

OneteamOnetarget

Corporate Governance Declaration

Good governance is paramount. We make a fundamental contribution to the energy and climate solutions society needs. With infrastructure that serves around the clock as an essential link in the ecosystem. We tackle this as one team: in the field, in the office, in the board room. Reliable, in all transparency and every one of us with its own expertise.



Fluxys Belgium has adopted the 2020 Belgian Code on Corporate Governance (the 2020 Code) as its benchmark code of conduct. The main principles are set out in its Articles of Association and its Corporate Governance Charter. Fluxys Belgium is also subject to legislation on corporate governance contained in the Act of 12 April 1965 on the transmission of gaseous and other products via pipeline, as subsequently amended (the Gas Act), and European Directive 2009/73/EC concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (the Directive). Details of the legislation applied by Fluxys Belgium can be found online:

- The 2020 Code: <https://www.corporategovernancecommittee.be/en>
- The Gas Act: www.just.fgov.be (in French and Dutch)
- The Directive: www.eur-lex.europa.eu

In line with the principle of transparency, Fluxys Belgium indicates in this section of its annual report the parts of the 2020 Code with which the company does not comply and the justified reasons for this:

- The company does not apply the 2020 Code rules on the term of directorships. Members of the Board of Directors are appointed for a period of six years rather than the four years advocated by Principle 5.6 of the 2020 Code. This term is justified in light of the technical, financial and legal particularity and complexity of the tasks and responsibilities entrusted to the natural gas system operator. A six-year mandate allows directors to deepen their expertise and to bring real added value to the debate over a longer period of time. This is also in line with the long-term nature of infrastructure operators' activities.
- The company also deviates from recommendations 7.6 and 7.9 of the 2020 Code for the reasons set out in the remuneration report. Please see that report for more details.

Changes in the composition of the Board of Directors in 2022

At the Annual General Meeting on 10 May 2022, Abdellah Achaoui, who was co-opted by the Board of Directors on 30 March 2022, was permanently appointed as a director for a term of office expiring at the end of the 2027 Annual General Meeting.

The same Annual General Meeting also decided to permanently appoint Cécile Flandre, who was co-opted by the Board of Directors on 30 March 2022, as an independent director to replace Laurence Bovy following her resignation. This term of office will expire at the end of the 2025 Annual General Meeting.

Finally, the Annual General Meeting appointed Leen Dierick and Gianni Infanti as directors, replacing Jos Ansoms and Renaud Moens respectively, for a six-year term of office that will expire at the end of the 2028 Annual General Meeting.

Wim Vermeir was co-opted by the Board of Directors with effect from 21 February 2023 to replace Patrick Côté, following his resignation on that same date, for a term of office expiring at the end of the 2028 Annual General Meeting. The next Annual General Meeting will have to decide on his permanent appointment.

The procedure for new appointments by the Appointment and Remuneration Committee and the Corporate Governance Committee was complied with.

Changes to the Articles of Association and Corporate Governance Charter in 2022

Fluxys Belgium's Articles of Association and Corporate Governance Charter were amended on 10 May 2022 to remove the Strategic Advice Committee as a governing body.

Rules governing the appointment and replacement of members of the Board of Directors and amendments to the Articles of Association

Appointment and replacement of directors

Directors are appointed by the General Meeting for no more than six years and can be dismissed by this body.

Article 10 of the Articles of Association stipulates that the company shall be managed by a Board of Directors comprising non-executive directors (except for the director charged with the day-to-day management of the company), who are appointed for a maximum term of six years and may be dismissed by the General Meeting. The directorships of outgoing directors who have not been re-elected shall expire immediately after the Annual General Meeting. In the event that one or more directorships fall vacant, the remaining directors may, by a simple majority of votes, temporarily fill the vacancy. In such cases, the General Meeting shall make the permanent appointment or appointments at its first meeting thereafter. If a directorship becomes vacant before the end of the term, the replacement director appointed shall serve out the rest of the term in question.

Amendments to the Articles of Association

The company's Articles of Association may be amended by the Annual General Meeting; any amendments made must be published in the Belgian Official Gazette. Deliberation and decisions regarding amendments to the Articles of Association are only valid if at least half of the group's share capital is represented at the General Meeting. No amendment shall be permitted unless it is passed by three quarters of the votes.

Board of Directors

Composition of the Board of Directors

Article 10 of the company's Articles of Association stipulates that the Board of Directors shall comprise no fewer than three and no more than 24 non-executive directors, excluding one or more federal government representatives.

Principle 3.2 of the 2020 Code recommends that the Board should be small enough for efficient decision-making. It should also be large enough for its Board members to contribute experience and knowledge from their different fields and for changes to the Board's composition to be managed without undue disruption. The size of the Fluxys Belgium Board of Directors is justified in light of the technical, financial and legal particularity and complexity of the tasks and responsibilities entrusted to the natural gas system operator and the diversity of interests involved.

In order to comply with the provisions of the Gas Act, at least one third of directors must be independent within the meaning of the Gas Act. They are chosen partly on the basis of their financial management skills and partly for their useful technical knowledge and in particular their relevant knowledge of the energy sector. Independent directors within the meaning of the Gas Act must meet, among other things, the independence criteria of the 2020 Belgian Code on Corporate Governance. One third of directors must be of a different gender from the other two thirds.

At least half of the directors must be fluent in French and half in Dutch.

In addition, the golden share grants the federal Energy Minister the right to appoint two representatives of the federal government to the Board of Directors.

Directors of the company may not simultaneously be members of the supervisory board, board of directors or bodies legally representing the undertaking, of an undertaking active in the production or supply of natural gas and may not exercise any rights over such an undertaking.

Directors

Daniël Termont, Director, Chairman of the Board of Directors

Daniël Termont is a member of the Board of Directors of Publigas. He was appointed as director in May 1998 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2027.

Claude Grégoire, Director, Vice-Chairman of the Board of Directors

Claude Grégoire is a qualified civil engineer. He was appointed as director in October 1994 following his nomination by Publigas and tendered his resignation with effect from 9 May 2023.

Pascal De Buck, Managing Director and CEO

Pascal De Buck studied law, specialising in economic law, before completing several management training courses, including at the Flemish School of Higher Education in Economics (VLEKHO) and EHSAL Management School (EMS) in Brussels and the IESE Business School's international Global CEO Program. After joining Fluxys as a Legal Counsel in 1995, he became head of the Legal and Commercial departments before taking on the role of Commercial Director, where he was responsible for business development and strategy. Pascal was appointed CEO and Chairman of the Executive Board of Fluxys Belgium on 1 January 2015. He became Managing Director of Fluxys Belgium in May 2020 and his term of office as director will expire at the Annual General Meeting in May 2026.

Abdellah Achaoui, Director (since 30 March 2022)

Abdellah Achaoui speaks several languages and has a degree in finance. He is management manager at VIVAQUA. He is on political leave and serving as an alderman in the Brussels municipality of Molenbeek. He is Chairman of the Board of Directors of Interfin and a member of the Boards of Directors of Sibelga and Publigas. He has held financial positions in various sectors, both private and public. He was co-opted as director by the Board of Directors with effect from 30 March 2022 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2027.

Jos Ansoms, Director (until 10 May 2022)

Jos Ansoms holds a degree in political and social sciences from KU Leuven. He has been Chairman of Intermixt, Iveka and IGEAN and Vice-Chairman of Eandis, among other roles. For 23 years he was a member of the lower house of the Belgian federal parliament, the House of Representatives, during which time he for example chaired the Business and Energy Committee. He was appointed as director in May 2016 following his

nomination by Publigas, and his term of office expired after the Annual General Meeting in May 2022.

Laurent Coppens, Director

Laurent Coppens holds a Master of Business Administration from the University of Liège and completed specialised courses in Management Accounting & Control at Maastricht University before working as an assistant and researcher in finance. He is CFO of Sibelga and Interfin and Financial Officer at Publigas and Publi-T. He was appointed as director with effect from 1 July 2021 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2027.

Patrick Côté, Director (until 21 February 2023)

Patrick Côté is Managing Director, Infrastructure at Caisse de dépôt et placement du Québec (CDPQ). He has 15 years' experience in the infrastructure sector, having joined CDPQ in 2006. Before that, he held various corporate finance positions in large companies, including Ivanhoé Cambridge, CDPQ's real estate subsidiary. He also sits on the Board of Directors of Velto Renewables and Akiem. Patrick graduated from HEC Montréal with a business degree, specialising in finance, and a qualification as a Chartered Professional Accountant (CPA). He was co-opted as director by the Board of Directors with effect from 1 January 2017 following his nomination by CDPQ. He tendered his resignation with effect from 21 February 2023.

Leen Dierick, Director (since 10 May 2022)

Leen Dierick studied business administration, marketing and logistics at EHSAL in Brussels and has subsequently held various positions at DOMO NV. She has served as a Dendermonde municipal councillor since 2001 and as a Member of the Federal Parliament for CD&V since 2007. In the Chamber she is a permanent member of both the Parliamentary Committees for Economy & Energy and the subcommittee for Nuclear Safety. She was appointed as director in May 2022 following her nomination by Publigas and her current term of office will expire at the Annual General Meeting in May 2028.

Andries Gryffroy, Director

Andries Gryffroy is a qualified industrial electromechanical engineer and holds a Master's degree in marketing. He took a number of additional training courses in the energy sector and worked in a range of positions in that sector. He is a consultant in technology and energy. He is also the Chairman of Publigas, a member of the Flemish Parliament and a federated entity senator. He was appointed as director in May 2015 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2027.

Gianni Infanti, Director (since 10 May 2022)

Gianni Infanti holds a Master's degree in management sciences at UCL Mons. He is an adviser to the office of Minister Christie Morreale. He was appointed director in May 2022 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2028.

Ludo Kelchtermans, Director, Chairman of the Audit and Risk Committee

Ludo Kelchtermans holds a degree in economics and is CEO of Nutsbedrijven Houdstermaatschappij (Nuhma). He is a director at several companies and chairman of Aspiravi's audit committee. He was appointed as director in June 2012 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2026.

Renaud Moens, Director and Chairman of the Appointment and Remuneration Committee (until 10 May 2022)

Renaud Moens has a degree in business from ULB's Solvay Business School. He is the General Manager of the intermunicipal company IGRETEC and a director at Publigas, Sambrinvest, Sonaca and SOCOFE. He was co-opted as director by the Board of Directors with effect from 24 September 2014 following his nomination by Publigas and his term of office expired at the Annual General Meeting in May 2022.

Josly Piette, Director

Josly Piette holds degrees in industrial sociology and economic and social sciences. He is Honorary General Secretary of the Confédération des Syndicats Chrétiens (Confederation of Christian Trade Unions) and a director at SOCOFE and Publigas. He was appointed as director in June 2009 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2026.

Koen Van den Heuvel, Director

Koen Van den Heuvel holds a degree in economics and political science. As a member of Puurs Municipal Council since 1989, for five years he served as the Alderman for Youth, Culture and Finance. In 1997, he became Mayor of Puurs, and since 2019 he has been the mayor of the merged municipality of Puurs-Sint-Amands. Since 2004, he has been a member of the Flemish Parliament, leading his parliamentary group there from 2012 to 2019. In 2019, he was the Flemish Minister for the Environment, Nature and Agriculture. He was co-opted as director by the Board of Directors with effect from 1 December 2019 following his nomination by Publigas and his current term of office will expire at the Annual General Meeting in May 2025.

Wim Vermeir, Director (since 21 February 2023)

Wim Vermeir has a degree in engineering physics from

Ghent University and holds an MBA from Vlerick School of Management. He started his career at Ghent University and Vlerick School of Management as a research assistant in corporate finance. Between 1995 and 2006, he held various positions at Dexia Asset Management and in 2006 he was appointed Chief Investment Officer for Traditional Investments and member of the Executive Board of Dexia Asset Management. He has been Chief Investment Officer of AG Insurance since April 2011 and also Group Head of Investments for Ageas since June 2012. He was co-opted as director by the Board of Directors with effect from 21 February 2023 following his nomination by AG Insurance. The Annual General Meeting of 9 May 2023 will have to decide on his permanent appointment.

Geert Versnick, Director

Geert Versnick has a law degree from Ghent University. He has also participated in study programmes from GUBERNA, the International Institute for Management Development (IMD) and INSEAD. He was a lawyer at the Ghent Bar from 1980 until 2000 and active in politics from 1989 to 2017. He holds a number of directorships in both the private and public sectors. He was appointed as director in May 2018, with effect from 3 October 2018, following his nomination by Publigas, and his current term of office will expire at the Annual General Meeting in May 2024.

Independent directors under the provisions of the Gas Act

Sabine Colson, independent director, Chairman of the Corporate Governance Committee

Sabine Colson has a degree in business and finance from HEC Liège. She completed a GUBERNA Certified Director course and holds a university certificate in innovation management from UCLouvain. She coordinates the BU WE Transmission at Wallonie Entreprendre. She was co-opted as independent director with effect from 1 October 2018 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2024.

Valentine Delwart, independent director

Valentine Delwart holds a degree in law and a Master's degree in European law. She is Alderwoman for Finance in Uccle and has been General Secretary of the French-speaking liberal party Mouvement Réformateur since March 2011. She was appointed as independent director in May 2013 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2025.

Cécile Flandre, independent director (since 30 March 2022)

Cécile Flandre holds a degree in mathematics and actuarial science from the Université Libre de Bruxelles (ULB). For nine years she served as CFO and executive director at two insurance companies, Belfius Insurance and later Ethias. She has many years of experience in the insurance sector, including its supervision, and in financial matters. She is a director of Elia Transmission Belgium, Elia Asset and Elia Group and an independent director of MS Amlin Insurance S.E., where she chairs the Audit Committee. She has been a member or chair of the boards of directors and audit committees of several companies. She was co-opted as independent director with effect from 30 March 2022 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2025.

Sandra Gobert, independent director

Sandra Gobert obtained a Master's degree in law from the Vrije Universiteit Brussel (VUB). She has been a lawyer at the Brussels Bar since 1992 and is a partner at Sub Rosa Legal. After a specialisation and internship in tax law, she built up her expertise in corporate law and corporate governance. She has been a GUBERNA Certified Director since 2010 and has held directorships in various sectors (distribution and retail, legal, real estate and energy). She completed the Chapter Zero "Director Climate Journey" in 2021. In early 2019, she was appointed Executive Director of GUBERNA (Institute of Directors), where she has been a member of the Board of Directors since 2016. She is a member of the Belgian Corporate Governance Committee, a member of the Board of Directors of ecoDa (European Confederation of Directors' Associations) and chair of the ecoDa Working Group on Sustainability and of the Remuneration and Nomination Committee. She is a member of the ESG Exchange Advisory Committee. She was appointed as independent director in May 2019 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2025.

Roberte Kesteman, independent director

Roberte Kesteman holds a Master's degree in Applied Economics from VLEKHO. She also studied International Corporate Finance at INSEAD in France. She is Senior Advisor at First Sentier Investors International, an independent director at Elia Transmission Belgium, Elia Asset and Elia Group, as well as a member of the Audit Committee, Remuneration Committee and Corpo-

rate Governance Committee. Since 4 May 2022, she is independent director, member of the Audit Committee and member of the Remuneration, Nomination and Corporate Governance Committee at Aperam SA. She was co-opted as independent director with effect from 1 July 2019 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2023.

Anne Leclercq, independent director

Anne Leclercq holds a Master's degree in law and an MBA from Vlerick Business School. Many years working in both the banking sector and as Director of Treasury and Capital Markets at the Belgian Debt Agency (the agency in charge of the operational management of the debt of the Belgian federal government) have provided her with a wealth of financial expertise and management experience. Until mid-2019, Anne chaired a sub-committee of the European Union's Economic and Financial Committee comprising debt managers from the various EU Member States. She is a director at BNP Paribas Fortis, where she also chairs the Risk Committee, WDP (Warehouses De Pauw) and Sint-Maria Halle General Hospital. Until the end of December 2022, she was a director and chair of the Audit Committee of KULeuven/UZ Leuven. She was appointed as independent director in May 2018 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2024.

Sandra Wauters, independent director

Sandra Wauters holds a PhD in chemical engineering from Ghent University. She is Carbon Management Programme Manager at BASF Antwerp, where she is responsible for business development and coordination on climate-neutral growth. She was appointed as independent director in May 2013 on proposal of the Board of Directors and following the recommendation of the relevant advisory committees, and her current term of office will expire at the Annual General Meeting in May 2025.

Federal government representatives

Maxime Saliez and Tom Vanden Borre

Messrs Maxime Saliez and Tom Vanden Borre were appointed as per the Royal Decree of 31 January 2021 as representatives of the federal government in an advisory capacity for the French- and Dutch-speaking roles

respectively. This Royal Decree entered into force on the date of its publication in the Belgian Official Gazette, namely 8 February 2021.⁴

Maxime Saliez has a degree in civil and electromechanical engineering and is an adviser to the Federal Minister of Energy. Tom Vanden Borre holds a PhD in law and serves as Head of the Private Office of the Federal Minister of Energy.

Federal government representatives have special powers as stipulated in the Acts of 26 June 2002 and 29 April 1999 and the Royal Decrees of 16 June 1994 and 5 December 2000, as set out in Article 12 of the Articles of Association and in the Corporate Governance Charter.

They attend meetings of the Board of Directors in an advisory capacity.

Secretariat

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

Activity report

Issues examined

The members of the Board of Directors seek to adopt decisions by consensus. The Board mainly addressed the following issues:

- The strategy of Fluxys Belgium;
- The 2022 budget;
- The 10-year investment programme (2023-2032);
- The medium-term financial plan;
- The HSEQ policy;
- Risk management;
- The preparation of the company's annual and half-yearly accounts and those of its subsidiaries, as well as associated press releases;
- The drafting of the annual financial report for the financial year 2021 and the half-yearly financial report as at 30 June 2022;
- The tariff methodology 2024-2027;
- Evolution and use of the regularization account and the exceptional solidarity contribution received by the Federal Government of Belgium;
- Projects and research into projects related to the continuing development of the group's activities in Belgium, including:
 - market integration projects;
 - projects linked to the energy transition, especially those involving biomethane and the transmission of hydrogen and CO₂, including

the framework of the economic recovery plan (also covered in a separate expert session);

- L-gas to H-gas conversion;
 - upgrading of the Zeebrugge-Opwijk pipeline route: investment decision phase 1 Desteldonk-Opwijk and progress reporting;
 - progress of the LNG capacity expansion and truck-loading projects;
- Changes in the legal and regulatory framework;
 - Progress of disputes and legal action brought in order to safeguard the company's interests;
 - The energy mix, the European Green Deal, developing a long-term vision for a low-carbon energy system by 2050 and the European Commission's Fit for 55 programme;
 - The consequences of the war in Ukraine;
 - Security of supply;
 - The role of natural gas in Belgium's future energy system and in the energy transition;
 - Commercial activities and the operation of the network and the LNG terminal (including demand for additional regasification capacity at the LNG terminal);
 - IT security;
 - The safety culture within the company;
 - The design of the new intervention centre;
 - The abolition of the Strategic Advice Committee and the resulting amendment to the Articles of Association;
 - Convening the Annual General Meeting and Extraordinary General Meeting;
 - Changes in the composition of the Board of Directors and the advisory committees;
 - Examination of reports by the Strategic Advice Committee, the Audit and Risk Committee, the Appointment and Remuneration Committee and the Corporate Governance Committee;
 - Examination of the report of the Board of Directors of Fluxys LNG;
 - The measures taken by the company with regard to the COVID-19 pandemic.

Operation

The Board of Directors may only deliberate and adopt decisions when at least half of the directors are either present or represented. Decisions made by the Board of Directors are taken by a simple majority of votes cast by directors present or represented. In 2022, the Board of Directors took all of its decisions by unanimous vote of the directors present or represented.

Frequency of meetings and attendance levels

The Board of Directors met 9 times in ordinary meetings in 2022 and made one decision by unanimous written agreement of the directors, in accordance with its Articles of Association. The director attendance at Board of Directors' meetings in 2022 was as follows:

	Attendance
Daniël Termont	9 out of 9 meetings
Claude Grégoire	7 out of 9 meetings
Pascal De Buck	9 out of 9 meetings
Abdellah Achaoui	6 out of 7 meetings
Jos Ansoms	4 out of 4 meetings
Sabine Colson	9 out of 9 meetings
Laurent Coppens	8 out of 9 meetings
Patrick Côté	9 out of 9 meetings
Valentine Delwart	9 out of 9 meetings
Leen Dierick	5 out of 5 meetings
Cécile Flandre	6 out of 7 meetings
Sandra Gobert	9 out of 9 meetings
Andries Gryffroy	8 out of 9 meetings
Gianni Infanti	5 out of 5 meetings
Ludo Kelchtermans	9 out of 9 meetings
Roberte Kesteman	9 out of 9 meetings
Anne Leclercq	8 out of 9 meetings
Renaud Moens	3 out of 4 meetings
Josly Piette	9 out of 9 meetings
Koen Van den Heuvel	9 out of 9 meetings
Geert Versnick	7 out of 9 meetings
Sandra Wauters	9 out of 9 meetings

Committees formed by the Board of Directors

Strategic Advice Committee (until 10 May 2022)

Following the introduction of the 2020 Belgian Code on Corporate Governance, Fluxys Belgium reviewed the operation of its Board of Directors' advisory committees and of the Strategic Advice Committee in particular.

As a result, the Board decided to abolish the Strategic Advice Committee and schedule more time in Board of director meetings to examine certain topics in more depth.

The Extraordinary General Meeting of 10 May 2022 therefore approved an amendment to the company's Articles of Association to this effect.

4. Royal Decree of 31 January 2021 on the dismissal and appointment of federal government auditors to the Boards of Directors of the relevant operators, as provided for in Article 8/3(1/3) of the Act of 12 April 1965 concerning the transmission of gaseous and other products by pipeline (published in the Belgian Official Gazette on 8 February 2021).

Issues examined

The Strategic Advice Committee was set up within the Board of Directors in accordance with Article 15.1 of the Articles of Association, which has now been deleted. It had no decision-making powers but was responsible for providing an opinion on the items to be submitted to the Board of Directors for approval, in accordance with the applicable legal and regulatory provisions and the Articles of Association. Within this framework, the committee also monitored implementation of the Board of Directors' decisions. The members of the Strategic Advice Committee sought to adopt decisions by consensus. In 2022, the Strategic Advice Committee addressed the following issues, among others:

- The consequences of the war in Ukraine;
- Security of supply;
- IT security;
- Changes in the legal and regulatory framework;
- Progress of disputes and legal action brought in order to safeguard the company's interests;
- The energy mix, the European Green Deal, developing a long-term vision for a low-carbon energy system by 2050 and the European Commission's Fit for 55 programme;
- The role of natural gas in Belgium's future energy system and in the energy transition;
- Upgrading of the Zeebrugge-Opwijk pipeline route;
- Commercial activities and the operation of the network and the LNG terminal (including demand for additional regasification capacity at the LNG terminal).

Operation

The advice put forward by the Strategic Advice Committee was adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers.

Frequency of meetings and attendance levels

The Strategic Advice Committee met 3 times in 2022. Director attendance at Strategic Advice Committee meetings in 2022 was as follows:

	Attendance
Claude Grégoire	3 out of 3 meetings
Daniël Termont	2 out of 3 meetings
Jos Ansoms	3 out of 3 meetings
Patrick Côté	3 out of 3 meetings
Valentine Delwart	3 out of 3 meetings
Andries Gryffroy	3 out of 3 meetings
Anne Leclercq	2 out of 3 meetings
Koen Van den Heuvel	3 out of 3 meetings
Sandra Wauters	2 out of 3 meetings

* Independent directors under the provisions of the Gas Act

Audit and Risk Committee

Composition of the Audit and Risk Committee

The Audit and Risk Committee comprises seven non-executive directors, of whom at least one third must be independent within the meaning of the Gas Act and the 2020 Belgian Code on Corporate Governance. The Audit and Risk Committee has collective expertise in the company's area of activity and at least one independent director has the required expertise in accounting and auditing.

Chairman

Ludo Kelchtermans

Members

- Sabine Colson*
- Laurent Coppens
- Patrick Côté (until 21 February 2023)
- Cécile Flandre* (since 30 March 2022)
- Anne Leclercq*
- Wim Vermeir (since 21 February 2023)
- Sandra Wauters*

Invited in an advisory capacity

Pascal De Buck, Managing Director and CEO..

Secretariat

Nicolas Daubies, Dpt. Director Group General Counsel & Company Secretary, acts as secretary to the Audit and Risk Committee.

Accounting and auditing expertise of the independent directors on the Audit and Risk Committee

Cécile Flandre

- She holds a degree in mathematics and actuarial science.
- She has extensive experience on boards of directors and audit committees.
- She has held the position of Chief Financial Officer, executive board member and executive director, with particular responsibility for investments, accounting, financial planning and control, and corporate finance.

Sabine Colson

- She holds a degree in business and finance from HEC Liège and has been an audit manager at PwC.
- She has experience of audit committees and appointment and remuneration committees.
- She is a director of various companies, primarily in the environmental sector.

Anne Leclercq

- She holds a Master's degree in law and an MBA from Vlerick Business School.

- Many years working in the financial sector have provided her with a wealth of financial expertise and management experience.
- She has extensive market knowledge and insight into the key drivers of change in financial markets, such as changes in regulations and economic factors.
- Until 31 July 2019, she was Director of Treasury and Capital Markets at the Belgian Debt Agency.

Sandra Wauters

- She has a PhD in chemical engineering.
- In her operations role at BASF Antwerp, she has acquired experience in HAZOP studies and technical risk assessments.

Issues examined

The Audit and Risk Committee was set up within the Board of Directors to assist this body. It has the powers assigned to an audit and risk committee by law as well as any other powers that may be assigned to it by the Board of Directors. The members of the Audit and Risk Committee seek to adopt decisions by consensus. In 2022, the Audit and Risk Committee mainly addressed the following issues:

- The company's accounts as at 31 December 2021 and 30 June 2022 as well as the associated press releases (financial part);
- The annual financial report for the 2021 financial year and the half-yearly report as at 30 June 2022;
- The principles governing the closing of accounts;
- Examination of the auditor's work and schedule;
- The renewal of the statutory auditor's mandate;
- Examination of the internal control and risk management system;
- Goals, schedule and activities of the internal audit in 2022;
- The internal audit schedule for 2023;
- Follow-up on the recommendations made in the wake of the internal audit in 2021;
- Risk management;
- The change in the valuation rule for 'Unrealised foreign exchange results' in Belgian GAAP;
- Confirmation to the Audit and Risk Committee of the independence of the internal audit;
- The evaluation of the person in charge of the internal audit.

Operation

Decisions by the Audit and Risk Committee are adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers. For detailed information on how the Audit and Risk Committee works, please consult Annex II of the Corporate Governance Charter – Audit and Risk

* Independent directors under the provisions of the Gas Act

Committee Rules of Internal Procedure (<https://www.fluxys.com/en/company/fluxys-belgium/management-governance>).

Frequency of meetings and attendance levels

The Audit and Risk Committee met 4 times in 2022. Director attendance at Audit and Risk Committee meetings in 2022 was as follows:

	Attendance
Ludo Kelchtermans	3 out of 4 meetings
Sabine Colson	3 out of 4 meetings
Laurent Coppens	4 out of 4 meetings
Patrick Côté	3 out of 4 meetings
Cécile Flandre	3 out of 3 meetings
Anne Leclercq	4 out of 4 meetings
Sandra Wauters	3 out of 4 meetings

Appointment and Remuneration Committee

Composition of the Appointment and Remuneration Committee

The Appointment and Remuneration Committee comprises seven non-executive directors, the majority of whom must be independent within the meaning of the Gas Act and the 2020 Belgian Code on Corporate Governance. The committee has the required expertise in remuneration policy.

Chairman

Renaud Moens (until 10 May 2022)
Koen Van den Heuvel (since 10 May 2022)

Members

- Valentine Delwart*
- Cécile Flandre* (since 30 March 2022)
- Sandra Gobert*
- Gianni Infanti (since 10 May 2022)
- Roberte Kesteman*
- Koen Van den Heuvel (until 10 May 2022)
- Geert Versnick

Invited in an advisory capacity

Pascal De Buck, Managing Director and CEO.

Secretariat

Anne Vander Schueren, HR Director, acts as secretary to the Appointment and Remuneration Committee.

Issues examined

The Appointment and Remuneration Committee was set up within the Board of Directors to assist it in all matters concerning the appointment and remuneration of directors and members of the Management Team BE. It has

the powers assigned to a remuneration committee by law as well as any other powers that may be assigned to it by the Board of Directors. In 2022, the Appointment and Remuneration Committee mainly addressed the following issues:

- The compilation of the draft remuneration report;
- The compilation of opinions for the Board of Directors concerning the appointments of directors and of an independent director;
- The preparation of the objectives for the Managing Director and the members of the Management Team BE;
- The preparation of the evaluation of the Managing Director and the members of the Management Team BE;
- The compilation of recommendations on the remuneration of the Managing Director (fixed and variable remuneration and long-term incentives);
- The compilation of recommendations on the remuneration of the members of the Management Team BE (fixed and variable remuneration and long-term incentives) following a proposal by the Managing Director;
- The state of progress regarding the company targets for 2022;
- Monitoring of the remuneration policy.

Operation

Decisions by the Appointment and Remuneration Committee are adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers. The members of the Appointment and Remuneration Committee seek to adopt decisions by consensus. In 2022, the Appointment and Remuneration Committee approved all the decisions submitted to it. For detailed information on how the Appointment and Remuneration Committee works, please consult Annex III of the Corporate Governance Charter – Appointment and Remuneration Committee Rules of Internal Procedure (<https://www.fluxys.com/en/company/fluxys-belgium/management-governance>).

Frequency of meetings and attendance levels

The Appointment and Remuneration Committee met 6 times in 2022. Director attendance at Appointment and Remuneration Committee meetings in 2022 was as follows:

	Attendance
Renaud Moens	4 out of 4 meetings
Koen Van den Heuvel	6 out of 6 meetings
Valentine Delwart	5 out of 6 meetings
Cécile Flandre	1 out of 2 meetings

* Independent directors under the provisions of the Gas Act.

	Attendance
Sandra Gobert	5 out of 6 meetings
Gianni Infanti	2 out of 2 meetings
Roberte Kesteman	5 out of 6 meetings
Geert Versnick	6 out of 6 meetings

Corporate Governance Committee

Composition of the Corporate Governance Committee

The Corporate Governance Committee comprises seven non-executive directors, of whom at least two thirds must be independent under the provisions of the Gas Act.

Chairman

Sabine Colson*

Members

- Laurent Coppens
- Valentine Delwart*
- Sandra Gobert*
- Roberte Kesteman*
- Anne Leclercq*
- Josly Piette

Invited in an advisory capacity

Pascal De Buck, Managing Director and CEO.

Secretariat

Nicolas Daubies, Dpt. Director Group General Counsel & Company Secretary, acts as secretary to the Corporate Governance Committee.

Issues examined

The Corporate Governance Committee was set up within the Board of Directors in order to carry out the tasks conferred upon it by the Gas Act. The members of the Corporate Governance Committee seek to adopt decisions by consensus. In 2022, the Corporate Governance Committee mainly addressed the following issues:

- Preparation of the 2021 annual report by the Corporate Governance Committee, drafted on the basis of Article 8/3 section 5(3) of the Gas Act;
- The compilation of the opinion for the Board of Directors concerning the appointment of an independent director.

Operation

Decisions by the Corporate Governance Committee are adopted by a simple majority of votes cast by those members present or represented, in line with their assigned powers. For detailed information on how the Corporate Governance Committee works, please consult Annex I of the Corporate Governance Charter – Corporate

Governance Committee Rules of Internal Procedure (<https://www.fluxys.com/en/company/fluxys-belgium/management-governance>).

Frequency of meetings and attendance levels

The Corporate Governance Committee met 1 time in 2022. Director attendance at Corporate Governance Committee meetings in 2022 was as follows:

	Attendance
Sabine Colson	1 out of 1 meeting
Laurent Coppens	0 out of 1 meeting
Valentine Delwart	1 out of 1 meeting
Sandra Gobert	1 out of 1 meeting
Roberte Kesteman	1 out of 1 meeting
Anne Leclercq	0 out of 1 meeting
Josly Piette	1 out of 1 meeting

Managing Director and CEO and Management Team BE in 2022

Composition

Pascal De Buck is the Managing Director of Fluxys Belgium. He is also the company's Chief Executive Officer.

The Managing Director can delegate some of his powers to a 'Management Team BE' that is composed as follows:

- Arno Bux, member of the Management Team BE and Chief Commercial Officer
- Christian Leclercq, member of the Management Team BE and Chief Financial Officer
- Peter Verhaeghe, member of the Management Team BE and Chief Technical Officer

Nicolas Daubies, Dpt. Director Group General Counsel & Company Secretary, acts as secretary to the Management Team BE.

Deliberations

The Management Team BE assists the Managing Director in the tasks assigned to him. It meets as often as it deems necessary and in any case weekly, unless hindered in some way. The Managing Director convenes the members and any guests and sets the agenda.

The Management Team BE is assisted in its decision-making by an Executive Committee composed as follows:

- Damien Adriaens, Dpt. Director Commercial Regulated
- Nicolas Daubies, Dpt. Director Group General Counsel & Company Secretary

* Independent directors under the provisions of the Gas Act.

- Raphaël De Winter, Director Fluxys nextgrid
- Jan Van de Vyver, Dpt. Director Installations & Grid
- Rafaël Van Elst, Director Construction, Engineering & Gas Flow
- Anne Vander Schueren, Director Human Resources
- Leen Vanhamme, Director Transformation & Sustainability
- Erik Vennekens, Director Digital

Remuneration report

Introduction

The Fluxys Belgium remuneration policy is submitted to the Annual General Meeting in accordance with the Belgian Code on Companies and Associations. The policy will then be published on the company website at <https://www.fluxys.com/en/company/fluxys-belgium/management-governance>.

The purpose of this report is to provide information on the implementation of this policy over the past financial year.

By way of introduction, it should be emphasised that the remuneration policy aims to contribute to the company's mission and purpose, namely to be the designated operator of the Belgian natural gas transmission grid, the Loenhout storage facility and the Zeebrugge LNG terminal, and to be an important actor in a sustainable energy future and to bring reliable and affordable energy flows to market. Moreover, the company's new objective is to be the essential infrastructure partner for accelerating the energy transition.

The remuneration policy applicable to the Managing Director and CEO and of the Management Team BE was developed in accordance with the company's remuneration policy. This policy is based on an objective and transparent classification system with a view to:

- Ensuring that the compensation package complies with that of the market in order to attract and retain staff with the required expertise;
- Developing performance-driven pay, which varies according to each person's responsibilities and contribution to Fluxys Belgium's objectives. The amount of the incentive payment received is based on the extent to which company, transversal and individual targets have been achieved;
- Promoting professional and committed behaviour, as well as a consistent, transversal and sustainable approach, with respect for and in full support of the company's values.

Remuneration for non-executive members of the Board of Directors is based on market practice and takes into account their role, the specific duties they perform, the resulting responsibilities and the time they devote to their duties.

The remuneration awarded in 2022 is in line with the company's remuneration policy and with the company's performance, which also remained strong during this year, and with its short- and long-term ambitions. Among other things, the company was able to continue ensuring the continuity of its business activities and a maximum

contribution to the supply of North-West Europe despite the pandemic and the particularly complex supply challenge resulting from the impact of the conflict in Ukraine. The company continues to take major steps forward in the transition to a sustainable energy future.

We note that contrary to recommendations 7 § (6) and (9) of the 2020 Corporate Governance Code, the directors and members of the executive management do not receive any part of their remuneration in the form of shares of Fluxys Belgium. This deviation is justified by the regulated nature of the company's activity, which is characterised by different mechanisms to ensure long-term value creation and a highly relative relationship between performance and share price.

Remuneration for non-executive directors

During the previous financial year, Fluxys Belgium set the non-executive directors' remuneration at the same level as the previous financial year in line with the principles outlined in the Articles of Association, the Corporate Governance Charter and the remuneration policy.

The remuneration consists of a total fixed amount, determined by the Annual General Meeting, that the Board of Directors distributes to non-executive directors on the basis of the workload their individual roles require within the company of no more than € 360,000 per annum as of 1 July 2007 (subject to indexation), or €499,840.50 as of 31 December 2022. Non-executive directors and government representatives also receive an attendance fee of €250 for each Board or committee meeting.

Non-executive directors receive neither performance-related remuneration, such as bonuses or long-term, share-related incentive schemes, nor benefits in kind or pension-plan benefits. Remuneration for non-executive directors consists exclusively of a fixed part.

At the end of the first six-month period, directors are paid an advance on their remuneration and attendance fees. This advance is calculated on the basis of the index-linked basic remuneration and in proportion to the duration of the directorship over the six-month period. A settlement is made in December of the year in question.

Fees for non-executive directors

For their work on Fluxys Belgium's Board of Directors and its various committees, the non-executive directors received the following gross remuneration and attendance fees in 2022:

Directors and government representative	Gross total (in €)
Daniël Termont	26,927.98
Claude Grégoire	17,533.26

Directors and government representative	Gross total (in €)
Abdellah Achaoui	9,929.58
Jos Ansoms	7,638.53
Sabine Colson (1)	25,465.13
Laurent Coppens (2)	25,215.13
Patrick Côté (3)	22,374.19
Valentine Delwart	28,677.97
Leen Dierick	8,431.88
Cécile Flandre	19,359.15
Sandra Gobert	25,965.13
Andries Gryffroy	15,820.41
Gianni Infanti	12,522.82
Ludo Kelchtermans (4)	19,661.35
Roberte Kesteman (5)	25,965.13
Anne Leclercq	27,677.97
Renaud Moens (6)	7,638.53
Josly Piette (7)	19,161.35
Koen Van den Heuvel	23,124.20
Geert Versnick	19,911.35
Sandra Wauters	22,124.19
Maxime Saliez	16,070.41
Tom Vanden Borre	15,070.41
Total	442,266.07

The total amount of €442,266.07 is made up of €376,516.07 in directors' fees and €65,750.00 in attendance fees.

At their request, notification is hereby given that some directors have retroceded their remuneration and attendance fees:

- (1) This director retroceded her remuneration and attendance fees to SRIW Environnement.
- (2) This director retroceded his remuneration and attendance fees to Interfin.
- (3) This director retroceded his remuneration and attendance fees to Caisse de dépôt et placement du Québec.
- (4) This director retroceded his remuneration and attendance fees to Nuhma.
- (5) This director retroceded her remuneration and attendance fees to Symvouli.
- (6) This director retroceded his remuneration and attendance fees to IGRETEC.
- (7) This director retroceded his remuneration and attendance fees to SOCOFE.

The non-executive directors of Fluxys Belgium held no paid directorships in any other Fluxys group companies.

On 8 February 2021 Mr Tom Vanden Borre and Mr Maxime Saliez were appointed as representatives of

the federal government for the Dutch-speaking and French-speaking roles respectively⁵.

Remuneration for the Managing Director and CEO and the members of Management Team BE

Total remuneration

Remuneration for the Managing Director and CEO and the members of Management Team BE in accordance with the remuneration policy consists of the following components:

- a base salary: fixed amount;
- performance-related remuneration: depending on the degree to which the objectives set each year have been achieved (company and individual objectives);
- performance-related remuneration for long-term objectives: depending on the realisation of the objectives set for each regulatory period (four years) with a possible payment every two years;
- a defined-contribution pension plan administered in accordance with the rules applicable to companies in the gas and electricity sector;
- other components: expenses to cover insurances, company car, gas and electricity sector benefits.

Setting of remuneration

The Managing Director and CEO of Fluxys Belgium was evaluated for the year in question by the Board of Directors, following the opinion of the Appointment and Remuneration Committee, based on the extent to which the objectives were achieved. The Appointment and Remuneration Committee was also given an explanation by the Managing Director and CEO of Fluxys Belgium regarding the extent to which the stipulated objectives were achieved and the evaluation of the members of Management Team BE in 2022.

The Board of Directors met to decide on the remuneration for the Managing Director and CEO and the members of Management Team BE. The Board of Directors:

- approved the performance and activities of Fluxys Belgium for 2022;
- defined the amount of the 2022 variable remuneration of the Managing Director and CEO of Fluxys Belgium in 2022, pursuant to a proposal by the Appointment and Remuneration Committee, and defined the total amount of the variable remuneration in 2022 of the members of Management Team BE of Fluxys Belgium, pursuant to a proposal by the Managing Director and CEO.

The allocation of performance-related remuneration is based on an assessment of the following criteria:

⁵ Royal Decree of 31 January 2021 on the dismissal and appointment of federal government auditors to the Boards of Directors of the relevant operators, as provided for in Article 8/3(1/3) of the Act of 12 April 1965 concerning the transmission of gaseous and other products by pipeline (published in the Belgian Official Gazette on 8 February 2021).

For the Managing Director and CEO

Short-term variable remuneration

Cycle	Per year	
Performance/payment link	Performance	Payment
Minimum Bonus	80% or less	No minimum %, depending on circumstances.
Target Bonus	100%	40%
Maximum Bonus	120% or more	70%
Objectives	Description	Weighting
Company	Key company targets	50%
Personal	Individual and transversal	35%
Style & values	Leadership & link to company values	15%

Long-term variable remuneration

Cycle	Per 4 years / payment possible every 2 years	
Performance/payment link	Performance	Payment
Maximum Bonus	100% or more	13%/year
Objectives	Description	Weighting
Company	Key long-term company targets	100%

As an exception, the first cycle will cover three years (2021 to 2023), with a first possible payout in 2023, for the results of 2022-2023. The CEO waived this long-term variable remuneration for the year 2021.

For the members of the Management Team BE

Short-term variable remuneration

Cycle	Per year	
Performance/payment link	Performance	Payment
Minimum Bonus	80% or less	No minimum %, depending on circumstances.
Target Bonus	100%	30%
Maximum Bonus	120% or more	45%
Objectives	Description	Weighting
Company	Key company targets	40%
Personal	Individual and transversal	30%
Style & Values	Leadership & link to company values	30%

Long-term variable remuneration

Cycle	Per 4 years / payment possible every 2 years	
Performance/payment link	Performance	Payment
Maximum Bonus	100% or more	7%/year
Objectives	Description	Weighting
Company	Key long-term company targets	100%

As an exception, the first cycle will cover three years (2021 to 2023, inclusive), with a first payout in 2021, for the 2021 results, and a second possible payout in 2023, for the 2022-2023 results.

For 2022, the key corporate targets can be summarised as follows:

- Financial performance: keep OPEX under control and hit Fluxys Belgium's financial targets;
- Energy transition and profitable and sustainable growth to become the transporter of future energy carriers;
- Implement the investment plan, focusing in particular on the energy transition;

- Safe and reliable operation, continuity of gas flows and satisfaction of the users of the facilities and attention paid to security of supply (SOS) in the current market situation;

Fluxys Belgium implements its strategy and sustainability commitment in company objectives that cover the key areas of Planet, Prosperity and People, which are translated into personal objectives every year. For example, our focus on our role in the transition to a sustainable

energy future is a critical factor in the variable compensation framework, as is our Go4Net0 project targeting a greenhouse gas emission-free company. We also actively support technologies and market models that strengthen the position of natural gas and carbon-neutral gas in the context of the energy transition. In addition, sustainability, safety, good community relations and the well-being of our employees were included as important pillars in the short-term and long-term compensation plans.

The company objectives, both short and long term, and the respective personal objectives, together form the framework within which the performance of the Managing Director and CEO as well as the members of Management Team BE is evaluated and their corresponding variable remuneration awarded.

The company targets were exceeded in 2022, in particular in terms of financial performance, implementation of the investment plan and the energy transition. In November, a new business unit was created, nextgrid, which is fully dedicated to developing projects related to new molecules in Belgium. Nextgrid aims to make the company the essential infrastructure partner for the energy transition in Belgium.

For the Managing Director and CEO, the personal targets were exceeded and the targets related to leadership and the propagation of the company's values were also positively assessed. The short-term variable remuneration for the Managing Director and CEO is mainly paid in cash, with the remainder paid into the group insurance policy, plus the option to have part of the bonus paid in OTC (over-the-counter) options. The CEO waived his variable remuneration for long-term objectives for the year 2021 and will therefore only receive performance-related remuneration for long-term objectives as of 2022, with the first possible payout after two years, in 2023. Remuneration for long-term goals is paid out in cash.

For the members of Management Team BE, too, the personal targets were exceeded and the targets related to leadership and the propagation of the company's values were also positively assessed. The short-term variable remuneration is paid entirely in cash, with the option to have part of the bonus paid out in OTC options. With regard to the long-term objectives of the members of Management Team BE, the next payment is possible after two years, with respect to 2022 and 2023. Remuneration for long-term goals is paid out in cash.

Remuneration awarded to the Managing Director and CEO and the members of Management Team BE in 2022

Components	Managing Director and CEO (individual)	Members of Management Team BE (together)
Base salary	322,656.60	539,425.20
Variable remuneration	204,887.00	205,714.00
Long-term variable remuneration*	0	0
Pension	123,393.88	263,703.01**
Other components	19,035.28	48,774.63
Total	669,972.76	1,057,616.84
Fixed/variable ratio***	69%	80%
	31%	20%

* In accordance with the established long-term compensation rules, the next payout will take place in 2023.

** Including special bonus for 25 years of service for one member of Management Team BE.

*** The one-off special bonus for 25 years of service for one member of Management Team BE has not been included in the calculation of the fixed/variable ratio.

As regards the variable remuneration for 2022, Fluxys Belgium is covered by the legal derogation from the requirement to spread payment over multiple years, because the on-target variable remuneration for the Managing Director and CEO and the members of Management Team BE is no more than 25% of the total annual remuneration.

Share-related remuneration

The Managing Director and CEO and the members of Management Team BE receive neither shares nor share

options in the company as part of their base salary or performance-related remuneration.

Severance pay

The company did not award any severance pay during the year in question.

Clawback rights

The Managing Director and CEO, in this capacity, and the members of Management Team BE have employee status. Fluxys Belgium applies the relevant legal provisions of the law on employment contracts.

If it transpires that a deliberate error has resulted in inaccurate financial data being used as the basis for the variable remuneration, the error will be taken into account in the evaluation process of the individual concerned in the year in which the error is detected.

The company did not make use of this option during the year in question.

Deviations from the remuneration policy

There were no deviations from the remuneration policy in 2022.

Changes in company remuneration and performance

Change by year	2018	2019	2020	2021	2022
Non-executive directors*					
Total	437,103	462,051	464,687	469,910	442,266
Chairman of the Executive Board and CEO/Managing Director and CEO					
Total	470,938	516,941	619,288	609,811	669,973
Members of the Executive Board/Management Team BE*					
Total	915,034	893,778	977,242	1,022,346	1,057,617
Performance of Fluxys Belgium Group (consolidated annual accounts – in thousands of €)					
Operating revenue	503,246	530,995	560,590	573,191	912,559
EBITDA	278,382	297,337	313,623	318,905	323,167
EBIT	120,601	134,841	133,482	137,821	147,305
Net profit	54,469	69,498	73,237	75,521	83,728
Average remuneration for other employees (in full-time equivalents)					
Total**	88,498	88,689	89,292	91,112	99,140

*The number of members may vary from year to year.

**Total of the remuneration section for all employee categories, namely executives and employees and including a frozen population of employees who are still paid according to the so-called 'old employment conditions' in accordance with the provisions of Joint Committee 326.

This 'remuneration' section includes all gross remuneration components, including fixed annual wages, as well as all variable components, including compensation for on-call duty, shift work, overtime, etc.

The other remuneration components (employer contributions to the group insurance policy, personnel insurance and the cost of certain job-related benefits) are not included.

The ratio between the highest remuneration for management (the Managing Director and CEO) and the lowest remuneration in full-time equivalent for employees was 1:14 for 2022.

Voting rights and special powers

The shareholders' meeting represents all shareholders irrespective of their share category. The valid decisions it makes, based on the required majority, shall be binding on all shareholders, even those who are not present or who do not agree with said decisions.

Each share entitles the holder to one vote. In compliance with the Royal Decree of 16 June 1994, and with the Articles of Association within which these statutory provisions are incorporated, special rights shall be allocated to the golden share held by the Belgian State in Fluxys Belgium in addition to the ordinary rights attached to all other shares. Said special rights are exercised by the federal Energy Minister and, in brief, comprise the following:

- the right to oppose any transfer, assignment as a guarantee, or change in the purpose of Fluxys Belgium's strategic assets (a list of which is appended to the aforementioned Royal Decree dated 16 June 1994) if the federal Energy Minister considers that such an operation would adversely affect national interests in the field of energy;
- the right to appoint two representatives of the federal government in an advisory capacity to Fluxys Belgium's Board of Directors;
- the right of representatives of the federal government to appeal to the federal Energy Minister within four working days, on the basis of objective, non-discriminatory and transparent criteria (as defined in the Royal Decree of 5 December 2000), against any decision of Fluxys Belgium's Board of Directors (including the investment and activity plan and the associated budget) which in their view breaches national energy policy guidelines, including the government's national energy supply objectives – such an appeal shall be suspensive; if the federal Energy Minister has not annulled the decision concerned within eight working days after this appeal, the decision shall become definitive;
- a special voting right in the event of deadlock at the General Meeting concerning an issue affecting the objectives of federal energy policy.

The special rights attached to the golden share held by the Belgian State are listed in Articles 5, 7, 10, 12 and 18 of Fluxys Belgium's Articles of Association. These rights remain attached to the golden share for as long as it is held by the Belgian State and Articles 3 to 5 of the Royal Decree of 16 June 1994 granting the State a golden share in Fluxys Belgium or replacement provisions remain in force.

In addition to these statutory special rights, the golden share also confers on its holder the right to receive a portion 100 times greater than that associated with each category-B and category-D share of all dividend payments and all other payments which the company makes to its shareholders.

Limitations on share transfers set by law or the Articles of Association

There are no limitations on the following share transfers:

- transfers of shares, subscription rights, ex-rights or independent rights enabling the purchase of shares (hereafter jointly referred to as "securities") between a shareholder and companies associated with that shareholder within the meaning of the Code on Companies and Associations;
- all transfers of category-D shares.

In all other cases, any shareholder planning to transfer securities to another shareholder or a third party, in any manner whatsoever, shall give all other shareholders, except holders of category-D shares and the golden share, the option of a priority purchase (on a pro rata basis of their shareholding) of the securities relating to the planned transfer, as per the procedures detailed below.

A shareholder planning to transfer shares must inform the company in writing, requesting acknowledgement of receipt, a) of the number of shares they plan to sell, b) of the name of the prospective assignee(s) deemed to be of good faith and the price irrevocably offered by said assignee, and c) that the shares in question are being offered to shareholders for priority purchase under the same conditions. The Board of Directors shall inform the other shareholders of this offer in the same manner within two weeks. Every shareholder shall then have 60 days as from receipt of the aforesaid written notification to inform the transferring shareholder and the company, in writing requesting acknowledgement of receipt, whether or not they shall submit a bid and, if so, of the number of shares they wish to acquire.

If requests exceed the number of shares offered for sale, the Board of Directors shall distribute the shares between the applicants on a pro rata basis of the number of shares held by said applicants and up to the maximum number of shares stated in their request.

If, upon the expiry of the aforementioned period of 60 days, no shareholders have indicated their intention to acquire the shares offered, or where the number of shares requested by the shareholders is less than the

number of shares offered, the shareholder who indicated their intention to transfer shares in accordance with the provisions of this article shall be able to complete the planned transfer to the third party indicated in their notification and under the conditions indicated therein.

Transactions and other contractual relations

Directors and members of the Management Team BE must take care to comply with all legal and ethical obligations incumbent upon them, in particular with respect to conflicts of interest as per Article 7:96 of the Code on Companies and Associations.

The group's Corporate Governance Charter lays down a procedure for transactions and other contractual relations between directors or members of the Management Team BE and the company or its subsidiaries and which do not fall within the scope of the aforementioned Article 7:96.

This procedure is as follows:

- Directors and members of the Management Team BE must take care to comply with all legal and ethical obligations incumbent upon them. They must organise their private and business affairs in such a way as to avoid as far as possible any situation in which a personal conflict of interest may arise between themselves and the company or its subsidiaries.
- In the event of any doubt on the part of a director as to whether there is such a conflict of interest, they must notify the Chairman of the Corporate Governance Committee accordingly. Members of the Management Team BE should express their doubts to the Managing Director.
- Where there is a personal conflict of interest, the director concerned must, without being asked, withdraw from the Board of Directors' meeting while the matter in question is being discussed and must not take part in the voting, including by proxy, on said matter. Reasons for this abstention must be stated in accordance with the terms of the Code on Companies and Associations.
- Where there is deemed to be a conflict of interest, the purpose and conditions of the transaction or other contractual relationship must be communicated for information purposes to the Board of Directors by its Chairman. The Board of Directors is also required to approve said purpose and conditions (or refer them to the Board of Directors of the subsidiary concerned for

approval) where the total amount of the individual transaction or accumulated transactions over a three-month period is in excess of €25,000.

- If a member of the Management Team BE has, directly or indirectly, an interest of a financial nature which conflicts with a decision or a transaction falling within the remit of the Management Team BE, they must notify the other members of this before the Team deliberates. The member concerned may not participate in the deliberations of the Management Team BE on that decision or transaction or in the vote.

The Board of Directors was not required to implement the above procedure during the 2022 financial year.

Issue or buy-back of shares

Fluxys Belgium's Articles of Association authorise the General Meeting to acquire the company's own shares in accordance with legal provisions. No such decision was taken at the 2022 Annual General Meeting. However, when the company acquires its own shares with a view to distributing them to its staff, no decision by the General Meeting is required.

In the case of a capital increase, the shares for subscription in cash must be preferentially offered to shareholders, in proportion to the portion of the company's capital their shares represent. However, the General Meeting may, in the interests of the company, limit or eliminate this pre-emptive right in compliance with legal provisions.

Auditor

The Annual General Meeting decided, based on a proposal by the Board of Directors and advice from the Audit and Risk Committee, to renew the mandate of EY Bedrijfsrevisoren BV, represented by Wim Van Gasse BV, permanently represented by Mr Wim Van Gasse, for a period of three years. This mandate will expire at the end of the 2025 Annual General Meeting and will be subject to an indexed fee of €118,779/year.

In 2022, EY received remuneration totalling €217,379 for its work as the Fluxys Belgium group's auditor.

This remuneration is broken down as follows:

- Audit services as auditor for the group: €159,595;
- Audit services as auditor for the group's foreign subsidiaries: €19,384.
- The auditor provided additional services during the year for a total of €38,400.

Subsidiaries

The Board of Directors checks on the progress of the activities of the subsidiaries Fluxys Re and Fluxys LNG at least twice a year when it examines their consolidated accounts (annual and half-yearly). The Board of Directors is also informed, as and when appropriate, of major events and important developments involving subsidiaries.

Disclosure of major holdings

The periodic disclosure pursuant to Article 74(8) of the Act of 1 April 2007 was sent out on 13 December 2017. As of the date of disclosure, Fluxys held 63,237,240 shares with voting rights in Fluxys Belgium. Publigas held no shares with voting rights in Fluxys Belgium. Publigas confirmed at that time that it had not acquired or transferred any shares with voting rights in Fluxys Belgium. No transfer of shares with voting rights took place in 2022.

Annex



Methodology for calculating greenhouse gas emissions

p. 151

Health, Safety and Environment Policy

p. 152

GRI index

p. 153

Independent auditor's assurance report

p. 155

Methodology for calculating greenhouse gas emissions



Scope and sites

- Emissions from scopes 1 and 2
- All relevant sources of emissions in our activities

Definitions

Scope 1

1. Sources of CO₂

CO₂ emissions from gas consumption:

- Stationary combustion: gas turbines, gas engines, boilers and heaters in Fluxys Belgium's facilities
- Consumption of office buildings (headquarters and regional operating centres)
- Flaring during work
- Fleet (CNG vehicles)

CO₂ emissions relating to diesel and gasoline consumption:

- Fleet
- Emergency generators

2. Sources of CH₄

- Pneumatic emissions: emissions from pneumatic control systems
- Fugitive emissions: emissions due to problems with seals on some equipment (flanges, pipe equipment, valves, joints, seals)
- Operational emissions: emissions due to machinery starting and stopping and incomplete combustion
- Interventions: volume vented for interventions
- Incidents: vented volume due to emergency breakdowns/shutdowns or due to pipeline damage caused by third parties

For the purpose of our calculation, we assume that 1 kg of methane contributes 25 times as much to climate change as 1 kg of CO₂ (GWP₁₀₀ = 25, according to the fourth IPCC report).

Scope 2

The carbon footprint of the generation of the purchased electricity. As defined in the GHG protocol (ghgprotocol.org), scope 2 emissions physically occur at the site where the electricity is generated. Our green electricity contract came into force on 1 January 2021. Scope 2 emissions are equal to zero.

Health, Safety and Environment Policy

Health, safety and the environment (HSE) is a responsibility and commitment for both Fluxys and its employees. Transparency and trust are key to realising our HSE policy.

Well-being at work

- Fluxys is committed to investing in occupational health and safety and incident prevention.
- Employees and contractors have the individual responsibility to live up to that commitment in their actions.
- We continuously improve to further enhance our safety culture.

Integrity of our assets

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

Commitment to the climate targets

- We are committed to accommodating the energy carriers of the future.
- We invest in reducing our greenhouse gas emissions.
- We improve our ecological footprint.

GRI index

In line with GRI standards The reporting in this sustainability report integrates non-financial information in line with Global Reporting Initiative⁶ (GRI Standards - Core) and thus provides an explanation of the topics that

are material to Fluxys Belgium’s activities, taking into account the context and value chain within which the company operates and the interests of the company’s stakeholders.

Statement of use Fluxys has reported the information cited in this GRI content index for the period 01/01/2022-01/01/2023 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisation details	12-29
	2-2 Entities included in the organization’s sustainability reporting	24
	2-3 Reporting period, frequency and contact point	153; 288
	2-5 External assurance	156; 279
	2-6 Activities, value chain and other business relationships	18-24
	2-7 Employees	110; 119
	2-8 Workers who are not employees	110
	2-9 Governance structure and composition	22-27
	2-12 Role of the highest governance body in overseeing the management of impacts	23; 26-27
	2-13 Delegation of responsibility for managing impacts	24-27
	2-15 Conflicts of interest	148
	2-22 Statement on sustainable development strategy	24
	2-23 Policy commitments	17; 49; 57; 65; 75; 83; 97; 100; 105; 107; 113; 114; 117; 118; 120; 122; 127; 129; 141; 152; 249
	2-24 Embedding policy commitments	49-53; 57-59; 65-73; 75-81; 83-93; 97-99; 101-103; 105; 107-111; 113-115; 118-123; 127; 129; 141-142
	2-25 Processes to remediate negative impacts	49-53; 57-59; 65-73; 75-81; 83-93; 97-99; 101-103; 105; 107-111; 113-115; 118-123; 127; 129; 141-142
2-26 Mechanisms for seeking advice and raising concerns	127	
2-27 Compliance with laws and regulations	34-37; 127	
2-29 Approach to stakeholder engagement	28-31	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32-33
	3-2 List of material topics	32
	3-3 Management of material topics	32-33

6. The Global Reporting Initiative (GRI) provides a generally accepted system for sustainability reporting. This includes principles and indicators that organisations can use to uniformly and transparently report on their economic, environmental and social performance.

GRI Standard	Disclosure	Location
GRI 201: Thematische norm: Economisch 2016	201-1 Direct economic value generated and distributed	52-55
	201-2 Financial implications and other risks and opportunities due to climate change	49
	201-3 Defined benefit plan obligations and other retirement plans	185; 237-239
	201-4 Financial assistance received from government	154
Financial assistance received from government: in 2022, Fluxys Belgium and Fluxys LNG received a reduction in withholding tax of €1,235,191.95 and €501,657.08 respectively. The partial exemption from paying withholding tax consists of the structural exemption for all employee categories, for shift, night and continuous work, for a certain number of overtime hours, and for R&D (certain qualifications). In 2020, Fluxys Belgium also received an advance ruling on the innovation income deduction for financial years 2019, 2020 and 2021. This regime, which replaced the patent income deduction, provides for a deduction calculated on net income from intellectual property limited in proportion to the share of the company's own R&D expenditure or the share outsourced to non-affiliated companies in the total R&D expenditure relating to this intellectual property. The deduction for financial year 2021 (return submitted in 2022) was €8,575,624.87, i.e. a net tax gain of €2,143,906.22.		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	20-21; 52
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	88; 127
	205-2 Communication and training about anti-corruption policies and procedures	127
	205-3 Confirmed incidents of corruption and actions taken	127
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	88; 127
GRI 302: Energy 2016	302-1 Energy consumption within the organization	78-81
	302-3 Energy intensity	81
	302-4 Reduction of energy consumption	76-77; 81
GRI 305: Emissies 2016	305-1 Direct (Scope 1) GHG emissions	81
	305-2 Energy indirect (Scope 2) GHG emissions	81
	305-4 GHG emissions intensity	81
	305-5 Reduction of GHG emissions	76-77; 81
GRI 401: Employment 2016	401-1 Nieuwe werknemers en personeelsverloop	110
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	112-114
	403-2 Hazard identification, risk assessment, and incident investigation	112-115
	403-3 Occupational health services	112-115; 152
	403-4 Worker participation, consultation, and communication on occupational health and safety	115
	403-5 Worker training on occupational health and safety	114-115
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	114-115
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	36; 113-116
		106-109; 111
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	118-119
	405-2 Ratio of basic salary and remuneration of women to men	119
GRI 415: Public Policy 2016	415-1 Political contributions	Fluxys Belgium does not make political contributions

Independent auditor's assurance report

Scope

We have been engaged by Fluxys Belgium NV to perform a 'limited assurance engagement', hereafter referred to as "the Engagement", to report on certain sustainability indicators of Fluxys Belgium NV's (the "Company") as included in Appendix 1 (the "Subject Matter") of the annual report 2022 (the "Report") for the period from 1 January 2022 to 31 December 2022.

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

Criteria applied by Fluxys

In preparing the sustainability indicators as listed in Annex 1 and included in the Report, Fluxys applied the reporting standards of the Global Reporting Initiative ("GRI") and the Greenhouse Gas Protocol, as well as a set of own reporting criteria as disclosed in the Report (the "Criteria").

Fluxys' responsibilities

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

EY's responsibilities

Our responsibility is to express a conclusion on the Subject Matter based on our procedures and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000), published by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our

Engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

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

Our Independence and Quality Control

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

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engage-

ment was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

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

Our procedures included:

- Obtaining an understanding of the reporting processes for the Subject Matter;
- Evaluating the consistent application of the Criteria;
- Interviewing relevant staff at Fluxys Belgium responsible for data collection, reporting and calculation of the Subject Matter;
- Interviewing relevant staff responsible for reporting the Subject Matter in the Report;
- Obtaining internal and external documentation that reconcile with the Subject Matter;
- Performing an analytical review of the data and trends in the Subject Matter at consolidated level as well as at the level of the sites;
- Evaluating the overall presentation of the Subject Matter in the Report.

Conclusion

Based on our review, nothing has come to our attention that make us to believe that the Subject matter as listed in Appendix 1, of Fluxys Belgium NV included in the Report for the period from 1 January 2022 to 31 December 2022, was not prepared, in all material respects, in accordance with the Criteria.

Diegem, 16 March 2023

EY Bedrijfsrevisoren BV

Represented by

Wim Van Gasse⁷

Partner

Appendix 1

Environmental KPI's:

✓ Total GHG emissions (transmission & storage)

- ✓ Methane (Kt CO₂e)
- ✓ CO₂ (Kt CO₂e)
- ✓ Electricity (Kt CO₂e)
- ✓ Volume of gas transmitted (TWh)
- ✓ GHG intensity (Kt CO₂e/TWh)

✓ Total GHG emissions (LNG terminalling)

- ✓ Methane (Kt CO₂e)
- ✓ CO₂ (Kt CO₂e)
- ✓ Electricity (Kt CO₂e)
- ✓ Volume of regasified LNG (TWh)
- ✓ GHG intensity (Kt CO₂e/TWh)

✓ Total GHG emissions (Kt CO₂e)

✓ Realized CH₄ reduction (%)

- ✓ CH₄ (tons)

Safety KPI's:

✓ Incapacity for work among staff

- Occupational accident resulting in more than one day's incapacity for work (#)
- Frequency (number of occupational accidents divided by the number of hours worked) (#)
- Severity (number of days of absence divided by the number of hours worked) (#)

✓ Incapacity for work among contractors

- Occupational accident resulting in more than one day's incapacity for work (#)

HR KPI's:

✓ Number of training hours completed on subjects related to human rights (hours)

✓ Share of training hours completed on subjects related to human rights in the total number of training hours (%)

✓ Average number of training days per full-time equivalent (days)

✓ Incoming employees (#)

- < 30 years (%)
- 30-50 years (%)
- > 50 years (%)
- Men (%)
- Women (%)

✓ Outgoing employees (including those leaving due to their contract coming to an end or due to retirement) (#)

- < 30 years (%)
- 30-50 years (%)
- > 50 years (%)
- Men (%)
- Women (%)

✓ Ratio average salary

- Men (%)
- Women (%)

7. Acting on behalf of a SRL.