

# # OneteamOnetarget Our ESG performance

Having a positive impact on the world is what drives us. Care is our key. Taking care of the climate, with the solutions we provide for decarbonisation and by making our own carbon footprint progressively smaller. Serving society by taking care of our essential infrastructure. And seeing to a good working environment with meaningful work. This is how, together, we create balance and perspective for tomorrow.





# Environment



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## Our focus in 2022



**In partnership with industry, preparing the hydrogen and CO<sub>2</sub> transmission infrastructure to be a powerful tool for both reducing large-scale CO<sub>2</sub> emissions and sustainably safeguarding economic activity and employment**



**Together with partners, developing terminals for hydrogen import and CO<sub>2</sub> export**



**Making investments and developing initiatives to further reduce methane emissions in our transmission and storage businesses**



**Building three additional open-rack vaporisers to reduce the Zeebrugge LNG terminal's emissions**

**10**

**Proposals for open-access hydrogen and CO<sub>2</sub> infrastructure in Belgium's industrial clusters**

**4**

**Market consultations completed in first phase regarding the proposals for open-access hydrogen and CO<sub>2</sub> infrastructure in Belgium's industrial clusters**

**2**

**Proposals for cross-border hydrogen infrastructure (Belgium-Netherlands and Belgium-France)**

**-48%**

**Greenhouse gas intensity  
Transmission and storage**

(compared with 2021)  
p. 77  
(-51% compared with 2017)

**+56%**

**Greenhouse gas intensity  
LNG terminalling**

(compared with 2021)  
p. 77  
(+60% compared with 2017)

# Climate change – Transporting molecules for a carbon-neutral future



## Policy

Our commitment to the climate targets forms an integral part of our business strategy with a focus on our key role as an infrastructure company in speeding up the energy transition. In that connection, this commitment is also a core pillar of our Health, Safety and Environment Policy.

Our approach to molecule transmission for a carbon-neutral future is fully in line with the European Commission’s decarbonisation package and hydrogen strategy, the Belgian federal government’s hydrogen strategy, and the climate approach of Belgium’s regions.

Given the developments in the legal and regulatory framework, and in line with industrial demand, we are thoroughly preparing to convert our network into a multi-molecule system which we will use to transport not only natural gas and biomethane but also hydrogen and other carbon-neutral molecules and CO<sub>2</sub>. This will enable us to offer industry powerful tools for reducing large-scale CO<sub>2</sub> emissions and thus sustainably safeguarding economic activity and employment.

## Risks and measures

### Risk

Drop in demand for natural gas due to the energy transition: the risk that part of Fluxys Belgium’s infrastructure can no longer be used

### Measures

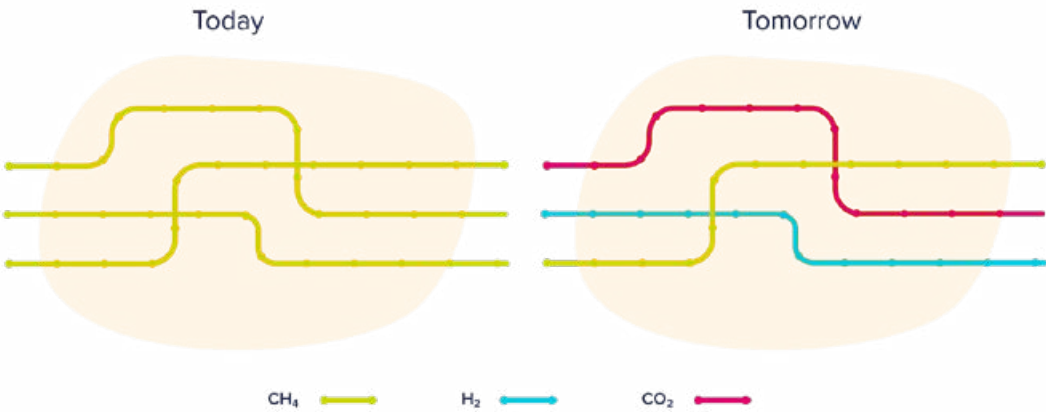
Investment programme with projects to achieve decarbonisation goals while gradually reconfiguring the existing network as part of a carbon-neutral energy system

### Opportunity

- Developing new activities to speed up the energy transition
- Combining new infrastructure with, wherever possible, the reuse of existing natural gas infrastructure is a cost-efficient solution to transport molecules for a carbon-neutral future

### Actions

- Investment programme with projects to achieve decarbonisation goals while gradually reconfiguring the existing network as part of a carbon-neutral energy system
- Creation of the Fluxys nextgrid business unit, focusing 100% on infrastructure and hydrogen and CO<sub>2</sub> services



We will gradually reuse existing infrastructure as much as possible to create hydrogen and CO<sub>2</sub> networks. This is cheaper than starting from scratch and it also saves time. In a densely populated country like Belgium, it also means using up a lot less space.

Complete focus on energy transition projects with the Fluxys nextgrid business unit

In 2022, we established within Fluxys Belgium the Fluxys nextgrid business unit to optimally reinforce our strategy’s central focus on the energy transition. This business unit will serve as the driving force behind the energy transition projects in Belgium and projects directly related to the Belgian energy ecosystem.

First transmission infrastructure for hydrogen/CO<sub>2</sub> in 2026

Our approach to providing Belgium with the necessary hydrogen and CO<sub>2</sub> infrastructure is shaped in cooperation with our customers, the authorities, neighbouring operators, distribution system operators and other stakeholders. In line with market needs, we aim to have the first hydrogen and/or CO<sub>2</sub> pipelines in Belgium ready for

use by mid-2026. Every effort is being made to make the necessary investment decisions to achieve this.

We develop the infrastructure in industrial clusters and establish connections between them and neighbouring countries. This will allow us to develop the appropriate backbone infrastructure and lay the foundations for sustainably cementing Belgium’s role as an energy cross-roads by making the country a hydrogen and CO<sub>2</sub> hub for the economy both in Belgium and North-West Europe.

10 infrastructure proposals

In 2022, we produced additional, updated practical proposals for open-access hydrogen and CO<sub>2</sub> transmission infrastructure for various industrial clusters. We are focusing on the market with a total of 10 infrastructure proposals.

4 market consultations completed in the first phase

Each infrastructure proposal is accompanied by a market consultation during which customers can express their interest. 4 market consultations have been completed in the first phase: the market consultations for

hydrogen infrastructure in Antwerp, Mons and Ghent respectively, and the market consultation for CO<sub>2</sub> infrastructure in Antwerp. This means that now feasibility studies are looking into tariffs for the use of this infrastructure.

2 cross-border clusters

In this phase, the hydrogen clusters in Ghent and Mons are both already cross-border clusters.

- In the case of the Ghent cluster, Fluxys Belgium, the port authority and the Dutch transmission system operator Gasunie are joining forces to connect the Dutch and Belgian hydrogen networks in the cross-border North Sea Port.
- For the Mons cluster, Fluxys Belgium and the French transmission system operator GRTgaz identified the wider Mons area, which extends to La Louvière and Feluy in Belgium together with the Valenciennes region in France, as a cross-border cluster for the development of hydrogen infrastructure.

Terminalling projects for hydrogen and CO<sub>2</sub>

Antwerp@C CO<sub>2</sub> Export Hub

Within the Antwerp CO<sub>2</sub> cluster, Fluxys Belgium, together with Air Liquide, is developing an open-access terminal for receiving, liquefying and temporarily storing CO<sub>2</sub> and loading it onto ships to be taken to permanent offshore storage.

Antwerp@C CO<sub>2</sub> Export Hub is the first phase of Antwerp@C, an initiative of Air Liquide, BASF, Borealis, ExxonMobil, INEOS, TotalEnergies, Fluxys and Port of Antwerp-Bruges aiming to halve the CO<sub>2</sub> emissions on the Antwerp port platform by 2030.

In 2022, Fluxys Belgium, Air Liquide and Port of Antwerp-Bruges were awarded an EU subsidy of €144.6 million by the Connecting Europe Facility. The funding is intended for the construction of the common CO<sub>2</sub> transport and export facilities on the Antwerp port platform. Being awarded this subsidy is a key step towards the final investment decision, which is expected in 2023.



Import terminal for green ammonia in Antwerp

In 2022, Fluxys Belgium, Advorio Stolthaven Antwerp and Advorio Gas Terminal joined forces to develop an open-access green ammonia import terminal at Port of Antwerp-Bruges. Ammonia is an efficient molecule for the long-distance transmission of green hydrogen generated by wind and solar energy

The aim is to make green ammonia available from the terminal as a carbon-neutral raw material and fuel. The green ammonia can also be converted into green hydrogen for transmission in the hydrogen network.

Ghent Carbon hub

Within the Ghent CO<sub>2</sub> cluster, Fluxys Belgium, together with ArcelorMittal Belgium and the cross-border North Sea Port, is developing an open-access multimodal terminal for receiving, liquefying and temporarily storing CO<sub>2</sub> and loading it onto ships to be taken to permanent offshore storage.

In 2022, Fluxys Belgium, ArcelorMittal Belgium and North Sea Port were awarded an EU subsidy of €9.6 million by the Connecting Europe Facility. This funding is intended for research in connection with the Ghent Carbon Hub, combined with a CO<sub>2</sub> pipeline between Ghent and Mons.

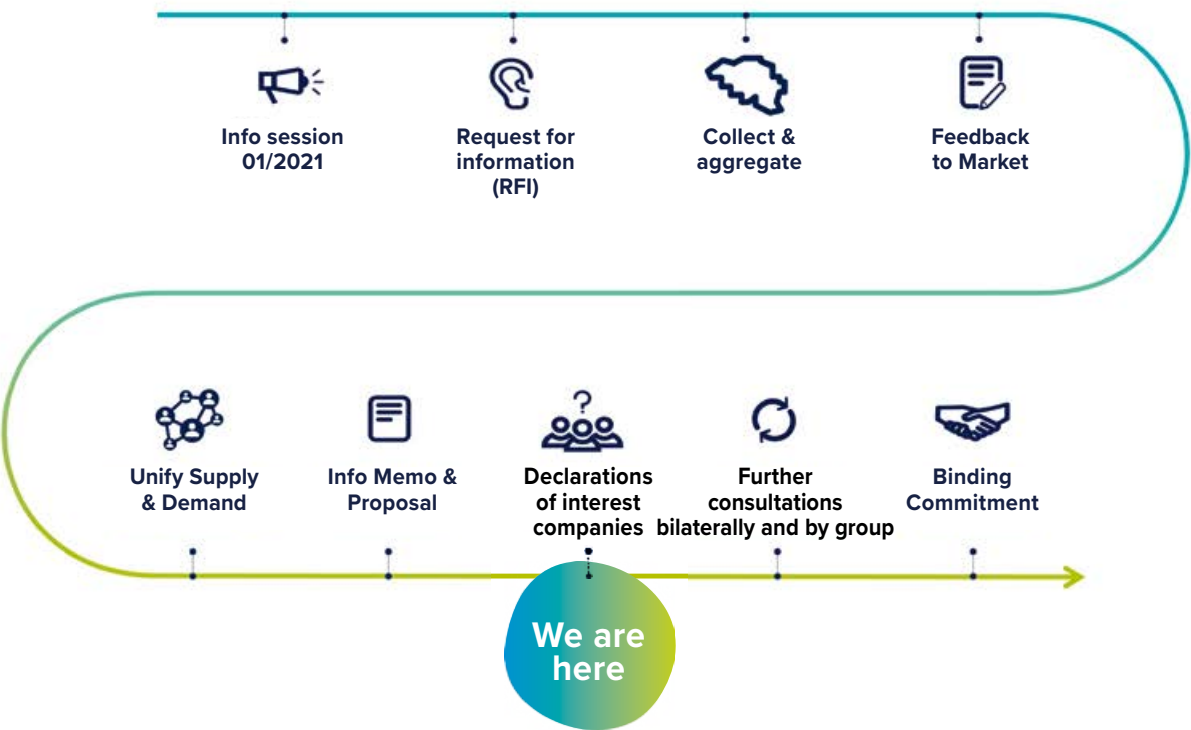


Zeebrugge as a multi-molecule hub

Fluxys Belgium is conducting various studies to develop the Zeebrugge LNG terminal into a multi-molecule hub for LNG, bio-LNG, hydrogen and CO<sub>2</sub>.

- For hydrogen and derivatives, we are researching the facilities for large-scale imports from countries with an abundance of wind and solar energy. From the terminal, hydrogen would then reach the industrial clusters in Belgium and neighbouring countries through the hydrogen network.
- For CO<sub>2</sub> we are aiming for large-scale export facilities. The captured CO<sub>2</sub> from industry in Belgium and neighbouring countries would flow via the CO<sub>2</sub> network to Zeebrugge, with this becoming the connection to two export options for permanent offshore storage: ship or an offshore pipeline.

Progress in the preparation of hydrogen and CO<sub>2</sub> networks





Ensuring availability of enough hydrogen

More green hydrogen from wind

To be viable, the hydrogen economy requires enough renewable electricity to be generated to produce green hydrogen. The Esbjerg Declaration at the North Sea Summit bringing together Belgium, Denmark, Germany and the Netherlands in May 2022 was vital in this regard. The four countries are joining forces to quadruple their combined offshore wind capacity to 65 GW by 2030 and to further increase it to at least 150 GW by 2050, thereby making the North Sea the largest sustainable energy plant in Europe.

Quickly achieving large volumes with blue hydrogen

Belgium and Western Europe still have only limited potential to quickly scale up the generation of renewable electricity as a source of green hydrogen. “Blue hydrogen” is one alternative. This is low-carbon hydrogen produced from natural gas, where the released CO<sub>2</sub> is captured and reused or stored. Using available technologies, up to 98% of the released CO<sub>2</sub> can be captured.

ENGIE and Equinor are developing their H2BE project in Ghent for the large-scale production of blue hydrogen. The project is an important link in getting large volumes of low-carbon hydrogen to market in Belgium quickly in a stable way. Fluxys Belgium is working with ENGIE and Equinor to connect the project to the hydrogen and CO<sub>2</sub> networks in the Ghent cluster.

Overseas imports of green hydrogen

Overseas imports of carbon-neutral hydrogen are a third pillar to ensure the availability of enough green hydrogen. For this purpose, particularly windy and sunny areas where large quantities of green hydrogen can be produced from green electricity are being looked at. Green hydrogen can then be exported by ship to import terminals in Europe, for example in the form of green ammonia.

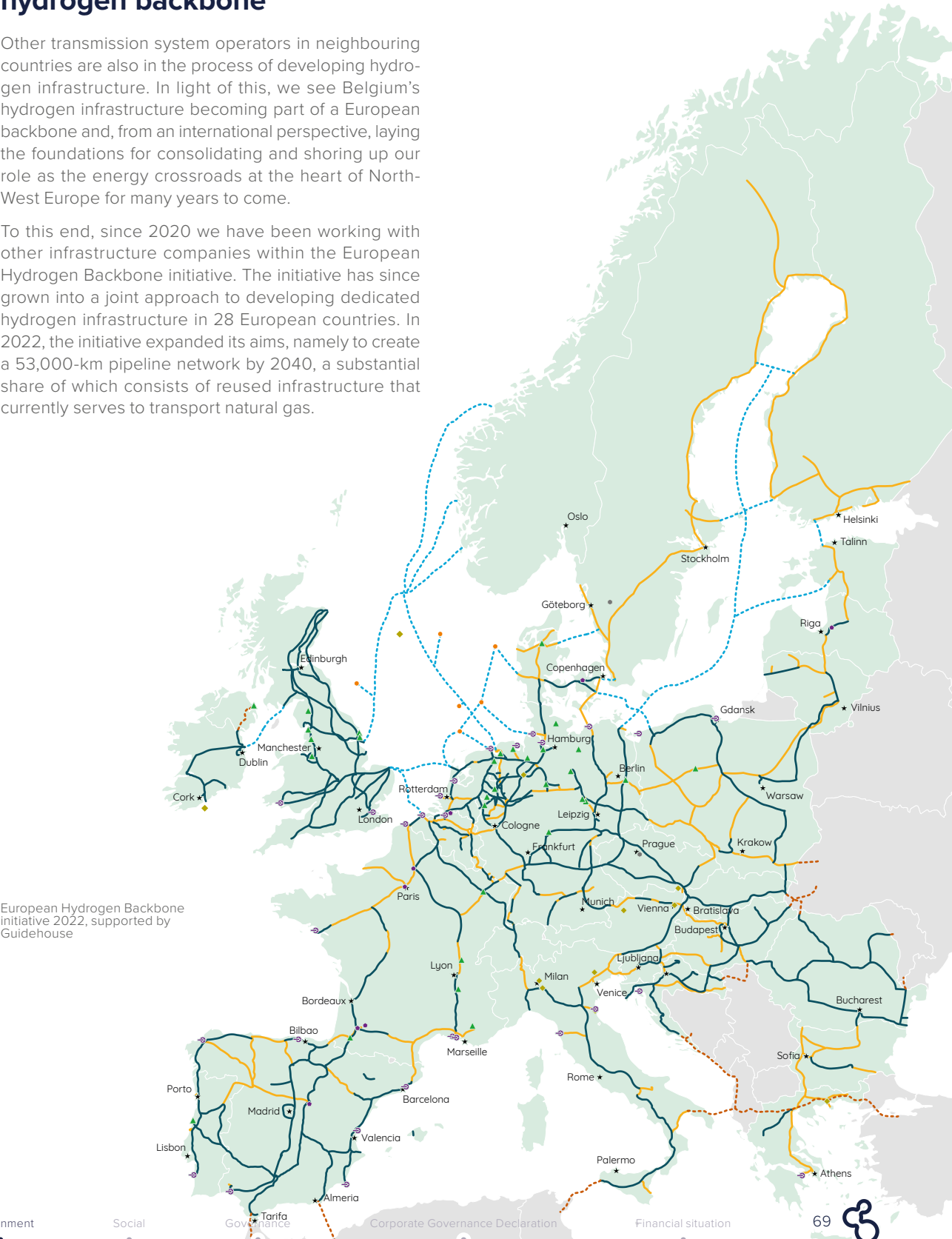
With this in mind, parent company Fluxys is joining forces with DEME, ENGIE, EXMAR, Port of Antwerp-Bruges and WaterstofNet in the Hydrogen Import Coalition.

The federal government has already signed agreements with Oman and Namibia relating to imports of green hydrogen. For other import routes, partner countries are still being identified. Port of Antwerp-Bruges has signed a similar agreement with Chile, which is a country with huge solar-energy potential.

Embedded in Europe’s hydrogen backbone

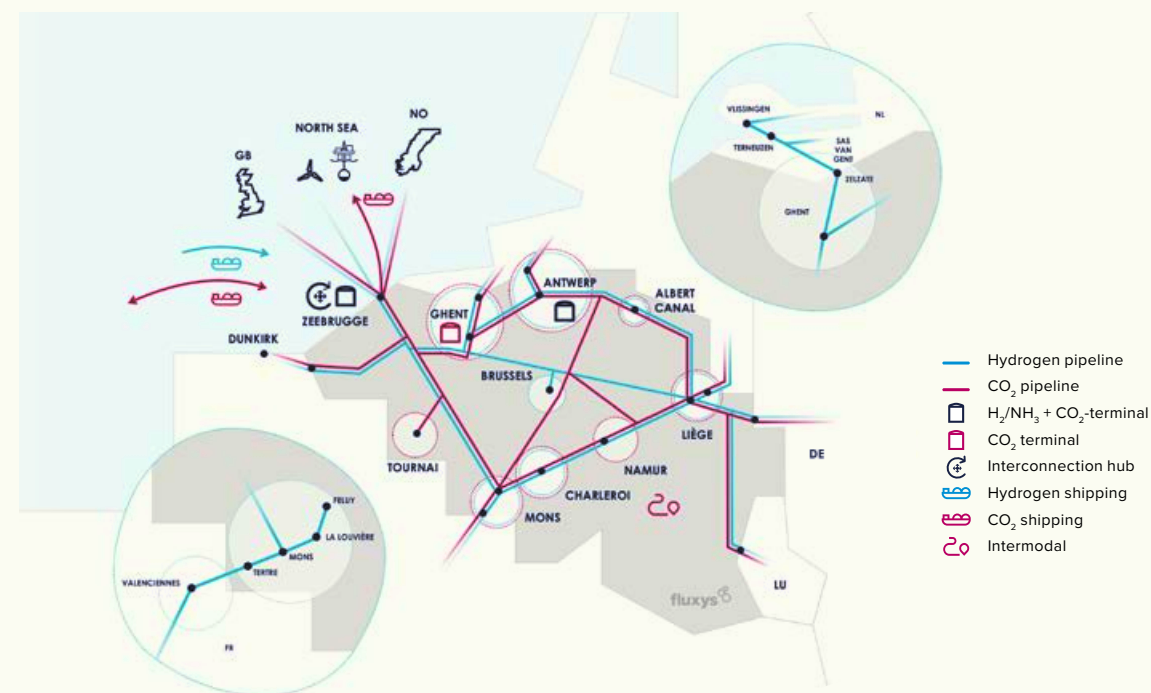
Other transmission system operators in neighbouring countries are also in the process of developing hydrogen infrastructure. In light of this, we see Belgium’s hydrogen infrastructure becoming part of a European backbone and, from an international perspective, laying the foundations for consolidating and shoring up our role as the energy crossroads at the heart of North-West Europe for many years to come.

To this end, since 2020 we have been working with other infrastructure companies within the European Hydrogen Backbone initiative. The initiative has since grown into a joint approach to developing dedicated hydrogen infrastructure in 28 European countries. In 2022, the initiative expanded its aims, namely to create a 53,000-km pipeline network by 2040, a substantial share of which consists of reused infrastructure that currently serves to transport natural gas.



## Hydrogen and CO<sub>2</sub> networks in Belgium: overview

### First transmission infrastructure in 2026



## Hydrogen and CO<sub>2</sub> infrastructure: a dual solution

Approximately 40% of Belgium's CO<sub>2</sub> emissions are generated by industrial energy consumption or process emissions. The development of infrastructure for the transmission and terminalling of hydrogen and CO<sub>2</sub> is key for industry to meet the relevant decarbonisation goals.

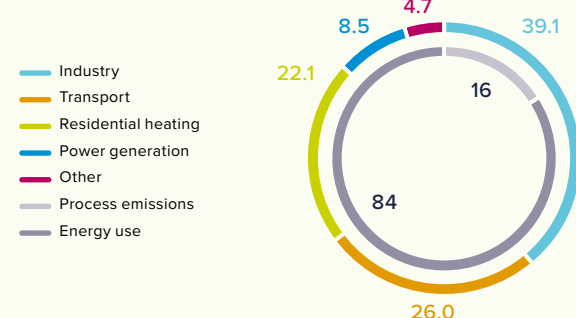
### Industrial processes for which hydrogen is the best solution.

For many companies, hydrogen is the right choice when weighing up the best balance between security of supply, climate impact and cost. A range of industrial processes also requires high temperatures for which (renewable) electricity is not an option. Connecting these industries to a hydrogen supply gives them a chance to switch to the best carbon-neutral alternative. The same goes for industries that use carbon-intensive feedstock.

### Industrial processes that produce CO<sub>2</sub>.

Carbon capture, use or storage is considered a key technology for reducing CO<sub>2</sub> emissions and creating clusters for the circular reuse of CO<sub>2</sub> in the production of, for example, carbon-neutral biofuels. This technology is vital to safeguard sectors that are difficult to decarbonise and involve industrial processes that produce CO<sub>2</sub>. The availability of infrastructure for the transmission of captured CO<sub>2</sub> to destinations for reuse or storage is a cornerstone of this solution.

**Belgium: breakdown of CO<sub>2</sub> emissions**  
(in million tonnes, source: klimaat.be)



## Zeebrugge multi-molecule hub

- Open-access terminal
- Importing hydrogen or derivatives for transshipment to the hydrogen network and then transmission within Belgium and to neighbouring countries
- Receiving captured CO<sub>2</sub> from the CO<sub>2</sub> network with two export options:
  - liquefaction, intermediate storage and loading onto ships to be taken to permanent offshore storage;
  - transshipment to an offshore pipeline for transmission to permanent offshore storage.
- Status: preliminary studies



## Offshore CO<sub>2</sub> pipeline (North Sea)

- Open-access pipeline
- Project of parent company Fluxys and Equinor
- c. 1,000-km pipeline for CO<sub>2</sub> exports from Zeebrugge to permanent storage in the North Sea
- Capacity: 20-40 million tonnes of CO<sub>2</sub> per year
- Status: feasibility study
- Proposed timing: commissioning before 2030

## Import terminal for green ammonia in Antwerp

- Open-access terminal
- Fluxys Belgium project with Advorio Stolthaven Antwerp and Advorio Gas Terminal
- Import terminal for green ammonia: use of green ammonia as a carbon-neutral feedstock and fuel and possibly also its conversion into green hydrogen for transmission in the hydrogen network
- Status: feasibility study
- Proposed timing: commissioning in 2027



## Antwerp@C CO<sub>2</sub> Export Hub

- Open-access terminal
- Fluxys Belgium project with Air Liquide
- Multimodal terminal for receiving, liquefying and temporarily storing CO<sub>2</sub> and loading it onto ships to be taken to permanent offshore storage
- Capacity of up to 10 million tonnes of CO<sub>2</sub> per year
- Status: engineering & design
- Proposed timing: commissioning in 2026

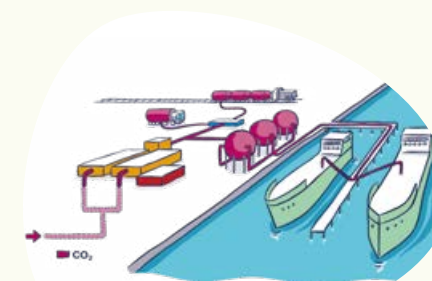
 Co-funded by the European Union



## Ghent Carbon hub

- Open-access terminal
- Fluxys Belgium project with ArcelorMittal Belgium and North Sea Port
- Multimodal terminal for receiving, liquefying and temporarily storing CO<sub>2</sub> and loading it onto ships to be taken to permanent offshore storage
- Capacity of up to 6 million tonnes of CO<sub>2</sub> per year
- Status: feasibility study
- Proposed timing: commissioning in 2028

 Co-funded by the European Union





## Research into speeding up the energy transition

Together with various partners and academic institutions, Fluxys Belgium conducts research into hydrogen and CO<sub>2</sub> infrastructure and the practicalities of reusing our existing infrastructure for hydrogen and CO<sub>2</sub>.

### FutureGrid tests hydrogen in real conditions

Fluxys Belgium is working with its British counterpart National Gas and with Northern Gas Networks, the distribution system operator for the North of England, to develop a hydrogen test facility. Such a facility would test the transmission of hydrogen in real conditions in various domains,

Over the past year, a ‘mini-network’ of natural gas infrastructure was built that is separate from the existing network. The tests will start in 2023 and are an important addition to our own research into the reuse of existing hydrogen infrastructure. Expert group DNV and the Universities of Durham and Edinburgh are also involved in the test facility.

### HyFit and Hysource

These two university projects study the influence of hydrogen on pipeline steels and welding. The results of the HyFit laboratory tests have been presented to the FPS Economy.

### PIPELHYNE

This research with GRTgaz, National Gas, Engie and Transitgas/Swissgas aims to test different types of steel for their sensitivity to hydrogen.

### Underground storage

We are looking into the practicalities of hydrogen storage at our Loenhout underground storage site. Extensive technical preparations have been made for the injection of hydrogen into the underground storage facility, and we expect to be able to carry out the first tests in 2023 after completing the permit procedures.

### Hydrogen panels

Researchers from KU Leuven have developed game-changing hydrogen panels that are a highly efficient means of producing green hydrogen from sunlight as well as water vapour in the air. Fluxys is supporting the innovative project with its wide-ranging expertise in the analysis of molecules.

### H2GridLab

H2GridLab is an initiative to establish a participatory laboratory on the Anderlecht site of distribution system operator Sibelga to carry out tests, roll out pilot projects and amass knowledge of green hydrogen and its local storage, injection into networks and role in the decarbonisation of public distribution. H2GridLab has been supported by Belgium’s federal Energy Transition Fund. Semi-industrial installations such as gas turbines and fuel cells will be set up and tested in 2023.

### Interaction between energy networks

University research is being conducted into the interactions between different energy networks. This research is developing a simulation model for the Belgian energy system that integrates electricity, hydrogen, natural gas and CO<sub>2</sub>.

## Helping to develop the biomethane market

### Getting started

The production of biomethane in Belgium is getting off the ground and gathering momentum. Six biomethane units are currently operational: three in Flanders and three in Wallonia. Construction of an additional unit is expected in 2023.

Up to now, the biomethane units in Belgium have all been connected to the distribution systems. Large-scale facilities can be linked up to Fluxys Belgium’s high-pressure network. In 2022, we signed an agreement to connect the Green Logix Biogas facilities in Lommel to our network, with this scheduled to happen in late 2024/early 2025.

### Significant potential

Valbiom was commissioned by the Belgian gas federation gas.be to carry out a study into the potential contribution of locally produced biogas in Belgium, concluding that biogas could cover around one fifth of household gas consumption by 2030. In addition, biomethane can also be imported from neighbouring countries in the future, using certificates and guarantees of origin. Cross-border exchanges of biomethane should be encouraged by developing an international system of guarantees of origin and sustainability certificates.

## Supporting the market for LNG and bio-LNG in heavy goods transport and shipping

Switching to LNG-powered ships and trucks would help to quickly cut greenhouse gas emissions and limit air pollution, which is why Fluxys Belgium is investing in infrastructure and services to open up LNG for these segments. The advantage of small-scale LNG infrastructure and the fleet of LNG-powered ships and trucks is that no additional investments are needed to switch to carbon-neutral bio-LNG as it becomes available.

### Four additional truck loading stations at LNG terminal

At the Zeebrugge LNG terminal, trailers are loaded with LNG to supply LNG-powered ships and filling stations for trucks running on LNG. In order to be able to continue meeting increasing demand efficiently, four additional truck loading stations are under construction at the terminal. They will be commissioned in late 2023/early 2024.

### LNG terminal makes bio-LNG available

Since 2020, the Zeebrugge LNG terminal has been certified as a European approved process plant to make bio-LNG available as a fuel for transport. Switching ships and trucks to bio-LNG can help the sector make the transition to full decarbonisation.



# Climate change – Systematically reducing our own climate impact



## Policy

Our commitment to systematically reducing our own climate impact is an integral part of our business strategy. In that connection, this commitment is also a core pillar of our Health, Safety and Environment Policy.

In 2018, we launched the Go for Net 0 project with a view to halving the greenhouse gas emissions of our own operations by 2025 compared with 2017 levels. In 2021, we reinforced that ambition by setting the goal of making our own activities carbon-neutral by 2035.

## Risks and measures

Risk	Measures
<ul style="list-style-type: none"><li>• Greenhouse gas emissions from Fluxys Belgium’s activities do not decrease as set out in the climate targets</li><li>• Greenhouse gas emissions may have a financial impact</li></ul>	<ul style="list-style-type: none"><li>• Go for Net 0 project to lower Fluxys Belgium’s greenhouse gas emissions to net zero by 2035, including methane emissions from our activities and maintenance/repair work</li><li>• Building additional open-rack vaporisers to reduce the Zeebrugge LNG terminal’s emissions</li></ul>
Opportunity	Actions
Improving the energy efficiency of our activities	Efficiently deployed renewable energy technology improving energy efficiency and reducing greenhouse gas emissions



## Tackling methane emissions

Total methane losses on the Fluxys Belgium network account for around 0.02% of the total transported volume. The Go for Net 0 project sets out four tracks for tackling the sources of methane emissions.

### Cut emissions from equipment

Modify equipment generating emissions or replace it with equipment controlled by electricity or compressed air.

### Reduce fugitive methane emissions

Periodic Leak Detection And Repair (LDAR) campaigns enable us to detect fugitive emission sources and repair or optimise them.

### Limit emissions during maintenance/repairs on the network

Natural gas often has to be removed from a pipeline section during maintenance or repair work. In doing so, we prevent natural gas from being released into the air in various ways. An exception to this may be made for urgent maintenance or repair work.

### Other tracks

Various studies are currently exploring other ways to reduce methane emissions. For example, methane emissions can be recovered by starting and stopping facilities.

## Tackling CO<sub>2</sub> emissions

### Minimising compression

When balancing the network or controlling gas flows, Fluxys Belgium endeavours to use its compressor facilities as little as possible.

### Regasification using the heat from seawater

he Zeebrugge LNG terminal has been using an open-rack vaporiser since 2013. Using the heat from seawater to regasify LNG will significantly reduce the terminal's energy consumption and emissions. Three additional open-rack vaporisers are being built.

In 2022, we launched a number of studies for additional measures to further reduce the terminal's CO<sub>2</sub> emissions:

- Possibilities for constructing extra open-rack vaporisers
- Deploying technology for carbon capture and using hydrogen or a mixture of hydrogen and natural gas as an energy source for the conventional regasification facilities at the terminal.

### Green gas

Fluxys Belgium buys green gas certificates from biomethane producer IOK Beerse to heat its head office and Anderlecht site. We are looking into expanding the use of green gas certificates for our activities.

### Green electricity

The electricity used by Fluxys Belgium has been entirely renewable since 2021. As a result, we are completely eliminating the indirect impact of our electrical facilities.

Fluxys Belgium is busy exploring options for generating green electricity for its own use. This is already being done with solar panels on some of our industrial buildings, and the expansion of the solar fleet is under consideration.

## Results

### Greenhouse gases: transmission and storage

In 2022, the greenhouse gas (GHG) intensity of the transmission and storage businesses was halved compared to the reference year 2017.

- The initiatives and investments for cutting methane emissions reduced methane emissions by 23% compared with the previous year. This means that methane emissions have now dropped to half of 2017 levels (reference year).
- CO<sub>2</sub> emissions decreased by 14% compared with the previous year, thereby falling below 2017 levels (reference year).

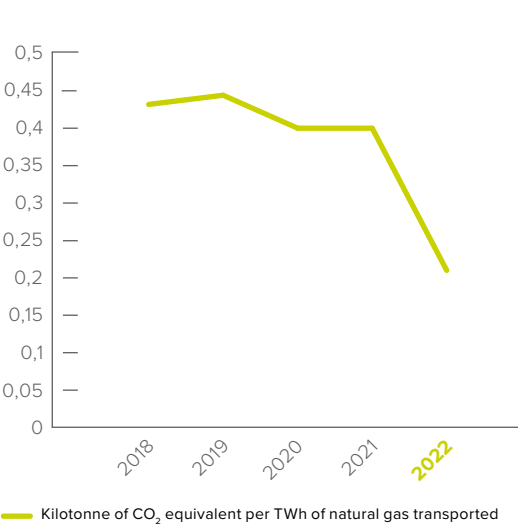
### Greenhouse gases: LNG terminalling

In 2022, the Zeebrugge LNG terminal regasified almost three times as much LNG as in 2021 due to the very high demand to support security of supply on the North-West European natural gas market. As a result, considerable use had to be made of emissions-generating conventional regasification facilities to supplement the open-rack vaporiser.

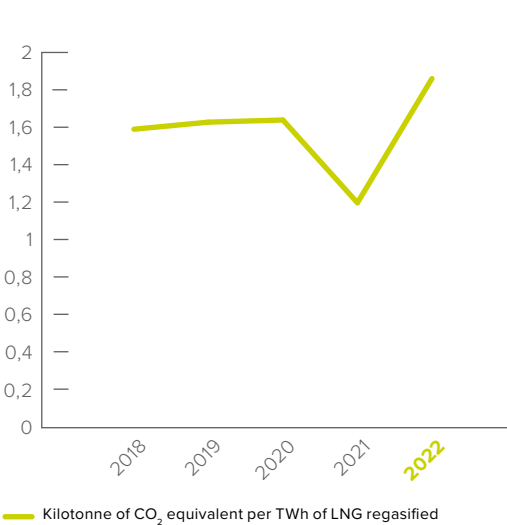
Due to the high levels of activity, GHG intensity increased by more than half compared with 2021 and CO<sub>2</sub> emissions from the facility were more than four times as high. However, maximising use of the open-rack vaporiser with seawater in 2022 prevented 72,250 tonnes of CO<sub>2</sub> emissions.

Three additional open-rack vaporisers are being built at the LNG terminal, with a view to reducing its GHG intensity. In 2022, various studies were launched into additional investments in further reducing the GHG intensity of the facilities (see page 76).

Change in greenhouse gas intensity



Change in greenhouse gas intensity





**3** additional open-rack vaporisers with seawater

In 2021, we started building three additional open-rack vaporisers at the Zeebrugge LNG terminal. The commissioning of the facilities from 2024 onwards will mark a milestone in terms of further reducing energy consumption and also emissions at the terminal.

**Energy efficiency**


Two key solutions for reducing greenhouse gas emissions (namely minimising the deployment of compressor stations and maximising the use of the open-rack vaporiser at the LNG terminal) primarily improve energy efficiency. The less fossil energy we use, the more we manage to reduce greenhouse gas emissions.

In addition, we take various other measures for our operations. For example, we conclude operational agreements with operators in neighbouring countries to ensure the energy-efficient use of networks. For the best possible energy efficiency, we also make maximum use of the operational flexibility in the pipelines and optimise settings in the pressure-reducing stations.

In recent years, various installations at the LNG terminal have been renovated and adapted to boost the energy efficiency of the infrastructure. The construction of three additional open-rack vaporisers is the latest example of our efforts to boost energy efficiency.
















Indicators

The quality and accuracy of the figures used for CO<sub>2</sub>-equivalent emissions in this report have been validated by an external auditor, pursuant to the International Standard on Assurance Engagements (ISAE) 3000 (Revised), a model developed for the attestation of non-financial data. The attested indicators are marked with a  – see page 155 (Independent auditor’s review report).

Fluxys Belgium has CO<sub>2</sub> emission rights for each of its five sites that are subject to the EU Emissions Trading Directive. Internal audits are organised for these sites every year and the annual emissions report for each site undergoes an external audit.

The results in this report include both direct and indirect emission sources:

- Direct emissions of carbon dioxide (CO<sub>2</sub>) and methane (CH<sub>4</sub>) from the operation of gas infrastructure, including employee use of motorised vehicles.
- The company’s electricity consumption is a source of indirect emissions. As Fluxys Belgium has been only buying green electricity since 2021, this impact is zero.

Systematically reducing our own climate impact	2022	2021	2020	2019	2018	2017
Greenhouse gas emissions: transmission and storage						
Greenhouse gas emissions in kilotonnes of CO <sub>2</sub> equivalent	127 	157	160	195.82	197.06	209.29
Methane (CH <sub>4</sub> )	70 	91	103	127	126	142
CO <sub>2</sub>	57 	65	52.76	64.39	66.3	59.83
Electricity	0 	0	4.40	4.44	4.52	7.47
Volume of transported natural gas (TWh)	612.03 	391.92	398.52	441.00	456.37	485.70
Greenhouse gas intensity (kilotonnes of CO <sub>2</sub> equivalent/TWh of transported natural gas)	0.21 	0.40	0.40	0.44	0.43	0.43
Greenhouse gas emissions: LNG terminalling						
Greenhouse gas emissions in kilotonnes of CO <sub>2</sub> equivalent	225.35 	52.52	83.35	42.74	13.86	13.86
Methane (CH <sub>4</sub> )	0.35 	0.07	0.03	0.05	0.02	0.01
CO <sub>2</sub>	225 	52.45	71.63	107.43	35.07	5.17
Electricity	0 	0	11.69	11.74	7.65	8.68
Volume of regasified LNG (TWh)	121.19 	44.03	50.87	73.27	26.89	11.95
Greenhouse gas intensity (kilotonnes of CO <sub>2</sub> equivalent/TWh of regasified LNG)	1.86 	1.19	1.64	1.63	1.59	1.16
Total greenhouse gas emissions in kilotonnes of CO <sub>2</sub> equivalent	352.69 	209.52	243.35	315.04	239.8	223.15

More information about the methodology for calculating greenhouse gas emissions can be found on page 151.

Energy efficiency: transmission and storage						
Energy consumed (MWh)**	523,883	337,554	281,109	311,549	329,431	305,121
Diesel and petrol	9,876	8,954	8,921	9,991	11,013	11,386
Electricity*	250,483	24,565	25,968	26,146	26,262	33,086
Natural gas	263,524	304,044	248,149	275,412	292,156	260,649
Volume of transported natural gas (TWh)	612.19	391.92	398.52	441.00	456.37	485.70
Energy intensity (MWh of energy consumed/MWh of transported natural gas)	0.00086	0.00086	0.00070	0.00071	0.00072	0.00063
Energy efficiency: LNG terminalling						
Energy consumed (MWh)**	1,232,773	320,125	426,640	622,491	242,007	85,867
Diesel and petrol	204	348	374	383	398	558
Electricity*	105,750	58,017	69,052	69,040	44,471	38,458
Natural gas	1,126,819	261,760	357,214	553,068	197,138	46,851
Volume of regasified LNG (TWh)	121.19	44.03	50.87	73.27	26.89	11.95
Energy intensity (MWh of energy consumed/MWh of regasified LNG)	0.01012	0.00727	0.00837	0.00853	0.00896	0.00716

\* 2.5 MWh of primary energy is needed for every 1 MWh of electricity. Fluxys only buys green electricity.  
\*\* Including buildings and vehicles.

# Climate change – Management of natural capital



## Policy

Fluxys Belgium’s efforts to manage natural capital stem from our Health, Safety and Environment policy. Our environmental management system provides the

framework for management, monitoring and improvement measures.

## Risks and measures

### Risk

Fluxys Belgium’s activities may damage ecosystems and biodiversity

### Measures

Environmental management system with associated internal and external audits, environmental impact assessments including preventive and mitigating measures, a monitoring approach and complaints management

## Environmental management system

Fluxys Belgium’s environmental management system provides the framework for management, monitoring and improvement measures for environmental coordinators. The environmental management system also includes action programmes for reducing greenhouse gas emissions (see Climate change – Systematically reducing our own climate impact, page 74).

- **Encouraging continuous improvement:** Our environmental coordinators provide advice on minimising the environmental impact of Fluxys activities, right from the design phase. Our follow-up on external environmental complaints also leads to measures to improve the situation.

- **Internal audits:** These are conducted periodically by Internal Audit.
- **External audits:** The two Seveso facilities (the Loenhout gas storage facility and the Zeebrugge LNG terminal) are required by law to undergo an environmental audit every three years. The environmental audit is externally validated and submitted to the competent authorities. The most recent audit was held in December 2022.
- **Monitoring:** This covers greenhouse gas and air emission measurements, noise measurements, soil investigations, wastewater analyses, etc.



## Environmental impact assessments

Fluxys Belgium’s priority is to minimise the impact on the environment and local residents, not only during the design and installation/construction phases, but also during the operation of its infrastructure.

All permit applications for the construction and operation of new facilities or for the renewal of the permit for existing facilities include assessments of their impact on the environment. These environmental studies gauge 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. Preventive or mitigating measures are taken wherever necessary.

In 2022, Fluxys Belgium conducted 32 environmental studies as part of its permit applications.

## Biodiversity

Fluxys Belgium takes great care to ensure the conservation of ecosystems in those areas where its infrastructure is built and/or operated. Environmental impact assessments gauge our infrastructure’s impact on ecosystems (see above). When laying new pipelines, Fluxys Belgium always takes care to ensure that the works cause as little disruption to the environment as possible. We also see to it that nature can fully recover after pipelines have been laid or we invest in measures to offset the impact on nature, preferably involving local species.

In late 2022, an outside company conducted a thorough assessment of the biodiversity at and around the Loenhout gas storage facility’s above-ground installations. Based on the assessment report, we are developing initiatives to promote biodiversity in the vicinity of these installations.

## Reducing noise pollution

Fluxys Belgium uses a range of techniques to limit the noise generated by its 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 onward.

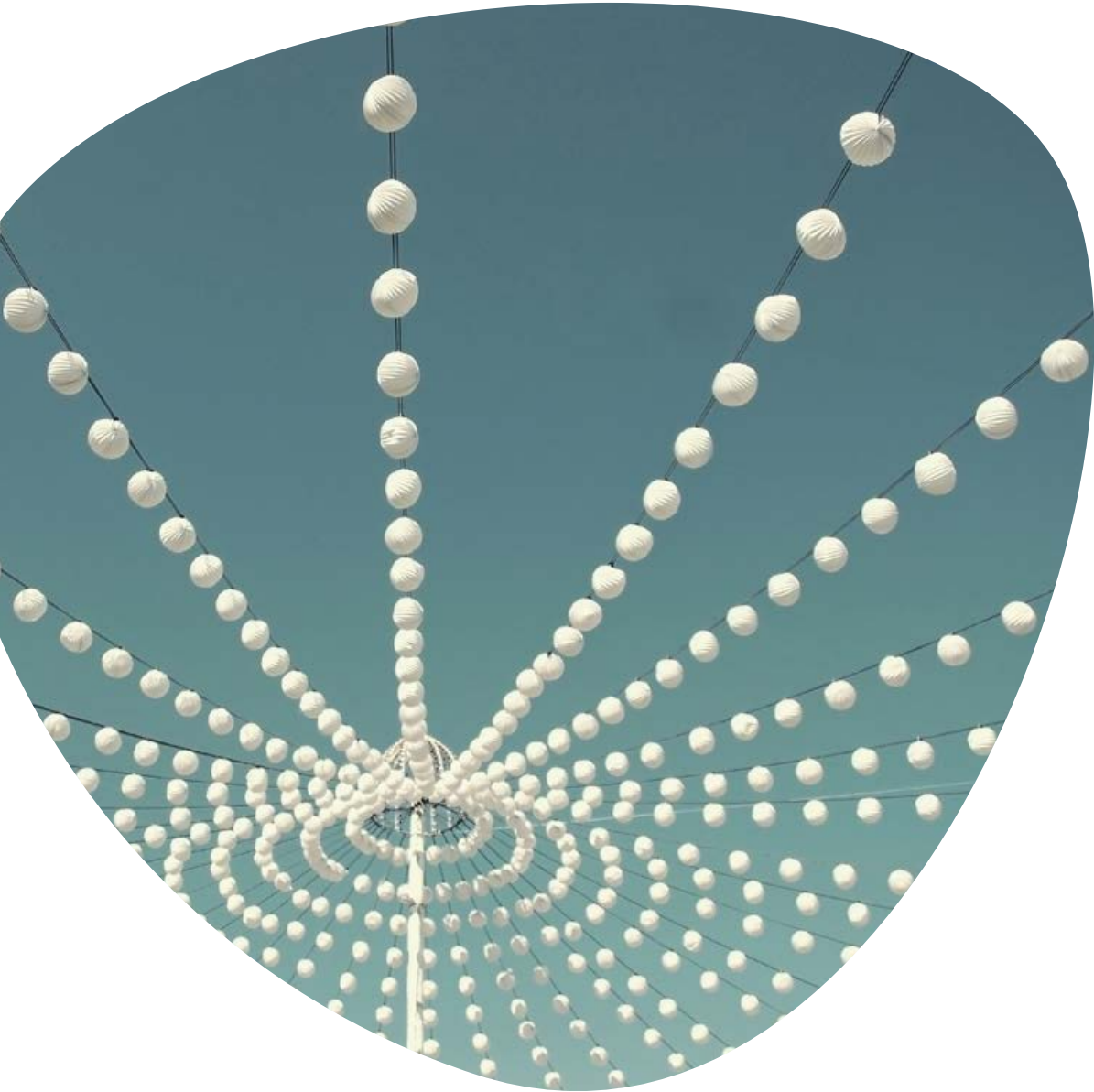
## Wastewater treatment

All larger stations house a separate drain system and wastewater treatment plant (or reed bed filtration system).

## Handling of complaints

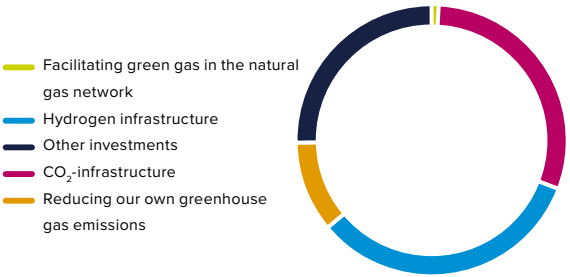
The environmental coordinator received 19 external environmental complaints in 2022, including a notice issued by the public authorities. Complainants contacted us to express dissatisfaction about noise, report that they could smell gas and/or flag up instances of possible contamination. All the complaints have been resolved.

# Climate change – EU taxonomy for sustainable economic activities



## 75% of investment programme focused on sustainable economic activities

In 2022, Fluxys Belgium approved its indicative investment programme for the period 2023-2032. The programme as a whole encompasses investments totalling over €2.8 billion. The estimated investments in the development of the hydrogen and CO<sub>2</sub> infrastructure, the reduction of our own greenhouse gas emissions and other investments in sustainable economic activities amount to around 75% of that total.



## Background to the taxonomy of sustainable economic activities

The European Commission has rolled out a sustainable finance action plan. This regulation or “taxonomy” requires listed companies such as Fluxys Belgium to give a rundown of their environmentally sustainable activities.

From 2023 onwards, companies must report which part of their activities meet six environmental objectives laid down by the Commission, two of which (climate change mitigation and climate change adaptation) already took effect in 2021. As the other four objectives (on water and marine resources, pollution, biodiversity and ecosystems, and the circular economy) will only come into force at a later date, they fall outside the scope of the financial year 2022.

An economic activity that pursues climate change mitigation should contribute substantially to the stabilisation of greenhouse gas emissions by avoiding or reducing them or by enhancing greenhouse gas removals.

Meanwhile, an economic activity that pursues climate change adaptation should contribute substantially to reducing or preventing the adverse impact of the current or projected future climate, or the risk of this impact, whether on that activity itself or on people, nature or assets.

The economic activities must “do no significant harm (DNSH)” to the objectives for water and marine resources, pollution, and biodiversity and ecosystems. The circular economy criteria do not apply to our activities.

## Economic activities that make a substantial contribution to climate change mitigation

For the financial year 2022, Fluxys Belgium examined its economic activities and assessed whether they were eligible for the EU taxonomy and whether they were sustainable (i.e. aligned), in accordance with Annexes I and II to the relevant Delegated Regulation.

For 2022, Fluxys Belgium identified the following economic activity as an eligible activity: 4.14. Transmission and distribution networks for renewable and low-carbon gases.

The following Fluxys activities fall into this category of eligible economic activity:

- retrofit of the transmission network that enables the integration of hydrogen and other low-carbon gases in the network;
- leak detection and repairs of existing pipelines and stations to reduce methane emissions;
- research, development and innovation.

Environmentally sustainable taxonomy-aligned activities:

- **Technical screening criteria:** The economic activity complies with the technical screening criteria because within these activities we take the appropriate actions to transform the existing network, expand it into a transmission and distribution network for renewable and low-carbon gases and perform leak detection. We see the activities related to greening existing activities as an essential part of the eligible economic activity.
- **Do no significant harm (DNSH):** The economic activity was also assessed to ensure that it does no significant harm to the following four criteria: climate change adaptation, sustainable use of water, pollution prevention, and protection of biodiversity. The circular economy criteria do not apply to our activities. In this regard, we relied on the procedures that already exist within the company today.



- **Minimum guarantees:** With a series of company-internal control mechanisms, Fluxys Belgium ensures that appropriate limitations are placed on risks related to corruption, non-respect for human rights, unfair competition and tax fraud.

Fluxys Belgium was not found guilty of any failures pertaining to any of these risks in 2022.

From the above, it can be concluded that the activities mentioned above can be regarded as environmentally sustainable.

## Turnover and expenditure

### Turnover

In 2022, no revenue was generated from the sale of transmission capacity for renewable or low-carbon molecules.

				Substantial contribution criteria		DNSH criteria ("Does not significant harm")											
Economic Activities	Code(s)	Absolute Turnover	Proportion of Turnover	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation		Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of Turnover, year N	Taxonomy-aligned proportion of Turnover, year N-1	Category (enabling activity or)	Category (transitional activity)
		m€	%	%	%	Y/N	Y/N		Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Transmission and distribution networks for renewable and low-carbon gases	4.14	0 m€	0%	0%	N/A	N/A	Y		Y	N/A	Y	Y	Y	0%	N/A	N/A	N/A
Turnover of environmentally sustainable activities (A.1)		0 m€	0%	0%	N/A	N/A								0%	N/A	N/A	N/A
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Turnover of taxonomy-eligible but not environmentally sustainable activities (A.2)		0 m€	0%														
Total (A.1 + A.2)		0 m€	0%														
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																	
Turnover of Taxonomy-non-eligible activities (B)		928 m€	100%														
TOTAL (A+B)		928 m€	100%														

Capital expenditure

Capital expenditure covers investments, mainly in connection with the Go For Net 0 project to reduce our company’s climate impact.

				Substantial contribution criteria		DNSH criteria (“Does not significant harm”)							Minimum safeguards	Taxonomy-aligned proportion of CapEx, year N	Taxonomy-aligned proportion of CapEx, year N-1	Category (enabling activity or)	Category (transitional activity)
Economic Activities	Code(s)	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation		Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
		m€	%	%	%	Y/N	Y/N		Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Transmission and distribution networks for renewable and low-carbon gases	4.14	6,9 m€	5,91%	100%	N/A	N/A	Y		Y	N/A	Y	Y	Y	5,91%	N/A	N/A	N/A
CapEx of environmentally sustainable activities (A.1)		6,9 m€	5,91%	100%	N/A	N/A									N/A	N/A	N/A
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
CapEx of taxonomy-eligible but not environmentally sustainable activities (A.2)		0 m€	0%														
Total (A.1 + A.2)		6,9 m€	5,91%											5,91%			
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																	
CapEx of Taxonomy-non-eligible activities (B)		110 m€	94,09%														
TOTAL (A+B)		116,9m€	100%														



Operating expenses

- We work with industrial partners, higher education establishments and public authorities on projects addressing carbon neutrality and on the Go for Net 0 project to reduce our company’s climate impact.
- The operating costs include personnel expenses relating to maintenance and leak detection and repair, including pipeline pigging, special helicopter flights and particular costs of the study phase.






				Substantial contribution criteria		DNSH criteria ("Does not significant harm")												
Economic Activities	Code(s)	Absolute OpEx	Proportion of OpEx	Climate change mitigatio	Climate change adaptation	Climate change mitigation	Climate change adaptation		Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx, year N	Taxonomy-aligned proportion of OpEx, year N-1	Category (enabling activity or)	Category (transitional activity)	
		m€	%	%	%	Y/N	Y/N		Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Transmission and distribution networks for renewable and low-carbon gases	4.14	7,6 m€	15,05%	100%	N/A	N/A	Y		Y	N/A	Y	Y	Y	15,05%	N/A	N/A	N/A	
Transmission and distribution networks for renewable and low-carbon gases		7,6 m€	15,05%	100%	N/A	N/A									N/A	N/A	N/A	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
OpEx of taxonomy-eligible but not environmentally sustainable activities (A.2)		0 m€	0%															
Total (A.1 + A.2)		7,6 m€	15,05%												15,05%			
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																		
OpEx of Taxonomy-non-eligible activities (B)		42,8 m€	84,95%															
TOTAL (A+B)		50,4 m€	100%															

# Social

<b>Safe and reliable infrastructure</b> p. 96	<b>Good neighbourly relations</b> p. 104	<b>Management of human capital</b> p. 106	<b>Employee safety, health and well-being</b> p. 112
<b>Social dialogue</b> p. 117	<b>Diversity and inclusion</b> p. 119	<b>Customer care</b> p. 120	<b>Human rights</b> p. 122



## Our focus in 2022

-  Giving the best of ourselves in the field to fully leverage our infrastructure 24/7 in the interests of security of supply
-  Preparing for the construction of the first phase of the Zeebrugge-Opwijk pipeline: essential infrastructure for security of supply (for natural gas currently, for hydrogen in the future)
-  Implementing a future-oriented recruitment approach with a shorter hiring process and an innovative integration programme to ensure the effective onboarding of new colleagues
-  Broadly focusing on well-being, involvement and connection
-  Enhancing learning solutions tailored to hybrid working and digital opportunities

<b>0</b> Interruptions or reductions in capacity (2021: 0)	<b>0</b> Damage to infrastructure caused by third parties, resulting in a gas leak (2021: 0)	<b>0</b> Complaints about violations of human rights (2021: 0)
<b>7.2 / 0.12</b> ✓ Safety Frequency / Severity (2021: 7.8) / (2021: 0.22)	<b>909</b> Employees (2021: 884)	<b>17 / 83</b> Diversity Female / male (2021: 18) / (2021: 82)
<b>81 / 62</b> ✓ Talent Incoming / outgoing (2021: 63) / (2021: 62)	<b>5.64</b> ✓ Development Average number of training days per full-time equivalent (FTE) (2021: 3,75)	<b>58</b> Development Number of employees taking on a new role within the company (2021: 71)



# Safe and reliable infrastructure



## Policy

As a socially responsible operator, Fluxys Belgium builds safe infrastructure and operates it safely. Together with distribution system operators and the users of our infrastructure, we guarantee optimum continuity of gas flows to end users in Belgium and the wider Western European market for which we serve as a crossroads.

Our approach to safeguarding the integrity and reliability of our facilities forms an integral part of our business strategy, with our key role in security of supply serving as a driving force in speeding up the energy transition. In that connection, this approach is also a core pillar of our Health, Safety and Environment Policy.

## Risks and measures

### Risk

Industrial incidents and some cyber incidents can damage Fluxys Belgium’s infrastructure, endanger people’s safety, cause unavailability impacting service continuity, and result in financial loss

### Measures

- An audited safety management system
- Preventive measures in the design, construction and operation of infrastructure
- Detection measures included in monitoring and inspection programmes for infrastructure and construction sites
- Reactive measures in connection with emergency planning
- The security of the critical systems is monitored pursuant to the EU’s NIS Directive on cyber security. Programmes are also being rolled out to raise employees’ awareness and train them in cyber security, alongside a range of technical measures and tests to practise responding to cyber attacks

## Audited safety management system

Fluxys Belgium keeps an eye on public safety, the environment and the well-being of its employees during the design, construction, commissioning, operation, maintenance and dismantling of its facilities.

We work with a comprehensive safety management system in our **transmission business** to provide for a safe and reliable transmission network, preserve its integrity and limit the impact of any incidents. The safety management system is **continually updated** to take account of the latest developments and is also subject to **periodic internal and external audits**.

The management system for our **storage and LNG businesses** is covered by the Seveso legislation. The Federal Public Service Employment, Labour and Social Dialogue conducts **specific inspections** at both Seveso sites in conjunction with the Flemish government's Environment Department.

Within the safety management system, **risk assessments** are the instrument that is used to identify and evaluate the safety aspects pertaining to the integrity of the infrastructure and to define the safety-critical controls.

The safety management system also integrates **internal 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.

In 2022, in light of geopolitical events and the damage to the Nord Stream pipelines in the Baltic Sea, Fluxys Belgium switched to a regime of **refined precautionary measures**.

## Careful construction and dismantling

For any construction project, Fluxys Belgium only works with **qualified and certified contractors**. Moreover, the company's entities involved in construction projects are **SCC-certified**. **SCC certification** entails a checklist covering health, safety and the environment.

Before any facility is commissioned, a series of tests is carried out under the supervision of an authorised inspection agency. The condition of the pipes will then be regularly checked as part of an inspection programme. The pipes are also fitted with a **cathodic protection system** to prevent corrosion.

Any infrastructure that will stop having a transmission function in the future is taken out of service safely. In some cases, all or part of the infrastructure is kept underground, and technical precautions are taken to prevent any impact on people or the environment.

## Detailed maintenance and inspection

Pipelines are **patrolled** in different ways (by car, by helicopter and on foot) and at different intervals.

Patrols also monitor whether **unreported works** are being carried out in the vicinity of our pipelines. In order to detect such works preventively, our main pipes are fitted out with an **acoustic detection system**.

**Maintenance programmes** specific to each type of facility ensure that the 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, and a special helicopter checks the gas network for leaks every year.



## Giving our all to ensure security of supply

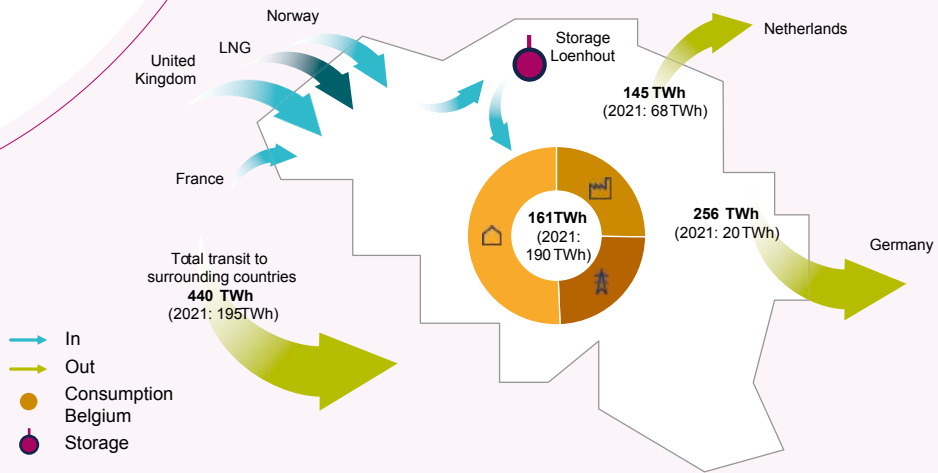
The geopolitical situation in Ukraine has profoundly changed the dynamics on the gas markets and the direction of flows in Europe. To support security of supply, additional flows from the west are needed to compensate for the lost volumes from the east.

Our teams in the field gave the best of themselves throughout 2022 to fully leverage our infrastructure 24/7 with a view to ensuring and enhancing security of supply. Accordingly, the Belgian network once again confirmed its role as an energy crossroads for Europe, with the Zeebrugge area acting as an important gateway for both natural gas (via pipelines) and LNG (via ship).

In 2022, Fluxys Belgium worked intensively in the task force, together with the Minister of Energy, the Federal Public Service Economy and the federal energy regulator, the Commission for Electricity and Gas Regulation (CREG), to coordinate the various aspects of security of supply and discuss how Belgium could provide as much support as possible to its neighbours.

## Belgium high flexibility

Operationally, Fluxys Belgium posted a solid result thanks to the ongoing efforts of our teams and cooperation with operators in neighbouring countries. As well as supplying Belgium via the Belgian network, suppliers managed to get unprecedented large quantities of natural gas to the Netherlands and Germany. At the same time, the Loenhout storage facility was filled to record levels before the winter period started.





## Policy on works in the vicinity of our infrastructure

### Closely following up on reports of works

Serious pipeline incidents are often the result of damage caused by work carried out by third parties. To avoid such damage, anyone planning or wanting to carry out work in the vicinity of natural gas transmission infrastructure has a legal obligation to notify Fluxys Belgium in advance.

Fluxys Belgium then confirms whether or not 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 employees attend preparatory meetings on a daily basis relating 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.

Damage can also occur when Fluxys Belgium commissions or repairs infrastructure. All incidents or near-incidents are investigated thoroughly and action is taken immediately to prevent them from recurring.

Fluxys Belgium takes care of providing notification to the competent administration(s) of incidents and breaches during work in the vicinity of our infrastructure.

### Providing information and raising awareness

Fluxys Belgium runs a range of initiatives to provide information and raise awareness about how to work safely in the vicinity of its infrastructure. The initiatives focus on everyone involved in such works, such as architects, developers, designers, contractors, owners and operators, municipalities, notaries and emergency services.

- Regular reminders sent out to all owners and operators of land holding Fluxys infrastructure
- An information session for municipalities, as well as police forces and emergency services, at least once every municipal council term
- Highlighting working safely in the vicinity of underground infrastructure in trade journals and in various working groups and federations in which Fluxys Belgium is involved
- Providing training for excavator operators and for coating steel pipes
- Holding annual information session for industrial users with gas facilities directly connected to our network

## Desteldonk-Opwijk pipeline: for natural gas currently, and ready for hydrogen

Given the new supply situation in Europe, speed and adaptability are the watchwords for new infrastructure as well. We prepared thoroughly for the first phase in the construction of the Zeebrugge-Opwijk pipeline: the section between Desteldonk and Opwijk. Which will boost our capacity to carry natural gas inland from Zeebrugge. At the same time, the pipeline is an initial step towards speeding up the energy transition as it will be immediately available for hydrogen transport as soon as the market is ready. We will commission the Desteldonk-Opwijk section in late 2023.

The new pipeline will run parallel to the existing natural gas pipeline between Desteldonk and Opwijk, a total length of 44 kilometres. Doubling the pipeline in this way will increase offtake capacity from Zeebrugge by 15 GWh/h, equivalent to the energy generated by 15 nuclear reactors.

With this project, Fluxys is anticipating the growth in LNG regasification capacity at the Zeebrugge terminal to avoid creating a bottleneck further down the network.



## Another large-scale L/H conversion

As low-calorific natural gas (Lgas) exports from the Netherlands decline, Fluxys Belgium and the transmission system operators in France and Germany are modifying their networks to enable a gradual switch from Lgas to high-calorific natural gas (Hgas) from other sources and so ensure the continuity of the natural gas supply.

In 2022, working with distribution system operators Sibelga, Fluvius and Ores, we converted an impressive 255,000 connections from L-gas to H-gas in the Brussels-Capital Region, thus completing the conversion process there.

This will be followed by the full conversion of Antwerp in 2023 and then the conversion of other areas in Flanders and Wallonia in 2023-2024. After that, L-gas from the Netherlands will only flow southwards through our network towards France, where conversion will probably continue until 2029.

## Extra focus on ICT systems and cyber security

The availability of ICT systems and industrial control systems is vital to the safe and reliable operation of our infrastructure. These systems can malfunction for various reasons. With this in mind, Fluxys Belgium implements technical and organisational measures to ensure the availability of IT systems.

### Cyber Security programme

Fluxys Belgium 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.

In 2022, the external audit of the ISMS was launched with a view to its certification according to ISO 27001.

### 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.

### 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 Cyber Security 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 end-point 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 awareness raising

Fluxys Belgium also focuses on training and awareness raising. In 2022, we ran a wide range of initiatives to teach employees how to deal with phishing emails efficiently and effectively. In addition, there were training courses on detecting and responding to cyber incidents.

## Emergency planning

With a view to limiting the impact of any incidents, Fluxys Belgium works with a crisis organisation and emergency plans and procedures for its operational and ICT activities. The central dispatching office also plays a coordinating role in the event of an incident or accident, or if someone reports that they can smell gas.

Emergency numbers are available 24/7 for reporting incidents involving, or in the vicinity of, our natural gas transmission infrastructure.

Fluxys Belgium’s general emergency plan documents the overarching response method for incidents, and there are also specific emergency plans with the crisis response for the various sites and operational risks.

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

Emergency planning is covered by Fluxys Belgium’s HSE Policy. The members of the crisis organisation receive special training, and we regularly organise emergency-plan drills to ensure that the organisation is responsive.

## Indicators

	2022	2021	2020	2019
Safe and reliable infrastructure				
Reduction or interruption of firm transmission capacity	0	0	0	0
Reduction or interruption of interruptible transmission capacity	0	0	0	0
Damage to infrastructure caused by third parties, resulting in a gas leak or interruption of capacity	0	0	0	0



# Good neighbourly relations



## Policy

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

Through open dialogue, we aim to foster good relations with 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.

## Risks and measures

### Risk

Poor relations with local residents, municipal authorities and other local stakeholders can have a negative impact on the operation and further development of infrastructure

### Measures

- Policy of community engagement
- Initiatives to promote long-term good neighbourly relations

## Community engagement

### Personal point of contact

Owners and operators of land have a designated personal point of contact at Fluxys Belgium, from a project’s preliminary phase through to the restoration of a site following construction or operation. This allows them to consult with someone familiar with their concerns and the features of their land from the outset. These points of contact are members of a special team tasked with understanding the interests of landowners and operators and defending those interests in their dealings with Fluxys Belgium.

are part of the permitting processes, complaints and comments about the project are noted and dealt with.

### Initiatives to promote long-term good neighbourly relations

Fluxys Belgium operates on the basis of a rolling programme of local-stakeholder identification: this involves us, in rolling five-year cycles, making a visit to all owners of land having a pipeline running through the subsoil or in the immediate vicinity.

### Securing consensus with our neighbours

Transparent communication from the project phase onwards. For new infrastructure projects, Fluxys Belgium aims to transparently provide information and communicate with the relevant administrations, the municipal authorities, local residents and other parties involved from the planning phase onwards.

During each municipal council term, we organise an information meeting in every municipality with Fluxys pipelines, for the mayor, the relevant aldermen and representatives of the police and fire brigade.

Information sessions. As regards permit applications for major infrastructure projects, Fluxys Belgium contacts municipalities to suggest that we hold an information session for local residents before the permit procedures get under way. This not only gives residents a chance to talk to us about the project and its impact – it also means that we can take on board any feedback right from the start of the project.

Fluxys Belgium builds the vast majority of its facilities (pipelines and surface stations) in areas used for agriculture, horticulture or forest management. With long-term good neighbourly relations in mind, we have signed (for agriculture) agreements with the country’s three largest agricultural organisations (Boerenbond, Algemeen Boerensyndicaat (ABS) and Fédération Wallonne de l’Agriculture) and for forestry agreements with Hubertus (the Flemish hunting association), Landelijk Vlaanderen and Nature, Terres et Forêts (NTF). These agreements set out the compensation due to those in the agriculture, horticulture or forestry sectors who experience disruption or are temporarily unable to use their land during the construction of a facility. If complaints are made after work is complete, we deal with the reported issues on a case-by-case basis. Farmers have a special Fluxys Belgium point of contact to report damage to agricultural land.



# Management of human capital



## Policy

Our results and success are based on the commitment and talents of our employees. However, we need to future-proof our organisation and employees against the backdrop of a changing industry. With a view to meeting this challenge, we are committed to strategies that allow employees to adapt to the new way of working and make our transformation a success.

We are evolving into an open, self-learning community of interconnected teams with a common, shared goal: to successfully implement our strategy of being the essential infrastructure partner in speeding up the energy transition. All teams work together to transform future challenges into new opportunities.

## Related risks

### Risk

The inability to attract, retain and future-proof talent in a changing landscape

### Measures

- Continuous advancement of development and training policy
- Alignment of competency development with business strategy
- Workforce planning to map out future needs
- A future-oriented approach to recruitment

## Continuous advancement of development and training policy

Our development and training policy focuses on active learning to ensure that employees have the knowledge and skills they require. The training on offer is constantly evolving to keep pace with the company’s needs and includes a varied mix of learning/training resources:

- learning assignments (whether forming part of the role or not);
- internal or external coaching or training;
- digital learning solutions (collective and individual learning);
- a team of Digital Coaches to further develop our employees’ digital skills.

Fluxys Belgium applies the bottom-up principle: employees are expected to take charge of their own development and career, with the support of their managers.

In 2022, employees completed almost 37,000 hours of training, a total which is almost back to pre-COVID levels. More than half of the courses provided training in (gas) technology or safety or job-specific training. The other courses mainly focused on soft and digital skills.

## Training in VR

Virtual reality (VR) makes training more efficient, safer and more motivational. Wearing VR glasses, you train technical skills in an extremely realistic-looking, lifelike and immersive virtual environment, and learn immediately from mistakes without facing any of the risks. Our pilot training sessions in VR were a success!



## Lunch & learn

We are pressing ahead with the energy transition. We have plenty of ambitious projects for hydrogen and CO<sub>2</sub> infrastructure. To let our employees know more about these, we organise inspiring, interactive lunch sessions for all our staff. Internal experts update them on innovative projects and answer their questions, and anyone who cannot be there in person, can use technology to participate remotely.

## Alignment of competency development with business strategy

Through our performance management, development paths and an annual talent review, we want to align the competencies of our employees with what the company needs to grow, innovate and successfully deploy its strategy for the energy transition. In the same vein, we encourage internal job mobility and prioritise in-house candidates when seeking to fill vacancies or new positions. The international development of our parent company Fluxys also provides opportunities for further career development.

### Annual performance-management cycle

Through the performance-management cycle, constructive consultations take place each year at the various levels within the company so that we can translate the corporate goals into personal goals. In the course of the year, these goals are the subject of regular dialogue between employees and their managers. A culture of open feedback is the foundation underlying this dialogue, which is formally supplemented by performance reviews and assessment interviews.

### Workforce planning: the annual talent review

Based on its corporate goals, Fluxys Belgium uses an annual talent review to assess its future staffing needs so that we can see in our workforce planning which competencies are required now and in the future.

### Involvement in business strategy

As an attractive employer, Fluxys Belgium sets great store by ensuring that employees are familiar with the company context and the challenges that Fluxys Belgium faces, as this fosters personal commitment to the company's vision, strategy and goals. Fluxys Belgium makes special efforts, using a variety of means, to give members of staff a better understanding of the rapid changes going on in the energy sector, how the company is adjusting its goals and strategy to address these developments, and what these goals mean for each individual employee.



## A future-oriented approach to recruitment

We want what we offer as an employer to be meaningful to employees in exchange for their drive, expertise and competencies. Our purpose shows what we stand for as a company so that the perfect match is found between us and prospective employees.

To ensure the effective onboarding of new colleagues, we launched a shorter recruitment process and an innovative integration programme in 2022, including a new onboarding app and Meet & Greet sessions to promote involvement and interaction as much as possible.

### Indicators

	2022	2021	2020	2019
Members of staff	909	884	876	868
Women	153	157	155	154
Men	756	727	721	714
Ratio of women/men	17/83	18/82	18/82	18/82
Full-time	784	773	754	746
Part-time	125	111	122	122
Ratio of full-time/part-time staff members	86/14	87/13	86/14	86/14
Open-ended contract	894	866	857	844
Fixed-term contract	15	18	19	24
Ratio of open-ended/fixed-term contracts	98/2	98/2	98/2	97/3
Internal mobility	58	71	69	70
Incoming employees	81 <input checked="" type="checkbox"/>	63	59	63
Outgoing employees (including those leaving due to their contract coming to an end or due to retirement)	62 <input checked="" type="checkbox"/>	62	58	56
Ratio of outgoing employees	5,0%	3,2%	3,3%	3,7%
Average number of training days* per full-time equivalent (FTE)	5.64 <input checked="" type="checkbox"/>	3.72*	3.42*	6

\* The number of training days in 2020 and 2021 was affected by COVID- restrictions.

The staff data are based on the active workforce of Fluxys Belgium and Fluxys LNG and do not include non-active employees (e.g. those on long-term sick

leave). Unless otherwise stated, the statistics refer to the number of employees and not the number of FTEs.



### Meet & Greet!

A warm welcome makes all the difference. That is why we want new employees to feel at home as soon as possible, get to know their colleagues and immediately sense an affinity with the company. To that end, we launched the Meet & Greet: a day-long event where new employees can learn more about the company and get to know each other in a laid-back atmosphere. Looking forward to the next one!



### Developing soft skills

Creativity, resilience, effective communication, emotional intelligence – all of these are soft skills that keep employees agile and help build a culture where everyone feels at home. We are going all in on these. A single click of the mouse takes members of staff to our online library, with e-books and podcasts about communication, mindfulness, creativity and adaptability, allowing them to engage in learning, listening and reading wherever and whenever they want.

# Employee safety, health and well-being



## Policy

Healthy and involved employees who find pleasure and satisfaction in their work are the driving force that makes the company speed up and stand out. That

is why we invest in supporting the safety, health and well-being of our employees. This approach is a central pillar of our Health, Safety and Environment Policy.

## Risks and measures

### Risk

Circumstances and events that may harm employees. These may include illness or other health problems, mental health issues or physical injury

### Measures

- An active Health, Safety and Environment Policy
- Consultation within various consultation bodies
- Global Prevention Plan
- Absenteeism policy
- External support available
- Specific training
- Broadly focusing on well-being and involvement

## Consultation within various consultation bodies

Fluxys Belgium is home to various bodies that discuss and promote the health, safety and well-being of employees and contractors.

### Internal Service for Prevention and Protection at Work (IDPBW/SIPPT)

The IDPBW/SIPPT organises the policy on well-being and prevention and collaborates with the employer on ensuring 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)

Meeting every month, the CPPW is a consultation body between employees, the employer and management where they can discuss issues and problems relating to employee well-being. The committee makes proposals concerning, among other aspects, the policy for preventing accidents, incidents and occupational illnesses, the Global Prevention Plan and the annual action plan.

Furthermore, the CPPW regularly inspects Fluxys Belgium's staffed facilities and takes part in analyses of serious accidents and incidents. Within the CPPW, ad hoc working groups examine specific topics, such as work clothing.

### Local Joint Consultation Committee

The Local Joint Consultation Committee is a body for consultation between trade union and employer representatives. It keeps an eye on events at local level and proposes solutions that do not fall within the exclusive remit of other consultation bodies.

### Collective bargaining agreement CAO/CCT 90

Collective bargaining agreement CAO/CCT 90 provides financial incentives for employees to achieve specific collective health and well-being objectives and to cut Fluxys Belgium's greenhouse-gas emissions, for example.



## Global Prevention Plan

The 2022-2026 Global Prevention Plan (GPP) focuses on occupational and process safety as well as the prevention of psychosocial risks and on well-being, health, travel and traffic safety. One of the pillars of the plan is to further strengthen the safety culture across the organisation and a multi-year action plan will be launched in 2023 to this end.

The GPP also pays particular attention to involvement in the new, hybrid way of working. In addition, the company is committed to lifelong learning, especially with regard to using our infrastructure to transport other molecules, such as hydrogen and CO<sub>2</sub>.

## Absenteeism policy

Measuring and following up on absenteeism gives us an objective view of employees' general health. The level of absenteeism increased in 2022 partly due to the flu epidemic at the end of the year but is still below the market average for Belgium. 36% of employees did not take sick leave in 2022.

As part of our absenteeism policy, we actively endeavour to support employees during their illness, in the run-up to their return and after they resume work. Employees have access to personal guidance and support in this regard. The support is based on regular contact and cooperation between the employee involved, their manager, Human Resources and the internal and external services for prevention and protection at work. In 2022, special attention was paid to communication about returning after a long period of illness, including testimonials from colleagues and an e-learning module developed to ensure a successful return to work.

## Training in health, safety and well-being

In 2022, (gas-related) technical, safety and job-specific training accounted for more than half of the total number of hours of training completed.

Fluxys Belgium uses various e-learning platforms to periodically remind its own and contractors' employees about the general and specific safety rules. Every employee of a contractor scheduled to work at a Fluxys project site or facility must complete a training module and demonstrate that they are familiar with our safety rules.

In 2022, special attention was also paid to ergonomics for screen work, with targeted information on ways to make workspace adjustments in the office or at home. Ergonomists from Attentia, our external provider of workplace prevention and protection services, provided around 40 theory-based group sessions. They also gave individual tips and advice on screen work to around 130 employees.

## Broadly focusing on well-being and involvement

In late 2021, we conducted a company-wide survey about the involvement, well-being and work experience of our employees. 87% of staff took part. The survey revealed that 76% of respondents feel involved or very involved and 90% enjoy their work. However, workload appears to be an area of concern.

In 2022, all our teams joined forces with the social partners to work on these findings, resulting in the rollout of various actions in three areas:

- Work pressure, workload and stress: enabling all employees to engage with the new way of working, including options for working from home;
- Communication: placing an emphasis on informing, involving and inspiring and, post-pandemic, the return of plenty of in-person meetings;
- Connection and cohesion: initiatives to boost informal relations and spontaneous contact after work.



## Work@Fluxys

The new ways of working, involving working from home and all kinds of hybrid collaboration, are giving the office a new function, as not only a workplace but also a meeting place. With our Work@Fluxys initiative, we give working in the office a new dimension. A real process of change is under way, with the head office in Brussels being refurbished. The main thrust of the message conveyed by this is that we are one big team and together we make Fluxys the essential infrastructure partner in speeding up the energy transition.

## Indicators

	2022	2021	2020	2019
<b>Incapacity for work among staff</b>				
Occupational accidents resulting in more than one day's incapacity for work	10 <input checked="" type="checkbox"/>	11	9	15
Frequency (number of occupational accidents x 1,000,000 divided by the total number of hours worked)	7.2 <input checked="" type="checkbox"/>	7.8	6.4	11
Severity (number of days' absence x 1,000 divided by the total number of hours worked)	0.12 <input checked="" type="checkbox"/>	0.22	0.15	0.12
Fatal occupational accidents	0	0	0	0
<b>Incapacity for work among contractors</b>				
Occupational accidents resulting in more than one day's incapacity for work	5 <input checked="" type="checkbox"/>	6	6	10

Despite all measures and an open safety culture, there remains a residual risk of incomplete accident reporting,

depending on the information provided by an employee involved in a workplace accident.

This image is part of the design phase. It is indicative.





### Connect & Move

Taking part in sporting activities with colleagues at lunchtime or after work is not only a pleasant thing to do – it also fosters team spirit and boosts motivation. That is why we launched Connect & Move, an initiative encouraging colleagues to exercise together, put together teams and take part in sporting events. This has reaped rewards, with 120 colleagues going for it at 16 events across Belgium!

### Bright summer event

On 2 June, the time had come. After so many months of the Covid pandemic, we could all physically get together again for the first time. Looking back together, looking forward together and, above all, having that nice corporeal group feeling again under the summer sun!



# Social dialogue

## Policy

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 Committee for Prevention and Protection at Work, the trade union delegation and executive representatives.

## Risks and measures

### Risk

Risk of insufficient social dialogue and consultation that may lead to social conflicts

### Measures

- Social consultation: works council, committee for prevention and protection at work, local joint consultation
- Collective agreements
- Freedom of association

## 100% collective agreements

Wage and working conditions are regulated for all staff by collective agreement through consultation and negotiation.

- 65% of Fluxys Belgium's staff are baremised employees. Their wage and working conditions are partly negotiated at sectoral level through Collective Labour Agreements; in addition, certain wage and working conditions are also determined at company level and negotiated with local employee representatives.
- 35% of staff members are executives. Their wage and working conditions are negotiated at company level between Fluxys Belgium and the representation of the executives in an Annual Framework Agreement.

## Labour regulations adapted

In 2022, Fluxys Belgium, working with the various partners around the table, embarked on and successfully completed an update of the work regulations, which met with unanimous approval.

# Diversity and inclusion



## Policy

Fluxys Belgium encourages diversity without using positive discrimination quotas. Our HR policy is based on individual competencies. Openness to other reali-

ties, other people’s ideas and individual differences is a basic requirement expected of every employee and screened as a standard part of the selection process.

## Risks and measures

Risk	Controls and measures
A lack of diversity in the workforce can lead to a business organisation that lacks the necessary skills, talents and experience	• Equal opportunities policies that encourage diversity by promoting fairness, merit, personal development, work-life balance and shared responsibility

## Encouraging diversity in recruitment

Fluxys Belgium uses its Employer Branding communications to target diverse, complementary profiles so that candidates with different backgrounds, views or preferences feel welcome.

As regards diversity on the Fluxys Belgium Management Board, the Gas Act (Article 8/3) stipulates that at least one third of those on the Board of Directors must not be the same sex as the other members.

## Diversity in experience

Fluxys Belgium devotes considerable attention to diversity in terms of experience. This approach translates, for example, into the continuous recruitment of young people with no or very limited work experience (job starters).

We welcomed 81 new employees in 2022, 13 of whom had limited work experience or faced a lack of opportunities on the labour market.

## Indicators

	2021	2020	2019	2018
Total	909	884	876	868
Incoming employees				
< 30 years	42% <input checked="" type="checkbox"/>	54%	49%	40%
30-50 years	53% <input checked="" type="checkbox"/>	41%	44%	51%
> 50 years	5% <input checked="" type="checkbox"/>	5%	7%	9%
Men	74% <input checked="" type="checkbox"/>	75%	69%	68%
Women	26% <input checked="" type="checkbox"/>	25%	31%	32%
Outgoing employees (not including planned outflows from end-of-contracts and retirements)				
< 30 years	35% <input checked="" type="checkbox"/>	32%	28%	28%
30-50 years	56% <input checked="" type="checkbox"/>	61%	62%	56%
> 50 years	9% <input checked="" type="checkbox"/>	7%	10%	16%
Men	60% <input checked="" type="checkbox"/>	79%	83%	69%
Women	40% <input checked="" type="checkbox"/>	21%	17%	31%
Executives				
< 30 years	11%	10%	9%	6%
30-50 years	58%	55%	57%	63%
> 50 years	31%	35%	34%	31%
Men	86%	85%	87%	86%
Women	14%	15%	13%	14%
Salaried staff members				
< 30 years	7%	8%	6%	7%
30-50 years	48%	46%	49%	52%
> 50 years	45%	46%	45%	41%
Men	82%	81%	80%	81%
Women	18%	19%	20%	19%
Management				
< 30 years	0%	0%	0%	0%
30-50 years	39%	25%	39%	50%
> 50 years	61%	75%	61%	50%
Men	90%	89%	89%	89%
Women	10%	11%	11%	11%
Board of Directors				
< 30 years	0%	0%	0%	0%
30-50 years	29%	25%	18%	18%
> 50 years	71%	75%	82%	82%
Men	62%	65%	68%	68%
Women	38%	35%	32%	32%
Average basic salary ratio (based on full-time equivalents)				
Men	100% <input checked="" type="checkbox"/>	100%	100%	100%
Women	92% <input checked="" type="checkbox"/>	91%	93%	91%

The staff data are based on the active workforce of Fluxys Belgium and Fluxys LNG and do not include non-active employees (e.g. those on long-term sick

leave). Unless otherwise stated, the statistics refer to the number of employees and not the number of FTEs.

# Customer care



## Policy

For us, our customers are central. Our transmission, storage and LNG terminalling services are regulated, and we open up our infrastructure to all market players on a level playing field. We treat all customers on an equal footing, and our policy, operating within the

parameters of the regulatory framework for our activities, aims to develop long-term relationships with customers and respond as effectively as possible to their needs and expectations.

## Risks and measures

Risks	Measures
Discriminatory treatment of customers, lack of transparency in information sharing can lead to market abuse and claims	<ul style="list-style-type: none"><li>• Commercial contact point</li><li>• Complaints point of contact</li><li>• Development of services within a strict regulatory framework</li><li>• Information and market consultation</li><li>• Monitoring by the regulator</li></ul>

## Transparent and user-friendly services

In line with the regulatory framework, Fluxys Belgium's service offering is completely transparent. Existing and potential customers can find our range of services, rates and all related information and documentation,

such as the relevant standard contracts, on our website. At the same time, we are constantly working on improvements to make booking capacity as simple and user-friendly as possible.

## Sales team as a point of contact

Our sales team is the point of contact for customers and prospects. They are on hand to help you make the best possible use of our services and book capacity. At the

same time, they keep a close eye on customer expectations for new services or updates to the offering.

## Maximum security of supply

The geopolitical situation in Ukraine has profoundly changed the dynamics on the gas markets and the direction of flows in Europe. Throughout 2022, the members of our sales team left no stone unturned in

their efforts to offer customers as much capacity as possible in the interests of security of supply (see the As much capacity as possible to maximise security of supply section, page 50).

## Market consultations and information sessions

When adapting existing services, developing new services, new tariff proposals or proposals to amend contractual documents, Fluxys Belgium always conducts 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 Belgium holds annual information moments for each customer group to addressing topics that regularly come up in day-to-day contact with the sales team.

## Monitoring by the regulator CREG and the compliance officer

The supervisory authority for Fluxys Belgium's regulated activities is the federal regulator, the Commission for Electricity and Gas Regulation (CREG). In line with the regulatory framework,

Fluxys Belgium has appointed a compliance officer in the framework of its commitments regarding non-discriminatory access to the network.

A compliance programme has been set up with the specific details of the rules of conduct that members of staff must comply with in terms of non-discrimination,

transparency and handling of confidential information. The Board of Directors and management approved the compliance programme. The annual Compliance Report, covering how we have done in meeting our obligations under the compliance programme, can be found on the Fluxys Belgium website.

More information about the legal and regulatory framework and the code of conduct is given in the Legal and regulatory framework section (page 38).

## Point of contact for complaints

Customers and other market players who want to complain about our services can contact our key account managers, the Fluxys Belgium compliance officer or the regulator CREG.



# Human rights

## Policy

Fluxys Belgium operates in Belgium and therefore our approach to human rights violations is enshrined in the company’s policy on business ethics, diversity, and

health, safety and well-being at work. Our approach also focuses on the supply chain.

## Risks and measures

### Risk

**Violation of human rights having a negative impact on the company’s business reputation and/or financial results**

### Measures

- **Staff: provisions in our Ethical Code, work regulations, collective bargaining agreements and specific procedures**
- **Suppliers: human rights provisions included in the terms and conditions of purchase**

## Approach incorporated into other domains

Given the Belgian scope of our activities, our initiatives on respecting human rights are for the most part set out in our approach in three other domains.

The **Health, Safety and Well-being at Work** domain covers the following human rights:

- the right to decent work and well-being;
- the right to rest and free time;
- protection of the work-life balance;
- the right to protection from risks at work, including stress, violence, bullying and harassment;
- the right to freedom of assembly and association.

A wide range of training courses on these topics was offered to employees in 2022 (see page 123).

The right to equal opportunities and zero tolerance for discrimination fall within the Diversity and inclusion domain (see page 118).

The Ethical Code (see page 127) covers both the protection of human rights in the workplace and human rights in the local communities where we operate.



## Focus on human rights in the supply chain

Fluxys Belgium’s General Terms and Conditions of Purchase for suppliers impose various human rights obligations on contractors, including:

- the obligation to insure personnel against occupational accidents;
- the obligation to comply with the legal obligations regarding safety and well-being at work,

- minimum-wage requirements for employees, the payment of wages and respect for the environment and environmental protection;
- the requirement to refrain from employing foreign workers who are illegally resident in Belgium.

## Indicators

	2022	2021	2020	2019
Complaints about violations of human rights	0	0	0	0
Number of training courses on human rights completed				
Number of training hours completed	1,328** 	459	554	*
Share in the total number of training hours completed	3.6%** 	1.9%	2.4%	*

\* Not registered

\*\* All training initiatives (trainings, coaching, e-learning) that contribute to increasing the well-being of employees indirectly contribute to human rights. Indeed, those initiatives ensure that the importance of treating people with respect is propagated as a basis within the company. We saw a significant increase in the number of coaching hours in 2022 after Corona, including through the new summer coaching for a wider target audience, and a substantial increase in the number of team tracks.



# Governance





**Ethics and integrity  
– Efforts to combat  
corruption**  
p. 126

**Data protection and  
privacy**  
p. 128



## Our focus in 2022

-  **Further developing the formal procedures for whistleblowing and protecting whistleblowers**
-  **Updating our internal guidelines on the use of social media to ensure that the social interactions there are as beneficial as possible**

**0**  
**Complaints about fraud or reports of unethical conduct**  
(2021: 0)

**0**  
**Legal proceedings concerning anti-competitive behaviour or failure to comply with competition law**  
(2021: 0)



# Ethics and integrity – efforts to combat corruption



## Policy

Fluxys Belgium’s anti-corruption policy is set out in the company’s Ethical Code, which ensures that we offer employees a safe and respectful work environment, maintain high standards in terms of human rights and

make a commitment to conducting business ethically by being responsible in dealings with our business partners.

## Risks and measures

### Risk

Corruption having a negative impact on the company’s business reputation and/or financial results

### Measures

- Fluxys staff must comply with our Ethical Code, work regulations, collective bargaining agreements and specific procedures
- Suppliers are subject to the terms and conditions of purchase with specific provisions on corruption
- Control process to ensure that customers, suppliers, agents, consultants, etc. adhere to anti-bribery rules
- Specific internal checks followed up at least every two years by internal audit

## Ethical Code

The new Ethical Code came into force in 2021 and was widely distributed in-house and externally. The Code covers a wide range of areas: a safe and respectful working environment, responsible interactions with business partners, human rights, anti-bribery and general principles on how the company competes. The Code also expects customers, suppliers and other partners to comply with equivalent standards. As part of the Ethical Code, various workshops were organised for staff in 2022.

Employees, customers, suppliers and partners can also email [ethics@fluxys.com](mailto:ethics@fluxys.com) to report a (potential) breach in complete confidentiality.

In accordance with its Ethical Code and the relevant EU directive, Fluxys Belgium further developed the formal procedures for whistleblowing and protecting whistleblowers. The procedure will be rolled out in 2023.

## Focus on ethical conduct in the supply chain

Fluxys Belgium’s General Terms and Conditions of Purchase for suppliers impose various anti-corruption obligations on contractors, including:

- Not being allowed to engage in or tolerate practices such as private or public corruption.
- Being required to demonstrate integrity to their employees

## Reporting unethical conduct

Our employees can contact their manager or the Ethics & Compliance team for advice on problematic situations or to report a (potential) breach of the ethical rules.

## Indicators

	2022	2021	2020	2019
<b>Efforts to combat corruption</b>				
Complaints about fraud or reports of unethical conduct	0	0	0	0
Number of instances of legal proceedings concerning anti-competitive behaviour or failure to comply with competition law	0	0	0	0



# Data security and privacy



## Policy

The responsible, secure handling of data is of vital importance to the company and its employees and everyone has a role to play in this regard. As such, Fluxys Belgium works with a circumstantial framework

on data protection, including the requirements of the EU’s General Data Protection Regulation (GDPR) and general privacy regulations.

## Risks and measures

### Risk

Financial impact and loss of reputation due to lack of protection of personal data and non-compliance with data protection regulations

### Measures

- Data Protection Officer appointed as point of contact for privacy-related queries and incidents
- Data security according to ISO 27001 standard
- Information Governance Policy (BIS) and related procedures also applicable to suppliers
- Training (example phishing exercises)
- Internal audits

## Approach contained in cybersecurity management

Our approach to data security and privacy is contained in our cybersecurity management: see “Additional focus on cybersecurity and ICT systems”, page 102

## Social media guidelines updated

In 2022, Fluxys Belgium updated the guidelines for staff on the use of social media and communicated them extensively within the company. With the updated guidelines, we are seeking a balance between every employee’s freedom of speech and right to privacy, the added value provided by interacting on social media and the protection of the company from illegal or inappropriate social-media use.