and returning to normality is not a one-off need. This is a long-term approach that enables us to deal with unforeseen events (adverse weather, malicious attacks, failure of equipment and infrastructure, etc.) that could have an impact on ORES's activities at all levels (operation of distribution facilities, market processes, etc.).

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

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

Added to this is the frequency and severity of exceptional weather events, such as storms, temperature rises and variations, intense rainfall and potential flooding as a result, etc.

Consequently, the Management Committee decided in June 2022, following the risk image, to strengthen its governance in terms of business continuity by establishing a "Business Continuity" Working Group that aims to strengthen governance and provide continuous improvement that enables the company to ensure the resilience of its business activities. The activities carried out include making 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, where applicable, takes exceptional and proportionate measures to:

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

ORES has demonstrated its ability to continue carrying out its public service duties effectively against a background of the unprecedented health crisis we have experienced in 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. An update to the 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.). As part of a study conducted for the Group by Climact, the increase in electricity consumption on the ORES Assets network was estimated at 30% between 2020 and 2030 and at 64% between 2030 and 2050.

Facilitating the development 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 enable this risk to be mitigated and could constitute an opportunity through the development of "green" gas being injected into the network.

Beyond the threats that this could have on the volume of energy (electricity and gas) drawn down from the distribution networks, energy transition also has the effect of placing the distribution networks at the heart of the technological and societal changes associated with this transition. By confirming its wish to be a facilitator of energy transition, ORES also aims to be an essential conduit working on behalf of these numerous developments: the production of renewable energy connected to the distribution network (photovoltaic panels, wind farms, injections of biomethane), new mobility solutions (electric recharging points, CNG or bio-CNG stations), energy communities, flexibility, storage, etc. There are many opportunities and these are being monitored very closely by ORES.

The development of the company's strategy integrates these risks and opportunities in order to make a successful transition to the world of tomorrow, while 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 fuel poverty

The succession of crises, such as Covid-19, the heavy floods in mid-2021 and the explosion in energy prices have made Walloon households more precarious, particularly in terms of access to energy. ORES stands by the side of its customers to help them face their difficulties. It has set up a free telephone number (1718) to answer their questions and advise them as best it can about the assistance put in place (access to the social tariff, protected customer status, winter plan, etc.).

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

Against this difficult economic background, the risk of energy suppliers defaulting is a real one in view of energy prices that remain very high, while suppliers are required to supply part of their customers at a price fixed well below market prices (in the case of fixed contracts). Also, many customers find themselves unable to pay their energy bill or require a repayment plan to do so. Action has also been taken following an audit into the management of access contracts.

vii. Economic and financial risks (including tariff risks)

vii. a. Tariff risks

LThe activities of ORES and ORES Assets are governed by a major legislative and regulatory framework, the main two elements of which are the tariff decree and the tariff methodology, drawn up on the basis of this decree by the CWaPE. In particular, this framework defines the means available to the DSO to fund its activities (authorised income) or a collection of rules that may have a positive or negative impact on shareholders' remuneration (incentive-driven regulation mechanism). In 2018, the regulator approved the authorised revenue available to the Group for the 2019-2023 period and in 2019 the rates for the 2019-2023 period. This is a positive element that gives the company a 5-year view of the means at its disposal. In 2018, the regulator had also approved special budgets for specific projects (notably for smart metering and the promotion of natural gas). Following the publication of the Walloon decree of 19 July 2018 relating to the deployment of smart meters, the assumptions used in the framework of the budget relating to the specific "smart metering" project as approved by the regulator had to be reviewed (in particular, change in metering technology and downward revision of the volumes deployed over the period 2019-2023). Exchanges between the CWaPE and ORES on the specific envelope revised to take account of these new assumptions culminated in October 2021 with the regulator's approval of the revised net charges.

Talks about the adoption of the tariff methodology applicable for the next tariff period have started. 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. The 2024 tariff methodology is very much in line with the 2019-2023 tariff methodology. Discussions on the 2025-2029 methodology are therefore still ongoing. 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 principles of the European directives and the tariff decree of 19th January 2017.

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

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

Finally, the company needs to ensure it complies with the financial covenants, which are monitored regularly.

vii. b. Credit risks

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

At 31 December 2022, the Group's sources of financing consisted mainly of:

- a programme of commercial paper with an indefinite duration up to a maximum of 550 M€;
- funds raised via private investments (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 is still in the process of being approved (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 will 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 Belgian health index) of 1.575%, which is not revised during the tariff period. As a result, any price increase in excess of the inflation forecast in this methodology could impact the company's controllable expenses made available to ORES Assets to carry out its work. As a result, 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 company staff resulting from this inflation, may have to involve trade-offs in order to respect the overall budget envelope allocated.

vii. 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.

vii. 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.

With regard to the impact on the demand for electricity and natural gas, this risk and its effects are not normally borne by the Group. The 2019-2023 tariff methodology provides for the regulator to check the differences between the budget and the actual situation during the financial year following the year in question (N+1), including volume risk. The tariff for regulatory balances will, 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 events occurring after the end of the financial year

None

1.3. Information about circumstances likely to have significant influence on the development of the consolidated group

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" (Smart Grids – "development of smart grids") and Switch ("smart meters") projects.

1.5.Presentation of the use of financial instruments by the company

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

Since 2012, the Group's funding has been carried out by ORES, 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, ORES:

- 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;
- had conducted bond issues 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 policy based on diversified funding in the capital market in the future.

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

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

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

No derivatives are used for the purposes of speculation.

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

Since June 2018, the Audit Committee has been mirrored in ORES and ORES Assets, according to the rules of common governance and in accordance with the provisions of the CDLD – 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.

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

As the daily operational management of the business at ORES Assets, including keeping the accounts, is entrusted to ORES – as the operating company – this description sets out the main characteristics of the internal auditing and risk management systems in relation to the process of drawing up the accounts in place at ORES in 2022.

At ORES, internal auditing and risk management are part of the corporate governance put in place to enable the company to take its decisions in a responsible, efficient and transparent manner.

In mid-2022, as stated in the section on "Governance, transparency and ethics", the company decided to carry out a complete review of the risk management methodology and to implement a convergence between the various risk players (Enterprise Risk Manager, Internal Control, Internal Audit, SIPP, CISO, DPO) in order to strengthen the control of risk management.

<u>a. Audit environment</u>

i. Corporate governance

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

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

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

ii. Breakdown of objectives

The company's strategy takes the form of a strategic plan encompassing both the vision and the mission of the company. This plan also contains an overview of the main lines of the strategy, the mobilising levers and the means identified to achieve these aims. The transformation plan is an important tool for reaching these goals. Using a timeline, it shows the main objectives, the constraints (including financial) and the contribution made by the various projects to ORES's industrial aims. These objectives are then broken down by direction. ORES management assumes its responsibility in implementing an effective internal auditing system that ensures, among other things, that the company's objectives are achieved.

iii. Roles and responsibilities

In terms of corporate governance, the roles and responsibilities of the various bodies are set out in the articles of association and the governance charter. These texts are available on the ORES website.

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

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

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

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

iv. Implementing governance

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

In terms of operations and in addition to the formal organisation set out in the organisation chart, the company's governance is based on two types of corporate body: committees and coordination groups. The Executive Board decides to establish a committee when a particular subject requires decisions to be taken collectively on a recurrent basis across more than two departments. This committee is a permanent operating body that takes strategic decisions on clearly defined topics, working within the framework of a clear and formalised mandate, with specific tolerances. The committee reports to the Executive Board. Coordination groups are put in place for the purpose of aligning functional or operational counterparts with each other or for consulting with or informing the group.

v. Integrity and ethics

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

b. Risk management and internal auditing

i. Risk management

Risk management is a key process when it comes to helping ORES to realise its strategic objectives. This process identifies, analyses and assesses the relevant risks according to their nature, the probability that they will actually occur and their potential impact on the fulfilment of ORES's objectives. It helps us to draw up an annual map of risks and then – where appropriate – to establish action plans to mitigate those risks. Risk management is supported by every department (based on the principle of accountability) and guided by the Risk Manager. The Risk Manager makes available the methodology and tools required in terms of managing risk, then consolidates the results from the analyses of each department to produce the map mentioned above, based on various predefined risk typologies. This map is then submitted to the Executive Board and Audit Committee, identifying the level of severity for each typology, the nature of the most severe risks and the opportunities and existing and/or planned action plans for dealing with those risks. Changes in relation to previous periods are also highlighted. The exercise carried out in this respect within the Finance Department takes into account, among other things, the current and future risks related to financial, tax and regulatory reporting. The body of risks identified in this way is classified by importance, while the action plans are monitored.

ii. Internal auditing

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

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

It is a daily management process and part of continuous improvement. It is coordinated by the "Internal Auditing" department, which operates under the authority of the Finance Department.

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

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

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

iii. Audits

iii. a. Internal audit

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

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

iii. b. External audit

ORES is also subject to an external audit by the company auditor. This audit generally includes an assessment of the internal audit. It also expresses itself on the statutory and consolidated results (annual and half-yearly). The auditor makes recommendations for improving the internal auditing systems. These recommendations, action plans and their implementation are the subject of an annual report to the Audit Committee.

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

iv. Information and communication

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

c. Monitoring and evaluating results

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

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

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

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

Does not apply

1.9. Additional information

The intermunicipal company does not have its own staff.

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

These annual financial statements are subject to an administrative control procedure.

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

2. Annual financial statements

2.1. Balance sheet (in euros)

CONSOLIDATED BALANCE SHEET AFTER ALLOCATION [6]

	Ann.	Codes	Financial year	Previous financial year
ASSETS				
SET-UP COSTS	5.7	20		
FIXED ASSETS		21/28	4,016,385,262.28	3,958,373,109.52
Intangible fixed assets	5.8	21	60,151,350.94	68,042,111.32
Consolidation differences	5.12	9920		
Tangible fixed assets	5.9	22/27	3,942,092,654.83	3,876,418,412.54
Land and buildings		22	133,452,061.26	136,261,716.31
Plant, machinery and equipment		23	3,772,301,573.39	3,706,480,976.08
Furniture and vehicles		24	35,199,146.95	33,110,907.07
Leasing and similar charges		25		
Other tangible fixed assets		26	1,139,873.23	564,813.08
Fixed assets in progress and advance payments		27		
Financial fixed assets	5.1-5.4/5.	28	14,141,256.51	13,912,585.66
Affiliated companies	5.10	9921	10,989,617.24	13,745,417.24
Holdings		99211	3,100.00	3,100.00
Receivables		99212	10,986,517.24	13,742,317.24
Other companies	5.10	284/8	3,151,639.27	167,168.42
Holdings		284	17,180.25	17,180.25
Receivables		285/8	3,134,459.02	149,988.17
CURRENT ASSETS		29/58	748,658,582.13	725,947,864.15
Amounts receivable after one year		29	7,295,022.48	7,474,217.51
Trade receivables		290	3,150,946.16	2,468,403.77
Other receivables		291	4,144,076.32	5,005,813.74
Deferred taxes		292		
Stocks and orders in progress		3	71,483,681.33	62,076,484.79
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	11,542,174.11	8,587,574.24
Amounts receivable within one year		40/41	186,435,834.26	271,378,234.82
Trade receivables		40	135,207,074.27	255,242,796.34
Other receivables		41	51,228,759.99	16,135,438.48
Cash investments		50/53	227,880,062.69	153,016,189.10
Own shares		50		
Other investments		51/53	227,880,062.69	153,016,189.10
Disposable assets		54/58	105,001,394.25	65,591,510.41
Accruals		490/1	150,562,587.12	166,411,227.52
TOTAL ASSETS		20/58	4,765,043,844.41	4,684,320,973.67

[6] Article 3:114 of the Royal Decree of 29th April 2019 implementing the Code of Companies and Associations

		Ann.	Codes	Financial year	Previous financial year
LIABILITIES					
SHAREHOLDERS' EQUITY			10/15	1,917,362,495.20	1,910,490,441.60
Contribution [7]			10/11	867,463,816.03	867,463,816.03
Capital			10		
Subscribed capital			100		
Non-subscribed capital stock			101		
Non-capital			11		
Issue premiums			1100/10		
Other			1109/19		
Available			110	866,931,233.33	866,931,233.33
Unavailable			111	532,582.70	532,582.70
Revaluation gains			12	450,378,584.95	471,147,736.68
Consolidated reserves	(+)/(-)	5.11	9910	599,469,278.93	571,819,414.62
Negative consolidation differences		5.12	9911		
Allocations of consolidation differences			99201		
Exchange rate differences	(+)/(-)		9912		
Capital grants			15	50,815.29	59,474.27
THIRD-PARTY INTEREST					
Third-party interest			9913	3,196.60	3,221.24
PROVISIONS AND DEFERRED TAX			16	78,576,697.18	26,998,935.95
Provisions for risks and charges			160/5	78,576,697.18	26,998,935.95
Pensions and similar obligations			160		
Taxes			161		
Major repairs and maintenance			162		
Environmental obligations			163	3,619,418.01	3,619,418.01
Other risks and charges			164/5	74,957,279.17	23,379,517.94
Deferred tax		5.6	168		
DEBTS			17/49	2,769,101,455.43	2,746,828,374.88
Amounts payable after one year		5.13	17	2,080,519,081.72	2,069,975,244.93
Financial debts			170/4	2,077,782,501.72	2,068,053,244.93
Subordinated loans			170		
Non-subordinated bond issues			171	380,000,000.00	380,000,000.00
Leasing and other similar debts			172		
Credit institutions			173	1,692,424,751.82	1,682,079,968.26
Other borrowing			174	5,357,749.90	5,973,276.67
Trade debts			175		
Suppliers			1750		
Notes payable			1751		
Pre-payments on orders			176		
Other debts			178/9	2,736,580.00	1,922,000.00
Amounts payable within one year		5.13	42/48	592,946,831.40	655,530,515.81
Long-term debts falling due within the year			42	193,270,743.21	218,066,986.63
Financial debts			43		
Credit institutions			430/8		
Other borrowing			439		
Trade debts			44	164,121,399.14	181,608,442.38
Suppliers			440/4	164,121,399.14	181,608,442.38
Notes payable			441		
Pre-payments on orders			46	77,271,443.65	54,624,889.74
Debts for taxes, payroll and social contributions			45	79,014,218.79	97,397,222.57
Taxes			450/3	26,778,052.10	49,649,575.57
Remuneration and social charges			454/9	52,236,166.69	47,747,647.00
Other amounts payable			47/48	79,269,026.61	103,832,974.49
Accruals			492/3	95,635,542.31	21,322,614.14
TOTAL LIABILITIES			10/49	4,765,043,844.41	4,684,320,973.67

[7] Total of items 10 and 11 or items 110 and 111.

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

(breakdown of operating results according to their nature)

		Ann.	Codes	Financial year	Previous financial year
Sales and services			70/76A	1,308,946,013.63	1,468,744,182.41
Turnover		5.14	70	1,049,631,260.52	1,267,508,125.91
Manufacturing work-in-progress, finished products and orders in progress: increase (reduction)	(+)/(-)		71	2,954,599.87	1,171,900.26
Capitalised production			72	152,779,568.66	135,695,111.64
Other operating income			74	103,580,584.58	64,354,191.16
Non-recurrent operating income		5.14	76A		14,853.44
Cost of sales and services			60/66A	1,172,079,939.91	1,178,556,866.80
Supplies and goods			60	132,034,795.71	93,156,913.66
Purchases			600/8	138,088,265.71	99,186,549.90
Stocks: reduction (increase)	(+)/(-)		609	-6,053,470.00	-6,029,636.24
Miscellaneous goods and services			61	512,540,890.78	655,687,491.10
Salaries, social charges and pensions	(+)/(-)	5.14	62	238,780,690.71	220,466,144.11
Depreciation and writedowns of set-up costs on intangible and tangible fixed assets			630	168,705,326.83	165,155,100.34
Value writedowns on stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)		631/4	-5,227,096.35	-5,935,167.31
Provisions for risks and expenses: allocations (usage and writebacks)	(+)/(-)		635/8	51,577,761.23	-23,151,900.27
Other operating expenses			640/8	70,571,807.58	72,442,762.33
Operating expenses transferred to assets as restructuring costs	(-)		649		
Depreciation of goodwill			9960		
Non-recurrent operating expenses		5.14	66A	3,095,763.42	735,522.84
Operating profits (loss)	(+)/(-)		9901	136,866,073.72	290,187,315.61
Financial income			75/76B	4,897,470.95	2,229,291.73
Recurrent financial income			75	4,897,470.95	2,229,291.73
Income from financial fixed assets			750	384.00	
Income from current assets			751	635,836.34	166,651.45
Other financial products			752/9	4,261,250.61	2,062,640.28
Non-recurrent financial income		5.14	76B		
Financial expenses			65/66B	25,872,566.08	29,630,981.76
Recurrent financial expenses			65	25,872,566.08	29,630,981.76
Debt charges			650	24,248,780.41	28,811,657.10
Depreciation of goodwill			9961		
Writedowns of current assets other than stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)		651		
Other financial costs			652/9	1,623,785.67	819,324.66
Non-recurrent financial expenses		5.14	66B		
Profit (Loss) for the financial year before taxes	(+)/(-)		9903	115,890,978.59	262,785,625.58
Deductions on deferred taxes			780		
Transfer to deferred taxes			680		
Tax on the result	(+)/(-)		67/77	36,389,840.49	80,336,633.16
Taxes		5.14	670/3	50,607,373.78	80,625,443.33
Tax adjustments and writebacks of tax provisions			77	14,217,533.29	288,810.17
Profit (Loss) from the financial year	(+)/(-)		9904	79,501,138.10	182,448,992.42
Share in the result of companies accounted for using the equity method	(+)/(-)		9975		
Results in profit	(+)		99751		
Results in loss	(-)		99752		
Consolidated profit (Consolidated loss)	(+)/(-)		9976	79,501,138.10	182,448,992.42
Share of third parties in the result	(+)/(-)		99761		
Share of the group in the result	(+)/(-)		99762	79,501,138.10	182,448,992.42

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

2.3. Appendices to the consolidated accounts (in euros)

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

NAME, full address of the REGISTERED OFFICE and, for companies incorporated under Belgian law, COMPANY NUMBER	Method used (G/P/E1/E2/E3/E4) [9] [10]	Fraction of capital or input held (in %) [11]	Variation of the % of capital held or input (compared with the previous financial year) [12]
Opérateur de Réseaux d'Energies Cooperative company Avenue Jean Mermoz 14 6041 Gosselies Belgium 0897.436.971	G	99.72	0.00
ATRIAS Cooperative company Rue de la Chancellerie, 17, boite A 1000 Brussels 1 Belgium 0836.258.873	E1	16.67	0.00
COMNEXIO Cooperative company Avenue Georges Lemaitre 38 6041 Gosselies Belgium 0727.639.263	G	93.00	0.00

[9] G. Full consolidation
P. Proportional consolidation (stating, in the first column, the elements resulting in the joint management)
E1 Associated company accounted for using the equity method *(article 3:174, paragraph 1, 3º of the Royal Decree of 29 April 2019 relative to the implementation of the Code of Companies and Associations)*
E2 De facto subsidiary accounted for using the equity method if its inclusion in the consolidated accounts is the contrary to an accurate picture (*article 3:98 to 3:100 of the aforementioned Royal Decree*)
E3 Accounts using the equity method for a subsidiary in liquidation, a subsidiary that has ceased trading, a subsidiary without the prospect of continuing trading (*article 3:99 to 3:100 of the aforementioned Royal Decree*)
E4 Accounts using the equity method for a joint subsidiary whose activity is not closely involved in the activity of the company with joint control (*article 3:124, paragraph 2 of the aforementioned Royal Decree*)

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

[11] Fraction of the capital or input held in these companies by companies included in the consolidation and by persons acting in their own name, but on behalf of these companies.

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

CRITERIA FOR THE CONSOLIDATION AND MODIFICATIONS TO THE CONSOLIDATION SCOPE

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

See attached valuation rules

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

STATEMENT OF INTANGIBLE FIXED ASSETS

		Codes	Financial year	Previous financial year
DEVELOPMENT COSTS				
Acquisition value at the end of the financial year		8051P	xxxxxxxxxxxx	127,300,910.87
Movements during the financial year				
Acquisitions, including capitalised production		8021	8,942,604.33	
Disposals and decommissioning		8031	3,752,762.32	
Transfers from one heading to another	(+)/(-)	8041		
Exchange rate differences	(+)/(-)	99811		
Other variations	(+)/(-)	99821		
Acquisition value at the end of the financial year		8051	132,490,752.88	
Depreciation and impairments at the end of the financial year		8121P	xxxxxxxxxxxxx	59,258,799.55
Movements during the financial year				
Recorded		8071	13,740,096.18	
Writebacks		8081		
Acquired from third parties		8091		
Cancelled		8101	659,493.79	
Transfers from one heading to another	(+)/(-)	8111		
Exchange rate differences	(+)/(-)	99831		
Other variations	(+)/(-)	99841		
Depreciation and impairments at the end of the financial year		8121	72,339,401.94	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		81311	60,151,350.94	

STATEMENT OF FINANCIAL FIXED ASSETS

		Codes	Financial year	Previous financial year
LAND AND BUILDINGS				
Acquisition value at the end of the financial year		8191P	xxxxxxxxxxxx	180,592,405.14
Movements during the financial year				
Acquisitions		8161	889,220.08	
Disposals and decommissioning		8171	11,770.57	
Transfers from one section to another	(+)/(-)	8181	-1,715,757.35	
Exchange rate differences	(+)/(-)	99851		
Other variations	(+)/(-)	99861		
Acquisition value at the end of the financial year		8191	179,754,097.30	
Capital gains at the end of the financial year		8251P	xxxxxxxxxxxxx	5,179,201.70
Movements during the financial year				
Recorded		8211		
Acquired from third parties		8221		
Cancelled		8231		
Transfers from one section to another	(+)/(-)	8241		
Exchange rate differences	(+)/(-)	99871		
Other variations	(+)/(-)	99881		
Capital gains at the end of the financial year		8251	5,179,201.70	
Depreciations and impairments at the end of the financial year		8321P	xxxxxxxxxxxxx	49,509,890.53
Movements during the financial year				
Recorded		8271	3,087,492.64	
Writebacks		8281		
Acquired from third parties		8291		
Cancelled		8301	480.00	
Transfers from one section to another	(+)/(-)	8311	-1,115,665.43	
Exchange rate differences	(+)/(-)	99891		
Other variations	(+)/(-)	99901		
Depreciations and impairments at the end of the financial year		8321	51,481,237.74	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(22)	133,452,061.26	

		Codes	Financial year	Previous financial year
TECHNICAL FACILITIES, MACHINERY AND TOOLING				
Acquisition value at the end of the financial year		8192P	xxxxxxxxxxxxxx	5,435,885,246.44
Movements during the financial year				
Acquisitions, including capitalisation		8162	225,871,321.99	
Disposals and decommissioning		8172	56,368,154.66	
Transfers from one section to another	(+)/(-)	8182		
Exchange rate differences	(+)/(-)	99852		
Other variations	(+)/(-)	99862		
Acquisition value at the end of the financial year		8192	5,605,388,413.77	
Capital gains at the end of the financial year		8252P	xxxxxxxxxxxxxxx	1,033,106,442.95
Movements during the financial year				
Recorded		8212		
Acquired from third parties		8222		
Cancelled		8232		
Transferred from one section to another	(+)/(-)	8242		
Exchange rate differences	(+)/(-)	99872		
Other variations	(+)/(-)	99882		
Capital gains at the end of the financial year		8252	1,033,106,442.95	
Depreciations and impairments at the end of the financial year		8322P	xxxxxxxxxxxxxx	2,762,510,713.31
Movements during the financial year				
Recorded		8272	142,721,182.44	
Writebacks		8282		
Acquired from third parties		8292		
Cancelled		8302	39,038,612.42	
Transferred from one section to another	(+)/(-)	8312		
Exchange rate differences	(+)/(-)	99892		
Other variations	(+)/(-)	99902		
Depreciations and impairments at the end of the financial year		8322	2,866,193,283.33	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(23)	3,772,301,573.39	

		Codes	Financial year	Previous financial year
FURNITURE AND VEHICLES				
Acquisition value at the end of the financial year		8193P	xxxxxxxxxxxxx	176,100,711.30
Movements during the financial year				
Acquisitions, including capitalised production		8163	11,345,471.96	
Disposals and decommissioning		8173	1,407,131.51	
Transfers from one section to another	(+)/(-)	8183		
Exchange rate differences	(+)/(-)	99853		
Other variations	(+)/(-)	99863		
Acquisition value at the end of the financial year		8193	186,039,051.75	
Capital gains at the end of the financial year		8253P	xxxxxxxxxxxxx	769,326.59
Movements during the financial year				
Recorded		8213		
Acquired from third parties		8223		
Cancelled		8233		
Transferred from one section to another	(+)/(-)	8243		
Exchange rate differences	(+)/(-)	99873		
Other variations	(+)/(-)	99883		
Capital gains at the end of the financial year		8253	769,326.59	
Depreciations and impairments at the end of the financial year		8323P	xxxxxxxxxxxxx	143,759,130.82
Movements during the financial year				
Recorded		8273	9,134,018.69	
Writebacks		8283		
Acquired from third parties		8293		
Cancelled		8303	1,283,918.12	
Transferred from one section to another	(+)/(-)	8313		
Exchange rate differences	(+)/(-)	99893		
Other variations	(+)/(-)	99903		
Depreciations and impairments at the end of the financial year		8323	151,609,231.39	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(24)	35,199,146.95	

		Codes	Financial year	Previous financial year
OTHER TANGIBLE FIXED ASSETS				
Acquisition value at the end of the financial year		8195P	xxxxxxxxxxx	2,452,693.70
Movements during the financial year				
Acquisitions, including capitalised production		8165		
Disposals and decommissioning		8175		
Transfers from one section to another	(+)/(-)	8185	1,715,757.35	
Exchange rate differences	(+)/(-)	99855		
Other variations	(+)/(-)	99865		
Acquisition value at the end of the financial year		8195	4,168,451.05	
Capital gains at the end of the financial year		8255P	xxxxxxxxxxx	
Movements during the financial year				
Recorded		8215		
Acquired from third parties		8225		
Cancelled		8235		
Transferred from one section to another	(+)/(-)	8245		
Exchange rate differences	(+)/(-)	99875		
Other variations	(+)/(-)	99885		
Capital gains at the end of the financial year		8255		
Depreciations and impairments at the end of the financial year		8325P	xxxxxxxxxxxx	1,887,880.62
Movements during the financial year				
Recorded		8275	25,031.77	
Writebacks		8285		
Acquired from third parties		8295		
Cancelled		8305		
Transferred from one section to another	(+)/(-)	8315	1,115,665.43	
Exchange rate differences	(+)/(-)	99895		
Other variations	(+)/(-)	99905		
Depreciations and impairments at the end of the financial year		8325	3,028,577.82	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(26)	1,139,873.23	

STATEMENT OF FINANCIAL FIXED ASSETS

		Codes	Financial year	Previous financial year
COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD - SHAREHOLDINGS				
Acquisition value at the end of the financial year		8391P	xxxxxxxxxxxx	3,100.00
Movements during the financial year				
Acquisitions		8361		
Sales and disposals		8371		
Transfers from one section to another	(+)/(-)	8381		
Exchange rate differences	(+)/(-)	99911		
Acquisition value at the end of the financial year		8391	3,100.00	
Capital gains at the end of the financial year		8451P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8411		
Acquired from third parties		8421		
Cancelled		8431		
Exchange rate differences	(+)/(-)	99921		
Transferred from one section to another	(+)/(-)	8441		
Capital gains at the end of the financial year		8451		
Impairments at the end of the financial year		8521P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8471		
Writebacks		8481		
Acquired from third parties		8491		
Cancelled		8501		
Exchange rate differences	(+)/(-)	99931		
Transferred from one section to another	(+)/(-)	8511		
Impairments at the end of the financial year		8521		
Amounts uncalled at the end of the financial year		8551P	xxxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8541		
Amounts uncalled at the end of the financial year		8551		
Variations in equity capital at the end of the financial year	(+)/(-)	9994P	xxxxxxxxxxxx	
Variations in equity capital of companies accounted for using the equity method	(+)/(-)	99941		
Share in the result for the financial year		999411		
Elimination of dividends relating to these shareholdings		999421		
Other types of variation of equity capital		999431		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(99211)	3,100.00	
COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD - RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		99212P	xxxxxxxxxxxx	13,742,317.24
Movements during the financial year				
Additions		8581		
Repayments		8591	787,200.00	
Impairments recorded		8601		
Impairments reversed		8611		
Exchange rate differences	(+)/(-)	99951		
Other	(+)/(-)	8631	-1,968,600.00	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(99212)	10,986,517.24	
ACCUMULATED IMPAIRMENTS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8651		

		Codes	Financial year	Previous financial year
OTHER COMPANIES - PARTICIPATING INTERESTS				
Acquisition value at the end of the financial year		8392P	xxxxxxxxxxxx	17,180.25
Movements during the financial year				
Acquisitions		8362		
Sales and disposals		8372		
Transfers from one section to another	(+)/(-)	8382		
Exchange rate differences	(+)/(-)	99912		
Acquisition value at the end of the financial year		8392	17,180.25	
Capital gains at the end of the financial year		8452P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8412		
Acquired from third parties		8422		
Cancelled		8432		
Exchange rate differences	(+)/(-)	99922		
Transferred from one section to another	(+)/(-)	8442		
Capital gains at the end of the financial year		8452		
Reductions in value at the end of the financial year		8522P	xxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8472		
Writebacks		8482		
Acquired from third parties		8492		
Cancelled		8502		
Exchange rate differences	(+)/(-)	99932		
Transferred from one section to another	(+)/(-)	8512		
Impairments at the end of the financial year		8522		
Amounts uncalled at the end of the financial year		8552P	xxxxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8542		
Amounts uncalled at the end of the financial year		8552		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(284)	17,180.25	
OTHER COMPANIES - RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		285/8P	xxxxxxxxxxxxx	149,988.17
Movements during the financial year				
Additions		8582	1,914.49	
Repayments		8592	53,606.93	
Impairments recorded		8602		
Impairments reversed		8612		
Exchange rate differences	(+)/(-)	99952		
Other	(+)/(-)	8632	3,036,163.29	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		(285/8)	3,134,459.02	
ACCUMULATED IMPAIRMENTS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8652		

STATEMENT OF THE CONSOLIDATED RESERVES

		Codes	Financial year	Previous financial year
Consolidated reserves at the end of the financial year	(+)/(-)	9910P	xxxxxxxxxxxx	571,819,414.62
Movements during the financial year				
Group share in the consolidated result	(+)/(-)	99002	79,501,138.10	
Other variations	(+)/(-)	99003	-51,851,273.79	
Other variations				
(to be broken down for significant amounts not attributed to the group share in the consolidated result)			-72,620,450.16	
Distribution of dividends			20,769,151.73	
Depreciation on revaluation gains				
Variation of third-party interests				
			24.64	
Consolidated reserves at the end of the financial year	(+)/(-)	(9910)	599,469,278.93	

STATEMENT OF DEBT

	Codes	Financial year
BREAKDOWN OF LIABILITIES ORIGINALLY DUE IN MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Debts at more than one year falling due within the year		
Financial debts	8801	193,270,743.21
Subordinated loans	8811	
Non-subordinated bond loans	8821	
Finance-leasing and similar debts	8831	
Credit institutions	8841	192,655,216.44
Other borrowing	8851	615,526.77
Trade debts	8861	
Suppliers	8871	
Notes payable	8881	
Prepayments on orders	8891	
Other debts	8901	
Total debts after more than one year falling due within the year	(42)	193,270,743.21
Debts with a maximum of 5 years to run		
Financial debts	8802	758,621,598.71
Subordinated loans	8812	
Non-subordinated bond loans	8822	
Finance-leasing and similar debts	8832	
Credit institutions	8842	756,159,491.62
Other borrowing	8852	2,462,107.09
Trade debts	8862	
Suppliers	8872	
Notes payable	8882	
Prepayments on orders	8892	
Other debts	8902	2,736,580.00
Total debts after more than one year, but with a maximum of 5 years to run	8912	761,358,178.71
Debts with more than 5 years to run		
Financial debts	8803	1,319,160,903.01
Subordinated loans	8813	
Non-subordinated bond loans	8823	380,000,000.00
Finance-leasing and similar debts	8833	
Credit institutions	8843	936,265,260.20
Other borrowing	8853	2,895,642.81
Trade debts	8863	
Suppliers	8873	
Notes payable	8883	
Prepayments on orders	8893	
Other debts	8903	
Total debts with more than 5 years to run	8913	1,319,160,903.01

	Codes	Financial year
DEBTS (OR PART OF DEBTS) GUARANTEED BY REAL SURETIES ESTABLISHED OR IRREVOCABLY PROMISED ON THE ASSETS OF THE COMPANIES INCLUDED IN THE CONSOLIDATION		
Financial debts	8922	
Subordinated loans	8932	
Non-subordinated bond loans	8942	
Finance-leasing and similar debts	8952	
Credit institutions	8962	
Other borrowing	8972	
Trade debts	8982	
Suppliers	8992	
Notes payable	9002	
Prepayments on orders	9012	
Tax, payroll and social debts	9022	
Taxes	9032	
Remuneration and social charges	9042	
Other debts	9052	
Total debts secured by real sureties given or irrevocably promised on the company's assets of the companies included in the consolidation	9062	

RESULTS

	Codes	Financial year	Previous financial year
NET TURNOVER			
Breakdown by category of activity			
Distribution system operator		1,049,631,260.52	1,267,508,125.91
Breakdown by geographical market			
Belgium		1,049,631,260.52	1,267,508,125.91
Combined group turnover in Belgium	99083	1,049,631,260.52	1,267,508,125.91
AVERAGE HEADCOUNT (IN UNITS) AND STAFFING OVERHEADS			
Consolidating company and subsidiaries consolidated by full integration			
Average headcount	90901	2,691	2,569
Workers	90911		
Employees	90921	2,390	2,281
Management staff	90931	301	288
Other	90941		
Staffing overheads			
Remuneration and social charges	99621	238,735,422.77	220,448,489.73
Pensions	99622	45,267.94	17,654.38
Average headcount in Belgium employed by the companies concerned	99081	2,691	2,569
Subsidiaries consolidated by proportional integration			
Average headcount	90902		
Workers	90912		
Employees	90922		
Management staff	90932		
Other	90942		
Staffing overheads			
Remuneration and social charges	99623		
Pensions	99624		
Average headcount in Belgium employed by the companies concerned	99082		

RESULTS

		Codes	Financial year	Previous financial year
NON-RECURRENT INCOME		76		14,853.44
Non-recurrent operating income		76A		14,853.44
Reversals of depreciations and impairments on intangible and tangible fixed assets		760		
Reversals of depreciations on consolidation differences		9970		
Reversals of provisions for exceptional operating risks and charges		7620		
Capital gains on realisation of intangible and tangible fixed assets		7630		
Other non-recurrent operating income		764/8		14,853.44
of which				
Compensation received following a bankruptcy				14,853.44
Non-recurrent financial income		76B		
Reversals of impairments on financial fixed assets		761		
Reversals of provisions for exceptional risks and financial expenses		7621		
Capital gains on the realisation of financial fixed assets		7631		
Other non-recurrent financial income		769		
of which				

		Codes	Financial year	Previous financial year
NON-RECURRENT EXPENSES		66	3,095,763.42	735,522.84
Non-recurrent operating expenses		66A	3,095,763.42	735,522.84
Non-recurrent depreciation and impairments on set-up costs, on intangible and tangible fixed assets		660	2,494.89	
Depreciation on positive consolidation differences		9962		
Provisions for exceptional operating risks and expenses: allocations (usage)	(+)/(-)	6620		
Impairments on the		6630	3,093,268.53	735,522.84
Other non-recurrent operating expenses		664/7		
of which				
Non-recurrent operating expenses carried to the assets as restructuring expenses	(-)	6690		
Non-recurrent financial expenses		66B		
Impairments on financial fixed assets		661		
Provisions for exceptional financial risks and expenses: allocations (usage)	(+)/(-)	6621		
Impairments		6631		
Other non-recurrent financial expenses		668		
of which				
Non-recurrent financial expenses carried to the assets as restructuring expenses	(-)	6691		
Inclusion in the results of negative consolidation differences	(-)	9963		

RESULTS

TAX ON THE RESULT

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

OFF-BALANCE SHEET RIGHTS AND COMMITMENTS

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

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

	Financial year
AMOUNT, NATURE AND FORM OF DISPUTES AND OTHER SIGNIFICANT AMOUNTS	
Surety in favour of Customs and Excise for the collection of the energy levy	40,818.00
Bank guarantee for the lease of buildings	258,815.00
Guarantee in favour of the Walloon Region under the Impétrants decree	100,000.00
Guarantee in our favour for transit charges	3,701,000.00
Guarantee in our favour for the lease of buildings	12,000.00
Guarantees received from suppliers to ensure proper execution of orders	33,910,285.78

	Financial year
COMMITMENTS FOR RETIREMENT AND SURVIVOR PENSIONS FOR THE BENEFIT OF STAFF OR DIRECTORS TO BE BORNE BY COMPANIES INCLUDED IN THE CONSOLIDATION	

OFF-BALANCE SHEET RIGHTS AND COMMITMENTS

Financial year

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

Financial year

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

On condition that the risks or benefits arising from such transactions are significant and insofar as the disclosure of risks or benefits is necessary to assess the financial situation of the companies included in the consolidation

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

	Codes	Exercice	Exercice précédent
AFFILIATED COMPANIES			
Financial fixed assets			
Holdings and shares	9261		
Receivables	9291		
After one year	9301		
Within one year	9311		
Cash investments	9321		
Shares	9331		
Receivables	9341		
Debts	9351		
After one year	9361		
Within one year	9371		
Personal and real guarantees established or irrevocably promised by the company as surety for the debts or commitments of affiliated companies	9381		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		
Income from current assets	9431		
Other financial income	9441		
Debt charges	9461		
Other financial expenses	9471		
COMPANIES WITH A SHAREHOLDING CONNECTION			
Financial fixed assets			
Holdings and shares	9262		
Receivables	9292		
After one year	9302		
Within one year	9312		
Debts	9352	8,955,007.75	8,859,451.77
After one year	9362		
Within one year	9372	8,955,007.75	8,859,451.77

TRANSACTIONS WITH AFFILIATED COMPANIES OUTSIDE MARKET CONDITIONS

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

FINANCIAL RELATIONSHIPS WITH

	Codes	Exercice
DIRECTORS OR SENIOR MANAGERS OF THE CONSOLIDATING COMPANY		
Overall amount of remuneration allocated on account of their function in the consolidating company, its subsidiaries and associated companies, including the amount for retirement pensions allocated as such to former directors or senior managers	99097	109,349.83
Overall amount of advances and loans granted by the consolidating company, by a subsidiary or by an associated company	99098	

	Codes	Exercice
THE AUDITOR(S) AND PERSONS WITH WHOM IT (THEY) ARE AFFILIATED		
Emoluments of the auditor(s) for exercising the mandate of auditor for the group headed by the company that publishes information	9507	125,000.00
Emoluments of the auditor(s) for performing exceptional services or for special assignments carried out for companies in the group		
Other certification assignments	95071	8,890.00
Tax advice	95072	
Other assignments in addition to auditing	95073	14,250.00
Emoluments of persons with whom the auditor(s) is (are) affiliated for exercising the mandate of auditor for the group headed by the company that publishes information	9509	
Emoluments of persons with whom the auditor(s) is (are) affiliated for performing exceptional services or for special assignments carried out for companies in the group		
Other certification assignments	95091	
Tax advice	95092	
Other assignments in addition to auditing	95093	

Notices pursuant to article 3:63, §6 of the Code of Companies and Associations

DERIVED FINANCIAL INSTRUMENTS NOT ASSESSED AT FAIR VALUE

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

				Financial year		Previous financial year	
Category of derived financial instruments	Risk covered	Speculation/ covers	Volume	Book value	Fair value	Book value	Fair value
Swaps (volumes expressed in 000 €)	Interest rates	Cover	124,252	0.00	6,018,647.18	0.00	-3,241,687.00
Collar (volumes expressed in 000 €)	Interest rates	Cover	34,674	0.00	2,072,621.97	0.00	-337,683.00
CAP (volumes expressed in 000 €)	Interest rates	Cover	274,382	0.00	13,242,969.12	0.00	1,910,943.71
Swap (volumes expressed in 000 €)	Inflation	Cover	0	0.00	0.00	0.00	3,688,553.00

FINANCIAL FIXED ASSETS ACCOUNTED FOR AT AN AMOUNT GREATER THAN THE FAIR VALUE

Amounts of assets taken in isolation or suitably grouped together

	Book value	Fair value
ATRIAS sc	3,100.00	3,100.00

Reasons for which the book value has not been reduced

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

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

ADDITIONAL INFORMATION

<u>Item related to a previous financial year that has a significant impact on the accounts of this financial year</u>

By a ruling handed down on 22nd December 2022, in the context of the appeal lodged by the CWaPE against the judgment of the Market Court concerning the r made by the CWaPE of the electricity and gas balances reported by ORES Assets for the operating years 2017 and 2018, the Appeal Court ruled in favour of the regulator. As a result, an additional tariff liability of 25 M€ had to be recorded in the accounts for 2022, with a corresponding impact on the result for the financial year. ORES Assets may apply to the Market Court, otherwise composed, for a new ruling overtu by the CWaPE.

<u>Justification of the changes made to the annual financial statements ending on 31/12/2021:</u>

In order to make the previous financial year comparable with the current financial year, the Group has restated the annual accounts for 2021 in accordance with article 3:59, paragraph 2 of the Royal Decree of 29 April 2019 implementing the Companies and Associations Code. Indeed, the Group has decided to modify the presentation of fixed assets at the consolidated level, in order to comply with the requirements of Belgian accounting law. This is now recorded under heading 72 - Capitalised production - instead of being subtracted from the component expenses, particularly staffing costs and purchases of goods. This is only a reclassification between expense and income items and has no impact on the balance sheet or on the net profit for the year 2021. These are the items in question:

Consolidated profit-and-loss account (en k€)	**31/12/2021 adjusted**	**31/12/2021 published previously**	**Difference**
Capitalised production	135,695	250	135,445
Sales and services	**1,468,744**	**1,333,299**	**135,445**
Procurement and	93,157	29,998	63,159
Miscellaneous goods and services	655,687	661,668	-5,981
Salaries and social charges	220,466	142,199	78,267
Cost of sales and services	**1,178,557**	**1,043,112**	**135,445**
Profit for the period	**182,449**	**182,449**	**0**

2.4 Valuation rules

CONSOLIDATION PRINCIPLES

ORES Assets is a gas and electricity distribution system operator (referred to hereinafter as DSO) in Wallonia, which, as of 31st December 2022, had exclusive control over its subsidiary, ORES, as well as its subsidiary, Comnexio. In order to prepare the Group's consolidated financial statements, ORES Assets has fully consolidated its two subsidiaries.

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

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

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

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

1. CONSOLIDATION DIFFERENCE

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

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

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

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

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

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

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

2. COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

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

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

ASSETS

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.

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

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

In this context, the following costs have been activated:

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

• costs incurred for IT licences.

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

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

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

TANGIBLE FIXED ASSETS

ACQUISITION VALUE

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

ANCILLARY COSTS

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

THIRD-PARTY ACTIONS

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

DEPRECIATION

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

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

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

Electricity facilities	Depreciation rates in %
Land	0
Industrial buildings	3
Administrative buildings	2
Cables	2
Lines	2
Fibre optic cable sheath signalling network	5
SMART equipment signalling network	10
Sets and cabins (high-voltage (HV) and low-voltage (LV) equipment)	3
Connections – transformers	3
Connections – lines and cables	2
Metering equipment	3
Electronic meters, budget meters, automatic meters	10
LV SMART eletricity meters	6,7
Remote control, lab and dispatching equipment	10
Teletransmission	10
Fibre optics	5
Tools and equipment	10
Vehicles (to carry people and goods)	20
Mobile equipment	10
IT hardware	33

Gas facilities	Depreciation rates in %
Land	0
Industrial buildings	3
Administrative buildings	2
Pipes	2
Cabins - stations	3
Connections	3
Metering equipment	3
Lab, dispatching equipment	10
Budget meters, electronic meters, automatic meters	10
Low-pressure (LP) SMART gas meters	6,7
Remote control, dispatching equipment, lab equipment	10
Teletransmission	10
Fibre optics	5
Tools and equipment	10
Vehicles (to carry people and goods)	20
Mobile equipment	10
IT hardware	33

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

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

Since 2003, at the same rate at which the electricity and natural gas markets have been deregulated, the intermunicipal companies operating in these areas have refocused their activities, essentially on the role of electricity and gas distribution system operator, a monopolistic activity for which there is a regulatory framework made up mainly of tariff methodologies.

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

Combined electricity and gas distribution system operators with a technical inventory justifying the value of the tangible fixed assets could establish the initial value of the capital invested as of 31st December 2001 (electricity) / 31st December 2002 (natural gas), based on the economic value of this inventory.

The initial values were formally approved by the competent regulator and then confirmed in 2007 on the basis of the values as at 31st December 2005 for electricity and 31st December 2006 for natural gas.

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

RAB n = iRAB + investments n – depreciations n – decommissioning n (b)

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

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

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

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

It is also indicated that the costs to be covered by the tariffs include in particular the proportion of the capital gain relating to equipment derecognised during the year concerned.

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

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

FINANCIAL FIXED ASSETS

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

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

RECEIVABLES DUE AFTER MORE THAN ONE YEAR

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

STOCKS AND ORDERS IN PROGRESS

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

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

RECEIVABLES DUE WITHIN ONE YEAR

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

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

They are taken away from those regarded as unrecoverable bad debts, including those relating to known bankruptcies. These bad debts are covered in full by the debits in the profit-and-loss statement. If some of these are subsequently recovered, the amount recovered will be shown as a credit in the profit-and-loss statement.

Unpaid receivables are covered by impairments when there is a certain risk that they will not be recovered. Following on from ORES Assets' liability for corporation tax, write-downs apply in different stages, following a specific schedule, and after the amount guaranteed by debt collection firms has been deducted, which means they are covered gradually.

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

CASH INVESTMENTS

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

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

CASH INVESTMENTS

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

ASSET ACCRUALS

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

2. Income or fractions of income which are only paid during one or more of the following financial years but which are to be associated with the financial year in question are evaluated at the amount of the proportion relating to the financial year in question.

Accruals mainly include the costs relating to the pension charges previously paid in the form of capital to the benefit of the operating company's staff (ORES) previously allocated to the distribution activities on the intermunicipal company's territory. The inclusion of these costs by the intermunicipal company is staggered over a period not exceeding 20 years.

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

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

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

	Decision for approval	Decision for allocation
Balance electricity 2017	13th January 2021	27th May 2021
Balance gas 2017	13th January 2021	29th April 2021
Balance electricity 2018	13th January 2021	27th May 2021
Balance gas 2018	13th January 2021	29th April 2021
Balance electricity 2019	29th April 2021	27th May 2021
Balance gas 2019	29th April 2021	29th April 2021
Balance electricity 2020	25th November 2021	To be determined once 2024 authorised income has been approved.
Balance gas 2020	25th November 2021	To be determined once 2024 authorised income has been approved.
Balance electricity 2021	15th December 2021	To be determined once 2024 authorised income has been approved.
Balance gas 2021	15th December 2021	To be determined once 2024 authorised income has been approved.

The regulatory balances for the year 2022 (i.e. a regulatory liability of -61,671 K€ (recorded in the liability accruals) will only become final once they have been approved by the CWaPE during its ex-post audit of the accounts for 2022.

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

LIABILITIES

UNTAXED RESERVES

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

PROVISIONS AND DEFERRED TAXES

At the end of each financial year, acting with sincerity and in good faith, 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.

DEBiTS DUE AFTER THAN ONE YEAR

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

DEBTS DUE WITHIN ONE YEAR

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

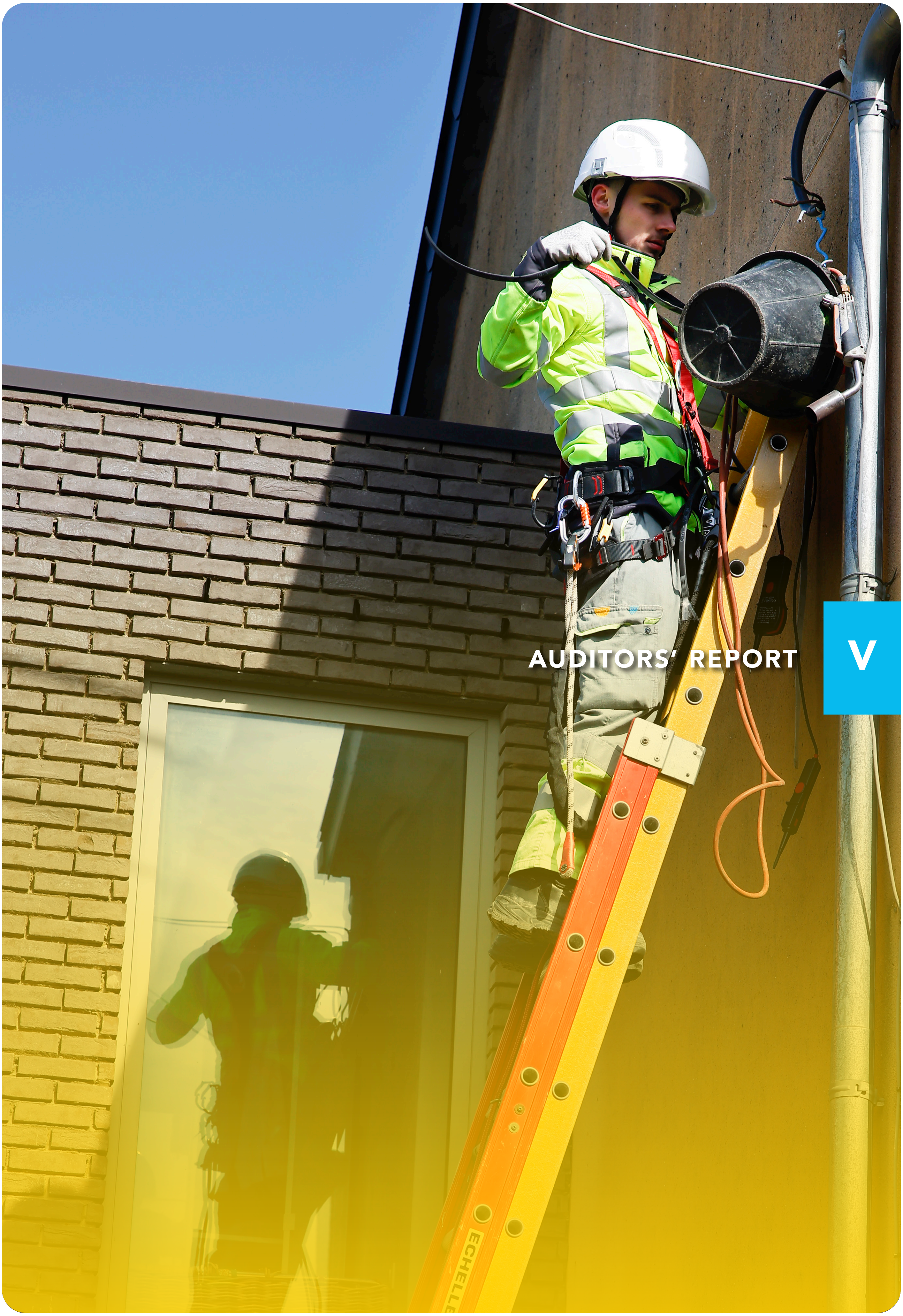
LIABILITY ACCRUALS

- 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 subsequent financial years.

Liability accruals include any "regulatory liabilities" or "excess liabilities" accounted for by virtue of the principle of annuality for expenditure and income. These "regulatory liabilities" relating to the previous years are covered using tariffs in accordance with the recommendations issued by the regulator in its decisions (see the item for "Regulatory assets"). The regulatory balances for 2022, amounting to -61,671 K€ (regulatory liabilities) will only receive final status after their approval by the CWaPE during its ex-post audit of the accounts for the 2022 financial year). The impact of these regulatory assets on the results for the intermunicipal company is fully covered during the year to which they relate.

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



V AUDITORS' REPORT

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ORES ASSETS SC

Statutory auditor's report
to the general meeting
for the year ended 31 December 2022
(Consolidated financial statements)

Free translation

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[Free translation]

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF ORES ASSETS SC FOR THE YEAR ENDED 31 DECEMBER 2022 (CONSOLIDATED FINANCIAL STATEMENTS)

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

We have been appointed as statutory auditor by the general meeting of 16 June 2022, following the proposal formulated by the administrative body and upon recommendation of the audit committee. Our statutory auditor's mandate expires on the date of the General Meeting deliberating on the financial statements closed on 31 December 2024. We have performed the statutory audit of the consolidated financial statements of the Group the first year.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have audited the consolidated annual accounts of the Group, which comprise the consolidated balance sheet as at 31 December 2022, the consolidated profit and loss account for the year then ended and the notes to the consolidated annual accounts, with the most important valuation rules, characterized by a consolidated balance sheet total of 4.765.043.844 EUR and whose consolidated profit and loss account shows a balance of 79.501.138 EUR.

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

Basis for unqualified opinion

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

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

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

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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 preparation of the consolidated financial statements

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

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

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

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

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

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

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

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

BDO

opinion on the effectiveness of the Group's internal control;

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

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

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

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

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

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the administrative body

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

Responsibilities of the statutory auditor

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

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

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

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the director's report on the consolidated financial statements, which is included in the annual report, on the consolidated financial statements, namely, 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 concerning independence

- Our audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated financial statements and our audit firm remained independent of the Group during the terms of our mandate.

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

Zaventem, 10 May 2023

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


Formateur
ORES
ORES

VI REMUNERATION REPORTS

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

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

1. Presentation of the management bodies

ORES Assets

Board of Directors

The Board of Directors is the company's decision-making body, with the exception of matters reserved for the Annual General Meeting either by law, decree or the articles of association. The Board's main goal is to ensure the company's long-term success, in accordance on the one hand with the interests of all the third-party stakeholders essential for achieving this goal, namely shareholders, customers, suppliers and other creditors, and, on the other, with the public service obligations that it assumes. With this in mind, the Board of Directors identifies the strategic challenges and risks faced by the company, defines the company's values, its strategy, the level of risks that it is comfortable taking as well as its key policies, along with monitoring the running of the business. The intermunicipal company ORES Assets and its subsidiary ORES have had a "mirror" Board of Directors.

In accordance with article L1523-15 of the CDLD, as set out in Article 14 of the ORES Assets Articles of Association, the Board of Directors is composed of twenty members of different sexes, of whom 13 members (2/3) represent the municipal shareholders and must, as such, be municipal representatives. The other seven represent the IPFs and may (or may not) be municipal representatives.

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

- politically (on the basis of a double proportionality referred to in Article 14 of the ORES Assets Articles of Association, i.e. the d'Hondt method on nine directorships and the weighted d'Hondt method on the remaining eleven);

- geographically (in proportion to the supply points as available at the time of the municipal elections).

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

Remuneration Committee

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

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

Audit Committee

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

ORES

Board of Directors

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

Given the establishment of "mirror" Boards of Directors between the inter-municipal company ORES Assets and ORES, in accordance with Article 13 of the ORES Articles of Association, the composition of this body is based on a proposal from ORES Assets. It must be carried out in accordance with Walloon legislation relating to inter-municipal companies and more particularly with Article L1523-15 of the CDLD, as set out in Article 14 of the ORES Assets Articles of Association, as mentioned above in the presentation of the management bodies of ORES Assets.

In addition, members of the Board of Directors sit on the company's management and control committees – emanating from the Board of Directors – which are the Executive Board, the Appointments and Remuneration Committee, the Audit Committee and the 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 Executive Board of ORES 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 programme and the conclusions and recommendations formulated by this internal audit in the form of reports. The Audit Committee is composed of five directors. It has been established according to the principle of a "mirror" committee between ORES Assets and ORES.

Ethics Committee

This Committee is responsible for advising on compliance with the rules on the confidentiality of personal and commercial information. It was composed of five members and was abolished in November 2022.

Executive Board

The management of the company is entrusted to the Executive Board. As of 31st December 2022, it was composed of eight members, including its Chairman.

2. Report from the ORES Assets Remuneration Committee

Preliminary note

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

Its purpose is to assess the appropriateness of the remuneration paid to the directors of the intermunicipal company in 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 sc.

Evaluation of the appropriateness of the non-remuneration of the directorships held at ORES Assets:

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

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

Conclusions of the Remuneration Committee

The Remuneration Committee, meeting on 8th March 2023, noted that the terms of remuneration stated above reflect the strict application of the deliberations mentioned above conducted in the General Meeting, which has authority in the matter.

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

3. 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*)
Committee Member	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 2022 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.

4. Report from the Board of Directors of ORES Assets

General information about the institution

Identification number (CBE)	0543.696.579
Type of institution	Intermunicipal company
Name of the institution	ORES Assets
Reporting period	2022

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

1.Members of the Board of Directors

Position	Last name and first name	Gross annual remuneration	Breakdown of remuneration and benefits	Reason for the remuneration if other than an attendance fee	List of mandates associated with the position and any remuneration	Percentage attendance at meetings
Chairman of the Board of Directors	DE VOS Karl	In accordance with the deliberations of the General Meeting held on 29th May 2019, all directorships at ORES Assets are unpaid. This is on the understanding that the same individuals make up the ORES Board of Directors and are paid in the context of this directorship according to the limits and requirements set out by the CDLD in the matter.			None	90 %
Vice Chairman of the Board of Directors	BINON Yves				None	100 %
Director	BELLEFLAMME Elodie				None	82 %
Director - member of the Audit Committee	BULTOT Claude				None	85 %
Director – Chair of the Audit Committee	BURNET Anne-Caroline				None	92 %
Director	de BEER de LAER Hadelin				None	80 %
Director - member of the Remuneration Committee	DEMANET Nathalie				None	55 %
Director	DONFUT Didier (*)				None	100 %
Director - member of the Audit Committee	DUTHY André				None	100 %
Director - member of the Remuneration Committee	FAYT Christian				None	91 %
Director	FRANCEUS Michel				None	80 %
Director - member of the Remuneration Committee	FRANSSEN Roger (*)				None	100 %
Director	GAUTHIER Ludivine (*)				None	100 %
Director	GILLIS Alain				None	100 %
Director	HARDY Cerise				None	70 %
Director - member of the Audit Committee	LEFEBVRE Philippe (*)				None	40 %
Director	MELLOUK Mohammed Amine (**)				None	75 %
Director - member of the Remuneration Committee	MEURENS Jean-Claude				None	100 %
Director	PIERMAN Thomas (**)				None	100 %
Director - member of the Remuneration Committee	PITZ Mario (****)				None	100 %
Director – Chair of the Remuneration Committee	STAQUET Danièle				None	100 %
Director - member of the Audit Committee	VAN HOUT Florence				None	85 %
Director	VEREECKE Anne				None	60 %
Director - member of the Audit Committee	VITULANO Maria (***)				None	100 %
Overall total	**24**					

**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 vacancy on the Board of Directors following the resignation of Ms Ludivine GAUTHIER and Mr Didier DONFUT. Their terms of office expired on 23rd June.*
**** Ms Maria VITULANO was co-opted by the Board of Directors on 28th September 2022 to fill the vacant directorship following the resignation of Mr Philippe LEFEBVRE. Her term of office took effect on 29th September 2022.*
***** Mr Mario PITZ was co-opted by the Board of Directors on 19th October 2022 to fill the vacant directorship following the resignation of Mr Roger FRANSSEN. His term of office took effect on 20th October 2022.*

2. Holders of senior management positions

<table>
<tr><th>Position[9]</th><th>Last name and first name</th><th>Gross annual remuneration[11]</th><th>Breakdown of the gross annual remuneration[12]</th><th>List of mandates associated with the position and any remuneration</th></tr>
<tr><td>Senior local official</td><td colspan="4" rowspan="7">None
ORES Assets does not have any staff and hence there are no managerial positions.
The day-to-day and operating management of ORES Assets is entrusted by statute to its subsidiary, ORES, pursuant to article 16§1 of the Electricity Decree.</td></tr>
<tr><td>Director x</td></tr>
<tr><td>Director …</td></tr>
<tr><td>Assistant Director</td></tr>
<tr><td>Assistant Director …</td></tr>
<tr><td>Other …</td></tr>
<tr><td>Total remuneration</td></tr>
</table>

[9]: *Indicate the position occupied within the structure, on the understanding that only senior management staff are meant by this.*
[11]: *Indicate the total gross annual, indexed remuneration, including all amounts in cash and all benefits that can be assessed in cash.*
[12]: *Give details of the various components of the gross annual remuneration (amounts in cash, any other benefits in accordance with the rules stated in appendix 4 of this Code).*

3. Appendices:

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

Appendix 3: Training

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

ORES Assets - Management body 1: Board of Directors

Position	Last name and first name	BoD 26/01/22	BoD 23/02/22	BoD 23/03/22	BoD 27/04/22	BoD 25/05/22	BoD 22/06/22	BoD 28/09/22	BoD 19/10/22	BoD 23/11/22	BoD 14/12/22	Total attendance-rate - %
Chairman	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 Elodie	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 Assets - Management body 2: Remuneration Committee

Position	Last name and first name	CREM 09/03/2022	Total attendance rate	%
Chair	STAQUET Danièle	V	1/1	100%
Members	DEMANET Nathalie	V	1/1	100%
	FAYT Christian	V	1/1	100%
	FRANSSEN Roger	V	1/1	100%
	MEURENS Jean-Claude	V	1/1	100%

ORES Assets - Management body 3: Audit Committee

Position	Last name and first name	CAud 20/04/2022	CAud 28/09/2022	CAud 07/12/2022	Total attendance rate	%
Chair	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%

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

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

5. Report from the ORES Board of Directors

General information about the institution

Identification number (CBE)	0897.436.971
Type of institution	Company with significant local public participation
Name of the institution	ORES
Reporting period	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%:	*Attendance fee as director:* *Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index* *Attendance fee as Chair of the Audit Committee:* *Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index* *Mileage allowance:* *Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff*	None	None	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 €)	*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	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 €)	*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	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 €)	*Attendance fee as director/ Board member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the 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 €)	*Attendance fee as director/ Committee member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Appointments and Remuneration Committee	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 €)	*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	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 Committee (*)	FRANCEUS Michel	Total: 2,619.62 € • Indexed amount of attendance fees: • BoD: 1,871.16 € Mileage allowance: 748.46 € • Ethics Committee: 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 Remuneration 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:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Ethics Committee (*)	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 €)	<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*	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 €)	<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	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 €)	<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*	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 €)	<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%

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	PIERMAN Thomas (***)	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 €)	*Attendance fee as director/ Board member:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Member of the Appointments and Remunera-tion Committee	PITZ Mario (*****)	Total: 708.81 € • Indexed amount of attendance fees: • BoD: 485.37 € Mileage allowance: 223.44 € • ARC: 0€ (-PP 37.35%: 264.74 €)	*Attendance fee as director:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%
Director Chair of the Appointments and Remunera-tion Committee	STAQUET Danièle	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 €)	*Attendance fee as director:* Attendance fee of 125 € (index 138.01) indexed pro rata to overruns of the central index *Attendance fee as Chair of the Appointments and Remunera-tion Committee:*Attendance fee of 180 € (index 138.01) indexed pro rata to overruns of the central index *Mileage allowance:* Based on the RD of 13/07/2017 (amended by the RD of 10/11/2022) setting the allowances for federal civil service members of staff	None	None	100%

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. Holders of senior management positions – Executive Board

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)"

VII SPECIFIC REPORT ON SHAREHOLDINGS

Within the context of the missions assigned to it, the Board of Directors has looked at the shareholdings of ORES Assets in the capital of other companies. These shareholdings, which are described below, are included in the balance sheet assets at their purchase value, less any outstanding amounts to be released.

SHAREHOLDINGS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

Shareholdings in Atrias

Atrias provides a platform for consultation between distribution system operators, suppliers and regional regulators in order to define the information to be exchanged within the framework of the liberalised market and the related processes: drawing up the MIG. It has also developed and manages an IT platform that enables the exchange of data (centrally via the CMS (Central Market System)) between distribution system operators and suppliers.

In 2018, ORES owned 62 shares worth 3.1 K€ in Atrias. The amendments to the electricity and gas decrees in May 2018 prohibited this holding. As a result, a transfer of the shares held by ORES in the capital of Atrias to the assets of ORES Assets was approved by the Board of Directors of ORES Assets on 24th October 2018 and by the General Meeting of Atrias on 23rd April 2019. By so doing, ORES Assets became the owner of the 62 shares in Atrias.

At 31st December 2022, there were no changes compared with 31st December 2021. ORES Assets owns 62 shares, worth 3.1 K€.

ORES Assets therefore has shareholdings in companies accounted for using the equity method totalling 3.1 K€.

SHAREHOLDINGS IN OTHER COMPANIES

Shareholdings in Laborelec

Laborelec is the technical skills centre for the sector that provides research and projects, particularly for energy distribution, as well as specialised services on request.

Until 2005, Laborelec was remunerated through a contribution paid by the distribution service operators to Intermixt. In order to make sure that Laborelec's research and projects were as suitable as possible for distribution, and therefore to meet the specific needs of the distribution service operators, the latter have decided to take shareholdings in Laborelec's capital. Each of the electricity DSOs having purchased one Laborelec, ORES Assets owned 7 shares in Laborelec.

In 2018, Synergrid assigned to ORES the share it held in Laborelec, valued at 0.3 K€.

At 31st December 2022, there were no changes compared with 31st December 2021. ORES Assets and ORES own 8 shares in Laborelec, worth 2.3 K€.

Shareholdings in Igretec

Igretec, the Intermunicipal Company for the Management and Carrying out of Technical and Economic Studies for the Charleroi Region and South-Hainaut, offers services to companies, authorities and individuals relating to economic development, consultancy or efficiency and energy services.

At 31st December 2022, there were no changes compared with 31st December 2021. ORES Assets owns 2,400 shares in Igretec, worth 14.9 K€.

4. The amendment of the electricity and gas decrees in May 2018 no longer allows distribution system operators to hold shares in a joint subsidiary with an energy supplier and prohibits the delegation of the exercise of tasks and obligations entrusted to a subsidiary by a distribution system operator.

So ORES Assets and ORES own shareholdings in other companies totalling 17.2 K€.

Hence the shareholdings of the ORES Group at 31 December 2022 were 20.3 K€. This amount can be broken down as follows:

Shareholdings in companies accounted for using the equity method	**3.1 k€**
Shareholding in Atrias	3.1 k€
Shareholdings in other companies	**17.2 k€**
Shareholding in Laborelec	2.3 k€
Shareholding in Igretec	14.9 k€
Total	**20.3 k€**

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ORES