



Corporate Social Responsibility Policy

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I. PREAMBLE

As a distribution system operator, ORES is both an essential link in the supply of electricity and gas in Wallonia and a major economic player whose activities are vital to the community.

As a public service company, ORES has a responsibility towards the population and the economic fabric of Wallonia. It contributes daily to the reliability of the energy supply and to energy transition. Our 2,650 employees provide a service that is essential for the quality of life of the population. As a trusted partner of institutions and stakeholders in the Walloon Region, ORES also works within the framework of existing and future collaborations to increase its positive impact and that of its partners.

Convinced that companies are both responsible for their activities and for the effects they have on society, ORES has adopted a policy of corporate social responsibility (CSR) and sustainability that clarifies the areas in which it is committed to act – now and in the future. Responding to the challenges of sustainable development means not only taking our share of responsibility in energy transition, but also ensuring the sustainability of our core business, energy distribution. And, more generally, to ensure that we maximise the positive effects of our activities at a local level, while reducing potential nuisances.

Our CSR policy is part of the common commitment of companies to achieving greater economic, environmental, social and societal sustainability. It endorses and contributes to our corporate strategy by systematising and measuring the perspective of our responsibility in our practices, initiatives and projects. By incorporating CSR into our operations and development, our aim is to contribute towards producing a positive long-term economic, social and environmental impact. This document sets out the fundamental principles of this policy. It constitutes the reference and the framework for action for all our departments and employees in this field.

Gosselies, December 2022

Fernand Grifnée

Chairman of the Management Board

Karl De Vos

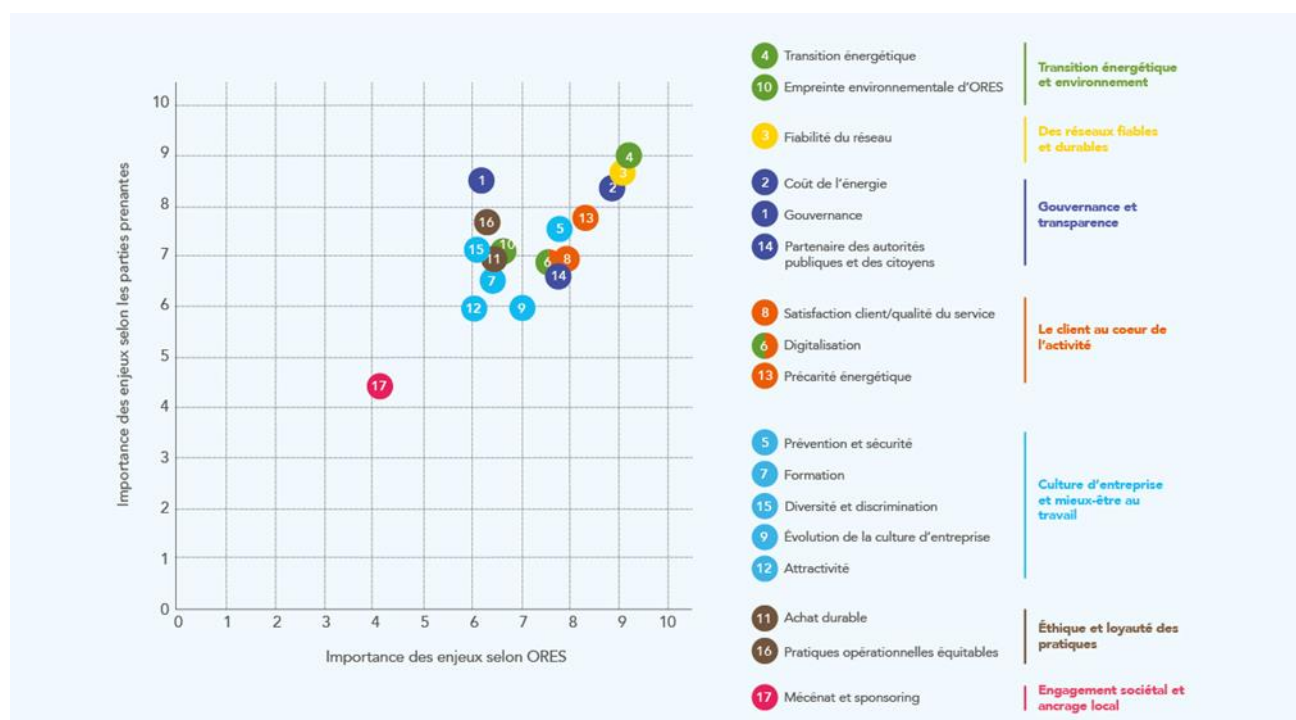
Chairman of the Board of Directors

II. VISION FOR CSR

A. Context and challenges

Since its creation in 2009, ORES has initiated and conducted a number of sustainable activities and projects. Aware that its effectiveness in this field could only be developed with the help of a precise direction to take and framework to achieve it in, ORES has explained the areas of action to which it gives priority and its commitments in the context of the rigorous approach it takes, carried out in consultation with its stakeholders on the basis of the various areas of expertise present within it. In 2019, an initial stakeholder consultation exercise was conducted to define a materiality matrix of the sustainability issues to be embraced by ORES. It was this collaborative work, combining external viewpoints and the positions of the company's Management Board, that defined the initial outlines of the sustainable development policy published in 2020 and which forms the basis of this CSR policy.

A new materiality exercise was conducted at the end of 2020. It included a questionnaire that was sent to 35 of the company's external stakeholders. This consultation confirmed the major role to be played by ORES in energy transition in Wallonia. The company is viewed as the backbone around which the energy market is organised, now and in the future, and as an instrument for sustainability policies. Our company is seen as a provider and facilitator of energy transition, guaranteeing the supply of electricity and gas to the people of Wallonia. These two forms of energy are considered complementary in the context of the gradual move towards the total decarbonisation of the economy, expected for 2050 on a European level. After a similar internal consultation exercise, a new materiality matrix was also established.



In this matrix, the various issues are ranked according to the importance given to them by the stakeholders consulted (y axis) and according to the order of priority established by the members of the Management Board (x axis), on the basis of an average of the scores given from 1 to 10. The matrix reflects a general convergence of sustainable development issues. In practical terms, all

themes are rated as important, with a score above 6 on a scale of 10. **Energy transition, network reliability, energy costs, energy poverty and accident prevention/safety** are positioned as the five major challenges for ORES. This result has also reinforced the directions taken in the 2021-2023 strategic plan, both in terms of the company's mission and vision, as well as its five main strategic directions.

In 2021, following an inventory of its initiatives and a realignment of its CSR policy, the company summarised and rationalised its lines of action and its commitments. This process has enabled it to cover its various areas of action in an exhaustive and flexible manner, with the aim of creating a coherent and sustainable application framework for its CSR policy in the short, medium and long term.

B. Philosophy and lines of action

The CSR policy conducted by ORES is based on six lines of action aimed at addressing the priority issues of the materiality matrix, while also relying on the company's historical values and the way it exercises its responsibility.

Three "core business" lines of action concentrate the issues specific to energy and the societal responsibilities linked to the missions of the distribution network operator:

- **Acting as an accelerator for energy transition**
- **Fostering the framework towards inclusive energy**
- **Reduction of the direct environmental footprint of our activities**

Three "pillar" lines of action, linked to the position held by ORES within the Walloon ecosystem, underpin the legitimacy of our CSR commitments by investing in the economic, social and governance fields:

- **Being an efficient company in terms of costs and service quality**
- **Being a benchmark employer in Wallonia**
- **Fostering collaboration and attentiveness between energy stakeholders**

The commitments linked to these lines of action are set out hereafter.



C. Targets for sustainable development

The lines of action defined in this way make it possible to contribute to a number of the 17 Sustainable Development Goals (SDGs) set by the United Nations and whose indicators for Belgium were specified in 2022 by the Planning Bureau.



ORES is working on a daily basis to speed up energy transition. Good operational management of the network and its infrastructure is designed to support the delivery of clean and affordable energy (SDG 7) and the development of sustainable cities and communities (SDG 11). In the context of the increasing electrification of needs, ORES also promotes responsible consumption and production (SDG 12). Driven by its social public service obligations, ORES is working towards social inclusion and reducing inequalities (SDGs 1 and 10) by controlling the weight of the distribution component in the energy bill of households and by offering specific mediation to the most vulnerable customers (SDG 7). Finally, by acting on the pressure it exerts on its environment, the company also contributes to three other SDGs: the fight against climate change (SDG 13), reducing the direct footprint on the terrestrial ecosystem (SDG 15), and the promotion of responsible consumption and production – waste, procurement, materials, etc. (SDG 12).

The three other lines of action implemented by ORES include the impact made by the company, mainly from economic and social angles.



The initiatives relating to economic performance and public service missions contribute both to the distribution of affordable energy and to economic growth in Wallonia (SDGs 7 and 8). In addition, ORES also aims to be a benchmark employer and to act on the quality of employment: the company's health, safety and human resources development policy is based on an approach to wellbeing (SDG 3), ongoing training (SDG 4), the guarantee of decent work (SDG 8) and gender equality (SDG 5). Finally, by encouraging listening and consultation between stakeholders in the field of energy, ORES seeks to contribute towards meeting the objectives of sustainable development from the viewpoint of exchange and partnerships (SDG 17).

III. COMMITMENTS

A. Acting as an accelerator for energy transition

Given the current context, it is important to be able to question, position and renew oneself in the face of the challenges posed by climate change. The energy sector is in the front line in the fight against greenhouse gases. ORES therefore has a significant role to play in the endeavours to slow global warming. Given its position in the market, the company also aims to act as an accelerator of energy transition.

Through this commitment, ORES has adopted an active position in the changes taking place by working towards the integration of renewable energy and deploying new technologies. To speed up energy transition, ORES has taken a position on 6 commitments. These are:

- To facilitate and accelerate the connection, injection and management of renewable energies (electricity and gas), while maintaining the reliability of the networks as they evolve
- To prepare the future of gas distribution networks with a view to the future decarbonisation of the economy by 2030 and 2050
- To promote and facilitate the development of alternative forms of sustainable mobility
- To increase the energy efficiency of municipal street lighting and reduce its environmental footprint
- To offer customers a range of services that contribute to sustainable development
- To remain attentive to external innovations and to carry out, together with other parties promoting sustainable development, innovative and demonstrative projects favouring the transition and the rational use of energy

B. Fostering the framework towards inclusive energy

Through its energy distribution activities, ORES bridges the gap between the economic ecosystem of energy providers, institutions and end customers. In doing so, the company plays a central role in facilitating access to energy and initiatives related to energy transition for all Walloon citizens. In this respect, ORES plays an important role in the fight against energy poverty, notably in the application of social public service obligations and by mediating in favour of support mechanisms. The expertise, economic stability and strong institutional and geographical roots of ORES also enable the company to encourage and participate in the initiatives of other actors in the energy market working to achieve more inclusive energy.

ORES has drawn up three commitments in this regard:

- A commitment to low-income customers, working on solutions to ensure their access to energy and energy transition, while improving mechanisms to reduce energy poverty
- Strengthening partnerships and supporting local initiatives that contribute towards socioeconomic development and social cohesion
- Developing or contributing to projects of a socio-humanitarian, educational or research nature, promoting sustainable development, the rational use of energy and the expression of solidarity on a local scale.

C. Reduction of the direct environmental footprint of our activities

Very much aware of its environmental responsibilities to the people of Wallonia, public institutions and the socioeconomic world, ORES aims to reduce its environmental footprint by focusing on its value chain as a whole: its own consumption, managing waste, supplies, outsourcing its activities, etc. The aim of the company and the resulting commitments, are in line with Wallonia's objectives of reducing greenhouse gas emissions by 55% by 2030.

A number of initiatives have already been taken to reduce ORES' environmental footprint: efforts on the energy consumption of buildings, carbon footprint and waste management. In this area, ORES is committed to three themes:

- Limiting our environmental footprint, particularly by reducing our carbon footprint
- Ensuring the preservation of biodiversity in our business and activities
- Promoting initiatives in favour of a circular economy

D. Being a highly effective business in terms of costs and public service quality

As a locally based public service company, ORES meets the needs of households, businesses and local public services across 75% of Wallonia. It achieves this through a range of activities: management of the electricity and gas distribution networks, public service obligations – including social missions aimed at reducing energy poverty – management of public lighting, raising awareness about energy-related issues and so on.

These responsibilities require ORES to perform efficiently, both operationally and economically. Operational performance is linked to the imperative need for continuity and quality of service. Economic performance enables structural control of distribution costs and their share of the energy bill. Customers must be able to benefit from competitive tariffs – regardless of the geographical area in which they live.

In view of all these responsibilities and obligations, it is necessary for ORES to:

- Guarantee quality and continuity of service by integrating technical and environmental issues
- Control the increase in distribution tariffs from a public service perspective, taking technological developments and customer needs into account
- Conduct a responsible and sustainable procurement policy
- Base customer relations on listening, anticipating needs, providing support and measuring satisfaction in the long term

E. Being a benchmark employer in Wallonia

It is not only the employees, but also the contractors and professional partners of ORES who participate on a daily basis in making our vision and commitments a reality for the entire population. Our company positions itself as a responsible employer and seeks to inspire its current and future employees with a positive and responsible vision of its activities.

We conduct an employer policy based on sustainable employment, safety and wellbeing at work. Happy, committed and successful employees is the target ORES has set itself for meeting the

challenges of tomorrow. In addition, ORES contributes to the development of the expertise of its 2,350 employees, as well as other workers operating in sectors related to its activities. This is done through comprehensive and varied training courses organised at its two internal technical training centres. Finally, we maintain a high level of social dialogue, in order to encourage constructive exchanges and to guarantee a working environment in which each ORES employee can thrive.

In this area, we make the following commitments:

- To maintain and improve the wellbeing (health, safety, ergonomics, psychosocial load and industrial hygiene) of our employees and subcontractors, and to guarantee the safety of our network users
- To prevent discrimination and promote equal opportunities in working conditions, salary conditions and access to employment and functions for all
- To develop professionalism and know-how through the training of employees and stakeholders in the energy sector, with a view to enhancing their employability
- To preserve local employment, encourage job creation in Wallonia and promote a sustainable employment policy
- To support a constructive and high-quality social dialogue, in particular within consultation structures of joint representation
- To encourage the contribution of staff to the company project through a shared culture

F. Fostering collaboration and attentiveness between energy stakeholders

ORES customers are representative of the diversity of the Walloon public as a whole – individuals, companies and industries, public authorities, energy suppliers. Aware of its responsibilities to its customers and to Walloon society in general, ORES is accountable to its Board of Directors. Our aim is to act in a spirit of collaboration, exchange and partnership with all the players in the energy and social ecosystem, including the municipalities that are our partners, as well as the professional federations, representative associations, universities and academic authorities.

In this area, it involves:

- Strengthening and structuring the way ORES listens and is involved with its stakeholders – in particular through active participation in forums such as the Energy Cluster, the Federation of Walloon Companies, the Smart Monitoring Committee, etc.
- Working with market partners and other energy stakeholders to create customer added value and shared value for society
- Preventing abuses and unfair practices, guaranteeing and applying sound governance

IV. IMPLEMENTATION OF THE POLICY

A. CSR Coordination

To implement its CSR policy, ORES has established a Coordination Committee, which acts as guarantor of the vision and leads the continuous improvement process on the six lines of action described above with the company's departments.

The Coordination Committee is a cross-functional organisational structure, affiliated to the Corporate Division. The Committee is led by the CSR coordinator who works in collaboration with the representatives of the company's various divisions. Not only is it the main body for convergence and the sharing of information and expertise between the Divisions on sustainability issues, but it is also the principal point of entry for the collection and sharing of information about CSR, as well as a force for proposals to the Management Board.

The Committee is also responsible for reporting on developments in the company's CSR impact to the Management Board. The commitments of this policy are monitored quantitatively, via a KPI type indicator, in a dashboard, or qualitatively via the identification of initiatives within the different Divisions.

The aim of the CSR Coordination Committee is also to establish a support centre for the various Divisions in their initiatives and the way in which to improve practices, in particular by contributing its expertise and providing support and guidance to implementing commitments.

B. Performance indicators

The effectiveness of the initiatives and practices implemented by ORES in relation to its CSR commitments is monitored and controlled through a series of indicators.

These were defined in two stages: first by the formulation of an intention within the CSR Coordination Committee – based on the company's expected position in its commitments – and then via an operationalisation phase with the managers involved in the reporting exercise, under the guidance of the ORES Data department.

Some thirty indicators linked to the various commitments made as part of the 6 lines of action make up a general dashboard (see Appendix – p. 12). The number of indicators is not fixed yet or may change in line with modifications to context and the progress made by the company on its

commitments in terms of sustainability. The indicators are also tracked by the Coordination Committee on a six-monthly basis. The Committee takes any initiatives required to promote progress on each of its commitments.

Among these indicators, a dozen are included in the list of KPIs made available to the members of the Management Board in the context of the operational and technical management of the company.

* * *

Appendix

Indicators tracked or in development (*)

A.1.2 Number of renewable production units (> 10 KVA) connected to the grid & installed power capacity	C.1.2 Waste recovery percentage	E.1.3.1 Internal frequency rate
A.1.3 Number of renewable production units (< 10 KVA) connected to the grid & installed power capacity	C.1.4 Reduction in CO ₂ emissions (direct, indirect and induced)*	E.1.3.2 Internal severity rate
A.1.4 Number of smart meters installed	C.2.2 Positive resolution rate of biodiversity-related incidents	E.1.4 Number of quality checks in the field
A.2.1 Percentage of biomethane distributed via the gas network	D.1.1 Number of work involvements/repairs to the grid	E.2.1 Ratio of men to women
A.3.3 Average fuel consumption of company cars and light commercial vehicles	D.1.2 Average length of works	E.2.2 Ratio of men to women in the recruitment process
A.3.2 Project 230/400*	D.1.3 Digitalisation level of distribution cabinets	E.3.1 Training hours for subcontractors
A.4.1 CO ₂ emissions prevented through LED public lighting	D.2.1 Percentage changes to network costs in relation to changes in inflation	E.3.2 Internal training hours/FTE
B.1.1 Proportion of protected customers supplied by ORES coming from regionally protected customers	D.2.2 Purchasing action plan*	E.4.1 Nominal headcount
B1.1.b Number of repayment plans and average term	D.3.1 Number of complaints / justified dissatisfaction	E.4.2 Turnover (staff churn)
B.1.1.c Number of customers with winter assistance (Local Energy Commission) / number of active meters with prepayment function	D.3.2 Customer satisfaction score	F.1.1 Number of meetings "ORES Proximity"
		F.1.2 Level of participation in meetings with external stakeholders