



fluxys  Integrated Annual Report 2024



shaping together
a bright energy
future

Integrated Annual Report 2024
Fluxys Belgium
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fluxys 





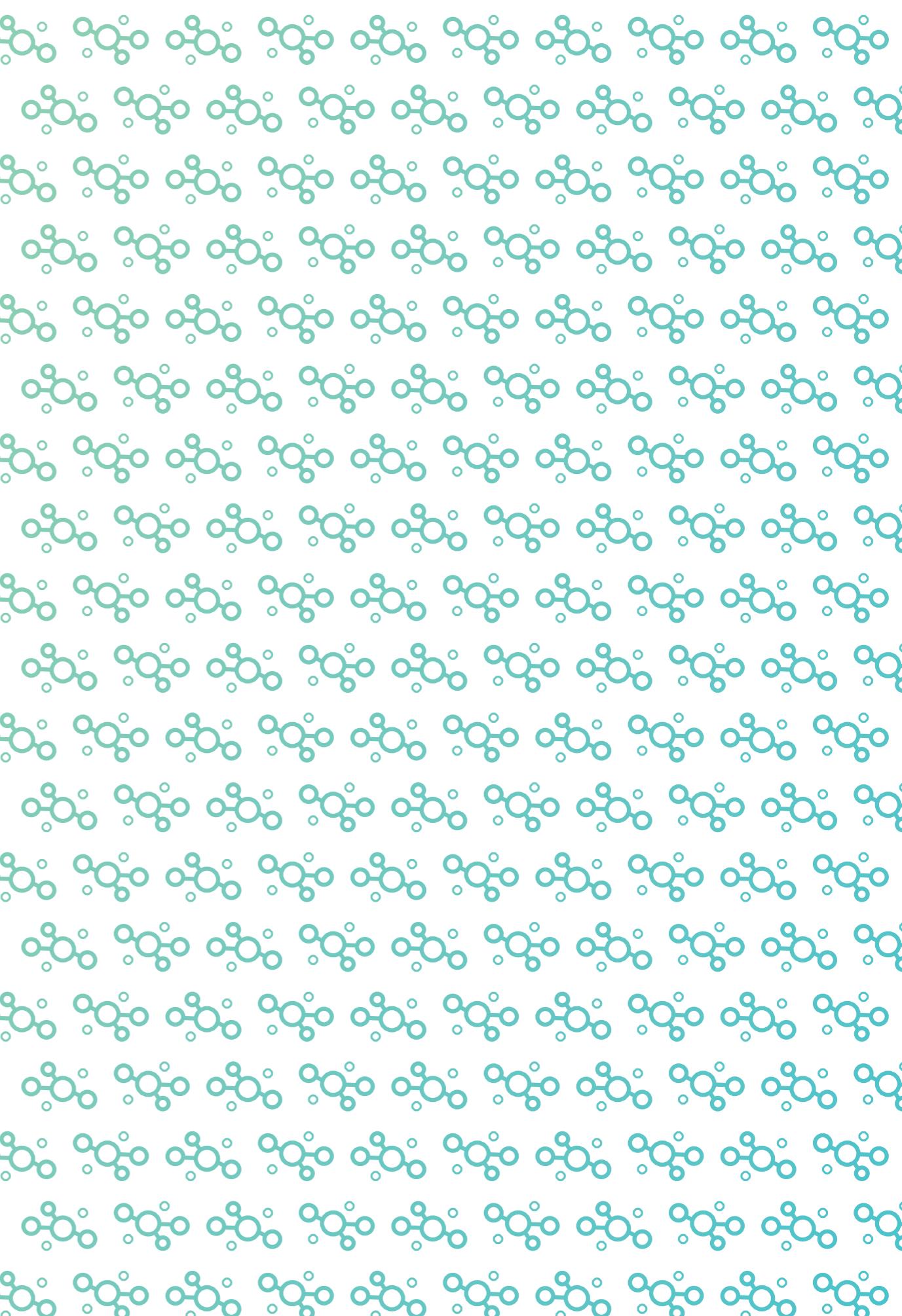
With Fluxys we transport today's energy while building tomorrow. As an essential infrastructure partner, we are pioneering for an efficient and reliable energy system. To shape a sustainable future, we integrate flows of renewable and low-carbon molecules and captured CO₂ streams.

With our infrastructure, we lay the foundation for the market. For consumers, producers, and suppliers. Infrastructure that helps us transition to a carbon-neutral society. Infrastructure that we develop at the pace of the market, open to as many sources as possible for the strongest possible supply security.

Our colleagues are at the heart of this transformation. They shoulder the hybrid energy future in which renewable and low-carbon molecules and electricity optimally combine with the capture and reuse or storage of CO₂.

Tirelessly, we work with our teams to write the story of tomorrow. With every project and every innovation, we proudly say #HiToTheFuture.

Join us on this exciting journey and say #HiToTheFuture with us!



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Looking to the future



Making agile progress as the market develops



Pascal De Buck
Managing Director and CEO

Andries Gryffroy
Chairman of the Board of Directors

What has 2024 brought that matters for the future?

Pascal De Buck *First and foremost: with our Belgian network, we remain a key pillar when it comes to supporting security of the natural gas supply in North-West Europe, especially Germany. At the same time, we note that high energy prices in Europe are a crucial factor for market competitiveness. In addition, the question arises to what extent global political and geopolitical developments will impact Europe's priorities, including the energy transition. Climate neutrality remains the goal, but its pace and implementation are a subject of discussion today.*

So, we have a difficult road ahead of us, but we're ready for it. Together with parent company Fluxys and our various partners, we have a wide range of projects on the drawing board that will allow us to respond agilely at the pace of the market.

Andries Gryffroy *We scrutinised our strategy in light of the recent changes in the context in which we work. Our strategy definitely passed that stress test. At the same time, we remain particularly alert to new developments so that we can align the rollout of new infrastructure with the direction the market is taking.*

Milestones 2024

Belgium remains the essential hub for energy supplies in NW Europe

As in previous years, our teams once again made every effort to supply the Belgian network with natural gas. We also continued to transport large volumes to our neighbouring countries, with Germany as the main destination.

Since the start of the conflict in Ukraine, an EU regulation has imposed a requirement that European gas reserves be adequately replenished by 1 November every year. Our storage facility in Loenhout was already completely filled by 1 August, three months before the EU's deadline.

With Zeebrugge serving as a crossroads, our Belgian network continues to play its role as an energy hub in North-West Europe.



Switch to high-calorific gas successfully completed

Until 2017, about half of Belgian households and SMEs used low-calorific gas from a production field in the Netherlands. With the depletion of that field in sight, the Netherlands decided to gradually reduce the export of low-calorific gas. Since 2018, Fluxys Belgium has been adapting its network to gradually replace the supply of low-calorific gas with high-calorific natural gas from other sources. In 2024, we successfully completed the switch to high-calorific gas. Belgium no longer uses low-calorific gas, but Fluxys Belgium continues to transport it to France until the switch is also completed there.



Making proactive investments so that the market keeps the option to pursue sustainability.

Pascal De Buck
Managing Director
and CEO

Green Logix: first biomethane plant directly connected to the Fluxys network

On 23 October 2024, the first volumes of biomethane were injected directly into our transmission system. The molecules are produced by Green Logix Biogas in Lommel. During the initial phase, the



plant produces a volume of biomethane equivalent to the consumption of some 7,000 households.

fluxys
hydrogen

Fluxys hydrogen appointed operator of hydrogen transmission network in Belgium

On 26 April 2024, the Federal Energy Minister appointed Fluxys hydrogen, a subsidiary of Fluxys Belgium, as the operator for the development and operation of the hydrogen network in Belgium.

In line with the federal hydrogen strategy, Fluxys hydrogen is responsible for developing a hydrogen pipeline network which will form part of the European Hydrogen Backbone. This will allow the necessary low-carbon energy and feedstock to be transported both for the Belgian market and neighbouring countries at the pace of market development.

Partner in the hydrogen link with Luxembourg, France and Germany

With a view to developing cross-border hydrogen transmission infrastructure, Fluxys hydrogen is stepping up its cooperation with our partners Creos (Grand Duchy of Luxembourg) and GRTgaz (France) in the HY4Link project.

infrastructure with a limited scope that takes into account initial anticipated market demand. The infrastructure will be constructed in multi-purpose technology, just like the recent natural gas pipelines. We are also working on pre-investments for a multi-purpose pipeline in the Antwerp port area that can initially be used for transporting CO₂.

Taking the lead means taking risks. How far will Fluxys Belgium go?

Andries Gryffroy Infrastructure investments required for the energy transition are significant. We are anticipating to enable the required decarbonisation solutions for the market. Although we do so carefully, that does not take away from the fact that we are taking risks. Infrastructure must be fit to carry

incrementally growing volumes while we must be able to offer affordable tariffs to the first users. 2025 will be a crucial year for us to work with public authorities and regulators in Belgium to find solutions to mitigate risk in the start-up phase of the new markets. The first movers on the market also need major efforts when it comes to policy. The competitiveness of businesses is under considerable pressure, and initiatives are needed to keep industry in Europe while not losing sight of decarbonisation targets. The new European Commission's Clean Industrial Deal initiative shows that this concern is at the top of the policy agenda.



HY4Link is an infrastructure project aiming to connect industrial clusters requiring hydrogen in France, Germany and Luxembourg to import hubs in Antwerp, Zeebrugge, Rotterdam and Dunkirk. This future infrastructure can help accelerate the decarbonisation of industry in North-West Europe. We are also exploring cross-border connections with transmission system operators (TSOs) in Germany (OGE), the Netherlands (HyNetwork Services) and the United Kingdom (National Gas).

Working with industry to cut CO₂ in Belgium

Capturing CO₂, then transporting it and finally using or storing it (CCUS): for some industrial players, there is no other way to make their operations carbon-neutral. During Princess Astrid's royal mission to Oslo, several stakeholders, including Fluxys, signed a joint



declaration to fully commit to CCUS. The declaration calls for work on decarbonisation including through an appropriate regulatory framework.



“2025 will be a crucial year for reaching solutions with the public authorities and regulators in Belgium to mitigate risk during the start-up phase of the new markets.

Andries Gryffroy
Chairman of the Board of Directors

An increasingly complex context for climate targets that have always been ambitious. What do we need to bear in mind?

Andries Gryffroy The climate challenge is more urgent than ever and the redesign of the energy system is a key element. It is absolutely vital that all stakeholders adopt a holistic approach to the energy system as a whole. All decarbonisation solutions should be optimally integrated to successfully respond to the climate challenge. Collaboration throughout the energy system is the key, with all sectors, public authorities and regulators working together towards the same goal.

Pascal De Buck I am particularly proud that Fluxys Belgium can contribute to this coordination and collaboration thanks to our unique simulation model for infrastructure development in the countries bordering the North Sea. The model provides a clear understanding of the key factors for an energy ecosystem that supplies energy where it is needed at the lowest possible cost at any time and with net zero emissions.

What assets does Fluxys Belgium have to help shape that vision?

Pascal De Buck As an industrial infrastructure company, we have a team of employees who have earned special recognition among the market, partners and our other stakeholders in the energy transition for their foresight and commitment to the transition, as well as their

enthusiasm for cooperation. In 2024, together with parent company Fluxys we overhauled our organisational structure to allow us to be even stronger. In our new operational model, our in-house expertise and experience will have maximum impact.

Andries Gryffroy Our international perspective is also a key asset. Together with parent company Fluxys, we work across borders. Moreover, with our infrastructure we are strategically located between the North Sea and the major industrial zones in Belgium and western Germany. We are on the path between supplies of renewable and low-carbon molecules from the North Sea and the market in one direction and, in the opposite direction, between emitters needing to remove CO₂ and the sites for safe permanent storage in the North Sea.

North Sea Integration Model: working together towards net zero emissions

The energy landscape will change radically in the years to come. How can we design an affordable energy system and

ensure that all solutions work together to achieve net zero CO₂ emissions? To answer this question, in 2024 we devised the North Sea Integration Model: a computational model that simulates all interactions between electricity, hydrogen, methane and CO₂



infrastructure in Belgium and all other countries bordering the North Sea. The model is a tool that, based on future consumption scenarios, shows how the entire chain from production to transport to consumption can be optimised in terms of costs, CO₂ emissions and preservation of security of supply.

Good results towards our ESG targets

In 2024, we started measuring our progress towards the Environment, Social, and Governance (ESG) targets we set in 2023, for each of our material ESG topics. With our 2024 ESG results we are on track to achieve our targets. Cf. the ESG performance dashboard in “Our ESG performance”.



91 new colleagues hired

Fluxys is growing! In 2024, no fewer than 91 new colleagues joined our ranks, meaning that 982 employees are working at Fluxys Belgium.

103 colleagues were given the opportunity to take on new responsibilities and other roles; such internal mobility is particularly encouraged at Fluxys.



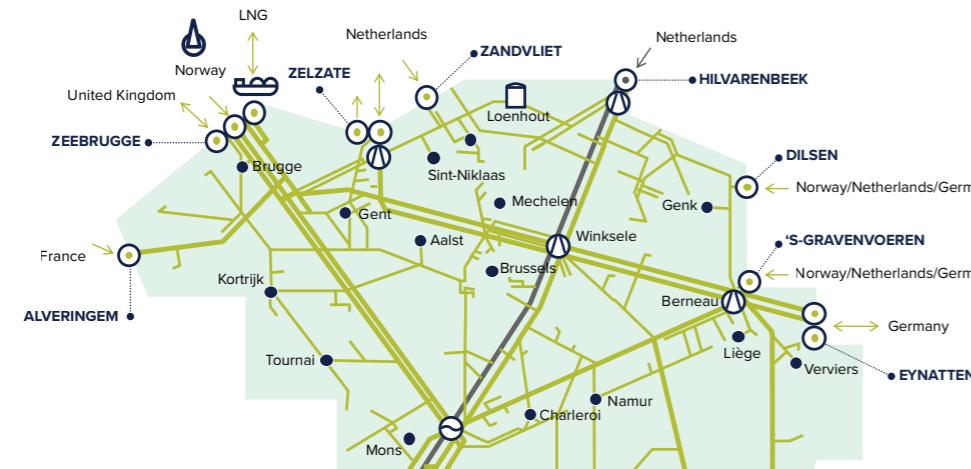
Fluxys Belgium in a nutshell



Where Fluxys Belgium is active



4,000-km-long pipe network connected to five 5 neighbouring countries
Zeebrugge zone including the LNG terminal
Loenhout underground storage
Development of the hydrogen and CO₂ pipe network



4 000 km pipelines

High calorific gas

Low calorific gas (transit from The Netherlands to France)

Physical interconnection points

LNG terminal

Compressor stations

Blending stations

Storage

Our ambition



In our own activities

Be climate neutral in 2050

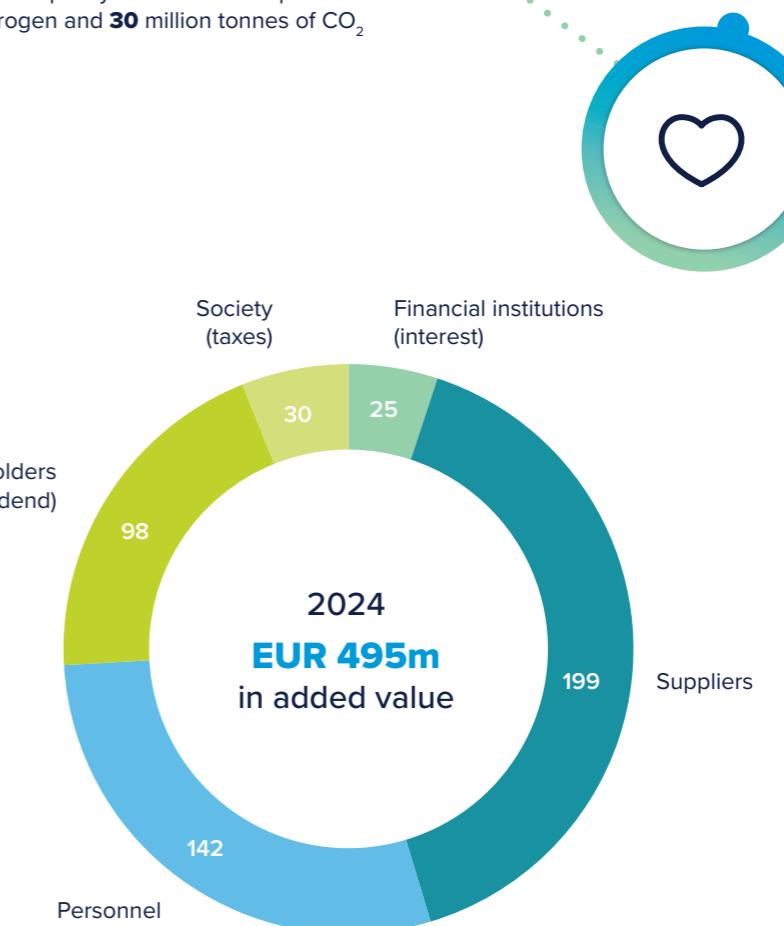


For the market

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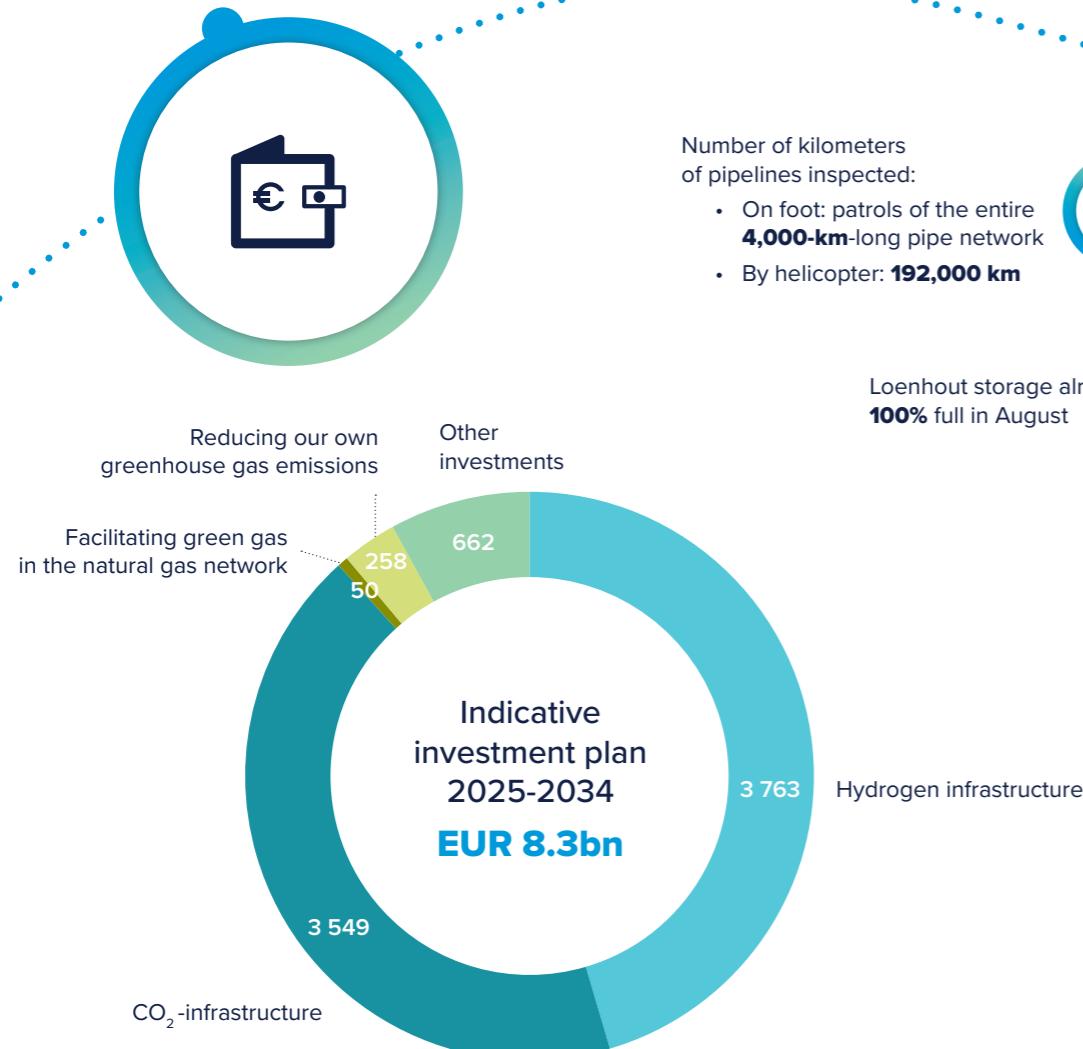
By 2030 provide capacity for annual transport:
30 TWh of hydrogen and 30 million tonnes of CO₂

Our contribution to prosperity



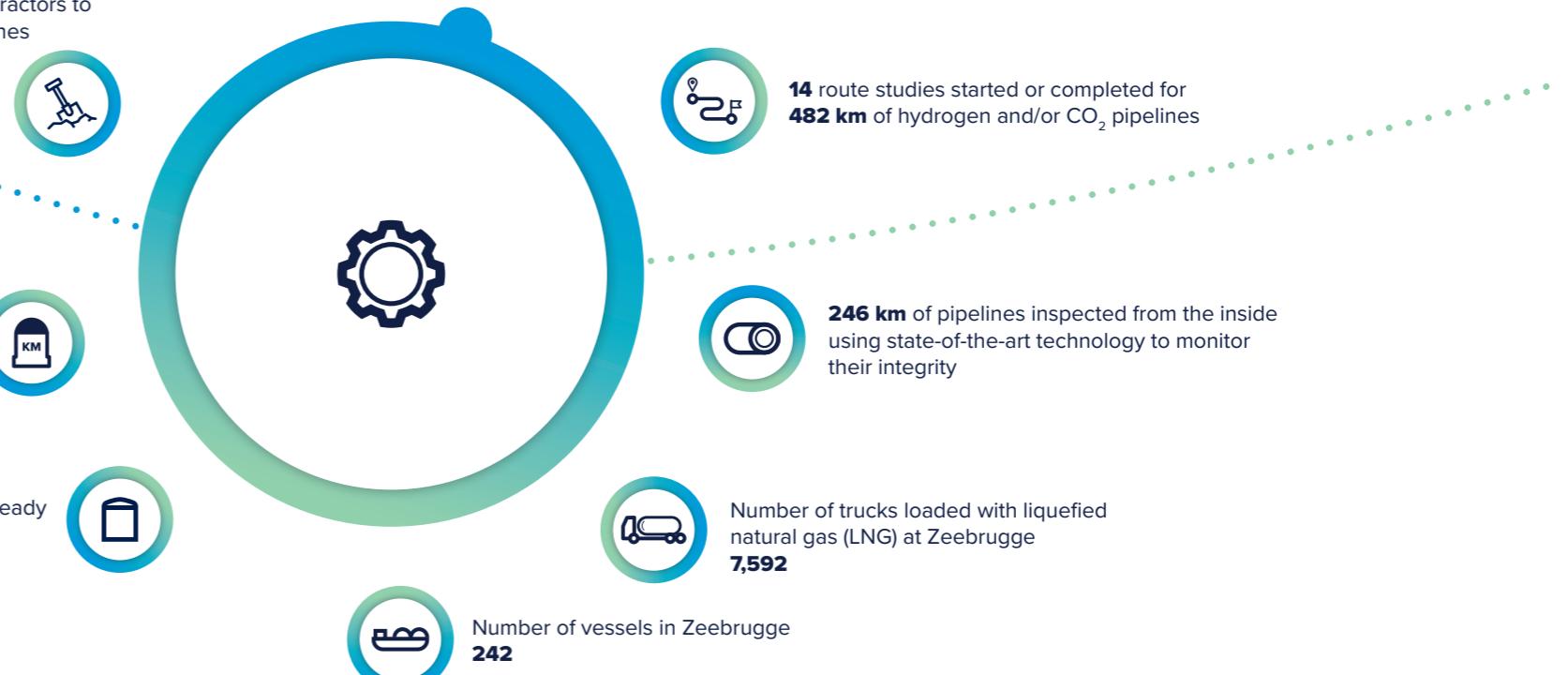
Consolidated figures 2024

Our investments



For approximately **5,900** worksites near our pipelines, our inspectors reviewed the safety regulations with the involved contractors to prevent any damage to our pipelines

Some operational figures



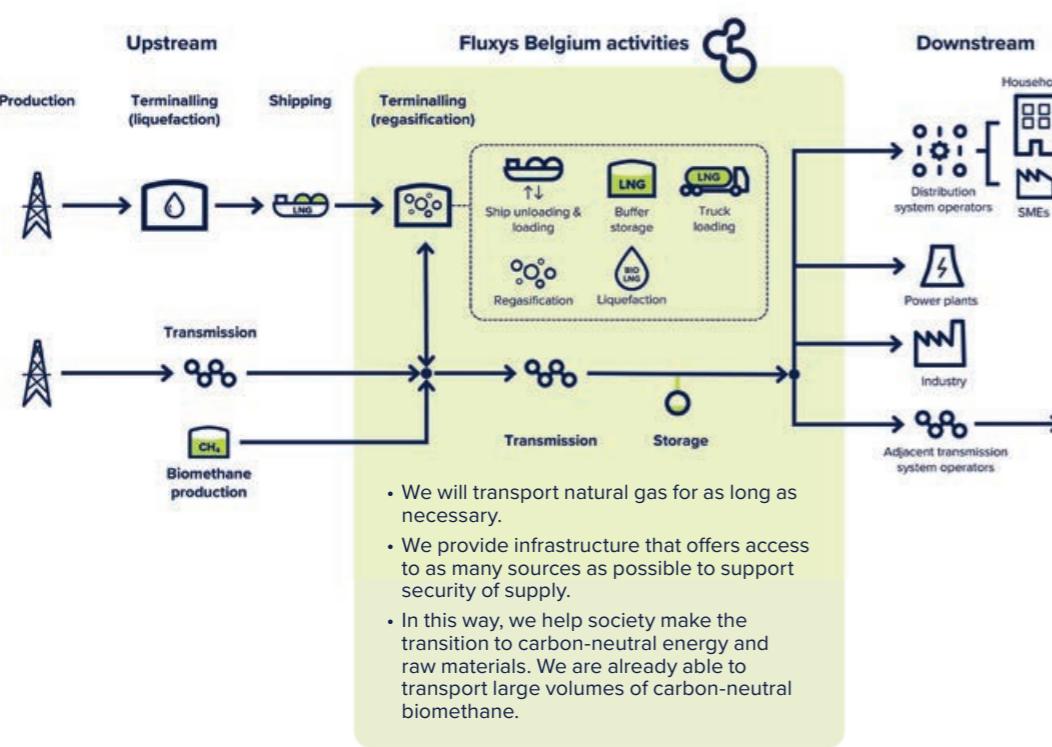
HiToThe
Future

Our position

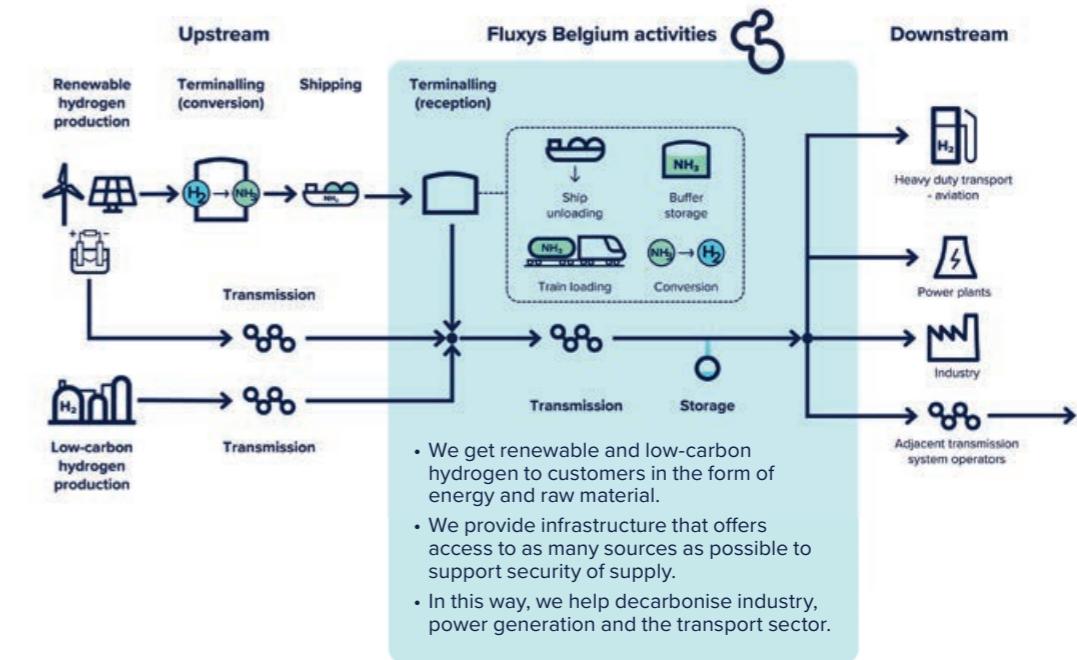


Our business model

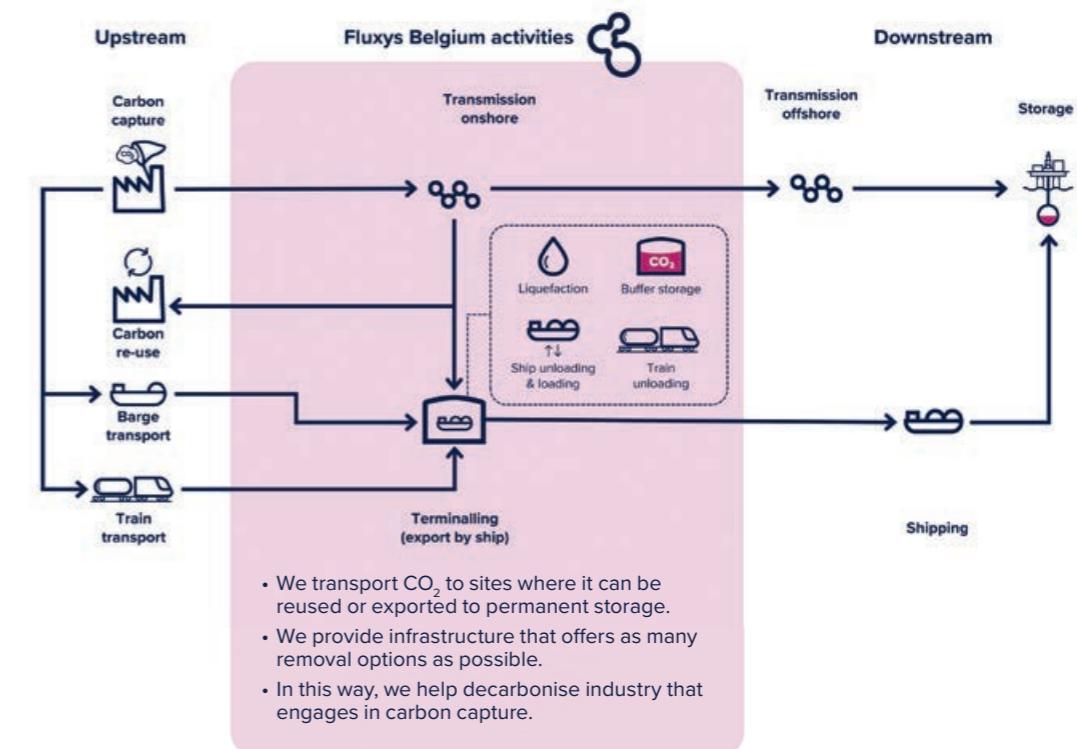
Natural gas infrastructure services



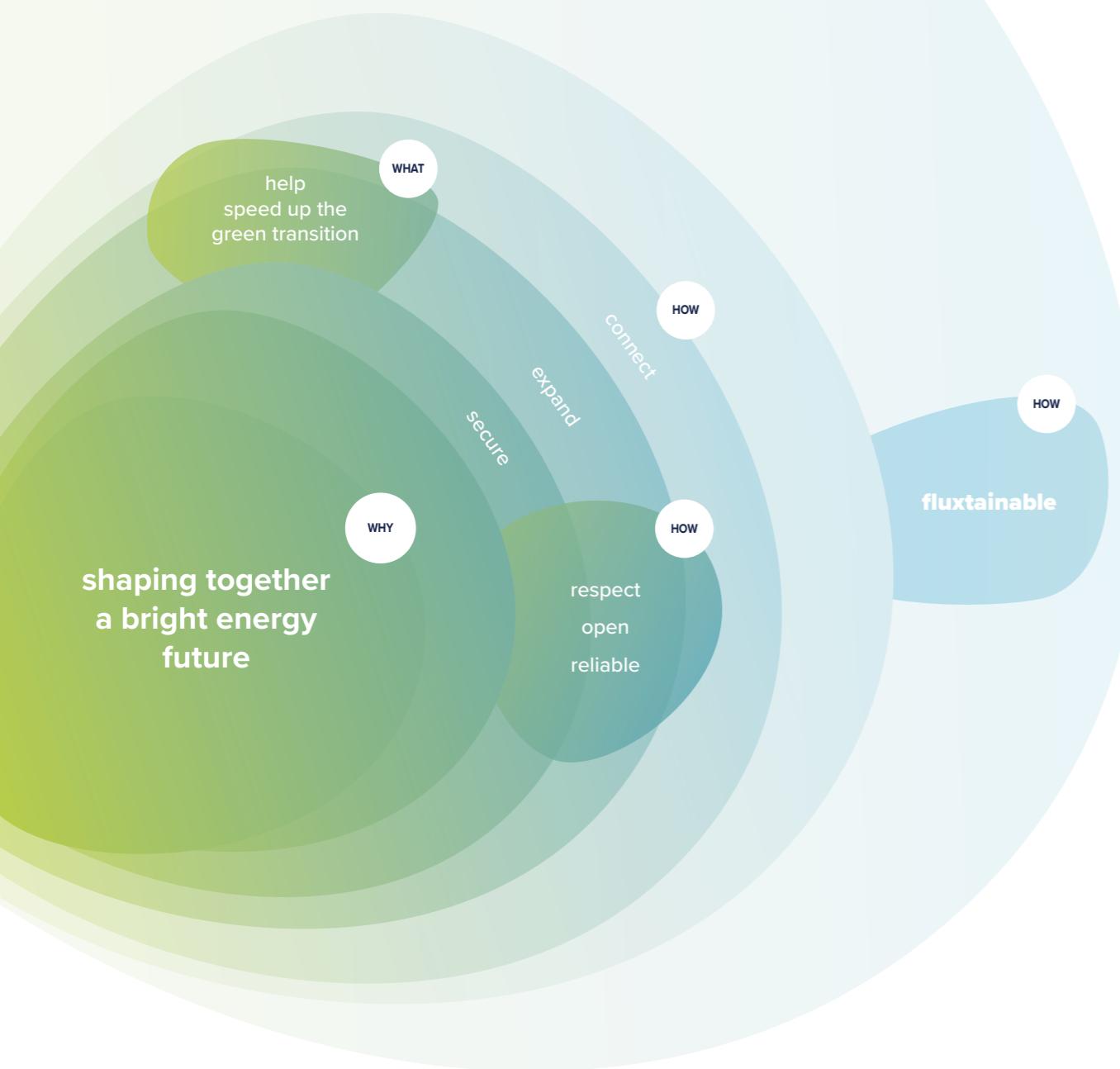
Hydrogen infrastructure services



CO₂ infrastructure services



Why, what and how: our strategic framework



Our purpose: why we matter

As a key infrastructure partner, we are building a sustainable and cleaner energy future. That is our purpose. With our terminalling, transmission and storage infrastructure for different molecules, we bring energy where it is needed – today and tomorrow.

together

The energy ecosystem is complex and the demand for energy as a driver of human progress combined with a global need to make energy more sustainable is a challenge that requires everyone's commitment. Redesigning the energy system will not be easy, yet it can be done if we work together. **Together** refers to all our stakeholders: our employees, shareholders, industrial partners, customers, the general public and all actors in the energy system. At Fluxys Belgium we firmly believe in this collaboration.

bright

bright – Our infrastructure, with its storage capacity and capacity to handle molecules for a low-carbon future such as hydrogen and CO₂, will play a major role in the transition to a bright energy future for all.

future

The word **future** entails responsibility. With our unique assets as an infrastructure company, we owe it to ourselves to contribute to a greener energy future for generations to come.

What we want to achieve: our ambition

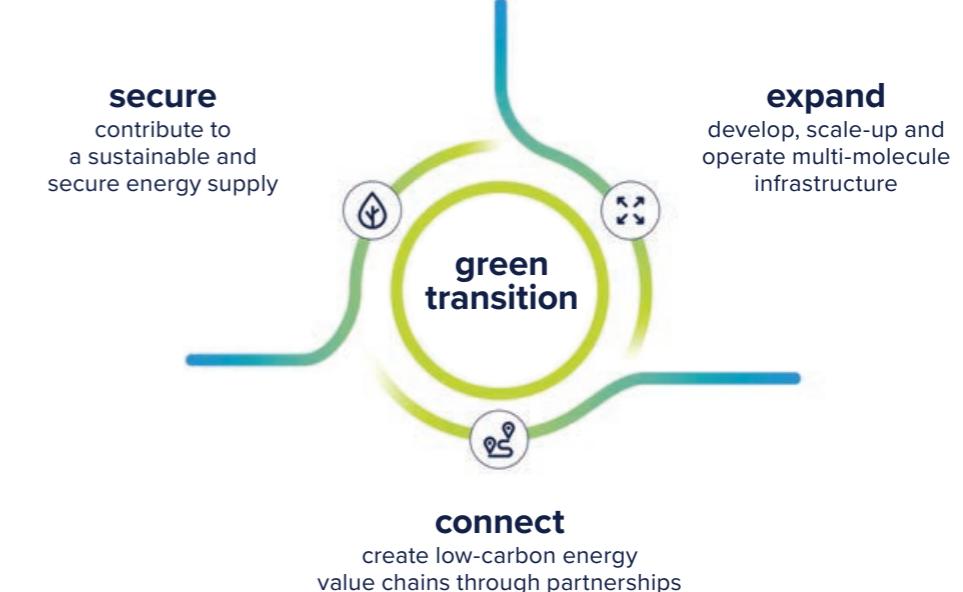
As a key infrastructure partner, we want to help accelerate the energy transition with infrastructure for different molecules. By 2023, we aim to offer our customers the necessary capacity to transport 30 TWh of hydrogen and 30 million tonnes of CO₂ per year. We roll out infrastructure in line with market demand and to the extent that the investment risk in the market start-up phase is reduced to an acceptable level of risk by government mechanisms.

30x30x30

How we do it: three pillars



Fluxtainable is our ESG compass (Environment – Social – Governance). How do we ensure we develop our activities sustainably while taking a long-term view for us and for all our stakeholders? We are moving forward in five areas on our sustainability path.



Key trends for our activities

Continued new configurations of natural gas import flows

- The configuration of import flows to Europe are being redrawn due to geopolitical developments.
- The sharp decline in pipeline gas supplies from the east led to the maximum deployment of LNG as an alternative source of supply.
- In response to Europe's rising need for LNG imports, several countries, including Germany and the Netherlands, rapidly built or are in the process of building floating LNG terminals.
- As a result of the additional inflow of LNG and new gas transit configurations via pipeline, greater west-east flows are significantly replacing traditional east-west flows.



What we are doing

We have fully commissioned a first additional pipeline section on the Zeebrugge-Brussels axis. This allows us to bring larger volumes inland from the west and maintain high transit flows to Germany. Construction of the second section of the pipeline will start in 2025. The infrastructure is completely future-proof and can be used to carry hydrogen as soon as the market is ready for it.



European industry's transition to hydrogen and CO₂ capture slows

- Decarbonisation is high on European industry's agenda, but the global economic context is forcing numerous companies to put their decarbonisation plans on hold.
- In Europe, investment in the hydrogen economy in 2024 showed a declining trend overall, with more favourable prospects in southern Europe than elsewhere.
- For CO₂ storage, investment decisions have been made or construction has started on several projects in the North Sea.
- However, the CO₂ emission cost in the EU Emissions Trading Scheme remains too low to leverage investments in the conversion to hydrogen or CO₂ capture.



What we are doing

We are working with industry to build in Belgium, in line with demand, the necessary hydrogen and CO₂ infrastructure that companies need for their decarbonisation projects. We are also aiming for maximum volumes to and from neighbouring countries in order to expand Belgium's role as an energy crossroads by making the country a hydrogen and CO₂ hub for the economy in Belgium and North-West Europe. This is how we develop infrastructure with economies of scale that we can offer at competitive rates. Together with industry, we are pushing for the necessary mechanisms to support hydrogen and CO₂ logistics chains during construction and thus mitigate investment risk.



Evolving European climate and energy policy

- Geopolitical developments are increasingly having major economic implications for the industry.
- At the same time, the cost of energy remains a key factor: in Europe, natural gas costs up to five times more than in the United States.
- Therefore, the new European Commission has set its sights on the challenge of reconciling European climate and energy policy with the economic realities of industry and creating a support framework to make that transition.
- Meanwhile, several initiatives are in the pipeline to equalise the competitiveness and decarbonisation of industry.

What we are doing

Developments in climate and energy policy, geopolitical and geo-economic developments and many other elements render the context in which we operate complex and, to a large extent, unpredictable. The pace and manner in which Europe transitions to net zero could take various forms. As such, our strategy to help accelerate the energy transition remains solid and we are ready to respond agilely to the changing context at the pace of demand evolutions.

How we are helping to speed up the energy transition

As a key infrastructure partner, we are working to realise an energy system with renewable and low-carbon molecules and with CO₂ capture as a supporting and additional solution. An energy system open to the necessary import and export flows of those molecules to and from our country. All for an energy system that contributes to carbon neutrality, security of supply and affordability.



In European energy and climate policy, the need for a mix of solutions to achieve climate neutrality runs as a common thread.

We deliver key solutions for large-scale decarbonisation

The common thread in European energy and climate policy is the need for a combination of solutions to achieve climate neutrality. Energy efficiency must be greatly increased, significantly more electricity is required, which must also be renewable or low-carbon, large quantities of renewable and low-carbon molecules such as hydrogen and biomethane are also required and it must be possible to capture large quantities of CO₂ for reuse or storage.

With our infrastructure, we play a key role in the combination of solutions for the energy transition. We are doing everything we can to develop our infrastructure and gradually transform it into a multi-molecule system. In so doing, we are preparing the energy system to not only carry natural gas, biomethane and synthetic methane to consumers, but also to facilitate the inflow of hydrogen and other renewable and low-carbon molecules and CO₂ expected to increase incrementally at the pace of market developments.

Crucial role for renewable and low-carbon molecules

→ raw materials for industry

Numerous companies need renewable and low-carbon molecules as raw materials for their processes. Products such as fertiliser, which is crucial for the food and agricultural industry, or plastics, for the manufacturing industry, among others, require molecules during the production process.

→ fuel for industry

Some industrial processes require very high temperatures. While electrification cannot always make these processes efficiently sustainable, in some cases the use of renewable and low-carbon molecules can.

→ fuel for long-distance transport

Heavy goods traffic, commercial shipping and aviation are difficult to electrify. Renewable and low-carbon molecules can also play a role here, directly or as raw materials for synthetic fuels (such as e-fuels).

→ fuel for power stations

Renewable and low-carbon molecules can be used to generate electricity at any time; this is doubly important. Indeed, increasing electrification will sharply boost both base and peak consumption while there are times and periods when there is too little wind or sun to generate the necessary green power and imported power is also insufficient. Power plants with renewable and low-carbon molecules are flexibly controllable and help keep the lights on.

Sectors that are difficult to decarbonise rely on CO₂ capture

In some sectors, such as the cement and lime industries, significant amounts of CO₂ are inevitably released via chemical reactions during the production process itself. CO₂ capture is the only option if those sectors are to sustainably maintain their activity and employment. CO₂ capture is an alternative for industrial processes that require high temperatures in those cases where, for example, electricity does not currently offer an alternative. With infrastructure to remove captured CO₂, industry has a way to direct CO₂ to safe storage locations or to companies that reuse CO₂ as a raw material.



How we are reducing our own climate impact

We are working hard to help accelerate the transition to a climate-neutral society with our infrastructure. We are working just as hard on the climate impact of our own activities. Our Go4Net0 project, which includes the Methane Emission Reduction (MethER) programme, was put in place to achieve our targets: in 2025 we aim to halve our greenhouse gas emissions compared to 2017, and we aim to be carbon-neutral in our activities¹ by 2050. We are working to reduce our emissions across Scopes 1, 2 and 3.

Scope 1

Reduce CO₂ emissions

In 2024, the following initiatives intended to reduce our own emissions were rolled out:

- The three additional open-rack vaporisers, commissioned in late 2023, experienced their first full year of operation at Zeebrugge LNG Terminal. Using the heat from seawater to regasify LNG significantly reduces natural gas consumption, and thereby allowed us to avoid 157,000 tonnes of CO₂ eq emissions at the terminal.
- In 2024, we began preparations for the electrification of our compression facilities at our storage site in Loenhout, including the construction of buildings and procurement of equipment. The replacement of the gas engines is scheduled to start in 2025.
- Research into and follow-up of technology to further reduce emissions currently considered as locked-in (see chapter 'Our ESG performance' under 'Actions related to reducing our own GHG emissions').

Reduce methane emissions (focus of the MethER programme)

Our teams are working on four tracks to further systematically tackle methane emissions:

Reduce emissions from control equipment

We are replacing control equipment that generates emissions with equipment with zero emissions. In 2024, we continued our progress in replacing equipment in our pressure-reducing stations to cut emissions from pneumatic equipment.

Limit emissions during works on the network

For planned maintenance, we remove natural gas from the relevant pipeline sections in a controlled manner. We have various ways of preventing natural gas from being released into the air.

- An additional Clean Enclosed Burner (CEB) has been delivered, which will be utilised to combust the methane (CH₄) that cannot be recovered during interventions. This ensures that the gas is burned in a controlled manner, thereby significantly reducing greenhouse gas emissions, by emitting CO₂ (which has a lower global warming potential) instead of methane.

- Four mobile recompression units have been ordered and are expected to be delivered in 2026, enhancing our flexibility during interventions. These units enable gas to be extracted from one section of a pipeline and injected into another part of our network.
- Similarly, for minor interventions, several small mobile flares have been purchased and are used to reduce methane emissions.

Reduce fugitive methane emissions

We conducted our periodic Leak Detection and Repair (LDAR) campaigns. During these campaigns, we detect micro leaks, which are subsequently repaired.

Reduce operational emissions

We continuously work on various initiatives to minimise or eliminate methane emissions from the use of our compressors.



The Methane Emission Reduction (MethER) programme has overachieved its targets

The MethER project focuses on mitigating measures to reduce methane emissions linked to our own activities. This programme has exceeded its targets and has allowed us to reduce our methane emissions by two thirds since 2017 (base year).

1. For Scope 1 and Scope 2 (market-based) emissions.

Scope 2

In 2024, Fluxys Belgium contracted green electricity to cover the electricity consumed by its core activities. These contracts allow us to limit our Scope 2 market-based emissions.

In addition, we also aim to generate our own renewable electricity thanks to solar panels that we installed at some of our installations, as well as the project currently being prepared concerning the installation of a solar panel field at our storage site in Loenhout.



Scope 3

We are engaging with our suppliers to obtain more accurate data on our Scope 3 emissions and encourage them to reduce their own emissions.

“In 2025 we aim to halve our greenhouse gas emissions compared to 2017, and we aim to be carbon-neutral in our activities.

Using seawater for regasification: 157,000 fewer tonnes of CO₂eq in 2024

The three additional ORVs commissioned in late 2023 experienced their first full year of operation at Zeebrugge LNG Terminal. Using the heat from seawater to regasify liquefied natural gas significantly reduces the LNG terminal's CO₂ footprint. In 2024, we consequently avoided 157,000 tonnes of CO₂eq emissions.

How we are preserving biodiversity

We take great care to ensure the preservation of biodiversity in those areas where we build and operate infrastructure. We take actions to prevent and minimise our impact on biodiversity whenever we build new infrastructure and to enhance biodiversity on our existing sites.

Our actions

Environmental Management System

Our environmental coordinators use Fluxys Belgium's Environmental Management System as a framework for steering, monitoring and improvement measures. They advise on and recommend ways to minimise the impact of Fluxys' activities on biodiversity and on the environment in general.

Environmental studies and monitoring

During the design phase, we take care to limit the impact on the environment and nearby area during the construction and operation of new facilities, in particular with the help of environmental studies.

The impact on the environment and local ecosystems is assessed each time an application is submitted for a permit to build or operate a new facility or when an environmental permit is renewed. These environmental studies estimate a project's potential impact in various areas, including air, water and soil pollution, ambient noise, the production of waste, spatial integration, mobility and the impact on biodiversity.

Alongside these studies, we regularly monitor greenhouse gases and atmospheric emissions (see also the section 'How we are reducing our own climate impact'). Noise levels as well as any air, soil and wastewater pollution are also monitored through a range of measurements and analyses.

Measures to prevent negative impacts

When laying new pipelines, we always take care to ensure that work causes as little disruption to the environment as possible, for instance:

- In certain circumstances, the routes of new pipelines are revised to minimise disruption to certain ecosystems and protected areas.
- In certain situations, directional drilling is used to cross nature reserves in order to protect these areas.
- The topsoil excavated during construction is carefully managed. This topsoil can be enriched with organic seeds and/or fertiliser to maintain its fertility and to preserve its integrity.
- Work sites are sized and planned according to the natural resources to be preserved (e.g. specific standalone trees, specific nesting period).
- We use a range of techniques to limit the noise generated by our pressure-reducing stations, compressor stations and other facilities. When building new infrastructure, a lot of attention is paid to potential noise pollution from the design phase onwards.

Compensation

When it comes to compensation for the trees that need to be cut down in connection with the construction of new main pipelines (backbones), we go beyond the legal requirements.

Biodiversity audit to identify biodiversity-enhancing actions

In 2024, a team of ecologists conducted a biodiversity audit at a representative selection of Fluxys sites, leading to a series of recommendations. We have already implemented some of these recommendations, such as sowing two additional flower fields at two compressor stations and trimming hedgerows outside the nesting period² (as a continuation of our 2023 actions).

Our targets

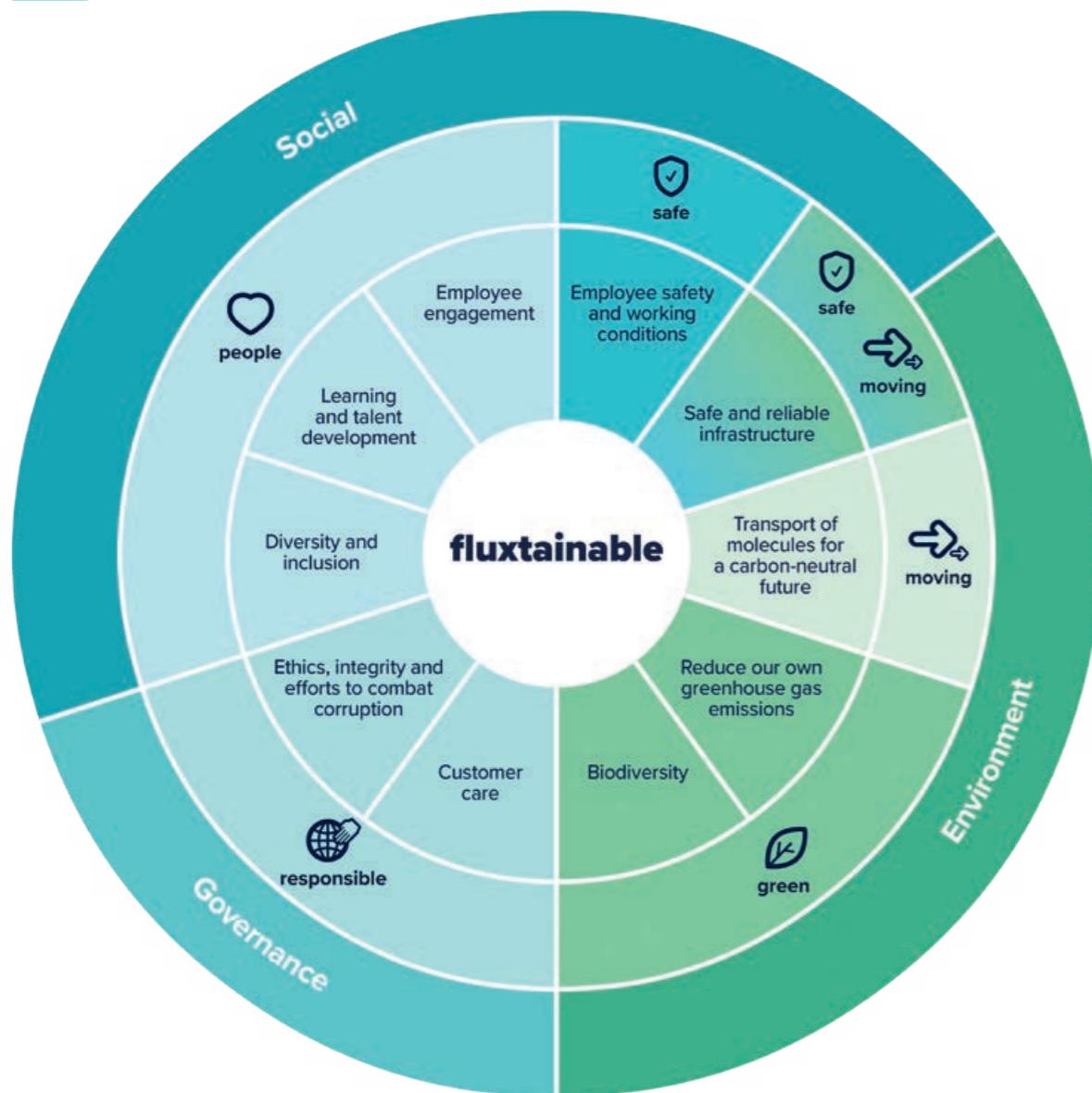
Target definition	Status	Result 2024	Result 2023
For every kilometre of backbone ^(a) laid, Fluxys Belgium will plant 500 m ² of vegetation in addition to the legal compensation provided for in cases of deforestation and felling, until 2026 ^(b) .	Achieved for 2024	Planting already carried out in 2023 for the backbone section commissioned in the first half of 2024 (as part of Desteldonk-Opwijk)	30,000 m ²
By 2028, Fluxys Belgium will implement an action plan to foster biodiversity at a number of these sites.	In progress	First step in conducting a biodiversity audit completed in 2024	New

(a) A backbone is defined as a pipeline spanning more than 10 km, with a diameter of at least 600 mm.
 (b) Calculation method: Fluxys Belgium is financing the nature restoration carried out by a third party.

2. Nesting season depends on the region: Brussels-Capital: from 1 April to 15 August; Wallonia: from 1 April to 31 July; Flanders: from 15 March to 15 July.



Our sustainability path: fluxtainable



With our 2024 ESG results we are on track to achieve our targets.

Fluxtainable is our ESG strategy. How do we ensure that we develop our activities sustainably in a long-term perspective for us and for all our stakeholders? Fluxtainable is also our dashboard for communicating transparently about the progress we are making in our sustainability performance.

What is our impact on the environment and society? And what financial impact do external factors have on our company? On this basis, together with our stakeholders, we identified the ten material ESG topics

that form the core of our path towards sustainability. We group the ten material ESG topics into five key domains.

 moving we accelerate the energy transition with multi-molecule infrastructure, today and tomorrow	→ both today and tomorrow, our core business is building and operating infrastructure for a reliable and uninterrupted flow of molecules → our focus is on innovative projects and substantial investments in infrastructure for hydrogen, CO ₂ and other molecules to make the transition to a low-carbon economy
 green we become a net-zero company and we preserve the natural capital	→ we aim to reduce our greenhouse gas emissions ³ by 50% by 2025, by 67% by 2030 and achieve carbon neutrality by 2050 → when building new infrastructure and in our daily activities, we are committed to preserving and promoting the biodiversity of our sites
 safe we keep high safety standards in an evolving business	→ our top priority is the safety of our employees and local residents in the areas in which we operate → transporting, terminalling and storing molecules safely is our core business, today and tomorrow
 people we encourage diversity, talent development and employee engagement	→ well-being is our priority. → we foster an inclusive working environment where everyone feels respected and valued → we encourage continuous learning and personal growth → our values, feedback culture, the safety of our employees, learning and engagement are all crucial drivers for a successful energy transition
 responsible we conduct our business in a responsible way	→ our Ethical Code, which we share with our stakeholders, is the basis for our daily actions → our commitment to meeting the needs of our customers and ensuring their satisfaction drives us to improve continuously

In 2023, we identified our ESG material topics and defined targets for each of them. This year, we are reporting in full compliance with the Corporate Sustainability Reporting Directive (CSRD). In 2024, we started measuring progress towards our targets: with our 2024 ESG results we are on track to achieve our targets. (For additional details, see 'Our ESG performance')

3. Scope 1 and Scope 2 market-based.

ESG dashboard

 On track

 Action needed to reach target

 Unable to reach target

ESG Material topic		Target definition	Status	Result (full year 2024)
1	Transport of the molecules of a carbon neutral future			Achieved for 2024: 100% (23,5km of multi-molecules pipelines put in service, between Zele and Opwijk and ~10km Fexhe-Les Awirs).
2	Reduce our own GHG emissions			On track: 131 ktCO ₂ , i.e. -48% compared to our base year (2017).
				Achieved for 2024: More than 50% reduction compared to our reference year (2023).
3A	Safe and reliable infrastructure			Achieved for 2024: 0 reduction or interruption of firm transmission capacity.
3B	Safe and reliable infrastructure			Achieved for 2024: 0 industrial incident with major safety impact.
4	Customer care			Achieved for 2024: 100% Appropriate communications were carried for all of the 3 changes in 2024.
5	Safety of employees			Same target as 3B.

(a) Total length of 5 km or more.

(b) Emissions basée sur le marché.

(c) I.e. excluding categories 3.1 Purchases of goods and services, and 3.2 Capital goods; that are directly linked to the development of our infrastructure.

(d) By industrial incident having a major impact on safety, we refer to explosions, fires, uncontrolled gas venting, pollution, etc. that have serious consequences for the safety (life-threatening injuries or injuries resulting in permanent disability/death) of employees and local residents.

(e) Scope: Fluxys Belgium (transmission) and Fluxys LNG.

ESG Material topic		Target definition	Status	Result (full year 2024)
6	Employee engagement			Achieved for 2024: more than 80% engaged employees.
7	Learning and Talent Development			Achieved for 2024: more than 90% of employees have increased their knowledge in at least 2 key domains.
8	Diversity and Inclusion			In progress: The campaign was successfully launched in 2024 (for directors and senior managers). The rollout to all employees is planned for 2025.
				In progress: A first version of the training material was developed, and a pilot session took place at the end of 2024, with a group of managers.
9	Ethics, integrity and efforts to combat corruption			In progress: In 2024 we updated the ethical code and developed the associated training. Our goal is for all employees to have completed the course by the end of 2026.
10	Biodiversity			Achieved for 2024: Planting already occurred in 2023 for the Backbone section put in service in first half year 2024 ^(g) (as part of Desteldonk-Opwijk).
				In progress: Target for 2028; first step i.e. conducting a biodiversity audit completed.

(f) Total length above 10 km and diameter of 600mm or more.

(g) Planting already occurred in 2023 for the full Desteldonk-Opwijk pipeline, incl. the section between opwijk (hollestraat) station – dendermonde (oudgegem paalstraat) station of ~16km that was put in service early 2024.

A forward-looking organisation

We are facing a range of exciting challenges that affect our human capital and organisational resilience. These challenges include attracting and retaining talent, fostering a culture of learning, strengthening leadership, and cultivating a forward-looking digital and artificial-intelligence-inspired environment.



Team spirit at the top of the Brussels Ekiden

Fluxys was amply represented at the 20th edition of the DHL Ekiden in Brussels. No fewer than eight teams of six runners each lined up at the starting line in the King Baudouin Stadium for a relay race over the mythical marathon distance of 42.195 km. In the stands, supporters and volunteers created a great atmosphere. Sport, fun and team spirit at its best!

Our strategy for our people and our organisation helps us respond flexibly to changing circumstances and provide buffers where needed. In this strategy we focus on three key areas:

- Our transformation journey as a company
- Developing future-proof employees
- Offering meaningful work as an attractive employer

We harness societal challenges and turn them into levers in our transition. Intergenerational collaboration, support for lifelong development and long-term employability, and the power of artificial intelligence are examples that strengthen us. Our growth is inspirational, and our positive change experience is contagious - we see this every day.

Our transformation journey as a company

Through various initiatives, we worked towards our goal in 2024.

Adjusting our operating model was an important step in our evolution. We are now organised in a matrix model through parent company Fluxys, which operates as an international, integrated industrial group with four business and five functional divisions, consequently laying the foundation for future growth. This model makes it possible to accelerate the development of new assets for the energy transition worldwide, enhance transparency in decision-making and prepare for future developments.

During 2026, headquarters staff will move back into the newly renovated buildings of the historic headquarters in the heart of Brussels. In the meantime, we temporarily moved to three locations in the Brussels area and introduced the concept of

activity-based working under the name work@fluxys. Early signs indicate that this approach promotes connectivity and collaboration. Our new HQ plays a crucial role in the future work experience, focusing on the diverse preferences of current and future generations. We are gradually applying these principles to other locations.

Our company values (respect, open, reliable) were reviewed in 2023 and integrated into processes such as performance reviews, onboarding and team performance. From this, we launched initiatives around diversity and inclusion. These shored up our values and provided a framework in which employees feel psychologically safe and can fulfil their potential.

Transformation is our choice. The result of it will be our success.

Developing future-proof employees

Talent is scarce, and the scale of this scarcity calls for creative approaches that respond to various challenges. Moreover, to ensure our organisation's growth we need to encourage employees to develop and retrain. We need to challenge them to make choices that have the greatest impact on productivity or social interest.

Expectations and guidance for leadership

Leadership is evolving. Our leaders need to have an increasingly wide range of skills to lead and guide others more effectively. Diversity within teams and generational dynamics pose additional challenges for leaders. So we are asking three fundamental questions: what type of leadership do we need? What do we expect from our leaders? And how do we prepare them for these changes? We will guide our leadership based on the answers to these and other questions.

Lifelong learning

Moreover, in a dynamic talent landscape, we have continued to focus on continuous development, both to keep our organisation resilient and to make employees more flexible for internal mobility. Therefore, we have already gone even further (9 days per FTE) than the standard used by the federal government (5 days per FTE).

Supporting performance and development

We integrated regular feedback on how a job is being done into our (formal and informal) performance reviews. In this way, we want to integrate how individual and team performance is delivered. We will continue on this path in the coming years, with an emphasis on personal development plans in all areas. For instance, we emphasise the importance of a growth mindset and are committed to engaging employees in their career and personal development.

Diversification of learning resources and platforms

We offer various learning opportunities through multiple channels, catering to different learning styles. Our e-learning platforms offer a wide range of topics for the development of soft skills, and we use digital coaches for customised coaching too. We are also expanding collective learning experiences, such as the Digital Café and Lunch & Learn, and organising physical activities to enhance the connection between employees.

Understanding and incorporating artificial intelligence

It is essential that we embrace new digital technologies. Our priority is to ensure that every employee has a basic knowledge of artificial intelligence (AI). We also supported leaders and managers in the transition to AI integration, focusing on retraining and upskilling.



Competency model to drive a growth mindset

Our competency model, consisting of seven core competences, is aligned with our aims. The model focuses on skills such as impact, leadership and agility and was integrated into the recruitment process and training initiatives from 2024 onwards. It helped us identify and integrate the future competences needed. As such, we are continuing on this path and are using the model to guide employees and identify the right way to direct their personal development.

Offering meaningful work as an attractive employer

A purpose-driven company, attractive on a tight labour market

Our purpose, 'Shaping together a bright energy future', gives employees a sense of meaning and satisfaction in their work and cements our position as an attractive employer. We got to experience that again in 2024.

On a competitive labour market, authenticity remains key: our employer branding, our image as an employer, must match the real experience of our employees. With different generations having different preferences, such as green mobility and greater flexibility, we adapted our approach to recruit, retain and develop talent.

Recruiting talent

We rolled out an internal communication campaign to inform, motivate and engage our employees, focusing on the message 'Your talent makes the difference - be yourself', coupled with training on diversity and inclusion. Our experience shows how difficult it is to recruit for specific roles, so we laid the groundwork for a streamlined employer branding campaign to support our recruitment needs. We commissioned a new recruitment tool to make hiring new employees more efficient. New employees are quickly and easily onboarded using an improved online system.

Improve employees' experience

Our new organisation introduced in 2024 strengthens internal career opportunities. Over the past year, we adapted our benefits to meet various needs, including those of Gen Z. This includes the greening of mobility. Innovation and AI projects combining learning and AI boosted our productivity and digital appeal.

Our employees are at the heart of our company

Our employees are at the heart of everything we do, which is why we once again gauged the well-being and engagement of our colleagues through our vibeS survey. There was an impressive 84% participation rate. Fluxys colleagues remain involved and appreciate the many efforts made with regard to well-being and engagement. There are still areas for improvement, and we, alongside all our colleagues, are committed to working on these in 2025.

Connectivity and collaboration remain essential. Also in 2024, we organised live events such as a New Year's reception and a summer party, and initiatives such as Bright Talks and Bright Connections. At group level, we strengthened cooperation during Branch Management Seminars.

Cooperation with social partners and associations such as the Circle of Friends was again central to our approach. These relationships, based on mutual respect and appreciation, have had impressive results, such as the high turnout in social elections.

“Together, we continue to build an organisation where people come into their own.

Our digital ambition targets long-term value

Our digital ambition is key to creating long-term value for our company, customers and the energy system of the future.

Our four focus areas

-  **Planning and building new networks** for hydrogen and CO₂. Examples include the automation of engineering workflows and the initial analysis of the optimum pipeline routes.
-  **Simultaneous operation of the natural gas, hydrogen and CO₂ networks.** Examples include digital support for our dispatching teams and our network inspections.
-  **Digitalisation of the employee journey** (i.e. the journey that employees take within our company). Examples include AI-assisted recruitment and knowledge transfer, as well as digital assistants to stay on track within the company.
-  **Boosting our daily productivity** thanks to AI and digitalisation.



Accelerator

Accelerator is our innovation lab approach to quickly and flexibly developing digital solutions for our customers, employees and other stakeholders. We always work with ad hoc cross-cutting Accelerator teams to address a very specific challenge facing our business. In 2024, Accelerator teams developed solutions for faster network simulations and to quickly adjust allocations of capacity to customers. Other teams worked on AI solutions for more efficient knowledge sharing across departments.

Relying on solid digital foundations

To fully engage in our four focus areas, we are investing in our digital foundations:

-  **Smart Data Factory** is a data analytics platform that will standardise data reporting and conduct thorough analyses. To this end, we brought together data from different sources and systems. This is just the first step in a journey to streamline data and their use.
-  **Cloud architecture**: we make cloud applications and storage systems work together to aid our business applications. A key example is our B2^B messaging system, the heart of our commercial dispatching applications, which is fully run in the cloud.
-  **Gas flow evolutions**: we are accelerating the further development of our gas flow management applications. This allows us to respond efficiently to legal and market changes and prepare for the introduction of H₂ and CO₂ pipelines.
-  **Cybersecurity**: we are expanding our technical maturity in detecting and responding to cyber attacks. We are getting ready for the Network and Information Systems (NIS2) Directive intended to introduce cybersecurity measures for organisations providing services in critical sectors.



Field applications: working smoothly in the field

In 2024, we took the first major step towards the future-proof, extensive digitalisation of our field operations. Our metering officers now use a new, intuitive mobile application that has a flexible architecture and in which new functionalities can be developed quickly.

Our key financial data

Consolidated key financial data

Income statement (in thousands of EUR)	31.12.2024	31.12.2023
Operating revenue	608,789	592,788
EBITDA*	302,283	285,809
EBIT*	133,931	129,570
Net profit	82,061	77,423
Balance sheet (in thousands of EUR)	31.12.2024	31.12.2023
Investments in property, plant and equipment for the period	92,122	167,654
Total property, plant and equipment	1,804,302	1,873,286
Equity	603,813	613,413
Net financial debt*	159,750	219,404
Total consolidated balance sheet	3,310,096	3,358,616

* See glossary on pages 46-47.

Consolidated turnover and net profit

Fluxys Belgium generated turnover of EUR 608.8 million in 2024. This represents an increase of EUR 16.0 million compared with 2023, when turnover stood at EUR 592.8 million. This change is in line with the 2024-2027 tariff methodology.

The consolidated net profit increased by EUR 77.4 million in 2023 to EUR 82.1 million in 2024, a rise of EUR 4.7 million.

Efficiency efforts in line with regulated tariff model

The 2024-2027 tariff methodology (established by the regulator, CREG) applies the principle that all reasonable costs, including interest and fair compensation, are covered by the regulated income. In addition, there are various incentives to control costs and guide and control aspects of company performance. By strictly controlling its operating costs, combined with significant efforts to improve efficiency, Fluxys Belgium has managed to achieve most regulatory objectives and to book those incentives in a period of major operational challenges.

Investments totalling EUR 92.1 million

In 2024 investments in property, plant and equipment totalled EUR 92.1 million, compared with EUR 167.7 million in 2023. Of this amount, EUR 4.6 million was spent on LNG infrastructure projects, EUR 3.6 million on

storage-related projects and EUR 83.9 million on transmission-related projects, including EUR 10.3 million for the Desteldonk-Opwijk pipeline, which is ready to be used to carry hydrogen as soon as the market is ready.

Contributing to ever greater prosperity

Fluxys Belgium creates prosperity by contributing to the economic growth of the society and environment in which it operates. This contribution is measured through the added value we generate and distribute to our stakeholders.

In 2024 the added value generated by our ongoing activities totalled EUR 495.0 million, up EUR 3.7 million compared with 2023.

Outlook for 2025

The net result of the Belgian regulated activities will, in accordance with the tariff methodology, mainly be determined on the basis of various regulatory parameters, including invested equity capital, financial structure, interest rates (OLO) and incentives. The result will continue to evolve according to the evolution of these four parameters. Current financial markets do not allow for an accurate projection of the evolution of interest rates and therefore of the yield of regulated activities.

In June 2024, the Council of the European Union adopted a 14th sanctions package against Russia. The package bans from 27 March 2025 the

transshipment of LNG from Russia for export to countries outside the EU. The Zeebrugge LNG terminal is underpinned by the legal principle of open access. This means that any company interested in the supply of LNG can book capacity at the terminal, and therefore no customer can be discriminated against, by law. As an essential service provider Fluxys ensures that its infrastructure is operational at all times for the overall security of supply. As before, we continue to operate in full compliance with applicable international, European and Belgian regulations. A Royal Decree sets the implementation modalities for the 14th sanctions package. The LNG terminal has adjusted its operational rules accordingly and the existing contracts are currently being continued in accordance with the sanctions regime, without any negative impact on the financial performance of Fluxys Belgium.

In the first quarter of 2025, based on the available info and a number of hypotheses, Fluxys Belgium and its subsidiary Fluxys hydrogen made the investment decision for the first hydrogen infrastructure with a limited scope that takes into account initial anticipated market demand. The infrastructure will be constructed in multi-purpose technology, just like the recent natural gas pipelines. We are also working on pre-investments for a multi-purpose pipeline in the Antwerp port area that can initially be used for transporting CO₂.

Subsidiary activities and statutory profits

Fluxys LNG

Fluxys LNG (a consolidated subsidiary in which Fluxys Belgium holds a 99.9% stake and Flux Re a 0.01% stake) is the owner and operator of the Zeebrugge LNG terminal and sells terminalling capacity and associated services in accordance with the regulatory framework. Fluxys LNG's equity totalled EUR 126.2 million as at 31 December 2024, compared with EUR 133.9 million the previous year. Net profit for financial year 2024 totalled EUR 22.5 million, compared to EUR 20.3 million 2023.

Flux Re

Flux Re (consolidated subsidiary – wholly owned by Fluxys Belgium). Flux Re is a reinsurance company under Luxembourg law and was established in October 2007. Flux Re's statutory equity, before appropriation, raised from EUR 5.7 million as at 31 December 2023 to EUR 7.9 million as at 31 December 2024. Net profit for financial year 2024 totalled EUR 8.5 million, compared with EUR 7.2 million in 2023.

Balansys

Balansys (stake consolidated using the equity method – Fluxys Belgium holds a 50% stake). As part of the integration of the Belgian and Luxembourg gas markets, on 7 May 2015 Fluxys Belgium and the Luxembourg transmission system operator Creos Luxembourg set up the company Balansys, a joint venture in which Fluxys Belgium and Creos Luxembourg each have a 50% stake. On 1 June 2020, the company took over the commercial balancing activities of the integrated Belgian-Luxembourg gas market.

Fluxys hydrogen & Fluxys c-grid

Fluxys hydrogen (a consolidated subsidiary wholly owned by Fluxys Belgium) was established as a subsidiary in 2023 with a view to becoming Belgium's hydrogen transmission network operator and thus support industry in its efforts to make the transition to a low-carbon economy. In 2024, Fluxys hydrogen was officially appointed operator of the hydrogen transport network in Belgium by the Council of Ministers.

Fluxys c-grid (a consolidated subsidiary in which Fluxys Belgium holds a 77.5% stake) was established as a subsidiary in 2023 with a view to becoming Belgium's CO₂ transmission network operator and thus support industry in its efforts to make the transition to a low-carbon economy.

Fluxys Belgium NV – 2024 results (Belgian GAAP): proposed allocation of profits

Fluxys Belgium NV's net profit totalled EUR 84.1 million, compared with EUR 79.5 million in 2023.

At the Annual General Meeting on 13 May 2025, Fluxys Belgium will propose a gross dividend of EUR 1.40 per share.

Taking into account a profit of EUR 101.7 million carried over from the previous financial year and a withdrawal of EUR 24.4 million from the reserves, the Board of Directors will propose to the Annual General Meeting that the profits be allocated as follows:

- EUR 98.4 million as a dividend payout and
- EUR 111.8 million as profit to be carried forward.

If this profit allocation proposal is adopted, the total gross dividend for financial year 2023 will be EUR 1.40 per share. This amount will be payable as of 21 May 2025.

Indicators

Prosperity contribution (in millions of EUR)	2024	2023	2022	2021
Added value from continuing operations	495.0	491.3	477.0	438.9
Personnel	141.9	135.2	132.9	112.5
Shareholders (dividend)	98.4	98.4	97.0	96.3
Society (taxes)	30.3	31.1	35.1	36.9
Suppliers	199.1	194.3	176.7	155.6
Financial institutions (interest)	25.3	32.3	35.3	36.3
Financial ratios	2024	2023	2022	2021
Solvency Ratio of (i) net financial debt and (ii) the sum of equity and net financial debt	21%	26%	43%	57%
Interest coverage Ratio of (i) the sum of FFO* and interest expenses and (ii) interest expenses	9.96	17.07	21.39	6.75
Net financial debt*/extended RAB* Ratio of (i) net financial debt and (ii) extended RAB	5%	7%	17%	28%
FFO*/net financial debt Ratio of (i) FFO and (ii) net financial debt	183%	251%	144%	25%
RCF*/net financial debt Ratio of (i) RCF and (ii) net financial debt	121%	206%	125%	13%

Glossary

EBIT: Earnings Before Interest and Taxes or operating profit/loss, plus earnings from associates and joint ventures and dividends received from unconsolidated entities. EBIT is used as a reference to monitor the operational performance of the group over time.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation or operating profit/loss, before depreciation, amortisation, impairment and provisions, plus earnings from associates and joint ventures and dividends received from unconsolidated entities. EBITDA is used as a reference to monitor the operational performance of the group over time, without taking non-cash costs into account.

Net financial debt: interest-bearing liabilities (including lease debts), less regulatory assets, cash linked to early refinancing transactions and 75% of the balance of cash, cash equivalents and short- and long-term cash investments (the remaining 25% is considered a buffer reserve for operational purposes (working capital) and is therefore deemed unavailable for investments). This indicator gives an idea of the amount of interest-bearing liabilities that would remain if all available cash were used to repay loans.

Solvency: The ratio between net financial debt and the sum of equity and net financial debt indicates the strength of the Fluxys Belgium group's financial structure.

Interest coverage: The ratio between FFO before interest expenses and interest expenses represents the group's capacity to cover its interest expenses via its operating activities.

Net financial debt/Extended RAB: This ratio expresses the share of the extended RAB financed by external debt.

FFO/Net financial debt: This ratio is used to determine the group's capacity to pay off its debts based on cash generated by its operating activities.

RCF/Net financial debt: This ratio is used to determine the group's capacity to pay off its debts based on cash generated by its operating activities after payment of dividends.

FFO: Funds from Operations or profit/loss from continuing operations, excluding changes in regulatory assets and liabilities, before depreciation, amortisation, impairment and provisions, plus dividends received from associates and joint ventures and unconsolidated entities, minus net financial expenses and tax payables. This indicator reflects the cash generated by operating activities and therefore the group's ability to repay its debts, make investments and pay dividends to investors.

Net financial debt (in millions of EUR)	2024	2023	2022	2021
Net financial debt	159.7	219.4	493.8	846.0
Breakdown				
Debt capital market	699.3	699.0	700.0	699.1
Bank loans	218.8	240.0	262.3	286.8
Related parties	163.5	187.0	210.3	233.6
75% of cash and other financial assets	-921.9	-906.2	-678.2	-373.5
Weighted average maturity as at 31 December	5.9	7.0	8.1	9.2
RAB and WACC	2024	2023	2022	2021
RAB* (in millions of EUR)				
Transmission	2,044.3	2046.6	2059.1	2047.5
Storage	216.3	228.0	228.0	228.8
LNG terminalling	313.0	311.0	305.7	303.0
Property, plant and equipment outside RAB (in millions of EUR)	426.2	432.9	417.7	410.4
Extended RAB*	2,999.8	3018.6	3010.6	2989.7
WACC* before tax (in%)				
Transmission	4.80	4.69	4.88	4.92
Storage	4.91	4.87	5.06	5.09
LNG terminalling	5.13	5.36	4.83	4.99

RCF: Retained Cash-Flow or FFO, less dividends paid. This indicator reflects the cash generated by operating activities, but after payment of dividends, and thus reflects the group's net capacity to repay its debts, as well as to make investments.

RAB: Average Regulated Asset Base or average value of the regulated asset base for the year. The RAB is a regulatory concept that corresponds to the basis of regulated assets on which the regulatory return is allocated, as regulated by CREG.

Other investments in property, plant and equipment outside the RAB: The average of the cumulative investments in the Zeebrugge LNG terminal expansions and in the non-regulated activities.

Extended RAB: Total RAB and other investments in plant, property and equipment outside RAB.

WACC: Weighted Average Cost of Capital, reflects the return allowed by the regulation on the RAB.

Our structure and governance

We are a Fluxys Group company



Our shareholders



Fluxys Belgium is a public limited liability company and is part of Fluxys Group. Fluxys Belgium's capital is held by the following entities:

- Fluxys, a public limited liability company under Belgian law, holds a capital interest of 90%. This stake is divided between class B shares (83.29%) and class D shares (6.71%).
- The public holds 10% of the shares in Fluxys Belgium (class D).
- The Belgian State holds one share (the 'golden share').

The total number of shares is 70,263,501. All shares are entitled to dividends.

The shares are issued in the following classes: B, D and the golden share.

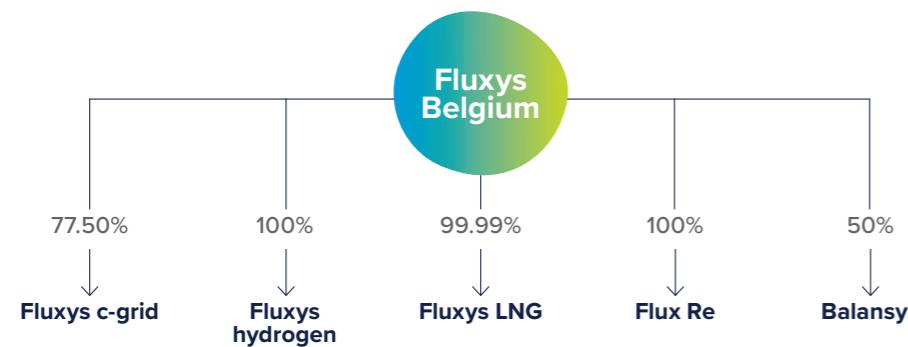
- Class B shares are and will remain registered shares.
- Class D shares are registered or dematerialised at the discretion of the shareholder who will bear any conversion charges.
- Class B shares are automatically converted into class D shares when they are transferred to a third party.
- 16.71% of the shares are listed on Euronext, 6.71% of them being held by Fluxys and the remaining 10% by the public.
- The golden share held by the Belgian State gives the federal government special rights should Fluxys Belgium consider selling strategic infrastructure whose sale would – in the opinion of the Minister of Energy, who represents the Belgian State – compromise the country's energy interests.

- For more details of the rights attached to the Belgian State's golden share, please refer to the Corporate Governance Declaration, 'Voting rights and special powers'.

The shareholder structure of **parent company Fluxys** is as follows:

- Publigas** manages the interests of Belgian municipalities in Fluxys.
- Energy Infrastructure Partners (EIP)**, through its Luxembourg subsidiary Neon Holding I Sàrl, is a Switzerland-based asset manager focusing on long-term investments in high-quality large-scale renewable energy projects and in system-critical energy infrastructure.
- AG Insurance** is a Belgian insurance company that is part of the international insurance group Ageas.
- Ethias** is a Belgian insurance group whose main shareholders are the Belgian Federal State, the Walloon Region, the Flemish Region and the cooperative society EthiasCo.
- The Federal Holding and Investment Company (SFPIM)** is a Belgian federal holding company set up to manage, on behalf of the Belgian State, shareholdings in public and private companies of strategic economic importance to Belgium.
- Since 2012, **Fluxys Group employees and management** have had multiple opportunities to become Fluxys shareholders

Our subsidiaries



Fluxys c-grid (consolidated subsidiary – 77.5% held by Fluxys Belgium, 10% by Pipelink, 10% by Socofe, 2.5% by SFPIM). Fluxys c-grid was established as a subsidiary in 2023 with a view to becoming Belgium's CO₂ transmission network operator and thus supporting industry in its efforts to transition to a low-carbon economy.

Fluxys hydrogen (consolidated subsidiary – wholly owned by Fluxys Belgium). Fluxys hydrogen was appointed as hydrogen network operator by the Belgian government on 26 April 2024, and as such will support industry in its efforts to transition to a low-carbon economy.

Fluxys LNG (consolidated subsidiary – Fluxys Belgium holds a 99.99% stake and Flux Re a 0.01% stake). Fluxys LNG is the owner and operator of the Zeebrugge LNG terminal and sells terminalling capacity and associated services.

Flux Re (consolidated subsidiary – wholly owned by Fluxys Belgium). Flux Re is a reinsurance company under Luxembourg law.

Balansys (stake consolidated using the equity method – Fluxys Belgium holds a 50% stake). As part of the 2015 integration of the Belgian and Luxembourg gas markets, Fluxys Belgium and Creos Luxembourg (the Luxembourg transmission system operator) set up the company Balansys, a joint venture in which Fluxys Belgium and Creos Luxembourg each have a 50% stake. Balansys has been the operator responsible for balancing activities for the integrated Belgian-Luxembourg gas market since 2020.

Our governance

Governance structure

A number of advisory bodies have been established within the Board of Directors to assist the Board in its tasks: the Audit and Risk Committee, the Corporate Governance Committee, and the Appointment and Remuneration Committee.

The Board of Directors has delegated the day-to-day management of Fluxys Belgium and has granted special powers to one of its members, who is named the Managing Director and is also the company's Chief Executive Officer (CEO). The Managing Director is authorised to entrust certain aspects of the day-to-day management or their specific powers to an Operational Management Team.

Commitment to sustainability

Integral part of our strategic framework.

Fluxys Belgium's commitment to sustainability is an integral part of our integrated strategic framework to accelerate the energy transition as an essential infrastructure company.

In 2023, Fluxys Belgium deepened and formalised its ESG sustainability approach with its stakeholders on the basis of a double materiality assessment in line with the EU Corporate Sustainability Reporting Directive. This process established indicators and time-bound targets for each material ESG domain. In 2024, we reassessed the material topics in light of the current context (updated perimeter and business processes). We established that they are still relevant. We are now monitoring progress towards our targets.

Creating value in a long-term perspective.

In our sustainability approach, we take a long-term view, setting out the path to value creation in its various forms within the ecosystem in which we operate.

Specifically with regard to the energy transition, we build on our substantial experience to develop new business activities driven by the opportunities the transition offers.

Company-wide project. The development of our sustainability approach took shape as a company-wide project in intensive interaction between the management, the departments involved, our stakeholders, the business owners of the material ESG domains, the Audit and Risk Committee and the Board of Directors. The Board of Directors, as the company's most senior management body, is responsible for the sustainability approach as an integral component of the company's strategic framework.

Fleshed out in corporate objectives. Fluxys Belgium fleshes out its strategy and commitment to sustainability through corporate objectives in the various material ESG domains, which are translated every year into personal objectives in the performance management cycle.

The performance-related remuneration of the Managing Director and CEO and of the Operational Management Team is based on the extent to which these objectives are achieved. This is evaluated by the Board of Directors based on an opinion from the Appointment and Remuneration Committee. The achievement of objectives also determines the performance-related remuneration paid to Fluxys Belgium employees. The current collective bargaining agreement CAO/CCT 90, which applies to employees, also includes incentives aimed at reducing Fluxys Belgium's greenhouse gas emissions and improving energy efficiency, for instance.

More information about corporate governance at Fluxys Belgium can be found in the Corporate Governance Declaration.

Composition of the corporate bodies as at 27 March 2025

Board of Directors

- **Andries Gryffroy**, Chairman of the Board of Directors
- **Jean-Claude Marcourt**, Vice-Chairman of the Board of Directors
- **Pascal De Buck**, Managing Director and CEO
- **Abdellah Achaoui**
- **Sabine Colson***, Chairman of the Corporate Governance Committee
- **Laurent Coppens**
- **Valentine Delwart***
- **Patrick Dewael**
- **Leen Dierick**
- **Cécile Flandre***
- **Sandra Gobert***
- **Gianni Infantì**
- **Ludo Kelchtermans**
- **Roberte Kesteman***
- **Anne Leclercq***
- **Josly Piette**
- **Daniël Termont**, Chairman of the Audit and Risk Committee
- **Koen Van den Heuvel**, Chairman of the Appointment and Remuneration Committee
- **Wim Vermeir**
- **Sandra Wauters***
- **Tom Vanden Borre**, federal government representative acting in an advisory capacity
- **Julien Simon**, federal government representative acting in an advisory capacity

Nicolas Daubies, Group General Counsel & Company Secretary, acts as secretary to the Board of Directors.

Audit and Risk Committee

- Daniël Termont, Chairman
- Sabine Colson
- Laurent Coppens
- Cécile Flandre
- Anne Leclercq
- Wim Vermeir
- Sandra Wauters
- **Pascal De Buck**, Managing Director and CEO, invited in an advisory capacity

Head of Corporate Legal, acts as secretary to the Audit and Risk Committee.

Corporate Governance Committee

- Sabine Colson, Chairman
- Laurent Coppens
- Valentine Delwart
- Sandra Gobert
- Roberte Kesteman
- Anne Leclercq
- Josly Piette
- **Pascal De Buck**, Managing Director and CEO, invited in an advisory capacity

Julie Van de Velde, Head of Corporate Legal, acts as secretary to the Corporate Governance Committee.

Appointment and Remuneration Committee

- **Koen Van den Heuvel**, Chairman
- **Valentine Delwart**
- **Cécile Flandre**
- **Sandra Gobert**
- **Gianni Infantì**
- **Roberte Kesteman**
- **Pascal De Buck**, Managing Director and CEO, invited in an advisory capacity

Anne Vander Schueren, Sr VP People & Organisation, acts as secretary to the Appointment and Remuneration Committee.

Operational Management Team

The Operational Management Team is responsible for the day-to-day and operational management of the company.

The Operational Management Team is composed as follows:

- **Pascal De Buck**, Managing Director and CEO
- **Ben De Waele**, Sr VP Belgian Operations
- **Christian Leclercq**, Chief Financial Officer
- **Erik Vennekens**, Sr VP Asset Delivery & Digital

The Operational Management Team is assisted by an Executive Committee composed as follows:

- **Damien Adriaens**, Director Commercial Regulated
- **Nicolas Daubies**, Group General Counsel & Company Secretary
- **Raphaël De Winter**, Sr VP Business development & M&A
- **Jan Van de Vyver**, Director Installations & Grid
- **Rafaël Van Elst**, Director Construction, Engineering & Gas Flow Ops
- **Anne Vander Schueren**, Sr VP People & Organisation
- **Leen Vanhamme**, Sr VP Strategy & Sustainability
- **Nicolas Daubies**, Group General Counsel & Company Secretary, acts as secretary to the Operational Management Team and the Executive Committee.



* Independent director within the meaning of the Gas Act and as per the Belgian Code on Corporate Governance.

Our risk management

Enterprise Risk Management

Fluxys Belgium's Enterprise Risk Management (ERM) system is based on ISO 31000 and is integrated into the company's strategy, business decisions and activities. The risk management system covers all business risks, including risks related to the material ESG domains for the company. The system maps the impact that risks can have from different perspectives in the short, medium and long term: the impact on people and the environment and the impact on Fluxys Belgium's value creation, operational performance and reputation.

The risk management system assesses the risks and opportunities arising from climate change by translating the 2030 - 2050 deadlines into three timeframes: the short term (0-1 years), the medium term (2-5 years) and the long term (5 -10 years).

In this way, risks in Fluxys Belgium's own activities and in the value chain, risks related to natural disasters or adverse weather conditions and related to CO₂ emission volumes and prices, as well as reputational risks are identified and quantified.

In addition, opportunities linked to new market developments for hydrogen and CO₂ capture and storage are analysed for the impact they can have on the company's financial performance. Risks and opportunities are assessed based on a combination of the magnitude of the impact and the likelihood that the impact will materialise.

The risks and opportunities associated with the material ESG domains for Fluxys Belgium are documented in the 'Our ESG performance' section.

Internal control process

The *three lines* of defence model is the internal control model used to manage our risks and carry out controls.

First line	Second line	Third line
→ The first line of defence: the departments themselves.	→ The second line of defence: the Risk and Compliance teams as well as, in certain cases, the Finance, Health, Safety and Environment, and ICT Security departments.	→ The independent third line of defence: Internal Audit, which is responsible for monitoring business processes.
→ The departments are responsible for their risks and ensure effective controls and measures.	→ They guide those in the first line in risk management, compliance with regulations, guidelines and internal rules, budget monitoring and the security of staff, facilities, ICT systems and information.	→ Internal Audit performs risk-based audits to monitor the effectiveness and efficiency of the internal control system and processes. The department also performs compliance audits to ensure that guidelines and processes are consistently applied.

Process actors

Risk Management organises the risk management system and reports annually to the Audit and Risk Committee. All our departments identify, analyse and evaluate their risks and report on how risks are managed. They work with management to map out the main risks, controls and mitigating measures. The Audit

and Risk Committee examines the risk management system and all key risks, controls and mitigating measures every year.

Our biggest risks and opportunities

Risks (R) and opportunities (O)	Description	Measures
R Declining role of natural gas in the energy mix and the impact on the value of our assets	The declining role of natural gas in the future energy mix may result in some of Fluxys Belgium's infrastructure no longer being used.	Develop new activities to help accelerate the energy transition. Invest in adapting the existing transport network to a multi-molecule transport network Invest in the development of a hydrogen network and a CO ₂ network
R Global geopolitical developments	Geopolitical instability that could have an impact on the gas transmission sector, resulting in political, social and economic instability that could evolve into a crisis scenario.	See the 'Global geopolitical developments' section
O Development of the hydrogen market O Development of the CO ₂ market O Development of the biomethane market	In Belgium, Fluxys Belgium intends to play a key role in the energy transition to a low-carbon economy by means of innovative projects and major infrastructure investments.	Invest in: (a) the terminalling, transport and storage of low-carbon molecules (e.g. hydrogen, biomethane); (b) CO ₂ transmission and terminalling
R Development of the hydrogen and CO ₂ markets is not geared to the necessary investment needs	Fluxys Belgium may fail to achieve its transition objectives. It may also face the financial risk of the hydrogen and CO ₂ markets not developing at the same pace as the investments made.	See 'Transport of new molecules'
R Failure to achieve our emission targets	Fluxys Belgium's activities generate greenhouse gases (methane and CO ₂), which exacerbate climate change. The company may run financial and reputational risks if it fails to achieve its greenhouse gas emission reduction targets (methane and CO ₂).	Go4Net0 programme (incl. MethER programme) to achieve the reduction targets (see 'Transition plan for climate change mitigation and adaptation')
R Industrial incidents on facilities	Industrial incidents can damage Fluxys Belgium's infrastructure, endanger people's safety, cause unavailability impacting service continuity, and have financial consequences.	Preventive measures in the design, construction, operation and end-of-life of infrastructure Drone detection Thorough maintenance and inspection of our facilities Certified and audited Safety Management System Emergency plan and procedures Crisis drills involving the police and fire brigade Actions to ensure good neighbourly relations Health and safety training Certified information security policy

Risks (R) and opportunities (O)	Description	Measures
R Cyber attacks on our industrial facilities	Certain cyber incidents can damage Fluxys Belgium's infrastructure, endanger people's safety, cause unavailability impacting service continuity, and have financial consequences.	Cyber security programme NIS certification Back-up facilities Barriers against cyber threats Operational monitoring and continuity Training and raising awareness See also 'Safe and reliable infrastructure' - 'Cyber security measures'
R Damage to the ecosystems and biodiversity in and around our facilities	Some of Fluxys Belgium's activities may damage ecosystems and biodiversity. This can lead to financial risks (specifically fines) and reputational risks.	Environmental Management System Environmental studies and monitoring Internal and external audits Reducing noise pollution Handling environmental complaints Tree-planting initiatives in addition to legal provisions when laying backbones (See also 'How we are preserving biodiversity')
R Failure to comply with regulations, underlying frameworks and standards	Increasing regulations requiring the introduction of underlying frameworks and standards - Financial and reputational impact of failure to meet these requirements.	Monitoring of legislation, drafting and adaptation of procedures, incorporation into internal processes. Systematic monitoring through internal audits
R Human capital management: risks related to employee health, diversity, equal opportunities and talent development	The inability to attract, retain and secure future talents in a changing environment and a lack of skills and knowledge in new developments may have a negative impact on the company's efficiency.	Continuous adjustments to development and training policies Alignment of competence development with the business strategy Workforce planning to map out future needs A forward-looking approach to recruitment Encouraging diversity in recruitment Fair processes In-house survey on engagement and feedback Fostering digital inclusion through various initiatives Confidential counsellors (see 'Employee engagement')
R Risks related to ethical and honest conduct and corruption	A lack of ethics or proven corruption within Fluxys Belgium and its value chain may have a negative impact on the commercial reputation and/or financial results of the company.	Ethical Code (and associated training) Procedure for reporting unethical behaviour Whistleblowing Policy (and associated training) General terms and conditions of purchase: respect for human rights in the supply chain (see 'Ethics, integrity and efforts to combat corruption')

Global geopolitical developments

Since the outbreak of war in Ukraine in February 2022, various sanctions have been imposed against Russia and Belarus, as well as against Russian and Belarusian companies. In this context, Fluxys Belgium is not active on the Russian market and has no investments in Russian companies. Fluxys Belgium therefore sees no indications of impairment losses.

In its activities, Fluxys Belgium conducts business with Russian companies in accordance with applicable international, European and Belgian regulations and we operate in full compliance with the European sanctions regime.

Subsidiary Fluxys LNG is the company at Fluxys Belgium most exposed to a Russian-controlled counterparty through long-term contracts.

In June 2024, the Council of the European Union adopted a 14th sanctions package against Russia. The package bans from 27 March 2025 the transshipment of LNG from Russia for export to countries outside the EU.

The Zeebrugge LNG terminal is underpinned by the legal principle of open access. This means that any company interested in the supply of LNG can book capacity at the terminal, and therefore no customer can be discriminated against, by law. As an essential service provider Fluxys ensures that its infrastructure is operational at all times for the overall security of supply. As before, we continue to operate in full compliance with applicable international, European and Belgian regulations. A Royal Decree sets the implementation modalities for the 14th sanctions package. The LNG terminal has adjusted its operational rules accordingly and the existing contracts are currently being continued in accordance with the sanctions regime.

Insurance

Fluxys Belgium's risk management process assesses the likelihood of the main risks connected to its activities and estimates the potential financial impact thereof.

Depending on the possibilities and the market conditions, the group mainly covers these risks via the insurance market. The comprehensive cover is in line with European best practices in the field and includes the different areas in which risks may materialise:

- protection of facilities against various types of material damage; in specific cases, facilities also have additional cover for loss of earnings as a result of unavailability due to damage;
- protection against third-party liability by means of comprehensive, multi-level cover;
- staff programme: mandatory insurance cover (occupational accidents) and staff healthcare programme;
- protection of the vehicle fleet by means of appropriate insurance.

In some cases, risks are partially reinsured by Flux Re, a wholly-owned subsidiary of Fluxys Belgium, or are partially self-retained, for example by applying appropriate deductibles. Flux Re mainly reinsures material and financial risks and, to a limited extent, general and environmental liability (not life or health risks).

The fact that Flux Re is fully consolidated in the group's accounts means that the cost of damage claims covered by the group's reinsurance policy are booked to the consolidated result. Flux Re also reinsures certain risks facing other Fluxys Group companies. Where appropriate, compensation paid in the event of damages involving these parties will impact Fluxys Belgium's IFRS consolidated result.

Non-insurable risks are covered by appropriate contractual clauses, financial guarantees and regulatory mechanisms.

Legal and regulatory framework

Europe

Regulation of the natural gas and hydrogen markets

Since 3 March 2011, the European natural gas market has been regulated by the EU's Third Energy Package:

- Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (Third Gas Directive)
- Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (Second Gas Regulation)
- Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast of the ACER Regulation)

In July 2024, this package was amended through the publication of:

- Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing the aforementioned Directive 2009/73/EC;
- Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing the aforementioned Regulation (EC) No 715/2009.

These texts shall replace respectively the Third Gas Directive (following the Directive's transposition into national legislation by 4 August 2026 at the latest) and the Second Gas Regulation (from 4 February 2025) by introducing a regulated framework for the European renewable gas and hydrogen market, similar to the

existing framework for natural gas. The latter will also be amended in a number of respects, more specifically with regard to the network development plan, the transparency of the authorised income of the system operator and gas quality.

Regulations adopted against the backdrop of the European energy crisis in 2022

Against the backdrop of the gas market in 2022, a number of legislative texts were adopted at European Union level to ensure security of supply for the EU and its Member States:

- Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 with regard to gas storage (in this connection, it is worth noting that in late 2022, Fluxys Belgium was certified as a storage facility operator in accordance with Article 2 of this Regulation)
- Council Regulation (EU) 2022/2576 of 19 December 2022 (whose period of application was extended to 31 December 2024 by Regulation (EU) 2023/2919) enhancing solidarity through better coordination of gas purchases, reliable price benchmarks and exchanges of gas across borders
- Council Regulation (EU) 2022/2578 of 22 December 2022 (whose period of application was extended to 31 January 2025 by Regulation (EU) 2023/2920) establishing a market correction mechanism to protect Union citizens and the economy against excessively high prices

All of these regulations are still applicable in 2024.

One of the aims of these various EU regulations is to optimise the use of natural gas infrastructure with a view to contributing to the security of the natural gas supply. The Fluxys Belgium group supports this objective and has made the appropriate adjustments to the regulated contracts in order to transpose the various measures provided for by these regulations.

Belgium

Natural gas

Within the current legal and regulatory framework, a regulated system is applied to natural gas transmission (both domestic and border-to-border), natural gas storage and LNG terminalling. As required by EU legislation, the Belgian market is supervised and overseen by independent regulators. The supervisory authority for the regulated activities of the Fluxys Belgium group is the federal regulator, the Commission for Electricity and Gas Regulation (CREG).

The Act of 12 April 1965 concerning the transmission of gaseous and other products by pipelines (Gas Act) serves as the general basis of the regulatory framework for natural gas transmission, natural gas storage and LNG terminalling.

The Gas Act:

- provides for a procedure for certifying operators of the transmission system, natural gas storage facilities and LNG terminalling facilities. The aim of this certification is to verify compliance with the requirements that operators be vertically unbundled from energy suppliers or producers (ownership unbundling). On 27 September 2012, CREG certified Fluxys Belgium as a transmission system operator that works entirely separately from natural gas suppliers and producers. In early 2023, CREG confirmed that, provided certain conditions are met, Energy Infrastructure Partners becoming a shareholder in the parent company Fluxys did not give rise to a recertification procedure;
- sets out the procedure for appointing operators of the transmission system, natural gas storage facility and LNG terminalling facility by Ministerial Decree, which remains unchanged. As a result, on 23 February 2010 Fluxys Belgium was appointed operator of the natural gas transmission system and of the natural gas storage facility, and Fluxys LNG was appointed operator of the LNG facility, each for a renewable 20-year term;
- authorises CREG to develop the tariff methodology for natural gas transmission and storage and LNG terminalling after having undertaken a public consultation on the subject. Operators' tariff proposals must be approved by CREG.

Hydrogen

On 11 July 2023, a law on the transmission of hydrogen by pipelines (and on the production of hydrogen in marine areas under Belgian jurisdiction) was passed.

This then entered into force on 4 August 2023. This Hydrogen Act sets out the procedure for certifying and appointing a hydrogen transmission system operator responsible for planning, developing and operating the future Belgian hydrogen transmission system featuring third-party access and that is regulated.

The Hydrogen Act:

- provides for the vertical unbundling of hydrogen transmission from the production and supply of hydrogen, natural gas, biogas, biomethane, other forms of synthetic methane and electricity;
- guarantees non-discriminatory access to the hydrogen transmission system for all interested parties;
- sets out, among other things, the rules and procedures for the preparation of the network development plan and the setting of regulated network tariffs;
- designates CREG as the regulator for hydrogen transmission;
- establishes the procedure for granting hydrogen transmission permits;
- provides for exemptions for hydrogen networks existing on the date on which it entered into force; and
- tasks the hydrogen transmission system operator with establishing quality standards for the transmission of hydrogen via the hydrogen transmission system, standards to be validated by the Minister of Energy, taking into account all relevant European standards, and after consulting the relevant stakeholders.

In late November 2023, Fluxys hydrogen SA, a wholly owned subsidiary of Fluxys Belgium, submitted its application to be certified and appointed as hydrogen transmission system operator.

In February 2024, CREG certified Fluxys hydrogen SA as the operator of a hydrogen transmission system based on the model of total ownership unbundling in accordance with Article 10 of the Hydrogen Act. A favourable opinion was also issued on the assessment criteria to be met by Fluxys hydrogen SA, as provided for in Article 11 of the same act.

On 26 April 2024, Fluxys hydrogen SA was appointed hydrogen transmission system operator by Ministerial Decree with effect from 21 May 2024 for a renewable term of 20 years.

Carbon dioxide

On 29 March 2024, the **Flemish Parliament** approved a Decree on the transmission of carbon dioxide by pipelines in the Flemish Region, the provisions of which will come into force from the date set by a Decree of the Flemish Government and no later than 30 June 2025.

This decree:

- provides for the appointment of an operator of the CO₂ transmission system in the Flemish Region, the possible appointment of local cluster operators for CO₂ transmission (should the market make such a request) and operator(s) of CO₂ liquefaction terminals, all of which must be unbundled, at least as regards their legal form, from any legal entity whose activities are covered by the greenhouse gas emissions trading system (ETS), with the exception of emission activities linked to their own activities, or that operates a CO₂ consumption site;
- provides for exemptions for closed industrial CO₂ transmission systems and direct CO₂ pipelines;
- designates the energy regulator in Flanders (VREG) as the regulator of the market for the transmission of carbon dioxide by pipelines;
- guarantees non-discriminatory access for all users to the Flemish Region's CO₂ transmission system, to any local clusters for CO₂ transmission and to CO₂ liquefaction terminals, as well as respect for the confidentiality of all commercial data obtained in the performance of their tasks;
- provides for access to the Flemish Region's CO₂ transmission system for any local clusters on the basis of tariffs approved by VREG;
- sets out, among other things, the rules and procedures for drafting the indicative development plan for the CO₂ transmission system in the Flemish Region and any local clusters;
- provides for the possibility to declare the construction of pipelines on or under undeveloped private land to be in the public interest, and grants the operators of the CO₂ transmission system and any local clusters the right to occupy public property and municipal roads;
- lays down the conditions for granting a greenhouse gas emissions permit to the operator of a carbon dioxide transmission facility and details reporting obligations; and
- tasks the operators of the CO₂ transmission system and local clusters with establishing, after consultation with users, standards for the quality of the carbon dioxide flow, to be approved by the Flemish Government based on VREG's advice.

The procedure and conditions for the designation of the operator of the CO₂ transport network and an operator for a local cluster at the port of Antwerp have also been published. Fluxys c-grid submitted its candidacy in February 2025 as the operator of the CO₂ transmission grid in Flanders.

On 28 March 2024, the **Walloon Parliament** adopted a Decree on the transmission of carbon dioxide by pipelines in the Walloon Region. This Decree:

- provides for the appointment of an operator for the CO₂ transmission system in the Walloon Region and the possible appointment of operators of local clusters of the CO₂ system (following an assessment of needs, consultation with the operator of the CO₂ transmission system and the opinion of CWaPE) - the operator of the CO₂ transmission system must be unbundled, as regards its legal form and shareholding, from companies that perform a CO₂ emission activity in a competitive sector or a CO₂ reuse activity;
- provides for public shareholding requirements within the CO₂ transmission system operator;
- appoints CWaPE as the regulator of the market for the transmission of carbon dioxide (CO₂) by pipelines;
- lays down the conditions and procedure for authorising the construction and management of direct pipelines;
- guarantees non-discriminatory access for all users to the CO₂ system, local CO₂ clusters and liquefaction terminals;
- provides for access to the CO₂ system and any local clusters on the basis of tariffs approved by CWaPE (based on a tariff methodology approved by the Walloon Government);
- determines, among other things, the rules and procedures for drawing up the development plan for the CO₂ system and any local clusters;
- provides for the possibility of declaring the construction of a CO₂ system or a local CO₂ cluster under, on or over undeveloped private land to be in the public interest, and grants the CO₂ system operator and the local CO₂ cluster operator the right to occupy public property and lays down the conditions for doing so;
- lays down the conditions for granting a greenhouse gas emissions permit to the operator of a carbon dioxide transmission facility.

The procedure and conditions for appointing the CO₂ system operator have been published.

In February 2025 Fluxys c-grid has submitted its application as a CO₂ system operator in Wallonia.

Setting tariffs and independence measures specific to natural gas

General remarks

The decisions laying down the tariff methodology for the period 2024-2027 for the natural gas transmission system, the natural gas storage facility and the LNG facility were adopted by CREG on 30 June 2022. This methodology includes the rules which system operators must comply with when preparing, calculating and submitting tariffs and which the regulator itself will use for processing these tariff proposals.

The 2024-2027 tariff proposal for transmission services, submitted by Fluxys Belgium on 22 December 2022 and based on that methodology and the network code for tariffs (TAR-NC)⁴, was amended and the amended version was approved by CREG on 6 April 2023. The approved tariffs are valid for a period of four years, subject to a revision due to the regulatory assets and liabilities not developing in the way forecast in the tariff proposal.

The 2024-2027 amended tariff proposal for storage services was approved by CREG on 21 December 2023. It includes a 20% tariff reduction.

The last updated tariff proposal for terminalling services was approved by CREG on 22 June 2023. This tariff proposal made it possible to introduce a new pricing approach for truck loading operations.

Agreement between Fluxys Belgium and CREG on the fair margin

In February 2024, Fluxys Belgium and CREG agreed to propose to the market via a public consultation (which ran from 14 March to 14 April 2024) adaptations to the tariff methodology for the natural gas transmission system, the natural gas storage facility and the LNG facility for the 2024-2027 regulatory period.

The tariff methodology, adopted in June 2022, provides for the use of a risk-free rate of 1.68% to calculate the margin for the four years of the 2024-2027 regulatory period. Against the backdrop of volatility in interest rates, an overall upward trend over the previous two years and particularly high inflation in 2022, a number of changes were needed in order to

4. On 16 March 2017, a network code for tariffs (TAR-NC) was adopted by European Commission Regulation (EU) No 2017/460. This aims to achieve a harmonised transmission tariff methodology for gas transmission in Europe and lays down a range of requirements regarding publication of data and consultation on tariffs.

guarantee operators a fair remuneration on capital invested in regulated assets, and to enable them to make the investments necessary to carry out their missions.

The changes to the 2024-2027 tariff methodology have been fully accepted by the market. They ensure a fair return on the capital invested in regulated assets. The impact of these changes is covered by the adjustment account. The tariffs set by CREG for the period 2024-2027 therefore remain unchanged at this stage.

Principles

The tariffs must cover the estimated authorised costs necessary to be able to efficiently provide the regulated services. The basis for this calculation is accounting according to the Belgian accounting rules (Belgian GAAP). The estimated authorised costs include the **operating costs, financing expenses and regulated return**.

Operating costs

The operating costs are divided into:

- manageable costs, for which efficiency gains or losses are distributed proportionately between Fluxys Belgium (rise or fall in authorised profits) and regulatory assets or liabilities (increase or decrease in future tariffs), based on a decreasing scale;
- non-manageable costs, for which deviations from the estimated value are fully allocated to the regulatory assets or liabilities.

This encourages Fluxys Belgium to perform its activities in the most efficient way possible. Every saving vis-à-vis the estimated and authorised budget for manageable costs has a positive impact on pre-tax gross profits. On the other hand, exceeding budgets negatively affects the profit for the period.

The following are considered non-manageable costs: depreciation, costs relating to other regulated activities, subsidies, taxes, duties and expenses relating to the purchase of commodity products for the operation of the system.

Personnel expenses, business expenses and miscellaneous goods and services are considered to be manageable costs

Financing expenses

Financing expenses relate to net financial costs, i.e. after deduction of financial revenue. Therefore, all actual and reasonable encountered financing expenses relating to debt financing for regulated activities are included in the tariffs.

Regulated return

The regulated return is the return on equity invested authorised by the regulation. This is calculated using a remuneration rate applied to the average annual value of the regulated asset (average Regulatory Asset Base, or RAB). This RAB, based on the calculations under Belgian accounting standards, varies from year to year, taking into account new investments, assignments and decommissioning, authorised depreciation and changes in operating capital.

This remuneration rate for the period 2024-2027 is made up of two components determined by the equity/RAB ratio (= factor S).

1. For the part of the equity up to and including 40% of the RAB, the following applies: average RAB in year n x $S^5 \times [(OLO\ n) + (\beta \times \text{risk premium})]$.⁵

The remuneration rate (in%) as established by CREG for year n is equal to the sum of the risk-free interest rate (based on 10-year Belgian linear bonds (OLO)) and a premium for the risk of the shares market, weighted with the applicable beta factor. The reference financial ratio of 40% is applied to the average value of the Regulatory Asset Base (RAB) to calculate the reference equity.

The parameters for the tariff period 2024-2027 are as follows:

- OLO n = for year n, the risk-free interest rate (RFIR) varies according to the arithmetic average yield published by the National Bank of Belgium on 10-year linear bonds issued during year n by the Belgian authorities, and more specifically the daily data on the secondary market (OLO10 years):
- If OLO10 years is less than 1.68%, then RFIR = 1.68%
- If OLO10 years is between 1.68% and 2.87%, then RFIR = OLO10 years
- If OLO10 years is above 2.87%, then RFIR = 2.87% + (OLO10 years - 2.87%) x (100% x RABnew + 50% x RABold)/RAB

5. Capped at 40%.

- β (system operator risk vis-à-vis global market risk) = 0.83 for transmission, 0.96 for storage and terminalling
- Risk premium = 3.5%

2. For the part of the equity that exceeds 40%, the following applies: average RAB in year n x $(S - 40\%) \times (OLO\ n + 70 \text{ basis points})$.

CREG encourages a ratio between equity and regulated asset base that is as close as possible to 40%. As a result, the part of the reference equity that exceeds 40% of the regulated asset base is remunerated at a lower rate: the risk-free interest rate, as determined in point 1, plus a premium of 70 basis points.

The methodology also provides for a specific level of fair margin for new facilities or extensions to facilities to promote security of supply, or for new facilities or extensions to storage or LNG facilities. The remuneration of the LNG facilities combines a RAB x WACC formula for the initial and replacement investments of the terminal with an IRR (Internal Rate of Return) formula for extension investments undertaken since 2004. CREG establishes a maximum IRR per investment, which Fluxys LNG may not exceed to ensure the attractiveness and competitiveness of the LNG terminal.

The principles of the IRR model for the extension investments by Fluxys LNG were approved by CREG and confirmed in its subsequent decisions.

Finally, in addition to the incentive relating to controlling manageable costs, incentives for the tariff period 2024-2027 may be granted to operators to encourage them to:

- cut the methane and CO₂ emitted by their operations;
- boost energy efficiency and the production of green energy for their own needs;
- make the investments necessary for the L/H conversion, the connection of new gas-fired power stations, the reinforcement of transit requirements or the reallocation of available pipelines to other activities;
- promote security of supply;
- enhance their performance; and
- improve the quality of their services and make additional sales of capacity.

Annual settlement

Every year, a settlement is made which compares the estimated amounts with the actual ones. These differences, excluding incentives positively or negatively affecting the margin, are recognised as a regulatory asset or liability in the year in which they occur. This settlement applies to the various aspects of the tariff calculation, namely:

- the estimated sales volumes used to determine the unit tariff;
- operating costs;
- financing expenses;
- the regulated return.

This results in a regulatory liability (if for example the actual volumes exceed the estimates or if the operating costs, financing expenses or regulated return are lower than expected) or a regulatory asset (in the opposite case).

This regulatory liability or asset is taken into account in accordance with the tariff methodology to set the tariffs for the next regulatory periods.

When devising the 2024-2027 tariff proposal, the natural gas transmission system operator identified the expected development in the adjustment account for the relevant regulatory period. This includes an expected gradual decrease in the adjustment account towards zero by the end of 2027.

If the actual development varies considerably from that expected, whether positively or negatively, this deviation will result in an automatic correction of the tariffs for the gas transmission system.

A specific regulatory liability for auction premiums has been created. This regulatory liability is allocated in accordance with the Network Code.

Code of conduct

The code of conduct determines the terms and conditions of access to natural gas infrastructure. These terms and conditions constitute a set of operational and commercial rules that form the framework within which Fluxys Belgium and Fluxys LNG enter into contracts with users of the transmission, storage and LNG infrastructure.

Following a public consultation, CREG adopted, by decision of 31 August 2022, a new natural gas code of conduct that came into force in 2022.

This code of conduct states that operators (for transmission, storage and LNG terminalling) must draw up a range of documents which are subject to CREG's approval: the access code, the services programme, the standard agreements and the connection agreements. When drawing up these documents, the system users concerned are consulted to ensure that the services offered are aligned as closely as possible with market needs. Only after this consultation can the documents be submitted to CREG for approval.

Compliance officer

A compliance officer was appointed at Fluxys Belgium and Fluxys LNG as part of ensuring compliance with their commitments regarding non-discriminatory access to the system. A compliance programme was drawn up with the specific details of the rules of conduct that members of staff must comply with regarding non-discrimination, transparency and handling of confidential information. Fluxys Belgium's Board of Directors and management approved the compliance programme.

Every year, a compliance report is prepared for both Fluxys Belgium and Fluxys LNG and the results are published on the website: <https://www.fluxys.com/en/about-us/fluxys-belgium/investors>

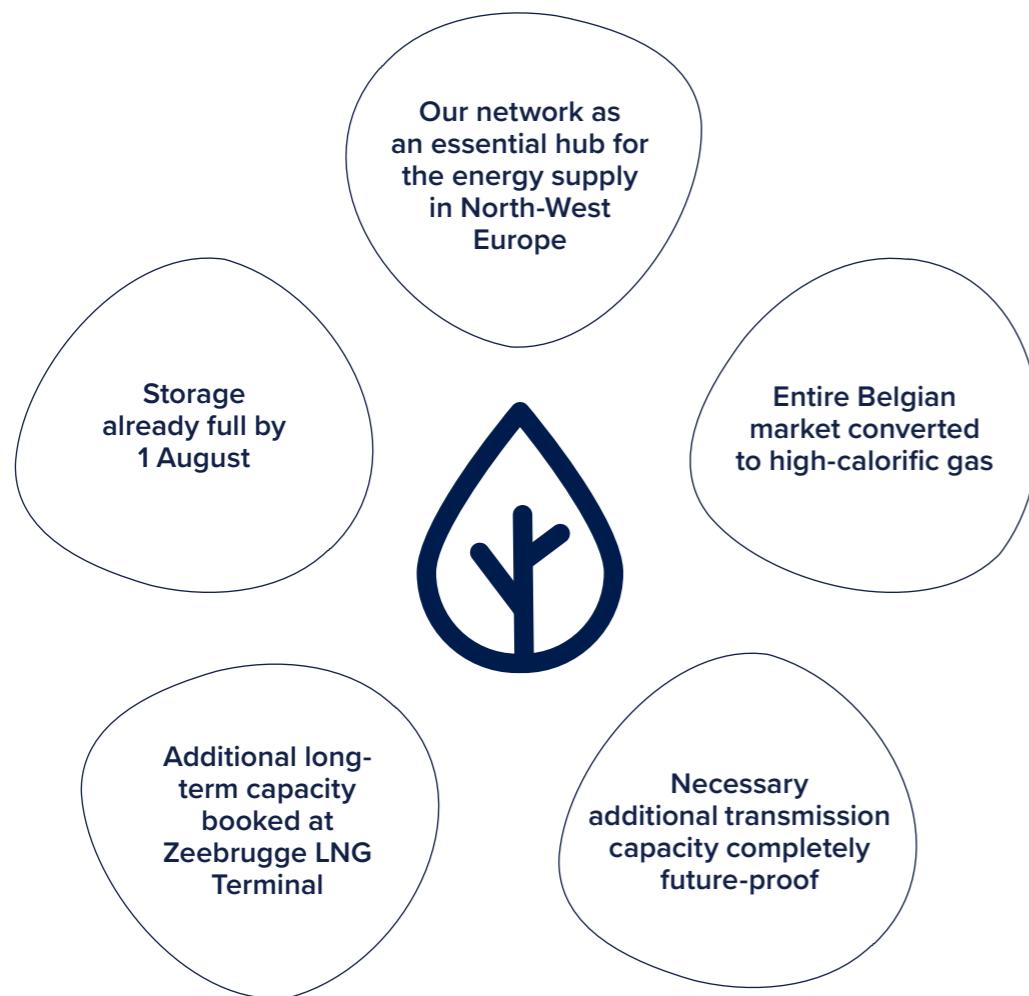


Our strategy in practice



Secure

Our transport, storage and terminalling services keep society strong. In this challenging transition to climate neutrality, we are going all out to ensure the essential inflow of energy. Both now and in the future, we are ready 24/7 to support security of supply.

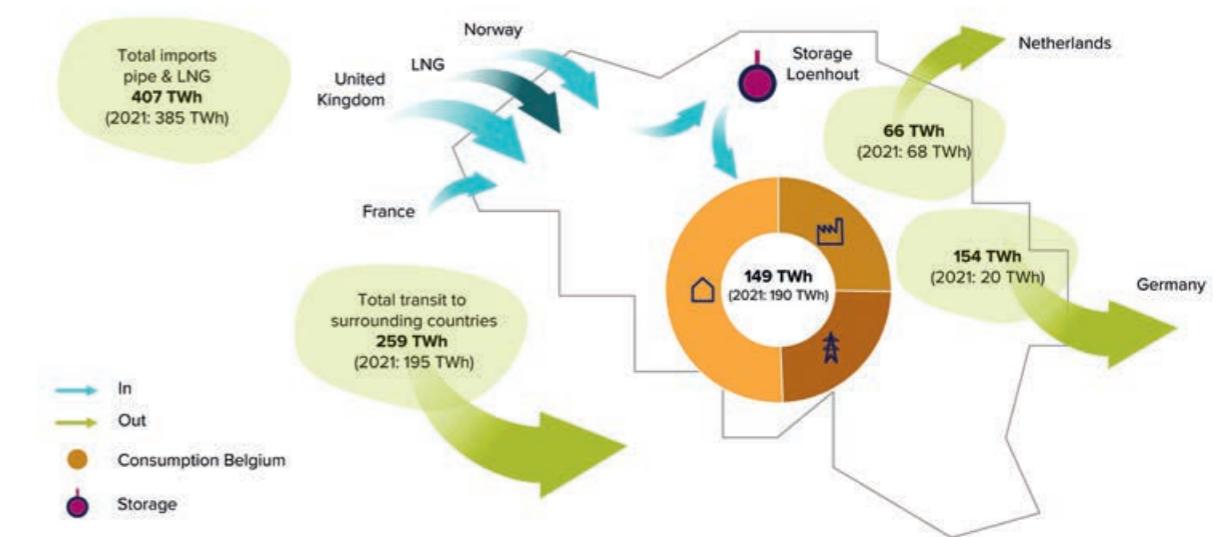


Our network as an essential hub for the energy supply in North-West Europe

The geopolitical situation in Ukraine has significantly changed the dynamics of the gas markets and the direction of flows. With Zeebrugge serving as a crossroads, our Belgian network continues to play its role as an energy hub in North-West Europe.

Although demand for natural gas flows from Belgium to Germany declined in 2024 (154 TWh compared to 212 TWh in 2023), it still accounted for almost 20% of

our eastern neighbour's consumption. Flows to the Netherlands returned to levels seen prior to the war in Ukraine (66 TWh compared to 102 TWh in 2023). Volumes for consumption on the Belgian market fell slightly to 149 TWh (from 152 TWh in 2023): consumption from households, SMEs and industry rose while offtake from power plants fell sharply.



	Total belgium Consumption	Domestic and SMEs	Industry	Power plants
2024	149 TWh	82 TWh	44 TWh	23 TWh
2023	152 TWh	80 TWh	40 TWh	32 TWh

Storage already full by 1 August

The European Union requires Belgium and the other EU Member States to ensure, by 1 November each year, that their gas storage facilities are at least 90% full so they can go into the winter with buffers filled as much

as possible. Thanks in part to the high flexibility of Fluxys Belgium's storage services, our customers had already filled 100% of their storage at Loenhout by 1 August, one month earlier than in 2023.



Four new loading bays for trucks at LNG terminal

At the Zeebrugge LNG terminal, tankers load LNG for various destinations: to supply LNG truck refuelling stations, to refuel ships running on LNG and to supply companies not connected to the pipeline network. Demand for LNG as a low-emission fuel is growing rapidly, especially among transport companies that are increasingly switching to (bio-)LNG to power their fleet of trucks. This allows them to stay within the emission standards imposed on them.

Given this sharp increase in demand, the two existing Fluxys loading bays in Zeebrugge have reached the maximum capacity of 8,000 loading operations per year. As such, Fluxys decided to invest in the construction of **four new automated loading bays**. These were finished and tested during 2024 and will gradually be made available to the market in 2025. Thanks to these four new bays, we can initially offer **14,000 loading operations**. The goal is to eventually increase this to **20,000 loading operations**.

Additional long-term capacity booked at Zeebrugge LNG Terminal

The sharp decline in the Russian supply of gas by pipeline to Europe led to the maximum deployment of LNG as an alternative source of supply. In recent years, the Zeebrugge LNG terminal has therefore optimised the use of its infrastructure and focused on even better scheduling of ships. This allowed the terminal to offer additional short-term capacity on top of the existing long-term capacity.

As quite a few shippers expressed an interest in additional long-term capacity, the terminal converted its short-term offer into capacity for 24 additional unloading slots per year for the long-term period 2027-2044. The market responded positively and all the capacity offered was booked by early July.

Entire Belgian market converted to high-calorific gas

Until 2017, around half of Belgium's households and SMEs consumed low-calorific gas (L-gas) imported from the Groningen production field, in the north of the Netherlands. However, those gas reserves were running out. Therefore, the Dutch government decided to gradually reduce L-gas exports.

Since 2018, Fluxys Belgium has been adapting its network to gradually switch from L-gas to high-calorific natural gas (H-gas) from other sources.

In 2024, together with distribution system operators Fluvius and Ores, we completed the final phase of the switch to H-gas. In 2024, this involved approximately 475,000 connections, mainly in the Kempen region, Leuven-Diest, and the provinces of Hainaut, Walloon Brabant and Flemish Brabant. Belgium no longer uses L-gas. Fluxys Belgium will continue to transport L-gas to France in the coming years until the country has been completely converted to H-gas.



Pipelines laid for the new Les Awirs and Seraing power plants

Electricity producers Engie and Luminus plan to commission new natural-gas-fired power plants in Les Awirs and Seraing by 2025. To supply the new power plants, in 2024 Fluxys completed the construction of two new high-pressure pipelines: the Fexhe-Le-Haut-Clocher - Flémalle pipeline (9.4 km) and the Engis-Flémalle pipeline (3.8 km).

Necessary additional transmission capacity completely future-proof

Additional capacity is needed on the Belgian network to offset the loss of L-gas from the Netherlands, supply the new power plants to be commissioned in 2025 and maintain substantial flows to Germany. As such, we are laying a new pipeline on the Zeebrugge-Brussels axis. The pipeline is a multi-molecule pipeline, allowing it to transport both natural gas and hydrogen. This makes it fully future-proof in light of the energy transition. It can be used to transport hydrogen as soon as the market is ready for it.

In late 2023 and early 2024, we commissioned the first pipeline section between Ghent (Desteldonk) and Brussels (Opwijk). This extension will increase transmission capacity from Zeebrugge by 15 GWh/h, equivalent to the energy generated by 15 nuclear reactors. Construction of the second pipeline section running between Zeebrugge (Knokke) and Ghent (Evergem) will start in 2025, for an estimated investment of over €180 million. The additional pipeline will expand transmission capacity from Zeebrugge by another 5 GWh/h.



“The pipeline is a multi-molecule pipeline, allowing it to transport both natural gas and hydrogen. This makes it fully future-proof in light of the energy transition.

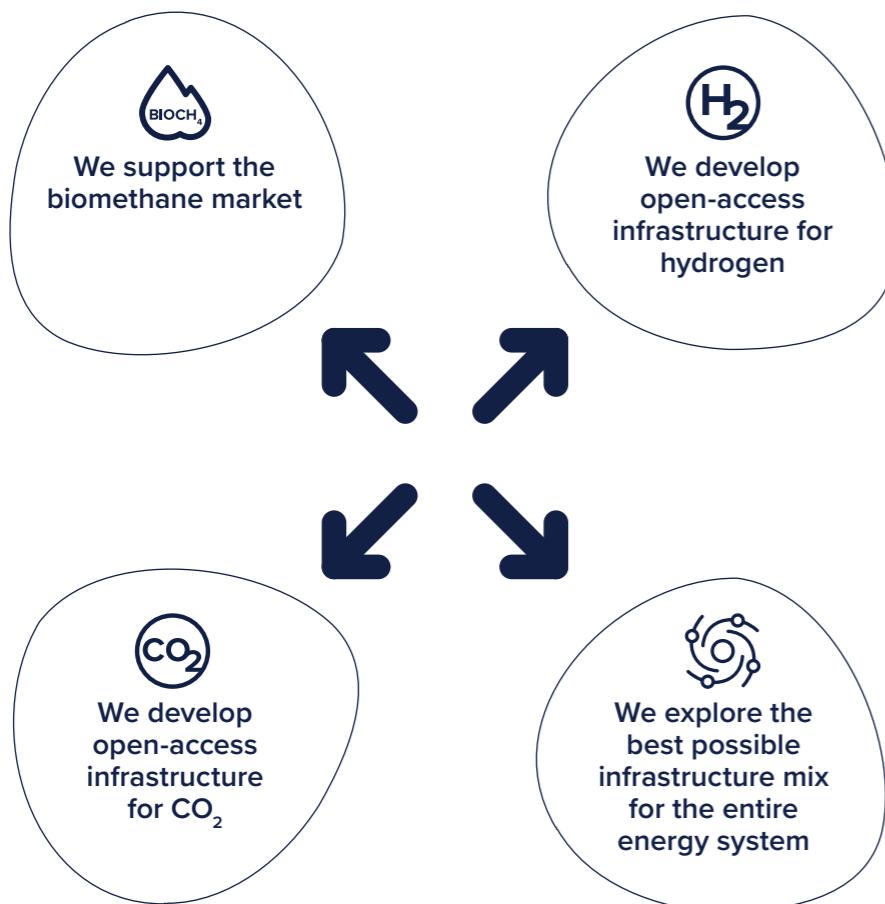
Zeebrugge LNG Terminal operates in full compliance with the sanctions regime

In June 2024, the Council of the European Union adopted a 14th sanctions package against Russia. The package bans from 27 March 2025 the transshipment of LNG from Russia for export to countries outside the EU. The Zeebrugge LNG terminal is underpinned by the legal principle of open access. This means that any company interested in the supply of LNG can book capacity at the terminal, and therefore no customer can be discriminated against, by law. As an essential service provider Fluxys ensures that its infrastructure is operational at all times for the overall security of supply. As before, we continue to operate in full compliance with applicable international, European and Belgian regulations. A Royal Decree sets the implementation modalities for the 14th sanctions package. The LNG terminal has adjusted its operational rules accordingly and the existing contracts are currently being continued in accordance with the sanctions regime.



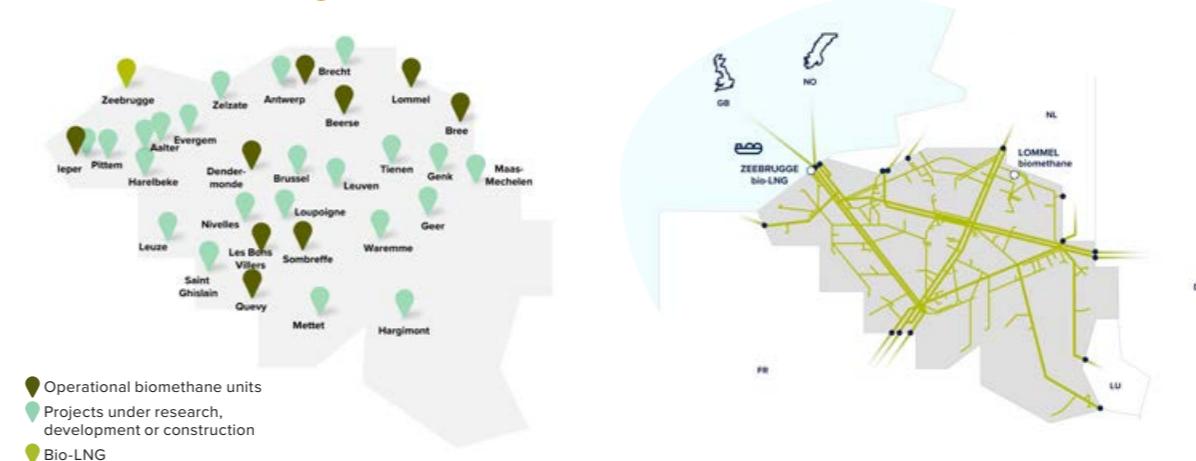
Expand

CO₂ emissions must drop drastically. We are therefore expanding our infrastructure into a multi-molecule system with hydrogen and CO₂ highways to decarbonise the economy. This is how we make an essential contribution to the climate targets.



We support the biomethane market

Production is taking off



The production of biomethane in Belgium is getting off the ground. Eight biomethane units are currently operational and about 20 projects are in various stages of research, development or construction.

First biomethane facility directly connected to our network

Until recently, Belgium's various smaller biomethane units had all been connected to distribution systems. Large-scale facilities can connect to Fluxys Belgium's high-pressure network. In 2024, the first molecules of biomethane from Green Logix Biogas in Lommel were injected directly into our transmission system.

Innovative approach in research

Fluxys is working with the distribution system operators and CREG on an innovative approach for connecting biomethane facilities. The aim is to connect multiple producers to low-pressure clusters of the distribution system operators. Fluxys will then carry out common recompression from low to high pressure, allowing biomethane to automatically flow into the Fluxys Belgium network. This will result in lower investment costs for individual producers.

The LNG terminal in Zeebrugge makes bio-LNG available for the market, and in 2024, the first large biomethane installation in Lommel was connected to our network.

Greater demand for bio-LNG at terminal

Fluxys LNG has offered a biomethane liquefaction service since 2020. This allows terminal users to have biomethane converted into bio-LNG. This liquefaction service promotes the development of the biomethane market by making biofuels accessible to the heavy transport sector.

Registrations for this liquefaction service have fluctuated sharply since its launch in 2021. They rose significantly from 136 GWh/year in 2021 to 348 GWh/year in 2022 before dropping to 169 GWh/year in 2023. In 2024, demand rose sharply again to 1,448 GWh, more than eight times the 2023 total.

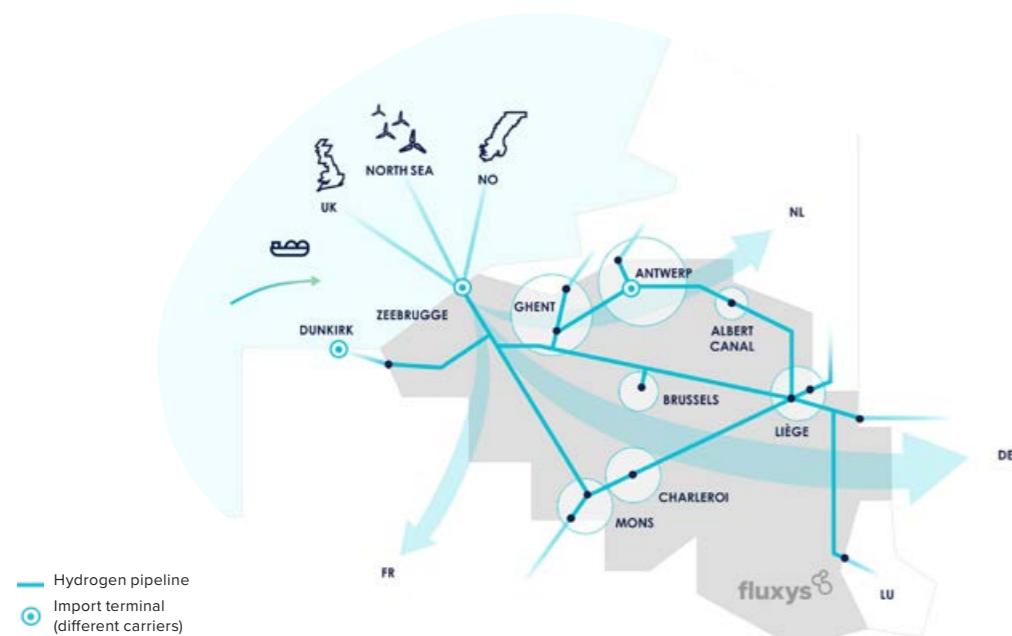
This increase is mainly due to greater demand from the German market, where a court ruled that bio-LNG of foreign origin is eligible for biofuel quotas. This led several shippers supplying the German biofuel market to Zeebrugge.

The use of bio-LNG for ship bunkering also began in 2024 and is expected to grow further due to the upcoming maritime fuel obligations in the EU.

Fluxys LNG is certified as a processing unit under the ISCC framework, a European Union certification scheme.

We develop open-access infrastructure for hydrogen

Long-term vision of the hydrogen network: Belgium as a hub for hydrogen import and transit



With the gradual development of a nationwide open-access hydrogen network, we are establishing the connection between industrial zones and to neighbouring countries. In this way, we are laying the foundations to expand Belgium's role as an energy crossroads into a hydrogen hub for the economy in Belgium and North-West Europe.

Developing together

Since early 2021, we have been preparing the necessary hydrogen infrastructure in cooperation with industry, partners, the public authorities, neighbouring operators abroad, distribution system operators and other stakeholders.

New natural gas infrastructure ready for future hydrogen demand

In late 2023 and early 2024, we commissioned the new Ghent (Desteldonk) - Brussels (Opwijk) pipeline, the first phase of the reinforcement of the Zeebrugge-Brussels axis. Through this, we are creating additional capacity to simultaneously offset the loss of L-gas from the Netherlands, supply the new power plants due to be commissioned in 2025 and maintain substantial flows to Germany. The pipeline is a multi-molecule pipeline and is fully future-proof in light of the energy transition..

It can be used to transport hydrogen as soon as the market is ready for it, forming the first part of the national hydrogen network.

In line with needs and connected to neighbouring countries

We are planning the infrastructure for hydrogen transport in line with the needs of industrial zones in Belgium and neighbouring countries. In doing so, we are establishing connections, at the pace of market demand, between industrial zones and with neighbouring countries to build an interconnected system. With this in mind, we cooperate with operators in Germany, the Netherlands, Luxembourg, France, and the UK for cross-border hydrogen connections.

German and French markets positive about cross-border hydrogen connections

In 2024, we organised Calls for Market Interest (CMIs) among all potential users of bidirectional hydrogen connections at the border points with France in Alveringem (between GRTgaz and Fluxys hydrogen) and with Germany in Eynatten (between OGE and Fluxys hydrogen).

The aim was to gain sufficient insight into the timings and volumes to be transported for the potential users' hydrogen projects. The German and French markets responded positively and bilateral discussions are now under way to align the further development of our infrastructure with market needs.

Embedded in Europe's hydrogen backbone

Since 2020, we have worked with other energy infrastructure companies within the European Hydrogen Backbone initiative. The initiative has now grown into a joint approach for developing specific hydrogen infrastructure in 28 European countries that largely consists of repurposed infrastructure that currently carries natural gas.

Recognised as a Project of Common Interest

In 2024, the European Commission recognised Belgium's nationwide open-access hydrogen network as a Project of Common Interest (PCI). PCI status is granted to infrastructure projects that the European Commission considers essential for improving energy infrastructure within the European Union. PCIs can benefit from accelerated permit procedures and are eligible for European funding.

fluxys
hydrogen

Fluxys hydrogen appointed hydrogen network operator in Belgium

On 26 April 2024, Federal Energy Minister appointed Fluxys hydrogen, a subsidiary of Fluxys Belgium, as the operator for the development and operation of the hydrogen network in Belgium.

This appointment is a milestone on the path towards the energy transition. Fluxys hydrogen was established in 2023 to develop the necessary infrastructure to transport hydrogen, an essential molecule in the energy mix that will help us meet climate targets.

In line with the federal hydrogen strategy, Fluxys hydrogen deals with the development and operation of a hydrogen pipeline network, which will form part of the future European hydrogen backbone. This will allow the necessary low-carbon energy and feedstock to be transported both for the Belgian market and neighbouring countries at the pace of market development.

Support during the startup phase is crucial

As an infrastructure operator, we play a facilitating role in the development of new molecules in the energy transition. As a responsible operator, we also continuously and carefully monitor market developments to determine the right time for investments. Since these are capital-intensive investments, support during the startup phase remains crucial. At the end of March 2024, the Minister of Energy formally adopted the royal decree granting support to Fluxys Belgium for the development of the first phase of the hydrogen backbone for an amount of 95 million euros under the Recovery and Resilience Facility (RRF). The final amount of this grant will depend on the formal signing of a grant agreement and the actual construction of the backbone by mid-2026.

Quickly achieving large volumes with low-carbon hydrogen

Belgium and Western Europe have only limited potential to quickly scale up the production of renewable hydrogen from renewable electricity. Low-carbon hydrogen is one alternative. This is hydrogen produced from natural gas, where the released CO₂ is captured and reused or stored.

ENGIE and Equinor are developing the H₂BE project in Ghent for the large-scale production of low-carbon hydrogen. The project is an important link to provide reliably large volumes of low-carbon hydrogen in Belgium in line with market demand. Fluxys Belgium is working with ENGIE and Equinor to connect the project to the hydrogen and CO₂ networks in the Ghent industrial zone.

Projects of Common Interest (PCIs)

The European Commission grants PCI status to infrastructure projects it considers essential for improving energy infrastructure within the European Union. PCIs can benefit from accelerated permit procedures and are eligible for European funding.

Terminals for hydrogen import

Zeebrugge multi-molecule hub: hydrogen import

- Open-access facilities
- Importing hydrogen or derivatives for injection into the hydrogen network and then transmission within Belgium and to neighbouring countries
- Status: opportunity study
- Planning: commissioning 2030-2035
- Recognised as a Project of Common Interest



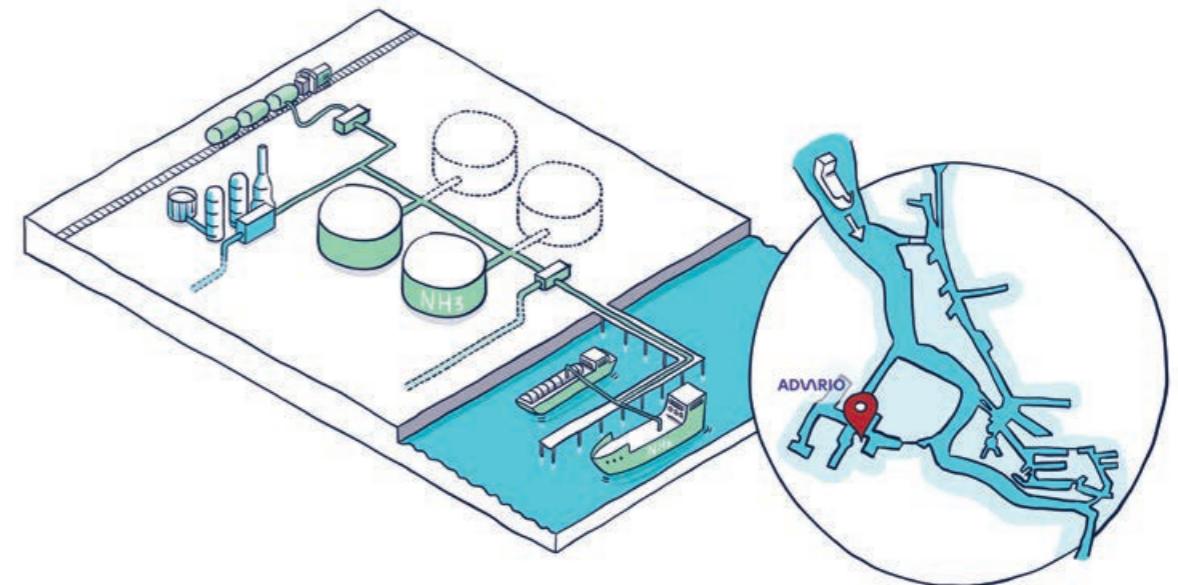
Antwerp ammonia import terminal

- Open-access terminal
- Project of parent company Fluxys with Advario
- Import terminal for ammonia as a renewable or low-carbon raw material and fuel. Possibility to convert ammonia back to hydrogen for transport via the hydrogen network.
- Status: feasibility study
- Planning: commissioning 2029
- Recognised as a Project of Common Interest



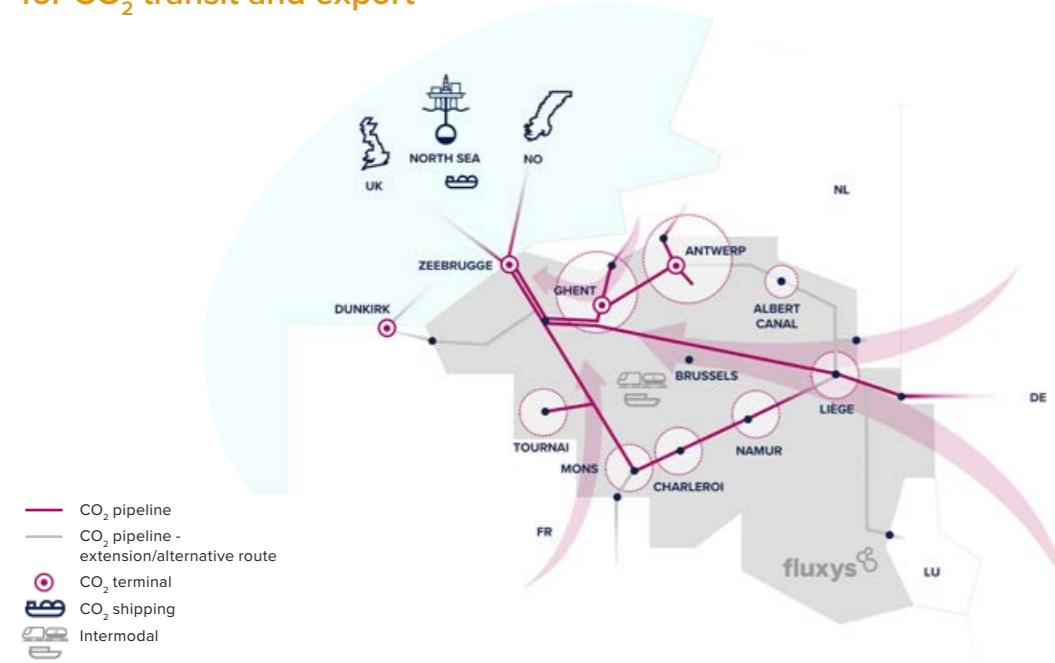
Renewable hydrogen in the spotlight at Nerdland Festival

For the second year in a row, Fluxys sponsored Nerdland Festival, Belgium's biggest science festival. This year, we made sure that the food court ran on renewable hydrogen. This gave festival-goers a taste of sustainability - literally. This collaboration is a tangible example of how we are highlighting the energy transition.



We develop open-access infrastructure for CO₂

Long-term vision of the CO₂ network: Belgium as a hub for CO₂ transit and export



With the gradual development of open-access CO₂ transport networks in the regions, we are establishing the connection between industrial zones and to neighbouring countries. In this way, we are laying the foundations to expand Belgium's role as an energy crossroads by launching it as a CO₂ hub for the economy in Belgium and North-West Europe.

Developing together

Since early 2021, we have been preparing the necessary CO₂ infrastructure together with industry, partners, the public authorities, neighbouring operators abroad and other stakeholders.

In line with needs and connected to neighbouring countries

We are planning the infrastructure for CO₂ transport in line with the needs of industrial zones in Belgium and neighbouring countries. As such, we are establishing, at the pace of market demand, connections between industrial zones and with neighbouring countries to build an interconnected system. With this in mind, for cross-border CO₂ connections, we cooperate with operators in Germany, Norway and the UK.

Emitters in Germany, Belgium and the Netherlands show particular interest in CO₂ exit points in Belgium

In 2024, we organised a Call for Market Interest (CMI) among all potential users of our CO₂ export projects in Zeebrugge, Ghent and Antwerp. The aim was to gain sufficient insight into the timings and volumes to be transported for potential users' CO₂ capture projects. The CO₂ exit points aroused particular interest among CO₂ emitters from Belgium, Germany as well as the Netherlands and bilateral discussions are now under way to align the further development of our infrastructure with market needs.

Support during start-up phase crucial

As an infrastructure operator, we play a facilitating role in the development of new molecules in the energy transition. As a responsible operator, we also constantly carefully screen market developments to determine the right moment for investments. As these are capital-intensive investments, support during the start-up phase remains crucial. With this in mind, European CEF (Connecting Europe Facility) grants were awarded for (i) the works for the CO₂ export terminal project in Antwerp (grant amount up to 25.6 million euros) and (ii) the studies for the CO₂ export terminal project in Ghent (grant amount up to 8.9 million euros).

Fluxys c-grid as potential operator of CO₂ transmission networks

Belgium's regions are frontrunners in Europe to devise a regulatory framework for CO₂. In March 2024, the Walloon and Flemish parliaments approved a decree on the transport of CO₂ via pipelines. In line with the decrees, in February 2025 subsidiary Fluxys c-grid applied to be the operator of the CO₂ transmission networks in the regions.

Fluxys c-grid was established in 2023 together with partners Pipelink, Socofe and SFPIM to plan, develop and manage CO₂ transmission infrastructure on Belgian territory.



Partner in innovative circular CO₂ project CO₂ncreat

CO₂ncreat is an innovative initiative based in Hermalle aimed at capturing, transporting and reusing CO₂ to make sustainable concrete blocks for use in the construction industry. The project is a collaboration between Fluxys Belgium and three other Belgian industrial players, namely Prefer, Lhoist and Orbix, and is supported by the EU's Innovation Fund. The project intends to produce more than 100,000 tonnes of eco-friendly masonry blocks per year while at the same time capturing and recycling around 12,000 tonnes of CO₂. Moreover, it will avoid 8,000 tonnes of CO₂ emissions annually through the use of recycled raw materials.

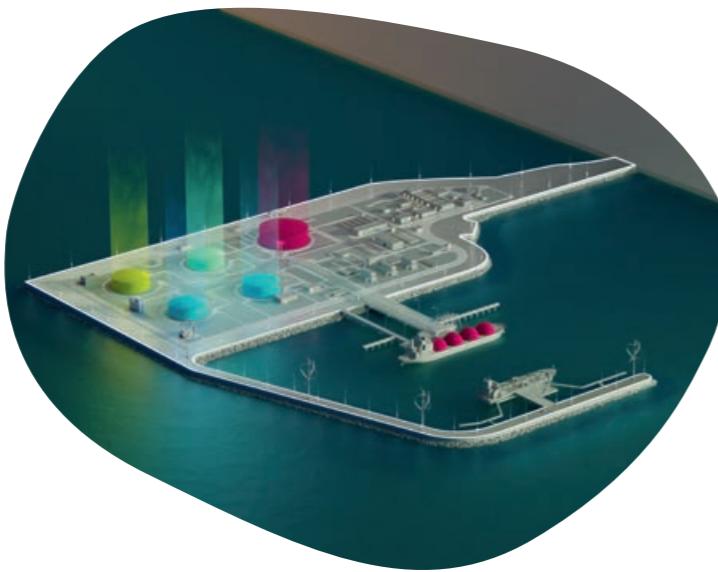
In this circular project, Fluxys, as infrastructure partner, is providing a two-km-long pipeline that will transport flue gases from Lhoist to Prefer's production unit to recycle and permanently store the CO₂ in these flue gases in ecological masonry blocks.



CO₂ export facilities

Zeebrugge multi-molecule hub: CO₂ terminalling

- Open-access facilities
- Receiving captured CO₂ from the CO₂ network for transfer to the offshore pipeline and transmission to safe and permanent offshore storage (see 'Offshore CO₂ pipeline Zeebrugge')
- Status: feasibility study
- Planning: commissioning 2030-2035
- Recognised as a Project of Common Interest



Offshore CO₂ pipeline in Zeebrugge

- Open-access pipeline
- Equinor project
- Subsea CO₂ pipeline from Zeebrugge to storage sites in Norway's North Sea waters
- Capacity of 27 million tonnes of CO₂ per year
- Status: feasibility study
- Planning: commissioning 2030
- Recognised as a Project of Common Interest

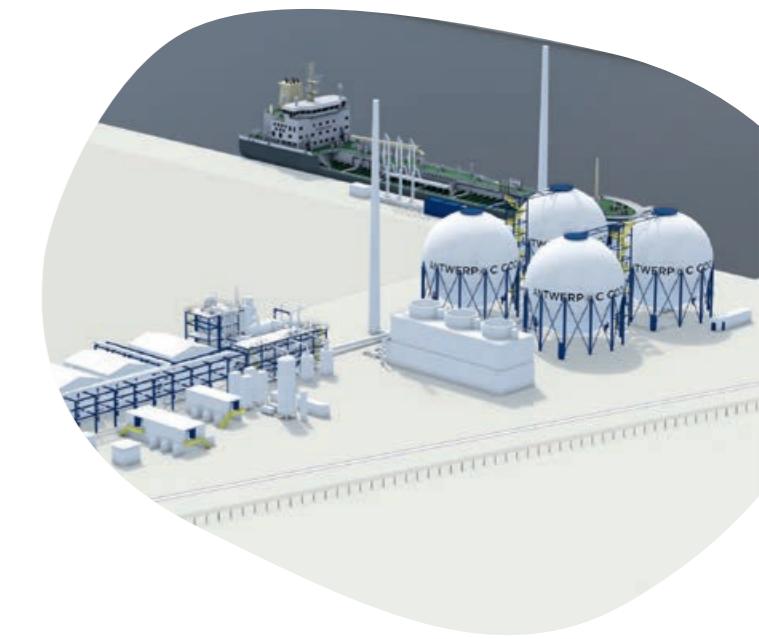


Projects of Common Interest (PCIs)

The European Commission grants PCI status to infrastructure projects it considers essential for improving energy infrastructure within the European Union. PCIs can benefit from accelerated permit procedures and are eligible for European funding.

CO₂ export terminal in Antwerp

- Open-access terminal
- Project with Air Liquide
- Multimodal terminal for receiving (via pipeline, ship or train), liquefying and temporarily storing CO₂ and loading it onto ships to be taken to permanent offshore storage
- Initial capacity of 2.5 million tonnes of CO₂ per year, with the possibility of expansion to 10 million tonnes of CO₂ per year
- Status: permitting and design
- Planning: commissioning 2028



CO₂ export terminal in Ghent

- Open-access terminal
- Project with Arcelor Mittal Belgium and North Sea Port
- Multimodal terminal for receiving (via pipeline, ship or train), liquefying and temporarily storing CO₂ and loading it onto ships to be taken to permanent offshore storage
- Capacity up to 4 million tonnes of CO₂ per year
- Status: feasibility study
- Planning: commissioning 2030



We explore the best possible infrastructure mix for the entire energy system

North Sea Integration Model

Goal: simulate the interactions between electricity and molecules in a carbon-neutral energy system



North Sea Integration Model: working together towards net zero emissions

Oil, natural gas and electricity currently account for a large proportion of the energy mix. Greater energy efficiency is expected to significantly reduce the consumption of Belgian homes and businesses. At the same time, the energy mix must evolve towards a low-carbon combination of electricity, molecules and biofuels.

A low-carbon energy mix in itself is not enough. How can we develop an affordable energy system with net zero emissions? How can we ensure that the right amount of energy goes to the right place at any time? What transport and storage infrastructure is needed to keep supply and demand in balance at all times? In short: how do we ensure that all solutions best work together to achieve net zero?

This is only possible if we consider the energy system as a whole, with all the interactions between its various components. In 2024, we took an important step forward through the development of the North Sea Integration Model, a computational model that simulates all interactions between electricity, hydrogen,

methane and CO₂ infrastructures in Belgium and all other countries bordering the North Sea.

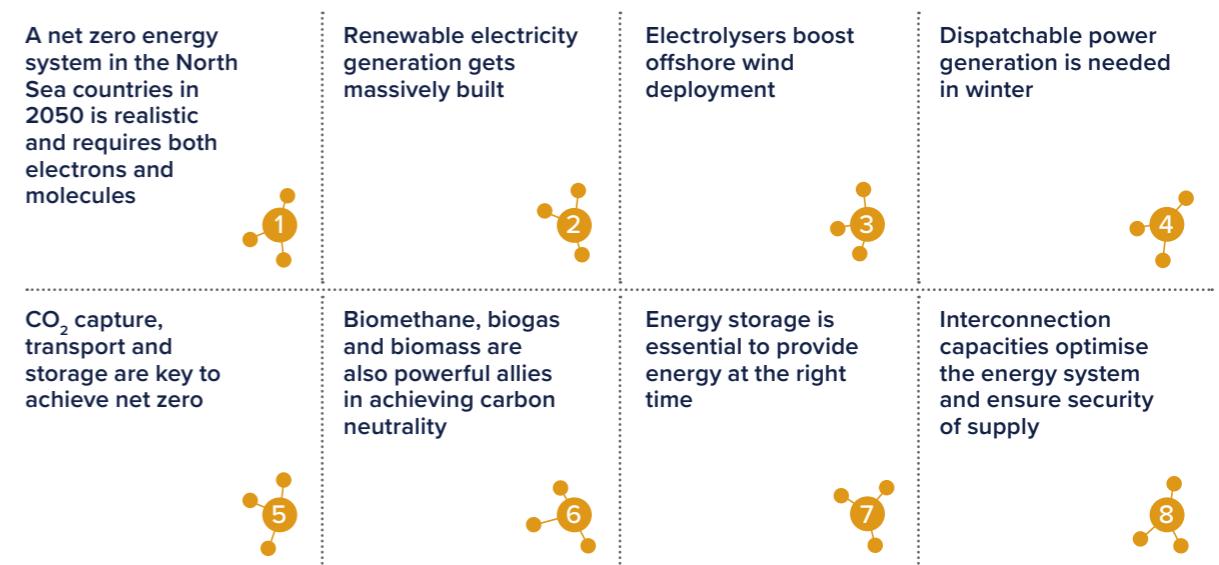
Key initial findings

The North Sea Integration Model is not a crystal ball for making predictions but rather a tool that, based on future consumption scenarios, shows how the entire chain from production to transport to consumption can be optimised in terms of costs, CO₂ emissions and maintenance of security of supply. In this way, the model also helps to better understand the key factors in the development of an integrated energy system that is carbon-neutral and provides the energy needed at any time at the lowest possible cost.

To run the simulations, the model uses a series of assumptions on technology costs, CO₂ storage potential and key technology parameters such as efficiency and flexibility, among others. Public reference data is used for all assumptions.

As consumption scenarios to run the model, we used the Global Ambition and Distributed Energy scenarios jointly developed by the transmission system operators for gas and electricity in Europe as part of the European 10-year network planning.

Below is an overview of the main initial insights based on the Global Ambition and Distributed Energy scenarios with the North Sea Integration Model.



Collaboration is paramount

The North Sea Integration Model naturally continues to evolve. Several further developments are under way and we are taking into account new developments in technology and energy and climate policy on an ongoing basis.

Moreover, Belgium has the advantage of having many top-level experts who have developed powerful multi-energy models, each of which has its own merits and specific features. We are sure that the complementarity of these models, together with close cooperation between stakeholders, provides a solid basis for policy and will enable public authorities to develop an energy vision that is in line with Belgium's social and economic objectives.

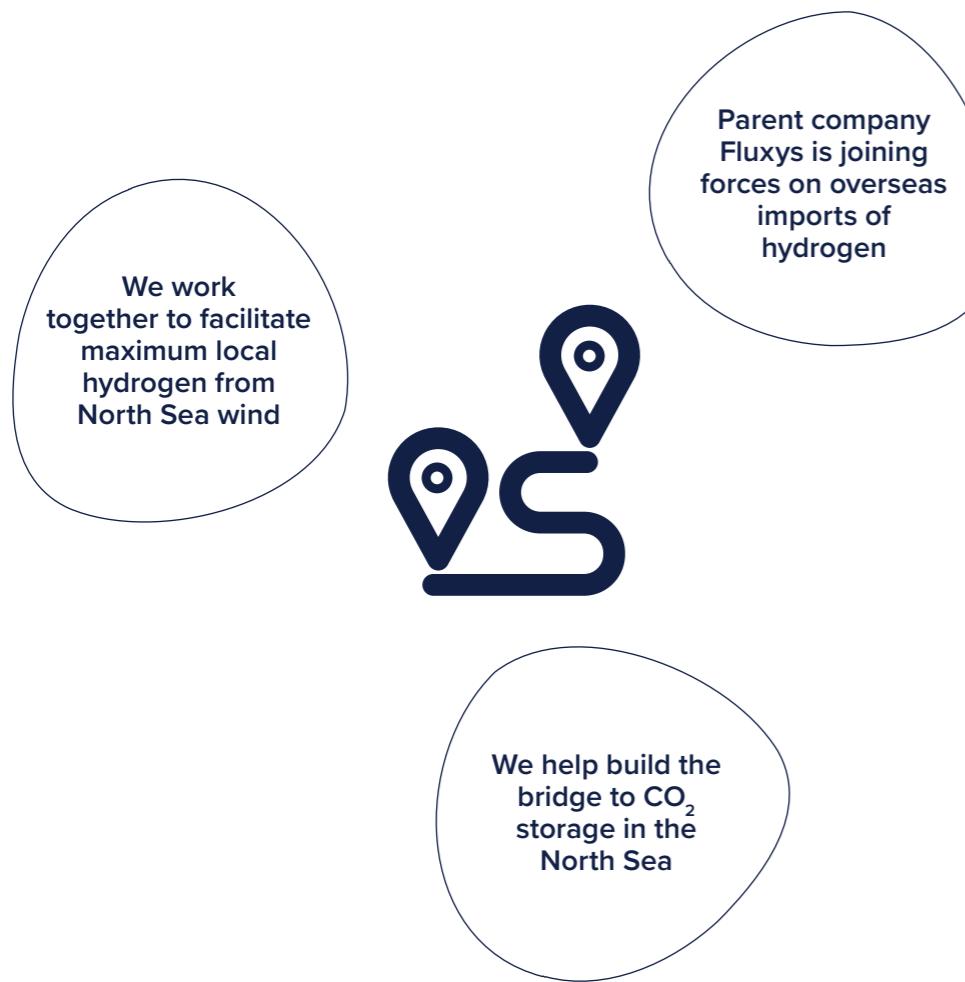
Solid academic preparations

The North Sea Integration Model builds on the methodologies developed by Fluxys Belgium and the University of Liège in a project to determine the best way to plan and operate, with regard to infrastructure, a multi-energy system. The project ran from 2020 to early 2024 and was supported by the Energy Transition Fund of the Belgian federal government.

The initial model for Belgium showed that by 2050, Belgium would be highly dependent on energy imports from neighbouring countries. To better simulate these imports, in 2024 we expanded the scope of the model to all countries around Belgium and bordering the North Sea. By developing the model and incorporating it into the North Sea Integration Model, we also take into account the commitment of the North Sea countries to make the North Sea the largest green energy power plant in Europe.

Connect

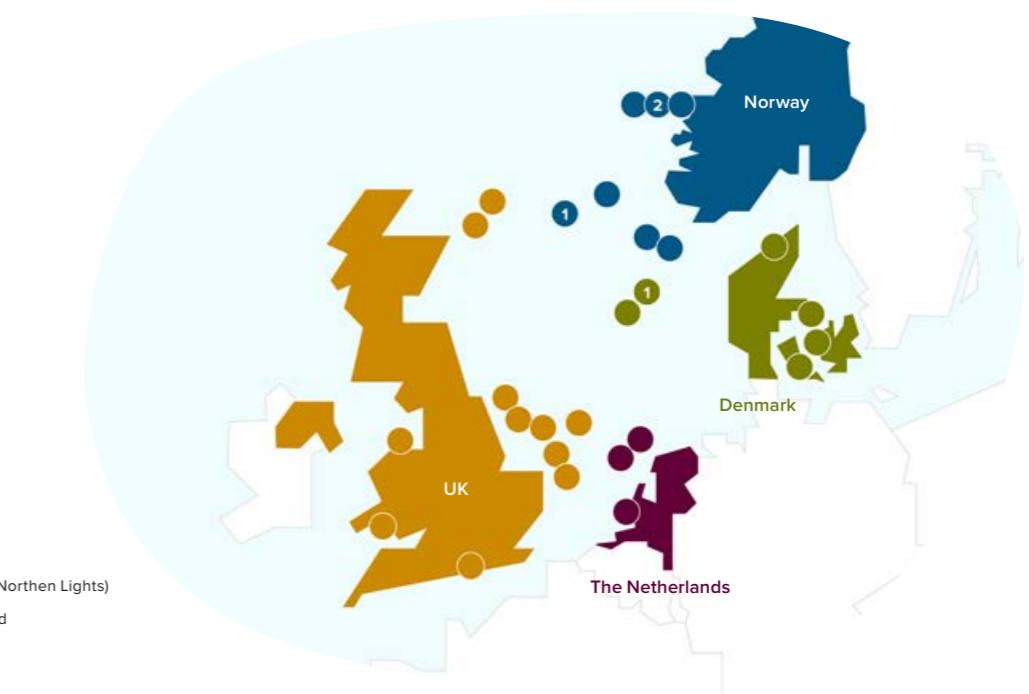
Openness to as many sources as possible is crucial, also in the future. Together with our partners, we are working towards the same goal: we are exploring new horizons, initiating new logistics chains and connecting our infrastructure to new sources. In this way, we are laying additional foundations for the climate-neutral future.



We help build the bridge to CO₂ storage in the North Sea

The North Sea is not only a gigantic source of renewable energy; it also offers enormous potential for CO₂ storage deep beneath the seabed. The empty gas

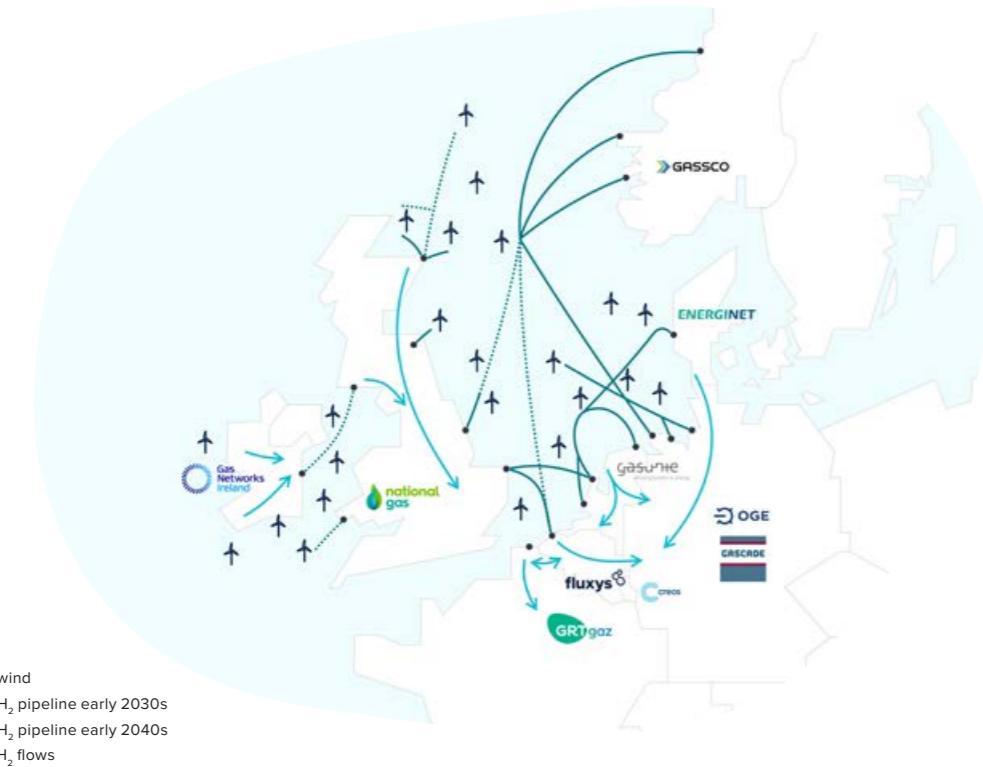
fields in the North Sea have the right geological structure for the safe and permanent storage of CO₂.



The projects for terminals and installations for CO₂ export that we are preparing in Belgium together with partners are all part of a logistics chain with storage in the North Sea as the end point. In this regard, the federal government and the regional authorities have already concluded bilateral agreements with Norway,

the Netherlands and Denmark to enable cross-border CO₂ transport for permanent storage in the North Sea. A similar bilateral agreement is also expected to be concluded with the United Kingdom.

We work together to facilitate maximum local hydrogen from North Sea wind

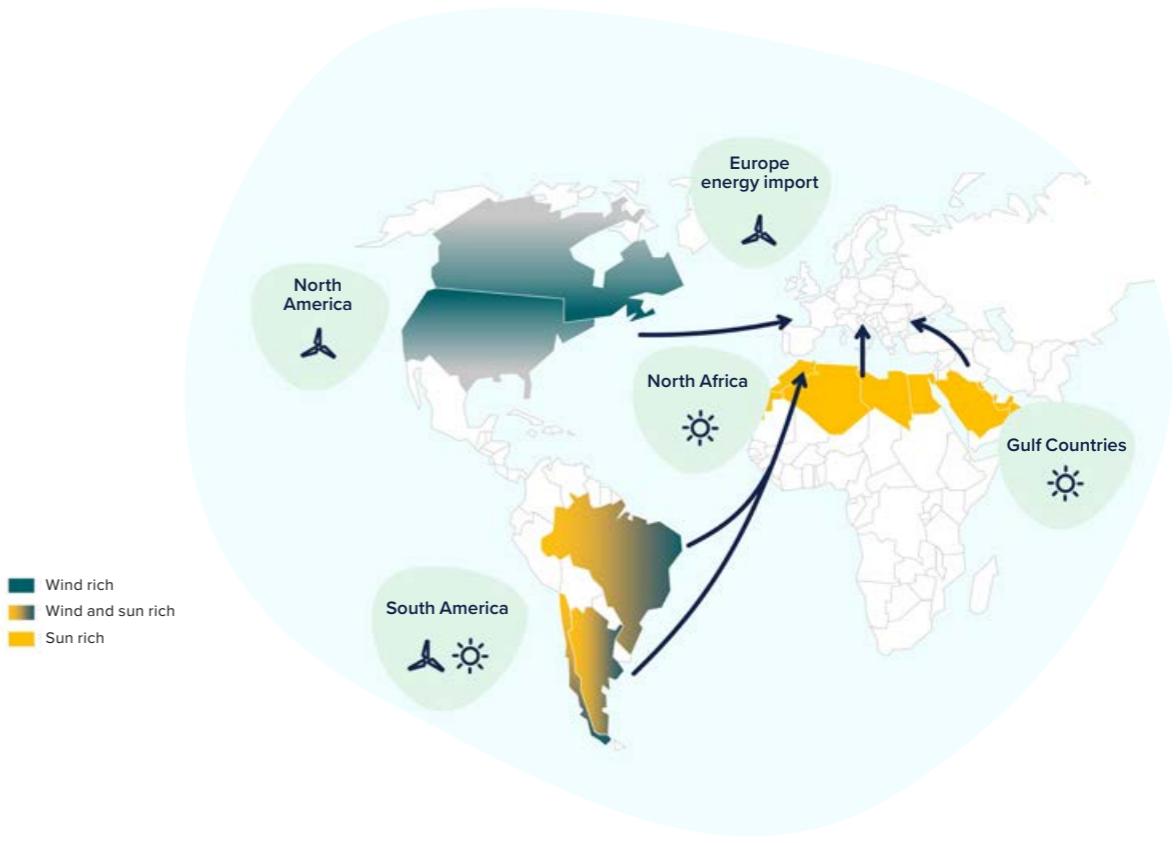


The countries bordering the North Sea want to increase their combined offshore wind farm capacity from 33 GW to 300 GW by 2050. In this way, they want to turn the North Sea into the largest green energy power plant in Europe. Offshore wind farms are a source of both renewable electricity and renewable hydrogen: wind power can be converted into renewable hydrogen via electrolysis.

Through the Hydrogen Networks for the Northern Seas (HyNOS) partnership, we are joining forces with eight other gas transmission system operators to identify the role to be played by offshore hydrogen infrastructure.

This joint planning of network development for hydrogen and electricity allows us to maximise the complementarity of the different networks and to make maximum use of the energy potential of the North Sea at the lowest possible system cost. With this in mind, we have developed our simulation model for an integrated energy system into one that considers Belgium along with all other countries bordering the North Sea as a whole (see 'North Sea Integration Model: working together towards net zero emissions').

Parent company Fluxys is joining forces on overseas imports of hydrogen



In addition to hydrogen from North Sea wind, overseas imports are another pillar to ensure sufficient renewable hydrogen. To help build the logistics chains for this purpose, parent company Fluxys is exploring the possibilities with various partners in particularly

windy and sunny areas where large quantities of renewable hydrogen can be produced from renewable electricity. Renewable hydrogen can then be exported by ship to import terminals in Europe, for example in the form of renewable ammonia.

HiToThe
Future

Our ESG performance



ESG dashboard

 On track

 Action needed to reach target

 Unable to reach target

With our 2024 ESG results we are on track to achieve our targets.

ESG Material topic	Target definition	Status	Result (full year 2024)
1 Transport of molecules for a carbon neutral future		As from 2024, on top of new H ₂ and CO ₂ pipeline projects, 90% of the total length of our new major CH ₄ pipeline projects ^(a) should be designed and built for the transport of low-carbon molecules or CO ₂ .	 Achieved for 2024: 100% (23,5km of multi-molecules pipelines put in service, between Zele and Opwijk and ~10km Fexhe-Les Awirs).
2 Reduce our own GHG emissions		Scopes 1 & 2: Our ambition is to reduce our scopes 1 & 2 emissions^(b) by 50% by 2025 , by 67% by 2030 & by 80% by 2035 and reach net zero by 2050 compared to the base year of 2017 (250 ktCO ₂ eq). Scope 3: Our ambition is to reduce our scope 3 emissions (excluding categories directly linked to the development of our infrastructure ^(c)) by 50% by 2030, compared to the base year of 2023 (60 ktCO ₂ eq).	 On track: 131 ktCO ₂ eq, i.e. -48% compared to our base year (2017).  Achieved for 2024: More than 50% reduction compared to our reference year (2023).
3A Safe and reliable infrastructure		100% of confirmed shippers nominations in firm capacity (transport & storage) are respected.	 Achieved for 2024: 0 reduction or interruption of firm transmission capacity.
3B Safe and reliable infrastructure		Zero industrial incidents having a major impact on the safety of employees, residents and anyone else connected to our infrastructure ^(d) .	 Achieved for 2024: 0 industrial incident with major safety impact.
4 Customer care		Roll out appropriate communication for all our changes to provide our customers with information and ensure transparency, in accordance with local legal requirements ^(e) .	 Achieved for 2024: 100% Appropriate communications were carried out for all of the 3 changes in 2024.
5 Employee safety and working conditions		Same target as 3B.	 Same target as 3B.

(a) Total length of 5 km or more.

(b) Market-based emissions.

(c) i.e. excluding categories 3.1 Purchases of goods and services, and 3.2 Capital goods; that are directly linked to the development of our infrastructure.

(d) By industrial incident having a major impact on safety, we refer to explosions, fires, uncontrolled gas venting, pollution, etc. that have serious consequences for the safety (life-threatening injuries or injuries resulting in permanent disability/death) of employees and local residents.

(e) Scope: Fluxys Belgium (transmission) and Fluxys LNG.

ESG Material topic	Target definition	Status	Result (full year 2024)
6 Employee engagement		Keep the proportion of engaged employees above 70%.	 Achieved for 2024: more than 80% engaged employees.
7 Learning and talent development		Each year, at least 90% of our employees will increase their knowledge and skills in at least 2 of the following areas: digital, soft, safety & technics, business.	 Achieved for 2024: more than 90% of employees have increased their knowledge in at least 2 key domains.
8 Diversity and inclusion		Raise awareness of diversity and inclusion among all employees every two years, with a first campaign in 2024 and a second in 2026.	 In progress: The campaign was successfully launched in 2024 (for directors and senior managers). The rollout to all employees is planned for 2025.
		Ensure that all managers have undergone training on diversity and inclusion by the end of 2025.	 In progress: A first version of the training material was developed, and a pilot session took place at the end of 2024, with a group of managers.
9 Ethics, integrity and efforts to combat corruption		100% of Fluxys Group employees trained on the Ethical Code every 3 years, including new hires. Note: next deadline is having all employees trained by end 2026.	 In progress: In 2024 we updated the Ethical Code and developed the associated training. Our goal is for all employees to have completed the course by the end of 2026.
10 Biodiversity		For each km of backbone ^(f) pipeline built, Fluxys Group will ensure the planting of 500 m ² of vegetation, in addition to the mandatory legal deforestation compensation, until 2026. Action plan achieved by 2028 to stimulate biodiversity on selected Fluxys sites.	 Achieved for 2024: Planting already occurred in 2023 for the backbone section put in service in first half year 2024 ^(g) (as part of Desteldonk-Opwijk).  In progress: Target for 2028; first step i.e. conducting a biodiversity audit completed.

(f) Total length above 10 km and diameter of 600mm or more.

(g) Planting already occurred in 2023 for the full Desteldonk-Opwijk pipeline, incl. the section between Opwijk (Hollestraat) station – Dendermonde (Oudegem Paalstraat) station of ~16km that was put in service early 2024.

Basis for preparation (ESRS 2, BP-1)

The purpose of Fluxys' reporting is to provide stakeholders with a fair and balanced picture of relevant aspects, engagements, practices and results for 2024. The ESG statement is prepared on the same consolidated basis as the financial statements. Our Fluxtainable ESG strategy is embedded and aligned with our overall strategy (including in terms of time horizons).

Frameworks and data selection

This report has been prepared in line with the European Sustainability Reporting Standards (ESRS) framework. It is divided into three sustainability areas: Environmental (E), Social (S) and Governance (G). All subjects covered in this report have been deemed material through our double materiality assessment (DMA). More details on our DMA are provided below.

The Greenhouse Gas Protocol has been used to account for the greenhouse gas emissions.

Measurement basis and threshold for restatement

The methods for calculating ESG metrics are described in the relevant sections further in this document. These include information on whether the metrics are measured directly or estimated based on sources such as third-party data or sector averages. The financial numbers cited in this ESG section are consistent with the financial section of this report. Should adjustments have been made to ESG metrics (e.g. updated calculation method) compared to last year, this will be indicated in the relevant section.

Scope

The scope of this report is aligned with the financial report and encompasses all entities of Fluxys Belgium fully consolidated in our financial statements: Fluxys Belgium NV/SA, Fluxys LNG NV/SA, Flux Re NV/SA, Fluxys c-grid NV/SA and Fluxys hydrogen NV/SA

(more information can be found in Note 3. Acquisitions, disposals and restructuring in the 'Financial situation' section). All these entities are subsequently jointly referred to as 'Fluxys Belgium'.

In our DMA, our value chain is considered with regard to all impacts, risks and opportunities. Value chain metrics are only included in the calculation of greenhouse gas equivalents in Scope 3 for ESRS E1 and the reporting of the customer-specific topic 'Customer care'.

Internal and external controls over sustainability reporting

Internal controls in connection with the audit plan are assessed by Internal Audit and reported twice a year to the Fluxys Belgium NV/SA Audit and Risk Committee. For more information on internal and external controls, see the section 'Our governance'.

Governance

Link between sustainability and our overall strategy and business model (ESRS 2, SBM-1, SBM-3 and IRO-1)

Fluxys Belgium's ESG strategy and goals are fully embedded in our overall strategy and business model and are described in the section 'Fluxys Belgium in a nutshell'.

Governance framework (ESRS 2, GOV-1 and MDR-P)

The Board of Directors, as the company's most senior management body, is responsible for the overall and strategic management of Fluxys Belgium's activities, including its ESG strategy. Based on the Gas Act, specific advisory bodies have been established to assist the Board in its tasks. The key results in terms of sustainability are presented on a yearly basis to the Audit and Risk Committee and the Board of Directors, along with the financial results. More information on our Board of Directors and their expertise can be found in the 'Our governance' section and the 'Corporate Governance Declaration' section.

The implementation of the ESG strategy (policies, actions, targets) is driven by experts within each domain, and overall the CEO and his management hold the highest accountability for its implementation.

Composition of the Board of Fluxys Belgium NV/SA:

Conseil d'administration	
Male	60%
Female	40%
Executive	1
Non-executive	19
Independent	35%

Integration of sustainability-related performance in incentive schemes (ESRS 2, E1 and GOV-3)

Information on incentive schemes is provided in the section 'Corporate Governance Declaration – Remuneration report'.

Statement on sustainability due diligence (ESRS 2, GOV-4 and IRO-1)

Fluxys Belgium's commitment to sustainability is an integral part of our integrated strategic framework to accelerate the energy transition as an essential infrastructure company (see section 'Our governance').

Mapping of information provided in sustainability statements about the due diligence process

Embedding due diligence in governance, strategy and the business model	Due Diligence Statement Corporate Governance Declaration section Material topic section on ethics, integrity and efforts to combat corruption	p. 95 p. 158 - 177 p. 148 - 150
Engaging with affected stakeholders in all key steps of the due diligence process	Interests and views of our stakeholders	p. 96- 97
Identifying and assessing adverse impacts	Double materiality assessment and in the respective material topic sections	p. 98- 150
Taking action to address those adverse impacts	In the respective material topic sections	p. 102- 150
Tracking the effectiveness of these efforts and communicating on said efforts	In the respective material topic sections	p. 102- 150

Risk management and internal controls over sustainability reporting (ESRS 2, GOV-5 and IRO-1)

Fluxys Belgium's Enterprise Risk Management (ERM) system is based on ISO 31000 and is integrated into the company's strategy, business decisions and activities. The risk management system covers all business risks, including risks related to the material ESG domains for the company (see the 'Risk management' section).

In this report, all ESG data in relation to impacts, risks and opportunities as found in our double materiality assessment are presented according to the related ESRS and within the scope of the external auditors' limited assurance (see 'Limited assurance review of our ESG statements').

Interests and views of our stakeholders (ESRS 2, SBM-2)

Our stakeholder engagement showcases our commitment to actively listening to and engaging with our stakeholders. Through ongoing dialogue, we strive to understand their positions, concerns and expectations.

This table summarises Fluxys Belgium's key interactions with its main stakeholders. Key outcomes of engagement with stakeholders are relayed to the Board of Directors whenever they impact matters that are discussed at Board level (e.g. a significant change in strategy) as part of the yearly strategic review process.

Stakeholder group	How engagement is organised	Purpose of engagement	Topics important to stakeholders	Examples of outcomes of engagement
Employees	Social dialogue with staff representatives Engagement survey Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Gaining information on employees' perceptions and experiences Contributing to a sustainable workplace and working life Building trust	Working conditions/ health and safety Employee engagement/motivation Diversity and inclusion: equal treatment and opportunities for all Training and skills development Ethics and integrity	Internal policy updates Improvements and action plans Communications from management Talent development
Customers & end users	Market consultations and information sessions Call for Market Interest (CMI) Various events (e.g. End User Day, DSO Day, International Shipper Meeting) Regular direct contact between our sales team (Account Managers) and our clients, attendance at energy conferences/summits Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Capture customer feedback and market intelligence to inform our strategy and service offering	Climate change (transition, emissions) Customer care Safe and reliable infrastructure Ethics and integrity	Product/service improvements, new service offerings
Suppliers & contractors	Bilateral meetings and overall supplier engagement with the most emitting suppliers/contractors Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Investigate how to reduce our Scope 3 emissions Ensure that our contractors respect their workers' human and labour rights	Climate change (transition and emissions) Ethics and integrity Working conditions: safety (especially for contractors)	Informed selection of suppliers, including sustainability criteria
Financial institutions & investors	Direct contact with financial institutions Sustainability-linked financing Investor calls, questionnaires, and emails Periodic investor updates Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Understanding the expectations of financial institutions regarding sustainability targets	Climate change (transition, emissions) Ethics and integrity	Secured sustainability-linked financing Responses to investor queries

Stakeholder group	How engagement is organised	Purpose of engagement	Topics important to stakeholders	Examples of outcomes of engagement
Authorities & regulators	Interactions with our regulator on the application of the Gas Act (incl. Code of Conduct) Dialogue with policymakers at national and regional level Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Regulatory compliance Security of supply	Climate change (transition and emissions) Ethics and integrity Customer care and respect for the regulations (e.g. Code of Conduct) Safe and reliable infrastructure	Development of regulatory framework for new molecules (H ₂ , CO ₂) New investments/subsidies to support the energy transition
NGOs	Interactions with NGOs (e.g. Natuurpunt) Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Contributing to local initiatives Addressing communities' concerns	Climate change (emissions) Biodiversity Safe and reliable infrastructure Ethics and integrity	Collaboration with Natuurpunt on the voluntary planting of vegetation External biodiversity audit on selected sites
Affected communities	Ongoing dialogue with local residents and operators in the vicinity of our infrastructure Designated points of contact Information sessions for local residents Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Ensure good neighbourly relations Addressing community concerns, questions and feedback	Pollution (specifically noise) Safe and reliable infrastructure	Compensation for affected communities (e.g. farmers, horticulturists, foresters and hunters) Changes in design/ adaptations to our infrastructure to minimise disruption (e.g. to reduce noise) where possible
Board members	Board of Directors meetings Audit and Risk Committee meetings Corporate Governance Committee meetings Appointment and Remuneration Committee meetings Expert sessions Continuous dialogue Public email address to raise concerns: ethics@fluxys.com or whistleblowing@fluxys.com	Societal value creation	Climate change (transition and emissions) Ethics and integrity Customer care Safe and reliable infrastructure Diversity and inclusion Employee safety and working conditions	Support for strategy

Double materiality assessment

DMA introduction

In 2024, we reviewed the material topics that were identified in our double materiality assessment performed in 2023 (in accordance with the Corporate Sustainability Reporting Directive) in light of the current context, including by examining our updated perimeter and business processes, and found them still relevant.

The concept of double materiality involves considering two perspectives, namely inside-out and outside-in.

The Fluxys ESG Department, alongside the Internal Audit & Risk Department, took the lead in the double materiality assessment. The business owners, the Management Team and the Board of Directors were all involved in this process.

DMA methodology (ESRS 1, 2; SBM-1, 2, 3 and IRO-1, 2)

Our double materiality assessment consisted of four phases [ESRS 2 IRO 1] with nine supporting steps.



Step 1: Determine the CSRD perimeter

The entities falling within the scope of the Corporate Sustainability Reporting Directive (CSRD) reporting for the 2024 financial year are Fluxys Belgium NV/SA, Fluxys LNG NV/SA and Flux Re NV/SA.

The assessment did not include Fluxys hydrogen NV/SA or Fluxys c-grid NV/SA, as these entities had only been established in late 2023. In terms of materiality, these entities do not have to be considered yet in 2024.

Balansys NV/SA is part of Fluxys Belgium's value chain. This is in line with the scope of the financial statements.

Step 2: Understand our ESG context

We investigated the Environmental, Social and Governance (ESG) context in which Fluxys operates (i.e. regulatory environment, external factors, company policies, business practices).

We re-evaluated the context in 2024 but did not find any major shifts.

Step 3: Identify and classify stakeholders

Stakeholders are individuals or groups who can affect or be affected by Fluxys' decisions and actions.

The following stakeholders have been identified:

- Employees (social partners, senior management, association of executives)
- Directors
- Shareholders
- Financial institutions and investors
- Authorities and regulators
- Suppliers and contractors
- Customers and end users
- NGOs and affected communities

Step 4: Develop a stakeholder engagement plan

In early 2023, we drew up an engagement plan for each of the stakeholder groups identified. For each stakeholder group, the engagement plan determined the following:

- The selection of a representative stakeholder sample to engage with
- The selection of relevant ESG matters to engage on
- The engagement method. There were two types of stakeholder engagement:
 - Direct engagement through surveys, discussions and workshops (quantitative and qualitative)
 - Indirect engagement through the collection of material ESG information from reports, benchmarks and/or websites

Our stakeholders' expertise and knowledge allowed us to refine and validate the list of material topics.

Step 5: Map the value chain¹

We mapped our value chain's activities to flesh out our own materiality assessment. In this step, we expanded the materiality assessment to cover our entire value chain, meaning that it encompassed not only the impact of our own activities but also the potential impact of those in our value chain.

Each tier within the value chain, both upstream and downstream, was analysed to identify important sectors and/or companies.

The mapping process was implemented as follows:

- Upstream level 2+: analysis of the key sectors that supply our suppliers, e.g. the steel sector, electrical materials such as cables
- Upstream level 1: analysis of key suppliers representing the main categories in our Scope 3
- Level 0: analysis of peers
- Downstream level 1: analysis of key customers/ system users and end users and sector benchmark

This involved material ESG information from reports, websites and publicly available materials.

This step allowed us to identify the potential material topics in our value chain.

1. By 'value chain', we mean all activities, resources and relationships the company uses to create its products or services from design to delivery, consumption and the end of service life.

Step 6: Identify impacts, risks and opportunities (IROs)

In this step, using existing business processes as a starting point, we identified actual and potential as well as negative and positive sustainability impacts applicable to our own activities over the short, medium and long term, covering all affected stakeholders. By means of an analysis conducted with the business owners and business experts, we compiled a long list of topics. Following frequent workshops, this resulted in a shortlist of key topics.

We also assigned an impact score for the long list of topics (see Step 7). For the shortlist, we also assessed the financial risks and opportunities.

Step 7: Conduct an impact materiality assessment

To systematically assess impacts, we defined a scoring system with clear criteria for the impacts, risks and opportunities identified in Step 6.

Depending on the characteristics of the impact (i.e. positive/negative, actual/potential), the materiality assessment is based on different components.

Each impact is scored on a scale of 1 to 5 for each of the scoring components (i.e. scale, scope, irremediability and likelihood), depending on the defined criteria. For example, the set criteria for calculating the scope of an impact goes from 1 (local impact) to 5 (global impact).

The next step of the impact assessment involved defining the materiality threshold for each impact, risk and opportunity. We decided to set the threshold to 3 as according to our internal scoring matrix, the impact becomes significant when scale, scope, irremediability and likelihood achieve this score (or higher) and so are considered material.

With regard to close calls (i.e. IROs falling just below or just above the threshold), we performed an additional review and analysis to ensure that these IROs were included or excluded accordingly.

Step 8: Conduct a financial materiality assessment

For the shortlist of key topics, we also assessed the current and anticipated financial risks and opportunities. This assessment was based on our existing risk management system. See the 'Our risk management' section.

In line with the European Sustainability Reporting Standards (ESRS), Fluxys' existing risk management system considers the likelihood and potential scale of financial effects. Moreover, a threshold has been set above which a risk or opportunity is defined as financially material. We consider various scenarios that are likely to materialise and potential financial effects that may not already be reflected in the financial statements, including:

- potential situation that a future event may affect the cash flow generation potential;
- capitals that are not recognised as assets from accounting and financial reporting perspectives (e.g. natural, intellectual, social, relationship capitals);
- possible future events that may influence the evolution of such capitals.

Step 9: Consolidate the assessment results

In this step, we consolidated and grouped the results of the materiality assessment. The key outcomes of the double materiality assessment, including the list of material topics (and views of stakeholders) were validated by the Management Team and the Board of Directors.

Double materiality assessment outcome (ESRS 2; SBM 2, 3)

Material topics

The entire assessment process and materiality list compiled resulted in the following ten material topics:

- Transport of molecules for a carbon-neutral future
- Reduce our own GHG emissions
- Safe and reliable infrastructure
- Customer care
- Employee safety and working conditions
- Employee engagement
- Diversity and inclusion
- Learning and talent development
- Ethics, integrity and efforts to combat corruption
- Biodiversity²

Additional information about the scoring of the material topics can be found in the respective sections on each material topic.

Targets set

Targets have been defined for all ESG material topics. Staff representatives were involved in the double materiality assessment, and the resulting targets were subsequently presented to them. Performance tracking and the identification of lessons to be learned or improvements as result of performance are driven by the ESG team, with the involvement of the relevant stakeholders within Fluxys Belgium. These targets are explained further in the following sections on our ESG performance.

2. Given the low risk level for biodiversity, this topic is not included in our ESRS reporting. However, it remains an important topic, for which we will continue pursuing our targets and actions. More information can be found in the section 'How we are preserving biodiversity'.

Environment

Material topics linked to the environment:

- **Transition plan for climate change mitigation p. 103 and adaptation**
- **Reduce our own GHG emissions p. 107**
- **Transport of molecules for a carbon- neutral future p. 112**
- **EU taxonomy for sustainable economic activities p. 115**
- **Biodiversity p. 121**

Transition plan for climate change mitigation and adaptation

Governance and strategy (ESRS E1-1/SMB-3)

Fluxys Belgium's commitment to sustainability is an integral part of our integrated strategic framework to accelerate the energy transition as an essential infrastructure company. For more information about our

governance and strategy, see the sections 'Our governance', 'Our strategic framework' and 'How we are helping to speed up the energy transition'.

Climate transition plan for climate change mitigation (ESRS E1-1/2/3)

Policy, metrics, targets and actions

For the policies (ESRS E1-2), actions (ESRS E1-3), targets (ESRS E1-4) and metrics (ESRS E1-5/6/7), see the

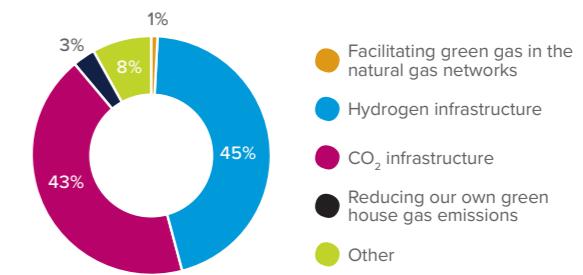
Investment plan and funding (ESRS E1-1)

In 2024, Fluxys Belgium approved its indicative investment plan (CapEx) for the period 2025-2034. In total, the programme represents investments worth €8.3 billion. Over 90% of the 10-year investment plan focuses on building infrastructure to transport molecules for a low-carbon future and reducing our own greenhouse gas emissions, the two key components of our transition plan.

The funding of the transition plan will be covered by a mix of equity, external debt and other sources of funding (e.g. subsidies), as applicable.

dedicated points in the sections 'Transport of molecules for a carbon-neutral future' and 'Reduce our own GHG emissions'.

Financial resources (CapEx) allocated to action plans (2025-2034)



Policies and systems to manage risks and monitor the material impacts of climate change (ESRS E1-2/3/SBM-3)

Climate-related risks encompass both physical and transition risks.

- **Physical risks** refer to the direct impacts of climate change on our assets and operations, such as extreme weather events and long-term shifts in climate patterns, which could potentially affect the integrity and functionality of our infrastructure, including pipelines.
- **Transition risks**, on the other hand, arise from the societal and economic shifts required to move towards a low-carbon economy. These include regulatory changes, market dynamics, and technological advancements that could impact our business model and asset valuation.

Understanding both types of risk is crucial for developing robust strategies to ensure the resilience and sustainability of our operations. In the following sections, we will analyse both physical and transition risks in detail to provide a comprehensive assessment. These risk assessments also constitute our resilience analysis. More information about the way we conducted these risk assessments can be found in the section 'Our risk management'.

Climate-related physical risks (ESRS E1 IRO-1 and SBM-3)

Assessment of climate-related physical risks

Value chain	Time horizon	Analysis	Measures
Physical climate risk - Assets:			
In a >4 °C scenario, severe and more frequent hazards (storms, floods, rising sea levels, wildfires) could damage pipelines, installations and storage facilities, impacting safety, availability and costs.	Direct operations - downstream	Long term	Low ^(a) <ul style="list-style-type: none"> Processes and construction standards HSE Policy and periodic audits General emergency plan and incident response

(a) Quantification of material climate-related risks is required to address the material climate-related impacts, risks and opportunities. Since Fluxys Belgium has not identified the energy consumption of its own activities or physical climate hazards as potentially having a material impact, quantification is not required.

Policies and systems to monitor the material impacts of climate-related physical risks

Fluxys Belgium has processes in place and uses construction standards to mitigate climate-related impacts on its assets.

Our efforts to manage climate change risks stem from the Health, Safety and Environment (HSE) Policy. The Environmental Management System provides the framework for managing, monitoring and improving measures. Internal and external audits are also carried out periodically. Moreover, this system includes environmental impact assessments listing possible preventive and mitigating measures to minimise impacts, a monitoring approach and a complaints management structure.

Fluxys Belgium's general emergency plan is also part of the HSE Policy and documents the overarching methodology for responding to incidents on its networks. Among other things, this plan also details the crisis organisation, sets out the most likely incident scenarios and provides guidance on the steps to be taken in the event of an incident. The members of the crisis team undergo specific training, and emergency drills are also regularly organised in order to ensure the team's responsiveness.

Description of the risk management process used to assess climate-related physical risks

Step 1: Identification

The exposure of our assets to physical climate risks is assessed through an annual impact analysis for each identified hazard.

Step 2: Assessment

The hazard frequency change and vulnerability were used to determine the impact score for each hazard assessed. Mitigation measures help Fluxys reduce its overall physical risks.

Step 3: Outcome of the risk assessment

According to Fluxys Belgium's defined materiality threshold, none of the physical risks assessed were classified as material in the short (one year), medium (five years), long (ten years) or longer term (to 2050). Fluxys Belgium has implemented relevant mitigation actions that reduce the physical risk impact scores to below the materiality threshold.

Quantification of material physical risks is required (in terms of monetary value and as a percentage (%) of total assets as at the reporting date) within three years of reporting. Since Fluxys Belgium has not identified any physical risks as material, quantification is not required.

Insight into the process used to identify and assess climate-related risks for Fluxys Belgium and its value chain

Scenarios and sources used for the physical risk assessment

The high emissions scenario used in this analysis is the SSP5-8.53 from the IPCC AR6.4. This scenario is consistent with a future in which there have been no policy changes to reduce emissions and is characterised by increasing greenhouse gas emissions that lead to extreme changes in global weather patterns. Where information was unavailable, this scenario was used in conjunction with the corresponding RCP 8.55 high emissions scenario. Physical climate risks were identified for the various timeframes assessed using hazards, vulnerability and expert insights as input for the climate-related scenario analysis conducted for Fluxys Belgium.

Climate-related transition risks and opportunities (ESRS E1 IRO-1 and SBM-3)

Assessment of climate-related transition risks and opportunities

Climate-related transition risks

Risk type	Value chain	Time horizon	Analysis	Measures
Transition – Market				
The role of natural gas in the future energy mix - drop in demand for natural gas could lead to some Fluxys infrastructure no longer being used, loss of revenues	Downstream	Long term	High	<ul style="list-style-type: none"> Development of new activities to accelerate the energy transition (see also 'Transition plan for climate change mitigation and adaptation')
Transition – Technology				
Difference in timing between capital investments needed in new molecules vs a market that is not yet generating revenues	Direct operations Downstream	Long term	Medium high	<ul style="list-style-type: none"> Investment plan for the development of a multi-molecule network
Transition – GHG emissions				
Failure to meet emissions targets	Direct operations	Long term	Medium high	<ul style="list-style-type: none"> Go4Net0 (incl. MethER) programme to achieve the reduction targets
Climate change – Energy consumption				
Fluxys' activities could require greater energy consumption	Direct operations	Medium term	Low ^(a)	<ul style="list-style-type: none"> Use of technology to boost energy efficiency

(a) Quantification of material climate-related risks is required to address the material climate-related impacts, risks and opportunities. Since Fluxys Belgium has not identified the energy consumption of its own activities or physical climate hazards as potentially having a material impact, quantification is not required.

Physical climate hazards assessed

The hazards assessed are the most common climate hazards considered globally:

- Floods
- Convective storms/tropical cyclones
- Wildfires
- Rising sea levels
- Heatwaves
- Drought

Those hazards have been analysed in terms of their impact on the safety of employees and residents living in the vicinity of gas infrastructure, on the availability of infrastructure and in terms of financial impact.

This analysis was conducted for the different types of assets: pipelines and installations.

Scenario timeframe considered

Varying scenario timeframes (2030-2050) were used to assess the change in climate hazards in the scenario analysis.

3. Shared Socioeconomic Pathway

4. Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change

5. Representative Concentration Pathway

Climate-related transition opportunities

Risk type	Value chain	Time horizon	Analysis	Measures
Transition – H₂ market				
Revenues from transmission, terminalling and storage of hydrogen	Downstream	Long term	High	<ul style="list-style-type: none"> Objectives and commitment regarding the transport of new molecules Investment plan
Transition – Carbon market				
Revenues from transmission and terminalling of CO ₂	Downstream	Long term	Medium high	<ul style="list-style-type: none"> Objectives and commitment regarding the transport of new molecules Investment plan
Transition – Biomethane market				
Revenues from biomethane transmission	Downstream	Medium term	Medium low	<ul style="list-style-type: none"> Objectives and commitment regarding the transport of new molecules Investment plan

Policies and systems to monitor the material impacts of physical climate-related transition risks

See 'Policies and systems to manage risks and monitor the material impacts of climate change' (ESRS E1-2/3/ SBM-3) in the section 'Transition plan for climate change mitigation and adaptation'.

Description of the risk management process used to assess transition risks and opportunities

Step 1: Identification

Fluxys Belgium identified key climate transition risks and opportunities by looking at:

- key changes to the gas transport sector (e.g. technological changes or upcoming regulations, the region (Belgium), society's energy consumption and demand, and the impact of geopolitical events);
- the key mechanisms and driving forces taken into consideration (e.g. goal of carbon neutrality by 2050, policies (e.g. EU Emissions Trading System (ETS)) and market interests, e.g. growth of the H₂ and CO₂ market);
- Fluxys Belgium's existing strategy;
- Fluxys Belgium's entire value chain (supply chain, own activities and downstream market).

Step 2: Assessment

With the aid of internal experts, the various transition risks and opportunities have been analysed to determine their financial impact on Fluxys. Mitigation measures help Fluxys reduce these risks.

Step 3: Outcome of the risk and opportunities assessment

Of the key transition risks and opportunities impacting Fluxys Belgium identified through the scenario analysis, three out of four risks are considered material in the long and longer term. All risks and opportunities identified were also analysed and quantified, taking into account existing and planned mitigation measures.

Insight into the process used to identify and assess climate transition risks and opportunities

Scenarios and sources used for the assessment

The climate scenario in line with limiting global warming to 1.5 °C is the Net Zero Emissions (NZE) by 2050 scenario.

For the purposes of Fluxys Belgium's assessment of transition risks and opportunities, three key information sources were used, namely the IEA,⁶ ENTSOG's⁷ TYNDP and Fluxys' Energy Outlook 2030 and 2050.

These sources were supplemented by additional research documents when required (e.g. latest IPCC study, published in April 2022).

The climate-related scenario analysis, alongside expert insight, aided the assessment of the risks and opportunities identified for Fluxys Belgium.

Transition events analysed

The transition risks and opportunities were analysed throughout the value chain using the transition risk categories from the TCFD,⁸ namely:

- Regulation
- Market
- Technology

6. International Energy Agency.

7. European Network of Transmission System Operators for Gas.

8. Task Force on Climate-related Financial Disclosures.

Scenario timeframe considered

- Varying timeframes (2030-2050) were used to assess the change in transition events in the scenario analysis.

- Extrapolation was used to analyse the impact in the short (one year) and long term (ten years) for integration into Fluxys Belgium's ERM matrix and processes.

Reduce our own GHG emissions

Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)
		Negative	Actual	
Become a net-zero company that preserves natural capital	Reduce our own GHG emissions	Fluxys Belgium's activities generate greenhouse gases (CH ₄ and CO ₂), which exacerbate climate change.		Long term Fluxys Belgium may run financial and reputational risks if it fails to achieve its greenhouse gas emission targets (CO ₂ and CH ₄).
	Impact scores (from DMA)	Impact on society: 5		Financial impact: MH
Measures				
	Policies		Actions	
	Fluxys Health, Safety and Environment Policy		<ul style="list-style-type: none"> Reduce CO₂ emissions Reduce methane emissions (MethER programme) Contract green electricity and produce our own renewable electricity Engagement with suppliers 	
Target				
	Target definition		Status	
	Scopes 1 and 2: Our ambition is to reduce our Scope 1 and 2 emissions ^(a) by 50% by 2025, by 67% by 2030 and by 80% by 2035 and reach net zero by 2050 compared to the baseline year of 2017 (250 ktCO ₂ eq).		 On track	
	Scope 3: Our ambition is to reduce our Scope 3 emissions (excluding categories directly linked to the development of our infrastructure) ^(b) by 50% by 2030 compared to the base year of 2023 (60 ktCO ₂ eq).		 Achieved for 2024	
Result 2024				
			131 ktCO₂ eq (Scope 1 and 2 market-based), i.e. -48% compared to our reference year (2017)	
			More than 50% reduction compared to our reference year (2023)	

(a) Market-based

(b) I.e. excluding categories 3.1 Purchases of goods and services and 3.2 Capital goods that are directly linked to the development of our infrastructure.

For the analysis of climate-related physical and transition risks, see 'Transition plan for climate change mitigation and adaptation'.

Policies related to reducing our own GHG emissions

Fluxys Health, Safety and Environment Policy (ESRS E1-2)

We have formalised our commitment for Fluxys Belgium

Actions related to reducing our own GHG emissions (ESRS E1-3)

The description of our actions across Scopes 1, 2 and 3 can be found in the section 'How we are reducing our own climate impact'. More information about the nature of Scope 1, 2 and 3 emissions are provided in the annex 'Methodology for calculating greenhouse gas emissions'. More information on the financial resources allocated to the actions to reduce greenhouse gas emissions can be found in the 'Transition plan' section.

The need to offset some of our carbon emissions has yet to be assessed.

to cut emissions within our Health, Safety and Environment Policy. This policy covers well-being at work, the integrity of our assets and commitments to the climate targets.

Locked-in emissions

Our assessment identified the following locked-in Scope 1 emissions:

- CO₂ emissions from heating systems in our pressure-reducing stations
- CO₂ emissions from small devices such as emergency generators
- Unavoidable methane emissions as residual incompressible emissions during interventions such as emergency interventions and some possible fugitive emissions identified during Leak Detection and Repair (LDAR) campaigns. Based on this assessment, the financial impact of locked-in emissions is deemed to be below the materiality thresholds.

Target and other metrics related to reducing our own GHG emissions

Target (ESRS E1-4)

Fluxys Belgium has set itself the target of reducing greenhouse gas emissions from its own operational activities to become net zero by 2050. This target includes Scope 1 and Scope 2 emissions,⁹ i.e. direct emissions linked to our own activities and indirect emissions linked to the generation of the electricity we consume respectively.

Specific sub-targets have been defined, i.e. reduce GHG emissions (compared to 2017 levels, which serves as the current base year):

- by 50% by the end of 2025;

- by 67% by the end of 2030;
- by 80% by the end of 2035;
- net zero by 2050.

These targets for Scopes 1 and 2 are compatible with a sustainable economy in line with the Paris Agreement and with the goal of climate neutrality by 2050. They are based on the use profile of Zeebrugge LNG Terminal in 2022 and the expected reduction in CO₂ emissions at the facility through the use of open rack vaporisers (ORVs) using the heat from seawater, as well as a combination of other actions under the Go4Net0 (incl. MethER) programmes. Fluxys has no EU ETS objectives.

Target definition

Scopes 1 and 2: Our ambition is to reduce our Scope 1 and 2 emissions^(a) by 50% by 2025, by 67% by 2030 and by 80% by 2035 and reach net zero by 2050 compared to the base year of 2017 (250 ktCO₂ eq).

Status	Result 2024	Result 2023
--------	-------------	-------------

● On track **131 ktCO₂ eq, i.e. -48% compared to our base year (2017)**

This year, we significantly reduced our Scope 1 and 2 emissions⁹ compared to 2023, thanks to a combination of the three additional ORVs commissioned in late 2023 at our Zeebrugge terminal and a relatively lower level of activity. We are on track to meet our 2025 target, even though its achievement will depend on the level of activity at our terminal.

This year, we set a target with the aim to reduce our Scope 3 emissions excluding categories directly linked

to the development of our infrastructure¹⁰ by 50% by 2030 (compared to base year 2023, at 60 ktCO₂ eq). This target is mainly based on the expected reduction of natural gas consumption at the terminal through the use of ORVs using the heat from seawater. For the avoidance of doubt, the emissions from the use of the gas transported via our infrastructure is not included in our scope 3 as Fluxys does not own the gas that flows through its infrastructure.

Status	Result 2024	Result 2023
● Achieved for 2024	More than 50% reduction compared to our reference year (2023)	60 ktCO ₂ eq

(a) I.e. excluding categories 3.1 Purchases of goods and services and 3.2 Capital goods that are directly linked to the development of our infrastructure.

In 2024, this target was already achieved thanks to a reduction in our Scope 3 Category 3 emissions (Fuel- and energy-related activities). This is due to a combination of the three additional ORVs commissioned in late 2023 at our Zeebrugge terminal and a relatively lower level of activity. We will strive to

keep these Scope 3 emissions (excluding categories directly linked to the development of our infrastructure)¹⁰ low in the coming years, and under 30 ktCO₂ eq/year by 2030 (-50% compared to our base year of 2023).

Other metrics (ESRS E1-5, 6)

Energy consumption and mix (ESRS E1-5)

KPI	Unit	2024	2023
Total energy consumption linked to our own activities	MWh	515,837	1,416,017
(1) Fuel consumption from coal and coal products	MWh	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	9,465	10,132
(3) Fuel consumption from natural gas	MWh	401,210	1,182,975
(4) Fuel consumption from other fossil sources	MWh	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	282	128
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	401,956	1,193,235
Share of fossil sources in total energy consumption	%	80	84
(7) Consumption from nuclear sources	MWh	0	0
Share of consumption from nuclear sources in total energy consumption	%	0	0
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) ^(a)	MWh	645	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	104,178	222,767
(10) The consumption of self-generated non-fuel renewable energy	MWh	57	15,22
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	104,881	222,782
Share of renewable sources in total energy consumption	%	20	New
Total energy consumption (calculated as the sum of lines 6 and 11)	MWh	515,837	1,416,017
Energy intensity based on net revenue^(b)	MWh/M€	651^(c)	New

(a) Via Green Gas Certificates issued by greengasregister.be

(b) Fluxys operates in a high climate impact sector (transport, terminal and storage of natural gas) for all its activities.

(c) Calculation method:

Total energy consumption from activities in high climate impact sector (MWh)

Net revenue from activities in high climate impact sector (million €)

The net revenue can also be found in the section 'Financial situation'.

9. Market-based

10. I.e. excluding categories 3.1 Purchases of goods and services and 3.2 Capital goods that are directly linked to the development of our infrastructure.

Gross Scope 1, 2, 3 emissions and total greenhouse gas emissions (ESRS E1-6)

Unit	2024	2023	2017 (base year)	% change (2024 compared to base year)
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	tCO ₂ eq	130,782	286.912	234.259 -44%
Biogenic emissions of CO ₂ from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions	tCO ₂ eq	128	New	New n/a
Percentage of Scope 1 GHG emissions from regulated emission trading schemes ^(a)	%	43	68	20 -36%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	tCO ₂ eq	11,711	28,954	16,155 -60%
Gross market-based Scope 2 GHG emissions	tCO ₂ eq	47	17	16,155 178%
Significant Scope 3 GHG emissions				
Total gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	tCO ₂ eq	66,944	215,664	New -69%
1. Purchased goods and services	tCO ₂ eq	39,110	Not published in 2023 annual report	New n/a
2. Capital goods	tCO ₂ eq	7,249	Not published in 2023 annual report	New n/a
3. Fuel- and energy-related Activities (not included in Scope 1 or Scope 2)	tCO ₂ eq	18,467	Not published in 2023 annual report	New n/a
4. Upstream transportation and distribution	tCO ₂ eq	967	Not published in 2023 annual report	New n/a
5. Waste generated in operations	tCO ₂ eq	22	Not published in 2023 annual report	New n/a
6. Business travel	tCO ₂ eq	188	Not published in 2023 annual report	New n/a
7. Employee commuting	tCO ₂ eq	941	Not published in 2023 annual report	New n/a
8. Upstream leased assets		Not applicable ^(b)		
9. Downstream transportation		Not applicable ^(c)		
10. Processing of sold products		Not applicable ^(d)		
11. Use of sold products		Not applicable ^(e)		
12. End-of-life treatment of sold products		Not applicable ^(f)		
13. Downstream leased assets		Not applicable ^(g)		
14. Franchises		Not applicable ^(h)		
15. Investments		Not significant ⁽ⁱ⁾		
Total GHG emissions				
Total GHG emissions (location-based)	tCO ₂ eq	209,437	531,530	New -61%
Total GHG emissions (market-based)	tCO ₂ eq	197,773	502,593	-61%
Intensity of GHG emissions based on net revenue ^(j) (location-based)	tCO ₂ eq/M€	264	New	n/a
Intensity of GHG emissions based on net revenue ^(k) (market-based)	tCO ₂ eq/M€	250	609	New -59%

The GHG calculation methodology is explained in 'Annex: Methodology for calculating greenhouse gas (GHG) emissions'.

Unit	2024	2023
Internal carbon pricing: carbon price per tonne of CO ₂ emissions	€ 98.81	116.37

Fluxys uses internal carbon pricing (shadow price, e.g. applied to CapEx) to help inform specific investment decisions internally, across its different activities. The internal carbon price for CO₂ is based on the average EU ETS price over the previous 50 days' moving average (DMA) plus 50%, and it is revised every three months.

(a) Calculation method:

$$\frac{\text{GHG emissions in (tCO}_2\text{eq) from EU ETS installations + national ETS installations + non-EU ETS installations}}{\text{Scope 1 GHG emissions (t CO}_2\text{eq)}}$$

(b) Fluxys Belgium does not have upstream leased assets.

(c) Owing to the nature of our activities, there are no GHG emissions linked to downstream transportation that are applicable to Fluxys.

(d) Owing to the nature of the services we offer, there are no GHG emissions linked to the processing of sold products that are applicable to Fluxys.

(e) Fluxys sells transmission, terminalling and storage services; it does not own the gas that flows through its infrastructure. As such, the emissions from the combustion of the gas by end users cannot be included in the GHG Protocol's GHG Scope 3 Category 11 'Use of sold products' in Fluxys' GHG inventory. It is therefore not applicable to Fluxys.

(f) Owing to the nature of the services we offer, there are no emissions linked to the end-of-life treatment of sold products.

(g) Fluxys Belgium does not have downstream leased assets.

(h) Fluxys Belgium does not have franchises.

(i) Fluxys Belgium has very limited investments, and the linked GHG emissions are not significant.

(j) The net revenue can also be found in the section 'Financial situation'.

(k) The net revenue can also be found in the section 'Financial situation'.

Transport of molecules for a carbon-neutral future

Using climate-related scenarios to underpin our infrastructure transition plan

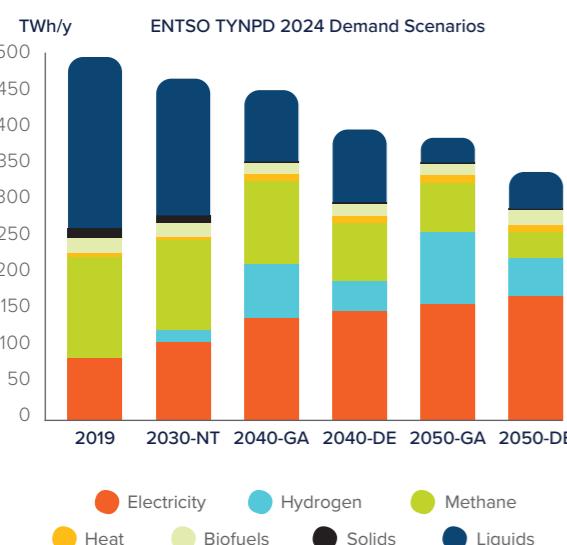
Thanks to the use of climate-related scenarios and output from its commercial process, Fluxys Belgium can propose a tangible infrastructure transition plan (see 'How we are helping to speed up the energy transition').

The ENTSO-E and ENTSOG climate-related scenarios (the National Trends scenario for 2030 and the Distributed Energy and Global Ambition scenarios for 2040 and 2050) show different pathways to achieving climate neutrality in the EU-27 by 2050, including at least a 55% reduction in emissions by 2030.

- **National Trends scenario:** this scenario should be in line with the national energy and climate policies derived from European targets.
- **Distributed Energy scenario:** this scenario seeks to achieve EU energy autonomy based on the maximisation of indigenous renewable energy sources and smart sector integration. It translates into both a societal change in behaviour and a strong decentralised drive towards

decarbonisation through local initiatives by citizens, communities and businesses, supported by authorities. This would maximise renewable energy generation in Europe and lead to a significant drop in energy imports.

• **Global Ambition scenario:** this scenario is driven by a global approach which translates into the development of a wide range of renewable and low-carbon technologies (many being centralised) and the use of the global energy trade as a tool to accelerate decarbonisation. Economies of scale lead to lower costs in technologies such as offshore wind but imports of decarbonised energy from various sources are also considered a viable option.



The results of the National Trends, Distributed Energy and Global Ambition scenarios for Belgium show energy demand gradually and partially shifting away from fossil fuels and being replaced by other energy vectors including electricity, biomass and biomethane, synthetic methane, biofuels, e-fuels, hydrogen and hydrogen derivatives.

Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)			
		Positive	Potential				
	Accelerate the energy transition with infrastructure able to transport various molecules, both now and in the future			Medium term Fluxys Belgium may fail to achieve its transition objectives. It may also face the financial risk of the H ₂ and CO ₂ markets not developing at the same pace as the investments made.			
	Climate change mitigation and adaptation: transporting the molecules for a carbon-neutral future						
		In Belgium, Fluxys Belgium intends to be an important partner in society's energy transition to a low-carbon economy by means of innovative projects and major investments in: <ul style="list-style-type: none"> the terminalling, transport and storage of low-carbon molecules (H₂, biomethane, etc.); transport for the storage and reuse of CO₂ and the terminalling of CO₂ for export. 					
	Impact scores (from DMA)	Impact on society: 5		Financial impact: H			
Measures							
Policies		Actions					
		We are committed to getting ready for future molecules; this is a core component of our overall strategy: Secure, Expand and Connect. <ul style="list-style-type: none"> Building pipelines that are fit to transport the molecules for a carbon-neutral future Participation in multiple infrastructure projects for the terminalling, transport and storage of molecules for a carbon-neutral future Appointment as hydrogen network operator in Belgium Cooperation with other transmission system operators (TSOs) on the development of hydrogen and CO₂ infrastructure 					
More information about these actions can be found in the section 'Our strategy in practice – Expand'.							
Target							
Target definition		Status		Result 2024			
From 2024 onwards, in addition to new H ₂ and CO ₂ pipeline projects, 90% of the total length of our new major CH ₄ pipeline projects ^(a) should be designed and built to transport low-carbon molecules or CO ₂ .		 Achieved for 2024		100% (23.5 km of multi-molecule pipelines commissioned between Zele and Opwijk and ~10 km Fexhe-Les Awirs)			

(a) A major pipeline is one that is at least 5 km long.

Policy related to the transport of molecules for a low-carbon future

In order to fulfil our transition objectives while mitigating the uncertainties surrounding the speed of development of the H₂ and CO₂ markets, we are building infrastructure fit to transport multiple types of molecule in the future. The transport of molecules for

a carbon-neutral future is a core component of our overall strategy: Secure, Expand and Connect. More information on our strategy can be found in the 'Fluxys Belgium in a nutshell' section.

Actions related to the transport of molecules for a carbon-neutral future (ESRS E1-3)

While Fluxys Belgium currently transports natural gas (mainly methane), we are preparing to transport molecules that support a carbon-neutral future, such as hydrogen and CO₂ in gaseous form. Our network must be ready to transport these low-carbon molecules as well as CO₂.

In 2024, we successfully completed the construction and commissioning of the Desteldonk-Opwijk pipeline. The section linking Desteldonk to Zele (20.5 km) had already been commissioned in 2023, and the remaining section linking Zele and Opwijk (23.5 km) was commissioned in 2024. This is the first pipeline laid by

Fluxys that has been designed to be fit to transport hydrogen.

Moreover, our second project, connecting Les Awirs to Fexhe, was commissioned in 2024, spanning a distance of approximately 10 km. The procedures followed during the construction of this pipeline will ultimately make it possible to supply Les Awirs power plant with hydrogen.

The financial resources allocated to these new pipelines are included in the taxonomy numbers, see the section 'EU taxonomy for sustainable economic activities'.

Target and other metrics related to the transport of molecules for a carbon-neutral future

Target (ESRS E1-4, company-specific)

Target definition	Status	Result 2024	Result 2023
From 2024 onwards, in addition to new H ₂ and CO ₂ pipeline projects, 90% of the total length of our new major CH ₄ pipeline projects ^(a) should be designed and built to transport low-carbon molecules or CO ₂ .	 Achieved for 2024	100% (23.5 km of multi-molecule pipelines commissioned between Zele and Opwijk and ~10 km Fexhe-Les Awirs)	New

(a) A major pipeline is one that is at least 5 km long.

Other metrics

The table below sets out the details of the specific

Total length (km) ^(a)	Length compatible with the transport of low-carbon molecules or CO ₂ (km)
23.5	23.5
10	10

Commissioning of major pipelines^(b) in 2024

Pipeline from Zele to Opwijk	23.5	23.5
Pipeline from Fexhe to Les Awirs	10	10

(a) Calculation method: All pipes are systematically catalogued in a Geographic Information System (GIS) tool, which relies on GPS coordinates. Using this tool, we extract the total length of the pipeline, ensuring accurate length calculations taking into account the pipeline's curvature and terrain variations.

(b) A major pipeline is one that is at least 5 km long.

EU taxonomy for sustainable economic activities

Context

The European Commission has rolled out a sustainable finance action plan. According to the Taxonomy Regulation and delegated acts, companies like Fluxys Belgium must specify which of their activities are environmentally sustainable.

Companies must indicate what proportion of their activities contribute to the six environmental objectives defined by the Commission, namely:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Economic activities making a significant contribution to climate change mitigation

For 2024, Fluxys Belgium first assessed the eligibility of its economic activities in view of all six objectives.

Only the objective related to climate change mitigation (CCM) is relevant to our activities.

Secondly, Fluxys Belgium examined which of its activities could be considered as being **eligible** under the EU taxonomy. It has identified the following economic activities:

- CCM 4.14) Transmission and distribution networks for renewable and low-carbon gases
- CCM 5.11) Transport of CO₂

Those categories of **eligible economic activities** encompass the following Fluxys activities:

CCM 4.14) Transmission and distribution networks for renewable and low-carbon gases

- Construction and operation of installations related to the transport of hydrogen and other renewable and low-carbon gases, and related activities (e.g. ammonia terminalling and cracking, regasification, liquefaction)
- Modification of the existing natural gas transmission system to allow the transport of hydrogen and other renewable and low-carbon gases
- Research, development and innovation related to the transport of hydrogen and other renewable and low-carbon gases, including the modification of the existing transmission system
- Leak detection activities and other activities to reduce methane emissions

CCM 5.11) Transport of CO₂

- Construction and operation of installations related to the transport of CO₂, and related activities (e.g. compression)
- Modification of the existing natural gas transmission system to allow the transport of CO₂
- Research, development and innovation related to the transport of CO₂, including modification of the existing transmission system

All those eligible activities are also aligned as they meet the technical screening criteria as well as the 'Do no significant harm' and 'Minimum Safeguards' requirements:

• Technical screening criteria

- CCM 4.14 – We are building new multi-molecule infrastructure, and we are taking the necessary measures to transform the existing network into one able to transport renewable and low-carbon gases. We also detect and repair methane leaks and cut greenhouse gas emissions.
- CCM 5.11 – For the transport of CO₂, we will apply appropriate leak detection systems and respect the leakage thresholds, and the CO₂ to be transported will be delivered to permanent storage sites.

• Do no significant harm (DNSH)

– The economic activities related to climate change mitigation were assessed to ensure that they do not significantly harm the other five objectives. In this regard, we refer to the various assessments that already exist within the company, especially the environmental impact assessments and the climate risk assessments.

- **Minimum Safeguards** – Thanks to a series of internal policies and control mechanisms, Fluxys Belgium ensures that appropriate limitations are placed on risks related to corruption, failure to respect human rights, unfair competition and tax fraud. In 2024, Fluxys Belgium was not prosecuted or convicted for any violation of anti-corruption and anti-bribery laws, human rights, tax laws or fair competition practices.

From the above, it can be concluded that the aforementioned Fluxys activities can be considered as aligned with the EU taxonomy.

Turnover

In 2024, no revenue was generated from the sale of transmission capacity for renewable or low-carbon gases. Transmission of biomethane only began in

autumn 2024, so the associated revenues were not significant that year.

Proportion of turnover from products or services associated with taxonomy-aligned economic activities

Financial year N	2024			Substantial contribution criteria						DNSH criteria (Do no significant harm)						Minimum Safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1	Category enabling activity	Category transitional activity										
	Economic activities	Code(s)	Turn-over	Proportion of turnover, year N	Climate change mitigation		Climate change adaptation		Water		Pollution		Circular economy		Biodiversity		Climate change mitigation		Climate change adaptation		Water		Pollution		Circular economy		Biodiversity		
				m€	%	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL	Y/N N/EL

A. Taxonomy-eligible activities

A.1. Environmentally sustainable activities (taxonomy-aligned)

Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	0	0%	Y	N	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0%				
Transport of CO ₂	CCM 5.11	0	0%	Y	N	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0%				
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	Y	N	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0%				
Of which enabling		0	0%																								0%	E	
Of which transitional		0	0%																								0%	T	

A.2. Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)

Turnover of taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)	0	0%	EL: N/EL																0%									
A. Turnover of taxonomy-eligible activities (A.1+A.2)	0	0%	0%	0%	0%	0%	0%	0%	0%																	0%		

B. Non-taxonomy-eligible activities

Turnover of non-taxonomy-eligible activities	608.8	100%																									
TOTAL	608.8	100%																									

The majority of Fluxys Belgium's 2024 turnover came from fossil-fuel-related activities, i.e. transmission, storage and terminalling of natural gas (ESRS E1-1, SBM-1). Details on Fluxys Belgium's turnover can be found in the 'Financial situation' section of the annual report, B. Consolidated income statement and Note 4. Income statement and operating segments.

Capital expenditure

In 2024, taxonomy-aligned capital expenditure mainly included investments in connection with building multi-molecule infrastructure. We also built the facility for the

injection of biomethane into our pipeline network in Lommel (Green Logix).

Proportion of CapEx from products or services associated with taxonomy-aligned economic activities

The proportion of taxonomy-aligned CapEx in 2024 decreased compared to last year owing to lower investments in pipelines (in 2023, significant CapEx was allocated to the Desteldonk-Opwijk pipeline).

Details on Fluxys Belgium's CapEx can be found in the 'Financial situation' section of the annual report. The amounts of the denominator and the nominator can be found in Note 5. Tangible assets, Note 5.1. Intangible assets and Note 5.2. Right of use assets.

Operating expenses

We work with industrial partners, academic institutions and public authorities on projects linked to the transport of renewable or low-carbon molecules. As such, our operating expenses include staff costs relating to the performance of maintenance and leak

detection and repairs, including pipeline pigging, special helicopter flights and the costs of specific studies into the transport of renewable or low-carbon molecules.

Proportion of OpEx from products or services associated with taxonomy-aligned economic activities

The increase in the proportion of OpEx in 2024 (26% compared to 16% in 2023) is driven by additional studies on H₂ and CO₂ projects that were carried out in 2024.

Details on Fluxys Belgium's OpEx can be found in the 'Financial situation' section of the annual report, see Note 4.2. Operating expenses.

Nuclear- and fossil-gas-related activities

The table below summarises the activities relating to nuclear energy and fossil gas, as per the requirements of the European Commission delegated regulation (2021/2178).

Nuclear-energy-related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil-gas-related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Biodiversity

Information on our targets and actions related to biodiversity can be found in the section 'How we are preserving biodiversity'.

Social

Material topics linked to social factors:

- **Safe and reliable infrastructure** p. 123
- **Employee safety and working conditions** p. 129
- **Diversity and inclusion** p. 132
- **Employee engagement** p. 135
- **Learning and talent development** p. 139

Safe and reliable infrastructure

Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)
		Positive	Actual	
Accelerate the energy transition with infrastructure able to transport various molecules, both now and in the future	Safe and reliable infrastructure	Fluxys provides its customers with safe and reliable access to molecules via our infrastructure in order to ensure the security of the energy supply to distribution systems, industrial customers and power stations.		Short term Industrial incidents and certain cyber incidents can damage Fluxys Belgium's infrastructure, endanger people's safety, cause unavailability impacting service continuity and result in financial loss.
	Impact scores (from DMA)	Impact on society: 5		Financial impact: MH
	Measures			
	Policies		Actions	
	<ul style="list-style-type: none"> • HSE Policy • Procedure for communicating with local residents and neighbouring companies 		<ul style="list-style-type: none"> • Preventive measures in the design, construction, operation and end-of-life of infrastructure • Audited Safety Management System • Thorough maintenance and inspection • Emergency plan and procedure • Health and safety training • Cyber security measures • Actions to ensure good neighbourly relations 	
	Target			
	Target definition		Status	Result 2024
	Zero industrial incidents having a major impact on the safety of employees, residents and anyone else connected to our infrastructure		Achieved for 2024	0 major industrial incidents
	100% of confirmed firm capacity nominations (transport and storage)		Achieved for 2024	100% of firm capacity nominations fulfilled

Policies related to safe and reliable infrastructure

HSE Policy

The Health, Safety and Environment (HSE) Policy focuses on the safety of employees, residents and anyone else in the vicinity of our infrastructure. We pledge to our stakeholders that we will act in a safe, reliable and sustainable manner.

Fluxys invests in numerous measures, procedures and actions to prevent incidents and accidents. Our contractors are also bound by this policy and must live up to our commitment to making safety our top priority.

Procedure for communicating with local residents and neighbouring companies

Fluxys has an information and awareness-raising policy aimed at organising communications from Fluxys to local residents about Fluxys infrastructure and infrastructure projects and to a wide range of target groups about the obligation to report third-party works near Fluxys infrastructure.

Actions related to safe and reliable infrastructure (ESRS S1-4)

Preventive measures in the design, construction, operation and end-of-life of infrastructure

Preventive measures such as risk assessments and the monitoring of standards are incorporated from the design phase onwards.

Fluxys uses only qualified and certified contractors in its construction projects. Moreover, the company's entities involved in construction projects are Safety, Health and Environment Checklist for Contractors (SCC) certified.

Prior to commissioning, a series of tests are carried out under the supervision of an approved inspection body. The condition of the pipes is then checked regularly as part of an inspection programme. The pipelines are also fitted with coatings and a cathodic protection system to prevent corrosion.

Any infrastructure that will no longer have a transmission function in the future is safely taken out of service.

Audited Safety Management System

Fluxys has a planned, structural approach to safety, the environment and prevention, using a Safety Management System to ensure the longevity and reliability of its infrastructure, including a Pipeline Integrity Management System (PIMS).

The Safety Management System is continuously updated to take into account the latest developments and is also subject to periodic internal and external audits. The Safety Management System for storage and LNG terminalling activities is covered by the Seveso legislation. The Federal Public Service Employment, Labour and Social Dialogue conducts specific inspections at both Seveso sites with the Flemish government's Environment Department. Within the Safety Management System, risk assessments are the instrument used to identify and assess the safety aspects pertaining to the integrity of the infrastructure and to define the safety-critical checks. The Safety Management System also integrates in-house training aspects relating to maintenance, prevention of damage and work by third parties and the raising of awareness among stakeholders such as municipalities, the fire brigade, landowners, architects, contractors and excavator operators.

Thorough maintenance and inspection

Patrols (by car, helicopter or on foot) follow the route of the pipelines to detect any anomalies. During our patrols, we also make sure that there are no unreported works near our pipelines in Belgium. With regard to reported works, the patrols ensure that the planned safety instructions are being followed.

Our main pipelines are equipped with an acoustic detection system that makes it possible to detect where pipelines could have been damaged. Maintenance programmes specific to each type of facility ensure that infrastructure remains safe and reliable throughout its life cycle. All maintenance activities are carried out by competent internal or external staff. Where possible, pipelines are periodically inspected internally.

All incidents or near-incidents are investigated thoroughly, and action is taken immediately to prevent such incidents from recurring.

Emergency plans and procedures

With a view to limiting the impact of incidents, Fluxys has a crisis team and emergency plans and procedures for both its operational and ICT activities. Central Dispatching also plays a coordinating role should an incident be reported.

Emergency numbers are available 24 hours a day for reporting incidents involving, or in the vicinity of, our natural gas transmission infrastructure.

Fluxys' general emergency plan documents the overall methodology for responding to incidents. In addition, there are specific emergency plans that define the crisis response for different sites and operating risks.

In the event of an incident, all contact with internal and external stakeholders is fully documented and, for each stakeholder group, assigned to specific roles within the crisis organisation.

The emergency plan is part of Fluxys' Safety Management System (SMS). The members of this crisis team undergo specific training. We also organise regular emergency drills to ensure that our organisation is responsive. There are different drill types and scopes: table-top, participation of a limited number of entities, full-scale internal drills or even full-scale drills involving external stakeholders. As an example of the latter type, in 2023 we held a large-scale drill involving the FPS and National Crisis Center (NCCN) on security of supply.

Health and safety training

Training for excavator operators

Specific training courses have been developed for all excavator operators to make them aware of the preventive measures to be adopted when working near our facilities.

Employee training courses

Training and awareness-raising campaigns are also organised for employees with a view to preventing incidents (see section 'Employee safety and working conditions').

Cyber security measures

The availability of ICT systems and industrial control systems (ICS) is vital to the safe and reliable operation of our infrastructure. These systems can malfunction for various reasons. With this in mind, Fluxys implements technical and organisational measures to ensure the availability of its IT and ICS systems. We then track their effectiveness by measuring the cyber maturity of the systems.

Cyber security programme

Fluxys uses an Information Security Management System (ISMS) to take care of structured cyber security management.

The functioning and maturity of the management aspects of the ISMS are scrutinised at least annually by Internal Audit, using external specialists to this end. In addition, each year we carry out various vulnerability scans of internal systems and the external perimeter. For attack and penetration testing, we call on the services of external ethical hackers.

NIS certification

Since 2023, Fluxys has been ISO 27001 certified to comply with the Network and Information Systems (NIS) legislation. This certification confirms our unwavering commitment to securing our data, embodying a promise of trust and excellence in information risk management.

Back-up facilities

For several systems such as those used to manage natural gas flows on the network, back-up facilities are in place and can be activated as soon as a malfunction occurs, thus ensuring continued operation. These contingencies are periodically tested by means of disaster recovery plan drills.

Barriers against cyber threats

Our ICT approach also pays special attention to ever-growing cyber threats (attacks, malware, phishing, etc.). The ICT teams take technical measures to act as a barrier against the wide variety of cyber risks. In this context, they call on the external expertise of, for instance, the Centre for Cybersecurity Belgium and software suppliers to identify and close new loopholes in the cyber net.

Operational monitoring and continuity

Operational monitoring and detection of data leaks or attacks are performed by, among others, security information and event management (SIEM) and endpoint detection and response (EDR) solutions, which are monitored 24/7 by a security operations centre (SOC). If something does go wrong, our ICT approach focuses on ensuring continuity of service. This is done using scenarios that are practised regularly by the ICT teams.

Training and raising awareness

Fluxys also focuses on training and raising awareness. In 2024, we continued to carry out several phishing exercises (including phishing via text). We also organised training courses on cyber hygiene (including digital footprint) and industrial process security.

Actions to ensure good neighbourly relations

At Fluxys, we provide almost a third of the energy used by Belgium's households and businesses. We do this via infrastructure in almost 400 towns, cities and municipalities, so it is only natural that we want to establish good neighbourly relations.

Through open and ongoing dialogue, we work alongside and listen to residents and land users in the vicinity of our infrastructure, and we intend to be good neighbours to all those affected by the construction and operation of our facilities. The company also ensures that the construction and operation of its infrastructure cause minimal disruption.

Designated, permanent point of contact

Owners and land users have a designated point of contact at Fluxys, right from a project's preliminary phase to the restoration of a site following the laying of a pipeline or other works. This allows them to consult with someone who is familiar with their concerns and the features of their land from the outset. These points of contact are members of a dedicated, specific team specially tasked with understanding the interests of landowners and users and addressing these in their dealings with Fluxys.

Infrastructure construction projects

Transparent communication and community involvement from the outset

In the case of new infrastructure projects, from the planning phase onwards Fluxys aims to transparently provide information to and communicate with the relevant authorities, municipal bodies, local residents and other parties involved about our intentions in terms of timing and impact.

Information sessions

In the case of infrastructure projects on a larger scale, we suggest to municipal authorities that an information session be held for local residents before the permit procedures are initiated. This gives residents the chance to discuss the project and its potential impact with us and enables us, where possible, to take on board any feedback at the start of the project.

In addition, residents can formally ask questions about the project by means of public surveys. During the consultation sessions that are part of the permit processes, complaints and comments about the project are noted and dealt with.

Compensation for farmers, horticulturists, foresters and hunters

Fluxys Belgium builds the vast majority of its facilities (pipelines and above-ground stations) in areas used for agriculture, horticulture or forest management. However, the purpose of the land crossed remains unchanged in the regional land-use plan. Fluxys does not expropriate land but rather establishes easements with landowners. With long-term good neighbourly relations in mind, we have signed memorandums of understanding with regard to compensation (for agriculture) with the country's three largest agricultural organisations (Boerenbond, Algemeen Boerensyndicaat (ABS) and Fédération Wallonne de l'Agriculture), Landelijk Vlaanderen and Nature, Terres et Forêts (NTF) and, for forestry, we have agreed on a new memorandum of understanding with Hubertus (the Flemish hunting association) and Saint-Hubert (the Walloon hunting association). These agreements set out, based on benchmark market prices, the compensation due to those in the agriculture, horticulture, forest management or hunting industries that encounter disruption or are temporarily unable to use their land during the construction of a facility. If any problems attributable to the presence of our pipelines persist after the work has been carried out, we will deal with these on a case-by-case basis on the basis of an expert report. Farmers have their own designated point of contact to this end.

Infrastructure operating period

Providing information and raising awareness

Fluxys Belgium has an ongoing programme to identify local stakeholders: in consecutive five-year cycles, we visit all owners and operators of land on which an underground pipeline is located, or which is located within the immediate vicinity of such infrastructure. A similar initiative is being undertaken with representatives of the police and/or fire services in the towns, cities and municipalities in which we operate.

During each municipal legislature, we organise an information session for the mayor and aldermen concerned in municipalities housing Fluxys pipelines. In addition, Fluxys organises various information and awareness-raising initiatives relating to the safety of works undertaken in the vicinity of our infrastructure.

The initiatives focus on everyone involved in such works, such as architects, clients, designers, contractors, owners and operators, municipalities, notaries and emergency services. These initiatives generally take the form of information sessions, publications in specialist journals, awareness-raising campaigns in the media, or participation in working groups and federations.

Following up on reports of works

Damage by third parties is the main cause of major incidents involving pipelines. To avoid such damage, and because good neighbourly relations also depend above all on the safe operation of our facilities, anyone wishing to carry out work near natural gas transmission infrastructure is legally obliged to notify Fluxys in advance.

Fluxys responds to every such notification, confirming whether any natural gas transmission infrastructure is located in the vicinity of the planned work. If this is the case, the applicant is sent all the relevant information and details of further procedures to be followed to carry out the work safely.

Our staff attend preparatory meetings with regard to sites where third parties plan to work in the vicinity of our infrastructure. During these meetings, they explain the measures that need to be taken and document the safety arrangements in writing before any work can actually begin. 5,893 such documents were drawn up in 2024.

Fluxys ensures that the competent authorities are notified of incidents and violations when work is carried out near our infrastructure.

Target and other metrics related to safe and reliable infrastructure

Target

Safety

The very nature of our activities (transport of molecules, terminalling, storage) poses industrial risks to the safety of our employees, local residents and anyone near our infrastructure. Operating in complete safety is our top priority. We set a target of zero industrial incidents having a major impact¹¹ on safety.

Reliability

Our reliability is largely measured by the continuity of our transmission capacity, which guarantees the security of the energy supply to our customers. Unannounced capacity interruptions can have significant impacts on our customers, on their activities and on the energy supply in Belgium and neighbouring countries. As such, we have set ourselves the target of respecting all nominations confirmed by our customers in terms of firm capacity, both for storage and transmission.

¹¹ By this, we refer to explosions, fires, uncontrolled gas venting, pollution, etc. that have a major impact on the safety (life-threatening injuries or injuries resulting in permanent disability/death) of residents and employees.

Target definition	Status	Result 2024	Result 2023
Zero industrial incidents having a major impact on the safety of employees, residents and anyone else connected to our infrastructure ^(a) .	Achieved for 2024	0 major industrial incidents	0 major industrial incidents
Fulfil 100% of confirmed firm capacity nominations (transport and storage)	Achieved for 2024	100% of firm capacity nominations fulfilled	100% of firm capacity nominations fulfilled

(a) By 'industrial incident having a major impact on safety', we refer to explosions, fires, uncontrolled gas venting, pollution, etc. that have serious consequences for the safety (life-threatening injuries or injuries resulting in permanent disability/death) of employees and local residents.

These targets were presented to staff representatives.

Other metrics

Metrics	Unit	2024	2023
Damage to infrastructure caused by third parties, resulting in a gas leak	#	0	0

Employee safety and working conditions

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)
		Negative	Potential	
Ensure the safety of employees and residents in an evolving company (S)	Employee safety	The nature of Fluxys' activities poses inherent risks to the safety of employees, which could impact their health.		Short term Certain events and circumstances may cause harm to employees. These may include illnesses or other health problems, mental health problems or physical injuries.
Impact scores (from DMA)		Impact on society: 4		Financial impact: M
Measures		Actions		
<ul style="list-style-type: none"> • HSE Policy • Global Prevention Plan • Absenteeism Policy 		<ul style="list-style-type: none"> • Safety Management System (SMS) • Safety culture • Internal structures for monitoring health, safety and well-being • Health and safety training • In-house communication and awareness-raising campaign on safety • Preventive measures in design, construction and operation • Audited Safety Management System 		
Target		Actions		
Target definition Zero industrial incidents having a major impact on the safety of employees, residents and anyone else connected to our infrastructure		Status Achieved for 2024		Result 2024 0

Policies related to employee safety and working conditions (ESRS S1-1)

HSE Policy

Health, safety, and the environment (HSE) are core responsibilities and commitments for both Fluxys and its employees. This policy is founded on principles of transparency and trust, with Fluxys dedicated to investing in occupational health and safety and incident prevention.

Occupational health and safety

- Fluxys is committed to investing in occupational health and safety and incident prevention.
- Employees and contractors have an individual responsibility to actively participate in occupational health and safety.
- We continuously improve to further enhance our health and safety culture.

Integrity of our infrastructure

- We provide for safe, reliable and sustainable operations for our stakeholders.
- We actively manage risk through a Quality & Safety Management System.
- We report incidents and learn from experience.

Global Prevention Plan (2022-2026)

The 2022-2026 Global Prevention Plan (GPP) focuses on occupational safety and the associated processes as well as the prevention of psychosocial risks and on well-being, moving around at work and road safety. One of the pillars of the plan is to strengthen the safety culture throughout the organisation.

Actions (ESRS S1-4)

Fluxys Belgium is proactively taking measures to mitigate the risk of events and circumstances that may harm employees, including illnesses, mental health issues and physical injuries. We track the effectiveness of these actions by regularly monitoring a series of health- and safety-related indicators (some of which can be found in 'Other metrics' below).

Safety Management System (SMS)

See 'Safe and reliable infrastructure'.

Safety culture: 'See It, Own It, Solve It' campaign

In 2023, Fluxys conducted an internal safety analysis. As a result, the 'See It, Own It, Solve It' campaign was launched in 2024. This campaign involves:

- defining 12 essential safety behaviours expected of everyone, which have been communicated to all employees;
- providing training on human behaviour to team leaders, including the management team, to encourage safe practices;
- initiating the nomination and training of safety ambassadors, which began at the end of 2024 and includes both theoretical and practical coaching.

Safety training

In 2024, workshops were organised on our external sites to raise awareness among our employees regarding the handling of hazardous substances. Fluxys Belgium uses various e-learning platforms to periodically remind contractors' employees of the general and specific safety rules. In addition to our own employees, every employee of a contractor scheduled to work on a Fluxys site or facility must complete a training module (available in several languages) and must demonstrate that they are familiar with our safety rules.

For more information on training, see 'Learning and talent development'. For more information on employee well-being and engagement, see 'Employee engagement'.

In addition, the company is committed to lifelong learning, especially with regard to the safe use of our infrastructure to transport other molecules, such as hydrogen and CO₂.

Absenteeism Policy

See section 'Employee engagement'.

Internal structures for monitoring wellbeing (S1-2)

Fluxys Belgium is home to several structures that support the safety, well-being and health of employees and contractors and where actions in this area are taken.

Internal Workplace Health & Safety Department (SIPPT/IDPBW)

The SIPPT/IDPBW handles the policy on well-being and prevention and works with the employer to foster a healthy and safe working environment. It monitors the proper implementation of well-being legislation, the health and safety policy and the legal obligations regarding personal safety.

Committee for Prevention and Protection at Work (CPPW)

See section 'Employee engagement'.

Local Joint Consultation Committee

See section 'Employee engagement'.

Collective bargaining agreement

Collective bargaining agreement CAO/CCT 90 provides financial incentives for employees to achieve specific collective health and well-being objectives.

In-house communication and awareness-raising campaign on safety

Fluxys frequently highlights safety-related topics. In early 2024, the 'Bright Prevention - Be Alert' campaign was launched, including comprehensive training for all employees. This training provides valuable information and raises awareness to cultivate a safer and healthier workplace.

Preventive measures in design, construction and operation

See section 'Safe and reliable infrastructure'.

Audited Safety Management System

See section 'Safe and reliable infrastructure'.

Target and other metrics related to employee safety and working conditions

Target (ESRS S1-5)

The target has been presented to staff representatives.

Target definition	Status	Result 2024	Result 2023
Zero industrial incidents having a major impact on the safety of employees, residents and anyone else connected to our infrastructure ^(a)	● Achieved for 2024	0	0

(a) By 'industrial incident having a major impact on safety', we refer to explosions, fires, uncontrolled gas venting, pollution, etc. that have serious consequences for the safety (life-threatening injuries or injuries resulting in permanent disability/death) of employees and/or local residents.

Other metrics (ESRS S1-14)

Metrics	Unit	2024	2023
Percentage of people in the workforce who are covered by the company's health and safety management system	%	100%	100%
Number of fatalities as a result of work-related injuries and work-related ill health	#	0	0
Number of fatalities due to occupational accidents*	#	0	New
Number of recordable work-related accidents for employees*:			
- Without days away from work	#	11	New
- Resulting in days away from work	#	7	16
Rate of recordable work-related accidents for employees ^(a)	Rate	12.49	11.43
Number of days away from work due to work-related injuries/fatalities*	#	104	171

(a) Calculation methodology:

$$\frac{\text{Number of recordable work-related accidents (with and without time off work)} \times 1,000,000}{\text{Number of hours worked}}$$

* The indicators only refer to own employees, within our own workforce.

Due to legal restrictions on the collection of data, indicators linked to work-related ill health are not available and are therefore not reported.

Diversity and inclusion

Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)	
		Positive	Actual		
Encourage diversity, talent development and employee engagement (S)	Diversity and inclusion	Diversity, inclusion and equal opportunities at Fluxys foster innovation and have a positive impact on employees.	Short term A lack of diversity in the workforce can lead to a business organisation that lacks the necessary skills, talents and experience.	<p>Fluxys is implementing multiple actions to attract and retain a diverse range of talents. These initiatives are designed to build a more inclusive and dynamic organisation, enhance innovation and growth, and ensure we foster a positive environment for all our people where they can utilise their unique skills, talents and expertise. The effectiveness of these actions can be evaluated by looking at the metrics related to diversity and inclusion (see below), making sure that the company's progress aligns with its goals for an equitable and dynamic workplace. With a diversity and inclusion policy, a comprehensive training programme for leaders and a campaign for all employees, we are shoring up this ambition.</p>	
	Impact scores (from DMA)	Impact on society: 4	Financial impact: M		
Measures					
Policies		Actions			
<ul style="list-style-type: none"> Diversity and Inclusion Policy 		<ul style="list-style-type: none"> Encouraging diversity in recruitment Fostering digital inclusion through various initiatives Confidential counsellors 			
Target					
Target definition		Status		Result 2024	
<p>Raise awareness of diversity and inclusion among all employees every two years, with a first campaign in 2024 and a second in 2026.</p>		● In Progress		<p>The campaign was successfully launched in 2024 and already covered directors and senior managers. The rollout to all employees is planned for 2025.</p>	
<p>Ensure that all managers^(a) have undergone training on diversity and inclusion by the end of 2025.</p>		● In Progress		<p>A first version of the training material was developed, and a pilot session was rolled out in late 2024 among a group of managers.</p>	

(a) Calculation method: A manager is defined as a person with at least one person (internal or external) under their responsibility. Participation in training will be recorded on Fluxys' internal training platform.

Policies related to diversity and inclusion (ESRS S1-1)

Diversity and Inclusion Policy

At Fluxys, Open and Respect are fundamental values that underpin our commitment to equal treatment and the promotion of diversity and inclusion among our colleagues. In 2024, we formalised this commitment into a new diversity and inclusion policy, adopted at Fluxys Group level.

Actions related to diversity and inclusion (ESRS S1-4)

Encouraging diversity in recruitment

Fluxys Belgium encourages diversity and complementary profiles so that all candidates feel welcome, whatever their gender, age, background, and so on. It is their skills and talents that make the difference.

Fostering digital inclusion through various initiatives

Greater digitalisation is opening up new opportunities for our activities. Fluxys seizes these opportunities and helps its employees navigate the digital world via numerous training courses and coaching sessions. For more information, see section 'Learning and talent development'.

Target and other metrics related to diversity and inclusion (ESRS S1-5)

Target¹²

Shore up awareness of diversity and inclusion within the company by training all managers by 2025 and by organising an in-house awareness-raising campaign¹³ every two years.

Raising awareness of diversity and inclusion among all employees and training all managers is a key first step

Target definition	Status	Result 2024
Raise awareness of diversity and inclusion among all employees every two years, with a first campaign in 2024 and a second in 2026.	● In Progress	<p>The campaign was successfully launched in 2024 and already covered directors and senior managers. The rollout to all employees is planned for 2025.</p>
Ensure that all managers ^(a) have undergone training on diversity and inclusion by the end of 2025.	● In Progress	<p>A first version of the training material was developed, and a pilot session was rolled out in late 2024 among a group of managers.</p>

(a) Calculation method: A manager is defined as a person with at least one person under their responsibility. Participation in training will be recorded on Fluxys' internal training platform.

12. In 2023, senior managers and members of the HR community participated in workshops or presentations about our ESG targets. In early 2024, these targets were presented to staff representatives.

13. The campaign on diversity and inclusion is defined as an action or a coordinated series of actions designed to foster a workplace environment where all individuals are valued and respected, regardless of their background.

Other metrics

Indicators regarding the company's own workforce (ESRS S1-6, S1-9, S1-16, ESRS 2 GOV-1)

KPIs	Unit [Headcount]	2024	2023
ESRS indicators:			
Total number of employees (all located in Belgium)	#	982	968
Male	#	818	801
Female	#	164	167
Other	#	n/a	n/a
Permanent employees	#	968	952
Male	#	813	796
Female	#	155	156
Temporary employees	#	14	16
Male	#	5	5
Female	#	9	11
Non-guaranteed hours employees	#	0	0
Average number of employees^(a)	#	975.4	956.5
Total number of employees who left the company during the reporting period	#	79	New
Rate of employee turnover (inc. retirement)^(b)	%	8.10	6.27
Total number of non-employees	# [FTE]	458.5	436.3

(a) Calculation method: Average number of employees taken on the last day of each month.

(b) Calculation method:
Number of employees who leave voluntarily or due to dismissal, retirement or death in service
Average total headcount

The figures are sourced from the Fluxys Social Balance Sheet and reflect the situation as at 31 December 2024 (which is the methodology adopted for 2024 data to improve consistency with other reporting).

For comparison, the 2023 figures have been adjusted to align with the 2023 Social Balance Sheet. This includes all employees, including the non-active

Indicators (ESRS S1-9, S1-16)¹⁴

KPIs	Unit [Headcount]	2024	2023
ESRS indicators			
Number of employees at top management level (CEO and members of the Fluxys Belgium Executive Committee)	#	11	New
Male	# (%)	9 (82%)	New
Female	# (%)	2 (18%)	New
Fluxys Belgium population			
Share of employees under 30	%	10	10
Share of employees aged between 30 and 50	%	50	50
Share of employees over 50	%	40	40
Gender pay gap ^(a)	%	14	New
Annual total remuneration ratio ^(b)	ratio	5.06	New

(a) Calculation method: As per the ESRS, the gender pay gap is defined as the difference in average pay levels between all female and male employees, expressed as percentage of the average pay level of male employees. It is not corrected to express the difference in pay between men and women for the same role.

(b) Calculation method: As per the ESRS, this is the division of the median employee annual total remuneration by the annual remuneration of the highest paid individual.

14. Calculation method: For the age distribution, the same population is taken as for the total headcount. Note that the indicators related to S1-12 (persons with disabilities) are not reported because of the unavailability of data, as per Belgian law on non-discrimination.

Employee engagement Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)
		Positive	Potential	
Encourage diversity, talent development and employee engagement (S)	Employee engagement	The engagement and well-being of our employees are essential for Fluxys. Impact: numerous initiatives and our corporate culture contribute to the engagement and well-being of our employees in their everyday lives.		Short term Risk of non-engaged employees resulting in low performance and low productivity
	Impact scores (from DMA)	Impact on society: 4	Financial impact: M	
	Measures			
	Policies		Actions	<ul style="list-style-type: none"> Survey on engagement Recurrent social dialogue In-house events and Group-level initiatives to foster a feeling of belonging Encouraging feedback Personal coaching and coaching feedback Extensive range of training courses on offer Measures and processes to deal with psychosocial risks New way of working De Vriendenkring/L'Amicale and Connect & Move
	Target			
	Target definition	Maintain the proportion of engaged employees above 70%	Achieved for 2024	
	Status			More than 80%^(a) of employees are categorised as engaged

(a) Calculation method: The survey was distributed to all active Fluxys employees who had been with the company for at least three weeks prior to the survey launch date. The questionnaire comprised four questions related to employee engagement. More than 80% of respondents gave their engagement, on average, a minimum score of 5 out of 10.

Policies related to employee engagement (ESRS S1-1, ESRS S1-2, ESRS S1-3)

Recognising the importance of employee engagement in a dynamic environment, Fluxys has proactively adopted several policies to enhance engagement. Several policies have been discussed with and approved by the social partners.

HSE Policy

Our HSE Policy comprises three pillars, the first of which is the well-being of our employees. For more information, see section 'Employee safety and working conditions'.

Global Prevention Plan (2022-2026)

The 2022-2026 Global Prevention Plan also focuses on employee well-being and psychosocial risks. Moreover, it sets great store by hybrid working. Furthermore, the company is committed to supporting training and lifelong learning and nurtures a culture in which feedback is encouraged and contributes to the well-being and development of employees. For more information, see 'Learning and talent development'.

Principles of our social dialogue

Good industrial relations are vital for company cohesion and business development, which is why Fluxys Belgium engages in transparent, constructive social dialogue with all employees, members of the Works Council, the CPPW, the trade union delegation and staff representatives. Given the distribution of Fluxys' activities across different sites, social dialogue is also held in the field via the Local Joint Consultation Committee.

In 2024, the trade union election took place and the mandates were reallocated. With the help of the social partners, we endeavoured to digitalise the process so that as many employees as possible were able to participate.

Absenteeism Policy

Measuring and monitoring absenteeism gives us an objective view of the general health of employees. The level of absenteeism in 2024 remained below the Belgian market average. As part of our Absenteeism Policy, we actively strive to support employees during their illness as well as before and after their return to work. Employees have access to personalised advice and support in this regard. Support is based on regular contact and cooperation between the employee in question, their manager, P&O and the internal and external services for prevention and protection at work.

We also make sure to pay attention to those teams and colleagues who ensure the continuity of work and services when an employee is absent.

Telework Policy

A telework policy supports the balance between employee flexibility and connectivity. For employees whose roles do not require their physical presence, we ask that they work from the office at least three days per week, in line with established principles. The resources needed to work from home are provided.

Disconnection Policy

In a constantly online world, disconnecting from time to time is also important to boost balance and well-being. Fluxys is evolving, which goes hand in hand with new digital tools and new ways of working. Technology allows us to be online anywhere and at any time. At Fluxys, we advise employees on this matter, with the support of a disconnection policy. This policy is part of the work regulations and has been communicated to employees. It is available on the intranet.

Whistleblowing Policy

In 2024, the Whistleblowing Policy was fine-tuned and communicated internally and externally (for more information, see section 'Ethics, integrity and efforts to combat corruption'). It outlines the procedures for handling whistleblowing reports and ensures that whistleblowers are protected. This policy supports the culture of openness, feedback and transparency that Fluxys fosters and encourages.

Confidential counsellors

Fluxys employees dealing with difficulties at work related to their role and/or inappropriate behaviour can speak to counsellors during confidential interviews. External support services are also offered. In addition to being part of a legal framework, the counsellor can identify specific current or potential negative impacts and, with the employee's consent, alert Fluxys to take appropriate action, where possible.

Salary policy linked to benchmarks

Fluxys has a salary policy that is regularly benchmarked.

Actions related to employee engagement (ESRS S1-2, S1-4)

Our engagement survey (ESRS S1-2)

In 2024, we conducted another employee survey. In addition to questions about engagement and well-being, a specific section was dedicated to safety. The survey achieved a participation rate of 84%.

Results show that 85% of participants are categorised as engaged. By early 2025, an extensive feedback campaign had been launched. A targeted action plan will be implemented from 2025 onwards and for the following years.

In-house events

In-house events bring colleagues together at key times: they promote connectivity and the exchange of information but also foster employee engagement.

Feedback is a gift

Fluxys encourages feedback to aid the performance, development and well-being of employees. Training and/or coaching on this subject is offered to employees and managers to develop their feedback skills (see section 'Learning and talent development').

Extensive range of training on offer (soft skills, safety, well-being, specific technical skills, etc.)

Fluxys offers employees numerous training and development opportunities. Training covers a range of topics, including soft skills, technical skills and digital skills. Particular attention is given to well-being and stress management. A wide range of formats is offered: from classroom-based training sessions, podcasts and e-books to Lunch & Learn sessions and virtual reality sessions. In the summer, Summer Coaching gave Fluxys employees the opportunity to receive coaching and advice on feedback and managing conflict, time and stress.

The online library (e-Bib) was shared with employees, giving more advice on well-being at work (see section 'Learning and talent development').

Measures and processes to deal with psychosocial risks

The psychosocial burden at work is one of the facets of well-being. A support process and associated solutions are also in place in the event of inappropriate behaviour or psychosocial problems. These solutions include confidential counsellors, psychosocial prevention advisors, specific support via external psychologists, and so on.

Managers are regularly made aware of psychosocial risks.

New way of working

Given the new ways of working (e.g. telework, the many forms of hybrid working), the office now serves a new function, becoming a meeting point and source of connectivity beyond just work. We are gradually adding a new dimension to office work according to the new way of working (NWOW) principles. This is a real change process involving the redevelopment of the head office in Brussels, based on an overarching theme: we are a large team and together we are making Fluxys the essential infrastructure partner to accelerate the energy transition.

De Vriendenkring/L'Amicale and Connect & Move

De Vriendenkring/L'Amicale is a group of employees who organise sports and cultural activities throughout the year for their colleagues, partners and children. This is a form of voluntary engagement that fosters cohesion and togetherness within the company. Fluxys actively supports this group and its initiatives.

The Connect & Move initiative encourages colleagues to exercise together, form teams and take part in sports events.

Target and other metrics related to employee engagement

Target

At Fluxys, we prioritise the well-being and engagement of our employees, recognising their enthusiasm and motivation as crucial to achieving our mission of

shaping a bright energy future. Our employees are key to meeting the challenges of the energy transition. See the above section on our engagement survey.

Target definition	Status	Result 2024
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Maintain the proportion of engaged employees above 70%

 Achieved for 2024

More than 80%^(a) of employees are categorised as engaged

(a) Calculation method: The survey was distributed to all active Fluxys employees who had been with the company for at least three weeks prior to the survey launch date. The questionnaire comprised four questions related to employee engagement. 85% of respondents demonstrated engagement, on average, across the four questions.

Learning and talent development Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)
		Positive	Actual	
Encourage diversity, talent development and employee engagement (S)	Learning and development	Providing access to different forms of training and internal mobility opportunities allows employees to undergo continuous training so that they are able to carry out our mission today while being ready to support the energy transition. It also boosts their well-being and employability.		Short term The inability to attract, retain and secure future talents in a changing environment and a lack of skills and knowledge in new developments may have a negative impact on the company's efficiency.
	Impact scores (from DMA)	Impact on society: 4		Financial impact: M
	Measures			
	Policies		Actions	
	• General objective of the Training Plan 2024-2025		<ul style="list-style-type: none"> • The onboarding process • Extensive catalogue and range of training courses offered • On-the-job training • Training and networking • Feedback • Internal mobility of talents • Digital coaching 	
	Target			
	Target definition	Status	Result 2024	
	Each year, at least 90% of our employees will increase their knowledge and skills in at least two of the following areas: digital, soft, safety/technics, business ^(a) .	 Achieved for 2024	More than 90%	

(a) Calculation method: Training recorded on our platform is divided into four areas. It includes informal on-the-job training in the 'business' area. The employee population considered for this indicator is the number of active employees as at 31 December of the reporting year.

Policies related to learning and talent development (ESRS S1-1)

The general objectives of the Training Plan 2024-2025 highlight different areas including lifelong learning with a focus on skills, training and preparation for the future with a more specific focus on new molecules and digitalisation. Colleagues are encouraged to take proactive steps in their own development. This plan covers topics and projects that may have a positive influence on all Fluxys Belgium employees and is available on our intranet. Most topics and projects are defined in consultation between top management, line management, the SIPPT/IDPBW and staff representatives.

Actions related to learning and talent development (ESRS S1-4)

Fluxys is committed to fostering a culture of continuous learning and talent development through diverse initiatives. These efforts aim to attract and retain top talent, equipping employees with the skills and knowledge needed to excel in a rapidly changing environment. By investing in professional growth, the company ensures its workforce remains adaptable and well-prepared to drive operational efficiency and innovation.

The onboarding process

In order to support the inclusion of new employees, an onboarding process has been developed with days and events for all new arrivals and other specific training depending on the role in question. This process begins before a new hire's first day of work, via an Enboarder platform to guide future colleagues. Colleagues responsible for onboarding new hires also support these future new employees.

Learning and connection are at the heart of this process, which is punctuated by discussions with management.

Extensive catalogue and range of training courses offered

Fluxys offers its employees an extensive range of training and learning resources in order to allow them to continuously enhance their knowledge and skills. Fluxys also provides for development opportunities. In our corporate culture, learning and development are a top priority. Moreover, we are also working on our knowledge management through our Accelerator programme. In 2024, we focused on knowledge sharing with AI-based solutions rolled out in several departments.

Fluxys sets great store by the development and acquisition of technical skills linked to core activities. In addition to this training, employees also have the opportunity to expand their soft skills (communication, feedback, etc.) as well as their linguistic and digital skills. This comes in different formats: welcome and onboarding programmes, job-related training, online training, group training, hybrid training, Lunch & Learn, coaching, etc.

Employees also have access to information at all times via the intranet and via the three portals available to them: KeyPoint, OASE and the online library e-Bib.

While some training courses are mandatory, others are left to the discretion of the manager of the employee, who is in charge of their own development.

Fluxys regularly updates the training catalogue. This catalogue supports our strategic aims and is accessible to all employees.

On-the-job training

On-the-job training refers to all initiatives that aim to teach employees the skills and/or impart the knowledge necessary to perform their jobs while the employees are doing their work. This allows them to learn through hands-on and active participation.

Training and networking

Meet & Greet as key events in the onboarding of new colleagues

New hires are invited to a Meet & Greet day during which they learn about Fluxys' activities while networking with each other and with management. Informal events are also planned to forge and strengthen connections and put new employees at ease. The Meet & Greet has become an essential element in welcoming and inspiring new talent, ensuring a smooth and enriching start to their journey at Fluxys.

Visits to Zeebrugge Terminal for all new employees

In 2024, a total of 86 colleagues had the opportunity to visit the Zeebrugge terminal and to connect around a fun activity. During this day, presentations are given on our operations and business model, there is a guided tour of the terminal and interactive quiz sessions that delve deep into strategic and operational issues. Every participant has the chance to gain an in-depth understanding of Fluxys and to put questions to the experts.

Lunch & Learn

Lunch & Learn aims to give employees the opportunity to stay informed about certain key topics while having fun with colleagues. During these sessions, our in-house specialists provide insight into a given subject and participants can ask them questions.

Feedback

At Fluxys, we encourage feedback as a source of learning and development. Conversations between managers and their direct reports are key to aiding employee development.

Training and coaching sessions for managers and/or employees are also offered to foster the culture of openness and feedback within the company. All new colleagues are invited to attend a session on giving and receiving feedback.

Internal mobility of talents

Fluxys gives internal talents the opportunity to take on new responsibilities and roles. Internal mobility is encouraged and specific development actions are rolled out. In 2024, 108 employees took on new challenges.

By encouraging internal mobility and offering development opportunities, we increase the retention of internal expertise, enabling the organisation to adapt and thrive.

Digital coaching

Greater digitalisation is opening up new opportunities for our activities. Fluxys seizes these opportunities and supports this evolution by helping its employees navigate the digital world. In addition to conventional training, digital inclusion is also bolstered by means of innovative initiatives such as coaching by Digital Coaches, who are tasked with helping employees improve their digital skills via on-the-job coaching or inspiration/training sessions.

Target and other metrics related to learning and talent development

Target (ESRS S1-5)

We foster and maintain the development of talents at Fluxys by encouraging lifelong learning and continuous training throughout our employees' careers. Every

Target definition

Each year, at least 90% of our employees will increase their knowledge and skills in at least two of the following areas: digital, soft, safety/technics, business^(a).

(a) Calculation method: Training recorded on our platform is divided into four areas. It includes informal on-the-job training in the 'business' area. The employee population considered for this indicator is the number of active employees as at 31 December of the reporting year.

employee's talent can be developed through training, exciting projects and opportunities for internal mobility.

Status **Result 2024** **Result 2023**

 Achieved for 2024 **More than 90%** New

In 2024, we achieved our target in terms of employees who enhanced their knowledge and skills in at least two of our defined areas, thanks to our strong offering of training courses and our learning culture. The four areas are:

- **Digital:** boosting digital skills and mindset through IT applications, specific ICT tools, software packages and artificial intelligence;

- **Safety & Technics:** developing technical and operational skills related to the molecules that flow through our infrastructure and the measures to ensure they are handled safely;

- **Business:** increasing knowledge and skills related to the businesses within which Fluxys operates;

- **Soft skills:** strengthening core competencies such as leadership, self-knowledge, language skills in Dutch, French, English, German or other languages used within Fluxys Group.

Other metrics (ESRS S1-13)

KPI's ^(a)	Unit	2024	2023
Training and skills development indicators: gender			
Percentage of male employees who participated in regular performance and career development reviews ^(b)	%	75	New
Percentage of female employees who participated in regular performance and career development reviews ^(c)	%	75 ^(d)	New
Number of performance reviews per employee	#	1	New
Number of reviews in proportion to the agreed number of reviews by management ^(e)	%	97	New

Average number of training hours by gender

Average number of training days per employee	Training days/employee	8.71	6.24
Average number of training hours per male employee	Training days/employee	67.17	New
Average number of training hours per female employee	Training days/employee	61.52	New

(a) Calculation method: The employee population considered for those indicators is the number of active employees as at 31 December of the reporting year. Fluxys has an embedded annual performance reviews scheme.

(b) Calculation method: Number of male employees who participated in a performance or career development review within the reporting year divided by the number of male employees (permanent contract) as at 31 December of the reporting year.

(c) Calculation method: Number of female employees who participated in a performance or career development review within the reporting year divided by the number of female employees (permanent contract) as at 31 December of the reporting year.

(d) The 'Percentage of employees who participated in regular performance and career development reviews' is lower than the 'Number of reviews in proportion to the agreed number of reviews' because the denominator includes the total employee headcount (both active and non-active) as well as employees who are not eligible for such reviews due to long-term absence or because they are a new hire, for instance.

(e) Calculation method: Number of performance reviews conducted in the reporting year divided by the number of people who were meant to have a performance review within the reporting year (e.g. excludes employees who started towards the end of the year and therefore were not meant to have a performance review that year).

Governance

Material topics linked to Governance:

- **Customer care** p. 145
- **Ethics, integrity and efforts to combat corruption** p. 148

Customer care

Summary of impact, risk and measures

ESG strategy	Topic	Impact matériel (ESRS 2 SBM-3)	Risque (ESRS 2 SBM-3)
		Actuel	
Conduct our activities responsibly	Customer care	The quality of information communicated to customers contributes to the proper functioning of the market and security of supply in Belgium and neighbouring countries.	Short term Discriminatory treatment of customers and a lack of transparency in sharing information can lead to dissatisfied customers, which could have financial consequences for Fluxys.
Impact scores (from DMA)		Impact on society: 4	Financial impact: MH
Measures		Actions	
<ul style="list-style-type: none"> • Code of Conduct 		<ul style="list-style-type: none"> • Annual audit of the proper application of the Code of Conduct • Transparent service offering • A sales team that listens to customers • A service offering tailored to market needs • Market consultations and information sessions • Regular monitoring of compliance with commitments regarding non-discriminatory access to the network by the compliance coordinator • Points of contact for complaints 	
Target		Result 2024	
Target definition Proportion of changes for which appropriate communications are rolled out to provide our customers with information and ensure transparency, in accordance with local legal requirements ^(a)		 Achieved for 2024	100% Appropriate communications were rolled out for all changes in 2024.

(a) Scope: Fluxys Belgium (transmission) and Fluxys LNG. Cut-off date: should a market consultation start in year Y and end in year Y+1, the market consultation and its indicator will be calculated for year Y.

Policies related to customer care

Code of Conduct (CREG)

The Code of Conduct is introduced by the Gas Act and established by the Commission for Electricity and Gas Regulation (CREG) following consultation. It is available on the CREG website. It establishes the principle of non-discriminatory access to the network where the users of our services, including parties merely making requests for services, are treated equally.

It is in line with the non-discrimination principle under Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005.

Actions related to customer care

To ensure customer satisfaction through non-discriminatory treatment and transparent communication, we have implemented the following actions. These actions apply to all entities within Fluxys Belgium.

Audit of the correct application of the Code of Conduct

Fluxys Belgium's sales teams work in accordance with the Code of Conduct. An annual audit verifies the correct application of the Code. The results of this audit are shared with the Fluxys Belgium Corporate Governance Committee and with CREG.

Transparent service offering

In accordance with the regulatory framework and in particular with transparency obligations, information on Fluxys Belgium's service offering, standard contracts, tariffs, etc. is publicly available on our website.

In the event of a modification, in accordance with our Code of Conduct we consult the market on the planned modification and collect any comments before officially requesting approval from CREG. The consultation results are also published on the website.

A sales team who listens to customers

Our sales team is the point of contact for our current and potential customers. The team helps customers make the best use of our services. The team also keeps track of customers' expectations in terms of the development of new services or adjustments to the commercial offer.

Market consultations, information sessions and other events

When adapting existing services, developing new services, proposing new tariffs or suggesting amendments to contractual documents, Fluxys always organises a market consultation in accordance with the regulatory framework.

Only after this consultation can the documents be submitted to the regulator, CREG, for approval. Fluxys regularly holds information sessions to guide customers through the various planned changes, explain the associated process to them, collect their feedback and answer any questions they may have. Customers can also contact us with any specific questions.

In 2024, three consultations were held in Belgium and the associated communication actions were rolled out.

That same year, various events were organised, including:

- the End User Day (for industrial customers directly connected to the Fluxys network);
- the DSO Day (for distribution system operators);
- the International Shipper Meeting, including the organisation of interactive sessions with shippers to gather their feedback;
- participation in E-world (annual fair for stakeholders in the energy market where Fluxys Belgium and the other Fluxys Group subsidiaries have the opportunity to meet current and potential customers).

Regular monitoring of compliance with commitments regarding non-discriminatory access to the network by the compliance coordinator

A compliance coordinator has been appointed within the company to ensure compliance with its commitments regarding non-discriminatory access to the network. Each year, the coordinator compiles a report on compliance with commitments regarding non-discrimination, transparency and confidentiality. The report is discussed in the Corporate Governance Committee and made available on the Fluxys website. To find out more about the legal and regulatory framework and the Code of Conduct, see section 'Legal and regulatory framework'.

Points of contact for complaints

Customers and other market players can contact the sales team, the Fluxys Belgium compliance coordinator or CREG to lodge complaints regarding our services.

Target and other metrics related to customer care

Target

At Fluxys, we are committed to satisfying our customers and treating them fairly. Our products, services and tariffs change regularly. In these situations, and in accordance with regulatory requirements, Fluxys consults the market to present suggested changes and collect any feedback. Furthermore, transport and storage capacities are regularly put up for sale by Fluxys, which notifies the market.

Target definition	Status	Result 2024	Result 2023
Proportion of changes for which appropriate communications are rolled out to provide our customers with information and ensure transparency, in accordance with local legal requirements ^(a) .	Achieved for 2024	100% Appropriate communications were rolled out for all changes in 2024	New

(a) Scope: Fluxys Belgium (transmission) and Fluxys LNG. Cut-off date: should a market consultation start in year Y and end in year Y+1, the market consultation

This performance indicator measures the effectiveness of Fluxys Belgium's and Fluxys LNG's communication and transparency by considering the proportion of changes that have resulted in at least one website publication and/or email sent to affected customers. The measurement method of this indicator was updated in our 2024 report to ensure it can never exceed 100%.

Other metrics

KPIs	Unit	2024	2023
Number of changes, i.e. revisions to regulated documents (e.g. change in agreements or access codes, terms and conditions, etc.)	#	3	New
Number of website publications and/or emails sent to affected customers related to these revisions to regulated documents	#	3	New
Number of info sessions/shipper meetings organised to discuss a specific change/provide info to customers	#	1	New

Ethics, integrity and efforts to combat corruption

Summary

ESG strategy	Topic	Impact materiality (ESRS 2 SBM-3)		Risk (ESRS 2 SBM-3)										
		Negative	Potential											
We conduct our activities responsibly (G)	Ethics, integrity and efforts to combat corruption	A lack of ethics or proven corruption can have societal impacts including on respect for human rights (e.g. loss of trust, potential impact on access to energy for all).		Short term A lack of ethics or proven corruption within Fluxys and its value chain may have a negative impact on the commercial reputation and/or financial results of the company.										
Impact scores (from DMA)		Impact on society: 3		Financial impact: M										
Measures <table border="1" data-bbox="77 812 1284 1010"> <thead> <tr> <th colspan="2">Policies</th><th colspan="3">Actions</th></tr> </thead> <tbody> <tr> <td colspan="2"> <ul style="list-style-type: none"> Ethical Code Whistleblowing Policy and Procedure for reporting unethical behaviour General terms and conditions of purchase: respect for human rights in the supply chain </td><td colspan="3" rowspan="2"> <ul style="list-style-type: none"> Training in the Whistleblowing Policy Training in the Ethical Code </td></tr> </tbody> </table>					Policies		Actions			<ul style="list-style-type: none"> Ethical Code Whistleblowing Policy and Procedure for reporting unethical behaviour General terms and conditions of purchase: respect for human rights in the supply chain 		<ul style="list-style-type: none"> Training in the Whistleblowing Policy Training in the Ethical Code 		
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Target <table border="1" data-bbox="77 1051 1284 1296"> <thead> <tr> <th>Target definition</th><th>Status</th><th>Result 2024</th></tr> </thead> <tbody> <tr> <td>Train all employees, including new hires, in the Ethical Code every three years.</td><td>● In Progress</td><td> In 2024, we updated the Ethical Code and developed the associated training. Our goal is for all employees to have completed the course by the end of 2026. </td></tr> </tbody> </table>					Target definition	Status	Result 2024	Train all employees, including new hires, in the Ethical Code every three years.	● In Progress	In 2024, we updated the Ethical Code and developed the associated training. Our goal is for all employees to have completed the course by the end of 2026.				
Target definition	Status	Result 2024												
Train all employees, including new hires, in the Ethical Code every three years.	● In Progress	In 2024, we updated the Ethical Code and developed the associated training. Our goal is for all employees to have completed the course by the end of 2026.												

Policies related to ethics, integrity and efforts to combat corruption (G1-1)

Ethical Code

Fluxys' commitment to ethical behaviour is embedded in our values. In 2024, the Ethical Code was updated to place Fluxys' values at its core.

The current and updated Fluxys Ethical Code covers all our commitments, such as:

- our focus on the sustainable energy transition;
- ensuring safety in operations and in the workplace;
- ensuring fair business operations (including anti-money laundering, conflicts of interest, gifts and the fight against corruption);
- ensuring respect for human rights;
- being a good neighbour to local communities;
- earning trust through good information and asset management.

This Code applies to all staff members within Fluxys Group (i.e. broader than the scope of this ESG report), as well as third parties performing services on Fluxys premises and all activities carried out by or on behalf of Fluxys Group. The Code also encourages customers, suppliers and other partners to comply with equivalent standards. It aligns with the Universal Declaration of Human Rights, ILO Conventions and OECD Guidelines, United Nations Convention against Corruption and is available on the Fluxys website.

Procedure for reporting unethical behaviour

We encourage our customers, suppliers, external service providers, intermediaries, business partners and other individuals or entities associated with Fluxys to apply similar rules as set out in this Ethical Code. In line with our values, we encourage everyone to raise any concerns about non-compliance with our Ethical Code.

Our employees can contact their manager or the Ethics & Compliance Team to raise a concern, for advice on dilemmas or (problematic) situations or to report a (potential) violation of the ethics rules.

Employees, customers, suppliers and partners can also email ethics@fluxys.com to report a (potential) violation in complete confidentiality or use the whistleblowing channel: whistleblowing@fluxys.com.

In accordance with our Ethical Code and the European Whistleblowing Directive, Fluxys Belgium has developed a formal procedure regarding whistleblowers and the protection thereof (see below).

Whistleblowing Policy

By means of our Whistleblowing Policy, we are placing ethical conduct at the top of our priorities and aligning ourselves with the applicable laws and regulations.

The policy establishes a comprehensive framework for reporting unlawful activities, which can have significant implications for Fluxys and its employees. As such, we want to set out a formal and secure framework for reporting acts that violate applicable laws or a company's ethical principles and commit ourselves to independently investigating and acting upon them.

This policy applies to all operations conducted by or on behalf of Fluxys Group entities. It outlines the procedures for handling whistleblowing reports and ensures the protection of whistleblowers. The Board is responsible for the policy's implementation, which is in line with EU Directive 2019/1937 on whistleblowing.

Whistleblowing involves the disclosure, based on a reasonable suspicion, by employees or other informants regarding misconduct in a work-related context, with the aim of preventing harm and addressing threats to the public interest. This policy has a defined scope and does not address other types of complaints, such as personal work-related grievances (which are handled through a separate channel).

Anyone having a reasonable suspicion of misconduct can email whistleblowing@fluxys.com.

Our Whistleblowing Policy is available on the Fluxys website.

Functions at risk

For Fluxys Belgium, we consider 'functions at risk' to be those most exposed to corruption and bribery. In practice, this translates to the CEO and his direct reports (Senior VPs and directors), which amounts to 11 people.

Actions related to ethics, integrity and efforts to combat corruption (ESRS G1-3)

Training on the Ethical Code and related policies

The Ethical Code and related ethical policies such as the updated Whistleblowing Policy are shared with each new hire. They are also made available to all staff and are a reference tool within the company.

In 2024, we developed e-learning modules to educate our employees on the Ethical Code and related policies (including topics such as anti-corruption and anti-bribery, conflicts of interest and gifts). In 2025, we will roll out training with a view to achieving a 100% training rate by the end of 2026.

Target and other metrics related to ethics, integrity and efforts to combat corruption

Target

We provide for a safe and respectful working environment, maintain high standards in terms of human rights and are committed to conducting business ethically by being responsible in dealings with our business partners.

Training and regular awareness-raising among employees are essential levers to ensure knowledge of and compliance with the Ethical Code and related policies. This is why we aim to train all employees, including new hires, in the Ethical Code every three years.

Target definition

Train all employees, including new hires, in the Ethical Code every three years.

Status	Result 2024
● In Progress	<p>In 2024, we updated the Ethical Code and developed the associated training.</p> <p>Our goal is for all employees to have completed the course by the end of 2026.</p>

Other metrics

KPI	Unit	2024	2023
Number of convictions for violations of anti-corruption and anti-bribery laws	#	0	0
Amount of fines for violations of anti-corruption and anti-bribery laws	#	0	0



Annexes

- Annex I: Methodology for calculating greenhouse gas emissions p. 153
- Annex II: CSRD overview table p. 155
- Annex III: Limited assurance review of our ESG statements p. 157

Annex I: Methodology for calculating greenhouse gas emissions

Purpose

This document describes the methodology for calculating Fluxys' Scope 1, 2 and 3 emissions. This methodology is largely based on the reporting principles of the GHG Protocol.

Organisational boundaries

Fluxys calculates its carbon footprint using the operational control approach. This means that the carbon footprint encompasses all emissions (100%) from entities under Fluxys Belgium's operational control, including Fluxys Belgium, Fluxys LNG, Fluxys Re, c-grid and Fluxys hydrogen. This methodology aligns with the financial consolidation practices of Fluxys Belgium.

Operational boundaries

The GHG Protocol defines three scopes and 15 categories for Scope 3 which vary based on the reporting company's activities. Not all categories are significant for Fluxys Belgium.

Definitions

Scope 1

Scope definition: Direct GHG emissions from sources that we owned and controlled.

1. Sources of CO₂

CO₂ emissions from gas consumption:

- Stationary combustion: gas turbines, gas engines, boilers and heaters in facilities where Fluxys Belgium has the operational control
- Consumption of office buildings (headquarters and regional operating centres)
- Combustion via flaring on our LNG terminal facility or during interventions
- Fleet (CNG vehicles)
- CO₂ emissions related to diesel and gasoline consumption
- Fleet of vehicles
- Emergency generators

2. Sources of CH₄

- Pneumatic emissions: emissions from pneumatic regulation systems
- Fugitive emissions: emissions due to sealing problems on some equipment (flanges, pipe equipment, valves, joints, seals)
- Operational emissions: emissions due to machinery starting and stopping and incomplete combustion
- Interventions: the volume of residual gas released into the air during interventions
- Incidents: volume released into the air due to emergency breakdowns/shutdowns or due to pipeline damage caused by third parties

For the purpose of our calculations, we assume that 1 kg of methane contributes 29.8 times as much to climate change as 1 kg of CO₂ (GWP100 = 29.8, according to the sixth IPCC Report).

Scope 2

Scope definition:

CO₂ footprint of the generation of the electricity purchased by Fluxys Belgium. As stipulated in the Greenhouse Gas Protocol, Scope 2 emissions physically occur at the facility where the electricity is generated.

Reported emissions

With regard to the company fleet: since we do not know the origin of the electricity used by the cars (charged at home or via public charging stations), we conservatively calculated CO₂^{eq} Scope 2 emissions for this specific usage based on Belgian residual electricity production mix.

More than 99.5% of our electricity consumption is covered by contracts for green electricity. Of this, over 91% is unbundled, involving the purchase of guarantees of origin from renewable sources. The remaining 9% is covered by a bundled contract for electricity supply from renewable sources.

Scope 3

Scope definition:

This includes the emissions generated within Fluxys Belgium's value chain, excluding those already accounted for in Scope 1 and Scope 2.

Calculation method: mix of secondary and primary data

Currently, 15% of our Scope 3 emissions is calculated using primary data. The remainder (85%) of our scope 3 emissions is calculated based on secondary data. This approach involves estimating emissions based on the financial expenditure associated with various activities and services. By applying industry-specific emission factors to these expenditures, we can derive an estimate of the associated greenhouse gas emissions.

This method provides a practical and scalable way to assess emissions across a wide range of categories, including purchased goods and services, capital goods and upstream transportation.

For categories where primary data are available and large purchases are made (e.g. pipelines), such as employee commuting, fuel- and energy-related activities, waste generated in operations and business travel, we are already utilising this primary data to calculate emissions. Employing primary data significantly reduces the uncertainty associated with these emissions.

Annex II: CSRD overview table

The table below outlines the transparency obligations and topics required under the CSRD and ESRS. These topics were identified through Fluxys Belgium's double

materiality assessment detailed in the 'Double materiality assessment' section. ESRS topics not listed below are not material for Fluxys Belgium.

Standard	Cross-cutting/thematic	No.	Scope of reporting	Designation of the DRs	Page number
ESRS 2	General disclosures	BP-1	General information	General basis for preparation of sustainability statements	94-101
ESRS 2	General disclosures	GOV-1	Governance (GOV)	The role of the administrative, management and supervisory bodies	94-101
ESRS 2	General disclosures	GOV-3	Governance (GOV)	Integration of sustainability-related performance in incentive schemes	94-101
ESRS 2	General disclosures	GOV-4	Governance (GOV)	Statement on due diligence	94-101
ESRS 2	General disclosures	GOV-5	Governance (GOV)	Risk management and internal controls over sustainability reporting	94-101
ESRS 2	General disclosures	SBM-1	Strategy (SBM)	Strategy, business model and value chain	94-101
ESRS 2	General disclosures	SBM-2	Strategy (SBM)	Interests and views of stakeholders	94-101
ESRS 2	General disclosures	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	94-101
ESRS 2	General disclosures	IRO-1	Impact, risk and opportunity management	Description of the processes to identify and assess material impacts, risks and opportunities	94-101
ESRS 2	General disclosures	IRO-2	Impact, risk and opportunity management	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	94-101
ESRS E1	Climate change	GOV-3	Governance (GOV)	Integration of sustainability-related performance in incentive schemes	103-111
ESRS E1	Climate change	E1-1	Strategy (SBM)	Transition plan for climate change mitigation	103-111
ESRS E1	Climate change	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	103-111
ESRS E1	Climate change	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	103-111
ESRS E1	Climate change	E1-2	Impact, risk and opportunity management (IRO)	Policies related to climate change mitigation and adaptation	103-111
ESRS E1	Climate change	E1-3	Impact, risk and opportunity management (IRO)	Actions and resources in relation to climate change policies	103-111
ESRS E1	Climate change	E1-4	Metrics and targets (MT)	Targets related to climate change mitigation and adaptation	103-111
ESRS E1	Climate change	E1-5	Metrics and targets (MT)	Energy consumption and mix	103-111
				Energy consumption and mix - Energy intensity per net turnover	
ESRS E1	Climate change	E1-6	Metrics and targets (MT)	Gross Scope 1, 2, 3 emissions and total GHG emissions GHG intensity per net turnover	103-111
ESRS E1	Climate change	E1-8	Metrics and targets (MT)	Internal carbon pricing	103-111
ESRS E1	Climate change	E1-9	Metrics and targets (MT)	Potential financial effects from material physical and transition risks and potential climate-related opportunities	103-111

Standard	Cross-cutting/ thematic	No.	Scope of reporting	Designation of the DRs	Page number
ESRS S1	Own workforce	SBM-2	Strategy (SBM)	Interests and views of stakeholders	123-142
ESRS S1	Own workforce	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	123-142
ESRS S1	Own workforce	S1-1	Impact, risk and opportunity management (IRO)	Policies related to own workforce	123-142
ESRS S1	Own workforce	S1-2	Impact, risk and opportunity management (IRO)	Processes for engaging with own workers and workers' representatives about impacts	123-142
ESRS S1	Own workforce	S1-3	Impact, risk and opportunity management (IRO)	Processes to remediate negative impacts and channels for own workers to raise concerns	123-142
ESRS S1	Own workforce	S1-4	Impact, risk and opportunity management (IRO)	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	123-142
ESRS S1	Own workforce	S1-5	Metrics and targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	123-142
ESRS S1	Own workforce	S1-6	Metrics and targets (MT)	Characteristics of the undertaking's employees	123-142
ESRS S1	Own workforce	S1-7	Metrics and targets (MT)	Characteristics of non-employee workers in the undertaking's own workforce	123-142
ESRS S1	Own workforce	S1-9	Metrics and targets (MT)	Diversity metrics	123-142
ESRS S1	Own workforce	S1-13	Metrics and targets (MT)	Training and skills development metrics	123-142
ESRS S1	Own workforce	S1-14	Metrics and targets (MT)	Health and safety metrics	123-142
ESRS S1	Own workforce	S1-16	Metrics and targets (MT)	Compensation metrics (pay gap and total compensation)	123-142
ESRS G1	Business conduct	GOV-1	Governance (GOV)	The role of the administrative, management and supervisory bodies	148-150
ESRS G1	Business conduct	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material impacts, risks and opportunities	148-150
ESRS G1	Business conduct	G1-1	Impact, risk and opportunity management (IRO)	Corporate culture and business conduct policies	148-150
ESRS G1	Business conduct	G1-3	Impact, risk and opportunity management (IRO)	Prevention and detection of corruption or bribery	148-150
ESRS G1	Business conduct	G1-4	Metrics and targets (MT)	Confirmed incidents of corruption or bribery	148-150

Annexe III: Limited assurance review of our ESG statements

Statutory Auditor's limited assurance report on Fluxys Belgium NV's Consolidated Sustainability statement for the year ended 31

At the attention of the general meeting of the shareholders

As part of the limited assurance engagement on the consolidated sustainability statement of Fluxys Belgium NV (the "Company" or the "Group"), we are providing you with our report on this engagement.

We were appointed by the General Meeting of 14 May 2024, in accordance with the proposal of the Board of Directors of Fluxys Belgium NV, to carry out a limited assurance engagement on the Company's consolidated sustainability information, included in the annual report of the Company for the year ended 31 December 2024 (the "sustainability statement").

Our mandate expires on the date of the general meeting deliberating on the annual financial statements for the year ended 31 December 2024. We have carried out our assurance engagement on the sustainability statement of Fluxys Belgium NV for 1 year.

Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability statement of NV Bekaert SA.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability statement, in all material respects:

- Is not prepared in accordance with the requirements referred to in Article 3:32/2 of the Belgian Code of Companies and Associations, including compliance with applicable European sustainability information standards (the European Sustainability Reporting Standards ("ESRSs"))
- Is not compliant with the process carried out by the Company ("the Process") to identify the information included in the sustainability statement in accordance with the description set out in the Double materiality assessment section (ESRS 2 IRO-1); and
- Is not compliant with the requirements of Article 8 of EU Regulation 2020/852 (the

"Taxonomy Regulation") as disclosed in subsection EU Taxonomy for sustainable economic activities within the environmental section of the sustainability statement.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), applicable in Belgium and issued by the International Auditing and Assurance Standards Board.

Our responsibilities under this standard are further described in the Statutory Auditor's responsibilities section of our report related to our limited assurance engagement under the section "Statutory Auditor's responsibilities".

We have complied with all ethical requirements relevant to the assurance of sustainability engagement in Belgium, including those relating to independence.

The firm applies International Standard on Quality Management 1 ("ISQM 1"), which requires the firm to design, implement and

operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the Company's Board of Directors and its appointees the explanations and information necessary for our limited assurance engagement.

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

Other matters

The scope of our work is only restricted to the limited assurance engagement on the Company's sustainability statement with respect to the current reporting period. Our assurance does not extend to information relating to the comparative figures.

Responsibilities of the Board of Directors with respect to the preparation of sustainability information

The Board of Directors of the Company is responsible for designing and implementing a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this Process in the *Double materiality assessment section* (ESRS 2 IRO-1) of the sustainability statement. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders.
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the entity's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by

- selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The board of directors of the Company is further responsible for the preparation of the sustainability statement, which contains the sustainability information as determined in the Process:

- in accordance with the requirements referred to in Article 3:32/2 of the Belgian Code of Companies and Associations, including compliance with applicable ESRSs;
- in compliance with the requirement provided by Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as disclosed in subsection EU Taxonomy within the environmental section of the ESG Statements.

This responsibility includes:

- designing, implementing and maintaining such internal control that the Board of Directors determines is necessary to enable the preparation of the Sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The Board of Directors are responsible for overseeing the Company's sustainability reporting process.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, the board of directors of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected. Actual results are likely to differ from projections

because the future events will not generally occur as expected, and such differences could be material.

Statutory Auditor's responsibilities relating to the limited assurance engagement on the sustainability information

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we exercise professional judgment and maintain professional skepticism throughout the engagement. The work performed in an engagement with a view to obtaining limited assurance is less extensive than in the case of an engagement with a view to obtaining reasonable assurance. The procedures performed in a limited assurance engagement for which we refer to the 'Summary of work carried out' section which differ in nature and timing are less extensive compared to a reasonable assurance engagement. We therefore do not express a reasonable audit opinion in the frame of this engagement.

As the forward-looking information included in the Sustainability Information, and the assumptions on which it is based, relate to the future, they may be affected by events that may occur and/or by actions taken by the Company. Actual results are likely to differ from the assumptions made, as the events assumed will not necessarily occur as expected, and such differences could be material. Accordingly, our conclusion does not guarantee that the actual results reported will correspond to those contained in the forward-looking sustainability information.

Our responsibilities in respect of the Sustainability statement, in relation to the Process, include:

- understanding the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process, as disclosed in the *Double materiality assessment section* (ESRS 2 IRO-1);

Our other responsibilities in respect of the Sustainability statement include:

- To understand the Company's control environment and the processes and information systems relevant to the preparation of sustainable information, but without evaluating the design of specific control activities, obtaining substantive information on their implementation or testing the effectiveness of the internal control measures in place;
- Identify areas where material misstatements of sustainability information are likely to occur, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability statement. The procedures 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.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process through:
 - Requesting information to understand the sources of the information used by management (e.g., stakeholder engagement documentation), as well as assessing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by Fluxys Belgium NV was consistent with the description of the Process set out in the *Double materiality assessment* section (ESRS 2 IRO-1).

In conducting our limited assurance engagement, with respect to the sustainability statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its sustainability statement by:
 - interviewing management and relevant staff responsible for consolidating and implementing internal control measures related to sustainability information;
 - when deemed appropriate, obtaining supporting documentation for the relevant reporting processes
- Evaluated whether the information identified by the Process is included in the sustainability statement;
- Evaluated the compliance of the structure and the preparation of sustainability information with ESRS standards;

- Performed inquiries of relevant personnel and analytical procedures on selected information in the sustainability statement;
- Performed substantive assurance procedures on selected information in the sustainability statement;
- We have carried out limited detailed testing of the data collection and calculation processes, as well as validation procedures related to the quantitative information in question, based on professional judgement and on a sample basis.
- Evaluated assurance information on the methods for developing estimates and forward-looking information; evaluated as described in the section 'responsibilities of the statutory auditor regarding the assurance engagement with limited assurance regarding sustainability information';
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability statement;
- On a sample basis, reconciling the economic activities with supporting documentation that substantiates the substantial contribution, the do not significant harm contribution, and the minimum safeguard requirements;
- Reconciling inputs to revenue, capital expenditure, and operating expenses, with underlying financial information of the Company.

Statements regarding independence

- Our audit firm and our network have not performed any engagements that are

Diegem, 27 March 2025

EY Bedrijfsrevisoren BV
represented by

Wim Van Gasse*
Partner

* Handelend in naam van een BV

incompatible with the limited assurance engagement, and our audit firm has remained independent of the company during our term of office.



Corporate governance declaration



Corporate governance declaration

Fluxys Belgium has adopted the 2020 Belgian Code on Corporate Governance (the 2020 Code) as its benchmark code of conduct, the main principles of which are included in the Articles of Association and the Corporate Governance Charter. Fluxys Belgium is also subject to legislation on corporate governance contained in the Act of 12 April 1965 on the transmission of gaseous and other products via pipeline, as subsequently amended (the Gas Act), and in the European Directive 2009/73/EC concerning common rules for the internal market in natural gas, as repealed by Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen (the Directive). Details of the legislation applied by Fluxys Belgium can be found online:

The 2020 Code: <https://www.corporategovernancecommittee.be/en>

The Gas Act: www.just.fgov.be (in French and Dutch)

The Directive: www.eur-lex.europa.eu

In accordance with the principle of transparency, Fluxys Belgium lists in this chapter of its annual report the parts of the 2020 Code from which the company deviates and the justified reasons for doing so:

- The company does not apply the 2020 Code rules on the term of directorships. Members of the Board of Directors are appointed for a period of six years rather than the four years advocated by Principle 5.6 of the 2020 Code. This term is justified in light of the technical, financial and legal particularity and complexity of the tasks and responsibilities entrusted to the natural gas system operator, the hydrogen transport network operator and the development of, among others, activities related to hydrogen and CO₂. A six-year mandate allows directors to deepen their expertise and to bring real added value to the debate over a longer period of time. This is also in line with the long-term nature of infrastructure operators' activities.
- The company also deviates from recommendation 7(6) and 7(9) of the 2020 Code for the reasons set out in the remuneration report referred to here.

Changes in the composition of the Board of Directors in 2024

At the Annual General Meeting held on 14 May 2024, the independent directorships of Sabine Colson and Anne Leclercq and the directorship of Jean-Claude Marcourt were renewed for a period of six years, until the end of the 2030 Annual General Meeting.

The Annual General Meeting also appointed Patrick Dewael as director, replacing Geert Versnick, for a directorship expiring on 31 December 2025.

The procedure for the reappointments and for the new appointment by the Appointment and Remuneration Committee and the Corporate Governance Committee was complied with.

Rules governing the appointment and replacement of members of the Board of Directors and amendments to the Articles of Association

Appointment and replacement of directors

Directors are appointed by the General Meeting for no more than six years and can be dismissed by this body. Article 10 of the Articles of Association stipulates that the company shall be managed by a Board of Directors comprising non-executive directors (except for the director charged with the day-to-day management of the company), who are appointed for a maximum term of six years and may be dismissed by the General Meeting. The directorships of outgoing directors who have not been re-elected shall expire immediately after the Annual General Meeting. In the event that one or more directorships fall vacant, the remaining directors may, by a simple majority of votes, temporarily fill the vacancy. In such cases, the General Meeting shall make the permanent appointment or appointments at its first meeting thereafter.

If a directorship becomes vacant before the end of the term, the replacement director appointed shall serve out the rest of the term in question.

Amendments to the Articles of Association

The company's Articles of Association may be amended by an Extraordinary General Meeting; any amendments made must be published in the Belgian Official Gazette. Deliberation and decisions regarding amendments to the Articles of Association are only valid if at least half of the group's share capital is represented at the Extraordinary General Meeting. No amendment shall be permitted unless it is passed by three quarters of the votes.

Board of Directors

Composition of the Board of Directors

Article 10 of the company's Articles of Association stipulates that the Board of Directors shall comprise no fewer than three and no more than 24 non-executive directors, excluding one or more federal government representatives.

Principle 3.2 of the 2020 Code recommends that the Board should be small enough for efficient decision-making. It should also be large enough for its Board members to contribute experience and knowledge from their different fields and for changes to the Board's composition to be managed without undue disruption. The size of the Fluxys Belgium Board of Directors is justified in light of the technical, financial and legal particularity and complexity of the tasks and responsibilities entrusted to the natural gas system operator and the diversity of interests involved.

In order to comply with the provisions of the Gas Act, at least one third of directors must be independent within the meaning of the Gas Act. They are chosen partly on the basis of their financial management skills and partly for their useful technical knowledge and in particular their relevant knowledge of the energy sector. Independent directors within the meaning of the Gas Act must meet, among other things, the independence criteria of the 2020 Belgian Code on Corporate Governance. One third of directors must be of a different gender from the other two thirds.

At least half of the directors must be fluent in French and half in Dutch.

In addition, the golden share grants the federal Energy Minister the right to appoint two representatives of the federal government to the Board of Directors.

Directors of the company may not simultaneously be members of the supervisory board, board of directors or bodies legally representing the undertaking, of an undertaking active in the production or supply of natural gas and may not exercise any rights over such an undertaking.

Directors

Andries Gryffroy, Director, Chairman of the Board of Directors

Andries Gryffroy is a qualified industrial electromechanical engineer and holds a Master's degree in marketing. He took a number of additional training courses in the energy sector and worked in a range of positions in that sector. He is a consultant in technology and energy. He is also the Chairman of Publigas, a member of the Flemish Parliament and a federated entity senator. He was appointed as director in May 2015 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2027.

Jean-Claude Marcourt, Director, Vice-Chairman of the Board of Directors

Jean-Claude Marcourt holds a degree in law from the University of Liège and has been a lawyer at the Liège Bar since 1979, specialising in economic law and social law. He served as Chief of Staff for various ministers from 1992 to 2004 and also held various ministerial posts from 2004 to 2019, and he has served as a member of the Walloon Parliament and the Parliament of the Wallonia-Brussels Federation. He was appointed as director in May 2023 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2030.

Pascal De Buck, Managing Director and CEO

Pascal De Buck studied law, specialising in economic law, before completing several management training courses, including at the Flemish School of Higher Education in Economics (VLEKHO) and EHSAL Management School (EMS) in Brussels and the IESE Business School's international Global CEO Program. After joining Fluxys as a Legal Counsel in 1995, he became head of the Legal and Commercial departments before taking on the role of Commercial Director, where he was responsible for business development and strategy. Pascal was appointed CEO and Chairman of the Executive Board of Fluxys Belgium on 1 January 2015, and he became Managing Director of Fluxys Belgium in May 2020. His current directorship will expire at the end of the Annual General Meeting in May 2026.

Abdellah Achaoui, Director

Abdellah Achaoui has a degree in finance and is management manager at Vivaqua. He is Chairman of the Board of Directors of Interfin and a member of the Boards of Directors of Sibelga and Publigas. He has held financial positions in various sectors, both private and public. He was co-opted as director by the Board of Directors with effect from 30 March 2022 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2027.

Laurent Coppens, Director

Laurent Coppens holds a Master of Business Administration from the University of Liège and completed specialised courses in Management Accounting & Control at Maastricht University before working as an assistant and researcher in finance. He is currently CFO of Sibelga and Interfin and Financial Officer at Publigas and Publi-T. He was appointed as director by the Annual General Meeting with effect from 1 July 2021, following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2027.

Patrick Dewael, Director (since 14 May 2024)

Patrick Dewael has a degree in law and a degree in notarial law from the Vrije Universiteit Brussel (VUB). He was mayor of Tongeren from 1994 till end 2024 and currently holds the position of Chairman of the municipal council. He was a member of the Chamber of Representatives. He was appointed as director in May 2024 following his nomination by Publigas, and his current directorship will expire on 31 December 2025.

Leen Dierick, Director

Leen Dierick studied business administration, marketing and logistics at EHSAL in Brussels and has subsequently held various positions at DOMO NV. She has been the mayor of the city of Dendermonde since 2024, where she previously served as a municipal councillor from 2001 to 2023. She was a Member of the Federal Parliament for CD&V from 2007 till end 2024. In the Chamber she is a permanent member of both the Parliamentary Committees for Economy & Energy and the subcommittee for Nuclear Safety. She was appointed as director in May 2022 following her nomination by Publigas, and her current directorship will expire at the end of the Annual General Meeting in May 2028.

Gianni Infantì, Director

Gianni Infantì earned a Master's degree in management sciences at UCL Mons. He was appointed as director

in May 2022 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2028.

Ludo Kelchtermans, Director

Ludo Kelchtermans holds a degree in economics and is CEO of Nuhma, the Limburg-based climate company. He is a director at several companies and chairman of Aspiravi's audit committee. He was appointed as director in June 2012 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2026.

Josly Piette, Director

Josly Piette holds degrees in industrial sociology and economic and social sciences. He is Honorary General Secretary of the Confédération des Syndicats Chrétiens (Confederation of Christian Trade Unions) and a director at SOCOfE and Publigas. He was appointed as director in May 2009 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2026.

Daniël Termont, Director, Chairman of the Audit and Risk Committee

Daniël Termont is a member of the Board of Directors of Publigas. He was appointed as director in May 1998 following his nomination by Publigas, and his current directorship will expire at the end of the Annual General Meeting in May 2027.

Koen Van den Heuvel, Director, Chairman of the Appointment and Remuneration Committee

Koen Van den Heuvel holds a degree in economics and political science. He has been a member of Puurs Municipal Council since 1989, and for five years he also served as the Alderman for Youth, Culture and Finance. In 1997, he became Mayor of Puurs, and since 2019 he has been the mayor of the merged municipality of Puurs-Sint-Amants. From 2004 to 2024 he was a member of the Flemish Parliament, leading his parliamentary group there from 2012 to 2019. In 2019, he was the Flemish Minister for the Environment, Nature and Agriculture. He has been a member of the Chamber of Representatives since 2024. Following his nomination by Publigas, he was co-opted as director by the Board of Directors with effect from 1 December 2019, and his current directorship will expire at the end of the Annual General Meeting in May 2025.

Wim Vermeir, Director

Wim Vermeir has a degree in engineering physics from Ghent University and holds an MBA from Vlerick School

of Management. He started his career at Ghent University and Vlerick School of Management as a research assistant in corporate finance. Between 1995 and 2006, he held various positions at Dexia Asset Management and in 2006 he was appointed Chief Investment Officer for Traditional Investments and member of the Executive Board of Dexia Asset Management. He has been Chief Investment Officer of AG Insurance since April 2011 and also Group Head of Investments for Ageas since June 2012. Following his nomination by AG Insurance, he was co-opted as director by the Board of Directors with effect from 21 February 2023, and his current directorship will expire at the end of the Annual General Meeting in May 2028.

Geert Versnick, Director (until 14 May 2024)

Geert Versnick has a law degree from Ghent University. He has also participated in study programmes from GUBERNA, the International Institute for Management Development (IMD) and INSEAD. He was a lawyer at the Ghent Bar from 1980 until 2000 and active in politics from 1989 to 2017. He holds a number of directorships in both the private and public sectors. He was appointed as director in May 2018 following his nomination by Publigas, with effect from 3 October 2018, and his directorship expired at the end of the Annual General Meeting in May 2024.

Independent directors under the provisions of the Gas Act
Sabine Colson, Independent Director, Chairman of the Corporate Governance Committee

Sabine Colson has a degree in business and finance from HEC Liège. She completed a GUBERNA Certified Director course and holds a university certificate in innovation management from UCLouvain. She is currently Investment Manager (MBO, family transmission and employee shareholding) at Wallonie Entreprendre and a consular judge at the Liège Business Court. She was co-opted as independent director with effect from 1 October 2018 following her nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2030.

Valentine Delwart, Independent Director

Valentine Delwart holds a degree in law and a Master's degree in European law. She is Alderwoman for Finance in Uccle and has been General Secretary of the French-speaking liberal party Mouvement Réformateur since March 2011. She was appointed as independent director in May 2013 following her

nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2025.

Cécile Flandre, Independent Director

Cécile Flandre holds a degree in mathematics and actuarial science from the Université Libre de Bruxelles (ULB). For nine years she served as CFO and executive director at two insurance companies, Belfius Insurance and later Ethias. She has many years of experience in the insurance sector, including its supervision, and in financial matters. Until January 2023 she was a director of Elia Transmission Belgium, Elia Asset and Elia Group, and is currently an independent director of MS Amlin Insurance SE, where she chairs the Audit Committee, and of Monument Assurance Belgium, where she chairs the Investment Committee, (independent) chair of the Board of Directors of Synatom, and a member of the Board of Directors of the non-profit association Belgian Finance Center. She has been a member or chair of the boards of directors and audit committees of several companies. She was co-opted as independent director with effect from 30 March 2022 following her nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2025.

Sandra Gobert, Independent Director

Sandra Gobert obtained a Master's degree in law from the Vrije Universiteit Brussel (VUB). She has been a lawyer at the Brussels Bar since 1992 and is a partner at Andersen in Belgium. After a specialisation and internship in tax law, she built up her expertise in corporate law, corporate governance and sustainability legislation. She has been a GUBERNA Certified Director since 2010 and has held directorships in various sectors (distribution and retail, legal, real estate and energy). She completed the Chapter Zero: Directors' Climate Journey in 2021. She is a lecturer on good governance and ESG in academic and executive programmes. In early 2019, she was appointed Executive Director of GUBERNA (Institute of Directors), where she has been a member of the Board of Directors since 2016. She is a member of the Belgian Corporate Governance Committee, a member of the Board of Directors of ecoDa (European Confederation of Directors' Associations) and chair of the ecoDa Working Group on Sustainability and of the Remuneration and Nomination Committee. She is a member of the ESG Exchange Advisory Committee. She was appointed as independent director

in May 2019 following her nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2025.

Roberte Kesteman, Independent Director

Roberte Kesteman holds a master's degree in applied economics from VLEKHO. She also studied international corporate finance at INSEAD in France. She is currently an independent director at Elia Transmission Belgium, Elia Asset and Elia Group, as well as a member of the Audit Committee, Remuneration Committee and Corporate Governance Committee. Since 4 May 2022, she has been an independent director, a member of the Audit Committee and a member of the Remuneration, Nomination and Corporate Governance Committee at Aperam SA. On 18 December 2023, she was appointed independent director at KBVB/RBFA (Royal Belgian Football Association). She was appointed as independent director with effect from 1 July 2019 following her nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2029.

Anne Leclercq, Independent Director

Anne Leclercq holds a Master's degree in law and an MBA from Vlerick Business School. Many years working in both the banking sector and as Director of Treasury and Capital Markets at the Belgian Debt Agency (the agency in charge of the operational management of the debt of the Belgian federal government) have provided her with a wealth of financial expertise and management experience. Until mid-2019, Anne chaired a sub-committee of the European Union's Economic and Financial Committee comprising debt managers from the various EU Member States. She is currently a director at BNP Paribas Fortis, where she also chairs the Risk Committee, WDP (Warehouses De Pauw) and Sint-Maria Halle General Hospital. Until the end of December 2022, she was a director and chair of the Audit Committee of KULeuven/UZ Leuven. She was appointed as independent director in May 2018 following her nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2030.

Sandra Wauters, Independent Director

Sandra Wauters holds a PhD in chemical engineering from Ghent University. She is currently Net Zero Transition Manager at BASF Antwerp, where she is responsible for business development and coordination on climate-neutral growth. She was appointed as independent director in May 2013 following her nomination by the Board of Directors and the recommendation of the relevant advisory committees. Her current directorship will expire at the end of the Annual General Meeting in May 2025.

Federal government representatives

Maxime Saliez, Julien Simon and Tom Vanden Borre

Maxime Saliez sat on the Board of Directors in an advisory capacity as a French-speaking representative of the federal government until 1 May 2024.

Tom Vanden Borre was appointed as per the Royal Decree of 31 January 2021 as representative of the federal government in an advisory capacity for the Dutch-speaking role. This Royal Decree entered into force on the date of its publication in the Belgian Official Gazette, namely 8 February 2021.¹ Tom Vanden Borre holds a PhD in law.

Julien Simon was appointed as per the Royal Decree of 25 May 2024 as representative of the federal government in an advisory capacity for the French-speaking role. This Royal Decree entered into force on the date of its publication in the Belgian Official Gazette, namely 31 May 2024.² Julien Simon holds a master's degree in biological sciences and has more than ten years' experience in the field of public policy on energy and climate. After starting his career as a consultant in an engineering consultancy, he then held the position of advisor to the Brussels Minister for Energy for five years.

Federal government representatives have special powers as stipulated in the Acts of 26 June 2002 and 29 April 1999 and the Royal Decrees of 16 June 1994 and 5 December 2000, as set out in Article 12 of the Articles of Association and in the Corporate Governance Charter.

They attend meetings of the Board of Directors in an advisory capacity.

Secretariat

Nicolas Daubies, Group General Counsel & Company Secretary, acts as secretary to the Board of Directors.

Activity report

Issues examined

The members of the Board of Directors seek to adopt decisions by consensus. The Board mainly addressed the following issues:

- The strategy of Fluxys Belgium;
- The follow-up of the 2024 budget;
- The 10-year investment programme (2025-2034);
- The medium-term financial plan;
- The HSEQ policy;
- Fluxys Group's New operating model and staffing;
- Risk management;
- The preparation of the company's annual and half-yearly accounts and those of its subsidiaries, as well as associated press releases;
- The drafting and approval of the annual financial report for the financial year 2023 and the half-yearly financial report as at 30 June 2024;
- The follow-up of the tariff methodology 2024-2027 and discussions with CREG;
- Projects and research into projects related to the continuing development of the group's activities in Belgium, including:
 - market integration projects;
 - projects related to the energy transition, especially those involving biomethane and the transmission of hydrogen and CO₂ (also discussed in a separate expert session), including the (draft) Flemish and Walloon CO₂ decree, and the development and use of new energy system models;
 - the various developments in CO₂ and HNO activities, including, after the establishment of Fluxys c-grid in 2023, the establishment of Fluxys c-grid Antwerp and Fluxys hydrogen's appointment as hydrogen network operator;
 - orders for critical equipment for projects related to the development of H₂ and CO₂ networks;
 - the Antwerp@C project, a CO₂ export terminal project and backbone pipeline spanning approximately 20 km in the port area;
 - upgrading of the Zeebrugge-Opwijk pipeline route: investment decision and progress reporting;
 - progress of the LNG capacity expansion and truck-loading projects;
- The safety culture within the company;
- Convening the Annual General Meeting
- Changes in the composition of the Board of Directors and the advisory committees;
- Examination of reports by the Audit and Risk Committee, the Appointment and Remuneration Committee and the Corporate Governance Committee;
- Examination of the report of the Board of Directors of Fluxys LNG.

1. Royal Decree of 31 January 2021 on the dismissal and appointment of federal government auditors to the Boards of Directors of the relevant operators, as provided for in Article 8/3(1/3) of the Act of 12 April 1965 concerning the transmission of gaseous and other products by pipeline (published in the Belgian Official Gazette on 8 February 2021).

2. Royal Decree of 25 May 2024 on the dismissal and appointment of federal government auditors to the Boards of Directors of the relevant operators, as provided for in Article 8/3(1/3) of the Act of 12 April 1965 concerning the transmission of gaseous and other products by pipeline (published in the Belgian Official Gazette on 31 May 2024).

Operation

The Board of Directors may only deliberate and adopt decisions when at least half of the directors are either present or represented. Decisions made by the Board of Directors are taken by a simple majority of votes cast by directors present or represented. In 2024, the Board of Directors took all of its decisions by unanimous vote of the directors present or represented.

Frequency of meetings and attendance levels

The Board of Directors met seven times in ordinary meetings in 2024. Director attendance at Board of Directors' meetings in 2024 was as follows:

	Attendance
Andries Gryffroy	7 out of 7 meetings
Jean-Claude Marcourt	7 out of 7 meetings
Pascal De Buck	7 out of 7 meetings
Abdellah Achaoui	4 out of 7 meetings
Sabine Colson	5 out of 7 meetings
Laurent Coppens	6 out of 7 meetings
Valentine Delwart	6 out of 7 meetings
Patrick Dewael	4 out of 4 meetings
Leen Dierick	6 out of 7 meetings
Cécile Flandre	7 out of 7 meetings
Sandra Gobert	7 out of 7 meetings
Gianni Infantì	7 out of 7 meetings
Ludo Kelchtermans	7 out of 7 meetings
Roberte Kesteman	7 out of 7 meetings
Anne Leclercq	7 out of 7 meetings
Josly Piette	7 out of 7 meetings
Daniël Termont	7 out of 7 meetings
Koen Van den Heuvel	7 out of 7 meetings
Wim Vermeir	7 out of 7 meetings
Geert Versnick	3 out of 3 meetings
Sandra Wauters	7 out of 7 meetings

Committees formed by the Board of Directors

Audit and Risk Committee

Composition of the Audit and Risk Committee

The Audit and Risk Committee comprises seven non-executive directors, of whom at least one third must be independent within the meaning of the Gas Act and the 2020 Belgian Code on Corporate Governance. The Audit and Risk Committee has collective expertise in the company's area of activity and at least one independent director has the required expertise in accounting and auditing.

Chairman

Daniël Termont

Members

- Sabine Colson*
- Laurent Coppens
- Cécile Flandre*
- Anne Leclercq*
- Wim Vermeir
- Sandra Wauters*

Invited in an advisory capacity

Pascal De Buck, Managing Director and CEO

Secretariat

Julie Van de Velde, Head of Corporate Legal, acts as secretary to the Audit and Risk Committee.

Accounting and auditing expertise of the independent directors on the Audit and Risk Committee

Cécile Flandre

- She holds a degree in mathematics and actuarial science.
- She has extensive experience, having been a director since 2012 and currently sitting on several boards of directors and audit committees.
- She has held the position of Chief Financial Officer, executive board member and executive director, with particular responsibility for investments, accounting, financial planning and control, and corporate finance.

Sabine Colson

- She holds a degree in business and finance from HEC Liège and has been an audit manager at PwC.
- She has experience of audit committees and appointment and remuneration committees.
- She is a director of various companies, primarily in the environmental sector.

Anne Leclercq

- She holds a Master's degree in law and an MBA from Vlerick Business School.
- Many years working in the financial sector have provided her with a wealth of financial expertise and management experience.
- She has extensive market knowledge and insight into the key drivers of change in financial markets, such as changes in regulations and economic factors.
- Until 31 July 2019, she was Director of Treasury and Capital Markets at the Belgian Debt Agency.

Sandra Wauters

- She has a PhD in chemical engineering.
- In her operations role at BASF Antwerp, she has acquired experience in HAZOP studies and technical risk assessments.

Issues examined

The Audit and Risk Committee was set up within the Board of Directors to assist this body. It has the powers assigned to an audit and risk committee by law as well as any other powers that may be assigned to it by the Board of Directors. In 2024, the Audit and Risk Committee mainly addressed the following issues:

- The company's accounts as at 31 December 2023 and 30 June 2024 as well as the associated press releases (financial part);
- The annual financial report for the 2023 financial year and the half-yearly report as at 30 June 2024;
- The principles governing the closing of accounts;
- Examination of the auditor's work, schedule and additional assignments;
- Examination of the internal control and risk management system;
- Internal audit goals, schedule and activities in 2024;
- The internal audit schedule for 2025;
- Follow-up on the recommendations made in the wake of the internal audit in 2023;
- Risk management, including ESG risks and opportunities;

- The appointment of the statutory auditor for sustainability reporting in the context of the CSRD;
- The results of the ESG readiness assessment conducted by EY;
- The audit conducted by the Institute of Internal Auditors on internal audit activities;
- The renewal of EY's mandate as statutory auditor;
- Confirmation to the Audit and Risk Committee of the independence of the internal audit;
- The evaluation of the person in charge of the internal audit.

Operation

Decisions by the Audit and Risk Committee are adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers. The members of the Audit and Risk Committee seek to adopt decisions by consensus. In 2024, the Audit and Risk Committee approved all the decisions submitted to it. For detailed information on how the committee works, consult Annex II of the Corporate Governance Charter – Audit and Risk Committee Rules of Internal Procedure (<https://www.fluxys.com/en/about-us/fluxys-belgium/investors>).

Frequency of meetings and attendance levels

The Audit and Risk Committee met four times in 2024. Director attendance at Audit and Risk Committee meetings in 2024 was as follows:

	Attendance
Daniël Termont	4 out of 4 meetings
Sabine Colson	4 out of 4 meetings
Laurent Coppens	4 out of 4 meetings
Cécile Flandre	4 out of 4 meetings
Anne Leclercq	4 out of 4 meetings
Wim Vermeir	4 out of 4 meetings
Sandra Wauters	4 out of 4 meetings

* Independent directors under the provisions of the Gas Act.

Appointment and Remuneration Committee

Composition of the Appointment and Remuneration Committee

The Appointment and Remuneration Committee comprises six non-executive directors, the majority of whom must be independent within the meaning of the Gas Act and the 2020 Belgian Code on Corporate Governance. The committee has the required expertise in remuneration policy.

Chairman

Koen Van den Heuvel

Members

- Valentine Delwart*
- Cécile Flandre*
- Sandra Gobert*
- Gianni Infantì
- Roberte Kesteman*
- Geert Versnick (until 14 May 2024)

Invited in an advisory capacity

Pascal De Buck, Managing Director and CEO

Secretariat

Anne Vander Schueren, Sr VP People & Organisation, acts as secretary to the Appointment and Remuneration Committee.

Issues examined

The Appointment and Remuneration Committee was set up within the Board of Directors to assist it in all matters concerning the appointment and remuneration of directors and members of the Operational Management Team. It has the powers assigned to a remuneration committee by law as well as any other powers that may be assigned to it by the Board of Directors. In 2024, the Appointment and Remuneration Committee mainly addressed the following issues:

- The compilation of the draft remuneration report;
- The compilation of opinions for the Board of Directors concerning the appointment of a director and the reappointment of independent directors and a director;
- Fluxys Belgium's New operating model;
- The preparation of the objectives for the Managing Director and the members of the Operational Management Team;
- The preparation of the evaluation of the Managing Director and the members of the Management Team BE;

- The compilation of recommendations on the remuneration of the Managing Director (fixed and variable remuneration);
- The compilation of recommendations on the remuneration of the members of the Management Team BE (variable remuneration) and the Operational Management Team (fixed remuneration) following a proposal by the Managing Director;
- The state of progress and evaluation regarding the company targets for 2024;
- Monitoring of the remuneration policy.

Operation

Decisions by the Appointment and Remuneration Committee are adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers. The members of the Appointment and Remuneration Committee seek to adopt decisions by consensus. In 2024, the Appointment and Remuneration Committee approved all the decisions submitted to it. For detailed information on how the committee works, consult Annex III of the Corporate Governance Charter – Appointment and Remuneration Committee Rules of Internal Procedure (<https://www.fluxys.com/en/about-us/fluxys-belgium/investors>).

Frequency of meetings and attendance levels

The Appointment and Remuneration Committee met three times in 2024 and, on one occasion, took a decision with unanimous written agreement of the directors. Director attendance at Appointment and Remuneration Committee meetings in 2024 was as follows:

Attendance	
Koen Van den Heuvel	3 out of 3 meetings
Valentine Delwart	1 out of 3 meetings
Cécile Flandre	2 out of 3 meetings
Sandra Gobert	3 out of 3 meetings
Gianni Infantì	3 out of 3 meetings
Roberte Kesteman	3 out of 3 meetings
Geert Versnick	1 out of 1 meeting

Corporate Governance Committee Composition of the Corporate Governance Committee

The Corporate Governance Committee comprises seven non-executive directors, of whom at least two thirds must be independent under the provisions of the Gas Act.

Chairman

Sabine Colson*

Members

- Laurent Coppens
- Valentine Delwart*
- Sandra Gobert*
- Roberte Kesteman*
- Anne Leclercq*
- Josly Piétte

Invited in an advisory capacity

Pascal De Buck, Managing Director and CEO

Secretariat

Julie Van de Velde, Head of Corporate Legal, acts as secretary to the Corporate Governance Committee.

Issues examined

The Corporate Governance Committee was set up within the Board of Directors in order to carry out the tasks conferred upon it by the Gas Act. In 2024, the Corporate Governance Committee mainly addressed the following issues:

- Preparation of the 2023 annual report by the Corporate Governance Committee, drafted on the basis of Article 8/3 section 5(3) of the Gas Act;
- The compilation of the opinion to be returned to the Board of Directors concerning the reappointment of independent directors.

Operation

Decisions by the Corporate Governance Committee are adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers. The members of the Corporate Governance Committee seek to adopt decisions by consensus. In 2024, the Corporate Governance Committee approved all the decisions submitted to it. For detailed information on how the committee works, consult Annex I of the Corporate Governance Charter – Corporate Governance Committee Rules of Internal Procedure (<https://www.fluxys.com/en/about-us/fluxys-belgium/investors>).

Frequency of meetings and attendance levels

The Corporate Governance Committee met once in 2024 and, on one occasion, took a decision with unanimous written agreement of the directors. Director attendance at Corporate Governance Committee meetings in 2024 was as follows:

Attendance	
Sabine Colson	1 out of 1 meeting
Laurent Coppens	0 out of 1 meeting
Valentine Delwart	1 out of 1 meeting
Sandra Gobert	1 out of 1 meeting
Roberte Kesteman	0 out of 1 meeting
Anne Leclercq	1 out of 1 meeting
Josly Piétte	1 out of 1 meeting

Managing Director & CEO and management in 2024

Composition

Pascal De Buck is the Managing Director of Fluxys Belgium. He is also the company's Chief Executive Officer.

The Managing Director can delegate some of his powers to management.

Until 31 October 2024, the Managing Director was assisted by a Management Team BE composed as follows:

- **Arno Büx**, Chief Commercial Officer
- **Christian Leclercq**, Chief Financial Officer
- **Peter Verhaeghe**, Chief Technical Officer

Since 1 November 2024, the Managing Director has been assisted by an Operational Management Team composed as follows:

- **Ben De Waele**, Sr VP Belgian Operations
- **Christian Leclercq**, Chief Financial Officer
- **Erik Vennekens**, Sr VP Asset Delivery & Digital

Deliberations

The Operational Management Team assists the Managing Director in the tasks assigned to him and meets as often as it deems necessary.

The Operational Management Team is assisted in its decision-making by an Executive Committee composed as follows:

- **Damien Adriaens**, Director Commercial Regulated
- **Nicolas Daubies**, Group General Counsel & Company Secretary

* Independent directors under the provisions of the Gas Act.

* Independent directors under the provisions of the Gas Act.

- **Raphaël De Winter**, Sr VP Business Development & M&A
- **Jan Van de Vyver**, Director Installations & Grid
- **Rafaël Van Elst**, Director Construction, Engineering & Gas Flow Ops
- **Anne Vander Schueren**, Sr VP People & Organisation
- **Leen Vanhamme**, Sr VP Strategy & Sustainability

Remuneration report

Introduction

Fluxys Belgium's remuneration policy is submitted to the General Meeting pursuant to the Code of Companies and Associations. It is then published on the company's website at <https://www.fluxys.com/en/company/fluxys-belgium/management-governance>.

This report provides information on the implementation of this policy over the past financial year.

By way of introduction, the remuneration policy aims to contribute to the company's mission and objective, namely to serve as the designated operator of Belgium's natural gas network, the Loenhout storage facility and the Zeebrugge LNG terminal; to be a key player in a sustainable energy future; and to offer reliable, affordable energy flows on the market. In addition, the company's new objectives are to be the essential infrastructure partner with a view to accelerating the energy transition and to be designated as the as the hydrogen transport network operator and as the operator for CO₂ transmission networks (for CO₂ in joint venture).

The remuneration policy applicable to the Managing Director and CEO and the Operational Management Team (which replaced the Management Team BE as of 01/11/2024) has been devised as per the remuneration policy for the entire company. This policy is based on an objective, transparent classification system intended to:

- ensure that the salary package offered is in line with the market in order to attract and retain staff with the required expertise;
- provide for performance-related remuneration that varies according to each individual's responsibilities and contribution to Fluxys Belgium's objectives, with the amount of this remuneration being based on the extent to which company, transversal and individual objectives are achieved;
- encourage professionalism, commitment as well as a consistent, cross-functional and sustainable approach, while fully respecting and supporting the company's values.

The remuneration of non-executive Board members is based on market practice and takes into account their role, specific tasks, the associated responsibilities and time commitment.

The remuneration awarded in 2024 is in line with the company's remuneration policy, the company's performance (with the company continuing to perform extremely well throughout this specific year) and its short- and long-term goals. More specifically, the company was able to ensure the continuity of its operations and provide maximum support for supply in North-West Europe, despite the particularly complex challenge due to the impact of the conflict in Ukraine. It continues to take important steps in the transition to a sustainable energy future.

It should be noted that, by way of derogation from Principles 7.6 and 7.9 of the 2020 Belgian Code on Corporate Governance, directors and members of the executive management do not receive any remuneration in the form of Fluxys Belgium shares. This derogation is justified in light of the regulated nature of the company's activities, which are characterised by other mechanisms intended to ensure the creation of value in the long term and a very relative correlation between performance and share price.

Remuneration of non-executive directors

During the previous financial year, Fluxys Belgium set the non-executive directors' remuneration at the same level as the previous financial year in line with the principles outlined in the Articles of Association, the Corporate Governance Charter and the remuneration policy.

Remuneration comprises a fixed total amount, set by the General Meeting, that the Board of Directors distributes between the non-executive directors on the basis of the workload involved in their individual roles within the company (maximum indexed annual amount of €360,000 as at 1 July 2007 or €550,503,79 as at 31 December 2024). Non-executive directors and government representatives also receive an attendance fee of €250 for each Board and committee meeting they attend.

Non-executive directors shall receive neither remuneration for performance, e.g. bonuses and long-term incentive schemes, nor benefits in kind or pension plan benefits. The remuneration of non-executive directors comprises solely a fixed amount.

At the end of the first six-month period, directors are paid an advance on their remuneration and attendance fees. This advance is calculated on the basis of the indexed base remuneration and in proportion to the duration of the directorship over the six-month period. A final payment (full settlement) is made in December of the year in question.

Remuneration of non-executive directors

For their work on Fluxys Belgium's Board of Directors and its various committees, the non-executive directors received the following gross remuneration and attendance fees in 2024.

Directors and government representative	Gross total in euro
Andries Gryffroy	26,216.84
Abdellah Achaoui (1)	13,483.42
Sabine Colson (2)	27,216.84
Laurent Coppens (3)	27,216.84
Valentine Delwart (4)	13,416.57
Patrick Dewael	8,971.09
Leen Dierick	13,983.42
Cécile Flandre	27,966.84
Sandra Gobert	27,466.84
Gianni Infantì	21,100.13
Ludo Kelchtermans (5)	13,983.42
Roberte Kesteman	27,216.84
Anne Leclercq	27,716.84
Jean-Claude Marcourt	14,233.42
Josly Piette (6)	20,600.13
Daniël Termont	21,350.13
Koen Van den Heuvel	21,100.13
Wim Vermeir (7)	21,100.13
Geert Versnick	7,768.49
Sandra Wauters	21,100.13
Maxime Saliez	4,544.38
Julien Simon	8,436.30
Tom Vanden Borre	13,483.42
Total	429,672.59

The total amount of € 429,672.59 comprises €380,422.59 in directors' fees and € 49,250.00 in attendance fees.

At their request, notification is hereby given that some directors have transferred their remuneration and attendance fees:

- (1) This director transferred their remuneration and attendance fees to Interfin.
- (2) This director transferred their remuneration and attendance fees to Wallonie Entreprendre.
- (3) This director transferred their remuneration and attendance fees to Interfin.
- (4) This director renounced their remuneration and attendance fees as from 1 July 2024.

(5) This director transferred their remuneration and attendance fees to Nuhma, Het Limburgs klimaatbedrijf.

(6) This director transferred their remuneration and attendance fees to SOCOFE.

(7) This director transferred their remuneration and attendance fees to AG Insurance.

Fluxys Belgium's non-executive directors do not hold any paid directorships in other Fluxys group companies.

Remuneration of the Managing Director and CEO and the members of the Management Team BE.

Total remuneration

The remuneration paid to the Managing Director and CEO and to the members of the Management Team BE pursuant to the remuneration policy comprises the following components:

- Base salary: fixed amount
- Performance-related remuneration: based on the degree to which the objectives set each year have been achieved (company and individual objectives);
- Performance-related remuneration for long-term objectives: based on the degree to which the objectives set for each regulatory period (four years) have been achieved, with payment possible every two years;
- a defined-contribution pension plan administered in accordance with the rules applicable to companies in the gas and electricity sectors; and
- other components: expenses to cover insurance, company cars and gas and electricity sector benefits.

Setting remuneration

After consulting the Nomination and Remuneration Committee, the Board of Directors has assessed the Managing Director and CEO of Fluxys Belgium in light of the extent to which the stipulated objectives were achieved. The Managing Director and CEO of Fluxys Belgium also gave the Nomination and Remuneration Committee an explanation of the achievement of objectives regarding the evaluation of the members of Management Team BE in 2024.

The Board of Directors met to decide on the remuneration of the Managing Director and CEO and the members of Management Team BE. The Board of Directors:

- approved Fluxys Belgium's performance and realisations for 2024;
- determined the amount of Pascal De Buck's variable remuneration for 2024 as Managing Director and CEO of Fluxys Belgium in 2024, as proposed by the Nomination and Remuneration Committee, and determined the total amount of the variable remuneration for 2024 of the members of Fluxys Belgium's Management Team BE, as proposed by Pascal De Buck.

The grant of performance-related remuneration is based on an assessment of the following criteria:

For the Managing Director and CEO

Short-term variable remuneration

Cycle	Per year	
Correlation between performance and payment	Performance level	Payment
Minimum bonus	80% or less	No minimum%, depending on the circumstances
On-target bonus	100%	40%
Maximum bonus	120% or more	70%
Objectives	Description	Weighting
Company level	Main company objectives including Fluxtainable targets	50%
Personal level	Individual and cross-functional	35%
Style & values	Leadership and link with company values	15%
Long-term variable remuneration		
Cycle	Every four years / Payment possible every two years	
Correlation between performance and payment	Performance level	Payment
Maximum bonus	100% or more	7%/year
Objectives	Description	Weighting
Company level	Main long-term company objectives	100%

A new cycle 2024-2027 was launched with a first payment possible in 2025 for the 2024-2025 results.

For members of Management Team BE

Short-term variable remuneration

Cycle	Per year	
Correlation between performance and payment	Performance level	Payment
Minimum bonus	80% or less	No minimum%, depending on the circumstances
On-target bonus	100%	30%
Maximum bonus	120% or more	45%
Objectives	Description	Weighting
Company level	Main company objectives including Fluxtainable targets	40%
Personal level	Individual and cross-functional	30%
Style & values	Leadership and link with company values	30%
Long-term variable remuneration		
Cycle	Every four years / Payment possible every two years	
Correlation between performance and payment	Performance level	Payment
Maximum bonus	100% or more	7%/year
Objectives	Description	Weighting
Company level	Main long-term company objectives	100%

A new cycle 2024-2027 was launched with a first payment possible in 2025 for the 2024-2025 results.

The main company objectives for 2024 can be summarised as follows:

- Financial performance: control OPEX and achieve Fluxys Belgium's financial targets;
- Energy transition and profitable, sustainable growth: become the essential partner for accelerating the energy transition;
- Carry out the investment plan, focusing on the energy transition;
- Safe, reliable and efficient operations focused on an acceptable level of process incidents and attention paid to security of supply (SOS) in the current market situation;
- Defining and implementing the Fluxys Belgium sustainability program based on an endorsed ESG vision, with the aim of ensuring adequate reporting by 2025.

Fluxys Belgium gives tangible form to its strategy and commitment to sustainable development by means of corporate objectives that align with "Fluxtainable", our sustainability path, which are translated every year into personal objectives. For example, the emphasis on the role of Fluxys Belgium in the transition to a sustainable energy future is a key factor in connection with variable remuneration, as is the Go4Net0 project, which aims to achieve a company with no greenhouse gas emissions,

and active support for technologies and market models that bolster the position of natural gas and carbon-neutral gas in connection with the energy transition.

In addition, respect, open and reliable have been included as key pillars in the short-term and long-term remuneration plans.

The short-term and long-term company objectives, as well as the respective personal objectives, together form the framework within which the performance of the Managing Director and CEO and the members of Management Team BE (and in the future, the Operational Management Team) are evaluated and within which their corresponding variable remuneration is assessed.

All company objectives were exceeded in 2024.

The Managing Director and CEO exceeded his personal objectives and was also deemed to have performed positively with regard to the objectives concerning leadership and the promotion of company values. The short-term variable remuneration granted to the Managing Director and CEO is mainly paid in cash, with the rest being paid into the group insurance scheme. He may also request payment of part of the bonus in the form of OTC options. The CEO also benefits from performance-related remuneration for long-term objectives for the period 2024-2027.

The next payment is possible after 2 years, in 2025, concerning the years 2024 and 2025. The variable remuneration for achieving long-term objectives is paid in cash.

The members of Management Team BE also exceeded their personal objectives and were deemed to have done well with regard to the objectives concerning leadership and the promotion of the company's values. Short-term variable remuneration is paid entirely in cash, though members can request that part of the bonus be paid in the form of OTC options. Regarding the achievement of long-term objectives by the members of the Operational Management Team, the next payment is possible in 2025 for the years 2024 and 2025. The variable remuneration for achieving long-term objectives is paid in cash.

Remuneration of the Managing Director and CEO and members of the Management Team BE in 2024

Components	Managing Director and CEO (individual)	Members of the Management Team BE (all together)
Base remuneration	276,386.79	650,522.29
Variable remuneration	195,595	256,238
Long-term variable remuneration ^(a)	0	0
Pension	105,737.86	262,867.81
Other components	14,080.21	55,870.37
Total	591,799.86	1,225,498.47
Fixed/variable ratio	67%	79%
	33%	21%

(a) In accordance with the rules established for long-term remuneration, the next payment will take place in 2025.

The current remuneration policy takes into account legislation on the distribution of variable compensation. More than half of the performance criteria relate to multiple years due to the context of multi-year tariffs and the energy transition.

Share-based remuneration

The Managing Director and CEO and the members of the Management Team BE do not receive any shares or stock options in the company as part of their base or performance-related remuneration.

Severance pay

The company did not grant any severance pay during the financial year in question.

For the year 2024, sustainability related measures make up at least one third of the total variable remuneration of the CEO and members of the Management Team BE, focusing on climate change, building and operating a reliable and safe infrastructure, employee engagement, learning and development and diversity and inclusion.

Part of the sustainability targets are climate-related, more specifically linked to the transport of molecules for a carbon-neutral future. For the CEO and members of the Management Team BE at least 5% of the total remuneration (base salary + short term + long term variable salary) is directly linked to these targets.

Change in company remuneration and performance

Annual change	2020	2021	2022	2023	2024
Non-executive directors^(a)					
Total	464,687	469,910	442,266	437,660	429,673
Managing Director and CEO					
Total	619,288	609,811	669,973	884,700	591,800
Members of the Management Team BE^(a)					
Total	977,242	1,022,346	1,057,617	1,259,195	1,225,498
Performance of the Fluxys Belgium group (consolidated financial statements – in EUR thousand)					
Operating revenue	560,590	573,191	912,559	592,788	608,789
EBITDA	313,623	318,905	323,167	285,809	303,632
EBIT	133,482	137,821	147,305	129,570	135,280
Net profit	73,237	75,521	83,728	77,423	83,969

Average remuneration paid to other employees (in full-time equivalent)

Total ^(b)	89,292	91,112	99,140	103,191	109,162
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(a) The number of members may vary from one year to the next.

(b) Total in the 'remuneration' segment for all employees, i.e. managerial and salaried staff, including the set group of employees who are still remunerated in accordance with the 'old' working conditions, in line with the provisions of Joint Committee 326. This 'remuneration' segment encompasses all gross components of remuneration, more specifically fixed annual salaries, as well as variable components, including payment for on-call work, work breaks, overtime, etc. The other components of remuneration (employer contributions to group insurance, personal insurance and the cost of certain job-related benefits) are not included.

The ratio between the highest remuneration paid to management (the Managing Director and CEO) and the lowest remuneration (expressed in full-time

equivalent) paid to employees was 1:12 in 2024. The ratio has changed mainly because there was no LTI payment in 2024.

Voting rights and special powers

The shareholders' meeting represents all shareholders irrespective of their share category. The valid decisions it makes, based on the required majority, shall be binding on all shareholders, even those who are not present or who do not agree with said decisions.

Each share entitles the holder to one vote. In compliance with the Royal Decree of 16 June 1994, and with the Articles of Association within which these statutory provisions are incorporated, special rights shall be allocated to the golden share held by the Belgian State in Fluxys Belgium in addition to the ordinary rights attached to all other shares. Said special rights are exercised by the federal Energy Minister and, in brief, comprise the following:

- The right to oppose any transfer, assignment as a guarantee, or change in the purpose of Fluxys Belgium's strategic assets (a list of which is appended to the aforementioned Royal Decree dated 16 June 1994) if the Federal Energy Minister considers that such an operation would adversely affect national interests in the field of energy;
- The right to appoint two representatives of the federal government in an advisory capacity to Fluxys Belgium's Board of Directors;
- The right of representatives of the federal government to appeal to the Federal Energy Minister within four working days, on the basis of objective, non-discriminatory and transparent criteria (as defined in the Royal Decree of 5 December 2000), against any decision of Fluxys Belgium's Board of Directors (including the investment and activity plan and the associated budget) which in their view breaches national

Use of clawback rights

The Managing Director and CEO, in this capacity, and the members of Management Team BE have employee status. Fluxys Belgium applies the relevant legal provisions to their employment contracts.

If it transpires that a deliberate error has resulted in inaccurate financial data being used as the basis for the variable remuneration, this shall be taken into account in the evaluation process of the individual concerned in the year in which the error is detected.

The company did not make use of this option in the financial year in question.

Derogations from the remuneration policy

There were no derogations from the remuneration policy in 2024.

energy policy guidelines, including the government's national energy supply objectives – such an appeal shall be suspensive. If the federal Energy Minister has not annulled the decision concerned within eight working days after this appeal, the decision shall become definitive; • A special voting right in the event of deadlock at the Annual General Meeting concerning an issue affecting the objectives of federal energy policy.

The special rights attached to the golden share held by the Belgian State are listed in Articles 5, 10, 12 and 18 of Fluxys Belgium's Articles of Association. These rights remain attached to the golden share for as long as it is held by the Belgian State and Articles 3 to 5 of the Royal Decree of 16 June 1994 granting the State a golden share in Fluxys Belgium or replacement provisions remain in force.

In addition to these statutory special rights, the golden share also confers on its holder the right to receive a portion 100 times greater than that associated with each category-B and category-D share of all dividend payments and all other payments which the company makes to its shareholders.

Limitations on share transfers set by law or the Articles of Association

There are no limitations on the following share transfers:

- Transfers of shares, subscription rights or independent rights enabling the purchase of shares (hereafter jointly referred to as "securities") between a shareholder and companies associated with that shareholder within the meaning of the Code on Companies and Associations;
- All transfers of category-D shares.

In all other cases, any shareholder planning to transfer securities to another shareholder or a third party, in any manner whatsoever, shall give all other shareholders, except holders of category-D shares and the golden share, the option of a priority purchase (on a pro rata basis of their shareholding) of the securities relating to the planned transfer, as per the procedures detailed below.

A shareholder planning to transfer shares must inform the company in writing, requesting acknowledgement of receipt, a) of the number of shares they plan to sell, b) of the name of the prospective assignee(s) deemed to be of good faith and the price irrevocably offered by said assignee, and c) that the shares in question are being offered to shareholders for priority purchase under the same conditions. The Board of Directors shall

inform the other shareholders of this offer in the same manner within two weeks. Every shareholder shall then have 60 days as from receipt of the aforesaid written notification to inform the transferring shareholder and the company, in writing requesting acknowledgement of receipt, whether or not they shall submit a bid and, if so, of the number of shares they wish to acquire.

If requests exceed the number of shares offered for sale, the Board of Directors shall distribute the shares between the applicants on a pro rata basis of the number of shares held by said applicants and up to the maximum number of shares stated in their request.

If, upon the expiry of the aforementioned period of 60 days, no shareholders have indicated their intention to acquire the shares offered, or where the number of shares requested by the shareholders is less than the number of shares offered, the shareholder who indicated their intention to transfer shares in accordance with the provisions of this article shall be able to complete the planned transfer to the third party indicated in their notification and under the conditions indicated therein.

Transactions and other contractual relations

Directors and members of the Operational Management Team must take care to comply with all legal and ethical obligations incumbent upon them, in particular with respect to conflicts of interest as per Article 7:96 of the Code on Companies and Associations.

The group's Corporate Governance Charter lays down a procedure for transactions and other contractual relations between directors or members of the Operational Management Team and the company or its subsidiaries and which do not fall within the scope of the aforementioned Article 7:96.

This procedure is as follows:

- Directors and members of the Operational Management Team must take care to comply with all legal and ethical obligations incumbent upon them. They must organise their private and business affairs in such a way as to avoid as far as possible any situation in which a personal conflict of interest may arise between themselves and the company or its subsidiaries.

- In the event of any doubt on the part of a director as to whether there is such a conflict of interest, they must notify the Chairman of the Corporate Governance Committee accordingly. Members of the Operational Management Team should express their doubts to the Managing Director.
- Where there is a personal conflict of interest, the director concerned must, without being asked, withdraw from the Board of Directors' meeting while the matter in question is being discussed and must not take part in the voting, including by proxy, on said matter. Reasons for this abstention must be stated in accordance with the terms of the Code on Companies and Associations.
- Where there is deemed to be a conflict of interest, the purpose and conditions of the transaction or other contractual relationship must be communicated for information purposes to the Board of Directors by its Chairman. The Board of Directors is also required to approve said purpose and conditions (or refer them to the Board of Directors of the subsidiary concerned for approval) where the total amount of the individual transaction or accumulated transactions over a three-month period is in excess of €25,000.
- If a member of the Operational Management Team has, directly or indirectly, an interest of a financial nature which conflicts with a decision or a transaction falling within the remit of the Operational Management Team, they must notify the other members of this before the Team deliberates. The member concerned may not participate in the deliberations of the Operational Management Team on that decision or transaction or in the vote.

The Board of Directors was not required to implement the above procedure during the 2024 financial year.

Issue or buy-back of shares

Fluxys Belgium's Articles of Association authorise the General Meeting to acquire the company's own shares in accordance with legal provisions. No such decision was taken at the 2024 Annual General Meeting. However, when the company acquires its own shares with a view to distributing them to its staff, no decision by the General Meeting is required.

In the case of a capital increase, the shares for subscription in cash must be preferentially offered to shareholders, in proportion to the portion of the company's capital their shares represent. However, the General Meeting may, in the interests of the company, limit or eliminate this pre-emptive right in compliance with legal provisions.

Auditor

In 2024, EY received remuneration totalling €542,782 for its work as the Fluxys Belgium group's auditor.

This remuneration is broken down as follows:

- Audit services as auditor for the group: €378,984
- Audit services as auditor for the group's foreign subsidiaries: €21,920
- The auditor provided additional services during the year for a total of €141,878.

Subsidiaries

The Board of Directors supervises the progress of subsidiaries' activities at least twice a year when it examines their consolidated accounts (annual and half-yearly). The Board of Directors is also informed, as and when appropriate, of major events and important developments involving subsidiaries.

Disclosure of major holdings

The periodic disclosure pursuant to Article 74(8) of the Act of 1 April 2007 was sent out on 13 December 2017. As of the date of disclosure, Fluxys held 63,237,240 shares with voting rights in Fluxys Belgium. Publigas held no shares with voting rights in Fluxys Belgium. Publigas confirmed at that time that it had not acquired or transferred any shares with voting rights in Fluxys Belgium. No transfer of shares with voting rights took place in 2024.

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Financial situation



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Consolidated financial statements under IFRS

General information on the company

Corporate name and registered office

The registered office of the parent entity Fluxys Belgium SA is Avenue des Arts 31, B – 1040 Brussels, Belgium.

Group activities

The main activities of the Fluxys Belgium group are transmission and storage of natural gas as well as terminalling services for liquefied natural gas (LNG) in Belgium. The Fluxys Belgium group also provides complementary services related to these main activities. Transmission, storage and terminalling services in Belgium are subject to the Gas Act¹. Please refer to the specific chapters in the directors' report for further information on the activities of Fluxys Belgium group.

¹ Act of 12 April 1965 concerning the transmission of gaseous and other products by pipelines as later amended.

Consolidated financial statements of the Fluxys Belgium group under IFRS

A. Consolidated balance sheet

Consolidated Balance Sheet		In thousands of €	
	Notes	31-12-2024	31-12-2023
I. Non-current assets		2,006,598	2,073,059
Property, plant and equipment	5.1	1,804,302	1,873,286
Intangible assets	5.2	29,418	27,238
Right of use assets	5.3	28,428	28,580
Investments accounted for using the equity method		50	50
Other financial assets	5.4/6	108,953	111,210
Other receivables	6	18,691	21,496
Other non-current assets	5.5	16,756	11,199
II. Current assets		1,303,498	1,285,557
Inventories	5.6	52,711	50,443
Finance lease receivables	6	0	1,644
Current tax receivables		8,357	7,071
Trade and other receivables	5.7/6	93,521	102,056
Cash investments	5.8/6	31,672	32,998
Cash and cash equivalents	5.8/6	1,091,543	1,068,227
Other current assets	5.9	25,694	23,118
Total assets		3,310,096	3,358,616

Consolidated Balance Sheet		In thousands of €	
	Notes	31-12-2024	31-12-2023
I. Equity	5.10	603,813	613,413
Equity attributable to the parent company's shareholders		603,090	612,625
Share capital and share premiums		60,310	60,310
Retained earnings and other reserves		542,780	552,315
Non-controlling interests		723	788
II. Non-current liabilities		2,318,379	2,297,633
Interest-bearing liabilities	5.11/6	1,025,275	1,070,311
Regulatory liabilities	5.12	1,119,089	1,039,716
Provisions	5.13	1,182	3,939
Provisions for employee benefits	5.14	45,779	48,455
Other non-current financial liabilities	6	2,912	4,010
Deferred tax liabilities	5.15	124,142	131,202
III. Current liabilities		387,904	447,570
Interest-bearing liabilities	5.11/6	56,346	55,336
Regulatory liabilities	5.12	170,868	219,122
Provisions	5.13	0	291
Provisions for employee benefits	5.14	3,293	3,508
Current tax payables		4,516	4,248
Trade and other payables	5.16/6	108,959	118,956
Other current liabilities ²		43,922	46,109
Total liabilities and equity		3,310,096	3,358,616

² Mainly grants to be used in the following periods

B. Consolidated income statement

Consolidated income statement		In thousands of €	
	Notes	31-12-2024	31-12-2023
Operating revenue	4.1	608,789	592,788
Sales of gas related to balancing operations and operational needs	5.6	84,152	160,761
Other operating income	4.1	20,491	19,594
Consumables, merchandise and supplies used	4.2.1	-13,012	-8,895
Purchase of gas related to balancing of operations and operational needs	5.6	-71,635	-157,389
Miscellaneous goods and services	4.2.2	-179,034	-179,845
Employee expenses	4.2.3	-141,877	-135,240
Other operating expenses	4.2.4	-5,591	-5,965
Depreciations	4.2.5.1	-177,533	-166,894
Provisions	4.2.5.2	2,958	-745
Impairment losses	4.2.5.3	6,223	11,400
Operational profit/loss		133,931	129,570
Change in the fair value of financial instruments		-66	262
Financial income	4.3	45,808	37,606
Finance costs	4.4	-72,038	-70,777
Profit/loss before taxes		107,635	96,661
Income tax expenses	4.5	-25,574	-19,238
Net profit/loss for the period	4.6	82,061	77,423
Fluxys Belgium share		82,913	77,423
Non-controlling interests		-852	0
Basic earnings per share attributable to the parent company's shareholders in €	4.7	1.1800	1,1019
Diluted earnings per share attributable to the parent company's shareholders in €	4.7	1.1800	1,1019

C. Consolidated statement of comprehensive income

Consolidated statement of comprehensive income		In thousands of €	
	Notes	31-12-2024	31-12-2023
Net profit/loss for the period	4.6	82,061	77,423
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of employee benefits	5.12	7,925	-13,394
Income tax expense on these variances	5.15	-2,006	3,348
Other comprehensive income		5,919	-10,046
Comprehensive income for the period		87,980	67,377
Fluxys Belgium share		88,832	67,377
Non-controlling interests		-852	0

D. Consolidated statement of changes in equity

Consolidated statement of changes in equity								In thousands of €	
	Share capital	Share premium	Reserves not available for distribution	Retained earnings	Reserves for employee benefits	Other comprehensive income	Equity attributable to the parent company's shareholders	Non-controlling interests	Total equity
I. BALANCE AS AT 31-12-2022	60,272	38	54,072	508,560	20,675	0	643,617	0	643,617
1. Comprehensive income for the Period				77,423	-10,046		67,377		67,377
2. Dividends paid				-98,369			-98,369		-98,369
3. Capital increases							788	788	788
II. CLOSING BALANCE AS AT 31-12-2023	60,272	38	54,072	487,614	10,629	0	612,625	788	613,413
1. Comprehensive income for the Period				82,913	5,919		88,832	-852	87,980
2. Dividends paid				-98,367			-98,367		-98,367
3. Capital increases							787	787	787
III. CLOSING BALANCE AS AT 31-12-2024	60,272	38	54,072	472,160	16,548	0	603,090	723	603,813

E. Consolidated statement of cash flows

Consolidated statement of cash flows (indirect method)		In thousands of €	
	Notes	31-12-2024	31-12-2023
I. Cash and cash equivalents, opening balance	A.	1,068,227	1,070,708
II. Net cash flows from operating activities		303,095	356,266
1. Cash flows from operating activities		292,095	345,568
1.1. Profit/loss from continuing operations	B.	133,931	129,569
1.2. Non cash adjustments		157,991	447,983
1.2.1. Depreciations	B.	177,533	166,894
1.2.2. Provisions	B.	-6,613	745
1.2.3. Impairment losses	B.	-6,223	-11,400
1.2.4. Other non-cash adjustments		-135	640
1.2.5. Increase (decrease) of the regulatory liabilities	5.12	-6,571	291,104
1.3. Changes in working capital		173	-231,984
1.3.1. Decrease (increase) of inventories	5.6	4,084	23,644
1.3.2. Decrease (increase) of tax receivables	A.	-1,286	901
1.3.3. Decrease (increase) of trade and other receivables	A.	13,765	62,264
1.3.4. Decrease (increase) of other current assets		-1,959	-7,628
1.3.5. Increase (decrease) of tax payables		268	1,070
1.3.6. Increase (decrease) of trade and other payables	A.	-12,065	-333,230
1.3.7. Increase (decrease) of other current liabilities	A.	-2,634	20,995
2. Cash flows relating to other operating activities		11,000	10,698
2.1. Current tax paid		-34,639	-26,600
2.2. Interests from investments, cash and cash equivalents	4.3	45,452	36,689
2.3. Other inflows (outflows) relating to other operating activities	4.3/4.4	187	609
III. Net cash flows relating to investment activities		-102,441	-177,564
1. Acquisitions		-111,834	-185,595
1.1. Payments to acquire property, plant and equipment, and intangible assets	5.1/5.2	-103,852	-184,776
1.2. Payments to acquire other financial assets	5.4	-7,982	-819

Consolidated statement of cash flows (indirect method)		In thousands of €	
Notes	31-12-2024	31-12-2023	
2. Disposals	8,067	14,916	
2.1. Proceeds from disposal of property, plant and equipment, and intangible assets	933	2,916	
2.2. Proceeds from disposal of other financial assets	5.4	7,134	12,000
3. Increase (-)/ Decrease (+) of cash investments	A.	1,326	-6,885
IV. Net cash flows relating to financing activities		-177,338	-181,183
1. Proceeds from cash flows from financing		2,431	1,238
1.1. Proceeds from issuance of equity instruments	D.	787	788
1.2. Proceeds from finance leases	A.	1,644	450
2. Repayments relating to cash flows from financing		-48,484	-49,411
2.1. Repayment of finance lease liabilities	5.11	-5,248	-5,048
2.2. Repayment of other financial liabilities	5.11	-43,236	-44,363
3. Interests		-32,918	-34,641
3.1. Interest paid classified as financing		-32,918	-34,680
3.2. Interest received classified as financing		0	39
4. Dividends paid	D.	-98,367	-98,369
V. Net change in cash and cash equivalents		23,316	-2,481
VI. Cash and cash equivalents, closing balance	A.	1,091,543	1,068,227

Notes

Note 1a. Statement of compliance with IFRS

The consolidated financial statements of the Fluxys Belgium group for the financial year ended 31 December 2024 have been prepared in accordance with IFRS accounting standards, as approved by the European Union and applicable on the balance sheet date.

All amounts are stated in thousands of euros.

Note 1b. Judgement and use of estimates

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, and to assess the positive and negative consequences of unforeseen situations and events at the balance sheet date, as well as revenues and expenses of the financial year.

Significant estimates made by the group in the preparation of the financial statements relate mainly to the valuation of the recoverable amount of property, plant and equipment, and intangible assets (see Notes 5.1 and 5.2), the valuation of rights of use and lease obligations under leases (see Notes 5.3 and 5.11), the valuation of any provisions and assets/liabilities (see Notes 5.13 and 7) and in particular the provisions for litigation and pension and related liabilities (see Note 5.14).

Due to the uncertainties inherent in all valuation processes, the group revises its estimates on the basis of regularly updated information. Future results may differ from these estimates.

Other than the use of estimates, group management also uses judgement in defining the accounting treatment for certain operations and transactions not addressed under the IFRS standards and interpretations currently in force.

Therefore, in the balance sheet, the group records the regulatory liabilities corresponding to the excess of regulated revenue received according to the real costs to be covered by the authorized regulated tariffs. This difference is transferred from the income statement to the balance sheet in the regulatory liabilities (non-current and current - See Note 5.12). Where required, the regulatory assets are accounted for in the balance sheet on the line for 'regulatory assets' when the regulated revenue received is lower than the real costs to be covered by the authorised regulated tariffs.

These latter are recognised in as much as the group considers their recovery highly likely. This accounting method (see Note 2.12) has been determined by the group, as no definitive guidance on 'rate-regulated activities' has been published to date.

Note 1c. Date of authorisation for issue

The Board of Directors of Fluxys Belgium SA authorised these IFRS financial statements for issue on 27 March 2025.

Note 1d. Standards, amendments and interpretations applicable on 1 January 2024

The following standards and interpretations are applicable for the annual period starting from 1 January 2024:

- Amendments to IAS 1 Presentation of Financial Statements - Classifying liabilities as current or non-current
- Amendments to IAS 7 – Statement of cash flows and IFRS 7 Financial instruments: disclosures – Supplier finance arrangements
- Amendments to IFRS 16 – Leases: Lease liability in a sale and leaseback

As of the financial year starting on 1 January 2024, Publigas, including its participation in Fluxys SA and its Belgian and foreign subsidiaries, are subject to the so-called Pillar Two law "Wet houdende de invoering van een minimumbelasting voor multinationale ondernemingen en omvangrijke binnenlandse groepen" of 19 December 2023. The law generally follows Council Directive (EU) 2022/2523 of 14 December 2022.

The law aims to ensure a global minimum level of taxation for Belgian multinational enterprise groups and large-scale Belgian groups. The law includes a set of rules that should result in the application of a minimum effective tax rate of 15% for Publigas group, being a multinational enterprise group with a consolidated revenue exceeding EUR 750 million for at least two of the four previous financial years.

The Publigas group aims to correctly comply with this new legislation, both in Belgium and in the other countries in which the group is present. The group's focus is on the application of the 'Transitional CbCR Safe Harbour' rules. Based on an analysis of historical data, the Publigas group expects to be able to apply these rules in most of the jurisdictions in which it operates. For Pillar Two GloBE Model Rules purposes, Publigas SC/CV (Belgian legal entity) has been identified as the UPE of the entire group and Fluxys Belgium is a Constituent Entity (and in particular a Partially Owned Parent Entity) of the UPE.

Fluxys Belgium has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar two income taxes. It is reasonable to expect Publigas group is able to rely on Transitional CbCR Safe Harbour rules for all jurisdictions in which Fluxys Belgium is operating and hence no Top-up-Tax exposure is expected at the level of Fluxys Belgium.

The application of these amendments didn't have a significant impact on the financial statements of the group.

Note 1e. Standards, amendments and interpretations applicable from 1 January 2025 and later

At the date of authorization of these financial statements, the standards and interpretations listed below have been issued but are not yet mandatory:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: lack of exchangeability, date of entry into force: 1 January 2025
- Amendments to IFRS 9 Classification and Measurement Requirements and IFRS 7 Disclosures, date of entry into force: 1 January 2026
- Amendments to IFRS 9 and IFRS 7 - Nature-Dependent Electricity Contracts, date of entry into force: 1 January 2026
- Annual improvements Volume 11
- IFRS 18 - Presentation and Disclosure in Financial Statements, date of entry into force: 1 January 2027
- IFRS 19 Subsidiaries without Public Accountability: Disclosures, date of entry into force: 1 January 2027

These standards, amendments and interpretations have not been adopted early. The application of these standards, amendments and interpretations will have no significant impact on the financial statements of the group.

Note 2. Accounting principles and policies

The accounting principles and policies set out below were approved at the Fluxys Belgium Board of Directors meeting of 27 March 2025.

Changes or additions compared with the previous financial year are underlined.

Note 2.1. General principles

The financial statements fairly present Fluxys Belgium group's financial position, results of operations and cash flows.

The group's financial statements have been prepared on the accrual basis of accounting, except for the cash flow statement.

Assets and liabilities have not been offset against each other, except when required or allowed by an international accounting standard.

Current and non-current assets and liabilities have been presented separately in the balance sheet of the Fluxys Belgium group.

The accounting policies have been applied in a consistent manner.

Note 2.2. Balance sheet date

The consolidated financial statements are prepared as of 31 December, i.e. the parent entity's balance sheet date.

Note 2.3. Events after the balance sheet date

The book value of assets and liabilities at the balance sheet date is adjusted when events after the balance sheet date provide evidence of conditions that existed at the balance sheet date.

Adjustments can be made until the date of authorisation for issue of the financial statements by the Board of Directors.

Other events relating to circumstances arising after balance sheet date are disclosed in the notes to the consolidated financial statements, if significant.

Note 2.4. Basis of consolidation

The Fluxys Belgium group's consolidated financial statements have been prepared in accordance with IFRS and in particular with IFRS 3 (Business Combinations), IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements) and IAS 28 (Investments in Associates and Joint Ventures).

Subsidiaries

The Fluxys group's consolidated financial statements include the financial statements of the parent entity and the financial statements of the entities it controls and its subsidiaries.

The investor controls an investee when he is exposed—or has rights—to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in joint ventures

A joint venture is a joint arrangement in which the parties exercising joint control over the undertaking have rights to the net assets of the undertaking. Joint control means contractually agreed sharing of the control exercised over an undertaking, which only exists in the cases where the decisions on the relevant activities require the unanimous consent of the parties sharing the control.

The results and assets and liabilities of associates or joint ventures are accounted for in the present consolidated financial statements in accordance with the equity method, unless the investment, or a part thereof, is classified as an asset held for sale in accordance with IFRS 5.

An investment in an associate or joint venture is initially accounted for at cost. It then integrates the share of the group in the net results and the other elements of the comprehensive result of the undertaking accounted for under the equity method. Finally, dividends distributed by this entity decrease the value of the investment.

Note 2.5. Intangible assets

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and if the cost of the asset can be measured reliably.

Intangible assets are recognised at cost in the balance sheet (cost method), less any accumulated depreciation and any accumulated impairment losses.

Intangible assets with a limited useful life are depreciated over their useful life.

Computer software is depreciated at 20% per annum.

Subsequent expenditure is capitalised if it generates economic benefits exceeding the initial standard of performance.

Intangible assets are reviewed at each balance sheet date to identify indications of potential impairment that may have arisen during the financial year. In case such indications are noted, an estimate of the recoverable amount of the related intangible assets is made. The recoverable amount is defined as the higher of the fair value less costs to sell of an asset and its value in use.

The value in use is calculated by discounting future cash inflows and outflows generated by the continuous use of the asset and its final disposal at an appropriate discount rate.

Intangible assets are impaired when their book value exceeds the amount that can be recovered, as a result of obsolescence of these assets or due to economic or technological circumstances.

The useful life, the depreciation method, as well as the potential residual value of intangible assets are reassessed at each balance sheet date and revised prospectively, if applicable.

Emission rights for greenhouse gases

Emission rights for greenhouse gases acquired at fair value are recognised as intangible assets at their acquisition cost. Rights granted free of charge are recognised as intangible assets at a nil book value.

The cost associated with emission of greenhouse gases in the atmosphere is recognised as an operating expense, the counterpart being a liability for the obligation to deliver allowances covering the effective emission over the period concerned (other debts). This expense is measured by reference to the weighted average cost of the acquired or granted allowances.

This liability is derecognised on the delivery of allowances to the government by withdrawing emission rights from intangible assets.

In case the allowances are insufficient to cover the emission of greenhouse gases during the financial year, the group accounts for a provision. This provision is measured by reference to the market value at the balance sheet date of the allowances yet to be purchased.

The excess emission rights not sold on the market are valued at the balance sheet date by reference to the weighted average cost of the acquired or granted allowances, or at market value if lower than the weighted average cost.

Note 2.6. Property, plant and equipment

Property, plant and equipment (PPE) is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and if the cost of the asset can be measured reliably.

PPE is recognised at cost in the balance sheet (cost method), less any accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure is capitalised if it generates economic benefits exceeding the initial standard of performance.

PPE is reviewed at each balance sheet date to identify indications of potential impairment that may have arisen during the financial year. In case such indications are noted, an estimate of the recoverable amount of the PPE in question is established. The recoverable amount is defined as the higher of the fair value less costs to sell of an asset and its value in use. The value in use is calculated by discounting future cash inflows and outflows generated by the continuous use of the asset and its final disposal at an appropriate discount rate.

Climate-related matters have been assessed and it has been determined that there is no impact on the useful life of assets. This assessment is in line with the regulatory framework determined by CREG. CREG has the authority to develop the methodology for transmission, storage and LNG terminalling tariffs, having conducted a public consultation for this purpose. This methodology states that the pipelines and installations should be fully depreciated by December 2049 at the latest, rule applied by the Fluxys Belgium group.

Depreciation methods

PPE is depreciated over its useful life.

Each significant component of PPE is recognised separately and depreciated over its useful life.

The depreciation method reflects the rate at which the group expects to consume the future economic benefits related to the asset, taking into account the time during which the assets may generate regulated revenue.

The regulated investments intended to increase the security of supply in Europe are depreciated under a diminishing balance method, which more accurately reflects the rate at which the group expects to consume the future economic benefits of these assets. This is a specific list of regulated infrastructure investments, which are essential for gas transmission in Europe and form an integral part of the RAB.

The methods and durations of depreciation used are as follows:

Straight-line method:

- 50 years for transmission pipelines in Belgium, terminalling facilities and tanks; In line with the new tariff method applied since 01.01.2020, all investments (new and existing) in gas transmission pipelines are fully depreciated by December 2049 at the latest.

In accordance with the new pricing methodology that has been applied since 01.01.2024, all new investments in facilities will be fully amortised by December 2049 at the latest.

- 50 years for administrative buildings, staff housing and facilities;
- 40 years for storage facilities;
- 33 years for industrial buildings;
- 20 years for investments related to the extensions of the Zeebrugge LNG terminal;
- 10 years for equipment and furniture;
- 5 years for vehicles and site machinery;
- 4 years for computer hardware;
- 3 years for prototypes;

Declining-balance method:

- This method only applies for investments made to ensure security of supply: declining-balance.

The useful life, the depreciation method, as well as the potential residual value of property, plant and equipment are reassessed at each balance sheet date and revised prospectively, if applicable.

Note 2.7. Leases

Definition of 'lease'

A contract is or contains a lease if it conveys a right to control the use of an identified asset for a period of time in exchange for a consideration.

To determine whether a lease confers the right to control use of a determined asset for a determined period of time, the entity must appreciate whether, throughout the period of use, it has the right to:

- obtain substantially all of the economic benefits from the use of the asset; and
- direct the use of the asset.

To determine the duration of the lease, any options for renewal or termination are considered, as required under IFRS 16, taking into account the probability of exercising the option as well as whether it is under the control of the lessee.

The group as a lessee

At the start of the lease, the lessee recognises a right-of-use asset and a lease obligation.

Right-of-use assets

The group recognises right-of-use assets on the date of the start of the contract, i.e. the date on which the asset becomes available for use. These assets are valued at the initial cost of the lease obligation minus amortisation and any depreciation, adjusted to take into account any revaluations of the lease obligation. The initial cost of the right-of-use assets includes the present value of the lease obligation, the initial costs incurred by the lessee, rent payments made on the start date or before that date, minus any incentives obtained by the lessee. These assets are depreciated over the estimated lifetime of the underlying asset or over the duration of the contract if this period is shorter, unless the group is sufficiently certain of obtaining ownership of the asset at the end of the contract.

Right-of-use assets are presented separately from other assets as a different entry under non-current assets.

Lease obligations

The lease obligation is valued at the present value of the rent payments that have not yet been paid. The present value of the rent payments must be calculated using the interest rate implicit in the lease if it is possible to determine that rate. If not, the lessee must use its incremental borrowing rate.

The incremental borrowing rate is the interest rate that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Over the duration of the contract, the lessee values the lease obligation as follows:

- by increasing the book value to reflect the interest on the lease obligation;
- by reducing the book value to reflect the rent payments made;
- by revaluing the book value to reflect the new appreciation of the lease obligation or amendments to the lease.

The services included in leases do not form part of the lease debt.

Lease obligations are presented in a separate entry under current and non-current interest-bearing liabilities (see note 5.11).

Short-term leases and low-value leases

For short-term leases (duration of 12 months or less), the Fluxys Belgium group registers a lease expense.

To determine the criteria for a low-value lease, a threshold has been determined, except for vehicles, which are included in the group of vehicles leased for more than one year without applying the value criteria.

For short-term leases, and low-value leases, the effect on profit/loss is not significant.

Presentation

In the consolidated income statement, the interest charge on the lease obligation is presented separately from the depreciation charge that applies to the right-of-use asset.

In the cash flow statement, the cash flows will be presented as follows:

- cash outflows relating to the principal of the lease obligation and the interest paid, in the financing activities;
- rent payments for short-term leases, low-value leases and variable rent payments that have not been taken into account in the valuation of the lease obligations, in the operating activities.

Note 2.8. Financial instruments

Recognition and derecognition of financial assets and liabilities

Recognition

Financial assets and liabilities are recognised when the group becomes party to the instrument's contractual terms.

Derecognition of financial assets

The group has to derecognise a financial asset if and only if the contractual rights on the cash flows of the financial asset expire, or where it transfers almost all the risks and advantages inherent to the ownership of the financial asset to a third party.

If the group neither transfers nor retains substantially all the risks and rewards of ownership of a transferred asset, and retains control of the transferred asset, the group continues to recognise the financial asset to the extent of its continuing involvement and recognises a related liability for the amount received.

If the group keeps almost all the risks and advantages inherent to the ownership of the financial asset, it continues to recognise the whole financial asset and recognises a financial liability for the consideration received.

When a financial asset measured at amortised cost is derecognised, the difference between the amortised cost and the sum of the considerations received is transferred to the income statement.

When an investment in equity instruments until now measured at fair value with changes to other comprehensive income are derecognised, the accumulated profit/loss recognised previously in other comprehensive income is not reclassified to net income.

Derecognition of financial liabilities

The entity derecognises a financial liability only if this liability is extinguished, i.e. once the obligation is fulfilled, cancelled or it expires.

The difference between the book value of an extinguished financial liability and the consideration paid, including, where applicable, the assets (non-cash) transferred and the liabilities acquired must be recognised in the income statement.

Unconsolidated equity instruments (such as shares and equity rights)

The Fluxys Belgium group values the unconsolidated equity instruments at fair value with changes to other comprehensive income.

However, given the materiality of certain instruments and the unavailability of recent market values, certain equity instruments are accounted for at the initial cost.

The dividends received for these equity instruments are recognised in financial income under the item 'Dividends from unconsolidated entities'.

Cash investments, cash and cash equivalents

Cash investments in the form of bonds or commercial paper, having a maturity date exceeding three months, are reported as financial assets measured at amortised cost. These are shown in the balance sheet under non-current 'other financial assets' and under current 'investments'.

Cash and cash equivalents held are reported as financial assets measured at amortised cost.

The economic model used by the Fluxys Belgium group to manage financial assets aims to hold them in order to obtain contractual cash flows. The sales of financial assets are rare, and the group does not expect to proceed with such sales in the future, except in the case of an increased credit risk for the assets over and above the policy advocated by the group. A sale may also be motivated by an unexpected financing need.

Where the conditions required to be qualified as financial assets valued at amortised cost are not met, these financial assets concerned are valued at fair value with changes to net profit/loss.

Trade and other receivables

Trade and other receivables are stated at their face value reduced by any amounts deemed unrecoverable.

When the time value of money is significant, trade and other receivables are discounted.

Impairment losses are recognised when the book value of these items at balance sheet date exceeds their recoverable amount.

Expected credit losses and write-downs

Expected credit losses on financial assets accounted for at amortised cost are calculated using an individual approach, based on the credit quality of the counterparty and the maturity of the financial asset.

Expected credit losses are calculated using a probability of default over the useful life of the financial asset.

A financial asset is impaired where one or more events have occurred with a negative effect on the future estimated cash flows of this financial asset. The indications of the impairment of a financial asset encompass data that may be observed on the following events:

- defaults in payments for more than 90 days,
- significant financial difficulty of the issuer or debtor and
- increasing probability of bankruptcy or financial restructuring of the lender.

If the economic forecast (for example gross domestic product) deteriorates over the course of next year, which could lead to an increase in the number of defaults, the historical default rates are adjusted. At each balance sheet date, the historical default rates observed are updated and the changes in the forecast estimates are analysed.

Interest-bearing liabilities

Interest-bearing liabilities are recognised at the net amount received. Following initial recognition, interest-bearing liabilities are recorded at amortised cost. The difference between the amortised cost and the redemption value is recognised in the income statement under the effective interest rate method over the term of the liabilities.

Trade payables

Trade payables are stated at face value.

When the time value of money is significant, trade payables are discounted.

Note 2.9. Inventories

Valuation

Inventories are valued at the lower of cost and net realisable value.

Inventories are written down to account for:

- a reduction in net realisable value, or
- impairment losses due to unforeseen circumstances related to the nature or use of the assets.

This impairment on inventories is recognised in the income statement in the period in which they arise.

Gas inventory

Gas inventory changes are valued under the weighted average cost method.

Supplies and consumables

Supplies and consumables are valued under the weighted average cost method.

Work in progress

Work in progress for third parties is valued at cost, including indirectly attributable costs.

When the outcome of a contract can be reliably estimated, contract revenue and expenses are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at balance sheet date. Any expected loss is recognised immediately as an expense in the income statement.

Note 2.10. Borrowing costs

Borrowing costs directly attributable to the acquisition, building or production of assets requiring a substantial period of time to get ready for their intended use (property, plant and equipment, investment property, etc.) are added to the costs of the assets concerned until they are ready for use or sale.

The amount of the borrowing costs to be capitalised is the actual cost incurred in borrowing the funds, as reduced by income from any temporary investment of these funds.

Note 2.11. Provisions

Provisions are recognised as a liability in the balance sheet when they meet the following criteria:

- the group has a present (legal or constructive) obligation arising from a past event;
- it is probable (i.e. more likely than not) that the settlement of this obligation will lead to an outflow of resources embodying economic benefits;
- the amount of the obligation can be reliably estimated.

No provision is recognised if the above conditions are not met.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, in other words the amount the entity reasonably expects to have to pay to discharge the obligation at balance sheet date, or to transfer it to a third party at the same date.

Employee benefits

Some companies in the Fluxys group have established supplementary 'defined benefit' or 'defined contribution' pension plans. Benefits provided under these plans are based on the number of years of service and the employee's salary.

'**Defined benefit**' pension plans enable employees to benefit from a capital sum calculated on the basis of a formula which takes account of their annual salary at the end of their career and their seniority when they retire.

'**Defined contribution**' pension plans provide employees with a capital sum accumulated from personal and employer contributions, based on the salary.

In Belgium, the law requires that the employer guarantee a minimum return for defined contribution, which varies based on the market rates.

The accounting method used by the group to value these 'defined contribution pension plans, with a guaranteed minimum return', is identical to the method used for 'defined benefit' plans.

In case of death before retirement, these plans provide a capital sum for the surviving spouse, as well as allowances for orphans.

Other employee benefits

Certain group companies offer their employees post-employment benefits such as the reimbursement of medical costs and price subsidies, and other long-term benefits (seniority bonuses).

Valuation

These liabilities are valued annually by a qualified actuary.

Regular payments made in relation to the supplementary pension plans are recognised as expenses at the time they are incurred.

'Defined benefit' pension plans

Provisions for pensions and other collective agreements are reported in the balance sheet in accordance with IAS 19 (Employee Benefits), using the projected unit credit method (PUCM).

The current value of post-employment benefits is determined at each balance sheet date based on the projected salary estimated at the end of the employee's career, the rate of inflation, life expectancy, staff turnover and the expected age of retirement. The present value of defined benefit obligations is determined using a discount rate based on high-quality bonds with maturity dates close to the weighted average maturity of the plans concerned and which are denominated in the currency in which the benefits are to be paid.

The amount accounted for in respect of post-employment liabilities corresponds to the difference between the current value of future obligations and the fair value of assets in the plan destined to cover them. Any deficit resulting from this valuation is subject to the recognition of a provision to cover this risk.

In the opposite case, an asset is recognised in line with the surplus of the defined benefit pension plan, capped at the current value of any future reimbursement from the plan or any reduction in future contributions to the plan.

The remeasurements of the liabilities or assets in the balance sheet comprise:

- the actuarial gains or losses on the defined benefit liabilities resulting from adjustments relating to experience and/or changes in actuarial assumptions (including the effect of the change in the discount rate);
- the return on plan assets (excluding amounts included in net interest) and changes in the effect of the asset ceiling (excluding amounts included in net interest).

These remeasurements are directly recognised in equity through the other items in comprehensive income.

'Defined contribution' pension plans

The liabilities of the group with regard to 'defined contribution' plans are limited to the employer contributions paid recorded in the results.

Actuarial gains and losses relating to other long-term employee benefits

The other long-term benefits are accounted for in the same way as the post-employment benefits, but revaluations are fully accounted for in the financial results in the financial year in which they occur.

Note 2.12. Revenue recognition

The group accounts for operating revenue as it meets a service obligation by supplying the customer with the promised good or service and as this latter obtains control thereof.

The Fluxys Belgium group uses a five-stage approach to determine whether a contract entered into with a customer may be accounted for and the way in which revenue should be recognised:

1. identification of the contract,
2. identification of the service obligations,
3. determination of the transaction price,
4. distribution of the transaction price between the service obligations and
5. recognition of operating revenue where the service obligations are met or where the control of the goods or services is transferred to the customer.

Group revenues mainly come from standard regulated contracts for which both the services to be provided and the price of the service are clearly identified.

Fluxys Belgium and its subsidiaries transfer the control of their regulated services progressively and in doing so meet their service obligation and account for operating revenue progressively. It should be noted that the revenue from regulated activity is recognised based on reserved capacities.

Furthermore, the Fluxys Belgium group makes sales of gas that are necessary for balancing operations and its operational needs. These services, fulfilled at a specific time, are recognised in operating revenue at the time of their fulfilment. From 1 June 2020, these balancing operations are conducted by the joint venture with Balansys. The technical balancing, which is intended to be residual, remains with Fluxys Belgium.

Regulated income received by the group may generate a gain or a loss compared with the target rate of return on the capital invested. Gains are reported and recognised as regulatory liabilities, whereas losses are included in operating revenue to offset the accounting of regulatory assets. The Group has no regulatory assets in the published periods.

The regulatory framework is explained in further detail in the chapter on 'Regulatory and legal framework' of the annual report.

In note 4 - Segment income statement, the distinction is shown between the revenue invoiced and the revenue recognised. The latter includes the revenue invoiced, but also the movements in regulatory assets and liabilities.

The following table provides more detailed information on the Group's services (performance obligations), types of contracts, pricing, and the way in which operating revenue is recognised. Most of this revenue is regulated.

Legal entity	Revenue stream	Performance obligation: nature, customer and timing of satisfaction	Contract type and pricing
Fluxys Belgium	Transmission services	<p>Nature of performance obligation: sale of capacity and related services in the pipeline infrastructure to its customers to transmit natural gas to distribution system operators, power stations and major industrial end-users in Belgium or to transport natural gas to a border point for transmission to other end-user markets in Europe.</p> <p>Customers: gas shippers reserve capacity slots (short + long term contracts)</p> <p>Revenue recognition: the performance obligation consists in making these capacities available for the customers for use at the customers' discretion (cf. IFRS 15.26 (e)).</p> <p>Basically, the contracts between Fluxys Belgium and their customers determine that the latter reserve a certain capacity that can be used over a certain period, at the choice of the customer.</p> <p>Thus, Fluxys Belgium will transfer to the customer a series of services that are substantially the same and that have the same pattern of transfer to the customer (IFRS 15.22 (b)).</p> <p>Each service in the series provided by Fluxys Belgium is a performance obligation satisfied over time, as described by IFRS 15.35a (the customer simultaneously receives and consumes the benefits provided by Fluxys' performance as Fluxys performs).</p> <p>Therefore, the reserved capacities are invoiced and recognised monthly over the period covered by the contract related to the capacities reserved (in accordance with IFRS 15.39 and IFRS 15.B15), i.e. over time recognition.</p>	<p>Regulated Standard Transmission Agreement.</p> <p>Regulated tariffs are expressed in €/kWh/h/year</p>
Fluxys Belgium	Storage capacity service	<p>Nature of performance obligation: storage services enabling customers to use buffer capacity flexibly according to their needs. The gas is stored in the underground facilities in Loenhout, Belgium.</p> <p>Most of the revenues are generated by the sale of standard bundled packages, composed of injection, storage and withdrawing capacity throughout the storage season in fixed proportion. Such</p>	<p>Regulated Standard Storage Agreement (in combination with a regulated Standard Transmission Agreement to enable injecting into and withdrawing from the gas grid – see above).</p> <p>Regulated tariffs for storage capacity are</p>

		<p>contracts can be both long term and short term.</p> <p>Customers: As for transmission, the revenues are based on the reserved capacities.</p> <p>Revenue recognition: revenue is recognised over time as these services are performed continuously throughout the contractual term</p>	<p>expressed in €/standard bundled unit per year. Tariffs for separately purchased storage capacity are expressed in €/GWh/year.</p> <p>Injection or withdrawal capacity is expressed in €/m³(n)/h/year.</p>
Fluxys LNG	Terminalling services	<p>Nature of performance obligations:</p> <p>Unloading services (time slots are sold in advance, the so-called 'berthing rights'), possibly combined with related services such as storage, regasification or sending out (i.e. transform the liquid gas into gas that can be injected in the grid).</p> <p>Loading services</p> <p>Transhipment services, that occur in 2 forms:</p> <p>Ship-To-Ship: unloading of LNG from one LNG ship directly to another.</p> <p>Ship-Storage-Ship: LNG is unloaded from an LNG ship, then stored in a tank at the terminal. It can be loaded a few days later by another LNG ship.</p> <p>Customers: Customers reserve berthing rights in advance, these can be both long term and short term contracts.</p> <p>Revenue recognition: revenue of these berthing rights is recognised over time based on the reserved capacity, independently of whether the slots are used or not.</p> <p>For some additional services, such as storage, revenue is recognised over time as well, in accordance with IFRS 15.35(a). For other additional services, such as regasification, revenue is recognised at a point in time.</p>	<p>Standard regulated LNG Terminalling Agreement, mostly combined with a separate standard regulated LNG Service Agreement for ancillary services such as storage and sending out capacity, etc.</p> <p>Tariffs for (un)loading are expressed in €/berthing right for the capacity reservations.</p> <p>For storage and for regasification and sending out services, tariffs are expressed in €/MWh/day.</p> <p>Regulated standard LNG Transhipment Service Agreement.</p> <p>Tariffs are expressed in €/berthing right for the transhipment services.</p> <p>For additional storage services, the tariff is expressed in €/MWh/day.</p>

Note 2.13. Income taxes

Current tax is determined in accordance with local tax regulations and calculated on the income of the parent entity, subsidiaries and joint operations.

Deferred tax liabilities and assets reflect the future taxable and deductible temporary differences, respectively, between the book base and the tax base of assets and liabilities.

Note 3. Acquisitions, disposals and restructuring

Consolidation scope

The consolidation scope and percentage of interests in consolidated entities remained identical to those of 31 December 2023.

Information on investments

Fully consolidated entities						
Name of the subsidiary	Registered office	Entity number	% owner-ship	Core business	Currency	Balance sheet date
Fluxys LNG SA	Rue Guimard 4 B - 1040 Brussels	0426 047 853	100.00%	LNG terminalling	€	31 December
Flux Re SA	Rue de Merl 74 L - 2146 Luxembourg	-	100.00%	Reinsurance entity	€	31 December
Fluxys c-grid SA	Rue Guimard 4 B - 1040 Bruxelles	1002.472.828	77,50%	CO2 transmission	€	31 December
Fluxys hydrogen SA	Rue Guimard 4 B - 1040 Bruxelles	1002.472.927	100,00%	Hydrogen transmission	€	31 December

Entities accounted for using the equity method						
Name of the subsidiary	Registered office	Entity number	% owner-ship	Core business	Currency	Balance sheet date
Balansys SA	Rue de Strassen 105 L - 2555 Luxembourg	-	50.00%	Balancing operator	€	31 December

Nature and scope of the restrictions related to the assets and liabilities of the group

Special rights are attached to the special share of the Belgian State in Fluxys Belgium, other than the normal rights attached to all other shares. These special rights are exercised by the Federal Minister in charge of Energy and can be summarised as follows:

- the right to oppose to all transfers, any assignment as security or change of the destination of strategic assets of Fluxys Belgium of which the list is set out in an annex to the royal decree of 16 June 1994, if the Federal Minister in charge of Energy considers that this operation prejudices the national interests in the area of energy;
- the right to appoint two representatives of the federal government with a consultative vote in the Board of Directors and the Strategic Committee of Fluxys Belgium;
- the right of the representatives of the federal government, within four business days, to appeal to the Federal Minister in charge of Energy on the basis of objective, non-discriminatory and transparent criteria, as defined in the Royal Decree of 5 December 2000, against any decision of the Board of Directors or any advice of the strategic Committee of Fluxys Belgium (including the investment and business plan and related budget) which they regard as contrary to the guidelines of the country's energy policy, including the government's objectives concerning the country's energy supply. The appeal is suspensive. If the Federal Minister in charge of Energy has not cancelled the decision concerned within eight business days after this appeal, it becomes final;
- a special voting right in case of deadlock in the General meeting on a matter concerning the objectives of the federal energy policy.

There are no other significant restrictions that may limit the ability of the group to access or use its assets and discharge its liabilities. However, it must be noted that the assets of Flux Re are destined to cover the risk of the company in the scope of its reinsurance activities. The total assets in the balance sheet of Flux Re came to €184.2 million as at 31-12-2024 compared to €177.8 million as at 2023 year-end.

Balansys SA is a company governed by Luxembourg law in which 50% of shares are held by Fluxys Belgium SA and 50% by Creos Luxembourg SA. The objective of this company is to integrate the Belgian and Luxembourg natural gas markets. As part of this objective, an agreement has been signed between the shareholders that stipulates that Balansys SA shares may not be encumbered with any guarantees or transferred, unless for the benefit of another transmission network operator and with the agreement of the other shareholder.

The key figures of Balansys are shown in the table below:

Entity accounted for using the equity method	31-12-2024 In thousands of € (*)	31-12-2023 In thousands of € (*)
Non-current assets	0	0
Current assets	52,523	58,340
Equity	100	100
Non-current liabilities	30,203	26,167
Current liabilities	22,220	32,073
Operating revenue	125,293	148,698
Operating expenses	-124,274	-147,560
Net financial result	-980	-1,099
Income tax expenses	-39	-40
Net profit/loss for the period	0	0
Entities accounted for by the equity method	50	50
Result of entities accounted for by the equity method	0	0

(*) Figures before intercompany eliminations, on a 100% basis and subject to approval of the accounts by the governing bodies and the general assembly of the entity.

Note 4. Income statement and operating segments

Operating segments

Fluxys Belgium group carries out activities in the following operating segments: transmission, storage, LNG terminalling activities in Belgium and other activities.

The segment information is based on a classification into these operating segments.

Transmission activities comprise all operations subject to the Gas Act related to transmission of gas and hydrogen in Belgium.

Storage activities comprise all operations subject to the Gas Act related to storage of gas at Loenhout in Belgium.

Terminalling activities comprise all activities subject to the Gas Act related to the LNG terminal at Zeebrugge in Belgium..

The segment 'other activities' comprises other services rendered by Fluxys Belgium group such as the operational support of the IZT and ZPT terminals³ in Belgium and work for third parties. On the balance sheet date, CO2 activities are also in this category.

The Fluxys Belgium group operates mainly in Belgium and does not therefore publish information by geographical sector.

The Chief Operating Decision Maker (CODM) is the CEO.

Basis of accounting relating to transactions between operating segments

Transactions between operating segments mainly relate to capacity reservations by one segment subject to the Gas Act with another. These transactions are charged at the same regulatory tariffs as for external clients.

Segment income statement at 31-12-2024						In thousands of €
	Trans-mission	Storage	Terminal-ling	Other	Elimination between segments	Total
Operating revenue	417,031	35,129	142,349	26,879	-12,599	608,789
Sales and services to external customers	340,578	33,556	172,714	25,227	0	572,075
Transactions with other segments	983	8,466	1,498	1,652	-12,599	0
Changes in regulatory assets and liabilities	75,470	-6,893	-31,863	0	0	36,714
Sales of gas related to balancing operations and operational needs	63,499	2,062	18,591	0	0	84,152
Sales of gas related to balancing of operations and operational needs	93,960	2,297	35,683	0	0	131,940
Changes in regulatory liabilities	-30,461	-235	-17,092	0	0	-47,788
Other operating income	6,463	188	4,872	15,217	-6,249	20,491
Consumables, merchandise and supplies used	-1,130	-2	-40	-11,840	0	-13,012
Purchase of gas related to balancing of operations and operational needs	-63,508	-1,639	-6,488	0	0	-71,635
Miscellaneous goods and services	-142,316	-8,878	-40,706	-5,915	18,781	-179,034
Employee expenses	-98,432	-8,186	-26,086	-9,240	67	-141,877
Other operating expenses	-4,415	-569	-545	-62	0	-5,591
Depreciations	-111,885	-8,178	-54,082	-3,388	0	-177,533
Provisions for risks and charges	-38	138	2,780	78	0	2,958
Impairment losses	6,165	-39	187	-90	0	6,223
Profit/loss from continuing operations	71,434	10,026	40,832	11,639	0	133,931
Change in the fair value of financial instruments				-66	0	-66
Financial income	29,069	3,079	7,054	6,606	0	45,808
Finance costs	-44,940	-4,761	-17,500	-4,837	0	-72,038
Profit/loss before taxes	55,559	8,344	30,322	13,410	0	107,635
Income tax expenses						-25,574
Net profit/loss for the period						82,061
Investments in tangible fixed assets during the period	81,718	3,560	4,576	2,268	0	92,122

The operating revenue of 2024 amounted to €608,789 thousand, compared with €592,788 thousand for 2023, an increase of €16,001 thousand.

Transmission, storage and terminalling services in Belgium are subject to the Gas Act. Revenue from these services aims to ensure an authorised return on capital invested and to cover permitted depreciation and the operating expenses related to these services, while integrating the efficiency efforts to be realised by the network operator. Their accounting treatment remains identical to that of the 2023 balance sheet date.

Revenue from regulated activities⁴ was €581,910 thousand (which is 95.6% of the total). This represents an increase of €12,762 thousand as compared with the same period in 2023.

The increase in revenue from transmission activity in 2024 can be explained by a fall in capacity sales and auction premiums, more than offset by the use of regulatory liabilities. Revenue from storage decreased slightly but is compensated by a lower regulatory liability charge. For the terminalling activity, there is also a decrease in sales, largely due to fewer sales of spot slots, but this is reinforced by a higher regulatory liability charge ensuing from the difference in costs with the tariff proposal.

Sales and purchases of gas to cover the operational balancing and operating needs are down compared with 2023. However, any gains and losses from these transactions are neutralised by the changes in regulatory liabilities, in accordance with the regulatory framework.

Following the resolution of a dispute with the Flemish region, a reversal of a provision is included in the balance sheet in the first half of this financial year, in the 'terminalling' section.

In 2024, new reversals of write-downs were accounted for, amounting to €6,165 thousand, in order to align the average price of gas in stock to the market price.

Finance costs remain are increasing at €72,408 thousand in 2024 compared to €70,777 thousand in 2023. An increase in interest rates results in higher financial income on cash investments and cash equivalents.

Income tax expenses are up €6,336 thousand following an increase in earnings before tax. Deductions for innovation revenues have been applied based on the estimate included in the ruling granted by the commission in 2023 for the period from 2022 to 2024. This tax advantage is, however, fully incorporated into the regulated tariffs.

Net profit for the first half of 2024 is €82,061 thousand, compared to €77,423 thousand in the first half of 2023, an increase of €4,638 thousand.

⁴ After eliminating transactions with other sectors and non-regulated activity

Segment income statement at 31-12-2023						In thousands of €
	Trans-mission	Storage	Terminal-ling	Other	Elimination between segments	Total
Operating revenue	397,497	35,557	148,676	23,910	-12,852	592,788
Sales and services to external customers	678,805	35,138	176,063	23,376	0	913,382
Transactions with other segments	954	9,884	1,480	534	-12,852	0
Changes in regulatory assets and liabilities	-282,262	-9,465	-28,867	0	0	-320,594
Sales of gas related to balancing operations and operational needs	111,563	3,255	45,943	0	0	160,761
Sales of gas related to balancing of operations and operational needs	116,272	2,464	64,861	0	0	183,597
Changes in regulatory liabilities	-4,709	791	-18,918	0	0	-22,836
Other operating income	7,270	137	5,531	6,842	-186	19,594
Consumables, merchandise and supplies used	-3,467	-30	-36	-5,362	0	-8,895
Purchase of gas related to balancing of operations and operational needs	-111,563	-3,255	-42,556	-15	0	-157,389
Miscellaneous goods and services	-128,314	-10,214	-46,080	-8,225	12,988	-179,845
Employee expenses	-95,931	-7,438	-23,883	-8,038	50	-135,240
Other operating expenses	-4,792	-607	-529	-37	0	-5,965
Depreciations	-109,068	-8,137	-48,205	-1,484	0	-166,894
Provisions for risks and charges	-518	-141	-25	-61	0	-745
Impairment losses	10,970	-54	460	24	0	11,400
Profit/loss from continuing operations	73,647	9,073	39,296	7,554	0	129,570
Change in the fair value of financial instruments				262	0	262
Financial income	23,308	2,578	4,619	7,101	0	37,606
Finance costs	-42,074	-4,654	-18,042	-6,007	0	-70,777
Profit/loss before taxes	54,881	6,997	25,873	8,910	0	96,661
Income tax expenses						-19,238
Net profit/loss for the period						77,423
Investments in tangible fixed assets during the period	106,289	9,124	50,434	1,807	0	167,654

Note 4.1. Operating revenue

Analysis of operating revenue by business segment:

Operating revenue	In thousands of €			
	Notes	31-12-2024	31-12-2023	Change
Transmission in Belgium	4.1.1	416,048	396,543	19,505
Storage in Belgium	4.1.1	26,663	25,673	990
Terminalling in Belgium	4.1.1	140,851	147,196	-6,345
Other operating income	4.1.2	25,227	23,376	1,851
Total		608,789	592,788	16,001

Operating revenue in the 2024 financial year amounted to €608,789 thousand, which represents an increase of €16,001 thousand compared with the previous year.

4.1.1 Transmission, storage and terminalling services in Belgium are subject to the Gas Act.

Revenue from these services aims to ensure an authorised return on capital invested and to cover the operating expenses related to these services, while integrating the efficiency efforts to be realised by the network operator, and permitted depreciation.

The bulk of the increase in sales and regulated services relates to transmission services (€19,505 thousand). This increase comes chiefly from the increase in costs observed for this segment. The income invoiced in 2024 was down compared to the exceptional level in 2023.

Revenue from storage decreased slightly in 2024 compared to the exceptional level in 2023. However, this decrease is compensated by a lower regulatory liability charge in accordance with the tariff proposal.

For the terminalling activity, there is also a decrease in sales, largely due to lower prices of spot slots at auctions. Moreover, the regulatory liability charge has been higher because of the difference in costs

4.1.2. Other operating revenue

Other operating revenue relates mainly to work and services for third parties and the provision of facilities.

Note 4.2. Operating expenses

Operating expenses excluding depreciations, impairment losses and provisions		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Consumables, merchandise and supplies used	4.2.1	-13,012	-8,895	-4,117
Miscellaneous goods and services	4.2.2	-179,034	-179,845	811
Employee expenses	4.2.3	-141,877	-135,240	-6,637
Other operating expenses	4.2.4	-5,591	-5,965	374
Total operating expenses		-339,514	-329,945	-9,569

4.2.1. Consumables, merchandise and supplies used

This item mainly includes costs for transport material taken out of inventory for maintenance and repair projects as well as costs for work carried out on behalf of third parties.

4.2.2. Miscellaneous goods and services

Miscellaneous goods and services are mainly composed of:

	31-12-2024	31-12-2023	Change
Purchase of equipment	-8,312	-10,575	2,263
Rent and rental charges (1)	-10,457	-9,492	-965
Maintenance and repair expenses	-27,418	-27,785	367
Goods and services supplied to the group	-14,176	-20,870	6,694
Third-party remuneration	-56,172	-54,705	-1,467
Royalties and contributions	-47,101	-41,730	-5,371
Non-personnel related insurance costs	-7,573	-7,041	-532
Other miscellaneous goods and services	-7,825	-7,647	-178
Total	-179,034	-179,845	811

(1) Amounts that relate mainly to services that do not meet the definition of a lease under IFRS 16.

The cost of miscellaneous goods and services remained stable between 2024 and 2023.

The decrease in goods and services supplied to the group can primarily be explained by a decrease in the cost of energy compared to 2023 due to lower energy prices and consumption.

The increase in third-party remuneration to the group and in royalties and contributions is mainly attributable to an increase in external consultancy and an increase in the royalties for water capture at the terminal.

The decrease in equipment purchases can chiefly be explained by fewer purchases of spare parts and fewer miscellaneous operating purchases, such as nitrogen.

Insurance expenses are up following the increase in the premiums for terminal operating insurance and an increase in the premiums for cyber risk cover due to a higher sum insured.

The increase in rent and rental charges comes from the higher prices of software.

4.2.2.1 Auditor remuneration

Other miscellaneous goods and services (see note 4.2.2.) include the total remuneration paid to the auditor by Fluxys Belgium NV and its consolidated subsidiaries. These fees are presented below.

Auditor remuneration	In thousands of €		
	31-12-2024	31-12-2023	Change
Audit fees	-401	-191	-210
Other non-audit services	-142	-32	-110
Total remuneration	-543	-223	-320

The amount of other (non-audit) services provided by the statutory auditor and persons professionally related to him are in line with article 3:64 and 65 of the Code of companies and associates and approved by the Audit Committee in advance. They mainly relate to ad-hoc and limited assurance attestations.

4.2.3. Employee expenses

Employee expenses have increased €6,637 thousand as compared with 2023, as a result of an increase in the workforce and of indexation.

The average headcount of the Group is up, from 957 in 2023 to 978 in 2024. Expressed in FTE (full-time equivalents), these figures convert to 944 in 2024 compared to 925 in 2023.

Workforce	Financial year		Preceding financial year	
	Total number of staff	Total in FTE	Total number of staff	Total in FTE
Average number of employees	978	944	957	925.0
Fluxys Belgium	924	894,7	908	878.2
Executives	352	343,8	338	329.5
Employees	572	550,9	571	548.7
Fluxys LNG	50	48,6	47	46.3
Executives	7	6,9	3	2.5
Employees	43	41,7	45	43.8
Flux Re	1	0,5	1	0.5
Fluxys hydrogen	1	0,5	0	0
Executives	1	0,5	0	0
Employees	0	0	0	0
Headcount at balance sheet date	982	953	968	937.1
Fluxys Belgium	926	898,9	920	890.6
Executives	360	352,6	344	335.5
Employees	566	546,3	576	555.2
Fluxys LNG	52	51,0	47	46.0
Executives	8	8,0	3	2.9
Employees	44	43,0	44	43.1

Flux Re	1	0,5	1	0,5
Fluxys hydrogen	3	3,0	0	0
Executives	3	3,0	0	0
Employees	0	0	0	0

4.2.4. Other operating expenses

Other operating expenses include property taxes, local taxes, and losses on disposals or retirements of property, plant and equipment.

4.2.5. Depreciations, Impairment losses and provisions

Depreciations, impairment losses and provisions		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Depreciations	4.2.5.1	-177,533	-166,894	-10,639
Intangible assets		-11,053	-15,382	4,329
Property, plant and equipment		-160,376	-146,760	-13,616
Right of Use Assets		-6,104	-4,752	-1,352
Provisions for risks and charges	4.2.5.2	2,958	-745	3,703
Impairment losses	4.2.5.3	6,223	11,400	-5,177
Intangible assets		-39	-54	15
Inventories		6,352	11,431	-5,079
Trade receivables		-90	23	-113
Total depreciations, impairment losses and provisions		-168,352	-156,239	-12,113

4.2.5.1 Depreciations

Depreciation charges on property, plant and equipment over the period are up by €13,616 thousand as compared with the previous financial year, primarily due to the commissioning of Desteldonk – Opwijk, and the new Open Rack Vaporizers at the terminal and the accelerated depreciation of the company headquarters in view of the ongoing renovation.

The completion of the amortisation of the customer portfolio in 2023 largely explains the decrease of €4,329 thousand in 2024 in amortisation of intangible assets.

4.2.5.2 Provisions for risks and charges

In 2024, the decrease in provisions comes from the cancellation of a provision for the terminal following the resolution of a dispute with the Flemish region.

4.2.5.3 Impairment losses

In 2024, new reversals of write-downs were accounted for, amounting to €6,165 thousand, in order to align the average price of gas in stock to the market price.

Note 4.3. Financial income

Financial income		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Dividends from unconsolidated entities		0	0	0
Financial income from leasing contracts	4.3.1	0	39	-39
Interest income on investments and cash equivalents	4.3.2	42,174	32,487	9,687
Other interest income	4.3.2	3,278	4,202	-924
Unwinding of discounts on provisions	4.4.2	0	0	0
Other financial income		356	878	-522
Total		45,808	37,606	8,202

4.3.1. Financial income from leasing contracts

Financial income from leasing contracts relates to the Interconnector Zeebrugge Terminal (IZT) facilities. This came to an end in 2023.

4.3.2. Interest on investments and cash equivalents

Interest on investments and cash equivalents mainly come from investments recognised at amortised cost in accordance with IFRS 9. The amount of this interest is up as compared with 2023, following the increase in interest rates. This has a limited impact on profit/loss because of the regulatory framework.

Note 4.4. Finance costs

Finance costs		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Borrowing interest costs	4.4.1	-69,311	-65,909	-3,402
Unwinding of discounts on provisions	4.4.2	-1,233	-2,557	1,324
Interest charges on leasing contracts		-927	-827	-100
Other finance costs		-567	-1,484	917
Total		-72,038	-70,777	-1261

4.4.1. Borrowing interest costs

Borrowing interest costs primarily include interest on the loans from the European Investment Bank and Fluxys, on bonds and on regulatory liabilities. The increase observed in 2024 can be explained by the higher level of regulatory liabilities and the increase in interest rates. This has a limited impact on profit/loss because of the regulatory framework.

4.4.2. Unwinding of discounts on provisions

This item almost exclusively concerns employee benefits that are recognised and valued in accordance with IAS 19 and includes, apart from the unwinding of discounts on provisions, returns from associated assets, and actuarial gains and losses recognised in profit/loss. The change is mainly associated with a decrease in the discount rates.

Note 4.5. Income tax

Income tax expense is analysed as follows:

Income tax expenses		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Current tax	4.5.1	-34,639	-28,235	-6,404
Deferred tax	4.5.2	9,065	8,998	67
Total	4.5.3	-25,574	-19,237	-6,337

Income tax expense went up by k€ 6,337 compared with the previous year. This change is mainly due to the following factors:

- an increase in earnings before tax;
- an increase in the amount of the deduction for revenues from innovation (from €10,201 thousand in 2024 to €9,203 thousand estimated in 2023). This increase was partly compensated by the deduction for energy efficiency investments obtained by Fluxys LNG. The amount of this deduction for the year 2024 is estimated at €310 thousand.

Income tax includes both current and deferred taxes, which are detailed separately below.

4.5.2 Deferred tax	In thousands of €		
	31-12-2024	31-12-2023	Change
Relating to origination or reversal of temporary differences	9,065	8,998	68
Differences arising from the valuation of property, plant and equipment	9,283	9,488	-205
Changes in provisions	-490	-1,113	623
Other changes	272	623	-351
Relating to tax rate changes or to new taxes	0	0	0
Relating to changes in accounting policies and errors	0	0	0
Relating to changes in fiscal status of entity or shareholders	0	0	0
Total	9,065	8,998	67

Deferred tax is primarily influenced by the difference between the book value and the tax base of property, plant and equipment.

Deferred tax income is stable compared to 2023.

4.5.1. Current tax		In thousands of €		
		31-12-2024	31-12-2023	Change
Income taxes on the result of the current period		-37,410	-31,665	-5,745
Adjustments to previous years' current taxes		2,771	3,430	-659
Total		-34,639	-28,235	-6,404

Current tax increased by €6,404 thousand in 2024.

**4.5.3. Reconciliation of expected income tax rate
and effective average income tax rate**

	In thousands of €		
	31-12-2024	31-12-2023	Change
Income tax as per applicable tax rate – Financial year	-26,909	-24,165	-2,744
Profit/loss before taxes	107,635	96,661	10,974
Applicable tax rate	25,00%	25,00%	
Elements that justify transition to the effective average tax rate	-1,472	1,497	-2,969
Income tax rate differences between jurisdictions	9	16	-7
Changes in tax rates	0	0	0
Tax-exempt income	0	0	0
Non-deductible expenses	-1,600	-1,425	-175
Taxable dividend income	0	0	0
Deductible notional interest cost	0	0	0
Other (1)	119	2,906	-2,787
Income tax as per effective average tax rate – Financial year	-28,382	-22,668	-5,714
Profit/loss before taxes	107,635	96,661	10,974
Average effective tax rate	26,37%	23,45%	2,92%
Taxation of tax-free reserves	38	0	38
Adjustments to previous years' current taxes (1)	2,770	3,430	-660
Total income tax expense	-25,574	-19,238	-6,336

(1) In 2024 and 2023, Fluxys LNG obtained the deduction for energy efficiency investments. This tax advantage is incorporated into the regulated tariffs.

The average effective tax rate for 2024 amounted to 26.37% compared with 23.45% the previous year.

Note 4.6. Net profit/loss for the period

	In thousands of €		
	31-12-2024	31-12-2023	Change
Non-controlling interests	-852	0	-852
Group share	82,913	77,423	5,490
Total profit/loss for the period	82,061	77,423	4,638

The consolidated net profit for the financial year amounted to €82,061 thousand, an increase of €4,638 thousand compared with 2023.

Note 4.7. Earnings per share

In thousands of €	31-12-2024	31-12-2023
Net profit/loss from continuing operations attributable to the parent company's shareholders	82,061	77,423
Net profit/loss	82,061	77,423
Impact of dilutive instruments	0	0
Diluted net profit/loss from continuing operations attributable to the parent company's shareholders	82,061	77,423
Net profit/loss from discontinued operations attributable to the parent company's shareholders	0	0
Net profit/loss	0	0
Impact of dilutive instruments	0	0
Diluted net profit/loss from discontinued operations attributable to the parent company's shareholders	0	0
Net profit/loss attributable to the parent company's shareholders	82,061	77,423
Net profit/loss	82,061	77,423
Impact of dilutive instruments	0	0
Diluted net profit/loss attributable to the parent company's shareholders	82,061	77,423

Denominator (in units)	31-12-2024	31-12-2023
Average number of outstanding shares	70,263,501	70,263,501
Impact of dilutive instruments	0	0
Diluted average number of outstanding shares	70,263,501	70,263,501

Earnings per share (in euros)	31-12-2024	31-12-2023
Basic earnings per share from continuing operations attributable to the parent company's shareholders	1.1679	1.1019
Diluted basic earnings per share from continuing operations attributable to the parent company's shareholders	1.1679	1.1019
Basic earnings per share from discontinued operations attributable to the parent company's shareholders	0.0000	0.0000
Diluted basic earnings per share from discontinued operations attributable to the parent company's shareholders	0.0000	0.0000
Basic earnings per share attributable to the parent company's shareholders	1.1679	1.1019
Diluted basic earnings per share attributable to the parent company's shareholders	1.1679	1.1019

Note 5. Balance sheet information

Note 5.1. Property, plant and equipment

Movements in property, plant and equipment				
Gross book value	Land	Buildings	Gas transmission*	Gas storage *
At 31-12-2022	49,585	161,259	3,506,126	387,120
Investments	218	288	44,238	966
Grants received	0	0	0	0
Disposals and retirements	-1,585	-253	-14,728	0
Internal transfers	0	0	1,375	0
Changes in the consolidation scope and assets held for sale	0	0	0	0
Translation adjustments	0	0	0	0
At 31-12-2023	48,218	161,294	3,537,011	388,086
Investments	1,626	665	58,641	2,145
Grants received	0	0	0	0
Disposals and retirements	-43	0	-1,233	0
Internal transfers	0	0	42,485	0
Changes in the consolidation scope and assets held for sale	0	0	0	0
Translation adjustments	0	0	0	0
At 31-12-2024	49,801	161,959	3,636,904	390,231

* subject to the Gas Act

In thousands of €				
LNG Terminal*	Other facilities and machinery	Furniture, equipment & vehicles	Assets under construction & instalments paid	Total
1,461,392	43,511	58,362	81,676	5,749,031
39,712	0	14,294	67,938	167,654
0	0	0	0	0
-491	-26,252	-9,416	0	-52,725
0	0	0	-1,375	0
0	0	0	0	0
0	0	0	0	0
1,500,613	17,259	63,240	148,239	5,863,960
3,398	0	12,724	12,923	92,122
0	0	0	0	0
-71	0	-4,536	-181	-6,064
22,196	0	0	-64,681	0
0	0	0	0	0
0	0	0	0	0
1,526,136	17,259	71,428	96,300	5,950,019

Movements in property, plant and equipment				
Depreciation and impairment losses	Land	Buildings	Gas transmission*	Gas storage*
As at 31-12-2022	0	-106,445	-2,461,454	-268,883
Depreciation	0	-2,983	-85,305	-7,912
Disposals and retirements	0	253	13,852	0
Internal transfers	0	0	0	0
Changes in the consolidation scope and assets held for sale	0	0	0	0
Translation adjustments	0	0	0	0
As at 31-12-2023	0	-109,175	-2,532,907	-276,795
Depreciation	0	-2,226	-92,355	-7,938
Disposals and retirements	0	0	792	0
Internal transfers	0	0	0	0
Changes in the consolidation scope and assets held for sale	0	0	0	0
Translation adjustments	0	0	0	0
As at 31-12-2024	0	-111,401	-2,624,470	-284,733
Net book values as at 31-12-2024	49,801	50,558	1,012,434	105,498
Net book values as at 31-12-2023	48,218	52,119	1,004,104	111,291

* subject to the Gas Act

In thousands of €				
LNG Terminal*	Other facilities and machinery	Furniture, equipment & vehicles	Assets under construction & instalments paid	Total
-975,986	-43,266	-37,622	0	-3,893,656
-43,687	0	-6,873	0	-146,760
34	26,252	9,351	0	49,742
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
-1,019,639	-17,014	-35,144	0	-3,990,674
-49,867	0	-7,990	0	-160,376
5	0	4,536	0	5,333
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
-1,069,501	-17,014	-38,598	0	-4,145,717
456,635	245	32,830	96,300	1,804,302
480,974	245	28,096	148,239	1,873,286

Movements in property, plant and equipment				
	Land	Buildings	Gas transmission*	Gas storage*
Net book values as at 31-12-2024, of which:	49,801	50,558	1,012,434	105,498
At cost	49,801	50,558	1,012,434	105,498
At revaluation	0	0	0	0
Supplementary information	0	0	0	0
Net book value of assets temporarily retired from active use	110	0	0	0

* subject to the Gas Act

Property, plant and equipment mainly comprises the group's transmission, storage (Loenhout) and LNG terminalling (Zeebrugge) facilities.

The Fluxys group has an indicative investment plan of €8.3 billion for the period 2025-2034.

In 2024, Fluxys Belgium group made property, plant and equipment investments in infrastructure of €92,122 thousand. Furthermore, Fluxys Belgium group has invested €1,240 thousand in IT in the network infrastructure as well as in the computers and devices inventory.

Of those investments, €4,575 thousand was allocated to LNG infrastructure projects (mainly for the construction of 3 new Open Rack Vaporizers) and €85,946 thousand to projects linked to transmission activity, the main investments of which being the Desteldonk-Opwijk pipeline and the connection with the Les Awirs power station. The investment for the Clean Enclosed Burner also falls into this category.

There have also been investments in storage activity to the tune of €3,560 thousand, mainly solar panels and for the electrification of our compression facilities.

Following the commissioning of several installations, a transfer of €64,681 thousand was made from 'Assets under construction' to 'Gas transmission' (commissioning of two pipelines and a pressure reduction station) and to 'LNG terminal' (commissioning of new truck loading bays).

In 2024, no costs for loans were activated on construction investments.

In thousands of €				
LNG Terminal*	Other facilities and machinery	Furniture, equipment & vehicles	Assets under construction & instalments paid	Total
456,635	245	32,830	96,300	1,804,302
456,635	245	32,830	96,300	1,804,302
0	0	0	0	0
0	0	0	0	0
0	0	0	0	110

The depreciation charge for the period amounts to €160,376 thousand and reflects the rhythm at which the group expects to consume the economic benefits linked to those property, plant and equipment.

In 2024, the depreciation charge for assets amortized using the declining-balance method is €24,005 thousand and their net book value at the closing date is €189,774 thousand.

The assets that are used within the regulated market are depreciated over their useful life, as stated in point 6 of the accounting principles (Note 2), without taking into account a residual value, given the specificity of the sector's activities.

Other property, plant and equipment is depreciated over its useful life as estimated by the group, taking into account actual and potential contracts, and considering reasonable market assumptions, based on the principle of matching of revenues and costs. Given the specific nature of the activities concerned, the residual value, if any, of the facilities in question has been ignored.

At the balance sheet date, the group does not hold property, plant and equipment assets which have been pledged as security against liabilities.

At the end of the financial year, the group has identified no signal or event that would lead any item of property, plant and equipment to be impaired.

This assessment takes into account the regulatory framework in which the Group operates and of the present energy transition in which the Group plays an active role. This refers, for example, to the conversion of our low-calorific gas network to high-calorific gas, the transport of molecules other than natural gas, and the efforts required to combat climate change. All the investments and regulated assets of the Group ensue in a right to a regulated authorised rate of return for their lifespan (see also accounting principles in Note 2.6).

Note 5.2. Intangible assets

Movements in the book value of intangible assets			In thousands of €	
Gross book value	Software	'Client portfolios' assets	CO ₂ Emission rights	Total
As at 31-12-2022	30,547	52,800	0	83,347
Investments	18,221	0	1,599	19,820
Disposals and retirements	-2,877	0	0	-2,877
As at 31-12-2023	45,891	52,800	1,599	100,290
Investments	13,798	0	0	13,798
Disposals and retirements	-1,022	-52,800	-526	-54,348
As at 31-12-2024	58,667	0	1,073	59,740

Movements in the book value of intangible assets			In thousands of €	
Depreciation and impairment losses	Software	'Client portfolios' assets	CO ₂ Emission rights	Total
As at 31-12-2022	-14,136	-46,348	0	-60,484
Depreciation	-8,930	-6,452	0	-15,382
Impairment losses	0	0	-54	-54
Disposals and retirements	2,868	0	0	2,868
As at 31-12-2023	-20,198	-52,800	-54	-73,052
Depreciation	-11,053	0	0	-11,053
Impairment losses	0	0	-39	-39
Disposals and retirements	1,022	52,800	0	53,822
As at 31-12-2024	-30,229	0	-93	-30,322

Movements in the book value of intangible assets			In thousands of €	
	Software	'Client portfolios' assets	CO ₂ Emission rights	Total
Net book values as at 31-12-2024	28,438	0	980	29,418
Net book values as at 31-12-2023	25,693	0	1,545	27,238

Intangible assets include the net book value of software, the portfolio of 'Hub' clients and CO₂ emission rights.

The software included in intangible assets is investment software developed or purchased by the group. This software is depreciated over 5 years on a straight-line basis. Major investments during the financial year concern software developed in relation to gas flow and asset management and related administrative tools.

In 2015, Fluxys Belgium acquired all of Huberator's business activities for €52.8 million. This intangible asset was last amortised in 2023 (on a straight-line basis). As this activity is fully part of the regulated business, the asset has been removed from the intangible assets.

Certain gas transmission facilities in Belgium are included in the scheme for greenhouse gas emission allowance trading. Accordingly, Fluxys Belgium group is entitled, for 2024, to free emission rights amounting to 26,675 tonnes of CO₂ for the compression, storage and terminalling activity sites. In accordance with the accounting policies stated in Note 2, the unused emission rights have been recognised at nil value in intangible assets.

On 31-12-2024, the Fluxys Belgium group has 526,742 emission rights with nil book value.

In April 2024, the Fluxys Belgium group used 6,578 purchased emission rights and 1,769 free emission rights to cover emissions related to storage, for a total of 8,347 tonnes of CO₂.

In 2023, the Fluxys Belgium group bought emission rights to cover its future needs, mainly for its storage services. The emission rights bought are recognised at the purchase price as intangible assets. They are then measured at fair value up to the purchase price. If the fair value is lower than the carrying amount on the balance sheet date, the emission rights are impaired.

Note 5.3. Right of use assets

The right of use assets are mainly linked to concession rights for land on which gas transmission and terminalling facilities (Zeebrugge) have been built.

These contracts don't have significant termination or extension options. The rent is not variable, except for some contracts that have a clause for yearly indexation. The impact thereof is not material.

Right of use assets	In thousands of €			
	Land & Buildings	Facilities	Cars	Total
As at 31-12-2022	24,616	1,961	3,443	30,020
Additional rights	0	0	3,401	3,401
Depreciation and impairment losses	-2,406	-671	-1,675	-4,752
Disposals	0	0	-89	-89
As at 31-12-2023	22,210	1,290	5,080	28,580
Additional rights	2,330	0	3,734	6,064
Depreciation and impairment losses	-3,461	-397	-2,246	-6,104
Disposals	0	0	-112	-112
As at 31-12-2024	21,079	893	6,456	28,428

Note 5.4. Other financial assets

Other financial assets	In thousands of €		
	Notes	31-12-2024	31-12-2023
Shares at cost		24	24
Investment securities at amortised cost	5.4.1	58,882	66,016
Other investments at amortised cost	5.4.1	47,065	41,083
Financial instruments at fair value through profit or loss		2,912	4,011
Other financial assets at cost		70	76
Total		108,953	111,210

5.4.1. These items include cash investments with a maturity longer than one year. The investment securities at amortised cost are bonds, while other investments are amortised cost are mainly term deposits. They are mainly from Flux Re of which the cash is destined to cover the risk of the entity in the scope of its reinsurance business. The maturity of these investments is between 2026 and 2034.

The assets held by Flux Re are significantly higher than the minimum capital requirements under Solvency II (€17.9 million).

Note 5.5. Other non-current assets

Other non-current assets	In thousands of €			
	Notes	31-12-2024	31-12-2023	Change
Plan asset surpluses 'IAS 19 Employee benefits'	5.14	16,756	11,199	5,557
Total		16,756	11,199	5,557

The value of the plan asset surpluses covering the provision for employee benefits increased in 2024 due to an increase in expected returns.

Note 5.6. Inventories

Book value of inventories	In thousands of €		
	31-12-2024	31-12-2023	Change
Supplies	32,195	31,558	637
Gross book value	36,001	35,260	741
Impairment losses	-3,806	-3,702	-104
Goods held for resale (gas)	19,768	18,641	1,127
Gross book value	19,768	25,097	-5,329
Impairment losses	0	-6,456	6,456
Work in progress	748	244	504
Gross book value	748	244	504
Impairment losses	0	0	0
Total	52,711	50,443	2,268

Inventories of materials connected to the transmission network are at their normal levels. The decrease in the gross book value of goods held for resale can primarily be explained by a fall in average gas prices. For changes in impairment of gas inventories, see 4.2.5.3.

Impact of movements on net profit/loss	In thousands of €		
	31-12-2024	31-12-2023	Change
Inventories – purchased or used	-4,084	-23,644	19,560
Impairment losses	6,352	11,431	-5,079
Total	2,268	-12,213	14,481

The movements of work in progress are included in other operating income in the income statement. The other movements of inventories are included in purchase of gas related to balancing of operations and operational needs.

The impairment losses are relating to standard equipment with very limited possibilities for reuse.

Note 5.7. Trade and other receivables

Trade and other receivables	In thousands of €			
	Note	31-12-2024	31-12-2023	Change
Gross trade receivables		72,504	82,903	-10,399
Impairment losses		-1,572	-1,551	-21
Net trade receivables	5.7.1	70,932	81,352	-10,420
Other receivables	5.7.2	22,589	20,704	1,885
Total		93,521	102,056	-8,535

The decrease in trade receivables is in line with the decrease in sales and services to external customers.

5.7.1 Fluxys Belgium group reduces its exposure to credit risk, both in terms of default and concentration of risk, by requiring short payment terms from its customers (payment within one month), a strict policy for the follow-up of trade receivables, and a systematic evaluation of its counterparties' financial position. The write-downs based on credit losses expected and accounted for in trade and other receivables are not very material for the Fluxys Belgium group.

Trade receivables can be broken down as follows according to their ageing:

Net trade receivables according to ageing	In thousands of €		
	31-12-2024	31-12-2023	Change
Receivables not past due	70,063	79,253	-9,190
Receivables < 3 months	470	1,966	-1,496
Receivables 3 - 6 months	20	25	-5
Receivables > 6 months	0	17	-17
Receivables in litigation or doubtful (non-impaired)	379	91	288
Total	70,932	81,352	-10,420

Disputed or doubtful receivables mainly concern grid users. Those deemed irrecoverable have been subject to impairment losses of 100%.

5.7.2 The other receivables mainly comprise amounts due from joint ventures and from the VAT authorities.

Note 5.8. Short-term investments, cash and cash equivalents

Investments relate to investments in the form of bonds, commercial paper and bank deposits over more than three months and maximum one year.

Cash and cash equivalents are mainly euro investments in commercial paper that mature within a maximum of three months after the date of acquisition, deposits made with Fluxys SA (cash pooling), term deposits at credit institutions, current account bank balances and cash in hand.

Short-term investments, cash and cash equivalents		In thousands of €	
	31-12-2024	31-12-2023	Change
Short-term investments	31,672	32,998	-1,326
Cash and cash equivalents	1,091,543	1,068,227	23,316
Cash equivalents and cash pooling	1,040,611	1,012,850	27,761
Short-term deposits	20,036	19,120	916
Bank balances	30,883	36,246	-5,363
Cash in hand	13	11	2
Total	1,123,215	1,101,225	21,990

In 2024, the average rate of return on short-term investments, cash and cash equivalents was 2.00%. The write-downs because of credit losses expected and accounted for in investments, cash and cash equivalents are not material for the Fluxys Belgium group.

Note 5.9. Other current assets

Other current assets	Notes	In thousands of €		
		31-12-2024	31-12-2023	Change
Accrued income		3.163	4.425	-1.262
Prepaid expenses		20.669	17.449	3.220
Other current assets	5.9.1	1.862	1.244	618
Total		25.694	23.118	2.576

Other current assets mainly comprise prepaid expenses amounting to €20,669 thousand (insurance, fees, rent, etc.) as well as various items of accrued income.

5.9.1 Other current assets include the short-term share of the plan asset surpluses compared with the actuarial liability relating to the group's pension liabilities (see Notes 5.5 and 5.14).

Note 5.10. Equity

On 31-12-2024, equity amounted to €603,813 thousand. The €9,600 thousand decrease since the previous year comes from dividends paid in 2024 (€98,368 thousand), which are largely offset by the comprehensive income for the period (€87,980 thousand),

Note on parent entity shareholding			
	Ordinary shares	Preference shares	Total
I. Movements in number of shares			
1. Number of shares, opening balance	70,263,501	0	70,263,501
2. Number of shares issued			
3. Number of ordinary shares cancelled or reduced (-)			
4. Number of preference shares cancelled or reduced (-)			
5. Other increase (decrease)			
6. Number of shares, closing balance	70,263,501	0	70,263,501
II. Other information			
1. Face value of shares	No face value mentioned		
2. Number of shares owned by the company	0	0	0
3. Interim dividends during the financial year			

The share capital of Fluxys Belgium SA is represented by 70,263,501 shares with no face value, divided into two categories, in addition to the specific share.

Shares in category B are and remain registered. They are held by long-term shareholders.

Category D shares are registered or dematerialised and are mainly held by the general public.

The Belgian State owns one specific registered share, namely share no. 1, which does not belong to any of the above categories and shall be referred to hereinafter as the 'specific share'. In accordance with the Fluxys Belgium articles of association, this 'specific share' carries specific rights. These specific rights remain attached to this share in addition to the common rights attached to the ordinary shares of Fluxys Belgium (former "Distrigas"), as long as this share is owned by the Belgian State, as established in Articles 3 to 5 of the Royal Decree of 16 June 1994. These specific rights are exercised by the Federal Minister responsible for energy. In addition to these specific rights this 'specific share' also entitles to receive 100 times the dividend or any other distribution by the entity to its shareholders, than the ones attached to the category B or D shares.

Note 5.11. Interest-bearing liabilities

Non-current interest-bearing liabilities		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Leases	5.11.1	22,312	24,354	-2,042
Bonds	5.11.2	696,781	696,412	369
Bank loans	5.11.3	166,000	186,000	-20,000
Other borrowings	5.11.4	140,182	163,545	-23,363
Total		1,025,275	1,070,311	-45,036
Of which debts guaranteed by the public authorities or by sureties		0	0	0
Current interest-bearing liabilities		In thousands of €		
	Notes	31-12-2024	31-12-2023	Change
Leases	5.11.1	3,974	2,355	1,619
Bonds	5.11.2	2,523	2,516	7
Bank loans	5.11.3	22,269	22,498	-229
Other borrowings	5.11.4	27,580	27,967	-387
Total		56,346	55,336	1,010
Of which debts guaranteed by the public authorities or by sureties		0	0	0

5.11.1. Lease liabilities are accounted for in line with IFRS 16 and are limited to the contractual obligations, even if the Group expects certain contracts to be extended in the future although this option isn't stated in the current contract.

5.11.2. In November 2014 and October 2017, Fluxys Belgium issued bonds for a total of €700,000 thousand. These bonds offer a gross annual coupon of 1.75% and 3.25% respectively. They will mature between 2027 and 2034.

5.11.3. A 25-year loan of €400,000 thousand at a fixed rate contracted with the EIB in December 2008 to finance investments in developing the gas transmission network, the balance of which was €186,269 thousand as at 31-12-2024.

5.11.4. Other borrowings include:

- A loan of €257,000 thousand at a fixed rate of 3.20% with Fluxys SA to cover needs relating to investments necessary for the transhipment services at the Zeebrugge LNG Terminal. The balance still due as at 31-12-2024 is €163,545 thousand.
- Short-term loans and accrued interest amounting to €4,128 thousand

Changes in liabilities based on financing activities							
	31.12.2023	Cash flow		Other movements		31.12.2024	
		New lease contracts	Reclassification between non-current and current	Variation in accrued interests payable	Amortisation of issuance fees		
Non-current interest-bearing liabilities							
Leases	1,070,312	-60	4,825	-50,231	0	429	1,025,275
Bonds	24,354	0	4,825	-6,867	0	0	22,312
Bank loans	696,412	-60	0	0	0	429	696,781
Other borrowings	186,000	0	0	-20,000	0	0	166,000
Current interest-bearing liabilities							
Leases	55,337	-48,424	0	50,231	-797	0	56,346
Bonds	2,355	-5,248	0	6,867	0	0	3,974
Bank loans	2,516	0	0	0	7	0	2,523
Other borrowings	22,498	-20,000	0	20,000	-229	0	22,269
Total	1,125,648	-48,484	4,825	0	-797	429	1,081,621

Cash flows relating to interest-bearing liabilities are included in points IV.1.2, IV.2.1 and IV.2.2 of the consolidated statement of cash flows.

The change in accrued interests payable and the amortisation of the issuance costs (in total €-368 thousand) relates to the difference between:

- the interests paid, including leases (see point IV.3.1 of the consolidated statement of cash flows: €32,916 thousand) and
- the sum of borrowing interest costs and interests on lease liabilities (see Note 4.4: €70,238 thousand) minus the interest on regulatory liabilities of €37,690 thousand = €32,548 thousand.

Maturity of interest-bearing liabilities at 31-12-2024, non-discounted				
	In thousands of €			
	Up to one year	Between one and five years	More than five years	Total
Leases	4,613	15,870	9,924	30,407
Bonds	19,316	601,419	169,506	790,241
Bank loans	34,562	113,245	95,663	243,470
Other borrowings	32,314	104,818	47,855	184,987
Total	90,805	835,352	322,948	1,249,105

Maturity of interest-bearing liabilities at 31-12-2023, non-discounted				
	In thousands of €			
	Up to one year	Between one and five years	More than five years	Total
Leases	3,094	16,280	12,200	31,574
Bonds	19,355	358,621	428,727	806,703
Other borrowings	64,393	213,080	191,666	469,139
Total	86,842	587,981	632,593	1,307,416

Note 5.12. Regulatory liabilities

Regulatory liabilities		In thousands of €		
	Note	31-12-2024	31-12-2023	Difference
Other financing – long term		858,922	888,753	-29,831
Other financing – short term		161,347	203,249	-41,902
Total of other financing (A)	5.12.1	1,020,269	1,092,002	-71,733
Other liabilities – long term		260,167	150,963	109,205
Other liabilities – short term		9,521	15,873	-6,352
Total of other liabilities (B)	5.12.2	269,688	166,836	102,852
Total of regulatory liabilities (A+B = C)		1,289,957	1,258,838	31,120
Presentation in balance sheet:				
Non-current regulatory liabilities		1,119,089	1,039,716	79,374
Current regulatory liabilities		170,868	219,122	-48,254
Total of regulatory liabilities (C)		1,289,957	1,258,838	31,120

5.12.1 **Other financing** corresponds to the specific allocations of regulatory liabilities at the group's disposal firstly to finance specific investments, notably in the second jetty at Zeebrugge and secondly, the cost associated with the conversion of part of the gas transmission network. These amounts bear interest at a 10-year OLO rate for one part and the remainder at the average 1-year Euribor rate. Auction premiums of € 40.1 million were realised in 2024; this amount was recorded under 'Other financing'. This presentation is justified by the different regulatory treatment applied to auction premiums in accordance with the European network code.

5.12.2 The other regulatory liabilities included in '**other liabilities**' include the positive differences between the regulated tariffs invoiced and the regulated tariffs acquired. These amounts bear interest at the average Euribor 1-year rate.

The regulatory liabilities are reconciled with the segment reporting and the statement of cash flows as follows:

Movements of the regulatory liabilities		In thousands of €			
		Long term + short term	Other financing(A)	Other liabilities (B)	Total
	Balance as at 01-01-2024		1,092,002	166,836	1,258,838
	Use		-104,022	-53,313	-157,335
	Additions		47,928	102,836	150,764
	Interest		30,981	6,709	37,690
	Transfer		-46,620	46,620	0
	Balance as at 31-12-2024		1,020,269	269,688	1,289,957

The sum of use and additions amounts to -€6,571 thousand.

This net increase in regulatory liabilities also corresponds with the change in regulatory liabilities included in item 1.2.5. of the cash flow table.

The €37,690 thousand interest charge on regulatory liabilities was accounted for in the finance costs.

Note 5.13. Provisions

5.13.1 Provisions for employee benefits

Provisions for employee benefits	In thousands of €
Provisions at 31-12-2023	51,963
Additions	8,939
Use	-11,402
Release	0
Unwinding of the discount	8,752
Actuarial gains/losses recognised in the profit/loss (seniority bonuses)	-1,192
Expected return on plan assets	-6,239
Actuarial gains/losses recognised in equity	-7,925
Reclassification to the assets	6,175
Provisions at 31-12-2024, of which:	49,072
Non-current provisions	45,779
Current provisions	3,293

Expenses relating to the effects of discounts are presented in the group financial results as an offset against the expected return on plan assets. The expected return on plan assets is higher than the discount rate used to determine actuarial debt.

The change in provisions for employee benefits is largely linked to

- The increase in liabilities, due mainly to the cost of services and of interest, which are higher than the pension settlements.
- The increase in plan assets mainly due to the high returns and to the increase in defined benefit plan contribution payments.

See Note 5.14.

5.13.2. Other provisions

Provisions for:	In thousands of €			
	Litigation and claims	Environment and site restoration	Other	Total other provisions
Provisions at 31-12-2023	2,649	1,482	99	4,230
Additions	0	0	0	0
Use	-2,649	-211	-99	-2,959
Release	0	0	0	0
Unwinding of the discount	0	-89	0	-89
Provisions at 31-12-2024, of which:	0	1,182	0	1,182
Non-current provisions	0	1,182	0	1,182
Current provisions	0	0	0	0

5.13.3 Movements in the income statement and maturity of provisions

Movements in the income statement are detailed as follows:

Impact 2024		In thousands of €	
	Additions	Use and reversals	Total
Operating profit (loss)	8,939	-14,361	-5,422
Financial profit (loss)	8,663	-7,430	1,233
Total	17,603	-21,792	-4,189

Maturity of provisions at 31-12-2024				In thousands of €
	Up to one year	Between one and five years	More than five years	Total
Litigation and claims	0	0	0	0
Environment and site restoration	0	0	1.182	1.182
Other	0	0	0	0
Subtotal	0	0	1.182	1.182
Employee benefits	3.293	13.172	32.607	49.072
Total	3.293	13.172	33.789	50.254

Maturity of provisions at 31-12-2023				In thousands of €
	Up to one year	Between one and five years	More than five years	Total
Litigation and claims	0	0	2,648	2,648
Environment and site restoration	192	1,291	0	1,483
Other	99	0	0	99
Subtotal	291	1,291	2,648	4,230
Employee benefits	3,508	14,032	34,423	51,963
Total	3,799	15,323	37,071	56,193

Provisions for litigation and claims

The provisions for litigation concerning the construction of the Zeebrugge LNG Terminal (1983) were reversed in 2024 following the resolution of the disputes.

Provisions for the environment and site restoration

These provisions essentially cover the costs of safety, clean-up and restoration of sites subject to closure.

These provisions are accrued in accordance with the Belgian regional environmental legislation and the Belgian Gas Act. These works require action plans and numerous studies in cooperation with the various public authorities and the institutions established for this purpose.

Note 5.14. Provisions for employee benefits

Description of the principal retirement schemes and related benefits

In Belgium collective agreements regulate the rights of entity employees in the electricity and gas industries.

Defined benefit pension plans

These agreements cover 'salary scale' personnel recruited before 1 June 2002 and management personnel recruited before 1 May 1999 allowing affiliates to benefit from a capital calculated based on a formula that takes account of their final annual salary and the number of years of service when they retire. These are called 'defined benefit pension plans'.

Obligations under these defined benefit pension plans are funded through a number of pension funds for the electricity and gas industries and through insurance companies.

Employees and employers contribute to these pension plans. The employer's contribution is determined annually on the basis of an actuarial report. This is to ensure that the minimum legal funding requirements have been met and that the long-term funding of the benefits is assured.

Description of the main actuarial risks

The group is exposed, in connection with its defined benefit pension plans, to risks related to actuarial assumptions concerning investments, interest rates, life expectancy and salary development.

The present value of defined benefit obligations is determined using a discount rate based on high-quality bonds.

The assumptions concerning salary increases, inflation, personnel movements and expected average retirement age are defined based on historic entity statistics. The mortality tables used are those published by the IABE (Institute of Actuaries in Belgium).

At the end of 2024, the defined benefit pension plans have surplus plan assets of €18,618 thousand (2023: €12,443 thousand) compared with the actuarial liability on estimated liabilities of the group. The amount was therefore transferred to the assets in the balance sheet under 'Other non-current assets' (note 5.5) and 'Other current assets' (note 5.9.1).

The financing policy was amended in 2018 to ensure that surpluses are recovered over the duration of the pension plans. In addition, transfers between different pension plans are possible.

Defined contribution pension plans with guaranteed minimum return

In Belgium, 'Salary scale' personnel recruited after 1 June 2002 and management staff recruited after 1 May 1999 as well as the members of the management benefit from defined contribution pension plans.

The pension plans are financed by contributions from employees and employers, the latter corresponding to a multiple of the contributions from employees. Obligations under these defined contribution pension plans are funded through a number of pension funds for the electricity and gas industries and through insurance companies.

The assets of the pension funds are allocated among the various categories of the following risks:

- *Low risk*: bonds in the euro zone and/or high-quality bonds.
- *Medium risk*: risk diversification between bonds, convertible bonds, real-estate and equity instruments.
- *High risk*: equity instruments, real estate, etc.
- *Dynamic Asset Allocation*: rapid adjustment of the portfolio structure in case of specific events in order to limit losses in periods of stress.

Belgian law requires that the employer guarantees a minimum return for defined contribution plans. These minimum returns vary based on the market rates.

For the minimum returns guaranteed by the employer, the following elements apply:

- For contributions paid up until 31-12-2015, the minimum return of 3.25% for employer contributions and 3.75% for employee contributions applies up to that date.
- For contributions paid from 01-01-2025, the minimum guaranteed return went from 1.75% to 2.5%.
- The accounting method used by the group to value these 'defined contribution pension plans, with a guaranteed minimum return', is identical to the method used for 'defined benefit plans' (see Note 2.11).

For certain defined contribution plans, the contributions increase depending on the seniority in the Group (referred to as 'backloaded'). For these plans, the contributions are distributed uniformly over time.

Description of the main risks

Defined contribution plans expose the employer to the risk of a minimum return on pension fund assets that do not offer a sufficient guaranteed return.

Other long-term employee benefits

Fluxys Belgium group also has early pension schemes, other post-employment benefits such as reimbursement of medical expenses and price subsidies, as well as other long-term benefits (seniority bonuses). Not all of these benefits are funded.

Funding status of the employee benefits

In thousands of €	Pensions *		Other **	
	2024	2023	2024	2023
Present value of funded obligations	-214,252	-206,978	-34,070	-35,643
Fair value of plan assets	221,453	205,500	0	0
Funding status of plans	7,201	-1,478	-34,070	-35,643
Effect of the asset ceiling ⁵	-3,586	-2,398	0	0
Other	0	0	0	0
Net employee benefit liability	3,615	-3,876	-34,070	-35,643
Of which assets	18,618	12,443	0	0
Of which liabilities	-15,002	-16,319	-34,070	-35,643

* Pensions also include non-prefinanced early-retirement obligations. They also include, since 2018, contributions paid to cover pension schemes with a profile that takes into account seniority.

** The item 'Other' includes seniority bonuses paid over the course of the career as well as other post-employment benefits (reimbursement of medical expenses and price subsidies (discount on energy costs)).

⁵ Applicable to a limited number of plans where the plan asset surplus is not transferable to other plans.

Movements in the present value of obligations

In thousands of €	Pensions *		Other **	
	2024	2023	2024	2023
At the start of the period	-206,978	-194,397	-35,643	-32,840
Service costs	-8,168	-8,682	-772	-743
Early retirement costs	0	0	0	0
Financial loss (-) / profit (+)	-7,673	-7,273	-1,080	-1,225
Participant's contributions	-969	-811	0	0
Change in demographic assumptions	783	-385	537	-23
Change in financial assumptions	584	2,379	285	-864
Change from experience adjustments	-158	-6,678	870	-1,993
Past service costs	0	0	0	0
Benefits paid	8,327	8,869	1,733	2,045
Reclassifications	0	0	0	0
Other	-214,252	-206,978	-34,070	-35,643
At the end of the period	-206,978	-194,397	-35,643	-32,840

Movements in the fair value of plan assets

In thousands of €	Pensions *		Other **	
	2024	2023	2024	2023
At the start of the period	205,500	205,651	0	0
Interest income	6,314	7,088	0	0
Return on plan assets (excluding net interest income)	9,439	9,278	0	0
Employer's contributions	9,670	5,450	1,733	2,045
Participants' contributions	969	811	0	0
Benefits paid	-8,327	-8,869	-1,733	-2,045
Change in financial assumptions	-2,112	-13,909	0	0
Other	221,453	205,500	0	0
At the end of the period	15,753	16,366	0	0
Actual return on plan assets	205,500	205,651	0	0

The return on pension plan assets in 2024 remains stable compared to 2023.

Costs recognised in profit or loss

In thousands of €	Pensions *		Other **	
	2024	2023	2024	2023
Cost				
Service costs	-8,168	-8,682	-772	-743
Early retirement costs	0	0	0	0
Past service costs	0	0	0	0
Actuarial gains/(losses) on other long-term benefits	1,192	-1,199	0	0
Net interest on net liabilities/(assets)				
Interest expense on obligations	-7,672	-7,272	-1,080	-1,225
Interest income on plan assets	6,315	7,088	0	0
Costs recognised in profit or loss	-8,333	-10,065	-1,852	-1,968

Actuarial losses (gains) recognised in other comprehensive income

In thousands of €	Pensions *		Other**	
	2024	2023	2024	2023
Change in demographic assumptions				
Change in financial assumptions	660	-410	424	-23
Change in financial assumptions	-60	-10,306	-121	-864
Change from experience adjustments	-500	-6,678	766	-1,993
Effect of the asset ceiling	-1,121	-2,398	0	0
Return on plan assets (excluding net interest income)	7,756	9,278	122	0
Actuarial losses (gains) recognised in other comprehensive income	6,735	-10,514	1,190	-2,880

Allocation of obligation by type of participant to the plan

In thousands of €	2024	2023
Active plan participants	-199,310	-196,014
Non-active participants with deferred benefits	-26,809	-23,535
Retirees and beneficiaries	-22,203	-23,072
Total	-248,322	-242,621

Allocation of obligation by type of benefit

In thousands of €	2024	2023
Retirement and death benefits	-214,252	-206,978
Other post-employment benefits (medical expenses and price subsidies)	-26,122	-26,748
Seniority bonuses	-7,948	-8,895
Total	-248,322	-242,621

Main actuarial assumptions used

	2024	2023
Discount rate between 10 to 12 years	2.99%	3.03%
Discount rate between 13 to 19 years	3.23%	3.24%
Discount rate over 19 years	3.26%	3.25%
Expected average salary increase	2.24%	2.04%
Expected inflation	2.00%	2.03%
Expected increase in health expenses	3.00%	3.03%
Expected increase of price subsidies	2.00%	2.03%
Average assumed retirement age	63(BAR) / 65(CAD)	63(BAR) / 65(CAD)
Mortality tables	IABE prospective	IABE prospective
Life expectancy in years:		
For a person aged 65 at the balance sheet date:		
- Male	21	20
- Female	24	24
For a person aged 65 in 20 years:		
- Male	23	22
- Female	26	26

The fair value of plan assets is distributed based on the following major categories

	2024	2023
Listed investments	92.24%	94.63%
Shares - eurozone	12.05%	8.30%
Shares - outside eurozone	13.10%	19.78%
Government bonds - eurozone	5.06%	1.99%
Other bonds - eurozone	33.09%	29.30%
Other bonds - outside eurozone	28.93%	35.26%
Non-listed investments	7.76%	5.37%
Insurance contracts	0.00%	0.00%
Real estate	1.82%	1.63%
Cash and cash equivalents	0.25%	2.47%
Other	5.70%	1.27%
Total (in %)	100.00%	100.00%
Total (in thousands of €)	221,453	205,500

Sensitivity analysis

Impact on obligations	In thousands of €
	Increase (-) / Decrease (+)
Increase in discount rate (0.25%)	3,685
Average salary increase - Excluding inflation (0.1%)	-1,362
Increase in inflation rate (0.25%)	-3,320
Increase in healthcare benefits (0.01%)	-26
Increase in price subsidies (0.5%)	-837
Increase in life expectancy of retirees (1 year)	-778

Average weighted duration of obligations

	2024	2023
Average weighted duration of defined benefit obligations	7	8
Average weighted duration of other post-employment obligations	16	15

Expected contribution to pay for employee benefits relating to extra-statutory pensions

	In thousands of €
Expected contribution for 2024 (for all extra-statutory pensions and other obligations, listed above)	11,028

The contributions to be paid are function of the payroll of the population concerned.

Note 5.15. Deferred tax assets and liabilities

Recognised deferred tax liabilities	In thousands of €		
	31-12-2024	31-12-2023	Difference
Valuation of assets	86,442	95,725	-9,283
Accrued income	0	148	-148
Fair value of financial instruments	1,606	1,731	-125
Provisions for employee benefits or provisions not accepted under IFRS	36,094	33,598	2,496
Other normative differences	0	0	0
Total	124,142	131,202	-7,060

Deferred tax assets and liabilities are offset within each taxable entity. They are all fully recognised.

The main source of deferred tax is the difference between the book value and the tax base of property, plant and equipment. This difference arises firstly from the recognition in the opening balance sheet of property, plant and equipment at their fair value corresponding to their deemed cost and, secondly, from the recognition at fair value of the assets and liabilities arising from the SEGEO and Distrigas & Cº business combinations in 2008.

Provisions accounted for in accordance with IAS 19 (Employee benefits) and provisions recognised under local GAAP but not recognised under IFRS are another major source of deferred tax.

Movement for the period	In thousands of €
	Deferred tax
As at 31-12-2023	131,202
Deferred tax expenses – Profit & loss account	-9,066
Deferred tax expenses – other comprehensive income	2,006
As at 31-12-2024	124,142

Note 6. Financial instruments

Principles for managing financial risks

Fluxys Belgium Group is exposed to several financial risks arising from its underlying activities and corporate financing activities. These financial risks consist of market risks (including currency risks, interest rate risks and price risks), credit risks and liquidity risks.

The group's administrative organisation, controlling and financial reports ensure that these risks are constantly monitored and managed.

The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from its operational, financing and investment activities. The Group does not engage in speculative transactions.

Cash management policy

The Fluxys Belgium group's cash is managed as part of a general policy and cash surpluses are invested with Fluxys SA under cash pooling agreements. By way of reminder, Fluxys SA centralises the management of the Fluxys group's cash funds and financing.

The objective of this policy is to optimise the group's cash positions. These transactions are entered into at market terms and conditions.

The group's financial policy stipulates that cash surpluses be maintained at first class financial institutions or invested in financial instruments issued by entities with a high credit rating or in financial instruments of issuers which are covered by a guarantee from a European Member State or whose share capital is predominantly controlled by state-owned entities. Cash surpluses are invested following a competitive bidding award, and in instruments that are sufficiently diversified to limit counterparty risk concentration. These investments are subject to constant monitoring and risk analysis on a case-by-case basis.

At 31-12-2024, current and non-current investments, cash and cash equivalents amounted to €1,229,162 thousand compared to €1,207,537 thousand at the end of 2023.

Note 5.16. Trade and other payables

Trade and other liabilities	In thousands of €		
	31-12-2024	31-12-2023	Change
Trade payables	50,936	54,501	-3,565
Payroll and related items	34,283	39,341	-5,058
Other payables	23,740	25,114	-1,374
Total	108,959	118,956	-9,997

The decrease is mainly due to the reduction of trade payables mainly due to the reduction of invoices to receive and the decrease of payroll and related items.

Other payables are mainly including guarantees received.

Credit and counterparty risks

The group systematically assesses its counterparties' financial capacity and systematically monitors receivables. Group policy regarding counterparty risks requires that the group submits potential customers and suppliers to a detailed preliminary financial analysis (liquidity, solvency, profitability, reputation and risks). The group uses internal and external information, such as official analysis performed by rating agencies (Moody's, Standard & Poor's and Fitch). These rating agencies assess entities in relation to risk and award them a credit score (rating). The group also uses databases containing general, financial and market information to complement its own evaluation of potential customers and suppliers. In addition, for most of its activities the group is allowed to contractually require guarantees (either bank guarantees or cash deposits) from counterparties. The group thereby reduces its exposure to credit risk both in terms of default and concentration of customers.

With regard to the concentration risk, it should be noted that one customer contributes 16% to the company's revenues, more specifically €124 million to the transport activity.

Interest rate risk

The group's debt mainly consists of fixed interest rate loans maturing between 2024 and 2034, the balance of which (including lease obligations) as at 31-12-2024 represents €1,081,621 thousand compared to €1,125,647 thousand at the end of 2023.

In addition, the group's interest-bearing liabilities include other financing and liabilities to be used within the regulatory framework. As explained in Note 5.11, part of these bear interest at a 10-year OLO rate and the remainder at the average Euribor 1-year rate. The group does not incur any interest rate risks related to this.

Therefore, a sensitivity analysis is not representative for the risk inherent in these financial instruments. Consequently, the Fluxys Belgium group's exposure to interest rate risk is very limited.

Liquidity Risk

Liquidity risk management is one of Fluxys Belgium group's main objectives. The amounts invested and the investment period reflect the short- and long-term planning of cash needs as closely as possible, taking into account operational risks.

The Fluxys Belgium group can call upon Fluxys SA in case of liquidity needs, under the cash pooling arrangements. By way of reminder, Fluxys centralises the management of the Fluxys group's cash funds and financing and has unused confirmed revolving credit facilities.

The maturity of interest-bearing liabilities is reported in Note 5.11.

Summary of financial instruments at balance sheet date

The group's main financial instruments consist of financial and trade receivables and payables, short-term investments, cash and cash equivalents.

The following table gives an overview of financial instruments at 31 December 2024:

Summary of financial instruments at balance sheet date		In thousands of €		
31-12-2024	Category	Book value	Fair value	Level
I. Non-current assets				
Other financial assets at amortised cost	A	106,041	99,952	1 & 2
Other financial assets at fair value through profit or loss	B	2,912	2,912	2
Lease receivables	A	0	0	2
Other receivables	A	18,691	18,691	2
II. Current assets				
Lease receivables	A	0	0	2
Trade and other receivables	A	93,521	93,521	2
Cash investments	A	31,672	31,648	2
Cash and cash equivalents	A	1,091,543	1,091,567	2
Total financial instruments – assets		1,344,380	1,338,291	
I. Non-current liabilities				
Interest-bearing liabilities	A	1,002,963	964,858	2
Other financial liabilities	B	2,912	2,912	2
II. Current liabilities				
Interest-bearing liabilities	A	52,371	52,371	2
Trade and other payables	A	108,959	108,959	2
Total financial instruments - liabilities		1,167,205	1,129,100	

The categories correspond to the following financial instruments:

- Financial assets or financial liabilities at amortised cost.
- Assets or liabilities at fair value through profit or loss.

Summary of financial instruments at balance sheet date		In thousands of €		
31-12-2023	Category	Book value	Fair value	Level
I. Non-current assets				
Other financial assets at amortised cost	A	107,199	100,288	1 & 2
Other financial assets at fair value through profit or loss	B	4,011	4,011	2
Other financial assets at fair value	A	0	0	2
Lease receivables				
Other receivables	A	21,496	21,496	2
II. Current assets				
Lease receivables	A	1,644	1,644	2
Trade and other receivables	A	102,056	102,056	2
Cash investments	A	32,998	32,959	2
Cash and cash equivalents	A	1,068,227	1,068,334	2
Total financial instruments – assets		1,337,631	1,330,788	
I. Non-current liabilities				
Interest-bearing liabilities	A	1,070,311	1,021,899	2
Other financial liabilities	B	4,010	4,010	2
II. Current liabilities				
Interest-bearing liabilities	A	55,336	55,336	2
Trade and other payables	A	118,956	118,956	2
Total financial instruments - liabilities		1,248,613	1,200,201	

All of the group's financial instruments fall within Levels 1 and 2 of the fair value hierarchy. Their fair value is measured on a recurring basis.

For the fair value measurement of Level 1, only quoted prices are used (without modification) for identical assets and liabilities in active markets. They mainly include bonds.

For the fair value measurement of Level 2, observable prices other than the quoted prices of Level 1 are used. The prices are observable for the asset or liability, either directly or indirectly.

The techniques for measuring the fair value of Level 2 financial instruments are the following:

- The items 'Interest-bearing liabilities' include the fixed-rate bonds issued by Fluxys Belgium, whose fair value is determined based on active market rates, usually provided by financial institutions.
- The fair value of other financial assets and liabilities categorised under level 2 is largely identical to their book value:
 - because they have a short-term maturity (such as trade receivables and payables),
 - except for assets at amortised cost due to the increase in interest rates

Note 7. Contingent assets and liabilities – rights and liabilities of the group

Note 7.1. Litigation

Ghislenghien

As announced in 2011, Fluxys Belgium has undertaken, in agreement with insurers and other responsible parties, to proceed with the final compensation of private victims of the accident at Ghislenghien in 2004. All the victims who have presented themselves to date and who were entitled to compensation have been compensated.

Compensation claim relating to the 'Open Rack Vaporiser' investment

A compensation claim for additional works was introduced by a supplier in the scope of the 'Open Rack Vaporiser' investment made by Fluxys LNG. The latter disputes this claim and an expert was appointed to assess the case. No reliable estimate is available at this stage as the case is still being assessed. No provision has therefore been recognised as at 31-12-2024.

Other proceedings

Other legal proceedings related to the operation of our facilities are in progress, but their expected impact is immaterial and/or such proceedings are being put on hold.

Note 7.2. Assets and items held for third parties, in their name, but at the risk and for the benefit of entities included in the consolidation scope

In the ordinary course of business, the Fluxys Belgium group holds gas belonging to its customers at its storage sites in Loenhout, in the pipelines and in the tanks at the LNG terminal in Zeebrugge.

Note 7.3. Guarantees received

Bank securities for the benefit of the group comprise guarantees received from contractors in respect of construction contracts as well as bank guarantees received from customers. At 31 December 2024, these guarantees received amounted to €133,319 thousand. The expected credit losses on guarantees received are not very material for the Fluxys Belgium group.

Note 7.4. Guarantees provided by third parties on behalf of the entity

Rental guarantees in favour of the owners of assets located in Belgium and leased by the group amounted to €644 thousand as at 31-12-2024.

Other guarantees amounted to €265 thousand as at 31-12-2024.

Note 7.5. Commitments under terminalling service contracts

Regasification services

The Capacity Subscription Agreements (CSA) entered into with the users of the Zeebrugge LNG terminal provide for 110 mooring windows (slots) per contract until 2023 and 88 docking windows per contract until 2027.

In 2019, in addition to the aforementioned contracts, a new long-term contract was entered into with Qatar Petroleum (today Qatar Energy), subsidiary of Qatar Terminal Limited (QTL), for the remaining unloading slots until 2039 with extension option until 2044.

Following optimisation of short-term slot planning since 2022 and market demand for long-term capacity, Fluxys has put 24 slots per year up for sale from April 2027 (pro rata) until 2044. Two shippers each obtained 12 slots per year for the entire duration.

Consequently, the capacity of 134 slots is distributed to 3 different shippers until 2044.

During the binding window of an Open Season which was held at the end of 2020 for additional regasification capacity at the Zeebrugge LNG terminal, the full 6 million tonnes per year (or c. 10.5 GWh/h) capacity on offer had been subscribed. On this basis, Fluxys LNG has taken the final investment decision to build the additional infrastructure at the Zeebrugge LNG terminal. The additional regasification capacity will be provided in two steps:

- as from early 2024, a total additional capacity of 4.7 million tonnes per year has been offered,
- as from early 2025 (contractually planned and subscribed from January 2026), the full additional capacity of 6 million tonnes has been commissioned.

The sum of these capacities (slots and regasification) is currently equivalent to a total regasification capacity of 17 billion cubic metres per year.

Transshipment services

In 2019, with the commissioning of the fifth tank at the Zeebrugge LNG terminal and a second jetty, Fluxys offered a transhipment service for 214 berthing rights and 180,000 m³ of storage rights. The contract has a duration of 20 years (2039) and was entered into with Yamal Trade (a 100% subsidiary of Yamal LNG).

Note 7.6. Other commitments

Other commitments have been made and received by the Fluxys Belgium group, but their potential impact is immaterial.

Note 7.7. Contingent regulatory assets

As part of the development of hydrogen transport activities, the Fluxys Belgium Group incurred a series of costs in 2024. Although Fluxys hydrogen has been designated as the operator of the future hydrogen network, the regulatory framework had not yet been defined or approved at the balance sheet date. Nevertheless, it is expected that once this regulatory framework is defined and in force, the costs in question will be recovered via authorised revenues. Consequently, the Fluxys Belgium Group considers that it has a contingent regulatory asset of an estimated €6,600 thousand at 31-12-2024.

Note 8. Related parties

Fluxys Belgium and its subsidiaries are controlled by Fluxys, which is itself controlled by Publigas.

The consolidated financial statements include transactions performed by Fluxys Belgium and its subsidiaries in the normal course of their activities with unconsolidated related companies or associates. These transactions take place under market conditions and mainly involve transactions realised with Fluxys SA and Fluxys Europe (administrative services, IT and housing services and the management of cash funds and financing), Interconnector (UK) (inspection and repair services), IZT (IZT lease and facilities operation and maintenance services), Dunkerque LNG (IT development and other services), Gaz-Opale (terminalling services), Balansys (balancing operator), Fluxys TENP, FluxSwiss and Flux Re (reinsurance), Fluxys Byte IT (IT-services)

Other related parties in the following tables concern other entities of the Fluxys group, in which Fluxys Belgium does not hold a stake.

Significant transactions with related parties as at 31-12-2024		In thousands of €		
		Parent company	Joint arrangements	Other related parties
				Total
I. Assets with related parties	1,040,766	15,102	532	1,056,400
1. Other financial assets	0	0	0	0
Loans	0	0	0	0
2. Financial lease receivables (current and non-current)	0	0	0	0
3. Trade and other receivables	156	15,000	532	15,688
Clients	156	15,000	532	15,688
4. Cash and cash equivalents	1,040,610	0	0	1,040,610
5. Other current assets	0	102	0	102
II. Liabilities with related parties	164,796	0	1,510	166,306
1. Interest-bearing liabilities (current and non-current)	163,733	0	0	163,733
Other borrowings	163,733	0	0	163,733
2. Trade and other payables	1,054	0	853	1,907
Suppliers	960	0	835	1,795
Other payables	94	0	18	112
3. Other current liabilities	9	0	657	666
III. Transactions with related parties	34,307	2,587	20,036	56,930
1. Services rendered and goods delivered	3,534	2,022	19,061	24,617
2. Services received (-)	-2,951	0	-1,653	-4,604
3. Net financial income	33,724	565	0	34,289
4. Directors's and senior executives' remuneration			2,628	2,628
Of which short-term benefits			2,260	2,260
Of which post-employment benefits			369	369

Significant transactions with related parties as at 31-12-2023		In thousands of €			
		Parent company	Joint arrange- ments	Other related parties	
				Total	
I. Assets with related parties		1,013,091	13,000	2,381	1,028,472
1. Other financial assets		0	3,000	0	3,000
Loans		0	3,000	0	3,000
2. Financial lease receivables (current and non-current)		0	0	1,644	1,644
3. Trade and other receivables		240	0	737	977
Clients		240	10,000	737	977
4. Cash and cash equivalents		1,012,851	0	0	1,012,851
5. Other current assets		0	0	0	0
II. Liabilities with related parties		188,322	0	674	188,996
1. Interest-bearing liabilities (current and non-current)		186,909	0	0	186,909
Other borrowings		186,909	0	0	186,909
2. Trade and other payables		1,406	0	12	1,418
Suppliers		37	0	0	37
Other payables		1,369	0	12	1,381
3. Other current liabilities		7	0	662	669
III. Transactions with related parties		1,582	1,763	22,709	26,054
1. Services rendered and goods delivered		3,860	1,763	22,709	28,332
2. Services received (-)		-2,284	0	0	-2,284
3. Net financial income		6	0	0	6
4. Directors's and senior executives' remuneration				3,049	3,049
Of which short-term benefits				2,653	2,653
Of which post-employment benefits				396	396

Note 9. Directors' and senior executives' remuneration

Pursuant to Article 10 of the Articles of Association, the Board of Directors of Fluxys Belgium SA comprises at least three and no more than 24 non-executive directors. Furthermore, the 'special share' grants to the Minister the right to appoint two representatives of the federal government in the Board of Directors. Currently, two representatives of the federal government attend the meetings of the Board of Directors and the Strategic Committee.

The ordinary general meeting has decided to set the remuneration of the directors and government representatives to a maximum of €360,000 (value 01-01-2007), to be allocated by the Board of Directors amongst its members, and to grant an attendance fee of €250 per meeting of the Board of Directors and advisory committees.

Pursuant to Article 15 of the Articles of Association of Fluxys Belgium, the Board of Directors is authorised to pay a special remuneration to directors who carry out special duties for the entity. The Board also has the right to reimburse travel expenses and costs incurred by the members of the Board of Directors.

The Fluxys Belgium group has not granted any loans to directors. In addition, the directors have not entered into unusual or abnormal transactions with the group. No shares or share options have been granted to the directors.

For further information, the reader should refer to the Corporate Governance Declaration in the directors' report and to Note 8 'Related parties' for the breakdown of remuneration by category.

Statutory accounts of Fluxys Belgium SA according to Belgian GAAP

Given the significance of the equity as well as the revenue of the parent entity in the consolidated financial statements, the publication of the detailed version of the annual accounts and the notes to the accounts in this brochure would, in the majority of cases, be redundant given the explanations found in the consolidated accounts.

Pursuant to Article 3:17 of the Companies Code, the decision was made to present only an abridged version of the Fluxys Belgium SA statutory annual accounts.

The statutory auditor issued an unqualified audit opinion on the annual accounts of Fluxys Belgium SA.

The statutory accounts of Fluxys Belgium SA and the audit opinion have been filed with the National Bank of Belgium. They are available on the Fluxys Belgium website (www.fluxys.com/belgium) and can also be obtained free of charge upon request at the following address:

Fluxys Belgium SA
Communication Department
Avenue des Arts 31, 1040 Brussels

Balance sheet

Assets	In thousands of €	
	31-12-2024	31-12-2023
Formation expenses	948	1,107
Fixed assets	1,428,584	1,447,863
Intangible assets	28,103	25,789
Property, plant and equipment	1,304,592	1,332,255
Financial fixed assets	95,889	89,819
Current assets	985,827	1,041,285
Amounts receivable after more than one year	18,691	21,496
Stock and contracts in progress	51,791	49,710
Amounts receivable within one year	90,686	93,272
Cash investments	0	0
Cash at bank and in hand	802,055	856,221
Deferred charges and accrued income	22,604	20,586
Total	2,415,358	2,490,255

Equity and liabilities	In thousands of €	
	31-12-2024	31-12-2023
Equity	416,169	434,959
Capital	60,272	60,272
Share premium account	38	38
Revaluation surpluses	206,179	230,856
Reserves	10,700	10,814
Accumulated profits (losses)	111,852	101,654
Capital subsidies	27,128	31,325
Provisions and deferred taxes	13,087	15,716
Provisions for liabilities and charges	3,258	4,450
Deferred tax	9,829	11,266
Amounts payable	1,887,733	2,039,580
Amounts payable after more than one year	877,258	896,932
Amounts payable within one year	141,118	244,804
Accrued charges and deferred income	869,357	897,844
Total	2,415,358	2,490,255

Income statement

Income statement	In thousands of €	
	31-12-2024	31-12-2023
Operating income	598,879	653,561
Operating charges	509,691	579,348
Operating profit	89,187	74,213
Financial income	69,818	72,111
Finance costs	51,919	48,709
Net financial income	17,899	23,402
Earnings before taxes	107,086	97,616
Transfer from deferred taxes	1,171	1,184
Income tax expenses	-24,227	-19,444
Net profit/loss for the period	84,029	79,356
Transfer to untaxed reserves	114	114
Profit for the period available for appropriation	84,143	79,470

Profit/loss appropriation

Appropriation account	In thousands of €	
	31-12-2024	31-12-2023
Profit to be appropriated	185,797	172,554
Profit for the period available for appropriation	84,143	79,470
Profit carried forward from the previous period	101,654	93,084
Transfer from equity	24,424	27,470
From reserves	24,424	27,470
Transfer to equity	0	0
To the legal reserve	0	0
To the other reserves	0	0
Result to be carried forward	111,852	101,654
Profit to be carried forward	111,852	101,654
Profit to be distributed	98,369	98,369
Dividends	98,369	98,369
If the above proposal is accepted and taking tax requirements into account, the annual dividend, net of withholding tax, could be set at:	€ 0.980	€ 0.980

In 2024, no advance on the dividend was paid. The gross unit dividend to be paid out for fiscal year 2024 is €1.40 per share (€0.980 net). It will be payable from 21 May 2025.

Capital at the end of the period

Capital at the end of the period	31-12-2024			
Subscribed capital				
At the end of the previous period	60,272			
At the end of the period	60,272			
Capital represented by				
Registered shares	62,351,236			
Dematerialised shares	7,912,265			
Structure of shareholders				
Declarant	Date of declaration	Type	Number of voting rights declared	%
Fluxys	13-12-2017	B/D	63,237,240	90,00

The Belgian State holds one specific share.

Income taxes

Income taxes	In thousands of €
	31-12-2023
Breakdown of heading 670/3	
Income taxes on the result of the current period	25,077
Taxes and withholding taxes due or paid	26,000
Excess of income tax prepayments	-923
Estimated additional taxes	0
Income taxes on previous periods	23
Additional taxes due or paid	23
Additional taxes (estimated or provided for)	0
Reconciliation between profit before taxes and estimated taxable profit	
Profit before taxes	107,086
Permanent differences:	-6,777
Definitively taxed income	-32,837
Non-deductible expenses and hidden reserves	6,200
Notional interest	0
Taxable reserves	28,932
Depreciation of financial fixed assets	0
Transfer from untaxed reserves	114
Transfer from deferred taxes	1,171
Deductible innovation revenue	-10,201
Non-deductible provisions	0
Hidden reserves	-154
Total	100,309

Workforce

 ONSS N°: 030012851238
 Joint Commission N°: 326

Headcount
A. Employees recorded in the personnel register

1a. During the current period	Total	Men	Women
Average number of employees			
Full time	796,8	678,4	118,4
Part-time	127,6	79,8	47,8
Total in full-time equivalents (FTE)	894,7	740,0	154,7
Number of hours actually worked			
Full time	1,210,881	1,037,937	172,943
Part-time	146,618	92,007	54,611
Total	1,357,498	1,129,944	227,554
Employee expenses			
Full time	117,952,727	103,422,121	14,530,605
Part-time	18,025,239	12,159,150	5,866,089
Total	135,977,966	115,581,271	20,396,695
Advantages in addition to wages	1,757,465	1,493,845	263,620
1b. During the previous period	Total	Men	Women
Average number of employees (FTE)			
	878,2	727,10	151,10
Number of hours actually worked			
	1,325,855	1,095,590	230,265
Employee expenses			
	129,599,931	110,159,941	19,439,990
Advantages in addition to wages	2,104,288	1,788,645	315,643

2. At the closing of the period

	Full time	Part-time	Total FTE*
a. Employees recorded in the personnel register	806	120	898,9
b. By nature of the employment contract			
Contract for an indefinite period	793	119	885,30
Contract for a definite period	13	1	13,6
Contract for execution of specifically assigned work	0	0	0.0
Replacement contract	0	0	0.0
c. According to gender and study level			
Men	690	74	748,5
Primary education	0	0	0.0
Secondary education	266	43	299,7
Higher non-university education	165	12	174,8
University education	259	19	274,0
Women	116	46	150,4
Primary education	0	0	0.0
Secondary education	22	7	27,0
Higher non-university education	44	22	60,2
University education	50	17	63,1
d. By professional category			
Management	326	34	352,6
Employees	480	86	546,30
Workers	0	0	0.0
Other	0	0	0.0

*full-time equivalent

B. Hired temporary staff and personnel placed at the enterprise's disposal

During the current period	Hired temporary staff	Personnel placed at disposal of the entity
Average number of persons employed	4.5	0
Number of hours actually worked	8,776	0
Costs for the enterprise	402,631	0

Table of movements in personnel during the period

	Full time	Part time	Total FTE*
Entries			
a. Employees recorded in the personnel register	78	3	79.6
b. By nature of the employment contract			
Contract for an indefinite period	68	2	69.0
Contract for a definite period	10	1	10.6
Contract for execution of specifically assigned work	0	0	0.0
Replacement contract	0	0	0.0
Exits			
a. Employees whose contract end-date has been recorded in the personnel register in this financial year	65	10	71.0
b. By nature of the employment contract			
Contract for an indefinite period	53	10	59.0
Contract for a definite period	12	0	12.0
Contract for execution of specifically assigned work	0	0	0.0
Replacement contract	0	0	0.0
c. By reason of termination of contract			
Retirement	10	4	12.6
Early retirement	0	0	0.0
Dismissal	3	0	3.0
Other reason	52	6	55.4
Of which: the number of persons who continue to render services to the company at least part-time on a self-employed basis	0	0	0.0

*full-time equivalent

Information on training provided to employees during the period

	Men	Women
Initiatives in formal continued professional development at the expense of the employer		
Number of employees involved	778	180
Number of actual training hours	25,716	4,385
Net costs for the enterprise	4,201,391	710,355
Of which gross costs directly linked to training	4,201,391	710,355
Of which fees paid and payments to collective funds	0	0
Of which subsidies and other financial advantages received (to deduct)	0	0
Total of initiatives of less formal or informal professional training at the expense of the employer		
Number of employees involved	773	181
Number of actual training hours	23,711	5,395
Net costs for the enterprise	1,881,774	396,535
Total of initiatives of initial professional training at the expense of the employer		
Number of employees involved	0	0
Number of actual training hours	0	0
Net costs for the enterprise	0	0

Statutory auditor's report and declaration by responsible persons

Statutory auditor's report to the General Meeting of Fluxys Belgium NV for the financial year ended 31 December 2024

In the context of the statutory audit of the Consolidated Financial Statements of Fluxys Belgium NV (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2024 and the disclosures including material accounting policy information (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 10 May 2022, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee and following recommendation of the workers' council. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2024. We performed the audit of the Consolidated Financial Statements of the Group during 6 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Fluxys Belgium NV, that comprise of the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the year and the disclosures including, material accounting policy information, which show a consolidated balance sheet total of € 3.310,1 million and of which the consolidated income statement shows a profit for the year (share of the group) of € 82,9 million.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2024, and of its consolidated results for the year then ended, prepared in accordance with the IFRS Accounting Standards as adopted by the European Union and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Calculation of the net profit under the regulatory framework

Description

As described in chapter 'Legal and regulatory framework' of the annual report and note 5.12 of the Consolidated Financial Statements, a regulated tariff mechanism is applied to the transportation of gas (gas flows within Belgium and border-to-border flows), the storage of gas and for LNG terminalling activities. For these activities, the net result is determined by applying calculation methods imposed by the Belgian regulator, the Commission for Electricity and Gas Regulation (the "CREG") (together the "Tariff Mechanism").

The Tariff Mechanism is based on calculation methods that are complex and that require the use of parameters (the Beta of the regulated activity of the Group, return on equity, ...), and of accounting data of the regulated activities (the Regulated Asset Base, the regulated equity, capital expenditures ("CAPEX") and subsidies received). In addition, for extension investments on LNG installations performed since 2004, the Tariff Mechanism provides in a specific calculation method whereby the return is determined following an IRR formula (Internal Rate of Return) as determined by the CREG.

The Tariff Mechanism makes a distinction between manageable and non-manageable costs. Deviations from the estimated value of non-manageable costs are fully allocated to the regulatory assets or liabilities (future tariffs). The manageable costs are costs over which the Group has control, and whereby deviations are distributed between the shareholders of the Group and future tariffs.

Therefore, the calculation methods of the Group's net result are complex and require judgements from management, more particularly with respect to the use of correct accounting data and parameters as imposed by the regulator. The use of incorrect accounting data, and deviations in assumptions, can have a material impact on the Group's net result.

How the matter was addressed in our audit

Amongst others, we have performed the following procedures:

- Assessing the design and implementation of key internal controls relating to the calculation of the net result, including those related to (i) the completeness and accuracy of the underlying data used in the calculation and (ii) management review controls;
- Evaluating the adequate and consistent classification of operating costs by nature (manageable and non-manageable) as described in the Tariff Mechanism;
- Performing independent recalculations of the net results for the respective regulated activities based on underlying internal documentation and externally available information, and taking into account the formulas as described in the Tariff Mechanism;
- Evaluating communication with the CREG, including assessment of the accounting implications of communications and decisions taken by the CREG;
- Assessing the adequacy of the disclosures (chapter 'Legal and regulatory framework' of the annual report and note 5.12 in the Consolidated Financial Statements).

Capitalisation and useful life of property, plant and equipment

Description

Property, plant and equipment amounts to 55% of the consolidated balance sheet of the Group, with a total capital expenditure ('CAPEX') of € 92,1 million in 2024 and a net book value of € 1.804,3 million as at 31 December 2024. Property, plant and equipment form the most important basis for the Regulated Asset Base ("RAB"). Depreciations are classified as non-manageable operating cost and thus have an important impact on the tariffs. The economical useful life, as accepted by the regulator CREG, impacts the depreciations.

As a result of the importance of property, plant and equipment on the total balance sheet and on the regulated result, and given its relevance to the users of the Consolidated Financial Statements, this topic is considered a key audit matter.

How the matter was addressed in our audit

Amongst others, we have performed the following procedures:

- Assessing the design and the implementation of key internal controls, including management assessment over the appropriate authorization of the investment, the compliance of the investment with the capitalization criteria in the accounting policies, and the correct classification of expenditures either as CAPEX or as operating expenses ('OPEX');
- Performing substantive analytical procedures on CAPEX and OPEX by comparing current year figures with the budgeted figures as approved by the regulator at the level of asset classes and projects;
- Testing a selection of additions to property, plant and equipment, assessing whether the expenditure meets the criteria for capitalization under IFRS as adopted by the European Union and under the Group's accounting policies, recalculation of depreciation charges, analyzing whether the investments are allocated to the correct activity, and reconciling the net book value of property, plant and equipment to the RAB;
- Evaluation, based on communication with the regulator, whether there have been changes in the useful life of assets during the period which should be included in the accounts.
- Assessing the adequacy of the disclosures in notes 2.6 and 5.1 of the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with the IFRS Accounting Standards and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements
 Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and

the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISA's, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report and other information included in the annual report

The Board of Directors' report on the Consolidated Financial Statements contains the consolidated sustainability information that is subject to our separate limited assurance report. This section does not cover the assurance on the consolidated sustainability information included in the annual report.

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Chapter 'Legal and regulatory framework'
- Financial situation: consolidated key financial data

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/en/stori>).

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Fluxys Belgium NV per 31

December 2024 included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/en/stori>) are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

Other communications

This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, 27 March 2025

EY Bedrijfsrevisoren BV

Statutory auditor

Represented by

Wim Van Gasse *

Partner

*Acting on behalf of a BV/SRL

25WVG0054

Declaration by responsible persons

Declaration regarding the financial year ended 31 December 2024

We hereby attest that to our knowledge:

- Fluxys Belgium's financial statements, drawn up in accordance with the applicable accounting standards, give a true and fair view of the company's assets, liabilities, financial position and profit or loss as well as those of the companies included in the consolidation scope;
- the annual report gives a true and fair view of the development and performance of the business and of the position of the company itself and of the companies included in the consolidation scope, together with a description of the principal risks and uncertainties that they face.

Brussels, 27 March 2025

Christian Leclercq
Member of the Executive Board
Chief Financial Officer

Pascal De Buck
Managing Director
Chief Executive Officer

Glossary

Pertinence of published financial ratios

The Fluxys Belgium group continually evaluates its financial solidity, in particular using the following financial ratios:

- Solvency:** The ratio between net financial debt and the sum of equity and net financial debt indicates the solidity of the Fluxys group's financial structure.
- Interest coverage:** The ratio between the FFO, before interest expenses, and interest expenses represents the group's capacity to cover its interest expenses thanks to its operating activities.
- Net financial debt/extended RAB:** This ratio expresses the share of the extended RAB financed by external debt.
- FFO/Net financial debt:** This ratio is used to determine the group's capacity to pay off its debts based on cash generated by its operating activities.
- RCF/Net financial debt:** This ratio is used to determine the group's capacity to pay off its debts based on cash generated by its operating activities after payment of dividends.

Definition of indicators

Other property, plant and equipment investments outside the RAB

Average combined investments in property, plant and equipment linked to the extensions to the Zeebrugge LNG terminal and in unregulated activities.

Net finance costs

Interest charges less financial income from lease contracts, interest on investments and cash equivalents and other interest received, excluding interest on regulatory assets and liabilities.

Interest expenses

Interest expenses on debts (including interest charges on leasing debts), less interest on regulatory liabilities.

EBIT

Earnings Before Interests and Taxes or operating profit/loss from continuing operations plus the result of investments accounted for by the equity method and the dividends received from unconsolidated entities. EBIT is used to monitor the operational performance of the group over time.

EBITDA

Earnings Before Interests, Taxes, Depreciation and Amortisation or operating profit/loss from continuing operations, before depreciation, amortisation, impairment and provisions, plus the result of investments accounted for by the equity method and the dividends received from unconsolidated entities. EBITDA is used to monitor the operational performance of the group over time, without considering non-cash expenses.

Net financial debt

Interest-bearing liabilities (including leases), less regulatory liabilities, cash linked to early refinancing transactions and 75% of the balance of cash, cash equivalents and short- and long-term cash investments (the other 25% is considered as reserve for operational needs and therefore not available for investments). This indicator gives an idea about the amount of interest bearing debt that would remain if all available cash would be used to reimburse loans. In order to reflect reality more accurately, the exceptional solidarity contribution of €300 million has been removed from the cash position when calculating net financial debt. Indeed, this debt was recognised on 31 December whereas it was paid in January 2023, which has a significant influence on the calculation.

FFO

Funds from Operations or profit/loss from continuing operations, excluding changes in regulatory assets and liabilities, before depreciation, amortisation, impairment and provisions, to which dividends received from associates and joint ventures and unconsolidated entities are added, and from which net financial expenses and current tax are deducted. This ratio indicates the cash generated by operational activities and

thus the capacity of the group to reimburse its debts and to invest but also to pay dividends.

RAB

Average Regulatory Asset Base, or average value of the regulated asset base for the year. The RAB is a regulatory concept which contains the assets on which a regulatory return is granted, as regulated by the CREG.

Extended RAB

Total of the RAB and other property, plant and equipment investments outside the RAB.

RCF

Retained Cash-Flow or FFO, less dividends paid. This ratio indicates the cash generated by operational activities, but after payment of the dividends. It thus shows the remaining net capacity of the group to reimburse its debts and to invest.

WACC

Weighted Average Cost of Capital, which reflects the authorised return on RAB under the regulation.

Fluxys Belgium consolidated income statement in thousands of €	31-12-2024	31-12-2023	Notes
Operating profit/loss	133,931	129,570	
Depreciations	177,533	166,894	
Provisions	-2,958	745	
Impairment losses	-6,223	-11,400	
Earnings from associates and joint ventures	0	0	
Dividends from unconsolidated entities	0	0	
EBITDA in thousands of €	302,283	285,809	

Fluxys Belgium consolidated income statement in thousands of €	31-12-2024	31-12-2023	Notes
Operating profit/loss	133,931	129,570	
Earnings from associates and joint ventures	0	0	
Dividends from unconsolidated entities	0	0	
EBIT in thousands of €	133,931	129,570	

Fluxys Belgium consolidated income statement in thousands of €	31-12-2024	31-12-2023	Notes
Financial income from lease contracts	0	39	
Interest income on investments, cash and cash equivalents	42,174	32,487	
Other interest income	3,278	4,202	
Borrowing interest costs	-69,311	-65,909	
Borrowing interest cost on leasing	-927	-827	
Interest on regulatory assets and liabilities	37,690	32,441	
Net financial expenses in thousands of €	12,904	2,433	

Fluxys Belgium consolidated income statement in thousands of €	31-12-2024	31-12-2023	Notes
Borrowing interest costs	-69,311	-65,909	
Borrowing interest costs on leasing	37,690	-827	
Interest on regulatory liabilities	-927	32,441	

Interest expenses in thousands of €	-32,548	-34,295
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Fluxys Belgium consolidated income statement in thousands of €	31-12-2024	31-12-2023	Notes
Operating profit/loss	133,931	129,570	
Operating revenue - Movements in regulatory assets and liabilities	11,074	291,104	
Depreciations	177,533	166,894	
Provisions	-2,958	745	
Impairment losses	-6,223	-11,400	
Inflows related to associates and joint ventures	0	0	
Dividends from unconsolidated entities	0	0	
Net financial expenses	12,904	2,433	
Current tax	-34,639	-28,235	
FFO in thousands of €	291,622	551,111	

Fluxys Belgium consolidated income statement in thousands of €	31-12-2024	31-12-2023	Notes
FFO	291,622	551,110	
Dividends paid	-98,367	-98,369	E – consolidated statement of cash flows
RCF in thousands of €	193,255	452,741	

Fluxys Belgium consolidated balance sheet in thousands of €	31-12-2024	31-12-2023
Non-current interest-bearing liabilities	1,025,275	1,070,311
Current interest-bearing liabilities	56,346	55,336
Cash investments (75%)	-23,754	-24,749
Cash and cash equivalents (75%)	-818,657	-801,170
Other financial assets (75%)	-79,460	-80,324
Net financial debt in thousands of €	159,750	219,404

Fluxys Belgium consolidated balance sheet in millions of €	31-12-2024	31-12-2023
Transmission	2,044.3	2,046.6
Storage	216.3	228.0
LNG terminalling	313.0	311.0
RAB in millions of €	2,574.7	2,585.6
Other tangible investments outside RAB	426.2	432.9
Extended RAB in millions of €	2,999.8	3,018.6

In Belgium, the Regulated Asset Base (RAB) is determined based on the average book value of the fixed assets for the period, plus essentially the accounting amortisations accumulated on the revaluation surpluses. The calculation is in line with the tariff methodology published by the CREG.

Welfare contribution in thousands of €	31-12-2024	31-12-2023	Notes
Dividends paid	98,367	98,369	D. Consolidated statement of changes in equity
Financial income	-45,808	-37,606	4.3
Financial expenses	71,111	69,950	4.4
Goods & consumables	13,012	8,895	4.2.1
Services & miscellaneous goods	179,034	179,845	4.2.2
Employee benefits	141,877	135,240	4.2.3
Taxes and duties paid	30,318	31,100	4.5.1
Lease agreements	7,031	5,579	4.2.5 & 4.4
Welfare contribution in thousands of €	494,942	491,372	

Shareholder's guide

Shareholder's calendar

13.05.2025	General Meeting
21.05.2025	Payment of dividend
25.09.2025	Press release from the Board of Directors on the half-yearly results in accordance with IFRS

Payment of dividend

The gross dividend per share amounts to €1.40 for the 2024 financial year (€0.980 net), unchanged compared to 2023. The recurring dividend is primarily determined on the basis of equity invested, the financial structure, the risk-free interest rates.



Evolution of Fluxys Belgium share price – BEL 20
(Share price 13-12-2001 = base 100%)

Questions about accounting data

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