



Green Bond 2025

Allocation & Impact Report

December 2025

Table of contents

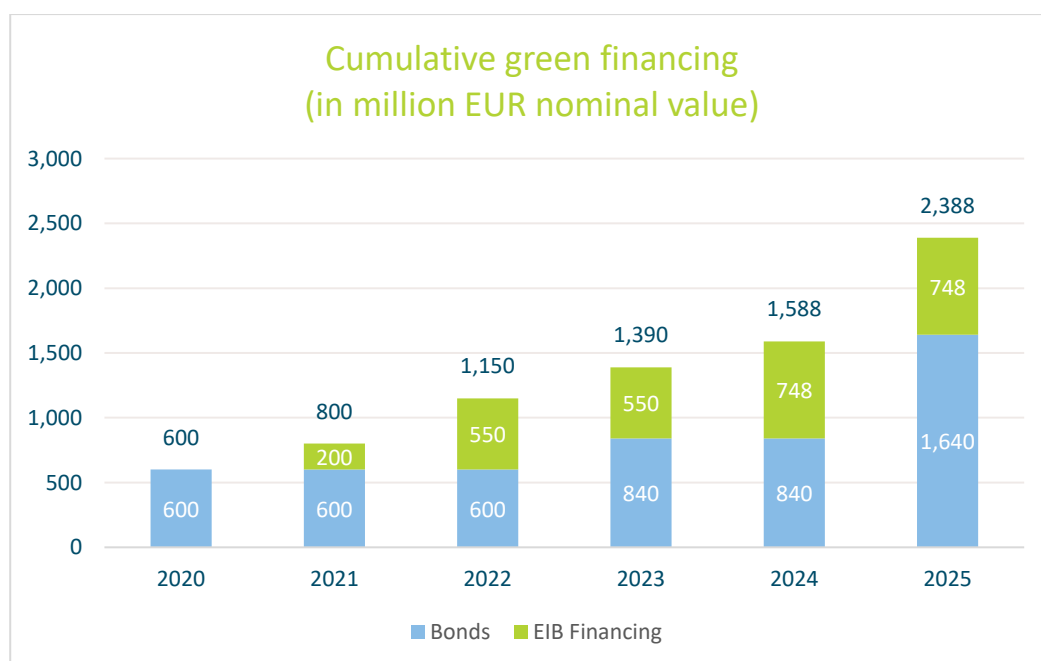
1	INTRODUCTION.....	1
1.1	REPORTING HISTORY AND CHANGES	1
2	ALLOCATION REPORT	2
2.1	NOTES TO THE ALLOCATION REPORT	3
2.2	USE OF THE PROCEEDS	3
3	IMPACT REPORT	4
3.1	NOTES TO THE IMPACT REPORT	5
4	ASSURANCE REPORT OF THE INDEPENDENT AUDITOR	6
5	DISCLAIMER	7

1 Introduction

Fluvius System Operator cv (referred to as 'Fluvius') is a multi-utility network operator responsible for the management, maintenance and development of essential public infrastructure across all municipalities in Flanders, Belgium. Fluvius operates across a range of grid-based utility services such as the distribution of electricity and gas, public lighting, sewerage and district heating. The data management that supports the above-mentioned business activities is also part of Fluvius' remit.

Fully owned by the Flemish municipalities, Fluvius is the region's largest utility provider and plays a key role in supporting the region's transition to a more sustainable future. Moreover, the company plays a strategic role in supporting Flanders's policy objectives, particularly in advancing Europe's climate and energy transition goals.

In this Allocation and Impact Report, Fluvius aims to demonstrate that green financing is crucial for our investments in a sustainable future. The graph below illustrates our consistent year-on-year growth in green financing.



1.1 Reporting history and changes

We have made some important changes in comparison to our previous green bond reports:

- **Portfolio-based reporting:** From now on, we will present our results based on the entire portfolio of eligible assets and the total outstanding Green Finance, rather than on an instrument-by-instrument approach.
- **Net asset value reporting:** Based on the recommendations of the EU Green Bond Standard regarding the refinancing of long-term green assets, we have shifted from reporting CapEx to reporting net asset values. The latter method is better aligned with the ongoing nature of our network operations.

2 Allocation report

In recent years, Fluvius Economic Group made significant investments in the reinforcement of our electricity networks, the LED conversion of our public lighting assets and sewerage projects. As a result, the **Total Green Asset Portfolio** has a size of 8,397.31 million euro on 31 December 2024. The portfolio is based on the aligned CapEx, specifically for the three above-mentioned activities, as defined in the EU Taxonomy¹.

Category	Activity	Taxonomy	Net asset value 2024 (in million EUR) ²
Green infrastructure ³	Electricity distribution	CCM 4.9	6,350.64
Energy efficiency	Public lighting	CCM 7.3 ⁴	410.22
Sustainable water and waste water management	Sewerage	WTR 2.2, WTR 2.3	1,636.45
Total Green Asset Portfolio (in million EUR)			8,397.31 [EY]

Fluvius has already issued several green finance instruments to finance the Eligible Green Asset Portfolio. The different issues were arranged under the Green Euro Medium-Term Notes Programme and as a Green Retail instrument. In addition, the European Investment Bank (EIB) has also provided funds to support Fluvius' projects, based on EIB's own strict green criteria on project financing.

Up until 31 December 2023, a total amount of 1,390 million euro of green financing was available. In 2024, that amount increased by 198 million euro in January. The number increased again in 2025 by the bond issue of 700 million euro in March and by a tap issue of 100 million euro in October, totaling Fluvius' **Green Financing** to 2,388 million euro at the end of 2025.

	Instrument (ISIN)	Date of issue	Maturity date	Principal sum (in million EUR)
EMTN Green	BE0002755362	2/12/2020	2/12/2030	600
EIB smart meters A	92557	22/04/2021	21/04/2028	50
EIB smart meters B	92753	22/04/2021	21/04/2028	150
EIB energy transition A	93915	1/06/2022	1/06/2027	150
EIB energy transition B	93918	15/11/2022	15/11/2027	200
Retail green	BE0002952332	28/06/2023	28/06/2027	240
EIB smart meters C	92936	22/01/2024	22/01/2037	198
EMTN Green	BE0390201672	12/03/2025	12/03/2035	800
Total Green Financing (in million EUR)				2,388 [EY]

¹ [Annual report Fluvius System Operator 2024](#), p. 126-127

² Net asset value consists of book value as recorded in Property, Plant and Equipment, net of the related deferred income. These balance sheet items are measured in accordance with the International Financial Reporting Standards (IFRS) as at 31 December 2024, as adopted by the European Union (EU).

³ In the Green Finance Framework, Fluvius uses the term "green infrastructure", but the ICMA handbook ([Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf](#)) refers to "renewable energy".

⁴ CCM 7.3 also includes a portion in the EU Taxonomy Table that is eligible, but not aligned. This portion does not relate to the activity of public lighting.

2.1 Notes to the allocation report

As set out in Fluvius’ Green Financing Framework⁵, an amount equal to the (net) proceeds of Fluvius’ green financing has been exclusively used to finance eligible assets in the following categories, together forming the ‘Eligible Green Asset Portfolio’:

- Green infrastructure³: electricity distribution
- Energy efficiency: public lighting
- Sustainable water and waste water management: sewerage

The selected activities are eligible under the EU Taxonomy Climate Delegated Act. The Green Financing Framework sets the basis for the identification, selection, verification and reporting of the Eligible Green Assets as well as the management of the proceeds from Green Finance Instruments. Within the framework, the categories relating to Eligible Green Assets are aligned with the United Nations Sustainable Development Goals (UN SDG’s), in particular goals 6, 7, 9, 11, 12 and 13.

2.2 Use of the proceeds

Use of proceeds

Percentage of eligible green asset portfolio allocated to green finance instruments net proceeds	28.44%
Percentage of eligible green asset portfolio unallocated	71.56%
Percentage of net proceeds of green finance allocated to eligible green loan portfolio	100%
Available Green Finance Budget (in million EUR)	6,009.31 [EY]

Proceeds from all Green Finance instruments have been fully allocated to the Eligible Green Asset Portfolio.



⁵ [Green-finance-framework-2024.pdf](#)

3 Impact report

This impact report is as of 31 December 2024. The impact table reports the impact of the total green asset portfolio.⁶

ICMA/LMA Green Eligible Category	Activity	Allocated amount (in million EUR) ⁷	Share of total portfolio financing (%) ⁸	Eligibility for green finance instruments (%) ⁹	Digital electricity meters installed ^{10,11}	Capacity of Renewable Energy production connected to the grid (MVA) ¹¹	Total of solar and wind injection into grid (in MWh) ¹¹	New installed grid (km) ¹¹	LED conversion rate (%) ¹¹	Estimated annual energy savings (kWh/year) ¹¹	Estimated annual GHG emissions avoided (tCO ₂ e) ¹¹	Share of municipalities under Fluvius' responsibility that have a water management plan (%) ¹¹	Estimated annual volume of wastewater transported to central treatment system (m ³ /year) ¹¹	Population Equivalent ¹¹
Green infrastructure ¹²	Electricity distribution	6,350.64	76%	100%	2,476,174 ¹³	8,826	3,265,022	2,577			572,646			
Energy efficiency	Public lighting	410.22	5%	100%					60.87%	15,128,401	2,526			
Sustainable water and wastewater management	Sewerage	1,636.45	19%	100%								100%	70,000,526	1,278,544
Total		8,397.31	100%	100%	2,476,174	8,826	3,265,022	2,577	60.87%	15,128,401	575,172	100%	70,000,526	1,278,544

⁶ This Impact Report table is aligned with the portfolio approach described in [Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf](#)

⁷ This represents the amount of green finance proceeds that have been allocated for disbursements to the portfolio.

⁸ This is the share of the total portfolio per eligible category.

⁹ This is the share of the total portfolio costs that is eligible for Green Finance Instruments.

¹⁰ This figure does not pertain solely to 2024, it represents the cumulative number of digital electricity meters installed since 2019.

¹¹ Impact report indicators.

¹² In the Green Finance Framework, Fluvius uses the term “green infrastructure”, but the ICMA handbook ([Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf](#)) refers to “renewable energy”.

¹³ As of 2025, a revised definition is applied for determining the number of digital electricity meters, as reflected in the VNR dashboard [Spotfire Report Viewer](#).

3.1 Notes to the impact report

The avoided CO₂ emissions have been estimated by:

- taking the annual electricity production from renewable energy production connected to the grid and calculating the amount of CO₂ that would have been emitted if the average production mix¹⁴ (including coal and gas) had been applied;
- applying a 1% saving on the annual electricity consumption of households for which Fluvius is the grid operator, representing the effect of improved insight into energy consumption. The calculation of avoided emissions¹² attributable to the deployment of digital meters is based on a conservative assumption of 1% annual energy savings on the total electricity consumption of households. Although the 2017 VNR report¹⁵ projected a reduction of 2.6%, we apply a lower figure in line with sector practice¹⁶ (VNR, or before VREG, is a multi-utility regulator overseeing electricity, gas, heat and water). This conservative approach minimizes the risk of overstating environmental benefits while remaining aligned with industry benchmarks;
- taking the annual energy consumption from lighting points in 2023 and 2024 and using the difference in usage as the basis for calculating the energy savings¹².

The avoided water emissions have been estimated by:

- taking the captured emission load that is collected and transported through the sewerage system of Fluvius, brought to the waste water treatment system of Aquafin and thus not directly emitted without treatment into water bodies.

Evolutions of the impact

Since these impact indicators for the portfolio approach have only been introduced in 2024, we will be able to report on their trends and developments in the coming years.

¹⁴ **Applied emission factor** CO2-emissiefactoren, calorische onderwaarden en soortelijke gewichten van fossiele brandstoffen en elektriciteit / Vlaanderen.be

¹⁵ VNR study <https://assets.vlaamsenutsregulator.be/document/rapp-2017-06.pdf>

¹⁶ **Sector information** *Besparingseffecten van slimme meters met feedbacksystemen en slimme thermostaten, Energieverbruiksmanagers in Nederland, Energie besparen met de slimme meter*

4 Assurance report of the independent auditor

All financial and non-financial figures indicated with tickmark [EY] in this Allocation & Impact Report on the Green Bond 2025 have been subject to an assurance engagement with limited assurance by EY Bedrijfsrevisoren BV. Their integral findings are included below.

Independent auditor's assurance report

Scope

We have been engaged by Fluvius System Operator CV (the "Company") to perform a limited assurance engagement in accordance with the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 revised"), hereafter referred to as "the Engagement", and to report on the financial and non-financial information with tickmark "EY" (the "Subject Matter"), included in the Green Bond 2024 Allocation and Impact Report ("the Report") of Fluvius System Operator CV for the period from 1 January 2024 to 31 December 2024.

Other than the scope of our engagement as described in the preceding paragraph, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Fluvius System Operator CV

In preparing the Report, Fluvius System Operator CV applied the criteria as set forth in the Green Bond Framework version 2024, pages 10 to 13 (the "Criteria"), which is available on the website of the Company.

Fluvius System Operator CV's responsibilities

Fluvius System Operator CV's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a limited assurance conclusion on the Subject Matter, based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 revised") and the terms of reference for this engagement as agreed with the Company on 12 December 2025.

ISAE 3000 revised requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the information obtained is sufficient and appropriate as a basis for our limited assurance conclusion.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

We apply the International Standard on Quality Management 1 'Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services.' This standard requires us to design, implement, and manage a quality management system, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included amongst others:

- Obtaining an understanding of the reporting processes for the Subject Matter;
- Evaluating the consistent application of the Criteria and the appropriateness of the entity's own reporting criteria in terms of relevance, completeness, reliability, neutrality, and clarity;
- Interviewing management and relevant staff at corporate level responsible for data collection, data aggregation and for carrying out internal control procedures on the Subject Matter;
- Interviewing relevant staff that are responsible for reporting the Subject Matter in the Report;
- Obtaining internal and external documentation that reconciles with the Subject Matter;
- Performing analytical review of the data and trends in the Subject Matter;
- Performing limited tests of details and tracing the input information to supporting invoices or other evidence;
- Evaluating the overall presentation of the Subject Matter in the Report;

We also performed such other procedures as we considered necessary in the circumstances.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Conclusion

Based on our limited assurance procedures, nothing has come to our attention that causes us to believe that the Subject Matter was not presented, in all material respects, in accordance with the Criteria.

Ghent, 18 December 2025

EY Bedrijfsrevisoren BV
Represented by



Paul Eelen*
Partner
*Acting on behalf of a BV

25PE0303



Line Vyvey*
Partner
*Acting on behalf of a BV

25LV0123

5 Disclaimer

This document has been prepared by and is the sole responsibility of Fluvius System Operator cv. This document is not intended for distribution to or use by any person or entity in any jurisdiction or country where such distribution would be contrary to local law or regulation.

In this document, 'Fluvius' refers either to Fluvius System Operator cv or to the consolidated group (i.e. Fluvius System Operator cv + its consolidated subsidiaries). The term 'Fluvius Economic Group' refers to Fluvius (consolidated group) + 9 intermunicipal entities that are the sole shareholders of Fluvius, and Fluvius OV (i.e. the special vehicle that employs the statutory employees). The Fluvius Economic Group is not a legal entity, but for reporting purposes, Fluvius Economic Group can be considered as a single entity.

This document and the information contained in this document do not constitute financial, technical or commercial advice or a recommendation to invest in a green bond or any other bond or security issued by Fluvius. This document does not constitute a Prospectus or Information Memorandum.

Fluvius System Operator cv

Brusselsesteenweg 199, B-9090 Merelbeke-Melle (Belgium)

Contact: investors@fluvius.be

www.fluvius.be