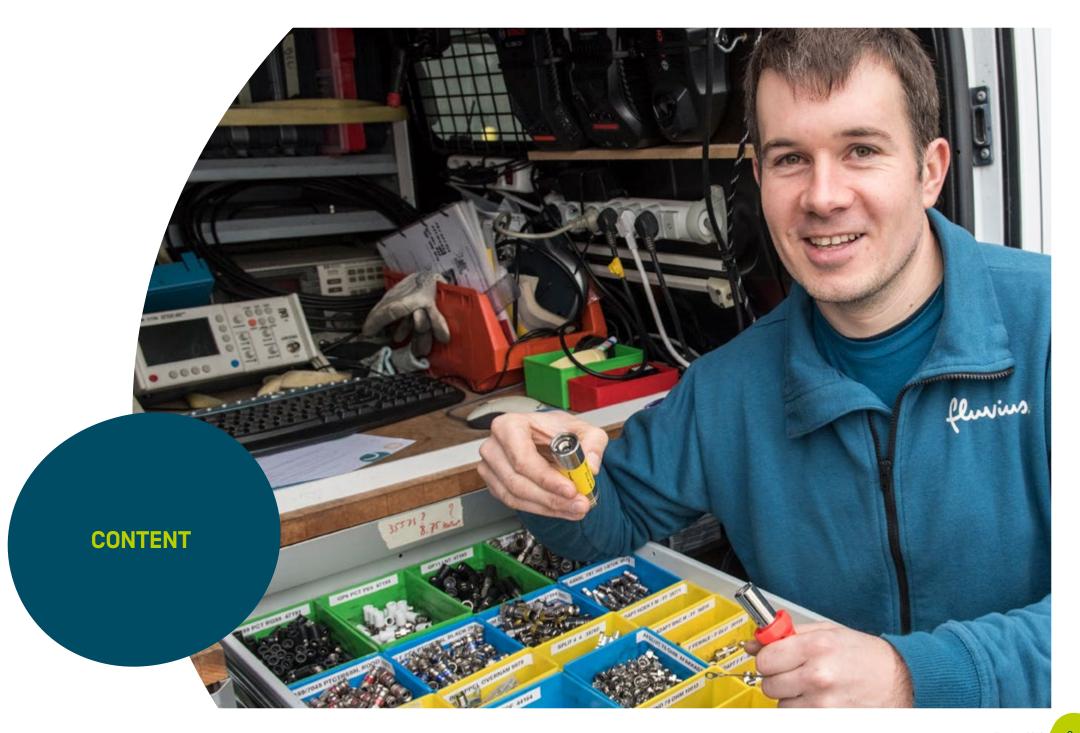


ANNUAL REPORT 2019

CLEARLY VISIBLE LOCALLY EMBEDDED

fluvius.



CLEARLY VISIBLE & LOCALLY EMBEDDED

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Link: www.fluvius.be/financieeljaarverslag2019

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Dear reader.

Fluvius was introduced to the general public on 7 February 2019. We reached out to the people of Flanders with a launch campaign. Ever since then our meter readers, site supervisors and technicians have been sporting our fresh, fluid logo on their uniforms. They are as eye-catching as ever.

In 2019, however, we have also been doing a lot of work behind the scenes. We have been integrating processes and IT systems, and building a common culture within our business. Those efforts are intended to allow us to offer a better service to our stakeholders, at a reduced cost. That is our ultimate ambition. The exercise will continue over a number of years.

Every day we are building a stronger business, so that we can deliver the things that are expected of us: Fluvius as the multi-utility manager of public service networks. Based on this position Fluvius faces a number of challenges that need to be addressed in Europe, in Belgium and in Flanders. These challenges will have an impact on the lives of everyone in Flanders.

Through smart network management and smart meters we are helping to bring about the energy transition with sustainable, locally generated energy sources. We are limiting energy consumption through the introduction of LED public lighting and through building heat grids. Due to climate change, we need to continue to extend our sewerage network and make significant efforts in the area of rainwater management. In response to the growing demand for secure, reliable data traffic, we are strengthening our cable network.

These are big ambitions, but an organisation of our size can achieve them and indeed must do so.

Fluvius can only make progress by taking action on a local level. This needs to be done in our cities and municipalities. Fluvius works closely with local councils, who are our clients and shareholders. We work closely with them both literally and figuratively. This proximity is expressed in our governance and operations. Since we are run and embedded at the local level, city or local authorities can approach us easily. We listen to the needs that exist locally and then meet them, in accordance with the expectations of local residents and businesses. Fluvius is there for its shareholders and we are there because of them.

You will find the first signs of that in this annual report. We intend to continue along the same path in future. We come right up to your front door. I am convinced that we can continue to inspire each other in future.

Piet Buyse Chair of Board of Directors





CONTENTS OF THE REPORT

In accordance with the law and the articles of association, we present this Annual Report on the activities of Fluvius System Operator cv ('Fluvius') during the 2019 financial year.

This report is a combined report in which the Activity Report, the Financial Report and the Corporate Social Responsibility [CSR] Report are contained in a single document.

For reporting on specific aspects of CSR, we have applied the GRI Standards issued by the Global Reporting Initiative (GRI) in this report.

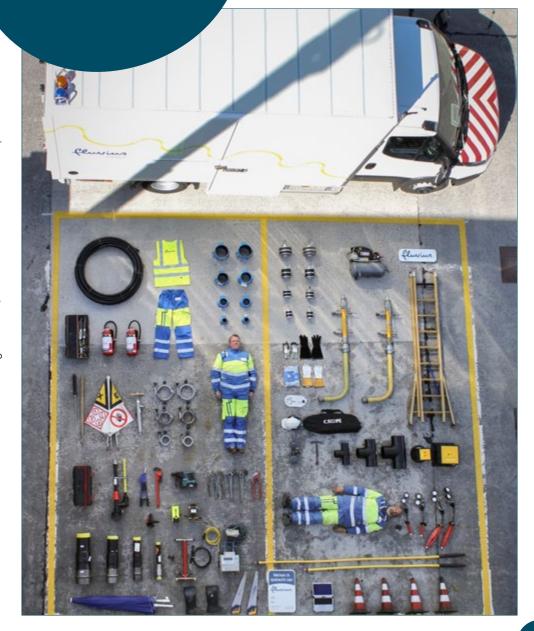
Fluvius System Operator is therefore compliant with the statutory obligation that large Belgian businesses must report on certain non-financial elements and diversity aspects (Law of 3 September 2017 on the publication of non-financial information and information on diversity by certain large companies and groups). Fluvius System Operator is subject to the provisions of this Law.

In the Financial Report, we present the following documents:

 non-consolidated financial statements for Fluvius System Operator CV for the year ended 31 December 2019. These financial statements have been drawn up in accordance with Belgian accounting standards (BE-GAAP). They comprise the balance sheet, the profit and loss statement with comments, the explanatory notes, the distribution of the profits and the social balance sheet;

- the consolidated financial statements of the Fluvius group for the year ended 31 December 2019, drawn up in accordance with Belgian accounting standards [BE-GAAP];
- and also in accordance with International Financial Reporting Standards (IFRS);
- the reports by the Auditor on the financial statements for 2019 under BE-GAAP and IFRS;
- the declaration by the persons responsible for the financial statements and the annual report (Article 12, §2 of the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market).

"This Annual Report is produced in accordance with GRI Standards: core option"





Working for sustainable development

In this report, we also refer to the sustainable development goals (SDGs) of the United Nations. These are the goals set by the world for 2030 toward sustainable development. The 17 main goals and 169 sub-goals form the main international sustainability framework for the next 15 years. As a company looking for a sustainable connection with society, Fluvius endeavours to keep its operations in line with this framework as much as possible.





Fluvius, close to you

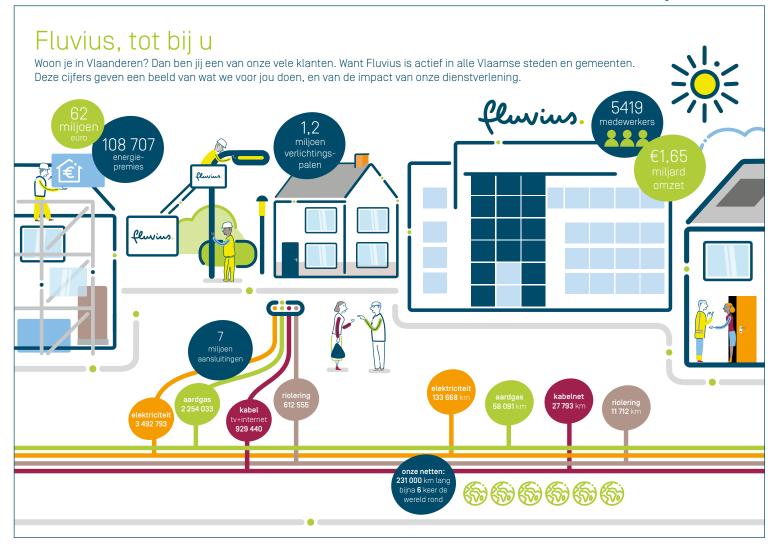
Fluvius System Operator cv (operating under the name 'Fluvius') is the Flemish multiutility network operator that came into being on 1 July 2018 out of the merger of Eandis System Operator cvba and Infrax cvba.

Fluvius is responsible for the construction, management and maintenance of distribution grids for electricity and natural gas, sewerage, cable distribution and heat. The company also manages the municipal public lighting system in Flanders.

In total, Fluvius manages over 231,000 kilometres of utility networks and 7.3 million connections. Fluvius is active in all 300 Flemish cities and municipalities, which means that all Flemings can benefit from the professional service provided by our 5,419 employees.

A vital link

In the free energy market, Fluvius forms a vital link between power generators and transmission system operators [upstream] and energy suppliers and end users [downstream].





Working for our shareholders, the mandated associations

Fluvius System Operator is the operating company for eleven Flemish utility companies, each of which is legally constituted as an intermunicipal 'mandated association':

Name	Electricity	Natural Gas	Sewerage	Cable TV
FLUVIUS ANTWERPEN	Х	X	Х	Х
FLUVIUS LIMBURG	X	X	Х	Х
GASELWEST	Х	×		
IMEW0	Х	×		
INFRAX WEST ¹	Х	×	Х	Х
INTERGEM	X	X		
IVEKA	Х	X		
IVERLEK	Х	×		
PBE	Х			Х
RIOBRA			Х	
SIBELGAS	X	X		

Note: mandated associations for electricity and gas distribution are also involved in supplying heat.

Fluvius works on behalf of the intermunicipal utility businesses listed in the table above. As shown here, the majority of these mandated associations are active in the regulated activity of 'energy distribution (electricity and/or gas)'. Consequently, a large part of Fluvius's business is subject to regulation by the authorised energy regulator VREG (Flemish Regulator of the Electricity and Gas Market).

The sewerage business is also regulated in Flanders, namely by the VMM (Flemish Environmental Agency).

The cable infrastructure business is supervised by the BIPT (Belgian Institute for Postal Services and Telecommunications) and the VRM (Flemish Regulator for the Media).

Fluvius functions as an operating company, working at cost price for its shareholders/ customers without any profit margin on the operational activities that it carries out. All of the company's direct and indirect operating costs, investments and public service obligations (staff, contractors, suppliers, financing costs) are recharged to the distribution system operators in full each month. This is why the total in the financial statements of Fluvius System Operator always comes to zero.

Fluvius System Operator does not own the distribution infrastructure (distribution grids, substations, measurement infrastructure, etc.]. The infrastructure is owned by the various mandated associations that are Fluvius's shareholders.

Supported by three subsidiaries

Fluvius System Operator relies on a small number of subsidiaries and associates to carry out some of its work:

- De Stroomlijn cv: the customer communication centre that handles calls from our end customers
- Atrias cv: the federal clearing house platform for the energy sector in Belgium
- Synductis cv: coordination and synergy for infrastructure works carried out by utility companies.

¹ Infrax West changed its name on 1 January 2020 to 'Fluvius West'.



PRESENTATION OF THE COMPANY

Our mission, vision, strategy and values

The mission, vision, and values of our company give Fluvius direction. We turn them into concrete action and give life to them in consultation with all our staff and with the outside world.

OUR MISSION

To sustainably connect society through our multi-utility solutions.

- Fluvius connects society. This involves not only the physical connection that we make via our networks. We also bring people together. And Fluvius is there for everybody.
- We create sustainable connections. We work for the long term, and we want to contribute to a better environment and climate. And we will support society with forward-looking solutions that provide comfort and convenience not just over the short term, but over the long term, too.
- Fluvius is a 'multi-utility', working in a range of different utility sectors. Because we believe in the synergies and economies of scale this creates - for all the partners and customers of our business.

OUR VISION

Fluvius, together with all stakeholders, aims to become the number one multi-utility company in Flanders.

Fluvius aims to be the number one network operating company for the majority of utility sectors in Flanders. When you think of utilities in Flanders, we want Fluvius to be the name that comes to mind. Our starting point is always the world around us. We work not for ourselves, but for all of the customers, cities, municipalities, partners and suppliers around us. Only with their support can we grow, by responding to their expectations. And by excelling in what we do and providing an outstanding service.

Everything we do, we do for and with Flemish society. This means we always strive for consultation and cooperation. Openness and transparency are central for us.

OUR STRATEGY

Fluvius aims, together with all stakeholders, to become the number one multi-utility company in Flanders. We therefore strive for operational excellence, in order to create value for all our stakeholders. Our primary focus is on building synergies and expanding our range of services.

OUR VALUES

Our values came from suggestions made by our staff. They express the way we aim to deal with each other, and with everyone who comes into contact with Fluvius:

- Stronger together!
- Driven by professionalism
- Customer first
- Commitment
- Respect

Our value propositions

Our value propositions summarise the areas in which Fluvius aims to create added value for its stakeholders:

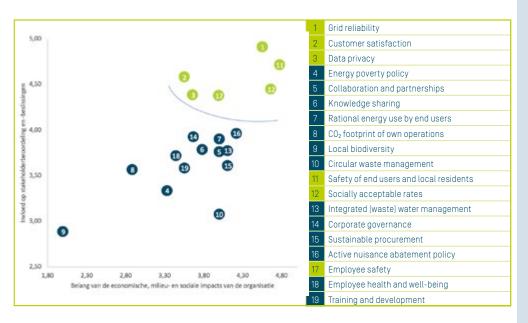
- 1. System management for public multi-utilities
- 2. Independent data management for the energy market
- 3. Making society sustainable
- 4. Guaranteed energy supply for everyone



Corporate Social Responsibility (CSR)

Certainly for a company like Fluvius, which only has public shareholders, Corporate Social Responsibility is an essential tool to allow us to express that mission in practice.

At the end of 2018 Fluvius completed a materiality analysis, which included a stakeholder survey. The results are shown in graphical form in the materiality matrix below:



We have set out the concrete commitments that Fluvius has made in the areas of Corporate Social Responsibility (CSR) and sustainability in a Charter. The Board of Directors of Fluvius approved this Corporate Social Responsibility Charter on 4 December 2019. You can consult this document here: https://over.fluvius.be/sites/fluvius/files/2019-12/9010106-mvo-charter-2019.pdf

In the 2019 Activity Report you will find numerous concrete examples of how Fluvius is putting CSR and sustainability into practice.

We have set out below a brief summary of the 19 material themes that have been identified and how Fluvius is approaching them.

1. GRID RELIABILITY

The availability of distribution grids is an important KPI for the operational activity of Fluvius. Our investment policy is partly geared towards maintaining excellent grid reliability. With its current results for grid reliability [17 minutes and 47 seconds of customer minutes lost] Fluvius is among the best-in-class in Europe.

Grid reliability 2019

17 minutes 47 seconds

2. CUSTOMER SATISFACTION

The most recent customer satisfaction survey [2019] resulted in a total score of 85.7%.

De Stroomlijn, our customer communication centre, continuously monitors customer satisfaction.

Customer satisfaction

85.7%

3. DATA PRIVACY

Fluvius aims to protect data privacy in the best possible way, which includes strict application of GDPR rules and robust information security.

4. ENERGY POVERTY POLICY

Fluvius works closely with the local Public Centres for Social Welfare [OCMWs] to combat energy poverty. The budget meter and provision of information for vulnerable target groups are the main methods used to achieve this. There are specific public service obligations that apply to the energy DSOs and their operating company Fluvius.



5. COLLABORATION AND PARTNERSHIPS

From a strategic perspective, Fluvius chooses to enter into collaboration frameworks with third parties (other organisations in the sector, academic institutions, businesses and non-profit organisations etc.) to achieve its aims. Examples of this include Fluvius' participation in Atrias, Synductis, and many other initiatives. The annual activity reports provide more details on these collaboration frameworks.

6. KNOWLEDGE SHARING

Fluvius aims to share its knowledge and set up collaboration frameworks, particularly in relation to the transition to a low-carbon energy system.

7. RATIONAL ENERGY USE BY END USERS

Fluvius works hard to raise awareness of rational energy use among end-users.

8. CARBON FOOTPRINT OF OUR OWN ACTIVITIES

Reducing our own CO_2 emissions is a central pillar of the long-term environmental plan for 2015-2019, which has been extended to include 2020. The target is a 20% reduction by 2020 in comparison with the reference year 2008.

The objective: CO₂ emissions
- 20%
in 2020
in comparison
with 2008

9. LOCAL BIODIVERSITY

Fluvius pays attention to the possible impact of its activities, particularly the effects of public lighting on local fauna. Where appropriate, measures to limit this impact are considered and implemented.

10. CIRCULAR WASTE MANAGEMENT

Fluvius fully subscribes to the principles of circular waste management and puts them into practice where possible. See our CSR Charter for examples of specific activities in this area: recycling of obsolete uniforms, recovery of materials from dismantled public lighting fittings.

11. SAFETY OF END USERS AND LOCAL RESIDENTS

We have a zero tolerance policy for accidents involving our own products: electricity and gas in our operating activities. Synductis, a collaboration between Fluvius and other utility companies in Flanders, also focuses on site safety, e.g. with appropriate signposting and targeted communication with people nearby.

12. SOCIALLY ACCEPTABLE TARIFFS

As an operating company for ten distribution system operators for energy, the cost price of Fluvius's activities (endogenous costs) largely determines the ultimate grid fee that is charged to end-users. Through comprehensive efficiency in its operating activities and organisation, Fluvius aims to keep its own costs to a minimum, for the benefit of both end-users and its own shareholders.



13. INTEGRATED (WASTE) WATER MANAGEMENT

As the largest sewerage manager in Flanders, Fluvius is concerned to optimise the treatment of (waste) water. One useful concrete example of this is the integrated rainwater plans we develop together with local authorities for a specific region.

14. CORPORATE GOVERNANCE

The principles of sound governance maintained by Fluvius System Operator and consequently also by the Fluvius Economic Group are set out in the Corporate Governance Charter.

15. SUSTAINABLE PROCUREMENT

Fluvius subscribes to the principles of sustainable procurement, insofar as these are in accordance with the Law on Public Procurement that governs the majority of purchases by Fluvius. Contract specifications may therefore include provisions on sustainability.

16. ACTIVE NUISANCE ABATEMENT POLICY

To maximise synergies, this part of our operational policy is partly entrusted to our subsidiary Synductis.

17. EMPLOYEE SAFETY

See also item 11 on this list. The company makes the necessary resources available [financial, training and communication] to maintain an awareness of safety throughout the organisation.

18. EMPLOYEE HEALTH AND WELL-BEING

Under the 'Great Place to Work' approach Fluvius aims to become an attractive employer that is able to recruit and retain the necessary employees. HR departments organise a range of activities focusing on ergonomics, health, psychological welfare (preventing stress and burn-out) among employees. Inappropriate behaviour of all kinds is not tolerated. We start from the idea of four energy batteries: [1] physical, [2] mental, [3] social and [4] meaning.

19. TRAINING AND DEVELOPMENT

Fluvius relies on having well-trained, competent employees, in terms of both job-related skills and personal development. A wide range of training opportunities are available for our employees. See the social accounts for figures on training and development.



Administrative data

• The company was established on 29 April 2002 under the name Electrabel Netmanagement Flanders nv. The name was later changed to Electrabel Netten Vlaanderen nv. On 30 March 2006, the legal form and name of the company were changed to Eandis cvba. The company was renamed Eandis System Operator cvba with effect from 1 January 2016.

On 1 July 2018, a merger by absorption took place whereby Eandis System Operator cvba took over its peer utility operator Infrax cvba. With effect from that date, the name of the newly merged company was changed to Fluvius System Operator cvba.

- Legal form: cooperative company (cv) since 1 January 2020 due to the revision of the various legal forms stipulated by the Code of Companies and Associations dated 23 March 2019 (published in the Belgian Official Gazette on 4 April 2019)
- Head office of the company: Brusselsesteenweg 199, 9090 Melle, Belgium

- Enterprise number 0477.445.084
- VAT BE 0477.445.084 Ghent Register of Legal Entities, Ghent division
- Website: www.fluvius.be
- Address for correspondence:

Fluvius System Operator cv Brusselsesteenweg 199 9090 Melle



Contact

- For all information and specific queries about meter readings, premiums, connections, meter installation, capital projects, Social Supplier services, faulty street lights and much more, you can find help on our website www.fluvius.be
 - On the website, you can also submit a query via a contact form or make a complaint.
- If you cannot find the answers you need on our website, you can call us on the General Information number 078 35 35 34, on weekdays from 8:00 am to 8:00 pm and on Saturdays from 9:00 am to 1:00 pm.
- For urgent calls, the following numbers are staffed 24/7
 - Small of gas 0800 65 0 65
 - Breakdowns and defects 078 35 35 00
 - People with a speech or hearing impairment can report smells of gas, breakdowns and defects by way of a text code message to 0477 77 70 80.
- Faulty streetlights can be reported at www.straatlampen.be or in urgent cases by calling via 0800 6 35 35.
- Fluvius complaints department:
 - Call us free of charge on 0800 60 001, on weekdays from 8:00 am to 8:00 pm and Saturdays from 9:00 am to 1:00 pm.
 - Write to us at Postbus 60, 9090 Melle.



FIGURES 31 DECEMBER 2019

Important note:

Due to the creation of Fluvius System Operator as the company resulting from the merger of Eandis System Operator and Infrax on 1 July 2018, comparisons of the figures for 2019 with those for 2018 are not always on a like-for-like basis.

Fluvius	31.12.2019	31.12.2018			
Financial (consolidated figures under Belgian accounting standards)					
Balance sheet total (euros)	5,155,796,287	4,749,181,721			
Turnover (euros)	1,653,391,316	1,637,245,192			
Employees					
Number of employees of Fluvius System Operator	4,616	3,928			
• managers	960	820			
• executives	3,656	3,108			
Full-time equivalents (FTE):	4,403.22	3,746.53			
• managers	936.66	802.51			
• executives	3,466.56	2,944.02			
Additional employees from Fluvius Mandated	Additional employees from Fluvius Mandated Association				
• number	803	1,392			
full-time equivalents (FTE)	772.84	1,330.60			
Totaal Fluvius					
• number	5,419	5,320			
full-time equivalents (FTE)	5,176.06	5,077.13			

Fluvius	31.12.2019	31.12.2018		
Operations (carried out on behalf of the distribution system operators)				
Network Operation and Management				
Capital expenditure (gross, in EUR millions)	859.4	832.5		
Unavailability of supply (minutes per year per customer)	17 min 47 sec	19 min 57 sec		
Natural gas				
Connections	2,254,033	2,224,553		
Low-pressure network (km)	47,991	47,241		
Medium-pressure network (km)	11,100	10,034		
Total network length (km)	58,091	57,275		
Electricity				
Connections	3,492,793	3,468,917		
Low-voltage network (km)	86,507	84,899		
Medium-voltage network (km)	47,161	46,700		
Total network length (km)	133,668	131,599		
Total lamps (public lighting and monument lighting)	1,165,665	1,164,249		
Sewerage				
Sewer network (km)	11,712	10,034		
Cable network infrastructure				
Connections	929,440	558,304		
Cable network (km)	27,793	23,288		
Social public service obligations				
Active electricity budget meters	39,142	41,044		
Active natural gas budget meters	26,486	27,770		
Top-up locations for budget meter cards	minimum 1 per municipality	minimum 1 per municipality		
Social customers (electricity)	79,757	80,596		
Social customers (natural gas)	58,217	58,893		
Installed smart meters	171,026	-		
Customer contacts				
Average no. of visits to customer offices per month	8,706	12,282		
Telephone calls to call centre	1,738,251	1,299,063		
Average website visitors per month	365,860*	771,592		

^{*} Figures for 2018 are difficult to compare with those for 2019 due to a change in cookie policy, as a result of which not all visits are recorded for 2019.







In accordance with the law and the articles of association, the Board of Directors of Fluvius System Operator cv ('Fluvius') hereby reports on the management activities of the company during the last financial year from 1 January 2019 to 31 December 2019.

Public launch of Fluvius on 7 February 2019

On 7 February 2019, Fluvius System Operator launched its new name 'Fluvius', its new logo and above all its integrated service offering for every person in Flanders. This launch was accompanied by a wide-ranging media campaign that positioned the new 'Fluvius' brand as reliable and customer-oriented.



Integration within Fluvius

In the course of 2019 further steps were taken to integrate the former companies Infrax and Eandis. In terms of personnel policy the company management entered into binding agreements with trade union organisations covering both legal restrictions and opportunities and the rights and obligations acquired in the past by those working for both former companies. Agreements were made concerning transitional conditions, the functioning of the Works Council and collective bargaining, the 40 hour week, job weightings etc.

In the past year Fluvius has also achieved some important results in unifying its processes and IT systems, resulting in considerable improvements in efficiency and cost savings. The target is still to save EUR 110 million in annual recurrent costs by 2022.

Integration of Integan

The mandated association 'Fluvius Antwerpen' came into being on 1 April 2019 as a result of a reorganisation of the intermunicipal utility companies in the Antwerp region. This merged entity comprises the former mandated associations Iveg, IMEA and Integan.

IMEA and Iveg were already part of the Fluvius Economic Group since the merger of Eandis and Infrax on 1 July 2018. Integan (in full: Until 1 April 2019, Intercommunale voor Teledistributie van het Gewest Antwerpen – Intermunicipal Company for Teledistribution in the Antwerp Region) was an 'independent' mandated association involved in managing cable television infrastructure in 14 municipalities.

Since Fluvius System Operator acts as an operating company for Fluvius Antwerpen, all the employees of Integan were taken over on 1 April 2019 and integrated within Fluvius. This concerned 105 employees (99.36 FTEs), of whom 21 were 'statutory' and 84 were 'contractual' employees. Integan legally ceased to exist on 1 April 2019, at the time when the merger took place to form Fluvius Antwerpen.



Ownership and group structure of Fluvius System Operator cv

On 1 April 2019 two important changes took place in the ownership of Fluvius System Operator.

In the Antwerp region, three mandated associations were merged (Iveg, IMEA and Integan) to form the mandated association Fluvius Antwerpen. See also above under 'Integration of Integan'.

In the province of Limburg, also on 1 April 2019, the mandated associations Inter-energa (distribution system operator for electricity and gas), Inter-media (cable network operator) and Inter-aqua (sewerage operator) merged to form a single mandated association: Fluvius Limburg.

The energy regulator VREG recognised Fluvius Antwerpen and Fluvius Limburg as distribution system operators for electricity and natural gas in decisions dated 25 April 2019.

We also note that the mandated association PBE merged with Intergas on 1 April 2019. This transaction does not affect the ownership or scope of operations of Fluvius.

The table below shows an overview of the shareholder structure of Fluvius System Operator cv on 31 December 2019. The allocation of shares is based on the criterion 'number of EANs' per shareholder on 31 December 2016. In principle this allocation is subject to change

	voting shares		
	Number	% of Fluvius	
Fluvius Antwerpen	4,489,304	17.33%	
Fluvius Limburg	4,666,524	18.02%	
Gaselwest	2,778,997	10.73%	
Imewo	3,675,610	14.19%	
Intergem	1,840,902	7.11%	
lveka	1,768,879	6.83%	
Iverlek	3,486,875	13.46%	
Sibelgas	497,124	1.92%	
Infrax West	1,357,143	5.24%	
PBE	945,183	3.65%	
Riobra	394,394	1.52%	
TOTAL	25,900,935	100.00%	

¹ EAN = European Article Number, one EAN corresponds to one connection for one utility.



Consolidation scope

The table below shows the entities included in the consolidated financial statements of the Fluvius group for 2019 under Belgian accounting standards. Fluvius System Operator is the consolidating company in each case.

Consolidated company	Consolidation method	Percentage held by Fluvius System Operator
De Stroomlijn cvba Brusselsesteenweg 199, 9090 Melle	full consolidation	62.17%
Atrias cvba Kanselarijstraat 17A, 1000 Brussel	equity method	50.00%
Synductis cvba Brusselsesteenweg 199, 9090 Melle	equity method	33.28%

The equity interest of the consolidating company Fluvius System Operator in the capital of De Stroomlijn fell in comparison with the end of 2018 from 64.03% to 62.17% as a result of a capital increase by EUR 7,700 to allow the entry of the new fourth shareholder De Watergroep. The capital increase at De Stroomlijn was fully subscribed by De Watergroep [77 new shares].

For completeness, it should also be noted that Synductis cv holds a 2.90% equity interest (at the end of 2018: 2.99%] in the capital of De Stroomlijn cv.

The equity interests held by Fluvius System Operator in a number of regional business centres are not consolidated. This is because the company either has no decisive influence on policy or does not have the right to appoint a majority of the members of the board of directors. These are equity interests in the business centres in Kortrijk, Flemish Ardennes, Bruges, Ghent, Ostend, Leuven, Tienen, Zenne Valley and Waregem.

The equity interest in the Roeselare business centre was sold to a third party in 2019.

The Meetjesland business centre was wound up in 2019; the corresponding share of the liquidation proceeds was received.

Fluvius System Operator also has a 4.35% equity interest in Duwolim (Duurzaam Wonen Limburg). This is also an unconsolidated equity interest.

The parent company Fluvius System Operator did not acquire any additional shares in subsidiaries or associates during 2019. The subsidiaries or associates also acquired no shares in their parent company.



The amendments to the Articles of Association that had been approved by the Extraordinary General Meeting of Shareholders of Fluvius System Operator on 7 December 2018, were published in the Appendices to the Belgian Official Gazette on 24 April 2019. These amendments concerned, inter alia, provisions on the composition and powers of the Board of Directors, the representation of the company and the data management activity.

Changes to the field of operation

In 2019, the field of operation of Fluvius System Operator changed as follows:

- four municipalities in Wallonia (Celles, Comines-Warneton, Ellezelles and Mont-del'Enclus) were transferred to the Walloon operator ORES Assets on 31 December 2018, following a partial split from the mandated association Gaselwest, Fluvius is continuing to provide services to the populations of these municipalities for a limited period on the basis of a cooperation agreement with ORES.
- the municipality of Pittem in West Flanders decided in 2019 to join the sewerage system operator Fluvius West with effect from 1 January 2020.

VAT unit

The VAT unit 'Economische Groep Fluvius' (Fluvius Economic Group) includes Fluvius System Operator cv and the associated companies De Stroomlijn and Synductis. Fluvius System Operator cv acts as the representative for this VAT group.



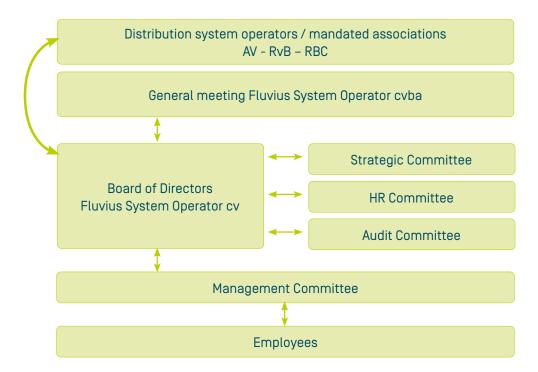
Cash pooling

Various entities in the Fluvius Economic Group participate in a cash pooling system. Within this system, cash surpluses and shortfalls are mutually offset on a daily basis within a combined cash pool at the bank.

This system is more beneficial for the participants overall than if they were to each maintain a separate cash accounts. The members of the Fluvius cash pool are Fluvius System Operator itself, its subsidiaries De Stroomlijn and Synductis, and the eleven mandated associations/shareholders.

Composition of governing bodies and management

The diagram below summaries the various governing bodies within the Fluvius Economic Group and their relationships to each other:





BOARD OF DIRECTORS

The Board of Directors of Fluvius System Operator had two different compositions in 2019. Until the General Meeting of Shareholders on 28 March 2019 the 'old' composition was in force. At that General Meeting of Shareholders – in accordance with the Articles of Association and in accordance with a motion by the shareholders - a Board of Directors with a completely new composition was appointed.

The names of the twenty directors who were members of the Board of Directors of Fluvius System Operator on 31 December 2019 are indicated in the table below by darker boxes.

Mr Nick Vandevelde acts as secretary of the Board of Directors.

The Chair of the Board of Directors has no operational management responsibilities within the company. This is also true of the Deputy Chairs and the members of the Board of Directors.

The Board of Directors of Fluvius System Operator has no independent directors within the meaning of article 526 ter of the Companies Code.

Name	Duration of mandate	Number of meetings attended in 2019	Public mandate
Piet BUYSE, Chair	whole of 2019	8	Dendermonde, Mayor
Koen KENNIS, first Deputy Chair	whole of 2019	3	Antwerp, Alderman
Christophe PEETERS, second Deputy Chair	whole of 2019	4	Ghent, Councillor
Hans BONTE, third Deputy Chair	from March 2019	5	Vilvoorde, Mayor
Bart BISSCHOPS	until March 2019	1	Dilsen-Stokkem, Member of Municipal Council
Jos CLAESSENS	until March 2019	3	Bocholt, Alderman
Geert CLUCKERS	whole of 2019	6	Diest, Alderman
Lieven COBBAERT	from March 2019	4	Ichtegem, Alderman
David COPPENS	whole of 2019	3	Aalst, Chair of Municipal Council
Jan DALEMANS	from March 2019	5	Hechtel-Eksel, Mayor
Charlotte DE BACKER	from September 2019	2	Ostend, Member of Municipal Council
Jean-Pierre DE GROEF	until March 2019	3	Machelen, Mayor
Christof DEJAEGHER	whole of 2019	5	Poperinge, Mayor
Jan DESMETH	from March 2019	5	Sint-Pieters-Leeuw, Alderman
Paul DIELS	until March 2019	3	Lille, Mayor
Wim DRIES	whole of 2019	7	Genk, Mayor
Raf DRIESKENS	until March 2019	2	Neerpelt, Mayor
Sabine FRIEDERICHS	from March until 24 July 2019	1	Ostend, Member of Municipal Council
Greet GEYPEN	whole of 2019	8	Mechelen, Alderman
Andries GRYFFR0Y	until March 2019	3	Member of the Flemish Parliament, Senator
Luc JANSSENS	until March 2019	2	Kapellen, Alderman
Tom KERSEMANS	from March 2019	3	Lille, Alderman
Lies LARIDON	whole of 2019	8	Diksmuide, Mayor
Luc MARTENS	until March 2019	2	Roeselare, Member of Municipal Council
Bert MEULEMANS	until March 2019	3	Boortmeerbeek, Member of Municipal Council
Nicky MARTENS	from March 2019	3	Tienen, Member of Municipal Council
Rita MOORS	from March 2019	4	Lummen, Member of Municipal Council
Willem-Frederik SCHILTZ	until March 2019	2	Member of the Flemish Parliament
Paul TEERLINCK	until March 2019	1	Ghent, Honorary Secretary of the City
Louis TOBBACK	until March 2019	3	Leuven, Mayor
Guy VAN DE PERRE	from March 2019	5	Kasterlee, Alderman
Adinda VAN GERVEN	from March 2019	5	Brasschaat, Alderman
Paul VERBEECK	until March 2019	3	Nijlen, Mayor
Kristien VINGERHOETS	from March 2019	4	Hemiksem, Alderman



Amendments during 2019

During the first quarter of 2019, following the municipal council elections held in October 2018 and the subsequent start of the 2019-2024 council term as of 1 January 2019, all offices in the mandated associations and their operating company Fluvius System Operator were renewed, as statutorily established. For Fluvius System Operator this took place at the Extraordinary General Meeting of Shareholders on 28 March 2019.

To allow them to carry out their duties in the best possible way, all new Directors were given a training course during a study day covering various aspects of both the energy and the distribution sector in general and Fluvius in particular.

Ms Sabine Friederichs resigned from the Board of Directors with effect on 24 July 2019. On 25 September 2019, on a motion from the mandated association Imewo the Board of Directors of Fluvius System Operator appointed Ms Charlotte De Backer, Member of the Municipal Council in the city of Ostend, with immediate effect, to replace Ms Friederichs. The next General Meeting of Shareholders of Fluvius System Operator will pass a resolution on the final appointment of Ms De Backer.

Independence guaranteed

The Board of Directors and the management are strictly separated at Fluvius System Operator. For example, the CEO and the other members of the Management Committee are not members of the Board of Directors.

The mandates of all directors run in principle for a period of six years, subject to any replacements made during that time. The current legislative term of office runs from 2019 to the first quarter of 2025. Directors' mandates are renewable.

For clarity, please note that these six-year mandates do not apply to the Management Committee, which is made up of employees of the company. They serve on the Management Committee on an indefinite basis.

Article 523 of the Belgian Companies Code provides for a specific procedure within the Board of Directors in the event of a possible direct or indirect conflict of interest of a proprietary nature in respect of a director, which is in conflict with a decision or a transaction falling under the competence of the Board of Directors of the company. This legal provision was not yet required to be implemented in 2019.





AUDIT COMMITTEE

In accordance with article 25.B of the articles of association, the Board of Directors of Fluvius System Operator has set up an Audit Committee. Its members were as follows on 31 December 2019:

Name	Function	Number of meetings attended
Jan DESMETH	Chair	2
Lieven COBBAERT	Member	4
Lies LARIDON	Member	6
Kristien VINGERHOETS	Member	5

The Audit Committee met seven times in the course of 2019. The most important matters deliberated by the Audit Committee are financial reporting, budgets and internal audit results.

The Audit Committee reports on its findings to the Board of Directors.

In 2019 the Board of Directors gave its approval to two charters directly related to audit: the Audit Committee Charter and the Internal Audit Charter. These documents set out the duties and responsibilities of both the Internal Audit Department and the Audit Committee.

HR COMMITTEE

As stipulated in the articles of association (article 25.C) the Board of Directors of Fluvius System Operator has also set up an HR Committee. Its members were as follows on 31 December 2019:

Name	Function	Number of meetings attended
Greet GEYPEN	Chair	5
Piet BUYSE	Member	6
Rita MOORS	Member	5
Kristien VINGERHOETS	Member	5

Under the articles of association, the task of the HR Committee is to monitor developments in the HR policy of Fluvius System Operator and make recommendations to the Board of Directors. The Committee met seven times during the course of 2019 (once using the written procedure). It discussed the integration of the personnel formerly from Infrax, appointments to the Management Committee and the senior management, the mobility policy and performance management.

The HR Committee also reports to the Board of Directors.



STRATEGIC COMMITTEE

At the end of 2019 the Strategic Committee was composed of the following members:

Name	Function	Number of meetings attended
Piet BUYSE	Chair	7
Hans BONTE	Member	5
David COPPENS	Member	4
Wim DRIES	Member	6
Koen KENNIS	Member	4
Christophe PEETERS	Member	6

The articles of association of the company stipulate that the Chair of the Board of Directors is ex officio also the Chair of the Strategic Committee (article 25.D of the articles of association).

The Strategic Committee outlines the general strategy for Fluvius System Operator and the entire Fluvius Economic Group. Special attention is paid to the company's relationship with the authorities and regulator, with shareholders and with the other stakeholders in operating distribution systems in Flanders.

The Strategic Committee met seven times in 2019. Matters discussed by the Strategic Committee included smart meters, fibre-to-the-home and Atrias. The Strategic Committee routinely discusses general developments in the market, legislation and broader environment for the distribution network operators and their operating company.

The Strategic Committee reports to the Board of Directors.

The Boards of Directors of the former companies Eandis System Operator and Infrax remained in place until 1 April 2019 as advisory committees reporting to the Strategic Committee of Fluvius with specific reference to the Eandis/Infrax integration. After that date these advisory committees were suspended.

OPERATING COMMITTEE

Article 25.A of the articles of association of Fluvius stipulates that, if the Board of Directors is partly but not wholly composed of independent directors, it shall appoint an Operating Committee as a subcommittee of the Board. The members of the Operating Committee must all be independent directors as defined in article 1.1.1. §2, 74° of the Flemish Energy Resolution of 19 November 2010. They are appointed by the Board of Directors from among its members. So far this stipulation in article 25.A of the articles of association on the Operating Committee has not taken effect in practice: this is because all directors of the company are non-independent directors.





MANAGEMENT COMMITTEE

Day-to-day management of Fluvius is entrusted to the Management Committee. See also article 26 of the company's articles of association.

On 28 March 2019 the Board of Directors made amendments to the list of members responsible for the day-to-day management and operational leadership of the company, which is the Management Committee. With effect from 1 May 2019 the number of members of the Management Committee has been reduced from 17 to 10.

The composition of the Management Committee of Fluvius System Operator on 31 December 2019 was as follows:

Title / Role Name Frank VANBRABANT CFO Director Supply Chain Raf BELLERS Tom CEUPPENS Director Customer Service **Guy COSYNS** Director Data Management Wim DEN ROOVER Director Network Operations Jean Pierre HOLLEVOET Director Network Management CFO, Director Financial David TERMONT Management and IT Nick VANDEVELDE Director Secretariat-General Director HR & Communication Ilse VAN BELLE Filip VAN ROMPAEY Director Strategy

The CEO attends the meetings of the Board of Directors ex officio but does not have voting rights.

Other members of the Management Committee may also attend meetings of the Board of Directors if it is appropriate in view of the matters on the agenda; they likewise have no voting rights on the Board. The Management Committee generally meets weekly, with the exception of a number of holiday periods.

From 2020 a 'Strategic Board' will be set up within Fluvius as a platform for discussion and decision-making, at which strategic options and positions can be discussed. The Strategic Board replaces a number of fragmented internal committees. Fluvius is taking this step in order to keep its finger on the pulse in a rapidly changing context and so that it can make policy decisions flexibly and with appropriate rapidity when necessary.





Gender diversity in the administrative and management bodies [31 December 2019]

Name	Total	Male	Female
Board of Directors	20	13	7
Audit Committee	4	2	2
HR Committee	4	1	3
Strategic Committee	6	6	0
Management Committee	10	9	1

There are 36 men and five women in the senior management of Fluvius.

Diversity policy

Remuneration in the company is wholly and exclusively dependent on the role performed by each employee. Their gender plays no role in determining their pay. The two-yearly pay gap report for Fluvius [dated 30 April 2019] contains a detailed analysis of the pay structure



applied by the company in 2017-2018. This report is produced in accordance with the law of 22 April 2012 on combating the pay gap between men and women and it is discussed by the Works Council as a mandatory item. The Works Council then judges on the basis of the results in the pay gap report on whether action has to be taken to promote gender-neutral remuneration. The Works Council of Fluvius System Operator, after comprehensive discussion of the above-mentioned pay gap report, judged that no additional actions were needed: Fluvius maintains strict equality between candidates in regard to recruitment, promotion and the like, regardless of their sex, origin, beliefs etc.

Membership of the governing bodies (Board of Directors, Audit Committee, Strategic Committee) is subject to the rules stipulated in the articles of association, which essentially grant full autonomy to the shareholders to nominate candidates for the Board of Directors independently of each other.

The composition of the Board of Directors, as of the renewal of its composition at the end of March 2019, is compliant with the rule that "at least one-third of the members must be of the opposite sex to the remaining members".

Corporate governance statement

Fluvius System Operator endeavours to adhere in practice to the principles of corporate governance at all times. The Belgian Corporate Governance Codes for listed and unlisted companies serve as the benchmark for the quality of corporate governance. They form the basis of Fluvius System Operator's Corporate Governance Charter. Like the two codes, our Charter is based on striking a balance between entrepreneurship and oversight, and between performance and compliance.

The Corporate Governance Charter is also drawn up taking into account the provisions imposed by legislators to ensure the correct operation of the energy market. Those provisions focus in the first instance on the relationship between network operators and network users. The rules in this regard must ensure that all network users have non-discriminatory access to the gas and electricity network.

The Fluvius Corporate Charter necessarily differs from the majority of Belgian charters on a number of points. This is primarily due to the specific laws and regulations applicable to Fluvius as an operating company for distribution system operators for gas, electricity and other utility grids. Such differences are also due to the company's shareholder structure, namely the eleven mandated associations, each of which is exclusively owned by local authorities.

The Fluvius Corporate Governance Charter is set by the company's Board of Directors.

The Board of Directors, the Audit Committee, the HR Committee and the Management Committee are aware of possible problems with regard to the application of the Charter. They take measures to correct such problems as required. The practical implementation of the Charter and compliance therewith are the responsibility of Fluvius's directors and management, as well as its employees.



The Ethical Charter, our ethical compass

The Fluvius Ethical Charter describes how Fluvius and its shareholders must conduct themselves ethically in business matters. It thus provides our employees with an ethical compass for addressing moral issues, assessing complex situations correctly, making the right decisions and acting appropriately. It therefore supports the practical expression of our fundamental values and underpins ethically appropriate decision-making.

The Ethical Charter lays down clear guidelines on fighting corruption and preventing the commission of bribery by employees.

All our employees can contact their managers for advice on ethical questions.

Now that the two former operating companies have combined to form Fluvius, the former Eandis Ethical Charter is to be revised to create a new Fluvius Ethical Charter. The requirements of the Eandis Ethical Charter continue to apply until further notice.

Advice and reporting infringements of the ethical rules

Fluvius has a clear procedure for reporting unethical conduct. Any employee can report possible or suspected infringements of the Ethical Charter or external rules to the Ethics Group, which ensures that all reports and complaints are handled in the strictest confidence.

The Ethics Group is made up of specialists from different sections of our company and is chaired by the head of the Legal Department. When a report is made, the Ethics Group undertakes a thorough investigation of the facts. If the report is shown to be correct, the file is passed to the head of HR together with recommendations for concrete action (sanctions, etc.).

During 2019, the Ethics Group received no reports of a potential infringement of ethical rules.

Human rights policy

An active human rights policy is not regarded as a priority by Fluvius, based on the consideration that the company operates solely in the Flemish Region and the majority of its activities are carried out within a strict legislative and regulatory framework.

With respect to human rights in relation to the materials we use, Fluvius's procurement procedures and contract specifications include a number of measures aimed at preventing abuses, for instance with regard to the production of materials in low-wage countries. Candidate providers must therefore submit a sworn statement.

Fluvius itself does not carry out any active checks on production locations in other countries.





Risks and risk management policy

Every company faces a number of uncertainties and risks. Fluvius addresses potential risks in a structured manner through an 'integrated risk management' methodology that applies to all our business areas. Permanent monitoring and various procedures contribute to establishing maximum control over these uncertainties and risks.

Risks are classified into five categories: [1] strategic risks, [2] business risks, [3] generic business risks, [4] operational risks and [5] generic operational risks. We only monitor risks that are relevant to one or more business processes.

The list of risks is updated annually. Adjustments to risks or risk scores can be made at any time if there are good reasons to do so. Risks are reported to the Management Committee and Audit Committee on a quarterly basis; ad hoc reports are also drawn up if required.

Assessing and addressing risks

The risk management method comprises four components:

- identification of risks
- analysis and assessment as to impact and probability
- implementation and optimisation of checks and actions
- monitoring and reporting



Fluvius uses a simple colour scale for the assessment or scoring of strategic risks:

- green: the risk presents no danger to achieving strategic objectives no action needed
- yellow: the risk may inhibit the realisation of the strategy attention and measures needed to address the underlying risks
- orange: the risk is an obstacle action is required in the short term
- red: the risk is a threat to achieving the strategic objectives immediate coordinated action is required.

The same method is used for the scoring of operational risks. Strategic risks are validated by the Board of Directors, business risks by the Management Committee and operational risks by the competent business process owner. The internal audit services carry out risk audits systematically and regularly for all business processes – including financial processes. Each recommendation is accompanied by a score to indicate its priority for remediation.

Internal audit at Fluvius System Operator works in accordance with international IIA standards. IIA is the Institute of Internal Auditors. This approach and certification ensures a high degree of professionalism in the internal audit work.

Fluvius also has formal procedures that will come into play in the event of an emergency or disaster; they describe the tasks, responsibilities and procedures for responding to the emergency situation and restoring the normal functioning of the business. In emergency situations a core team at management level holds meetings to coordinate the necessary activities. It consists of four complementary basic documents:

- [1] a Crisis Management Plan, which also comprises a communication plan
- [2] emergency plans
- [3] a Disaster Recovery Plan and
- [4] business continuity plans



Concern for the security of commercial information

A dedicated Information Security department coordinates measures to make IT systems secure and minimise these risks as much as possible. The company also provides training on this topic.

In 2019 Fluvius introduced amended 'Information Security' regulations. These regulations provide clear, binding guidelines for employees on the correct ways to handle commercial data. A leaflet summarises the key points in these regulations. The regulations on information security are also linked to the Employment Regulations.

Hou Fluvius ook digitaal veilig #houhetpluis 1 Onveilig gedrag of verdachte situatie? 2 Incident, gevaar of Cyber security is het werk van iedereen. bijna-ongeluk? Jij maakt het verschil. Doe geen Meld incidenten en gevaarlijke veronderstellingen en grijp in! situaties altijd bij ICT-hulplijn op 81.4700. Hier leren we van! 3 Wachtwoorden en pincodes? 4 Software, laptop, tablet, Gebruik een sterk wachtwoord / pincode, wijzig deze regelmatig telefoon, usb, harde schijf? en geef ze nooit uit handen. Verbind apparatuur nooit zo maar met het OT-domein. 5 OT-gerelateerde informatie delen? Alleen als het echt noodzakelijk is en altijd op een veilige manier. fluvius.

Financial risks

The Board of Directors has identified the following financial risks:

Price risk

As the operations company, Fluvius System Operator recharges all expenses in relation to operational activities within its scope of operations - in full and without any profit margin - to its shareholders/ customers, i.e. the eleven mandated associations. The incomes of these mandated associations are subject to a regulatory system or bound by legal or contractual rules.

- For electricity and gas, the fee income of distribution network managers is set by the Flemish Regulator of the Electricity and Gas Market (VREG). There is therefore no significant price risk for these entities in the Fluvius Economic Group apart from the possible risk related to the rejection of certain costs.
- The income of mandated associations that carry out sewerage tasks derives from the applicable legislation, namely the Flemish Drinking Water Decree of 18 July 2003 (amended on 15 June 2018). Capital investment in this activity is paid for by the Flemish Environment Agency and the municipal authorities.

 For cable business, various contractual arrangements are in place with Telenet, a firm offering services commercially via the cable network owned by the relevant mandated associations.

The consolidated companies in which Fluvius System Operator holds equity interests (these are De Stroomlijn, Atrias and Synductis) also work in the same way. Each of them recharges the relevant proportion of their costs to Fluvius, which then integrates these costs in its own total operating costs for the purpose of recharging them to the mandated associations.

Liquidity risk

The financial services of Fluvius System Operator monitor the liquidity position of the Fluvius Economic Group on a daily basis. The cash pooling system between Fluvius System Operator, the various mandated associations, De Stroomlijn and Synductis is an important tool in this regard.

The company has a number of short-term financing sources. Specifically, these comprise a cash facility ('straight loan facilities'), a revolving credit facility and a commercial paper issuance programme. The first two instruments are committed facilities, while the commercial paper programme is on a non-committed basis.

Fluvius is certain that these short-term financing resources are sufficient in the short term to adequately address liquidity risk.

Credit risk

The credit risk comprises the risk that one party to a financial instrument will fail to meet its obligations, so that the other party may incur a financial loss. The maximum credit risk is the balance sheet value of each financial asset.

In the context of its operational tasks for the mandated associations. Fluvius System Operator – as the legal successor to Eandis and Infrax - has been an active issuer of various debt instruments over the past few years. Both Eandis System Operator and Infrax issued bonds in the past. This formed an integral part of a policy of diversifying between instruments, counterparties, between instruments with or without regular capital repayments and so on.

Bank loans are also an essential component of financing for the Fluvius Economic Group. Such loans, however, are taken out directly by the mandated associations and thus do not represent a financial risk to Fluvius System Operator or by extension to the Fluvius group.

Fluvius actively manages its maturity profile in order to ensure that the necessary refinancing is adequately spread over time. See the financial accounts for more details on the amounts that are relevant to credit risk.

Collection risk

Fluvius System Operator faces a rather limited risk of bad debt, given that the company generates virtually all its income from recharging its operating expenses at cost to its customers. These are the eleven mandated associations, which are also the company's shareholders.

Currency risk

All regulated and non-regulated income of Fluvius System Operator and its consolidated subsidiaries and associates is expressed in euros. The same applies to all outstanding debt instruments, whatever their nature. This means that the Fluvius group is not exposed to any substantial currency risk.



Juridische geschillen

On 17 December 2017 the Court of Appeal in Antwerp declared that a claim for compensation from telecommunications operator Proximus was without merit. This claim related to agreements that the then pure intermunicipal cable operators (in the former Infrax group) and Interkabel had made with the telecom operator Telenet.

At the end of June 2019 Proximus then filed an appeal at the Court of Cassation for the ruling of the Antwerp Court of Appeal to be overturned. The mandated associations with cable activities in the Fluvius Economic Group and Interkabel then submitted their pleadings to the Court of Cassation. Telenet has now also taken this step.

A ruling in cassation is not expected before the beginning of 2021.

The Criminal Court of Turnhout has acquitted Eandis in relation to a fatal gas explosion on 23 November 2015.

In the first instance, the Criminal Court of Ghent had found the former company Eandis guilty in relation to an industrial accident in 2015 involving one of its own employees. Eandis had appealed against this ruling. The Court of Appeal, however, confirmed the earlier ruling of the Criminal Court. Fluvius is taking the necessary action to comply with the ruling. Fluvius is fully in agreement with the Labour Inspectorate.





Key developments in the companies in which Fluvius System Operator holds an equity interest

De Stroomlijn

De Stroomlijn is the customer communications centre for Fluvius and TMVW/Farys. The shareholders in De Stroomlijn are Fluvius System Operator (64%), TMVW/Farys (33%) and Synductis (3%).

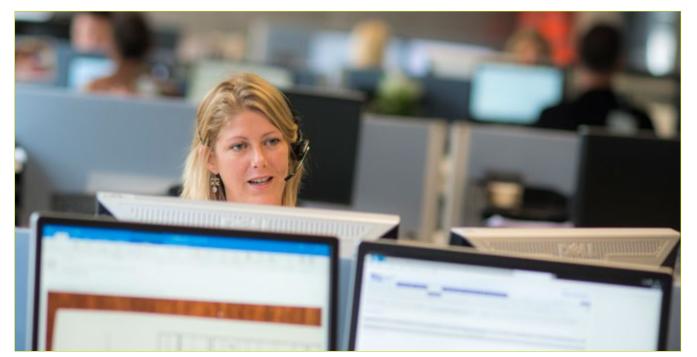
De Stroomlijn is fully consolidated in the consolidated financial statements of Fluvius System Operator.

At the time of the merger to form Fluvius System Operator, it was decided that De Stroomlijn would be used as the contact centre for all Fluvius customers within its entire scope of operations. De Stroomlijn effectively operates as the customer communications centre for Fluvius as

a whole, including the scope of operations of the former Infrax, from the start of 2019.

As of the end of 2019, De Stroomlijn had a workforce of 301.50 full-time equivalents. They are employed at four sites: Mechelen, Ypres, Ledeberg [Ghent] and Hasselt. The site in Hasselt came into service at the beginning of 2019.

In 2019, De Stroomlijn realised a turnover of EUR 17.0 million (2018: EUR 14.1 million). Total balance sheet assets as at 31 December 2019 were EUR 4.7 million (end of 2018: EUR 4.6 million).



Atrias

Atrias is responsible for the creation of a common data exchange platform for data exchange between all actors in the Belgian energy market, and also for the management, maintenance and operation of the market. Atrias is to replace all the separate data systems of Belgium's distribution system operators and centralise them in a single system organised at the federal level. The aim is to lay the foundations for a smoothly functioning free market in energy in Belgium.

All of Belgium's electricity and gas grid operators are shareholders in Atrias: Fluvius System Operator [50%], Ores Assets [16.67%], Sibelga [16.67%], Resa [15.05%], AIEG [0.54%], AIESH [0.54%] and Réseau d'Energie de Wavre [0.54%].

A number of shortcomings were identified even during the preparatory activities and implementation of the system in 2018. This led to the initiation of a dispute resolution procedure with the external project partner Accenture. Ultimately, after negotiations, a renewed collaboration between Atrias and Accenture was agreed. The new implementation date was determined to be September 2021.

At the end of 2019, Atrias had 24 employees [23.50 full-time equivalents].

For the purposes of the consolidation, Atrias is treated as an associated company. Atrias is consolidated within Fluvius System Operator using the equity method.



Synductis

Synductis promotes synergy in infrastructure work carried out in the public domain and helps shape an active 'less nuisance' policy.

Fluvius System Operator holds 758 shares in Synductis, out of a total of 1,860. The remaining shareholders in Synductis are TMVW/Farys, IWVA, IWVB, Proximus and Pidpa. There is also close collaboration with Aquafin and the Flemish Administration for Roads and Traffic [Dutch: AWV] on the basis of collaboration agreements between the parties.

In 2019 amendments to the articles of association were approved as a result of which the 'planning coordination' sector was removed. As a result the class B shares were also cancelled and Aquafin was no longer a shareholder.

Pidpa has become a shareholder for the activity 'implementation coordination'. IWVB is currently in liquidation (not yet published in the Belgian Official Gazette). Synductis cannot act in accordance with this new situation until the liquidation of IWVB is formally completed.

Synductis's business plan is founded on the notion of providing high-quality service to customers (local authorities, residents, shops and businesses). The creation of a high-performance IT platform is intended to contribute towards this aim.

Synductis has no personnel of its own. The utility companies which own it make their own staff available to Synductis as and when required, based on the projects that arise.

Synductis recorded turnover of EUR 1.7 million in the 2019 financial year, which is 24.6% higher than the turnover for 2018 which was EUR 1.3 million (rounded figure).

As an associate company, Synductis is included in the consolidated financial statements using the equity method.

Audit carried out by and remuneration granted to the Company Auditor

The audit office Ernst & Young Bedrijfsrevisoren (EY) acts as the auditor of the company. Until 23 May 2019 Mr Paul Eelen, Company Auditor, was the permanent representative of EY. At the request of EY the Board of Directors of Fluvius System Operator noted on 23 May 2019 that Mr Eelen had been replaced as permanent representative by Mr Marnix Van Dooren, Company Auditor.

The FY term runs until the Annual Meeting in 2020. This EY mandate also covers reporting under IFRS.

The remuneration of the statutory auditor for audit work has been set at EUR 74.011 per annum. In 2019, no amounts were paid to the auditor for any supplementary audit procedures outside the scope of its engagement (in accordance with the 'one-to-one rule').

For 2019, the statutory auditor performed an audit of the financial statements (see the Financial Report) and a compliance check on the non-financial and diversity information that Fluvius must include in its annual reporting pursuant to the Law of 3 September 2017.

On 20 March 2019, EY Bedrijfsrevisoren formally declared to the Audit Committee that they are independent in the performance of their auditor mandate. An identical statement of independence was submitted at the General Meeting of Shareholders held on 23 May 2019.

Fluvius System Operator commissioned the audit office BDO for certification of its cash management and valuation of the Regulatory Asset Base (RAB) and decommissioning. In principle, BDO's mandate expires at the end of 2019.



Short review of the financial results

Proper interpretation of the financial results must take account of the impact on the accounts of the merger by absorption that took place on 1 July 2018.

For the figures for the 2018 financial year, in accordance with Belgian accounting rules (BE-GAAP), the impact of the merger was retroactive to 1 January 2018, so that those reported figures cover the full year for the merged company. The BE-GAAP figures for 2019 also relate to a full year as a merged company. A comparison between 2018 and 2019 on an equal basis is therefore possible.

Different rules apply for reporting in accordance with the international IFRS standard. For the first half of the 2018 financial year (1 January to 30 June inclu-

sive) the figures only relate to the former Eandis System Operator, while the figures for the second half of 2018 (1 July to 31 December inclusive) relate to the merged company Fluvius System Operator. For the 2019 financial year no problem arises: these figures relate to Fluvius System Operator for the full year. This does, however, mean, that a 2018/2019 comparison using IFRS figures is not on the same basis.

The brief review of the balance sheet and profit and loss account below is based on the consolidated annual BE-GAAP figures for the Fluvius group, i.e. Fluvius System Operator as the consolidating entity together with its consolidated entities Atrias, De Stroomlijn and Synductis.

Balance sheet

The balance sheet total is EUR 5,155.8 million (31/12/2018: EUR 4,749.2 million). This comprised non-current assets of EUR 9.2 million and current assets of EUR 5,146.6 million.

Liabilities comprised equity of EUR 1.5 million, accounts payable to third parties of EUR 100,400, provisions and deferred taxes of EUR 258.5 million and financial debts totalling EUR 4,895.7 million. The latter were made up of long-term debts of EUR 3,821.1 million and short-term debts of EUR 1,020.3 million.

Profit and loss account

In 2019, Fluvius System Operator recorded turnover of EUR 1,653.4 million (2018: EUR 1,637.2 million). Operating income totalled EUR 1,685.9 million with operating costs of EUR 1,673.4 million. This resulted in an operating profit of EUR 12.5 million.

Financial income for 2019 was EUR 124.9 million, while financial expenses were EUR 128.6 million.

No exceptional income or expenses were recorded in 2019.

Profit before tax was EUR 8.7 million; profit after tax is – as always – zero, on the grounds that the company works at cost price.

Investments in 2019

In 2019, Fluvius carried out gross investments of EUR 859.4 million. We note that this is a 2% increase on the investments made in 2018. This total was divided between EUR 493.3 million for electricity, EUR 183.2 million for gas, EUR 75.9 million for sewerage activity, EUR 51.8 million for cable TV infrastructure and EUR 55.2 million for other investments including public heating, vehicles, Atrias, and IT.

Financing of Fluvius System Operator

Fluvius System Operator is a company that offers securities to the public. The relevant laws and regulations therefore apply. Fluvius consequently complies with market abuse regulations.

Bonds and similar debt instruments issued by Eandis System Operator and Infrax in the past are guaranteed by the mandated associations/shareholders. These debt instruments are listed on the following stock exchanges:

- Luxembourg Stock Exchange regulated market
- Euronext Brussels regulated market
- Euronext Growth Brussels non-regulated market
- Open Market Frankfurt ('Freiverkehr') non-regulated market

In 2019, Fluvius did not carry out any new issues under the existing Euro Medium Term Note (EMTN) programme for issuing internationally placed bonds. No stand-alone placements were carried out either.

In 2019, Fluvius System Operator did not carry out any new transactions in derivatives.

The company discloses no transferred losses in its annual accounts, either in the non-consolidated or consolidated figures.

Change in the rating of Fluvius System Operator

Fluvius System Operator has two corporate ratings, namely from Moody's Investors Service ('Moody's) and from Creditreform Rating AG ('Creditreform').

The Moody's rating remained at A3 for the whole of 2019. The Moody's ratings agency did revise the outlook for this rating on 25 July 2019 from positive to stable. This decision was mainly a result of the reductions in tariffs imposed by the regulator VREG, the expected growth in investment expenditure and the relatively high dividend which is paid out to the shareholders in the mandated associations.

The rating with Creditreform has been unchanged since 5 October 2018 and throughout the whole of 2019 at A+ with a stable outlook.

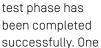
Branches

Fluvius has no branches.

Research & development policy

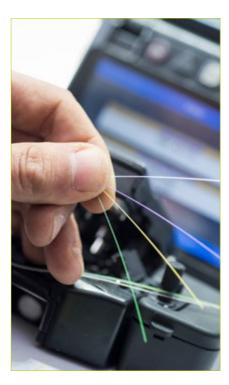
Fluvius is one of the 25 validator nodes in the Energy Web Chain (EWC). EWC is the world's largest blockchain network for energy, with more than 100 participants. EWC focuses on facilitating and speeding up the energy transition. Fluvius is continuing to build this network by making infrastructure available to process messages in the network, and also by issuing blocks. This active participation in EWC by Fluvius is a testimony to the way the company closely follows technology and actively supports it where this offers promising prospects for the energy sector.

Fluvius is a participant in the Internet of Energy ('IO.Energy'). This project concerns a real-time, open, neutral communications platform that links 'prosumers' to local or central energy markets. The initiative fits in with the flexibility required for a future energy system in which decentralised, intermittent production will be a defining feature. The first phase of the IO.E. project was concluded in June 2019 with the selection of eight ideas out of 60 proposals submitted. These will now be further tested to ascertain their relevance and added value for end-users. An idea will only be tested on a large scale once the



etc.

or more of these ideas may grow to become a real product or service with potential to dramatically change the energy landscape of tomorrow. The ideas that have been selected relate to the energy potential of commercial real estate, a 'plug-and-play' smart energy home, energy communities





Other policy elements

Data Management

Data management encompasses the collection, management, processing, security and storage of measurement data at access points to the gas and electricity distribution grid, managing the access register, exchanging data between market participants, facilitating innovation and so on. This mission has been entrusted by decree at the Flemish level to the operating company, as an extension of the other duties of a distribution system operator. Data management is carried out completely separately from the other activities, with separate invoicing for data management and the other activities that Fluvius is required to carry out.

Fibre-to-the-home (FttH)

In 2018 Fluvius decided to set up five pilot projects to roll out fibre-to-the-home (also referred to as FttH). The five test areas selected were located in Genk. Ghent. Poperinge, Diksmuide and Antwerp, each with a differentiated approach. A total of about 15.000 homes are involved in the five project areas.

The project, named 'Fluvius Fibre Optic', started in early 2019 when it was rolled out to 4.500 homes across six districts in Genk. The other test areas followed in the course of 2019 and 2020.

Fluvius had set aside a budget of EUR 30 million for these pilot projects.

If the pilot projects receive a positive assessment, scaling-up of Fluvius Fibre Optic to a larger number of connections can be considered.

Thanks to FttH technology Fluvius is providing super-fast internet connections through a number of central outlets. A fibre optic cable runs from that point to houses in the neighbourhood. Telecom providers are then able to connect their own infrastructure to these outlets and thus offer commercial services to end customers. Ultimately, this will allow innovative services to be developed for the general public and businesses, as well as for the educational and public sectors. Fluvius itself will not provide services via the new FttH network.

Fluvius has concluded a Fibre-to-the-Site agreement with Orange Belgium. In this agreement Fluvius undertakes to create a connection between Orange mast sites and POP locations and the Fluvius fibre optic network. Fluvius is also responsible for maintenance of this infrastructure.

General Data Protection Regulation - GDPR

Fluvius is required to comply with the GDPR. The company has taken the necessary measures to correctly deal with data and the privacy of data subjects in accordance with GDPR rules.

One of these measures is the appointment of a data protection officer (DPO). We have also clearly defined and assigned responsibilities for GDPR compliance in the various sections of the business. It should also be noted that Fluvius offers training on the GDPR to employees who are directly involved in matters related to the Regulation. In connection with the GDPR, a processing agreement has been entered into with Atrias regarding the specific activities that Atrias performs for Fluvius.



New and complementary services and products

Fluvius has an ambition to develop a number of new services and products insofar as these link in closely with its existing core activities.

 Fluvius Sustainable Buildings: a full package of energy services (pre-financing, survey, implementation and energy monitoring) to promote energy efficiency in municipal housing

+Punt:

supports local authorities wishing to make public street lighting poles available to third parties

- Third-party networks: for managing private networks
- Consulting: providing advice on the management of private networks
- Fluvius Net:

network services for local authorities via the cable television network, for data transmission between buildings, fixed-line and mobile telephony and broadband internet

Fluvius Center:
 data centres for municipalities and
 other local authorities

• Fluvius GIS:

a geoinformation system [data, expertise, hardware and software] that allows local authorities to carry out in-depth geographical analyses of their public property in relation to spatial planning

- Fluvius Maps
- Fluvius WiFi: public WiFi
- Fluvius Sustainable Mobility: CNG and electric vehicles
- Fluvius Fibre: renting spare capacity on the Fluvius fibre optic network.

The debate on core tasks will include reviewing the extent to which Fluvius will continue to develop these activities in future.

Collaborations

Based on its strategic policy of entering into structural partnerships, Fluvius started up the following collaborations:



with VVSG:

based on a framework agreement between the two parties, a structural collaboration is taking place to contribute towards the energy transition, smart cities, open data and smart applications, optimising water and sewerage management and further development of all utilities.

with Vlinter and VVSG:

the aim is to support the municipalities to carry out their tasks; possible applications include energy houses, public lighting, mayor's covenants, the use of public land etc.

with ORES:

Fluvius is collaborating with ORES, its counterpart in Wallonia, on the smart meter chain. ORES will be installing the same type of smart meters as Fluvius.

with VEA and VITO:

Fluvius will supply data to VEA/VITO for the creation of a heat map for Flanders

the Citizen Science Project:

Fluvius is participating in the research project on security of supply for and by the general public, together with BBL, Eiya Consult and Energyville-VITO; the role of Fluvius is around smart meters.



Equity interests in Publi-T and Publigas

Nine mandated associations in the Fluvius group have equity interests in the public holding company Publi-T. Five mandated associations also have an equity interest in Publigas. Publi-T is a reference shareholder in the transmission grid operator Elia; Publigas is the majority shareholder in gas transport company Fluxys.

Day-to-day management of the holdings in Publi-T and Publigas is entrusted to the financial services of Fluvius System Operator, as part of Fluvius's broader operational remit on behalf of its mandated associations/ shareholders.

In 2019 Elia carried out a capital increase of 435 million euros. The governing bodies of Publi-T have decided to subscribe to this capital increase on a proportional basis for a total of 195.11 million euros, of which 165 million will be financed through its own capital augmentation. For the nine mandated associations in the Fluvius Economic Group that are involved, this concerned a total of EUR 79.3 million.

Remuneration report

In accordance with article 100, § 1, 6°/3 of the Companies Code, this section provides information on the remuneration of the members of the company's Board of Directors, as well as information on the remuneration of the Management Committee members.

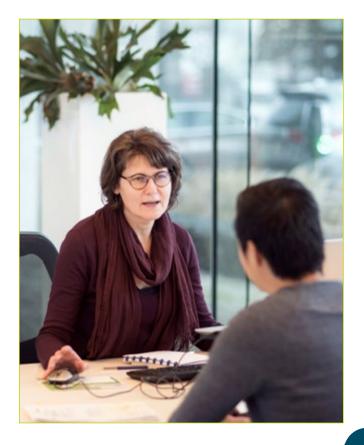
Board of Directors

In 2019, the Board of Directors of Fluvius System Operator met eight times.

The remuneration of the company's directors is based on an attendance fee of EUR 213.32 per meeting actually attended. This amount is based on the highest payment that can be awarded to members of a Municipal Council.

A travel allowance is granted to directors for journeys to and from the venue of meetings of the Board of Directors (and other governance bodies) at a rate of EUR 0.35 per km in the first half of 2019. From 1 July 2019 this is increased to EUR 0.36 per km.

The table below shows the amounts paid out in attendance fees and travel expenses during the 2019 calendar year for each person who held office as a director of Fluvius System Operator in 2019. The amounts paid to these individuals in 2018 are also stated, if applicable.





Remuneration 2018/2019

		2018			2019	
Name	Attendance fee	Travel allowance	TOTAL	Attendance fee	Travel allowance	TOTAL
BISSCHOPS Bart*	3,356.56	194.60	3,551.16	1,269.96	194.60	1,464.56
BONTE Hans	-	-	-	2,133.20	127.68	2,260.88
BUYSE Piet	2,927.96	409.50	3,337.46	4,266.40	459.90	4,726.30
CLAESSENS Jos*	4,402.26	851.85	5,254.11	1,696.60	504.00	2,200.60
CLUCKERS Geert	5,657.10	776.55	6,433.65	2,336.56	485.78	2,822.34
COBBAERT Lieven	-	-	-	1,279.92	534.20	1,814.12
COPPENS David	836.56	81.90	918.46	1,493.24	171.84	1,665.08
DALEMANS Jan	-	-	-	1,066.60	348.40	1,415.00
DE BACKER Charlotte***	-	-	-	426.64	162.72	589.36
DE GROEF Jean-Pierre*	1,882.26	154.70	2,036.96	1,066.60	80.50	1,147.10
DEJAEGHER Christof	1,045.70	459.20	1,504.90	1,066.60	519.04	1,585.64
DESMETH Jan	-	-	-	1,279.92	69.64	1,349.56
DIELS Paul*	2,718.82	882.00	3,600.82	1,279.92	441.00	1,720.92
DRIES Wim	5,657.10	324.80	5,981.90	4,896.40	0.00	4,896.40
DRIESKENS Raf*	4,611.40	939.34	5,550.74	1,483.28	389.20	1,872.48
FRIEDERICHS Sabine**	-	-	-	426.64	200.20	626.84
GEYPEN Greet	2,509.68	292.60	2,802.28	2,986.48	340.20	3,326.68
GRYFFROY Andries*	4,193.12	292.08	4,485.20	1,696.60	210.00	1,906.60
JANSSENS Luc*	1,463.98	357.00	1,820.98	1,066.60	297.50	1,364.10
KENNIS Koen	1,463.98	239.40	1,703.38	2,133.20	374.76	2,507.96
KERSEMANS Tom	-	-	-	639.96	208.20	848.16
LARIDON Lies	5,657.10	793.25	6,450.35	4,256.44	1,373.20	5,629.64
MARTENS Luc*	1,254.84	514.50	1,769.34	1,279.92	411.60	1,691.52
MARTENS Nicky	-	-	-	639.96	114.00	753.96
MEULEMANS Bert*	5,657.10	367.03	6,024.13	2,549.88	205.80	2,755.68
MOORS Rita	-	-	-	1,706.56	423.90	2,130.46
PEETERS Christophe	836.56	212.80	1,049.36	2,133.20	374.08	2,507.28
SCHILTZ Willem-Frederik*	4,820.54	324.99	5,154.53	1,483.28	119.70	1,602.98
TEERLINCK Paul*	3,346.24	638.40	3,984.64	853.28	212.80	1,066.08
TOBBACK Louis*	1,882.26	224.00	2,106.26	1,493.24	140.00	1,633.24
VAN DE PERRE Guy	-	-	-	1,066.60	359.08	1,425.68
VAN GERVEN Adinda	-	-	-	1,066.60	248.72	1,315.32
VERBEECK Paul*	5,238.82	666.32	5,905.14	2,123.24	416.50	2,539.74
VINGERHOETS Kristien	-	-	-	1,493.24	199.00	1,692.24
TOTAAL	71,419.94	9,996.81	81,425.75	58,136.76	10,717.74	68,854.50

Note 1:

the individuals marked * in the table above were directors of the company until the General Meeting of Shareholders on 28 March 2019

Note 2:

the director marked ** in the table above was a director during the period from March 2019 to July 2019

Note 3:

the director marked *** was a director of the company from 25 September 2019

Note 4:

the directors for whom no amounts are stated for 2018 were not directors of the company Fluvius System Operator or of the former companies Infrax cvba or Eandis System Operator cvba during that

For a correct interpretation of the table above, please note the following:

- The totals shown for each director are gross taxable amounts;
- the amounts shown are the total amounts paid to the directors concerned, including any amounts to which they were entitled as members of the Audit Committee, HR Committee and/or Strategic Committee;
- the amount of attendance payments stated also includes a monthly fixed remuneration for the whole of 2018 and for the period from January to March 2019, for directors of the former company Infrax only. From April 2019 this remuneration was no longer paid.

Other than the amounts above, no additional benefits were awarded or paid to the directors either in cash or in kind during or in relation to the years 2018 and 2019.

Management Committee

The total gross salary cost for 2019 for the members of the Management Committee was EUR 4,479,039.37. This gross salary cost is made up of three components:

(a) basic annual salary, i.e. gross salary, including holiday allowance and year-end bonus, before deduction of payroll taxes and social security contributions, (b) performance-based, variable compensation and (c) employer's pension costs. The comparable gross salary cost for 2018 was EUR 3,968,431.16. P.M.: the figures for 2018 and 2019 refer to a different number of Management Committee members.

Basic salaries are based on the internationally recognised Hay method, the results of which are consistent with the Belgian market. Compensation paid to members of the Management Committee is approved each year by the shareholders in the appropriate governance bodies.

The variable remuneration paid to members of the Management Committee is linked to the company's score on a number of carefully selected performance indicators. These indicators are produced and validated by the HR Committee, which also evaluates the scores achieved and the associated remuneration for the members of the Management Committee. In this way, the company aims to reinforce long-term policy perspectives and bind the managers

involved to the company on a more longterm basis; this is intended to promote continuity in the company's policy.

To maintain the privacy of the persons concerned, the company does not publish details of the performance of individual Management Committee members, and consequently does not provide details of their associated remuneration.

A number of the aforesaid key performance indicators are directly linked to sustainability and corporate social responsibility:

- the degree of collaboration with local authorities for energy services (energy savings and energy efficiency)
- external customer satisfaction
- the number of second-line complaints
- occupational accident statistics [frequency and severity, number of occupational accidents involving electricity and natural gas]
- the ecological footprint
- the training percentage
- · absenteeism.



IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL YEAR 2019

1

On 1 January 2020 four municipalities in the province of Antwerp (Malle, Ranst, Wommelgem and Zoersel) withdrew from the DSO Iveka and joined the DSO Fluvius Antwerpen.

Following this transfer the participation in the operating company Fluvius System Operator was reviewed, which led to a limited change in the shareholder structure of the two DSOs involved.

2

On 22 January 2020 the Board of Directors gave its approval to the strategic choice of Fluvius for its core tasks: 'Fluvius wants to be the multi-utility operator of (public) grids in the public domain, to maximise synergy', in four sectors:

- energy (electricity, gas and heat)
- public lighting (street lights and lighting of public squares, monuments, light-as-a-service)
- water (drinking water and/or sewerage, if regional opportunities arise)
- telecom (fibre, FTTH/5G, cable etc.) with the aim of setting up collaboration frameworks with the telecom operators for this.

This also includes setting up and managing the data platforms that are directly connected to the various utilities.

Fluvius also carries out the public service obligations within its remit and Fluvius will also offer the ESCO/EDLB service to support local authorities to help to make energy savings in municipal buildings.

3

On 3 September 2019 a gas explosion occurred in Wilrijk, at Ridderveld. There was sadly one fatality. The judicial investigation into this matter is ongoing.

4

The outbreak of the coronavirus in early 2020 and the results of the measures that have been taken to stem the virus may have an impact on our financial performance in 2020 and on the valuation of certain assets and liabilities. As a result, it is possible that we will have to make material adjustments to our accounts during the course of 2020 if certain asset items are negatively influenced, such as pension assets or the real value of strategic participations in Publi-T and Publigas. On the basis of the facts that are known today, we have no knowledge of any financial impact on the financial statements for 2019.

The Board of Directors, Brussels, 25 March 2020







In this section we will briefly look at a number of notable projects, figures and results from 2019. These have supported three main objectives that guide our activities.

WE PUT OUR CUSTOMERS FIRST





We are working to build a business which is a good place to work both today and tomorrow, for everyone who is on board with us.



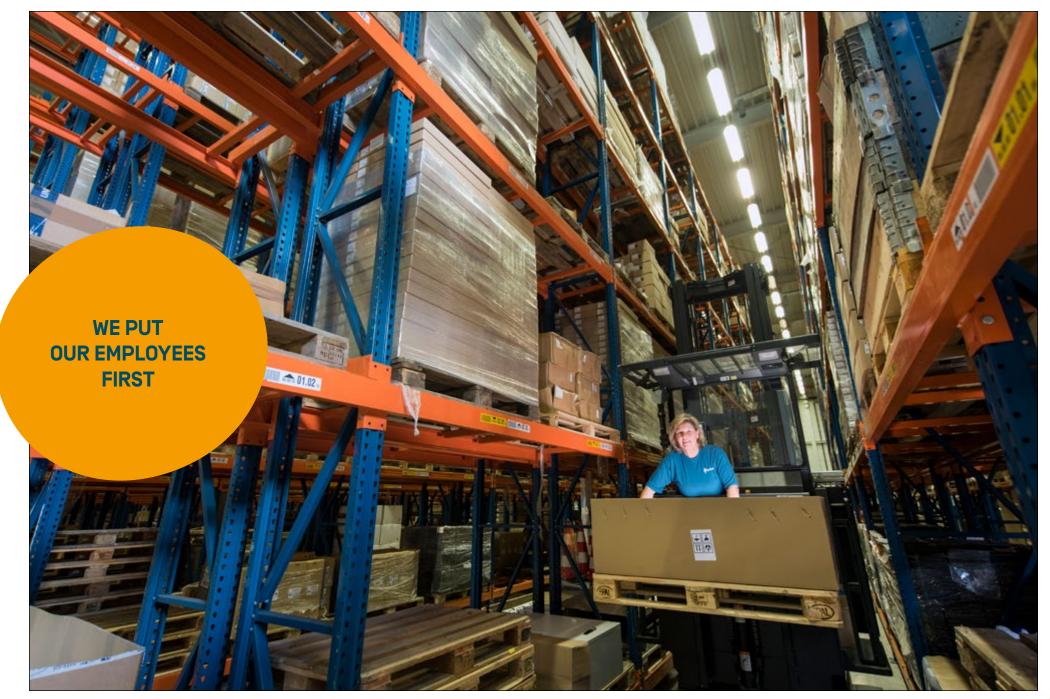
We make every effort to ensure that we provide a service to all those who call on Fluvius that easily meets his or her needs and expectations. Here we are thinking of our shareholders (the cities and municipalities in Flanders), and also of the 6.5 million Flemings who put their confidence in us in one way or another.





Fluvius is firmly embedded in Flemish society. We make efforts to treat those around us with care and in a way that is socially responsible. We think about the environment and keep in mind the wide range of stakeholders who are involved in our activities in one way or another, from contractors to the education sector.







Fluvius aims to be a good employer, for our existing employees and also for those who will be with us in the future. Eventually, we want to move towards being a Great Place to Work (GPTW). This international label is awarded to companies where employees enjoy their work and maintain a sense of camaraderie. People who work for Fluvius should be proud that they do. They should take pride in themselves, their job, and also in the team they work with. That is only possible when there is trust. That means trust in each other, but also trust in the management of the business.

In October 2019 we held a survey among our colleagues to find out to what extent they view Fluvius as a Great Place to Work. The final score of 61 percent gives us reason for hope, but we are not there yet. Before we can call ourselves a Great Place to Work, we need to reach a score of at least 70 percent. Thanks to this survey, which serves as a benchmark, we are able to draw up targeted action points and continue to push towards becoming a GPTW.

We are doing this by working on our internal culture (leadership and value-based working), relentlessly focusing on safety, and improving the well-being of our colleagues.





#allemaalfluvius

One of the key projects that should help us to become a GPTW is the #allemaalfluvius (it's all Fluvius) process.

#allemaalfluvius consists of two main clusters:



Working on trust, culture and shared leadership

This cluster comprises all the projects that shape the way we work internally: our new values, the introduction of the lean/agile methodology and the design of a flat organisational structure.

We are also working hard in the area of shared leadership. In simple terms this means that wherever possible, decisions are made by the people who do the work. That leads to a win/win situation: it means giving employees trust, input and autonomy. This sense of ownership increases their engagement and they enjoy their work more. Customers are helped more quickly and effectively, without too much hierarchical focus on process.

This choice requires a fundamental change in mentality among both leaders and employees. An intensive training process is taking place with all employees to allow them to find out about the new way of working.



Being and remaining versatile in a flexible organisation

An employee who is flexible and versatile needs three things. To be and remain versatile, he or she must be able to work (fitness), willing to work (motivation) and have the riaht skills.

In a rapidly changing professional environment, we need to change all the time and continuously undergo training. We are therefore working to help our employees to develop the right skills, for example through our own Fluvius Academy, an internal training centre. In 2019 Fluvius organised 16,300 training days for its own employees. In all, 4,970 employees attended at least one course. Fluvius provided 3,130 training days for our contractors' employees. A total of 1,375 employees attended at least one course.

As well as providing traditional forms of training, we have published several e-learning modules in 2019. Fluvius now offers 55 training courses via e-learning.

Brand new HR system: SUCCESS FACTORS

To be flexible and versatile. you must be in control of your own career. To help employees to achieve this, we developed SuccessFactors in 2019. It is a flexible, innovative HR software package consisting of a number of modules.

SuccessFactors integrates different systems and improves the interaction between processes. This results in a simpler 'system landscape'. That makes things easier and more efficient for everyone.

Every Fluvius employee manages her/his own personal data in SuccessFactors. With the 'Recruitment' module the tool also provides a brand new job site. Applying for jobs is a lot easier now, because the system remembers some of the details and fills them in for you.





Safety

Safety is an absolute top priority at Fluvius. In a culture of shared leadership this means everyone taking responsibility for their own safety and also that of colleagues and third parties.

Safe working starts with following the safety regulations that are described in our processes. However, there is more to it than that. Every Fluvius employee must think about safety, take additional safety measures and make decisions not to carry out the work if it cannot be done safely. We call this way of working the STOP principle.

One crucial element in this principle is that colleagues 'speak out' to others who show unsafe behaviour. That requires trust between employees. We are familiarising our employees with this process of speaking out to colleagues through lunch&learn sessions and training courses.

We also involve prevention (health and safety) advisers from our contractors to find out about our safety policy through an annual safety day. At this network event we deal with current themes interactively through workshops.

Industrial accidents

The most important parameters in terms of industrial accidents are severity and frequency. 2019 was not a good year.

Quantity	2015	2016	2017	2018	2019	Average 2015-2019
Industrial accidents	66	86	76	88	128	79.4
Accidents at work involving absence	19	35	28	31	64	27.4
Days of absence	537	767	670	576	1 199	605.4



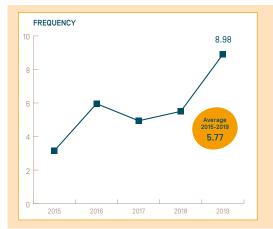
The graph above shows how the parameters have evolved over the long term.

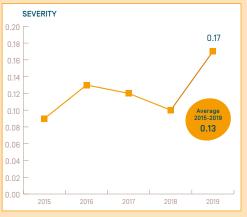
In 2019 we achieved a frequency figure (F) of 8.98. This figure corresponds to 64 accidents at work involving absence. The Severity figure (S) this year is 0.17. That corresponds to 1,199 days of absence from work. Although our target is to achieve 0 accidents involving electricity or natural gas, we had four of these in 2019.

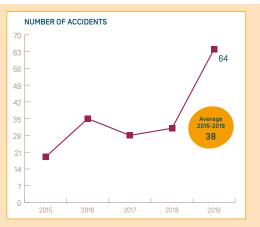
We have in 2019 not achieved our objective of keeping the F below 4.5, and the S below 0.09.

Approximately one in three accidents is the result of slips, trips and falls. The number of days of absence from work due to these accidents amounts to about 50 percent of the total. Through regular team meetings we raise this issue with all our employees every month.











Accidents involving electricity or natural gas

These are accidents involving one of our basic products: electricity or natural gas. Our ambition is clear every year because we do not tolerate accidents of this kind. In 2019 there were four accidents involving electricity or natural gas.

Quantity	2015	2016	2017	2018	2019	Average 2015-2019
Own staff	1	2	1	2	4	2
Contractors	2	2	1	1	6	2.4
Total	3	4	2	3	10	2.2

Welfare and well-being

Fluvius aims to have satisfied employees who feel comfortable in themselves. We think about welfare and well-being a lot and see it as important that everyone should keep their energy levels in balance.

We use the metaphor of four batteries to refer to the distribution of human energy:

- The meaning battery
- The mental battery
- The social battery
- The physical battery

Employees who are experiencing stress, family problems or health problems can contact one of our social workers. Fluvius also strongly believes in prevention.



Through these three structural initiatives we aim to ensure that all our colleagues at Fluvius stay happy and healthy:

Working with EnergyLab

Employees can have fitness tests and health scans carried out free of charge at Fluvius. Throughout the year we work with our partner EnergyLab to launch specific health campaigns to encourage our employees to have a healthier diet and get more exercise.

Well-being magazine: energy in your letterbox

This year every Fluvius employee again received the Welfare magazine. It is full of practical tips on ways to improve your energy levels. Employees can find inspiration in personal stories from colleagues who are managing their own well-being or helping others to do so.

Well-being checks via the Intranet

To keep this subject in the spotlight, we send our colleagues a Well-being Check every month. The aim is to inform and inspire them to care for their well-being. In each issue we focus on one aspect of one of the four energy batteries. One example is 'motivation', which is an ingredient in the Meaning battery.









To put our customers first in every situation, whatever the question and whatever the job. That means responding quickly and getting the work done rapidly, keeping waiting times and obstacles to a minimum. It means being close to our customers.

Customer satisfaction: exposing the difficult areas in order to do better

Across all our processes, customer satisfaction fell to 85.7 percent (from 87.7 percent in 2018). 'Fault management' together with 'Metering' has the largest number of 'delighted' customers. The processes 'Premium applications' and 'Budget meter' both have a large number of unsatisfied customers.

CSAT annual result					
Process	2019				
1. Premium applications	82%				
2. Fault management	86%				
3. Budget Meter	74%				
4. Connections	89%				
5. Survey & Installation	92%				
6. Metering	93%				
7. Local Generation	84%				
TOTAL	85.7%				

Additional indicators

The Net Promotor Score (NPS) is an important indicator of customer satisfaction. It indicates the extent to which a customer would recommend the company to others. Scores can be between -100 and + 100. The higher the score, the better.

Conclusion:

'Fault management' and 'Metering' score best here and consequently have the largest number of 'promotors'. 'Budget meter' and 'Local generation' have negative scores.

NPS annual result					
Process	2019				
1. Premium applications	11				
2. Fault management	46				
3. Budget Meter	-13				
4. Connections	25				
5. Survey & Installation	0				
6. Metering	39				
7. Local Generation	-6				
TOTAL	15				

The Customer Effort Score (CES) indicates the customer's experience during his 'customer journey'. It indicates the extent to which the customer feels he has had to make an effort to get something done in relation to the benefits that come from that action. Scores can be between -100 and + 100. The higher the score, the better.

Conclusion:

'Metering' is a process with a customer effort score that is significantly higher than all other processes. In other words, customers have the feeling that they do not have to go to much trouble.

The processes 'Premium application', 'Budget meter' and 'Local generation' are those for which customers feel that they have to make a relatively big effort. De Company Effort Score (CoEs) is een indicator die aangeeft in hoeverre de klant van oordeel is dat het bedrijf zich ingespannen heeft om hem te helpen. Scores kunnen tussen -100 en + 100 liggen. Hoe hoger de score, hoe beter.

Conclusie:

'Fault management' is the process with a significantly higher Company Effort Score than all the other processes. In other words customers feel that Fluvius has made a big effort.

Company effort score annual result					
Process	2019				
1. Premium applications	-2				
2. Fault management	47				
3. Budget Meter	-9				
4. Connections	23				
5. Survey & Installation	6				
6. Metering	12				
7. Local Generation	-28				
TOTAL	7				





Dealing with complaints

In 2019 Fluvius received 17,773 first-line complaints, as compared with 21,682 the previous year. This is 18% lower. We mainly see large falls in the areas of Energy Supply and Premiums. There were 2,225 second-line complaints. in 2018 there were 1,772.

Quantity	2016	2017	2018	2019
First-line	18,796	21,535	21,882	17,773
Second-line	1,809	2,036	1,772	2,225
TOTAL	20,605	23,571	23,634	19,998

Pilot project in the spotlight: helping customers through social media

Putting the customer first also means helping them to manage digital processes. Studies by research firm Gartner indicate that by 2022 only ten percent of customer contacts will be taking place by telephone.

Our REG policy and Premiums department has therefore launched a unique project. Customers can now use 'direct messaging' to ask us for help when they are applying for a premium, discount vouchers or a BENO (renovation subsidy) pass. This system has many advantages for the customer, and also for us. The initial results have been promising and both employees and customers are responding enthusiastically. 'Premium management' is a process that has not done particularly well in the customer satisfaction survey. We are taking immediate and robust action to deal with this. In future other Fluvius services and De Stroomlijn will be prepared for these new forms of digital communication. The ultimate aim is to

Responses from customers speak volumes:

alleviate our customers' worries

Super | Bedankt | Mercie voor alle moeite die je deed, ik apprecieer het enorm

Super, dankjewel voor de enorm snelle reactie. Nog een heel fijne dag,

Oh bedankt. Ik had btw bedrag ingegeven ipv bedrag inclusief btw. Wat een snelle service. Bedankt!!!

Gr Ann

Wat een service! 👍 😊

Sep 26 2019 - 11:44 AM

TOP deze manier is makkelijk om te communiceren in tegenstelling. Tot twee jaar terug als ik mijn premies aanvroeg 🙆 🙆 Sep 30 2019 - 12:49 PM

> Super, bedankt voor de hulp. Sep 27 2019 - 10:48 AM







Managing networks

Fluvius is a network business. We build public networks for electricity, natural gas, public lighting, sewerage, cable TV, telecom and heating. We give customers access to these public networks. And we provide services all around our utilities in safety, day and night. Reliability and affordability are the areas we are focusing on.

Network reliability

In 2019, the average Fluvius low voltage customer had to put up with 17 minutes and 47 seconds of cuts in supply from our distribution networks as a result of interruptions to the low-voltage and medium-voltage grid.

Fall in grid costs

The income from distribution grid tariffs for electricity will fall by EUR 83 million overall in 2020, and the income from natural gas will fall by EUR 14 million. Electricity distribution grid tariffs for households will fall for the third year running, partly due to the efficiency incentives imposed on Fluvius by the VREG. We can attribute these 'efficiency incentives' to our predictive asset management.

In 2020 households will be paying an average of EUR 31 less for electricity distribution grid tariffs, and EUR 10 less for natural gas distribution grid tariffs.

The 'prosumer' tariff is also falling by 5 percent. Companies will also see falling distribution grid tariffs in 2020. An SME with standard usage will pay an average of EUR 369 less for electricity distribution grid tariffs, and EUR 31 less for natural gas distribution grid tariffs. For larger businesses using medium voltage power, electricity distribution grid tariffs will fall by 5 percent on average.

Feed-in tariffs will be falling alongside purchase tariffs. The average fall for feed-in customers who are connected to medium voltage will be more than 5 percent.

Local generation on the rise

Fluvius is not responsible for generating any electricity at all. However, we play a crucial role in the transition of the Flemish electricity system into a more sustainable, low-carbon energy system. We take care of the connection of decentralised (= local) energy sources, which are often renewable. And we distribute the electricity that is generated via our networks.



The locally installed capacity on our grids is steadily increasing. Solar panels and wind turbines make up most of the renewable energy on our grids.

	9	6	kW		
Installed decentralised capacity	2019	2018	2019	2018	
solar panels <= 10 kW	34.5%	33.5%	1,876,371	1,651,537	
solar panels > 10 kW	21.6%	22.1%	1,174,674	1,091,769	
CHP	15.7%	15.1%	853,258	743,932	
wind turbines	20.6%	21.3%	1,123,046	1,050,836	
bio-CHP	3.9%	4.0%	212,946	196,876	
biomass	1.6%	1.8%	89,722	89,537	
other	2.1%	2.2%	114,908	107,363	
	100%	100%	5,445,038	4,931,849	



A few notable projects

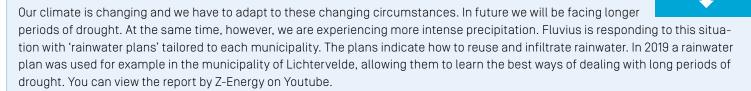
Natural gas: biomethane in Merksplas

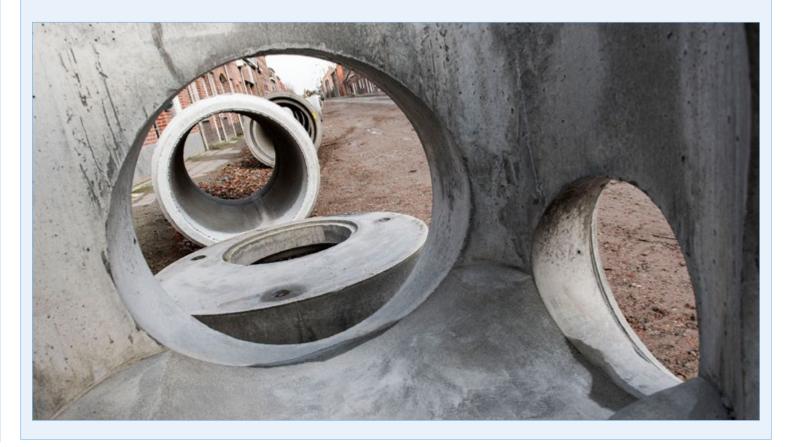


The use of fossil fuels is being reduced and eventually it will disappear completely. Fluvius has an extensive, high-quality natural gas grid and in future it wants to make this available to support alternative, greener sources of energy. Hydrogen and biogas are two examples. A pilot project involving biomethane has been running in Merksplas in 2019.

Biomethane is one of the possible ways of greening our natural gas supply. Many other approaches are also being investigated, including hydrogen. Merksplas is currently the only site where biomethane is produced and injected into the distribution grid. To do this we are working with the intermunicipal company IOK in Merksplas and energy company EBEM. The installation has been operational for a year now, and it runs continuously. We have acquired a lot of know-how in relation to the technical installation and ways of monitoring gas quality to obtain high-quality biomethane. At Fluvius we are ready to provide access to our grid for new projects.

Sewerage: rainwater plan in Lichtervelde







CLEAN WATER AND SANITATION

Public Lighting

VVSG, Fluvius and Agoria are aiming to use LED for all public lighting

At the VVSG Climate Day on 3 May in Ostend, the VVSG, Fluvius and the technology federation Agoria signed a declaration of intent setting out their ambitions relating to conversion of public lighting to LED in Flanders. The three partners want to fit all 1.2 million lights with smart LED technology by 2030 at the latest.

This is an investment, but it could help cities and municipalities to save EUR 54 million a year on energy consumption and reduce CO_2 emissions by 44,000 tonnes. Currently only eight percent of municipal public lighting uses LEDs. The declaration of intent includes the setting up of a project group in which the three parties will work with the cities and municipalities to find solutions to practical problems and share examples of good practice with each other and between local authorities.

The objective:

fit all 1.2 million lights with smart LED technology by 2030 at the latest

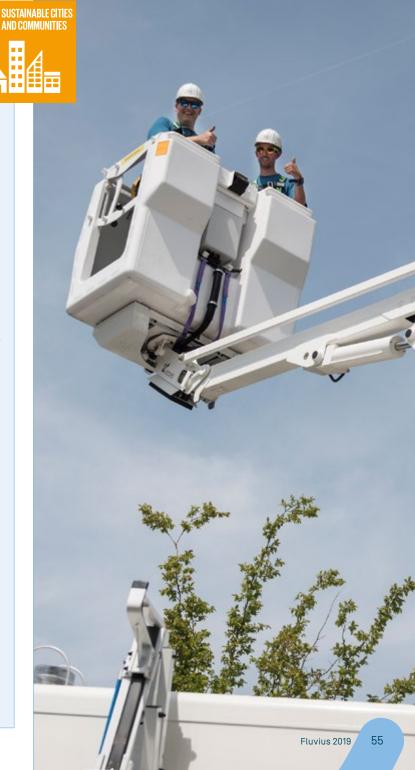
Light-as-a-service: accelerated investment in conversion to LED

At the end of 2019 a total of 240 cities and municipalities had officially joined our 'Lighting-as-a-service' service. Most of the other cities and municipalities were already preparing to join at that time.

At the Sugar Factory site in Veurne, Fluvius, the city of Veurne and WVI have set up a pilot project for dynamic lighting. Through the pilot project we want to investigate the impact of public lighting on local fauna. This is being done through a pilot installation in Brikkerijstraat, which runs right through the Suikerwater nature reserve. A smart camera will be testing in the coming months which sensor is best able to distinguish a cyclist or pedestrian from a water bird, rabbit or other fauna.

Fluvius, the city of Mechelen and the municipality of Bonheiden have been experimenting since December 2019 with connected public lighting along the N15. This is the result of a co-creation process as part of the Nachtraven (night life) project. Young people aged 16 to 24 have indicated that being safe when out walking is linked to good public lighting. The energy-efficient smart LED lamps are self-teaching and take into account the calendar of parties at De Loods and De Club

In recent weeks Fluvius has installed smart LED lamps along a 2.2 km segment of the N15 in the municipalities of Bonheiden and Mechelen. The lighting will respond to the presence of people, similar to the systems already present along the Vrouwvliet and Schoutetstraat in Mechelen.



Data Management

Fluvius manages a great deal of energy data. This includes consumption data of families and businesses, but also a lot of related data, such as addresses, technical information, relocation information and the energy contracts of each customer. Fluvius ensures that each energy supplier receives accurate information in a timely manner so as to enable them to draw up the annual final invoices. This is an important behind-the-scenes task, crucial to the operation of the energy market.

Digital meters: essential for the energy transition

The introduction of digital meters is crucial in the context of the energy transition, and also because the current mechanical meters will soon stop being manufactured. Digital meters offer significant basic functions for every customer, such as remote meter readings and more information about the energy consumption in a building or apartment.

In addition, digital electricity meters have two user ports to which customers can connect their own 'smart' devices to monitor their energy consumption in detail or control other electrical equipment such as smart washing machines or electric cars. Customers will therefore have the ability to control their own usage and feedins.

By 31 December 2019 Fluvius had installed 171,026 digital gas and electricity meters in Flanders. The number of households refusing the meters is under 1 percent.

Alongside the general roll-out of digital meters we have organised 2,040 extra training days for 2,520 attendees.



STATUS QUO ROLL-OUT END DECEMBER 2019 171026 Conversion target group 1844 Total digital meters Elek. 59% Of which 26,326 Of which 8,174 148,345 22,681 meters with meters with digital meters digital meters prosumers prosumers ■ Nieuwe aansluiting ■ DG Budgetmeters N.a.v. klantvraag N.a.v. storing DG Metrologie **Figures** Nieuwe prosument DG Piloot leuwe budgetmeterklant ■ Initiatief Fluvius ■ DG Prosument ■ Digitale meter op vraag Useful 157 customers new network tariff 1,473 customers "do not agree" 872 activated user ports information (58 customers were given a network tanif)



AND PRODUCTION

Sustainable mobility and buildings

Fluvius aims to make its expertise available in service of society. Working in conjunction with a large number of different partners, we are working towards a sustainable world.

We use our knowledge and capabilities as a lever to help use the natural resources of our planet [water, energy, etc.] in a rational way. We want to generate more renewable energy, reduce CO_2 emissions in Flanders and limit the number of kWh consumed to a minimum. As a facilitator, we put our knowledge to maximum use and work in collaboration with other parties.

'BENOvation': supporting sustainable investment

- 2019 was the year of 'BENOvation' that's BEtter reNovation. The intention is to put more effort into total renovation and bring down barriers by offering support with collective renovation.
- Anyone making energy efficient investments can apply to Fluvius for a grant (a 'premium'). In 2019, we paid out 108,707 premiums with a total value of around EUR 62 million.

In addition to these grants, since 2017 investors in residential buildings have also been eligible for extra 'total renovation bonuses' if they combine three or more measures in an overall renovation project. People who find running a renovation project off-putting have been able to join a Neighbours Premium project since 2017. The Neighbours Premium provides support for home renovations. If you renovate together with at least nine other people in your municipality, you will be supported by a professional BENOvation coach. The coach will do a lot of the work for you. They will provide renovation advice, help you carry out tasks in the right sequence, compare offers for you, provide advice on implementation and apply for all the premiums on your behalf. Fluvius pays the BENOvation coach for his or her work via the Neighbours Premium.

Fluvius also takes care of training the BENOvation coaches. Qualified and approved BENOvation coaches are now at work in every Flemish municipality.











Energy performance contract for City of Ghent

Ghent is increasingly becoming known in Flanders as an energy-aware city. It came to us for energy-efficient renovation of 12 school buildings and also the Museum of Fine Arts. Fluvius created an energy conservation plan and assisted the city in concluding an energy performance contract or EPC. This agreement will lead to energy costs being reduced by 16.3% over 15 years. There will also be benefits for the climate, because CO₂ emissions from properties in Ghent will be 536 tonnes lower each year. That is the equivalent of a forest covering 83 football fields.

EPC makes investment 'budget neutral'

While the survey, implementation and maintenance for large-scale projects like this are normally carried out by multiple parties, in an energy performance contract a single Energy Service Company or ESCO is responsible for all the various phases. In this case the temporary commercial association (Dutch: THV) SieSpie is taking on this role. The planned energy saving is contractually determined at the outset. This is a 'budget neutral' energy plan, and the total savings over 15 years are enough to finance the investment of FUR 5 million.



Fluvius provides support

Fluvius is supporting the city from start to finish. It conducted the negotiations, produced the contract specifications and was involved right up to the contract being awarded to SieSpie as the ESCO. Fluvius will also measure and check every year throughout the duration of the contract to ensure that the anticipated savings are achieved.

Guaranteed savings

The city did not impose any predefined targets, except that the whole concept would be budget neutral. There is a 15 year saving guarantee built into the contract. If this is not achieved, the ESCO will reimburse the city for the difference. If the results are better than anticipated, the additional proceeds will be divided equally between the city and the ESCO. Since the ESCO is also responsible for monitoring and maintenance for 15 years, the City of Ghent will also save on its own maintenance costs.

A 16 year period

The whole EPC runs over 16 years and begins in 2020. All renovation and alteration work in the 12 schools in Ghent and in the Museum of Fine Arts will start and finish in the first year, which is also called the building year. The advantage of this is that the implementation will produce a return from the second year onwards. That will continue over 15 years.

Sustainable figures

In 2019, a total of 1,400 unique users visited our E-lyse energy management platform. We issued more than 500 energy recommendations. The projects we delivered together accounted for 5,700 tonnes in CO₂ reductions.



Combating energy poverty

As one of the 'social public service obligations' which the government has assigned to Fluvius, we accept customers who have been terminated or 'dropped' by their commercial providers. We are constantly trying to improve the extensive range of services we provide to ensure that customers remain or become debt free. This allows them to take out a new contract with a commercial energy supplier.

We also go further than this. Fluvius wants to combat poverty in general and energy poverty in particular. Our expertise allows us to make a contribution in this area. We are addressing this challenge together with a large group of partners.

We are also targeting energy efficiency for more vulnerable target groups: by promoting energy-aware behaviour and also by encouraging energy-aware investments.

In 2019, 21,455 energy scans were carried out, allowing households in the vulnerable target group to receive specific tips on how to reduce their energy costs. In addition, a range of small-scale energy-saving measures (LED bulbs, water-saving shower heads, draught excluder strips etc.) are installed each time a scan is carried out.

We also encourage people in the target group to invest in energy-efficient appliances. In 2019, 4,643 discount vouchers were applied for, each worth EUR 150. These are available for the purchase of a low-energy fridge or washing machine.

Project spotlight: ASSIST

In September 25 Fluvius employees began working as volunteer Household Energy Advisers (HEAs). They are part of ASSIST, a project intended to reduce energy poverty. One of its goals is to reduce energy bills by 7 percent by visiting 750 vulnerable individuals at home. The HEAs carry out an energy scan of the home and look at the energy bill. If the residents are not on a social tariff, they first take the V-test. ASSIST is a European Commission project. The participating countries are Belgium, Italy, Spain, the UK, Poland and Finland. Together they are combating energy poverty by offering guidance to vulnerable consumers. At the end of the project the participants want their results to have an impact on European policy.





Smart budget meter

In 2019 there were 8,450 activated smart budget meters installed for 5,476 different customers.

Of all the payments made for the activated smart budget meters, 75 percent are made online via mijndigitalebudgetmeter.be (the web portal). These customers now make payments from home and no longer need to travel to a customer office or charging point.





OCMW experience sessions

Fluvius organised experience sessions for OCMWs (Public Centres for Social Welfare) at six venues in Flanders in both spring and autumn. At these events social workers from the OCMW were able to attend demo sessions on smart budget meters and the accompanying payment platform. Also present were: LAC (Local Advisory Committee) chairs, Samenlevingsopbouw (a community development association), the Energy Ombudsman and representatives from the Flemish Energy Agency (VEA). The sessions in spring and autumn welcomed 1,200 participants in all.







In the previous sections we have looked at efforts made by Fluvius to provide effective support to both employees and customers. These are major challenges, but we are looking further. We can also play a major significant role in Flemish society in general, and for a number of specific stakeholders in particular. Corporate social responsibility is an integral part of the way we run our business. Our choices to work in ecological and sustainable ways and to engage in collaboration demonstrate our care for the environment.

Dealing with environmental incidents

Our environmental department received three incident reports in 2019. There were 16 environmental complaints, which can be analysed as follows:

Light nuisance	6
Odour nuisance	2
Radiation	3
Noise nuisance	5





Electric First: a focused choice in favour of sustainable mobility

Since 2019 Fluvius has been pursuing an Electric First policy for its company vehicles. In the past year we replaced 276 diesel and petrol cars with full electric or CNG vehicles.

In the next 10 years Fluvius will be replacing about 800 company vehicles and it always chooses the greenest alternative available. If there is a 100 percent electric model on the market that is suitable for the job in terms of range or charge capacity, then electric is the first choice for Fluvius. At present that is mainly the case for passenger cars and small vans.

In specific cases, such as larger vans, CNG is a more suitable alternative at present. This is mainly for those who have higher mileage or carry heavier equipment. The decision to go 'as green as possible' and 'electric when possible' means that Fluvius will eventually be saving more than 1 million litres of diesel per year.

Number of sustainable company vehicles at Fluvius

Driving	2016	2017	2018	2019
CNG	46	74	175	246
Electricity	16	27	61	61
Plug-in hybrid	44	62	116	206

Green deal: ecological choices for our business management

Two years ago the partnership Flanders Circular created the 'Green Deal', which is a voluntary agreement between (private) partners and the Flemish Government to start up a green project together. This pursues environmental goals that are consistent with sound business management.

A Green Deal is a best effort obligation, with all parties undertaking to do everything in their power to make the project work. The throughput time should ideally be no more than three to four years. Through collaboration between our Environmental department, our Waste Management department and our Purchasing department in a single project team, Fluvius has engaged in Green Deals spanning a number of areas.

Here are some details on two of them:

Green Deal Circular T-shirts

Fluvius has a new range of uniforms, which means we have no further use for the uniforms used by the former companies. We are collecting these so that they can be sustainably processed. A proportion of these items are T-shirts and polo shirts made from high-quality fabrics. We are recycling these into 'circular T-shirts'. We completely break down these T-shirts and polo shirts into the smallest fragments of fibre. The fibres are then spun back into yarn, which is then used to make a brand new Fluvius T-shirt. What will it look like? We will certainly be going for ecodesign. That means designing them in the most ecological way possible, so that they can be recycled again even after this second life. For example it is necessary to avoid printing on excessively large areas, because printed parts cannot be reused.





Green Deal Digital Meter Chain

The arrival of digital meters has been the starting point for a structural reflection on the ecodesign of new electronic assets. We also wanted to provide a solution for the large flows of materials coming from the grid due to the rollout of the digital meter chain. We have made an undertaking through a Green Deal to investigate these opportunities. During this process we came across the expected quantity of 25S60 meter cabinets and the difficulty of recycling them because the covers contain flame retardants.

After an in-depth survey, our new waste processor found a more environmentally friendly way of processing the covers. They are now recycled into granules, which can be reused in plastic processing industries. When you consider that the roll-out of digital meters means processing 980 tonnes of old meter cabinet covers, you will understand that this allows us to avoid creating a large flow of waste which would otherwise be non-recoverable.

Working hard for a good cause

Under the heading of Fluvius – Good Causes, Fluvius has entered into sustained long-term collaborations with "De Voedselbanken" [The Food Banks] and "Kom op tegen kanker" [Action against Cancer]. A shared commitment and good relationships between our employees and the good cause are the keys to success.

On 11 May 2019 Fluvius and the Food Banks entered into an official collaboration agreement. Our partnership is not based on financial support, but rather on structural help with Fluvius mainly making people available. Our employees are rolling up their sleeves outside working hours to help the 170,000 volunteers at the Food Banks. They strengthen and inspire each other. It is noticeable that the Food Banks and Fluvius, as a social supplier, are in some cases helping the same target groups.

The Food Banks and its member associations have again been able to make use of:

- fully depreciated office furniture coming available due to the refurbishment of our site in Mechelen
- volunteer work done by teams of Fluvius employees (10 of them). We have redecorated buildings, cleared warehouses and collected toys
- use of our infrastructure for official Food Banks events.

In addition to material and practical support, Fluvius employees are also doing their bit to help with fundraising. The high point in 2019 was the Warmest Week. Dozens of projects and activities, purchase of more than 2,000 gadgets and donations of incentive budgets allowed us to hand over a cheque for EUR 45,449 to the Food Banks.

In 2019 we have also integrated our annual Action against Cancer campaign (an existing initiative at Infrax) within Fluvius - Good Causes.

During the Ascension Day weekend, the tenth '1000 km for Action against Cancer' took place. Thanks to all our colleagues at Fluvius we were able to contribute EUR 65,000 to the good cause. Our runners also contributed a further EUR 10,000 through their participation in 'The 100 km run'. This meant that we donated a total of EUR 75,000.





Close links with the education sector

Dual learning at Fluvius

Fluvius offers training courses and work experience in the form of dual learning. Since the 2018 – 2019 academic year we have students from the 'Logistics' course with us. In the 2019–2020 academic year we are starting a new 'Utilities Installer' course.

In our Fluvius Academy we prepare our engineers to build our grids, repair them and maintain them and also connect customers to them. The students on this dual course will regularly attend the Academy to learn the tricks of the trade in a structured way. They will then be able to use the knowledge they have acquired in practice, with supervision from experienced technicians.

On placement

Young people in technical education courses have the opportunity for a brief practical training placement at Fluvius during the Easter holidays. In 2019, 20 pupils in their final year at technical and vocational secondary education institutes were introduced to the technical and safety aspects of energy distribution in a professional environment. This took place under the competent guidance of Fluvius trainers.

Fluvius has organised a total of 210 days for schools. A total of 408 pupils/students from 25 different schools attended technical courses in one of our training centres.



Contractors as important partners

On 8 May 2019 the first Contractors Evening was held in Lubbeek. Business leaders were given an update on our planned investments and projects, and entered into a dialogue with our managers.

Specifically for projects that require a large amount of contractor capacity in a very short time, colleagues from Supply Chain are focusing on new forms of collaboration, including turnkey projects and an adapted qualification system. In this way we are adapting our needs better to the existing contractor market. We are also giving contractors more opportunities to organise themselves in the most efficient way and also to move towards becoming 'multi-utility'.

We are making the training we provide as flexible as possible. Fluvius has extended the validity of contractor passes to five years. Through the introduction of a number of new passes and shortened training processes for employees with prior technical knowledge, contractors are able to prepare their employees for specific missions more quickly. At the same time we are also increasing our training capacity, partly by opening a new workshop in Torhout and using external teachers.

Fire extinguisher installation for fires involving gas in Zedelgem

On 31 August WOBRA (West Flanders Training Centre for Fire, Rescue and Ambulance Services) and Fluvius commissioned a unique gas installation to provide training courses on techniques to use in extinguishing fires involving gas. In the past, fire department workers and engineers could only complete this course at the PIVO (Provincial Institute for Training and Education) in Asse, but the course is now also available at the POV (Provincial Training Centre for Safety Departments) in Zedelgem.







GRI-TABLE

Universal Standards

Code	Description	Page Reference	2019	Remarks / References
102-1	Name of the organisation		Fluvius System Operator cv	
102-2	Activities, brands, products, and services		distribution of electricity and gas; sewerage; cable TV infrastructure; data management; district heating; public lighting	
102-3	Location of headquarters		Brusselsesteenweg 199, B-9090 Melle (Belgium)	
102-4	Location of operations		all Flemish cities and municipalities	
102-5	Ownership and legal form		cooperative society with limited liability - 100% of the share capital in each intermunicipal mission entrusted association is held by the Flemish cities and muncipalities	as from 1 January 2020 the legal form 'cooperative society witjh limited liability has been replaced by 'cooperative society' due to changes to the Belgian Code of Companies and Associations
102-6	Markets served		our customers are households, SMEs, large enterprises and public authoritiesd, exclusively within the Flemish Region	
102-7	Scale of the organisation		4.616 employees (including Fluvius 0V: 5.419) / revenu 1,69 billion € / balance sheet total 5,16 billion € / equity 1,5 million €	BE-GAAP; consolidated 31 December 2019
102-8	Information on employees and other workers	page 15	contract unlimited duration: 4.373 - limited duration: 233 - focus groups: 10 / M: 3.302 - F: 1.314 / full-time: 3.647 - part-time: 969	figures about Fluvius System Operator (31 December 2019) / Fluvius engages subcntractors for part of its activities
102-9	Supply chain			
102-10	Significant changes to the organisation and its supply chain	page 17	take-over of Integan (activities and staff) on 1 April 2019	see Report by the Board of Directors
102-11	Precautionary principle or approach	page 28	Fluvius has implemented an integral risk management policy	
102-12	External initiatives		Fluvius is a sigantory to the E.DSO Sustainable Grid Charter. E.DSO is the European association of distribution grid operators.	https://www.edsoforsmartgrids.eu/the-e-dso-sustainable-grid-charter-highlights-the-contribution-of-dsos-to-a-sustainable-future/



102-13	Membership of associations		Fluvius is a member of [1] the federal sector organisation Synergrid, [2] E.DSO, the European association of distribution grid operators, [3] The Shift, Belgian network for the transition towards a sustainable society and economy [non-exhaustive list]	www.synergrid.be/www.edsoforsmartgrids.eu/www.theshift.be
102-14	Statement from senior decision-maker	page 5		See Preface by the Chairman
102-15	Key impacts, risks, and opportunities	pages 10-13		see Report by the Board of Directors (policy on risks and risk management)
102-16	Values, principles, standards, and norms of behaviour	page 10	Mission, vision, strategy and values are laid down in documents. Norms of behaviour are included in the Ethical Charter.	see company website https://over.fluvius.be/nl/thema / see Report by the Board of Directors
102-17	Mechanisms for advice and concerns about ethics	page 27	The Ethical Charter is used as a guide for ethical behaviour. Unethical behaviour can be signalled. Art. 25 of the Labour regulation guarantees an independent and objective treatment of reported infringements.	
102-18	Governance structure	page 9 pages 18-20	All shareholders are represented in the General Assembly. The highest governing body is the Board of Directors. The Board is assisted by the Audit Committee, the HR Committee and the Strategic Comittee. Day-to-day management of the company is entrusted to the Management Committee. On specific CSR topics, the Management Committee is assisted by the internal CSR Board.	also see the Report by the Board of Directors for detailed information
102-19	Delegating authority		Sustainability policy is part of the general operational duty of the management; the CSR Board coordinates and advises the CSR and sustainability policies.	also consult the CSR Charter
102-20	Executive-level responsibility for economic, environmental, and social topics		The general responsibility is with the Management Committee. The CSR Board ischaired by the secretary-General (member of the Management Committee).	see 103-2
102-21	Consulting stakeholders on economic, environmental, and social topics	page 11	At the end of 2018 Fluvius carried out an extensive materiality and urgency analysis including stakeholder inquiry, in collaboration with an external consultant	see Activity Report 2018 and website
102-22	Composition of the highest governance body and its committees	pages 21-25		see Report by the Board of Directors
102-23	Chair of the highest governance body	page 21	The Chair of the Board of Directors and the CEO are separated functions	
102-24	Nominating and selecting the highest governance body		The General Assembly appoints the members of the Board of Directors on nomination by the shareholders. A compulsory rule of 2/3-1/3 is applied on gender diversity.	
102-25	Conflicts of interest	page 22	The Corporate Governance Charter includes relevant stipulations. The energy regulator is closely monitoring on a permanent basis.	



102-26	Role of highest governance body in setting purpose, values, and strategy	page 10	The Borad of Directors establishes the mission, vision, strategy and the performance indicators. Management is to implement these.	
102-27	Collective knowledge of highest governance body	page 22	After the complete renewal of the Board of Directors (spring 2019) the directors received an extensive training.	
102-28	Evaluating the highest governance body		No formal evaluation takes place	
102-29	Identifying and managing economic, environmental, and social impacts	page 11	see the materiality and urgency analysis based on a stakeholder dialogue (end 2018)	also see 102-21
102-30	Effectiveness of risk management processes	page 28	Risk management is part of the integral risk management monitored by the Borad of Directors and the Audit Committee. Fluvius has its own independent Internal Audit department, which reports its findings and recommendations directly to the CEO and the Audit Committee/Board of Directors.	
102-31	Review of economic, environmental, and social topics		This has not been formally established, but is part of the frequent review process of the corporate strategy.	
102-32	Highest governance body's role in sustainability reporting		The Board of Directors - on proposal of the Management Committee - approves the annual Activity Report/CSR Report.	
102-33	Communicating critical concerns		The Management Committee reports to the Audit Committee and the Board of Directors.	
102-34	Nature and total number of critical concerns		No critical concerns have been signalled to the Board of Directors during 2019	
102-35	Remuneration policies	pages 38-40		see Remuneration Report in the Report by the Board of Directors
102-36	Process for determining remuneration	page 40	The general remuneration policy is based on sectoral collective bargaining agreements, with annual detailed reporting to the HR Committee. Variable remuneration for Management Committee members is based on a number of LT KPIs. Collective Bargaining Agreement 90 for executive staff and employees allows for a bonus on condition that some predefined targets are met.	
102-37	Stakeholders' involvement in remuneration		Stakeholders are not involved in the remuneration policies	
102-38	Annual total compensation ratio		data not available	
102-39	Percentage increase in annual total compensation ratio		data not available	
102-40	List of stakeholder groups			see Activity Report and materiality analysis



102-41	Collective bargaining agreements		100%	
102-42	Identifying and selecting stakeholders		Identification and selection of stakeholders took place prior to the materiality analysis	also check 102-21
102-43	Approach to stakeholder engagement		The stakeholder inquiry (end 2018) was an online questionnaire	also check 102-22
102-44	Key topics and concerns raised			see 102-21
102-45	Entities included in the consolidated financial statements	page 19	Fluvius System Operator is the consolidating entity. Are being consolidated: De Stroomlijn, Atrias, Synductis. The consolidated entities are not included in the CSR reporting	see for more details the Report by the Board of Directors
102-46	Defining report content and topic Boundaries		The selection and definition of topics are primarily determined by the corporate strategy laid out and the elements indicated by the materiality analysis	
102-47	List of material topics	page 11	Identification and selection of material topics was the object of the materiality analysis	see 102-21
102-48	Restatements of information		none	
102-49	Changes in reporting		none	
102-50	Reporting period		01.01.2019-31.12.2019	
102-51	Date of most recent report		25/03/2020	
102-52	Reporting cycle		per calendar year	
102-53	Contact point for questions regarding the report		per e-mail: investors@fluvius.be	
102-54	Claims of reporting in accordance with the GRI Standards		This report is compiled in accordance with the GRI Standards, core option.	
102-55	GRI content index		see this table	
102-56	External assurance		Assurance by the external auditor on the presence of the non-financial information, as imposed by the law of 3 September 2017. The auditor's findings are included in the Auditor's Report.	
103-1	Explanation of the material topic and its Boundary	page 11	The material aspects have been identified in the materiality analysis	see 102-21
103-2	The management approach and its components			see Report by the Board of Directors
103-3	Evaluation of the management approach		not applicable	
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201-1	Direct economic value generated and distributed	Turnover: 1,65 billion € / materials & services: 1,2 billion € / wages: 456,8 million € / financial costs: 128,6 million €	BE-GAAP, consolidated; more details are to be found in the 2019 financial statements
201-2	Financial implications and other risks and opportunities due to climate change	Fluvius wants to assist the Flemish local authorities with hands-on advice and projects to help them obtain their climate objectives (Covenant of Mayors and others). Fluvius is aware of the following LT trends: energy transition towards a carbon-low, flexible and renewable energy system, the potential futura of natural gas as a fossil fuel, investments in clean surface and river water. The exact financial impact has not been calculated.	
201-3	Defined benefit plan obligations and other retirement plans		see financial reporting
201-4	Financial assistance received from government	no assistance of financially material scope	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	data not available	
202-2	Proportion of senior management hired from the local community	100% (local community = Flemish Region)	
203-1	Infrastructure investments and services supported	the company invests on behalf of its shareholders in maintenance, development, safety and reliability of the grid infrastructure for several utility services. Gross investments in infrastructure and related items: 859,4 million €.	For more financial details on investments, see financial reporting and Report by the Board of Directors
203-2	Significant indirect economic impacts	Fluvius's value propositions describe how and in which areas the company wants to bring about a positive impact on Flemish society. The Flemish local authorities are being supported by Fluvius in their efforts towards energy savings, energy efficiency and realizing their climate objectives.	
204-1	Proportion of spending on local suppliers		local market = Belgium
205-1	Operations assessed for risks related to corruption	100%, through the terms of reference in procurement procedures	
205-2	Communication and training about anti- corruption policies and procedures	The Ethical Charter was introduced to all employees. The Purchasing Dept. offers specific training for its employees.	published on website (see 102-16)
205-3	Confirmed incidents of corruption and actions taken	no known cases	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	none	
301-1	Materials used by weight or volume	not applicable	



Recycled materials used		not applicable
Reclaimed products and their packaging materials		not applicable
Energy consumption within the organisation		due to the merger into Fluvius and as a consequence of different methods of measuring at the former companies, no reliable data are available at this moment
Energy consumption outside of the organisation		data not available
Energy intensity		data not available
Reduction of energy consumption		see remark at 302-1
Reductions in energy requirements of products and services		not applicable
Water withdrawal by source		not applicable
Water sources significantly affected by withdrawal of water		not applicable
Water recycled and reused		not applicable
Operational sites owned, leases, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		not applicable
Significant impacts of activities, products, and services on biodiversity	page 55	public lighting may have an impact on fauna - Fluvius investigates new technology to reduce this impact to a minimum
Habitats protected or restored		not applicable
IUCN Red List species and national conservation list species with habitats in areas affected by operations		not applicable
Direct (scope 1) GHG emissions		Data on emissions scope 1-3 are bundled in one single calculation of the ecological footprint. Due to the merger Eandis/Infrax and the fact that both ex-companies used different methods of calculation for GHG emissions, we currently do not have validated data available.
Energy indirect (scope 2) GHG emissions		
Other indirect (scope 3) GHG emissions		
	Reclaimed products and their packaging materials Energy consumption within the organisation Energy consumption outside of the organisation Energy intensity Reduction of energy consumption Reductions in energy requirements of products and services Water withdrawal by source Water sources significantly affected by withdrawal of water Water recycled and reused Operational sites owned, leases, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas Significant impacts of activities, products, and services on biodiversity Habitats protected or restored IUCN Red List species and national conservation list species with habitats in areas affected by operations Direct (scope 1) GHG emissions Energy indirect (scope 2) GHG emissions	Reclaimed products and their packaging materials Energy consumption within the organisation Energy consumption outside of the organisation Energy intensity Reduction of energy consumption Reductions in energy requirements of products and services Water withdrawal by source Water sources significantly affected by withdrawal of water Water recycled and reused Operational sites owned, leases, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas Significant impacts of activities, products, and services on biodiversity Habitats protected or restored IUCN Red List species and national conservation list species with habitats in areas affected by operations Direct (scope 1) GHG emissions Energy indirect (scope 2) GHG emissions



305-4	GHG emissions intensity		not applicable	
305-5	Reduction of GHG emissions			
305-6	Emissions of ozone-depleting substances [ODS]		not applicable	
305-7	NOx, SOx and other significant air emissions		not applicable	
306-1	Water discharge by quality and destination		not applicable	
306-2	Waste by type and disposal method		no validated data available - Fluvius maximises trhe use of separate waste streams	
306-3	Significant spills		not applicable	
306-4	Transport of hazardous waste		excavated soil is treated according to all legal dispositions	
306-5	Water bodies affected by water discharges and/ or runoff		not applicable	
307-1	Non-compliance with environmental laws and regulations	page 63	3 environment-related incidents reported	
308-1	New suppliers that were screened using environmental criteria		compulsory exclusion grounds: fraud, child labour, illegal labour / facultative exclusion grounds: infringements on environmental, labour and social laws / similar clauses in terms of reference / collaboration with social inspection authorities / major suppliers of products [80 suppliers and 128 production sites]: check of CSR policies and frequent onsite audits [2019: approx 80 site visits]	
308-2	Negative environmental impacts in the supply chain and actions taken		since 2019, Fluvius is affiliated with the Ecovadis platform for the screening of suppliers	
401-1	New employee hires and employee turnover		936 hires (785 full-time, 151 part-time) / 194 exits (165 ful-time, 29 part-time)	alsdo see Social Balance Sheet in financial reporting
401-2	Benefits provided to full-time employees that are not provided temporary or part-time employees		All pay-outs and benefits for full-time employees are also available, on a pro rata basis, for part-time employees	
401-3	Parenting leave		3.236 days of parenting leave (= 0,28% of total number of labour days)	all employees in parenting leave remain employed, so a 100% retention rate
402-1	Minimum notice periods regarding operational changes		fully conforming to Belgian labour legislation	take-over of Integan staff (1 April 2019) carried out with complete retezntion of existing rights and obligations for all employees involved



	Workers representation in formal joint		100% of employees is represented through elected	
403-1	management-worker health and safety		Committees for Prevention & Protection at the	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	page 47	Workplace, conforming to Belgian labour legislation Occupational accidents: frequency: 10,02 / gravityt: 0,14 / number of lost labour days: 1.093 / number of occupational accidents wit labour days lost: 80. Illness: 58.345 days of illness / no work-related fatalities	
103-3	Workers with high incidence or high risk of diseasesrelated to their occupation		Fluvius registers employees with risk of possible exposure to lead or asbestos, but the company is of the opinion that this does not involve a high risk of occupational disease. Fluvius implements an active policy of maximum risk reduction.	
103-4	health and safety topics covered in formal agreements with trade unions		Conforming the existing Collective Bargaining Agreements valid for the sector of gas and electricity companies in Belgium	
404-1	Average hours of training per year per employee	page 46	25,29 hours/employee	also see Social Balance Sheet in financial reporting
104-2	Programmes for upgrading employee skills and transition assistance programmes	page 46	is part of the entire scale of training programmes on offer	
104-3	Percentage of employees receiving regular performance and career development reviews		All employees (management, executives, others) are involved in performance evaluation. There is a wide offer of career development available for all our employees	
405-1	Diversity of governance bodies and employees	page 26		see Report by the Board of Directors
405-2	Ratio of basic salary and remuneration of women to men	page 26	Wages at every level are completely independent of the employee's gender. the bi-annual Wage Gap Report (2017-2018) has shown that [1] gender neutrality is guaranteed [2] that salary is only determined by the nature of the executed job ('method of qualification') and [3] no action plan is needed. The Wage Gap Report is extensively discussed by the Works Council.	
406-1	Incidents of discrimination and corrective actions taken		none	
107-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		no operations with such risk	also see 102-41
408-1	Operations and suppliers at significant risk for incidents of child labour		no operations with such risks	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		no operations with such risks	



410-1	Security personnel trained in human rights policiesor procedures		not applicable	
411-1	Incidents of violations involving rights of indigenous peoples		not applicable	
412-1	Operations that have been screened to human rights reviews or impact assessments		not applicable	
412-2	Employee training on human rights policies or procedures		not applicable	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		In administrative terms of reference conditions are included in line with the norms of the International Labour Organisation (ILO). Potential suppliers underwrite a Code of Conduct, which also involves their own (sub) contractors, suppliers and holders of licences.	
413-1	Operations with local community engagement, impact assessment, and development programmes		Fluvius is an active partner for the Flemish local authorities (300 cities and municipalities).	
413-2	Operations with significant actual and potential impact on local communities		not applicable	
414-1	New suppliers that were screened using social criteria		data not available	
414-2	Negative social impacts in the supply chain and actions taken		see 308-2	also see 407-1, 408-1 and 409-1
415-1	Politcal contributions		none	
416-1	Assessment of the health and safety impacts of product and service categories	pages 47-48	Fluvius is well aware of the potential hazards of electricity and gas. That is why the company astrives for a full-fledged safety culture within the organisation. Externally, all necessary safety precautions are implemented.	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		none	
417-1	Requirements for product and service information and labeling		not applicable	
417-2	Incidents of non-compliance concerning product and service information and labeling		not applicable	
417-3	Incidents of non-compliance concerning marketing communications		no incidents reported	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		none	
419-1	Non-compliance with laws and regulations in the social and economic area		no incidents reported during 2019	



GRI 103	Management approach			
103-1	Explanation of the material topic and its Boundary	Page 11	Fluvius has identified and quantified the material topics on the basis of a materiality and maturity analysis (end of 2018). The Fluvius Corporate Social Responsibility Charter sets out the company's commitments in relation to a wide range of CSR and sustainability aspects. See 2018 Activity Report for more information. See CSR Charter at https://over.fluvius.be/sites/fluvius/files/2019-12/9010106-mvo-charter-2019.pdf	
103-2	Approach, purpose, and components (policies, commitments, goals & targets, responsibilities, resources, grievance mechanisms, specific actions)		The Management Committee has set up an internal CSR Board (chaired by the secretary-general) with the mission to coordinate and assist in the CSR and sustainability policies at Fluvius. The Management Committee reports to the Board of Directors. Also see the Activity Report.	
103-3	Evaluation of the management approach		There is no formal evaluation.	
GRI 201	Economic performance		Fluvius worls at cost price for its shareholders, being 11 intermunicipal mission entrusted assoiactions. As such, it does not realise any profits. The economic performance of the Fluvius shareholders (allowed remuneration in the form of dividends) are primarily determined by regulation.	
GRI 202	Market presence		Fluvius has operations in all 300 Flemish cities and municipalities.	
GRI 203	Indirect economic impact		As a multi-utility company, Fluvius has an impact through multiple utility services (energy, sewerage, cable infrastructure, district heating etc.). The economic impact is on the level of grid infrastructures (building, maintenance, replacement) and the necessary funding and direct/indirect employment	
GRI 204	Procurement practices		More than 90% of the pruchasing by Fluvius is subject to the law on Public Procurement.	
GRI 205	Anti-corruption	Page 26	Anti-corruption is part of Fluvius's Ethical Charter and CSR Charter. Also see the Activity Report	
GRI 206	Anti-competitive behaviour		Not applicable, in view of the regulatory framework for the company's core activities	
GRI 301	Materials		Is part of the company's global environmental plan.	



GRI 302	Energy		Is part of the company's global environmental plan.	
GRI 303	Water		Is part of the company's global environmental plan.	
GRI 304	Biodiversity		Is part of the company's global environmental plan.	
GRI 305	Emissions		Is part of the company's global environmental plan.	
GRI 306	Effluents and waste		Is part of the company's global environmental plan.	
GRI 307	Environmental compliance		Is part of the company's global environmental plan.	
GRI 308	Supplier environmental assessment		is included in the terms of reference used in purchasing	see also 205-1, 308-1
GRI 401	Employment		No specifiic actions taken; labour legislation is rigorously implemented internally. External assurance is possible.	see also 102-41
GRI 402	Labour/Management relations		Consultation employer/employees is organised conforming the principles enshrined in Belgian labour legislation(Works Council, Committees Safety & Prevention in the Workplace, local trade union delegations)	
GRI 403	Occupational health and safety		Specific department is responsible for the safety policies. Direct reporting to the CEO. Committees for Safety & Prevention in the Workplace have been installed, as laid down in law.	
GRI 404	Training and education		Employees can make use of a wide range of career development, additional training, career reorientation etc. Frequent performance review meetings with hierarchy are foreseen.	
GRI 405	Diversity and equal opportunity	Page 26		
GRI 406	Non-discrimination	Page 26		
GRI 407	Freedom of association and collective bargaining		All employees are covered by national, sectoral and company-specific Collective Bargaining Agreements. Social elections are organised conforming to labour legislation in Belgium. Trade unions have all rights to set up their activities.	See also 102-41
GRI 408	Child labour		is part of the terms of reference used by the Purchasing Dept.	
			рерт.	



GRI 409	Forced or compulsory labour		is part of the terms of reference used by the Purchasing Dept.	
GRI 410	Security practices	Page 47	see Activity Report	
GRI 411	Rights of indigeous peoples		Not applicable in view of the company's operational area	
GRI 412	Human rights assessment	Page 27	is part of the terms of reference used by the Purchasing Dept.	
GRI 413	Local communities		not applicable	
GRI 414	Supplier social assessment		is part of the terms of reference used by the Purchasing Dept.	
GRI 415	Public policy		Lobbying is focused on defending the legal and economic interests of the company and the Economic Group at the competent law and regulatory bodies. Therevis a strict prohibition on donations to political parties.	
GRI 416	Customer health and safety		not applicable	
GRI 417	Marketing and labelling	pages 50-61	Marketing information is focussed on raising awareness at end consumers of the rational use of energy, renewable energy, subsidies for energy efficiency etc. Multiple cahnnels are being used: website, social media, magazine, info sessions.	
GRI 418	Customer privacy	page 9 page 36	Fluvius has a separate Data Management department. Data privacy is an absolute priority. This also holds true for the subsidiary Atrias. Also see the Report by the Board of Directors.	
GRI 419	Socioeconomic compliance		Compliance with all relevant laws and regulations (also in the socio-economic area) is a minimum requirement for Fluvius's operations.	





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Edition 27 mei 2020

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