



# Investor presentation

October 2024

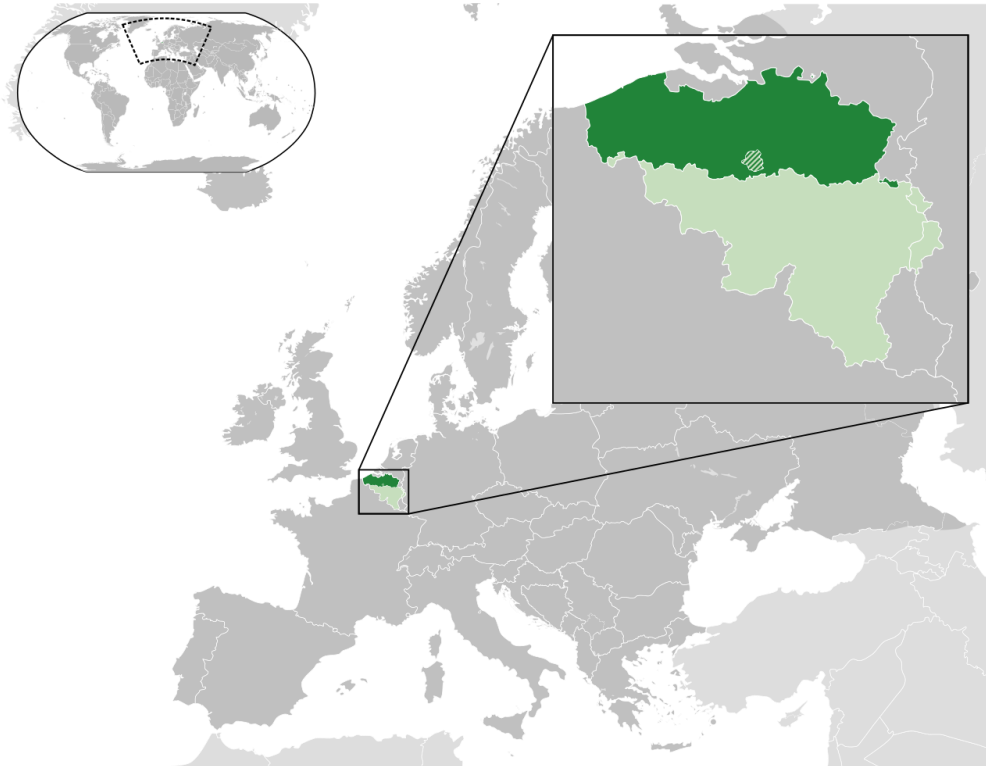
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Tot bij u

# Corporate profile

Issuer is the single operating company for 11 utility asset companies, which allows for efficient operations and benefits of scale



Operating area



Fluvius's operating area is the entire Flemish Region of Belgium (300 cities & municipalities)

# Corporate profile

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## Business overview

- **Fluvius group** is the overall name for 11 Flemish intermunicipal utility asset companies, their operating company Fluvius System Operator (FSO), and some other related entities (together “Fluvius”).
- The group is **strategically important** as the largest multi-utility company in Flanders.
- FSO is responsible for the **operation** of the distribution networks for electricity and natural gas as well as other grid-related utilities (public lighting, district heating, etc.) within the region of Flanders.
- **Debt** taken by FSO is guaranteed by the 11 intermunicipal asset companies on a several but not joint basis. All companies who own FSO, have the MEA status (Mission Entrusted Associations, i.e. intermunicipal (public) legal entities according to the Flemish Decree on Local Government).
- In 2023, approx. 95% of group **revenues** were derived from regulated energy distribution activities, with the remaining 5% mostly from regulated sewerage activities.
- FSO holds a 33,2% stake in the telecom infrastructure company **Wyre**. Some asset companies also hold indirect stakes in the transmission system operators **Elia** (electricity) and **Fluxys** (gas).
- Credit rating at **Moody’s: A3 (negative)**. Fluvius’s rating incorporates a two-notch uplift for potential state support from its baseline credit assessment of baa2, based on our assessment of high dependence between Fluvius and its owners, 300 municipalities within the Community of Flanders (Aa3 stable) through ownership of the Distribution System Operators (DSOs). [*Moody’s press release, 30 September 2024*].

# Key credit highlights



## 1 Strategic importance, low risk

- Fluvius operates essential utility services for the municipalities of the Flemish Region of Belgium: electricity & gas distribution networks and systems (including data management), public lighting, sewerage and district heating.
- The 11 intermunicipal parent companies have full ownership of their network infrastructure and their core business is fully regulated (distribution of electricity and gas; sewerage).

## 2 Efficient operating scheme

- Group structure with a single operating company (Fluvius System Operator) for 11 utility asset companies allows for efficient operations and benefits of scale.
- Pooling of staff and all operational, financial and management activities at the operating company.

## 3 Robust capital structure

- Robust capital structure, strong liquidity position and stable cash flows thanks to tariff regulation for its core activities.
- Moody's rating: A3 (negative).

## 4 Transparent regulatory framework

- Energy distribution intermunicipal companies have a legally based regional monopoly for electricity & gas distribution.
- Tariff mechanism for electricity and gas distribution with a 4-year regulatory period based on a revenue-cap model, including a fair profit margin as remuneration on invested capital.

## 5 Clear CSR & ESG policy

- Fluvius is a key partner for the Flemish Climate & Energy Plan – Fluvius itself has developed its Vision 2050 pathway towards Flemish climate neutrality.
- Fluvius is fully committed to a 10-year energy transition capex plan (approved by the regulator).
- Sustainable Development Goals (SDGs) are at the heart of Fluvius' impact-based CSR strategy.

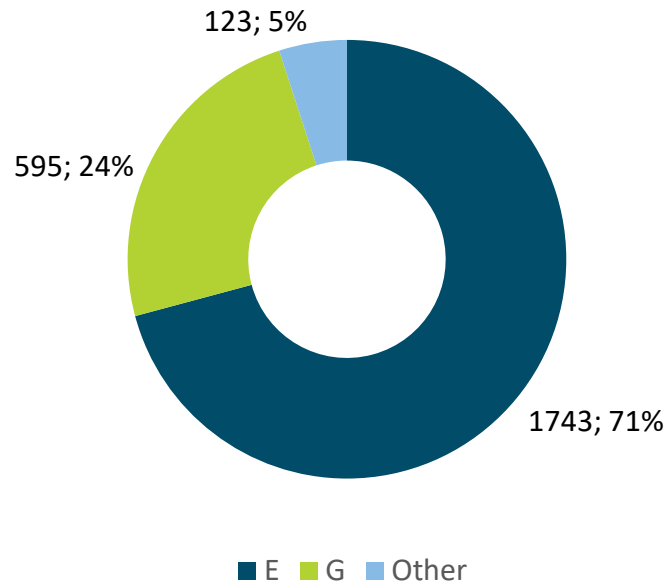
**Strategic importance,  
low risk**

# Fluvius Group providing essential utility services

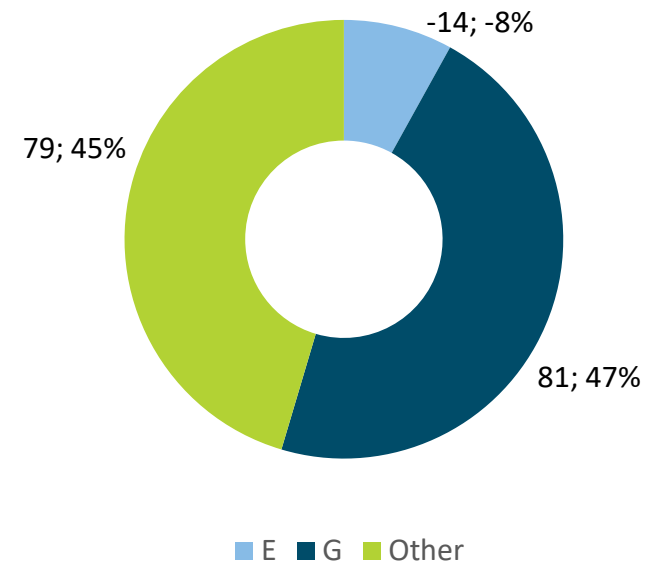
Breakdown of activities (all amounts in million EUR)



Turnover breakdown 2023 (total of IACs, BE-GAAP<sup>1</sup>)



Profit breakdown 2023 (total of IACs, BE-GAAP<sup>1</sup>)



<sup>1</sup>: IAC = Intermunicipal Asset Company; figures "other" differ from 2023 IFRS report due to certain eliminations (i.e. holding company Interkabel Vlaanderen [until mid-2023] and Fluvius OV)

# Who's who in the Flemish energy market?

## VREG

In Flanders, VREG (Flemish Regulator of the Electricity and Gas Market) is the regulator. The employees advise the regional government and monitor the application of decrees and decisions.



## Electricity producers

Both individuals and businesses can produce electricity. Businesses produce electricity at nuclear or conventional fossil fuel power plants, among others. Green electricity uses renewable energy sources, such as wind and solar.



## Elia

Elia transports electricity from generation plants, through the high-voltage grid, to the Fluvius grids and to large industrial consumers.



## Fluvius

In Flanders, Fluvius, as the distribution system operator, brings natural gas and electricity to customers (to homes and smaller businesses).



## Fluxys

Fluxys transports natural gas from the gas terminals, through the high-pressure grid, to the Fluvius grids and to large industrial consumers.

## Natural gas importers

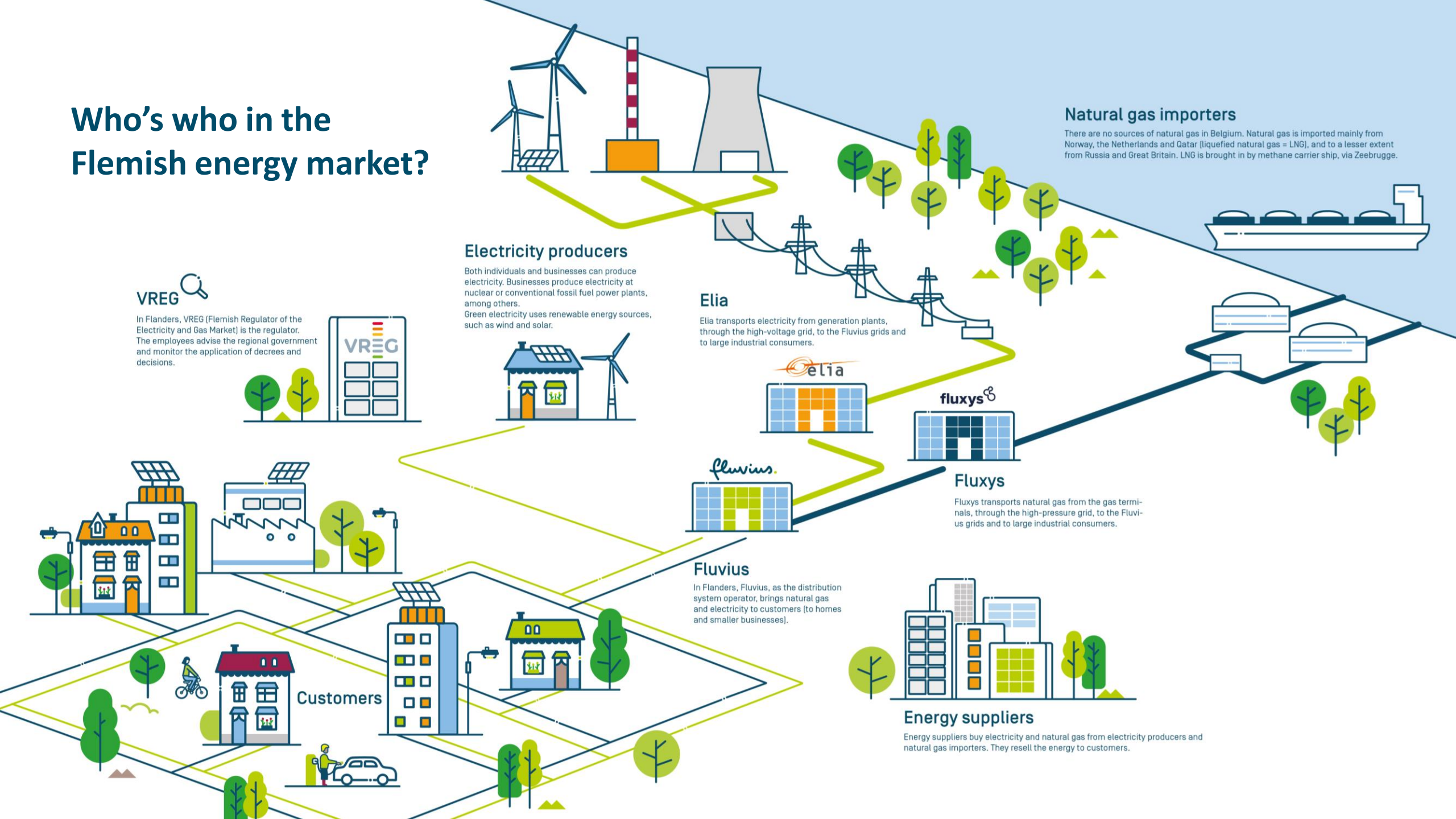
There are no sources of natural gas in Belgium. Natural gas is imported mainly from Norway, the Netherlands and Qatar (liquefied natural gas = LNG), and to a lesser extent from Russia and Great Britain. LNG is brought in by methane carrier ship, via Zeebrugge.



## Energy suppliers

Energy suppliers buy electricity and natural gas from electricity producers and natural gas importers. They resell the energy to customers.

## Customers



# Electricity & gas

Key figures (as per FY 2023)



## Electricity distribution

- Number of municipalities: 300
- Total net length operated (km): 137.699
- Number of connections: 3.631.149
- Digital meters installed: 1.853.898
- Legal monopoly and fully regulated
- Tariffs and margins are set by the regulator VREG
- Focus on medium/long term: increased electrification

## Gas distribution

- Number of municipalities: 299
- Total net length operated (km): 57.976
- Number of connections: 2.364.869
- Digital meters installed: 1.305.648
- Legal monopoly and fully regulated
- Tariffs and margins are set by the regulator, VREG
- Focus on medium/long term: gradual phase-out whilst maintaining safety and reliability for grid users



**Fluvius System Operator** is the operating company for all the intermunicipal asset companies that own the company.

10 of these asset companies own the electricity & gas distribution grids and also hold the licenses for the distribution (on an exclusive basis).

The 11th asset company (Riobra) is only active in sewerage.



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# Other activities

Key figures (as per FY 2023)

## Sewerage

- Number of municipalities: 87
- Total net length operated (km): 12.433
- Number of connections: 684.909
- Fully regulated
- Remuneration is imposed by law as a pass-through via the invoice of water companies to the end consumers
- Closely linked to Flemish 'Blue Deal' to structurally tackle periods of water shortage and flooding problems

## Other activities

### Public Lighting:

- Fluvius owns and operates the public lighting for 274 municipalities ("vertical infrastructure" is non-regulated).
- Fluvius aims to switch the entire municipal lighting to LED by 2028 (>1,2 million lighting points).

### District Heating:

- Distribution of hot water from a central heat source through a network of insulated pipes, as an alternative for fossil gas distribution where feasible
- Fluvius mainly focuses on the grid (build & maintain) in several local projects. Currently, the portfolio contains 14 projects of various sizes.

## Financial participations

### Wyre:

- FSO has a 33,2% stake in Wyre Holding, a joint venture with telecom company Telenet (Liberty Global) that holds 100% of Wyre.
- Wyre is an infrastructure company for coax cable and fibre (FTTH).

### Publi-T and Publigas:

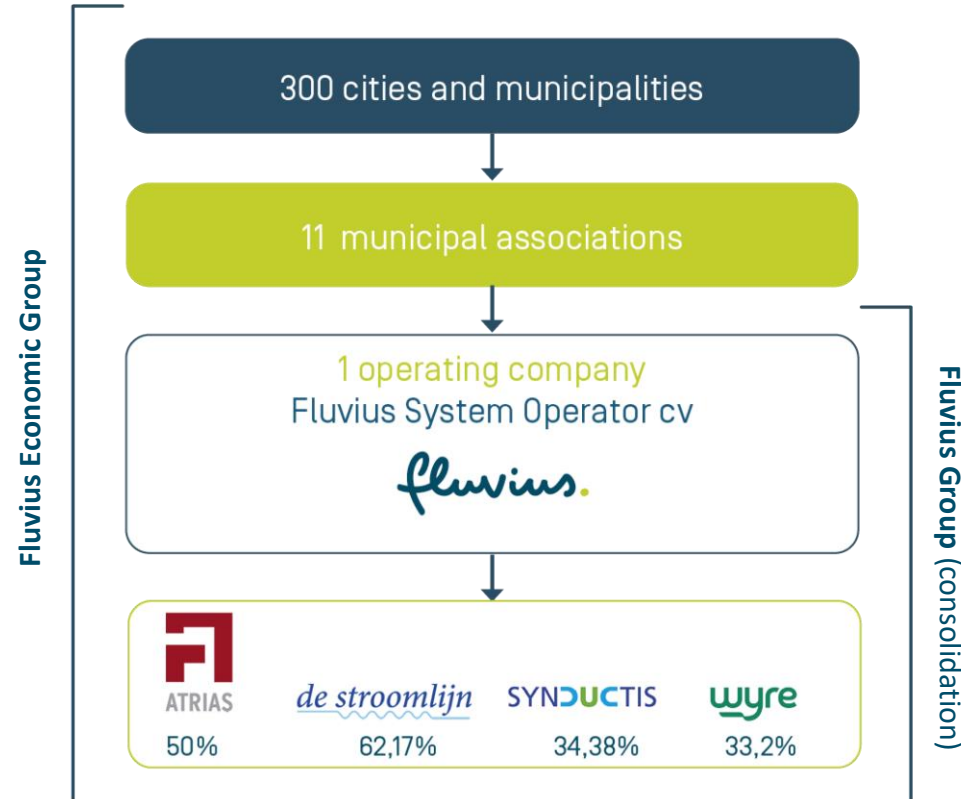
- 6 intermunicipal companies have an aggregate 34% stake in Publi-T, the reference shareholder of Elia Group, who fully owns the Belgian transmission grid for electricity and 80% of the German TSO 50Hertz.
- 5 intermunicipal companies have an aggregate 30% stake in Publigas, the reference shareholder of Fluxys, owner of the Belgian TSO for natural gas Fluxys Belgium and many other assets in Europe and Latin America.

# Efficient operating scheme

# Fluvius Group shareholder base & structure



*“The 11 intermunicipal companies that own FSO, guarantee the latter’s liabilities. They own the strategically and economically important distribution infrastructure and neither they nor their municipal shareholders can go bankrupt. These are Fluvius Antwerpen, Fluvius Limburg, Fluvius Antwerpen West, Gaselwest, Imewo, Intergem, Iveka, Iverlek, PBE, Riobra, Sibelgas.”*



*“Full public ownership through municipalities holding 100% of the shares & sale of majority stake not allowed by law”*



# Strong corporate governance at the core of Fluvius



## Rationale behind structure

### Transparent and flexible corporate structure:

- Flexible decision-making structure allows for maintaining close links with 300 municipalities
- Structure reflects clear division of powers within the Fluvius Economic Group
- Coordination and information flow between both levels is guaranteed

## Group's organisation

### 11 intermunicipal companies:

- Each with its own Board of Directors
- Responsible for the intermunicipality's corporate matters and the relations with the local authorities



### Fluvius System Operator

- Board of Directors with 20 members
- Responsible for general strategy & policy, financing, Fluvius corporate matters

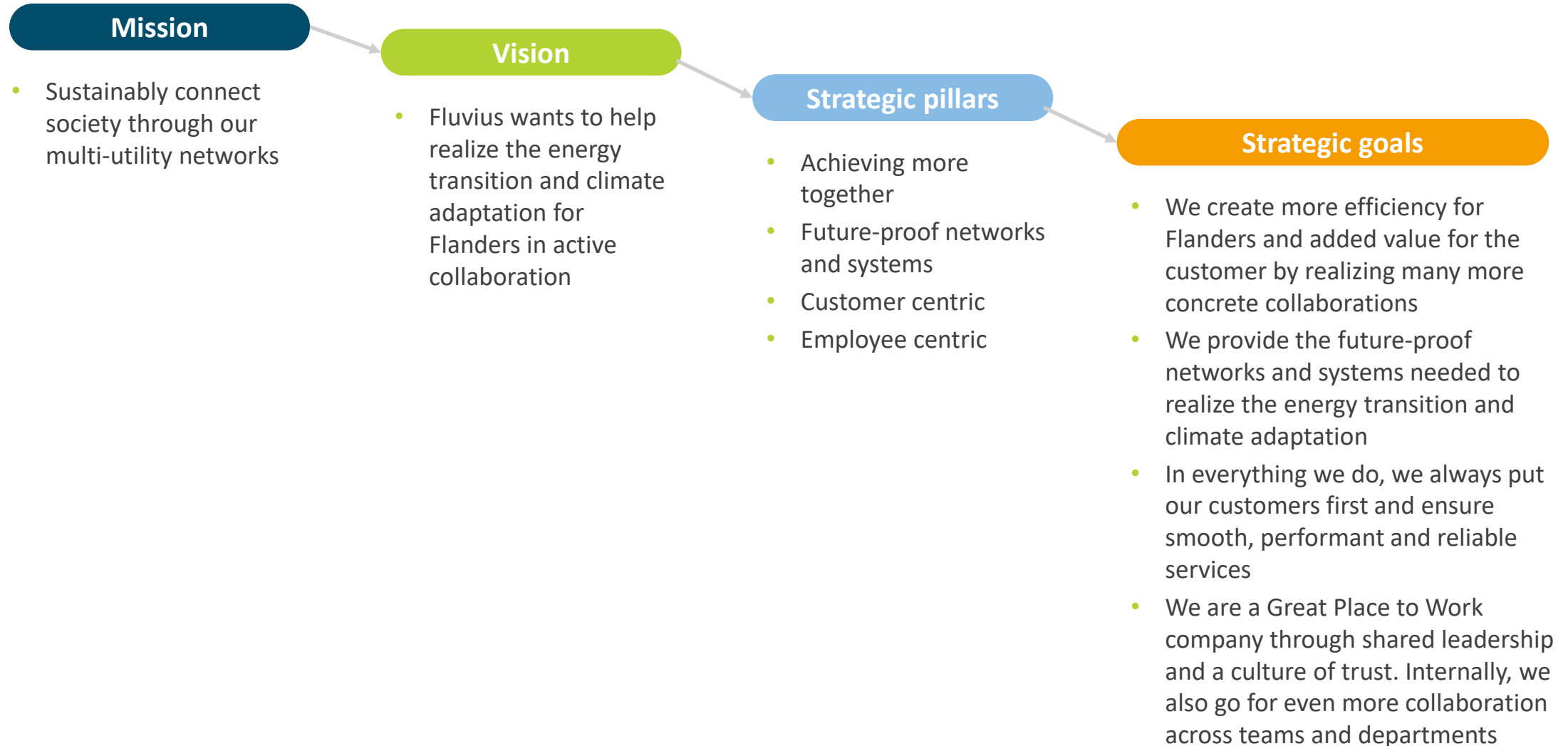
## Fluvius Management Committee

- CEO: **Frank Vanbrabant**
- Network Management: **Raf Bellers**
- Network Operations: **Tom Ceuppens**
- Customer Services & Data Management: **Guy Cosyns**
- Energy & Climate Transition: **Jean Pierre Hollevoet**
- Finance, Legal & ICT: **David Termont** (CFO)
- HR: **Ilse Van Belle**
- Strategy: **Filip Van Rompaey**



*Frank Vanbrabant (CEO)*

# Strategic positioning and outlook



# Robust capital structure

# Key financial highlights (FY 2023)

## Income, Cash Flow and Balance Sheet figures (IFRS)

In mEUR	2019	2020	2021	2022	2023
Sales	2.992	2.924	3.038	2.400	2.326
EBITDA (M)	1.020	1.091	1.201	1.005	1.063
EBITDA margin (M)	34,1%	37,3%	39,5%	41,9%	45,7%
<b>Net income</b>	<b>331</b>	<b>363</b>	<b>302</b>	<b>346</b>	<b>360</b>
CF from operations	768	816	615	809	334
CF used for investing activities	(572)	(847)	(893)	(1.020)	(1.337)
Dividends paid	(289)	(311)	(285)	(221)	(192)
CF other financing activities	136	309	621	423	1.194
<b>Net change in cash</b>	<b>43</b>	<b>(33)</b>	<b>58</b>	<b>(9)</b>	<b>(19)</b>
Asset Base (M)	11.453	11.707	11.738	12.014	12.651
Other non-current assets	2.738	3.192	3.633	3.376	4.334
Current assets	965	927	1.328	1.852	1.596
Equity	6.407	6.757	7.247	7.823	7.785
Net debt (M)	6.700	7.149	7.362	7.671	8.982
Other liabilities	2.049	1.920	2.126	1.852	1.886
<b>Balance sheet total</b>	<b>15.156</b>	<b>15.826</b>	<b>16.699</b>	<b>17.242</b>	<b>18.624</b>
Net debt / fixed assets (M)	58,5%	61,1%	62,7%	63,8%	71,0%
FFO / net debt (M)	9,9%	9,6%	11,3%	8,1%	5,3%

(M) = all figures marked by (M) as calculated by Moody's

## Key comments FY 2023

- **Allowed income** from grid tariffs electricity +2%, gas +11% due to inflation; repayment of advances for 72 m€. No new advances requested or granted
- **Sales** down because of lower consumption, in spite of higher tariffs
- Exceptionally high **profit** of 287 m€ thanks to Wyre transaction. Excluding Wyre, profit of 63 m€
- Sharp decrease in **CF from operations** due to increase in receivables (certificate stock, regulatory balances, paid-out premiums to be recovered)
- **Financial costs** +44 mEUR (more debt financing; increase of interest rates) – **financial revenues** down by 31 m€ due to loss of Telenet leasehold agreement
- Higher **capex** (digital metering, energy transition, public lighting,...) leads to higher CF used and higher Regulated Asset Base
- New (lower) **dividend** policy started in 2022
- Other **non-current assets** include Wyre (848 m€) and movements in financial holdings (Publi-T, Publigas)
- **Equity** lower due to lower valuation of financial participations, partly compensated for by profit from Wyre transaction
- **Net debt** higher due to financing of capex



# Key financial highlights (HY 2024)

(in mio €)	2022	2023	2024
<b>Statement of Profit/Loss</b>			
revenues	1.256	1.186	1.254
operating revenues	1.665	1.640	1.924
operating expenses	-1.417	-1.504	-1.757
<b>result from operations</b>	<b>248</b>	<b>136</b>	<b>167</b>
net financial income/expenses	-18	-96	-88
profit before tax	230	41	79
profit for the period	167	22	60
other comprehensive income	389	-198	-811
<b>total comprehensive income</b>	<b>556</b>	<b>-176</b>	<b>-751</b>
<b>Statement of Financial Position</b>			
current assets	1.397	2.232	2.153
non-current assets	15.683	15.704	16.371
<b>total assets</b>	<b>17.080</b>	<b>17.937</b>	<b>18.523</b>
total equity (attributable to parent)	7.746	7.625	7.176
non-current liabilities	7.157	8.421	9.923
current liabilities	2.178	1.891	1.424
<b>total liabilities</b>	<b>9.334</b>	<b>10.312</b>	<b>11.348</b>
<b>total equity &amp; liabilities</b>	<b>17.080</b>	<b>17.937</b>	<b>18.523</b>
<b>Cash Flow Statement</b>			
net CF from operating activities	479	90	94
net CF from investing activities	-489	-711	-579
net CF financing activities	15	603	437
net increase/decrease cash/cash equivalents	5	-18	-49
cash + cash equivalents at 30 June	95	62	13

## Key comments HY 2024

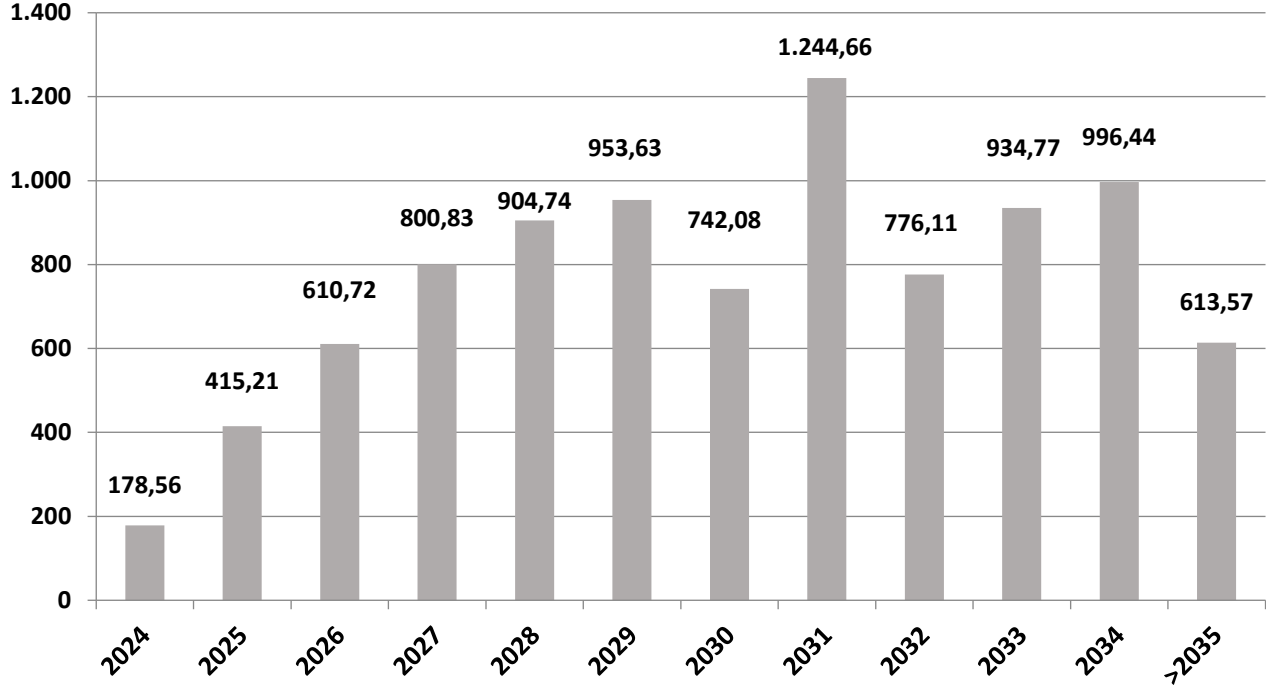
- Grid tariffs electricity +7,4%, gas +7,9% due to inflation and elimination of the repayment of advances (72 m€) - increase of **operating revenue**
- Compensation for buy-in of **certificates** in 2024 down to 67 m€ (2023: 148 m€)
- **Wyre**: value of participation down by 12,2 m€ due to loss in fiscal year 2023
- Sale of **Publi-T** shares: +51,4 m€ in financial revenues.
- Increased **profit** of the period (60,1 m€) due to Publi-T
- **Cash-flow** movements: CF from investing activities Improved from -710,9 m€ to -579,4 m€ in spite of higher PP&E capex; CF from financing activities impacted by new EIB loan (198 m€) and bond issuance (700 m€) – repayment of ST facilities for 400,5 m€
- **Current assets** up by 556,8 m€ (increased stock of certificates and receivables for RUE premiums)
- **Equity** down due to revised valuation of financial participations
- **LT liabilities** up by 617,3 m€ mainly due to new loans and bond

*Note: HY 2024 figures compared to FY 2023 (Statement of financial position) and HY 2023 (other)*

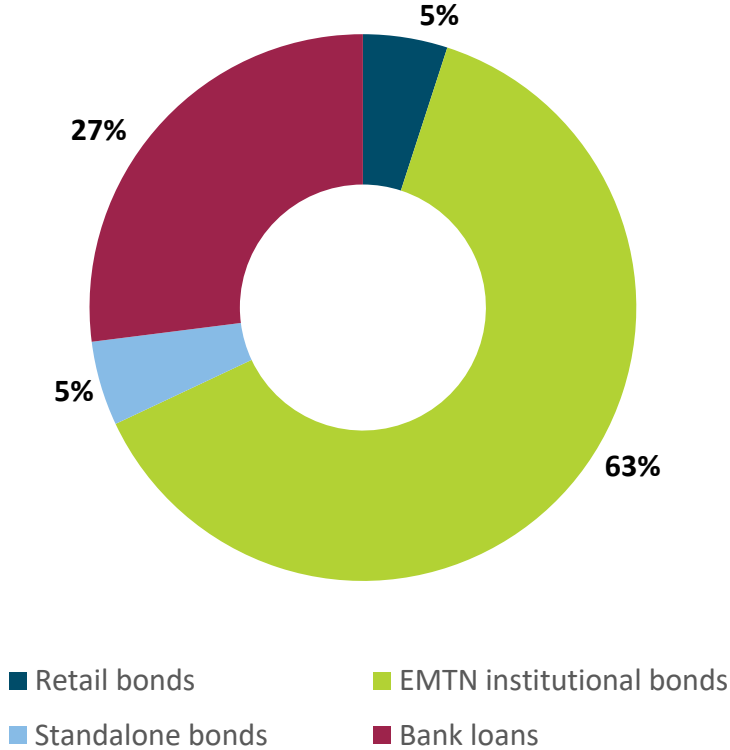
# Debt and liquidity



## Maturity Profile



Debt Maturity Profile (30 Sep 2024 – in mEUR)



# Debt and liquidity

## Recent bond issues

### 2024 bond transaction:

- 700 m€ EMTN institutional bond, settlement 2 May 2024, 10 y maturity, 3,875% coupon rate

## Liquidity

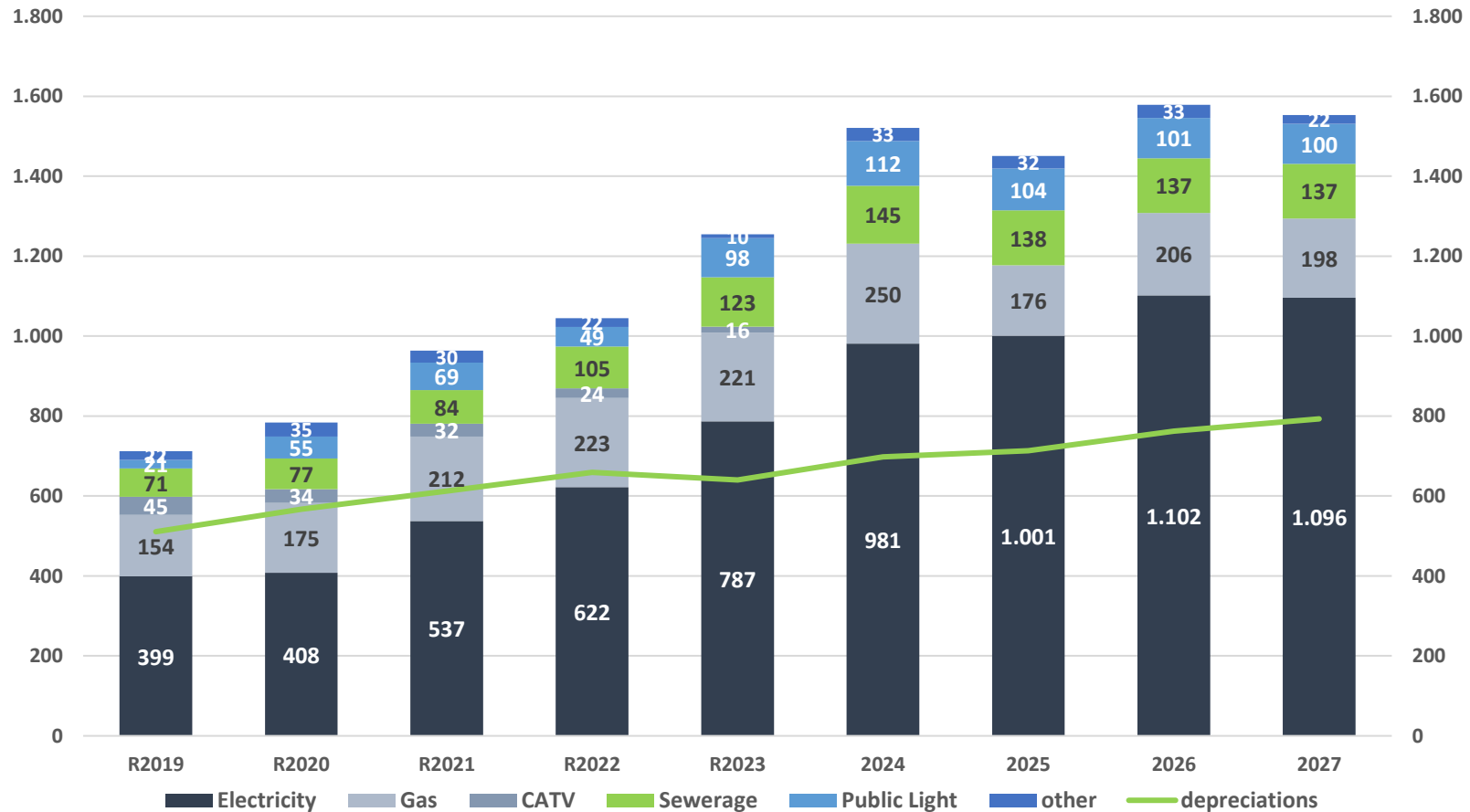
- Committed cash facility / straight loan: 225 m€ (3 banks)
- Committed revolving credit: 300 m€
- Commercial Paper programme: 500 m€

# Focus on capex (1)

Based on approved energy transition investment plan 2024-2033; net investments



## Capex increase due to investments required for energy transition and climate adaptation



# Focus on capex (2)

## Capital spending in the context of sustainable energy

- Significant investment in digital meters for a total of 1,6 billion € (2,4 billion € including all indirect costs), with an investment horizon for the full rollout reduced from 15 years to 9 years and a target of 70% of meters installed by the end of 2024
- Investments in networks and systems to enable the electrification of personal mobility and heating (heat pumps) and to support the growth of renewable electricity production.
- Annual investment of approx. 120 million € until 2026 in public lighting with a target completion date in 2028

## ... and the phase out of fossil fuels

- Gas-related expenditures will gradually be restricted to maintenance investments for security and reliability; no more expansion investments; investments in digital metering gas to be phased out after 2027
- In Fluvius' Energy Transition capex plan, the budget for regular gas investments in a 'keep it running' scenario will further decline to just above 60 million € by 2030.

## ... while keeping an eye on gearing

- Fluvius is examining different ways to strengthen its equity. Credit rating will be a key element.
- "Fluvius is a crucial partner for the Flemish authorities to realize the energy transition. Energy networks are a strategic asset. We make sure that Fluvius remains in public hands." (2024 Flemish coalition agreement, page 54)

# Fluvius credit profile

“The credit quality of Fluvius reflects that of the 11 intermunicipal utility companies that own the company and severally guarantee its liabilities. The regulated electricity and gas distribution network operations of the distribution system operators (DSOs) in the Flemish Region of Belgium have low business risk, underpinned by a regulatory framework that is generally supportive and transparent, although with a shorter track record in the context of European regulated network peers.

The ratings are constrained by Fluvius’ high leverage compared with wider European peer group, significantly rising capital spending to support the energy transition, and the need for external financing (...).”

## Credit strengths

- Low business risk profile of its monopoly regulated E and G network operations
- A transparent and generally supportive regulatory framework, further underpinned with a continually lengthening track record of predictable regulation
- Strong links with the Community of Flanders through the provision of essential energy network services

*Source: Moody’s Credit Opinion, 8 October 2024*

MOODY’S  
**A3**

**Negative outlook  
Long Term Rating**

**Transparent  
regulatory  
framework  
(electricity  
& gas distribution)**

# Regulatory model for electricity & gas distribution

Transparent, stable and predictable framework 2021-2024



## 1 Base

- The Flemish regulatory framework (decided by Flemish regulator VREG) is bound by the general principles defined by the EU's Third Energy Package and (for electricity) the EU's Clean Energy Package.

## 2 Tariff Methodology

- VREG decides on tariff methodology for consecutive 4-year tariff periods.
- Within a tariff period, VREG approves each year the grid fees which are the main source of revenue for the intermunicipal asset companies.
- Cascade principle: end users pay the grid fee via their supplier bills.

## 3 'Allowed income' model

- For each year, VREG determines the 'allowed income', i.e. the maximum revenue Fluvius can collect from grid users, utilizing a trend methodology, based on historical costs, CPI adjusted and taking into account certain caps or factors [x'-factor (synergies); x''-factor or frontier shift (0,4% for gas distribution); q-factor or quality factor (quality incentive)].
- Volume risks for a certain year are covered by a system of regulatory balances (i.e. adjustments are made to revenues in the subsequent years). Inflation risks are covered by a CPI-readjustment during the year, added to or subtracted from the tariffs for the next year.
- Certain 'exogenous' costs that are beyond Fluvius' control, are added to the allowed income (pass-through principle).
- If the trend methodology leads to insufficient revenue, Fluvius can request advances.

## 4 Cost of capital

- VREG uses a WACC model to cover the cost of capital for Fluvius, fixed ex-ante for a tariff period without ex-post adjustments.
- WACC is multiplied by the expected RAB to fix the absolute amount of the capital cost allowance for each year.
- Cost of debt during the 2021-2024 tariff period is 2,14%, with pre-tax cost of equity of 5,44% (post-tax 4,08%), resulting in pre-tax WACC of 3,5%.
- RAB-surplus values (approx. 17% of RAB in 2022) receive a separate (decreasing) WACC.

## 5 ESG

- Each year, Fluvius publishes an (updated) energy transition capex plan, which is openly discussed with all stakeholders and submitted to VREG for approval (plan 2024-2033 approved on 29 March 2024).
- Support mechanism for renewable electricity generation through a certificate system: Fluvius is obliged to buy Green Power Certificates and Combined Heat/Power Certificates at set price, to be sold to the market (or the Flemish government); incurred costs are considered exogenous costs.
- Fluvius pays out subsidies for energy-saving measures (Rational Use of Energy), also considered exogenous costs by VREG.



# Tariff methodology by VREG 2025-2028 – CHANGES

VREG tariff methodology 2025-2028, published 26 June 2024



## 1 Base

- No changes

## 2 Tariff Methodology

- No changes

## 3 'Allowed income' model

- No new savings incentive related to the merger of Eandis and Infrax into Fluvius (x'-factor) and no new 'q' (quality) factor.
- An X'' factor or frontier shift efficiency improvement target set at 1.10% of the endogenous costs for electricity distribution and at 0% for gas distribution (compared to 0% for electricity and 0.4% for gas during the 2021-2024 tariff period).
- The introduction of a new system of various performance related financial incentives with respect to interruptions, connections, metering data, customer satisfaction and innovative projects which may lead to a bonus or malus.
- The possibility for Fluvius to request advances is expanded.

## 4 Cost of capital

- A pre-tax cost of equity for 2025 of 9,83% (compared to 5,44% during the 2021-2024 tariff period).
- A post-tax cost of equity for 2025 of 7,37% (compared to 4,08%).
- A cost of debt for 2025 of 2,17% (compared to 2,14%).
- A combined total pre-tax WACC for 2025 of 5,2% (compared to 3,5%).
- From 2026, an annual recalculation of the risk-free interest rate as an equity remuneration parameter, whereby the risk-free interest rate observed in 2024 will serve as the basis for the recalculation of the risk-free interest rate for 2026, 2025 for 2027 and 2026 for 2028.
- From 2026, an annual recalculation of the cost of debt based on the indices used, with the reference period shifted by one year each time, both for existing debt (with a 10-year reference period) and new debt (with a 1-year reference period).

## 5 ESG

- No changes

# Tariff methodology by VREG 2025-2028 – Appeal filed

Fluvius filed an appeal concerning the tariff methodology on 19 July 2024



## Cost of debt

- By using a mathematic average for the determination of the cost for current debt, VREG assumes a non-realistic historic linear debt profile. Cost of debt should be determined by using a weighted average considering Fluvius' actual debt profile.

## Frontier shift

- The decision to apply a frontier shift of 1,1% is not reconcilable with the growing need for investments following the energy transitions in Flanders.

## Valuation Wyre transaction

- The assumption of 100% usability of the empty ducts transferred to Wyre, that VREG takes into account for determining the value of the regulated assets, is not valid.

# Clear CSR & ESG policy

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# Mission in line with the 7 strategic building blocks set by the Flemish government

To reach Flemish climate neutrality by 2050



Fluvius's environmental and investment policy supports the Flemish strategy by aiming at:



- Building infrastructure to enable the energy transition
- Full compliance with all legislative norms and obligations
- Implementation of maximum circularity and green mobility where feasible and
- Reduction of carbon footprint of our own activities

# Mission in line with the 7 strategic building blocks set by the Flemish government

Fluvius's mission is to sustainably connect society through its multi-utility grids



## 7 strategic building blocks:

- 1 Maximizing the benefits of **energy efficiency**, including zero-emission buildings
- 2 Maximizing the deployment of **renewables** and the use of electricity to fully **decarbonize** Europe's energy supply.
- 3 Embracing **clean, safe and connected mobility**.
- 4 A competitive EU industry and the **circular economy** as a key enabler to reduce greenhouse gas emissions.
- 5 Develop an adequate, **smart network infrastructure** and interconnections.
- 6 Reap the full benefits of the **bio-economy** and create essential carbon sinks.
- 7 Tackling the remaining CO<sub>2</sub> emissions with **carbon capture and storage (CCS)**.

# CSR & sustainability

4 objectives and 12 actions in line with our CSR & Sustainability Strategy and Flanders' Vision 2050 Plan



## We help to reduce energy consumption

- We enable large-scale energy savings by digital metering
- We go for the complete and smart switch of public lighting to LED

## We make the Flemish energy grids future-proof

- We aim at automatisation and a thorough digitisation

## We maximise the availability of renewable energy

- We help to make the Flemish vehicle fleet greener
- Where economically feasible, heating grids get priority
- We give a new, climate-neutral future to the Flemish gas grids
- We retrofit gas grids into hydrogen grids for industrial purposes
- We restructure electricity grids to absorb a maximum of renewable energy

## We create new possibilities for our customers

- Rational use of energy must be beneficial for the customer
- We inform more and communicate pro-actively about the electricity grid's condition
- We welcome alternative solutions that help to avoid grid investments
- We go towards 'hybrid grids' thus creating new collaborations

**Fluvius is the preferred partner of local authorities in their drive towards energy efficiency.  
The overall aim is to realise the Flemish climate objectives.**

# Appendix

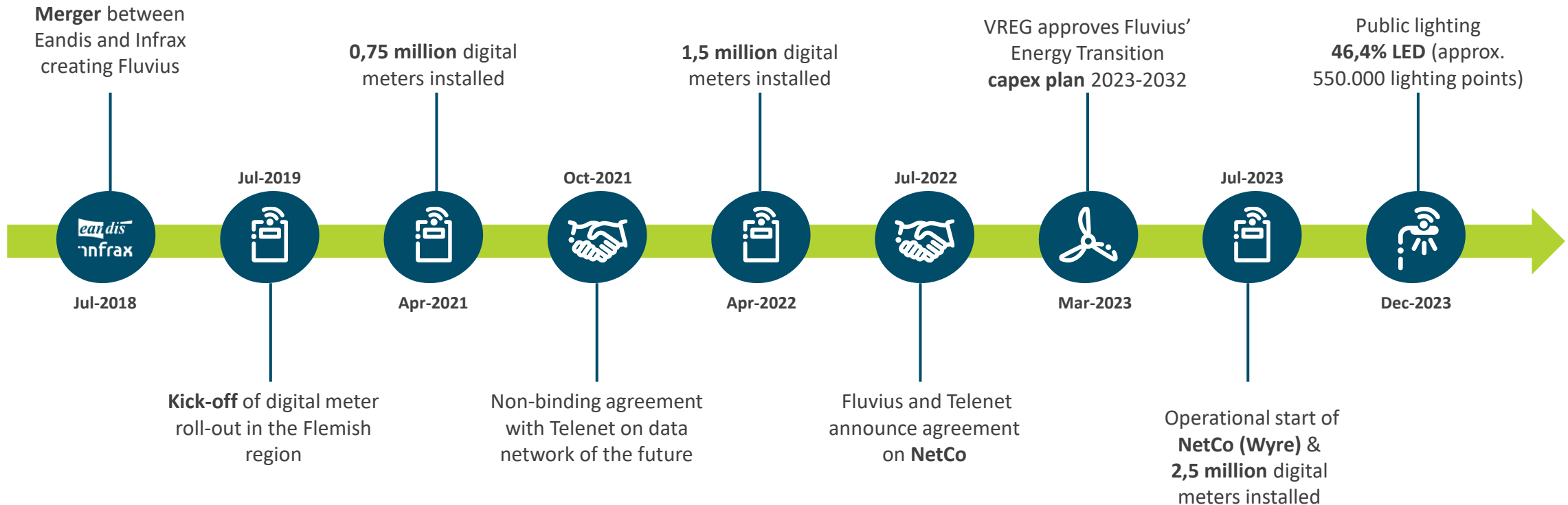
# Overview of outstanding bonds



Type	E = Eandis I = Infrac F = Fluvius	Amount (m€)	Settlement date	Maturity date	Maturity (years)	Coupon
Retail	E	200	23/06/2017	23/06/2025	8	2,000%
EMTN sub-benchmark	E	400	4/12/2014	4/12/2026	12	1,750%
EMTN green retail	F	240	28/06/2023	28/06/2027	4	4,000%
Schuldschein	E	50	21/09/2012	21/09/2027	15	3,500%
EMTN Private Placement	E	54,5	28/03/2013	28/03/2028	15	3,500%
EMTN benchmark	F	500	14/06/2021	14/06/2028	7	0,250%
EMTN benchmark	E	550	7/05/2014	7/05/2029	15	2,875%
EMTN sub-benchmark	I	250	29/10/2014	29/10/2029	15	2,625%
EMTN benchmark GREEN	F	600	2/12/2020	2/12/2030	10	0,250%
EMTN benchmark	F	500	18/09/2023	18/03/2031	7,5	3,875%
EMTN benchmark	F	600	24/11/2021	24/11/2031	10	0,625%
EMTN Private Placement	E	135,5	10/07/2012	10/07/2032	20	3,950%
EMTN benchmark	F	500	6/07/2022	6/07/2032	10	4,000%
EMTN Private Placement	E	20,5	28/03/2013	28/03/2033	20	3,750%
EMTN Private Placement	F	100	8/04/2021	8/04/2033	12	0,810%
EMTN benchmark	F	700	9/05/2023	9/05/2033	10	3,875%
EMTN benchmark	F	700	2/05/2024	2/05/2034	10	3,875%
EMTN Private Placement	F	50	20/09/2022	20/09/2034	12	4,278%
Private Placement	E	95	27/10/2014	27/10/2034	20	2,600%
Private Placement	F	50	7/11/2022	7/11/2034	12	4,625%
EMTN Private Placement	F	15	15/11/2022	15/11/2034	12	4,610%
Private Placement	E	23	5/03/2014	5/03/2036	22	3,550%
EMTN Private Placement	F	50	28/10/2022	28/10/2042	20	4,778%
EMTN Private Placement	F	35	15/12/2022	15/12/2042	20	4,254%
Namenschuldverschreibung	E	50	24/06/2013	24/06/2043	30	3,500%
Private Placement	E	52	5/03/2014	5/03/2044	30	3,550%
Private Placement	E	170	27/10/2014	27/10/2044	30	3,000%



# Historical highlights



“Fluvius System Operator was created in 2018 through the merger of Eandis and Infrax, becoming the sole operator for the distribution of electricity and gas in all 300 municipalities in the Flemish Region.”

# Fluvius 2023 green financing framework



## 1 Use of Proceeds

- Fluvius allocates the net proceeds of each issue of a Green Financing Instrument (GFI) under its Green Financing Framework to a portfolio of new and/or existing Eligible Green Projects (EGP).
- The projects will contribute to either one of the following environmental objectives: climate change mitigation, climate change adaptation and sustainable use and protection of water and marine resources\*

## 2 Process for Project Evaluation & Selection

- Fluvius's ESG policy is prepared, elaborated and coordinated by the Fluvius CSR Board, and validated/approved by its Management Committee and Board of Directors
- The evaluation and selection of projects to be financed by Green Financing Instruments is carried out by a dedicated Green Finance Committee, composed by senior representatives of Fluvius and chaired by the company's CFO.

## 3 Management of Proceeds

- The process for the management of proceeds is handled by Fluvius's Corporate Finance team, which monitors and keeps track of the amount of net proceeds from Green Financing Instruments and the investments made in Eligible Green Projects.
- Fluvius intends to allocate the full amount of proceeds within the next 24 months following the issuance of GFI's.
- An amount equal to the net proceeds from the Green Financing Instruments will be deposited in Fluvius's general account.

## 4 Reporting

- Fluvius to report annually on the allocation and impact of its net proceeds until the full allocation of the proceeds of Green Financing Instruments.
- Fluvius will request external assurance on the allocation and impact of the Green Financing Instruments issued under this Green Financing Framework.

## 5 External review

ISS-ESG delivered an SPO (29 May 2023) certifying that the Fluvius Green Financing Framework is aligned with:

- Climate change mitigation and adaptation, and the Do No Significant Harm criteria, but not aligned with the Minimum Safeguards requirements
- The Green Bond Principles (GBP) developed by the International Capital Markets Association (ICMA), as well as the Green Loan Principles (GLP) developed by the Loan Market Association (LMA)
- The Green Bond Standards as proposed by the European Union

*\* 3 of the EU Taxonomy's environmental objectives*

# Eligible Project Portfolio for 2020-2030 & 2023-2027 Green Bonds



## 1. Roll-out of digital meter electricity

- Enables decentralised electricity production, grid monitoring and switch from fossil to renewable energy
- Allows end consumer to monitor/adapt consumption and enhances energy-efficiency of household appliances
- Maximum recycling of waste streams

## 3. Sewerage grids

- Both expansion and renewal projects
- Contribute to 2027 European objectives on clean surface water
- Increase sewerage grid connection rates

## 2. Switch to LED technology in all municipal public lighting

- > 1,2 million lighting points involved
- Enhances energy-efficiency (up to 45% efficiency gains)
- Creates more flexibility in grid management (dimming, on/off switching, follow-me technology, ...)

## 4. Facilitation of renewable electricity generation

- Adaptation of distribution grid to cope with additional renewable generation capacity to be connected (cabins, switch and transformer stations, MV/LV grids, teletransmission, metering infrastructure, ...)

# EU Taxonomy of sustainable economic activities

All data Fluvius Economic Group FY 2023, IFRS



or: to what degree are Fluvius's economic activities sustainable from 3 perspectives: turnover, capex and opex (as defined by EU Regulation)

	TOTAL	Not eligible	Eligible, not aligned	Aligned
	<i>in 1000 €</i>	%	%	%
Turnover	2.325.920	23,3	0,0	76,7
Capex	1.332.471	25,9	1,9	72,2
Opex	246.617 <sup>1</sup>	23,6	0,7	75,7

**Eligible:** Qualified as sustainable according to EU Taxonomy

**Aligned:** Eligible + Do No Significant Harm (DSNH) + Minimum Social Safeguards

*(1) EU Taxonomy has a specific scope for OPEX to be reported (different from OPEX in income statement)*

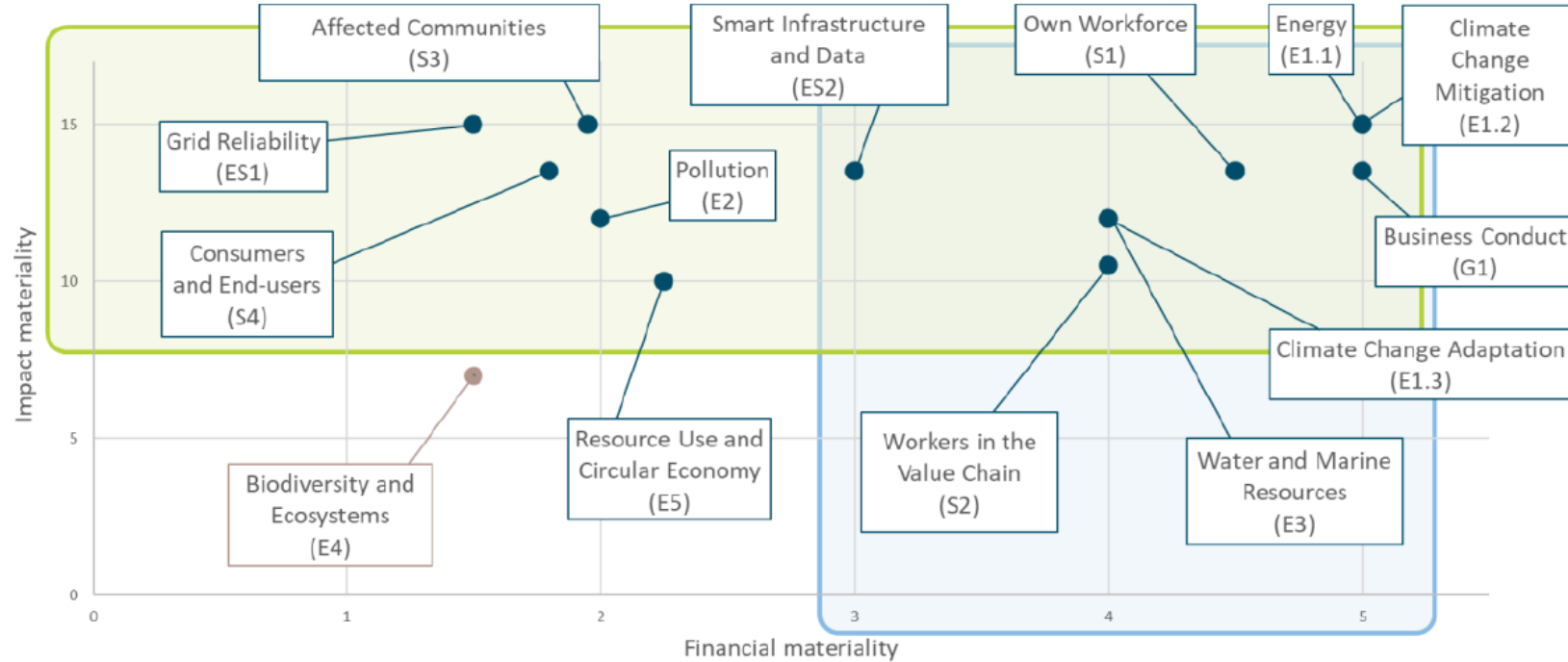
# Towards Corporate Sustainability Reporting Directive (CSRD)

First time CSRD reporting: 1H 2025 on financial year 2024



## Double materiality analysis executed (mid 2023)

- Based on impact materiality (inside-out) and financial materiality (outside-in)
- Full analysis of 117 positive/negative impacts, risks and opportunities, of which 70 found to be material for Fluvius



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*\* being: Fluvius Antwerpen, Fluvius Limburg, Fluvius West, Gaselwest, Imewo, Intergem, Iveka, Iverlek, PBE, Riobra, Sibelgas*