



Power to Progress

GRI4 SUSTAINABILITY REPORT
ENGLISH EXTRACT

2016

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This english version of EDF
Luminus Sustainability report is
only an extract of the complete
Dutch and French versions.

Those complete (92-page)
reports can be found on line:



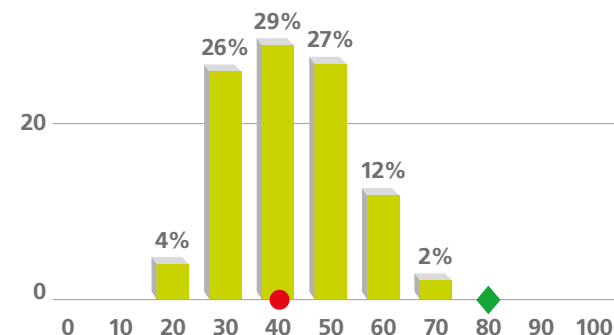
Ethical indicators

- 1 alert of the EDF Group Ethical commission
- 5 evaluations of significant suppliers
- 0 local alerts regarding Purchasing

CRS Performance: distribution of scores for the 31,000 companies assessed by EcoVadis

- Average of the companies assessed: 42.3/100
- ◆ EDF Luminus score: 81/100

Source: Ecovadis.



Planet

466 GWh wind energy produced

252 GWh hydroelectric energy produced

82,6 million euros invested in renewable energy

-17% reduction of CO₂ emissions of the thermal plants

+13% renewable energy production

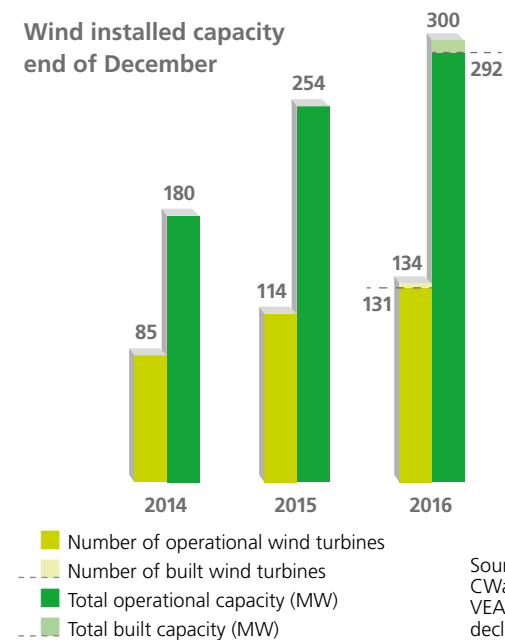
277 million euro invested in renewable energy in three years



Investments in renewable energy in millions of euros

Source: EDF Luminus

Wind installed capacity end of December



Source: CWaPE and VEA/VREG declarations.

Customer Satisfaction

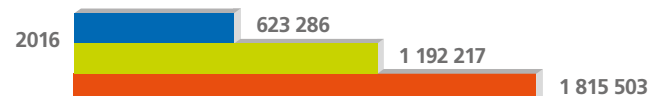
★★★★★ stars service

1,8 million customers

2 416 flats covered by
an energy
performance contract

167 054 service contracts

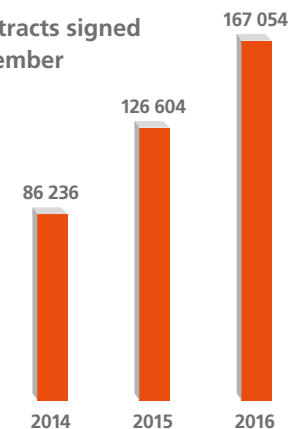
Points of delivery



Gas volume sold: 14 TWh
Electricity volume sold: 13 TWh

Source: EDF Luminus. ■ Gas ■ Electricity ■ Total

Service contracts signed end of December



Financial performance

2,92 billion euros
TURNOVER

56,6 million euros
NET RESULT

39 million euros
TAXES AND CONTRIBUTIONS

Human resources

0 lost time accidents

78% employee engagement score

41% female employees

9 nationalities

981 employees EDF Luminus SA/NV

1 700 employees EDF Luminus «Group»

*Paul De fauw*

EDF Luminus continues to innovate and grow

Overview from the Chairman of the Board

Faced with dropping revenues and margins for its traditional sectors of activity, the development of EDF Luminus in energy services and renewable energy has become the key to its future. Over three years, EDF Luminus has invested a total of nearly 460 million euros, including 142.5 million in 2016. This is a considerable figure for a company of its size– in fact, it's significant even on the Belgian scale.

An environment that remains challenging

The energy sector is in full transformation. Several major factors are impacting the company's activity:

- The development of renewable energies and the increase in intermittency require ever-increasing reliability and flexible production capacity that can be quickly started at all times;
- The prices for electricity on the long-term wholesale markets remain very low, which impacts the outlook for thermal plants, despite their essential role in supply security;
- The high rate of customer turnover, both residential and SMEs, is being reinforced by the increase in taxes and distribution tariffs across all of the regions.

New acquisitions

In 2016 as in the preceding years, the Board took several important decisions for the future of the company. After Dauvister in 2014, and ATS and Leenen in 2015, in 2016 company Bleyveld Co NV/Vanparijs extends the range of services offered by the company, becoming EDF Luminus Solutions. This subsidiary is already responsible for the implementation of two important energy performance

contracts, won in 2016. These two dossiers were the subject of in-depth discussion within the Board, in consideration of the newness of these activities.

Organic growth in wind power: confirmed leadership

EDF Luminus has maintained its number one position in onshore wind energy, which last year again accounted for more than half the investments. Several projects to diversify sources of funding were approved. Following the great success of the first subscription period for EDF Luminus Wind Together, the second subscription period could be launched in the month of October. Development in wind energy thus continues apace, with a very ambitious construction programme for 2017.

Difficult decisions

Regarding the thermal park, we had to take the decision to notify the authorities of the permanent closure of the combined cycles of Seraing and of Gand-Ham, as of 1 November 2017. These little-used plants are unable to cover their fixed costs. The lack of visibility regarding their future economic profitability, due to the absence of an organised futures market to cover peak demand,

made it unreasonable to keep these plants active. A pity, since those very flexible plants continue to represent the lowest cost solution to offset the intermittence of renewable energies.

We are convinced that the implementation of a production capacity mechanism would be the best solution for our assets and for the country's supply security. The operators must be able to plan maintenance operations and anticipate the resources necessary to ensure that the plants remain reliable and available at any moment. We continue to hope that the situation will evolve favourably in this matter.

In the mean time, I see that the motivation of our teams has not weakened. Our personnel's ability to constantly innovate and the commitment of managers to carry out the transformation of the company is impressive. Year after year, the quality of the dossiers submitted to the Board attests to this. Congratulations!

Composition of the Board of Directors

At the end of December 2016, the Board of Directors was made up of 13 directors:

- 6 proposed by the Belgian shareholders;
- 7 proposed by the EDF Group.

It is chaired by Paul De fauw.

Composition of the Board of Directors on 31 December 2016:

Directors representing the Belgian shareholders

- **Defada bvba**, represented by **Paul De fauw**
- **Dominique Drion**
- **André Gilles**
- **Ome sprl**, represented by **Jacques Vandebosch**
- **Tom Balthazar**
- **Stéphane Moreau**

Directors representing EDF

- **Stephen Hargreaves**, Corporate Strategy Director
- **Magali Viandier**, Senior Vice President, Accounting, Tax & Group Reporting
- **François Driesen**, General Counsel, Head of internal Risk & Control - International Division
- **Antoine Cahuzac**, Group Senior Executive Vice President Renewable Energies
- **Nicole Verdier Naves**, Senior Vice President, Senior Executive, Managers Training and International Mobility
- **Simone Rossi**, Group Senior Executive Vice President International Division
- **Patrick Pruvot**, Senior Vice President, Europe

7 Board meetings in 2016

The Board of Directors defines the policy and general strategy of the company and oversees the operational management. It delegates the day-to-day management to the Executive Committee. It met 7 times in 2016.

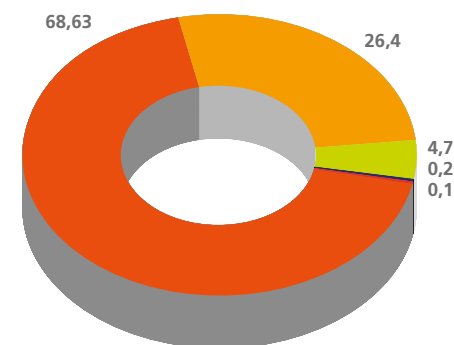
9 meetings of specialised committees

To exercise its statutory tasks, the Board of Directors has three specialized committees, whose members are directors selected by the Board. Each committee meets at least twice a year and whenever the interests of the company so require.

Those committees are the following:

- The **Strategic Committee** evaluates the company's strategic plan (e.g. investment or acquisition projects) and gives advice on key orientations. It met 3 times in 2016.
- The **Audit and Risks Committee** oversees the reliability of financial information provided to shareholders and gives recommendations on the accounting policy, accounts assessment, budget management and the quality of internal control. It also gives recommendations on the policy to adopt with regard to major financial or operational risks. It met 4 times in 2016.
- The **Nomination and Remuneration Committee** examines the company's remuneration policy and monitors, in particular, the appointment, performance and remuneration of the members of the Executive Committee. It met twice in 2016.

Four Belgian shareholders hold 31.4% of the capital



Shareholders (%)

- Publiec
- Socofe
- Ethias
- Nethys
- EDF Belgium

Source: EDF Luminus.



Transformation pays off

An update from the Chief Executive Officer

After 2015, 2016 was the warmest year on record. In the face of this unprecedented climatic challenge, our first priority is to help our customers reduce their energy consumption, ecological footprint and bill. In 2016, many projects were undertaken in this area.

Investing in energy efficiency

We continued our acquisitions, with the purchase of Bleyveld Co NV and its subsidiary Vanparijs Engineers, specialised in cogeneration and autonomous power production units. With this acquisition, we created EDF Luminus Solutions, which is now focused on energy services for companies, in particular Energy Performance Contracts.

EDF Luminus Solutions has already won two tenders, for a total revenue of 25 million euro, with the support of Dalkia, the EDF Group subsidiary which took a 49% share in EDF Luminus Solutions in December. We will refurbish the heating systems for the 2500 flats of the Foyer Anderlechtois – an investment which guarantees an energy bill reduction of 20%. We will also renovate the energy systems of 14 school premises in the Province of Liege, as

part of a RenoWatt project. In this case, we guarantee a reduction in consumption of more than 30%.

We have also begun work to transform the KRC Genk football stadium, renamed Luminus Arena, as the first CO₂-neutral Belgian stadium.

Helping our customers reduce their consumption and their ecological footprint

In the residential sector, sales of energy services have also experienced a big success, in particular for the installation and maintenance of high-performance boilers. We had more than 150,000 customers for this activity by the end of 2016. We can also offer our customers a 100% green, 100% Belgian energy, thanks to our #BeGreen product. Furthermore, our customers can participate directly in the development of our wind energy park by purchasing shares in the EDF Luminus Wind Together cooperative. In a very competitive market, with one of the highest customer turnover rates in Europe, we have successfully maintained our market share.



Grégoire Dallemagne,
Villers-le-Bouillet wind farm, September 2016.

Strong growth in renewable energy

As in the previous years, intense efforts were mobilised in 2016 for the development of the EDF Luminus wind energy park. We confirmed our position as number 1 in wind energy in Belgium, with 131 wind turbines in service at the end of 2016.

The availability rate for our hydraulic plants reached 98% in 2016, as we were able to carry out the electrical renovation of Ampsin without stopping the turbines. The Andenne plant was put back into service on 15 January, after 17 months of renovation work – an investment of 9 million euro. We are now preparing the renovation of the Monsin plant, representing an investment of tens of millions of euro, which can only be decided if the economic and environmental conditions are acceptable.

Contributing to energy supply security

Our production teams and our gas plants continue to

play a fundamental role in assuring the energy supply security of the country. These flexible plants are an ideal tool, from both a technical and economic point of view, for offsetting the intermittency of renewable energy sources. We were able to rely on the full dedication and reliability of our teams to start up these plants every time that it was required.

But the current organisation of the market does not make it feasible to continue to use the less recent combined cycles under satisfactory economic and social conditions. We plead for the establishment of a market mechanism that will ensure adequate capacity at peak times, as exists in the United Kingdom, in order to ensure the supply security at the lowest social cost.

Strongly dedicated teams

For two consecutive years, we have recorded no lost time accidents. This is a result I'm especially happy with and for which I warmly thank all of the members of the personnel, who contribute to this achievement

every day and who have made safety our first priority. The motivation of our teams remains high, with a commitment score of 78%, higher than the Belgian average of 74%.

An uncommon social performance

In 2016, EDF Luminus joined the top 1% of the 31,000 companies evaluated by company EcoVadis across the entire world, with an overall score of 81/100. This is an acknowledgement of the actions carried out over many years to improve the performance of our company, from an ethical, social and environmental perspective.

Power of progress

Together, we have continued to transform to become the number 1 energy partner for our customers, in order to bring them progress and comfort, thanks to our 5-star service, our innovative and sustainable solutions, and our strong local roots.

What does the future look like for EDF Luminus?

The investments made over these past years in renewable energy, energy services and innovation have made EDF Luminus a group that is actively engaged in Belgium's energy transition. In wind energy, we have consolidated our number 1 position.

We will be constructing a record number of wind turbines in 2017, and our portfolio of projects is particularly well-filled for the coming years.

In energy services, our subsidiaries ATS, Dauvister, Leenen and Rami are all showing significant growth and creating jobs in this emerging sector, bringing

progress for everyone.

More than 800 out of the 1700 people working for EDF Luminus group are involved in assisting our customers to consume better or less. The number of employees of the Group is expected to rise again by 10% by the end of 2017, taking into account

the success experienced by the sector. In 2017, EDF Luminus intends to follow the programme of 600 million euro in investments launched in 2015 in order to achieve the energy transition in our country.

The EDF Luminus Group



Headcount of key subsidiaries
end of December

Dauvister 106 | ATS Groep 591 | Leenen 15 | Vanparijs Engineers 22

A value chain that evolves with the Group's growth

EDF Luminus has identified the activities under its direct control and those that fall within its sphere of influence, in compliance with the ISO 26 000 recommendations. The principal evolution measured in 2016 is linked to the acquisitions made since 2014. The subsidiaries of EDF Luminus make it possible to offer a range of services that goes beyond providing gas or electricity, and to get involved in the energy performance of facilities and buildings. For our traditional sectors, external constraints remain heavy.

Upstream, very strong fluctuations in short- and long-term costs

As in the previous years, in 2016, long-term (3 years) prices on the wholesale electricity market remained weak for almost the entire year, due to the low prices of foreign coal and lignite and an excess of supply during the sunny and windy periods.

Starting in September, however, the long-term prices rose due to the effect of a short-term price increase, following the unexpected unavailability of several Belgian and French nuclear power plants over several months.

The short-term (day ahead) price fluctuated very strongly, for similar reasons:

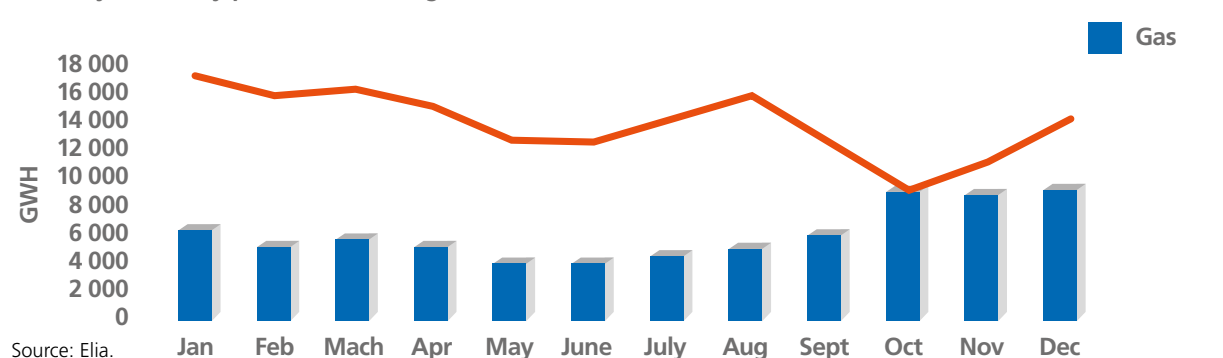
- The unexpected unavailability of several so-called «base» units in France and Belgium
- Increased intermittency associated with the development of renewable energy – there was little wind during the months of September through December.

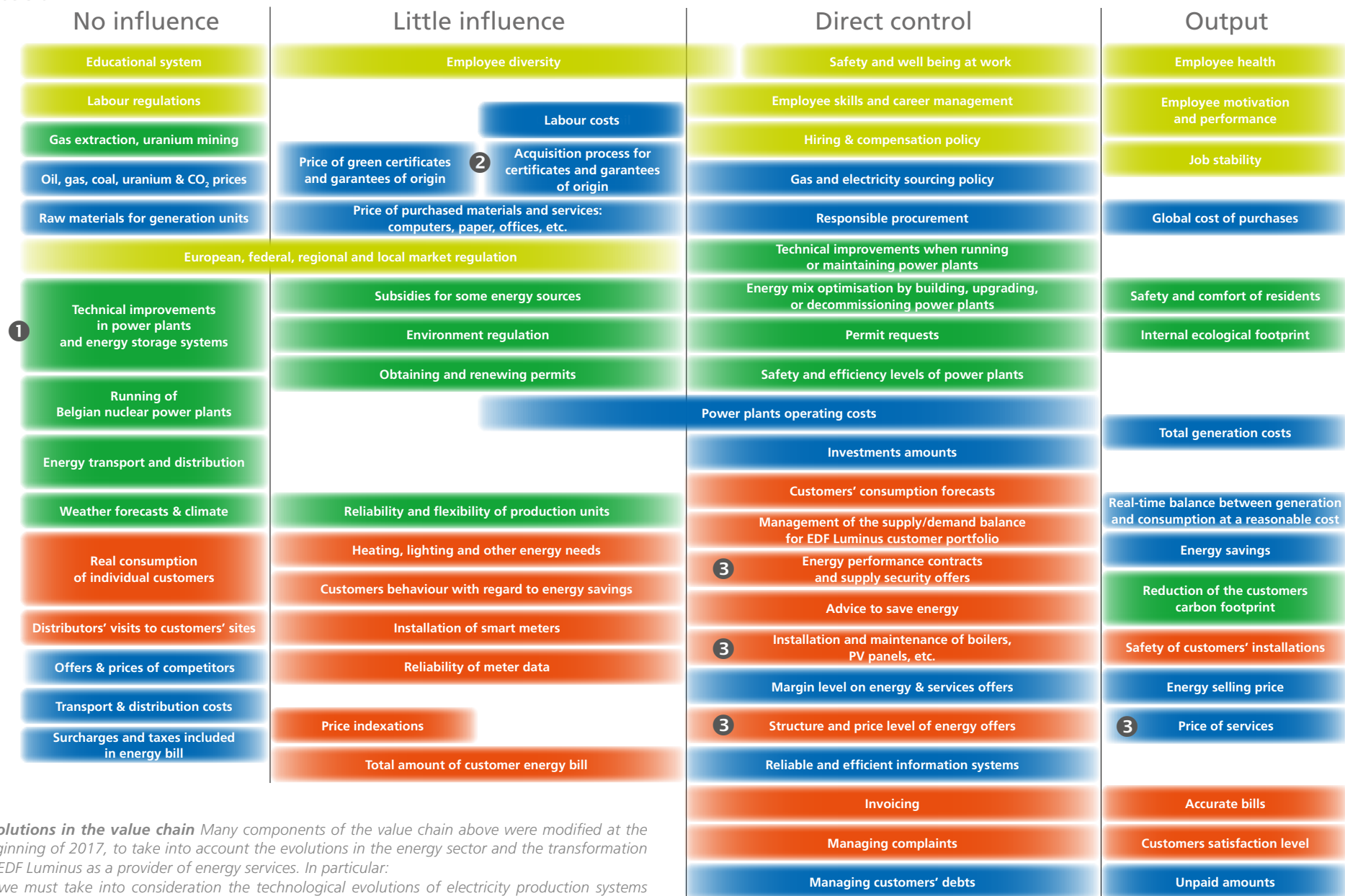
To give an example, the average day ahead price of a MWh for the year was 36€, but rose to nearly 60€/MWh during the fourth quarter. Such price fluctuations have repercussions on the supply costs and thus on EDF Luminus margins.

On the graph below, tracing nuclear production and thermal production in Belgium month by month, we see an unprecedented situation. Nuclear energy production was well below the usual average in October 2016, due to the unexpected and simultaneous unavailability of the Tihange 1, Doel 3 and Tihange 3 plants. In November and December, nuclear production remained below forecasts, due to the prolonged outage of Tihange 1.

The Belgian thermal plants thus experienced heavy use from October through December; which does highlight very clearly their crucial role in supply security, but certainly does not guarantee their future profitability.


Monthly electricity production in Belgium in 2016






Evolutions in the value chain Many components of the value chain above were modified at the beginning of 2017, to take into account the evolutions in the energy sector and the transformation of EDF Luminus as a provider of energy services. In particular:

1. we must take into consideration the technological evolutions of electricity production systems on the one hand and the storage systems on the other 2. changes in the legislation must be taken into account in billing, and the increase in taxes and charges have a direct impact on complaints and unpaid bills, which are on the increase 3. the EDF Luminus offer is diversifying and the range of services regularly expands.

 Activity related to people

 Activity related to the environment

 Activity related to customers

 Activity related to financial results

Stakeholder dialogue

Beyond the legislative context, the social responsibility of the company requires permanent dialogue with all of the stakeholders. For the company to remain credible vis-à-vis all audiences, it should account for its results on the ethical, financial, commercial, environmental and social levels.

In 2016, EDF Luminus published its fourth sustainable development report, and the first to meet the requirements of the GRI4.

Accordingly, a materiality matrix (see page 14 of the 2015 sustainable development report) was developed after consultation with several categories of stakeholders: customers, opinion leaders, employees, etc.

Fifteen priority themes were identified and were the subject of a formal «disclosure on management approach». Each theme included a description of the issues and managerial practices and at least one indicator (see page 16 of the 2015 report).

This consultation enabled two new themes to be added (commercial practices and safety of industrial facilities) to those already addressed for the years 2012, 2013 and 2014. All of the 15 themes are again addressed in this report.

Comparative study by six UCL students

In 2016, the consultation with the stakeholders on the content of the report was continued.

A team of six students from the University of Louvain la Neuve (UCL) analysed the report content and interviewed several potential readers.

Among them:

- The Maison de Développement durable in Louvain-la-Neuve
- The city of Nivelles
- The Spadel group
- A professor from UCL, with a doctorate in economics.

«One of the goals of the students was to follow up on the benchmarking done by the students of the Antwerp Management School in 2015,» explains Pascale-Marie Barriquand, Head of Corporate Social Responsibility. In effect, «as EDF Luminus was the only player in the energy sector to publish a sustainable development report, there were few leads for improvement that could be identified following the analysis carried out in 2015.» In September 2016, EDF Luminus thus proposed to expand the comparison to other sectors.

Among the conclusions made by the students, we can mention:

- The selection of indicators made by EDF Luminus seems relevant to the sector involved
- The principal criticism made regarding the report is its complexity: even for people who are already interested in environmental issues, the report seems too dense, and almost too complete.

Decisions taken to adapt the report in 2016

Considering the internal and external opinions expressed regarding the 2016 sustainable development report, several decisions were taken, to adapt this report more closely to the expectations of the stakeholders:

- The report is no longer printed in its entirety, as few people have a real need for a complete paper copy.
- The readability of the online version of the report has been improved, to include a single page per screen instead of two, and the content has been divided into more pages, with more white space.
- A detailed digital summary is accessible on the internet, to enable direct access to the issues that interest the various categories of audience most.

- An approximately 30-page extract of the most important pages has been printed on recycled, certified CO₂-compensated paper, intended for opinion leaders, in order to foster the diffusion of the online report.

- Residential customers can access a «lighter» version of the report, which focuses on the most significant indicators for this target audience.

In terms of content, several modifications have been made:

- The value chain has been updated, to take into account the evolution of the company's activities, which are more diversified downstream.
- An entire chapter has been dedicated to innovation, taking into consideration the strategic importance

of this theme, which, since the beginning of January 2017, has become the 6th axis of the Corporate Social Responsibility policy of EDF Luminus.

- The «Biodiversity» section has been spread across several, more visual pages, to simplify understanding of the actions carried out.
- The quality of work life and the diversity of our personnel have reached DMA (disclosure on management approach) status in the Human Resources chapter, like Health/Safety and the development of skills. These themes have indeed a significant impact on the performance of the company.

A «remarkable» report, says the jury for best Belgian Sustainable Development report

For the second consecutive year, the EDF Luminus Sustainable Development report has been acknowledged as «remarkable» by the 25-person jury for the best Belgian Sustainable Development report. The clear materiality matrix, based on dialogue with stakeholders, played a critical role in this evaluation by the jury. The jury also noted the commitments of EDF Luminus regarding the sustainable development goals of the United Nations, especially those regarding investments in renewable energies.



Le développement durable chez EDF Luminus
RAPPORT GRI4 2013-2015

EDF Luminus was one of eight reports highlighted as «remarkable» by the jury. In total, 29 candidates competed for the title of «best Sustainable Development report» in the large company category.

INDICATORS

Social barometer

The supplier's customer focus and integrity remain the priority social issues

The expectations of residential customers have been regularly measured since 2012, in order to give direction to the actions of the company and its communication. This quantitative barometer enables the correlation of customer satisfaction with the various social, ethical, environmental, etc. issues.

The 2016 results show that customers' expectations have evolved on certain points, and less so on other. The adjacent table shows the change over a year on 5 of the 12 items, measured every 4 months, using a sample of 2000 customers.

Customer focus and the honesty of the supplier vie for first place, as in the preceding years.

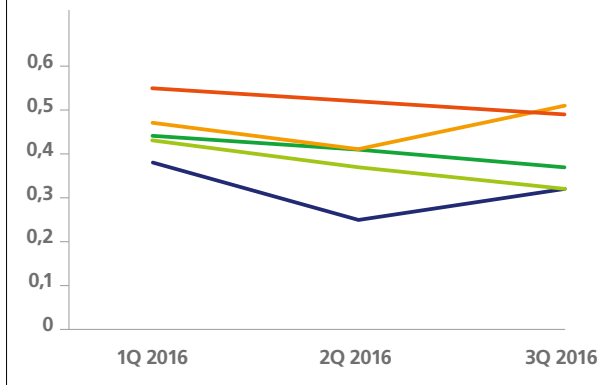
Encouraging energy savings is the third most important theme, as has often been the case in previous years. The stated importance of this issue decreases over the course of the year, as does showing concern for vulnerable customers.

The principal change is seen in the «stability and

security» criteria, which has fallen sharply compared to the previous years. This decrease is consistent with the customer turnover rate observed in the Belgian residential market.

«Following the evolution of customer expectations regarding the different social questions helps us to evolve our own CSR policy and actions,» explains Pascale-Marie Barriquand, Head of CSR at EDF Luminus. «It was by noting that our customers give so much importance to ethics that we made this the 'capstone' theme of our CSR policy, back in 2012. Ethics should be an inspiration for all our actions, whether towards our customers, the environment, or our employees.»

«Corporate Social Responsibility» barometer
quantitative measurement of the expectations
of Luminus customers



Several hypotheses are proposed to customers to evaluate their expectations. Those are correlated with the general satisfaction of customers, to establish links between the different variables. «The company must take the following action to satisfy me:

- focus on customers first
- operate honestly and responsibly
- encourage energy savings
- show concern for vulnerable customers
- demonstrate its stability and provide security»

Already more than 1 100 members of the EDF Luminus Wind Together cooperative!

In the space of only a few months, the EDF Luminus Wind Together cooperative was able to cover the 2-million-euro subscription launched on 8 March 2016. On 9 September 2016, all of the shares had been sold to 850 members, with 221 people on the waiting list.

A second tranche of 2 million euro was thus opened to subscription on 7 October 2016. This second tranche enables members of the cooperative to acquire shares in the wind farms of Ciney (26.5%) and Puurs (34.2%). By the end of December, 600 new shares had already been acquired.

In total, 2.8 million euro were collected by the cooperative in 2016.

The objective of the EDF Luminus Wind Together cooperative is to allow people to invest in the development of renewable energy. Any physical person domiciled or residing in Belgium and any moral person established in Belgium can acquire up to 24 shares, with a nominal value of 125 euro.



*The wind park in Puurs (2.3 MW) was put into operation in July 2016.
It is located near a highway, in an industrial zone near Antwerp.*



*The wind farm of Ciney 2 (3.2 MW) was
put into operation in April 2016.*



Our ethical challenges

Ethics and compliance

The energy policy choices of a country are strategic: they have an influence on the country's energy independence, the competitiveness of its companies, the buying power of its consumers, its environment, the wellbeing and health of its people, etc. These choices create legal, social, technical and environmental obligations, for energy producers and suppliers. Requirements evolve quickly, due to the many changes in the sector and the on-going energy transition, which impact all of the actors. Compliance with the laws and regulations is thus a specific focus, within the company and for its suppliers.

“Respecting the law and regulations and demonstrating ethics on a day-to-day basis is not a trivial task. There is no fixed end-point – and the topic requires constant attention. We are therefore even prouder that our efforts have been acknowledged by a recognised CSR-rating organisation.”

Véronique Vansteelandt, General Counsel

Commercial practices

In a highly regulated market such as energy, great vigilance must be exercised regarding commercial practices. These are important from the standpoint of compliance with the law (consumer protection in particular), and they also impact customer satisfaction, in the short- and long-term, as well as the company's image.

Dishonest practices can result in complaints* to the administration (FPS Economy), regulators or federal ombudsman.

**The number of complaints received is one of the criteria taken into consideration by certain regional regulators when evaluating the level of quality of the provider's services*

- Ethical framework >
- CSR governance >
- CSR performance >
- Ethical indicators >
- Commercial practices >

NEW

The ethical framework

A Code of Conduct

EDF Luminus published a Code of Conduct for its employees in 2009, reminding them of the rules to follow for internal and external interactions. Respect for others, confidential data protection, reporting of hazardous situations and more are covered in the eight chapters of the Code. It is available on the EDF Luminus website.



A CSR policy

In 2012, the code was supplemented by the CSR policy, which lists specific commitments in five areas, including ethics and good governance. This policy is also accessible on EDF Luminus website.



Responsible purchasing conditions

Since 2012, the general purchasing terms of EDF Luminus have included clauses relating to social responsibility, respect for human rights and the environment, and work conditions. Suppliers that wish to report a violation of rules of law, related to ongoing or upcoming contracts, can use the email address ethics@edfluminus.be.



An «Ethics and Legal Compliance» policy

In 2016, the EDF Group adopted a new «Ethics and Legal Compliance» policy aimed at ensuring that all of the subsidiaries do take into account major legal and ethical regulations, which are constantly evolving. This Group policy has led to an update of the EDF Luminus «Legal Compliance» policy, which has been in existence since the beginning of the decade. The new version lists the principal risks and the actions put in place to manage them.

EDF Group Ethical charter

In 2013, The EDF Group introduced a group-wide Code of Ethics, to be followed by all of its controlled subsidiaries. An alert mechanism, accessible to both staff and the public enables the reporting and handling of failures to comply with the Code. See <http://ethique.edf.com>



CSR governance

Improving the CSR performance: a goal of the 2016 transformation plan

In 2016, the transformation plan developed by the Strategy, Business Development & Innovation department to launch priority strategic actions included a specific initiative aimed at further improving the company's CSR performance. The objectives and

the associated action plan were developed by the members of the CSR (Corporate Social Responsibility) Committee of EDF Luminus and approved by the Executive Committee, which has monitored progress throughout the year.

Five priority action themes

Priority themes	Objectives	Actions planned	Progress achieved in 2016
Health and Safety	<ul style="list-style-type: none"> ■ Reduce the number of lost time accidents. 	<ul style="list-style-type: none"> ■ Develop pluri-annual Health and Safety action plans. 	<ul style="list-style-type: none"> ✓ External audits carried out ✓ Action plans approved ✓ Bonus system of the Executive Committee adapted to take into account the number of LTIs in the subsidiaries
Environment & Biodiversity	<ul style="list-style-type: none"> ■ Obtain ISO 50 001 certification. ■ Improve the EcoVadis score for environmental matters. 	<ul style="list-style-type: none"> ■ Publish more detailed information on the actions carried out to protect biodiversity 	<ul style="list-style-type: none"> ✓ ISO 50 001 certification obtained in April ✓ Inventory of voluntary and required measures to protect biodiversity published on the website end-June 2016 ✓ Development of green spaces that encourage biodiversity at the Lixhe hydroelectric plant
Purchasing	<ul style="list-style-type: none"> ■ Improve the EcoVadis score for the «Responsible Purchasing» theme. 	<ul style="list-style-type: none"> ■ Update the supplier mapping. ■ Develop potential action plans to establish for key suppliers. 	<ul style="list-style-type: none"> ✓ Social and environmental clauses of the general purchasing conditions published on the website end-June 2016. ✓ Update of the supplier mapping. ✓ Evaluation of 5 suppliers via the Group platform.
Diversity	<ul style="list-style-type: none"> ■ Avoid all intentional and unintentional discrimination. 	<ul style="list-style-type: none"> ■ Monitor the Diversity indicators in qualitative and quantitative terms. ■ Develop a training module on gender diversity, intended for people managers. 	<ul style="list-style-type: none"> ✓ Pilot training on gender diversity for Human Resources managers.
Dialogue with stakeholders	<ul style="list-style-type: none"> ■ Improve annual reporting based on the GRI4 principles (Global Reporting Initiative version 4). 	<ul style="list-style-type: none"> ■ Publish a Sustainable Development 2015 report that fully complies with the GRI4 principles. 	<ul style="list-style-type: none"> ✓ Publication of a materiality matrix in the 2015 report. ✓ Addition of two new themes in the 2015 report. ✓ GRI4 report published online in July 2016.

«Advanced» CSR performance

Strong growth in the score awarded by EcoVadis

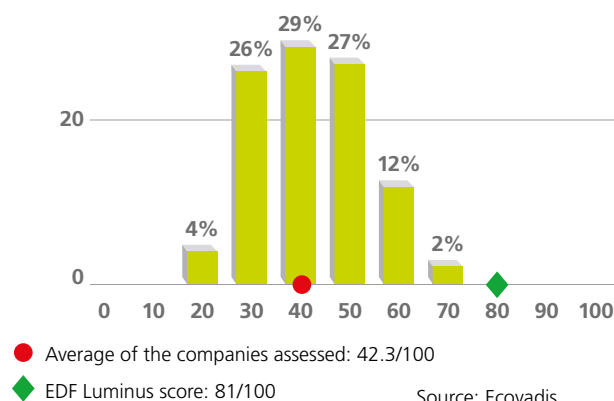
EDF Luminus is one of the top 1% of companies evaluated by EcoVadis.

In November 2016, EDF Luminus achieved a score of 81/100 - well above the average of 42/100 for the 31,000 companies evaluated worldwide by EcoVadis. In 2011, our overall score was already 62/100 – a «confirmed» level then.

EcoVadis is an independent and objective assessment body which helps companies' improve their environmental and social practices.

The diagnostics provided by EcoVadis take into account the specificities of each sector. Each evaluation specifies the pathways to follow to improve the score achieved.

CRS Performance: distribution of scores for the 31,000 companies assessed by EcoVadis



The scores obtained by EDF Luminus in 2016 show the degree to which the performance of the company is advanced, compared to that of other companies assessed by EcoVadis, for all sectors combined, on the one hand, and for the energy sector in particular, on the other. With a score of 90 for Environment, 82 for Human Resources Practices, 70 for Business Ethics and 70 for Responsible Purchasing, EDF Luminus always earns top scores for the sector. This progress is due to the implementation of the actions recommended by EcoVadis, including those formulated during the 2015 evaluation.

Results for the sector: Production and Distribution of Electricity, Gas, Steam and Air conditioning



The EcoVadis methodology targets four themes:

- Environment
- Human Resources Practices
- Business Ethics
- Responsible Purchasing

The green bars represent the range of scores given to the companies operating in the same activity sector as EDF Luminus.

INDICATORS

Ethics indicators

Since 2014, reporting for the EDF Group has included a document specifically for declaring any significant ethics incidents. In 2016, no such incident was declared.

A single alert was recorded by the Group's Ethics Commission in 2016, coming from Belgium. The inquiry conducted by the Ethics Commission, with the close collaboration of EDF Luminus, did not result in concrete evidence regarding the alert that was issued within the context of a call for tender project. No formal complaint was thus made following the alert. However, the alert has been an opportunity to make a general reminder about the rules regarding calls for tender.

At the end of 2016, 372 people, i.e. 40% of the personnel, had followed the e-learning course focused on the company's «Code of Conduct», on a voluntary basis. For new hires, the participation rate was 76%.

Responsible Purchasing: an updated mapping and five evaluations

The key supplier mapping relating to social responsibility created in 2013 was updated in 2016.

Evaluations were carried out on five major suppliers in 2016, using the EDF Group platform. No issues were found amongst any of the suppliers that would provide any reason to cease our collaboration. Only one of the suppliers was rated below the average for its sector of activity. A specific action plan is thus being put in place to improve the better assess and mitigate social and environmental risks.

1 alert to the Group's Ethics Commission

0 local alerts regarding Purchasing

372 (40%)
salaried employees followed the «Code of Conduct» e-learning course

5 important suppliers evaluated using the EDF Group platform

1 supplier plan of action following the evaluation

Very protective rules

Belgian legislation includes many rules regulating the commercial practices of the gas and electricity suppliers.

At the end of 2013, EDF Luminus signed an agreement protecting «the consumer in the free market for electricity and gas», published under the aegis of the federal government. This voluntary signing makes the agreement binding for EDF Luminus.

EDF Luminus also signed the charter of «good practices for internet sites for the comparison of electricity and gas prices for residential consumers and SMEs», published by the CREG on 8 July 2013. EDF Luminus thus conforms with the obligations imposed by the federal regulator on energy suppliers regarding publicising the various rates.

Very strict rules for all salespeople

EDF Luminus works with several Belgian companies, to best utilise door-to-door, telephone or sales in public spaces. The sub-contracted companies undergo yearly certification and are responsible for the actions of their staff members.

Regarding door-to-door sales, EDF Luminus created a specific Code of Conduct that all salespeople must sign before they begin. This code includes the legal Belgian obligations as well as rules specific to EDF Luminus. Each salesperson may sell only Luminus products. They follow a training and are required to pass a yearly exam, which confers certification. The training provided enables the salespeople to study the situation of each customer and to propose solutions that will enable them to save energy.

In its continued efforts to ensure that commercial practices comply with legislation, EDF Luminus cooperates closely with the administrations (FPS Economy) and the federal government.

I N D I C A T O R S

EDF Luminus measures customer satisfaction at different moments, combining several methods/indicators. To evaluate the sales process, customer satisfaction is measured in particular with the NPS* score, which is very often used in the services sector.

Net Promoters Score for «new customers»



Source: EDF Luminus.

In 2016, the NPS score for the «New Customers» process fell slightly. An analysis of the reasons for this showed that the first bill is one of the main causes of dissatisfaction. Indeed, the monthly instalments calculated by EDF Luminus strive to avoid unpleasant surprises during the yearly correction.

* An «NPS» (Net Promoter Score) is calculated as the difference between Promoters and Detractors. It is a very demanding indicator that enables the evaluation of both customer satisfaction and retention. The score is calculated every month on a representative sample of 3,000 customers.



Services partner for companies

Energy efficiency

Considering the environmental impact of certain types of electricity production and of fossil fuels, the energy consumption of companies represents an important challenge in both environmental and commercial terms.

The potential to save energy is particularly high in Belgium.

Offering various services to companies to enable them to better understand their consumption components, and then to modify their installations to reduce their bills, is a priority for EDF Luminus. It is a way to generate more revenues and improve the company's reputation.

Beyond added efficiency strictly speaking, offering alternative energies also allows customers to reduce their carbon footprint.

Supply Continuity

An unexpected interruption in the supply of gas or electricity could have direct consequences on the health and wellbeing of individuals, on the security of industrial installations, on the continuity of public services, and even on the country's economic performance.

The Federal Planning Office estimates that a one-hour blackout occurring in Belgium on a week day, at a moment when every company is active, would result in «a total economic damage of some 120 million euro for the country».

EDF Luminus contributes to the country's supply security in multiple ways; customer flexibility is promoted, while natural gas-fed plants, which are very flexible, play a key role in the production/consumption balance.

Jürgen Dennersmann
Corporate Director, Optimisation & B2B

By becoming the first energy partner of our customers, we are building the energy supply of tomorrow.

Energy efficiency

Highlights

Indicators

Supply continuity

Highlights

Indicators

A full range of services for companies

to reduce their carbon footprint and their bill

The range of services offered to companies to reduce their consumption and their carbon footprint is increasing each year. In 2016, the HVAC (building automation) solution was launched during the summer.

1 Energy Performance Contracts aim to reduce energy consumption in a sustainable and profitable way. The implementation of this type of contract begins with an evaluation of the energy performance of the buildings. The resources that can reduce consumption are identified and quantified, both in terms of cost and of expected savings, which must be guaranteed for the long-term. See pages 38, 44, 45.

2 The renovation of lighting for offices, warehouses, etc. improves the comfort and safety of staff, while reducing costs. The integrated formula includes financing for works.

3 The installation of solar panels or the purchase of surplus energy produced by existing panels decreases certain components of the carbon footprint of customers, and of EDF Luminus.

4 The promotion of electrical mobility, through the installation of rapid charging stations on carefully selected sites, also supports the reduction of emissions generated by transportation resources. This service can enable a company to reduce the «fuel consumption» component in its carbon footprint (scope 1).

5 EDF Luminus also gives companies the possibility to choose **a supply contract accompanied by a guarantee of origin**. Those can be of different types: 100% green, Belgian or foreign energy; or electricity produced by cogeneration installations. The guarantees of origin specify the type of energy, as well as the production site for each MWh produced. They can be taken into account in the carbon footprint calculation (scope 2 calculated based on the market).

6 The acquisition of electricity surpluses produced by «green» installations (biogas, hydraulic, wind, cogeneration, etc.) enables EDF Luminus to cover its quota requirements in green certificates and to reduce the carbon footprint of its own purchases. This service enables companies to reduce the «own energy consumption» component (scope 2) of their carbon footprint.

7 A new service was launched in July 2016: **«HVAC building automation»**. The BACS (Building Automation and Controls System) is a smart system for automating and controlling heating, ventilation and air conditioning, in industrial or tertiary buildings. The installation of this type of system, after an audit of the installations, can result in a very significant reduction of a building's energy consumption (up to 30%).



NEW

A CO₂-neutral stadium:

The ambitious goal of KRC Genk, supported by EDF Luminus and ATS

EDF Luminus and KRC Genk announced in June 2016 that they would collaborate to make the KRC Genk stadium CO₂-emissions neutral by 2020 – a unique case in Belgium.

Four phases for CO₂ neutrality

The contract signed in June provides for the realisation of various works from now to 2020.

1 100 tons640 tons.....400 tons.....0 tons



HEATING	COOLING AND VENTILATION	SOLAR ENERGY	OPTIMISATION
<ul style="list-style-type: none"> • Replacement of the boilers • Improvement of the efficiency of the heating installations (replacement of pumps, insulation, thermostatic valves, electrical circuits) • Automation of the heating system using a technical management system for the building. 	<ul style="list-style-type: none"> • Coupling of the central technical management system to the demand for heat/cold • Insulation and improvement of the cooling circuits • Surveillance system for the HVAC system data 	<ul style="list-style-type: none"> • Installation of 400 photovoltaic panels 	<ul style="list-style-type: none"> • Installation of additional PV • Green gas • Connection to other energy sources (Thorpark district heating network) • Fast recharging stations for electrical cars



The KRC Genk stadium was renamed «Luminus Arena» in June 2016

After the signing of the contract, the first phase of work began during the heating season. This involves replacing two old atmospheric boilers by two latest-generation condensing boilers, as well as the automation and improvement of the efficiency of the entire heating system.

Spa Monopole: a partnership that goes far beyond supply



Several steps were taken in 2016 with the Spa Monopole bottling site to optimise the energy bill and reduce the associated carbon footprint.

Contracts to supply gas and electricity were concluded, for delivery starting in 2018. 7,049 photovoltaic panels were installed by Dauvister on the roofs and hangars of the site, for an installed capacity of 1,832 kWc.

«These achievements in 2016 add to the 250 kWc of photovoltaic panels already installed by Dauvister in 2015 on the sites of Bru-Chevron and Spa- Monopole. With 26,000 m² of roofing covered, Spa Monopole is now the largest industrial photovoltaic installation in Wallonia,» highlights Yves Warnant, CEO of Dauvister. «The entirety of the production is absorbed by the factory.»

«The EDF Luminus group supported the Spadel group in its goal to become entirely carbon-neutral by 2020, which fits perfectly with the strategy of EDF Luminus to be the first supplier of energy services to its customers,» explains Xavier Humblet, Key Account Manager at EDF Luminus.

Dauvister has installed a total of 7,692 solar panels on the roofs of the Spa Monopole factory, making it the largest photovoltaic installation in Wallonia.

City of Genk :

Free smart thermostats for 310 inhabitants

Offering innovative solutions to cities that are looking to reduce their carbon footprint or their energy expenses is one of the axes of the strategy followed by EDF Luminus for several years. In 2016, two partnerships originally signed in 2012 made new progress.



In 2016, EDF Luminus strengthened its cooperation with the city of Genk by exchanging expertise for developing sustainable and innovative «smart cities» projects. After the optimisation of its public lighting in 2015, this collaboration in 2016 translated into a new project, within which 310 Netatmo smart thermostats were offered to volunteers in Genk. The participating residents were selected at random, while making sure that the panel included inhabitants of social housing, in partnership with social housing company Nieuwdak.

Heating and hot water represent approximately 85% of the energy consumption of the average household. Remote regulation of the desired temperature is thus a source of energy savings (up to 10% of consumption) and increased comfort.

«The smart thermostat provided takes into account the exterior temperature and the level of insulation of

the residence. It calculates the optimum heating cycle for the home in order to reach the desired temperature in the desired time,» explains Geert Leppens, project manager at EDF Luminus. «The participants also receive a personalised energy report containing information on their consumption and advice in energy matters.»

«This project makes the cooperation agreement with EDF Luminus more tangible for our inhabitants. In the course of the coming years, we will be confronted with the challenges of making Genk a smart city, ready for the future both socially and technologically. Sustainable energy management will play an important role,» explains Joke Quintens, Alderwoman of the city of Genk responsible for urban development, the environment and sustainable development.

The thermostats were installed between March and June 2016 by a technician from Rami Services. At the

end of the test, the participants will be allowed to keep the thermostat, and EDF Luminus will be able to make use of the lessons learned thanks to a questionnaire.



The Netatmo smart thermostat can be controlled remotely thanks to its GSM application.

The RenoWatt project

Energy Performance Contract for 14 school sites
in the Province of Liege



The polytechnic school of Huy after renovation: the exterior insulation work changes the aesthetic appearance of the buildings (architect's simulation)



In December 2016, subsidiary EDF Luminus Solutions won one of the lots allocated as part of the RenoWatt call for tender launched by the Economic Redeployment Group of the region of Liege.

This success occurred within the context of the development of services for cities and communities, with local creation of activities – a strategic axis of EDF Luminus.

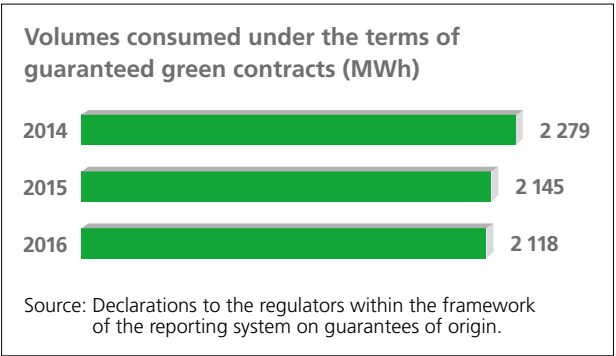
This second energy performance project involves the renovation of the energy systems of 14 school sites. A comprehensive solution for improving energy performance comprising many components will be put into operation. Among these components are (to name a few) the replacement and improvement of a number of boilers, the installation of photovoltaic panels, the improvement of lighting systems, the replacement of

more than 8000 m² of windows, insulation of more than 12,000 m² of roofing, the insulation and complete renovation of more than 5000 m² of facades, the optimised utilisation of HVAC equipment, plus remote control of installations, energy efficiency monitoring, awareness building for occupants, and training of the customer's technical staff.

INDICATORS

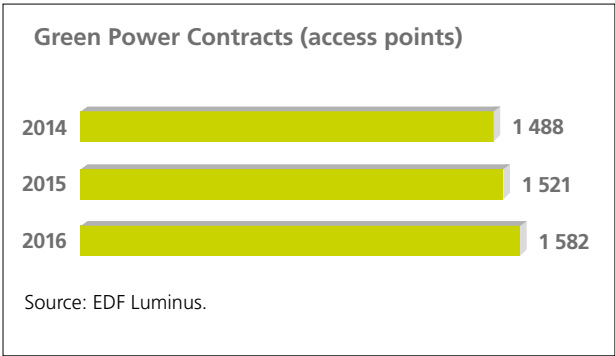
Contracts accompanied by a guarantee of origin from «renewable» sources

The decrease in the volume of electricity sold under the «guarantee of renewable sources» label observed over several years, stabilised in 2016. Many companies ask for these guarantees in order to reduce their carbon footprint. They include Toyota, Lidl, Ferrero, AB InBev and Coca Cola, to name a few.

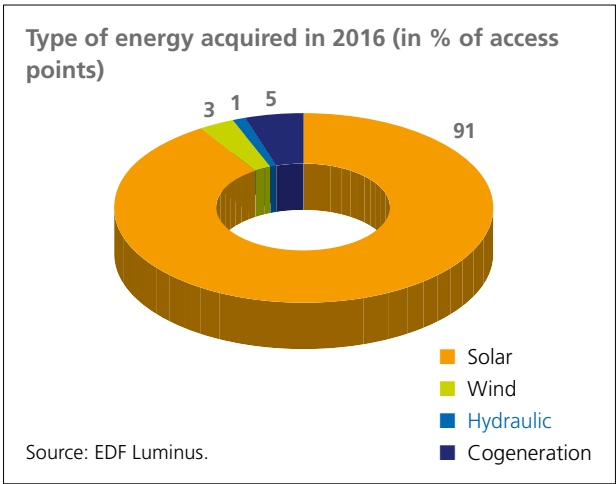


Buy back of «green» electricity produced by companies

The number of customers with a «Green Power» contract continues to rise, resulting in a reduction in the carbon footprint of EDF Luminus (scope 3).



Photovoltaic production represents the great majority of the energy acquired via «Green Power» contracts. The cogeneration share is increasing, which gives EDF Luminus a more predictable and flexible energy supply, useful for optimising supply/demand in real time.



Flexibility and security of supply:

a key contribution to the country's security of supply

The contribution, direct or indirect, of EDF Luminus to supply continuity includes several aspects. EDF Luminus provides several types of services vis-à-vis Elia, the high-voltage transmission grid operator.

■ A **«balance management» function** handled in real time, up to the volumes used by its customers.

As a supplier, EDF Luminus must inject, continuously and in real time, at any transmission or distribution point, a quantity of energy equal to that used by its customers. Any unbalance results in a cost, which can be very high, in particular if the available capacity is not enough to produce the energy required by the networks. Essentially, a supply failure, cumulated with others, could have an impact on the overall balance of the system.

Providing the balance management function at all times, while limiting risks as much as possible, requires 1) accurate estimates of customers' consumption in the

short, middle and long-term 2) evaluating or measuring the fluctuations in the production from renewable sources 3) activating customer exibility with customers and/or adjusting in real time the production of the most exible installations (combined cycles already running, open cycles ready to be started, cogeneration, etc.) to compensate for the uncertainties of the renewable production and the fluctuations in demand.

■ A contribution to network balance through the **provision of ancillary services**, also in real time or in the very short-term: primary reserve, automatically initiated in under 30 seconds; secondary reserve, automatically initiated, whether upwards or downwards, in less than 15 minutes; tertiary reserve, activated manually; black start service activated in the

event of a blackout.

EDF Luminus, as a producer, contributes to the production/ consumption balance provided by the high-voltage transmission grid operator, within the context of the periodic invitations to tender for the various ancillary services, using its own production units. It can also provide tertiary reserves, thanks to the exibility contracts signed with certain customers.

■ A **guarantee to provide strategic reserve capacity**, in the event of a shortage between the months of November and March, to avoid load shedding situations in all or part of the Belgian network.

This page addresses this theme, with the following limitations:

- Only the high-voltage transmission grid operators and the distribution grid operators are responsible for the continuity of the energy supply to the end-user.
- Only the high-voltage transmission grid operator is responsible for the overall balance of the network.
- The various governments are responsible for the regulatory context, especially subsidy policies provided for renewable energy and license granting procedures, which directly influence the decisions taken by electricity producers.

Flexibility and security solutions

for companies' installations

EDF Luminus offers its customers a range of solutions that contribute to supply continuity, either directly for the customer, or in its role of «balance management».

■ A **flexibility** offer that enables clients with scalable consumption, flexible production capacity (greenhouses heated by cogeneration, for example) or energy stocking capacity (freezers) to adapt their production/consumption depending on the market price.

■ A solution for **renovating/replacing outdated high-tension cabinets**, which represent a risk for the customer's electricity feed.

HIGHLIGHTS

NRB: data centres providing network stability



NRB (Network Research Belgium) is a Belgian group of IT companies that employ 2000 people. NRB is equipped with autonomous energy production installations to ensure the supply of electricity to its data centres, in the event of a power failure on the network.

*One of the NRB data centres,
a source of flexibility for the network.*

As part of a flexibility contract, a Lumibox has been installed at the NRB headquarters, in Herstal. It enables remote activation of the emergency generators, with a capacity of up to 900 kW, when EDF Luminus needs it to answer Elia's request for balancing services, or in order to optimise its response to market demand. The client is remunerated for this service while contributing to network balance.

**Flexibility:
NRB
testimonial**



HIGHLIGHTS

Successful test of the strategic reserve at the Seraing plant

On 16 November 2016, the Belgian transmission systems operator Elia asked EDF Luminus to carry out a black-start test at the Seraing plant. This surprise test was a complete success. The operators and technical teams at the gas and steam combined cycle plant of Seraing launched the black-start process as soon as the request was received, at 8:00, reaching 264 MW by the start of the afternoon, and nearly 480 MW thirty minutes later.



264 MW of electrical power produced at 14:30.

The CCGT plant at Seraing has been part of the strategic reserve established by the Belgian authorities since 2014, in order to offset any electricity deficit during the winter months (beginning of November through end of March). Having been selected by the transmission systems operator through a call for tender overseen by the federal regulator, this reserve capacity can thus be activated at any moment by Elia.

On 23 May 2016, the Federal Minister for Energy, Marie-Christine Marghem, visited the Seraing plant. The measures established to ensure maximum reliability were explained to her and the press.

The plant at Seraing accounts for some 30 direct jobs, in the Operation and Maintenance departments of the Production Division.

INDICATORS

EDF Luminus cannot make public the figures relating to the supply of auxiliary services to the transmission systems operator, as the publication of these figures would distort the competitive environment/calls for tender.

Some data can, however, enable the measurement of the performance and the contribution of the company to supply security:

■ The combined cycle at Seraing and the two open cycles at Ham are available to Elia within the context of the black-start contracts (initiation of the unit without external electrical sources). In 2016, the restart diesel engines at Gand-Ham and Seraing were tested every month.

■ Twelve of the thirteen tests of the units* placed in the strategic reserve were positive. All of the surprise black-start tests requested by Elia in 2016 were successful. One black-start test scheduled by EDF Luminus failed, at the very beginning of 2016. The learnings from this dysfunction contributed to the success of all of the tests carried out throughout the rest of the year.

Successful surprise tests

3/3

Successful scheduled tests

9/10

**During the winter of 2015-2016, the plants of Seraing, Izegem and Angleur 3 were included in the strategic reserve. For the winter of 2016/2017, only Seraing was included in the strategic reserve.*



High value-added services offers

Innovation and investments

Faced with a decrease in consumption and the deterioration of margins in the company's traditional business lines, EDF Luminus adapted its strategy. Its ambition: «Becoming the number one energy partner» for its customers.

Innovation is one of the keys to a company's development, especially in a sector in which the customers' expectations are significantly changing. Technological advancements are continuous, at all levels: energy sources that are more environment-friendly; more economical infrastructures; digital tools that make it possible to better measure, control and reduce consumption, etc.

“The highlight of the year, from the point of view of Strategy and Development, was the creation of EDF Luminus Solutions, dedicated to implementing complex offers, especially energy performance contracts, with customers that wish to achieve substantial savings in the medium-term. The contract with the Foyer Anderlechtois is an excellent example of a win-win-win project, for the Foyer and its residents, for the EDF Luminus group, and for the planet.”

Pierre de Firmas,
Chief Strategy & Business Development Officer

The Foyer Anderlechtois >

The Bavière area in Liege >

Electrical mobility >

Power to Innovate >

Indicators >

Close to 2500 apartments covered by an energy performance contract:

A first in Belgium



On 15 June 2016, EDF Luminus and the Foyer Anderlechtois signed the **first multi-site energy performance contract** in Belgium. This contract enables the Foyer to reduce its carbon footprint and energy bills, also for the residents of the 2416 apartments.

The contract went into force on 1 September 2016, for a duration of 12 years. It covers:

- The renovation of 15 boiler rooms, which will be fitted with systems for the remote piloting and regulation of the equipment;
- The installation and operation of six cogeneration units;
- The installation of four photovoltaic sites (40 kW);
- The maintenance of 31 boiler rooms.

At the end of the works being carried out, the electricity consumption of the communal areas will be reduced by half, while gas consumption within the 40 buildings should fall by 10%.

Bruno Lahousse, Managing Director of the Foyer Anderlechtois, and Grégoire Dallemagne, CEO EDF Luminus.

Contract with the Foyer Anderlechtois: long-term effects



The Foyer Anderlechtois is one of the most important social housing companies in the Brussels-Capital Region. Owner of more than 3700 residences, the company manages more than 400 individual family homes as well as large housing complexes dating from the 1970s.

EDF Luminus entrusted the project to its subsidiary, EDF Luminus Solutions, which intervened both as a third-party investor and as a services provider, and also coordinated the realisation of the project by mobilising all of the participants, especially those of subsidiaries Davuister and ATS.

Reduction of carbon footprint

The installation of new, high-efficiency cogeneration units will enable a reduction of more than 50% of the electricity consumption of the common areas. For the whole of the project, the yearly savings are estimated at more than 5000 MWh of primary energy, which will contribute to the fight against climate change.

Very tangible benefits for residents

For the Foyer Anderlechtois, the reduction in energy costs is estimated at 266,000€ each year. The contract also includes a component on «Communication with residents», which will enable them to further reduce their ecological footprint, thanks to tangible, innovative and sustainable recommendations.

12	-year contract
2416	apartments
6	new cogeneration units
15	new boiler rooms remotely regulated by HVAC*
31	boiler rooms to be maintained
4	photovoltaic sites
266	k€ savings on the Foyer's bill each year

**Heating, Ventilation & Air Conditioning*

What is an Energy Performance Contract?

An Energy Performance Contract (EPC) includes commitments on availability, comfort and energy performance in the long-term, which distinguishes it from a 'classic' maintenance contract. The service provider is remunerated on the basis of the savings achieved. To do this, an EPC provides for the implementation of various means of improving the energy performance: renovation of heating and lighting systems; improvement of the regulation of the building, wall and/or roof insulation; remote operation of equipment; continuous monitoring of performance; etc.

Liege's Quartier Bavière:

A heating project using geothermal groundwater

7 AFFORDABLE AND CLEAN ENERGY

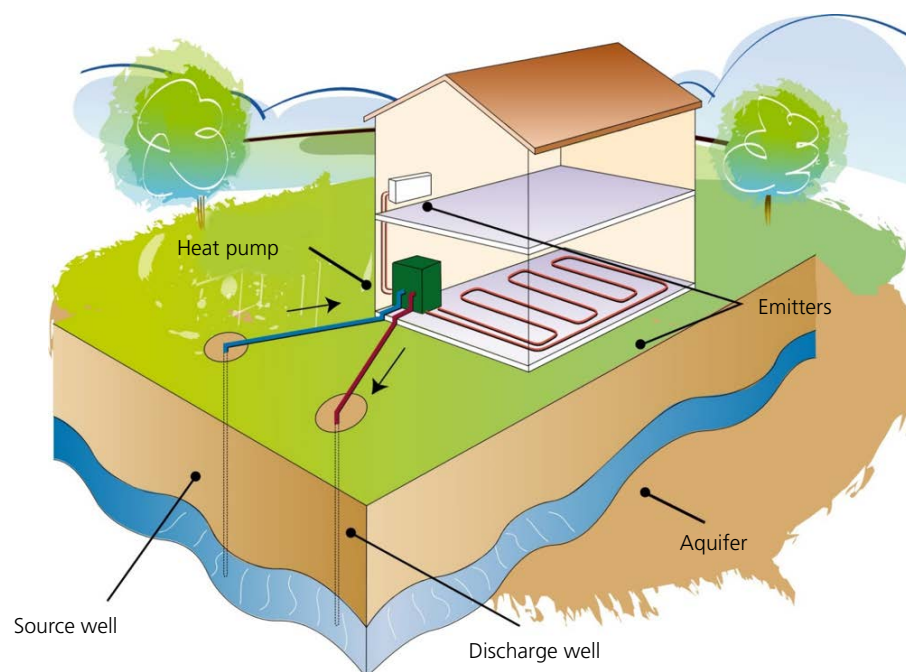


In June 2016, the results of a technical prefeasibility study on the installation of a heating and cooling system using geothermal groundwater for the future library in the Bavière area were presented to the technical services department of the Province of Liège. EDF Luminus and the EnerBAT department of the Research and Development Department of the EDF Group participated in the meeting in order to discuss the technical modalities of the future hydrothermal study.

This open-loop system using groundwater, which the EDF Group already implemented successfully, would

be one of the first installations of this type in Belgium. It combines the advantages of energy efficiency, reduction in greenhouse gas emissions (around 60% compared to a gas boiler), energy bill savings (in the order of 20% compared to a gas boiler) and sustainable development, notably thanks to the use of a source of renewable energy.

This project is part of the partnership agreement signed between the Province of Liege, EDF and EDF Luminus, which provides for a mutual exchange of expertise in the field of Smart Cities.



A groundwater geothermal system enables a reduction in primary energy consumption and in the emission of greenhouse gases.

Ultra-rapid recharging stations

for electrical vehicles

In 2016, EDF Luminus and Q8 signed a contract for the installation of 18 rapid charging stations at Q8 service stations along the Belgian highways. This new equipment will include the latest technology for electrical vehicles.



The agreement is part of the UNIT-E project of the Connecting European Facility programme of the European Commission, which provides for the installation of 300 rapid charging stations in strategic locations, along the highways of Belgium, France and the United Kingdom.

EDF Luminus uses the latest generation of recharge stations, which enable a faster charging for all types of electric vehicles.

These rapid charges can provide up to 50 kW, for a recharge to 80% in a half-hour. With these installations, EDF Luminus is actively participating in the development of e-mobility in Belgium.



EDF Luminus and Q8 work together to stimulate sustainable mobility in Belgium.

INDICATORS

Investments in millions of euro



Source: EDF Luminus (BEGAAP standard).



This mobile, uninterruptible power supply unit is the most powerful in Europe. Owned by of Vanparijs Engineers, it is leased to IT centres, airports, pharmaceutical factories, etc., which cannot risk micro-power cuts.

142.5 million euro invested in 2016

In 2016, investments by EDF Luminus reached 142.5 million euro, including 80 million euro in wind energy, which thus represented 56% of the total investments. 20 wind turbines were constructed for the wind farms of Rieme-Nord, Ciney 2, Puurs, Meer-Hoogstraten, Beringen Katoen Natie, Mol and Héron.

The total amount of investments earmarked for renewable energy, with the upgrade of the Ampsin hydroelectric plant, reached 82.6 million euro – 58% of the total.

In addition to developing renewable energy, these investments enabled:

- The May 2016 acquisition of 100% of the capital stock of Bleyveld Co NV, which operates commercially under the name Vanparijs Engineers, an engineering company with vast expertise in engineering, construction and maintenance of cogeneration installations and UPS (uninterruptible power supply units).
- An important technological upgrade, carried out on the plant in Ringvaart from April to July 2016, for 12.1 million euro (9% of the total investments made).

Tax advantages for innovation and renewable energy

Due to its Research and Development initiatives in 2016, EDF Luminus benefitted from a reduction in payroll taxes of 4.5 million euro.

The tax savings attributed to the 2016 investments in renewable energy are estimated at 11.5 million euro.



Financial performance

Why?

The profitability of the company's activities is the foundation of its development, enabling investment in the future of the company and its employees, and compensation for shareholders. The operating profit must, in particular, finance maintenance and renewal of production capacities and the development of new activities, in order to meet market evolutions – both technological and social.



The detailed annual accounts of EDF Luminus SA/NV can be consulted on the website of the National Bank of Belgium.

How?

EDF Luminus strives to maintain the profitability of its activities, which requires cost optimisation for its traditional businesses (thermal production, supply of energy). The evolution of the market prices and the increasing regulatory constraints impact the profitability of these activities.

Investments are therefore being made in growth markets, such as energy services and renewable energy.

Agnès Butterlin, Chief Financial Officer

“After a 2015 marked by exceptional effects, EDF Luminus returned to a positive result, to which the restarting of Doel 3 and Tihange 2, and the continuing development of wind energy, contributed.”

Annual turnover	>
Operational income and net income	>
Balance sheet and cash flow	>
Taxes and contributions	>
Dividends	>

Positive net income, after a loss in 2015

Slight drop in turnover

Turnover in 2016 was 2,921 million euro (compared to 3,226 million euro in 2015); a slight drop, linked principally to the decrease in purchasing and resale transactions for the balancing of positions (-329 million euro). This did not have a significant impact on the gross margin.

Annual turnover in billions of euro



Source: Annual Report of the Board of Directors to the General Meeting of April 27, 2017.

Change in the BEGAAP accounting principles

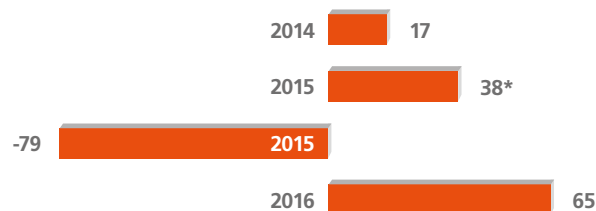
A change in the accounting principles (restatement) for the yearly results occurred on 31 December 2016. Henceforth, exceptional results are to be included in operating income, under the heading of non-recurring operational charges or revenues.

Increase in operational income

Operational income in 2016 was 65.3 million euro (based on the changes* to the treatment of annual results which took place on 31 December 2016). This increase can be attributed to:

- the reactivation, after a prolonged shutdown, of two of the four nuclear power plants in which EDF Luminus holds a 10.2% share;
- the growth of our onshore wind installed capacity (+15%);
- the continued robust activity in ancillary services thanks to the high availability of the thermal plants.

Operational income in millions of euro



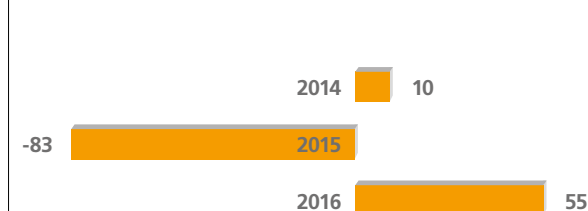
Source: Annual Report of the Board of Directors to the General Meeting of April 27, 2017.

Net income rises strongly

In 2016, net income was 54.9 million euro, a strong increase compared to 2015, due to the increase in operational income and a low tax assessment owing to the 2015 loss.

The 2015 net income was -83.1 million euro due to the recording of the significant depreciation in the value of natural-gas fuelled thermal production units.

Net income in millions of euro



Source: Annual Report of the Board of Directors to the General Meeting of April 27, 2017.

*If the changes to the accounting principles are applied to the 2015 results, the operating profit would have been -79 million euro, taking into account the exceptional amortisation calculated in 2016 (-117 million euro) to include the depreciation in the value of the natural-gas fuelled thermal production units, which are less and less in demand on the market.

Sound fundamentals

Balance sheet and shareholder equity rise

On 31 December 2016, the balance sheet total stood at 1,815 million euro, an increase of 73 million euro compared to 2015. This increase can largely be attributed to investments in wind energy, but also to the nuclear plants, following the triennial revision of dismantling costs that took place at the end of 2016.

Shareholder equity was 763 million euro, of which 491 million euro was capital.

Cash flow is down, following investments

The net cash position was 204.1 million euro (compared to 239.8 million euro in 2015), which enables the company to carry out its investments in onshore wind farms and energy services, and to pay dividends.

The principal factors that have had an impact on the cash flow include:

- the large investment programme,
- le cash flow généré par les activités opérationnelles,
- le paiement de dividendes en 2016.

Financing of the current and future costs of nuclear plants

As the owner of 10.2% of four Belgian nuclear power plants, EDF Luminus contributes to the operational and maintenance costs of these plants, as well as to the current investments, proportionate to its shareholding. These costs are billed by the operator and include a «management fees» component. The company also contributes to the provisions with regard to plant dismantling and the management of spent fuel.

The Nuclear Provisions Commission has recommended to Synatom, the company managing nuclear provision, that it progressively lower the discount rate, from 4.8% at the end of 2015 to 3.5% in 2018,

with stages of 4.2% on 31 December 2016, 3.85% on 31 December 2017 and 3.5% on 31 December 2018.

The revision of technical specifications as well as the revision of the discount rate, fixed for financial year 2016 at 4.2%, had the following impact:

- an increase in the dismantling provision of 41.5 million euro, 34.4 million euro of which follows the revision of the technical specifications for dismantling, the rest being due to the change in the discount rate
- an additional charge of 1.3 million euro for the management of spent fuel.

Contributing to local prosperity

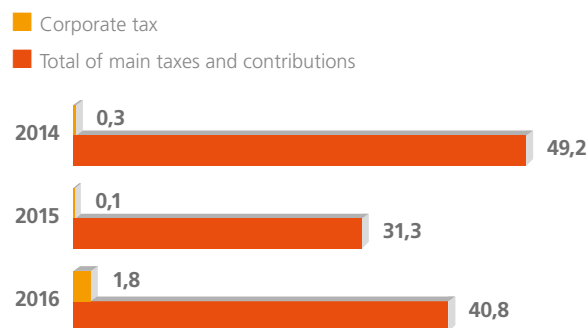
Increase in taxes and contributions

EDF Luminus did not pay corporate taxes for the year 2016 due to the net loss recorded for the previous year. A tax* will nonetheless be paid in 2016 due to the dividend payment made for the 2016 results.

The total amount of principal taxes and contributions paid by EDF Luminus, excluding corporate taxes, was 39 million euro. This is an increase over 2015, due to the increase in payroll taxes (increase in staff and skills of new hires).

The total amount of the nuclear tax due for 2015 for the four most recent nuclear plants was set** at 130 million euro in 2016, taking into consideration the unavailability of certain plants and the decreasing prices on the wholesale markets.

Taxes and contributions paid, in millions of euro



EDF Luminus is liable for payroll taxes, withholding taxes, property tax, taxes on motive force and waste water and the nuclear contribution.

Source: EDF Luminus

Dividend distribution of 35 million euro

The General Meeting of 27 April 2017 approved the following proposals:

- Allocation to the legal reserve of 2,743,467 euros (5% of turnover), in compliance with the legal requirements;
- Distribution of a dividend of 35 million euros, based on the results of the year;
- Transfer of the remaining amount of the profit, equalling 17,125,877 euros to deferred results.

Source: Annual Report of the Board of Directors to the General Meeting of April 27, 2017.

*The fairness tax is a specific contribution to corporate tax of 5.15%, due when dividends are paid.

** Cf. Law of December 25, 2016, published in the Moniteur on December 29, applying to owners of Belgian nuclear power plants.



Environmental challenges

Carbon footprint

The production of greenhouse gases contributes to climate change, which has visible - and often detrimental - effects on ecosystems and populations, including those of Belgium. As a responsible company, EDF Luminus decided to measure its own overall carbon footprint as of 2011, in order to identify the principal components and thereby better target reduction efforts, whether driven by the company or its customers, or by public policy.

It's another way for EDF Luminus to act as the preferred energy partner in Belgium.

“Developing our wind park, renovating our hydro-electric plants, further improving the flexibility of our thermal park ... significant investments are being made that contribute to the fight against climate change and to the protection of the environment.”

Frederik Snoeck
Corporate Director Production

HIGHLIGHTS

ISO 50 001 certification Obtained in June

NEW

Following a project that took just over a year, in June 2016 EDF Luminus received ISO 50 001 certification for all of its installations and activities.

ISO 50 001 is a certification focused on «Energy Management». It is awarded following an external audit to companies that can demonstrate a systematic approach to improve energy efficiency.

The auditors were able to confirm that the Environmental Management system of EDF Luminus includes an action plan specifically focused on energy savings. This involves the start-up procedures for the thermal plants as well as the daily behaviour of staff.

The Facilities department in particular has integrated this factor in its decisions, which contributes to an energy consumption reduction in certain buildings (see decrease in Scope 2, page 58). Currently, EDF Luminus is the only provider of gas and electrical power in Belgium to have obtained this certification.



Renewable energy

Despite the difficulty of predicting their performance far in advance (around 48 hours for wind and photovoltaic sources), judicious development of renewable energy offers a resource in the fight against global warming, which is caused in part by greenhouse gas emissions from the energy sector, at the global level. Coal* in fact remains today the least expensive resource, rarely used by power plants that are in a technical capacity to limit their most polluting emissions.

EDF Luminus maintains, renovates and develops its renewable energy production capacity in order to protect the environment, but also for financial reasons. Specifically:

- onshore wind energy is the technology closest to economic maturity ;
- today's hydroelectric plants offer a fairly predictable renewable energy supply ;
- l'installation de panneaux solaires peut aider les clients à réduire leur empreinte écologique.

**EDF Luminus does not operate coal-fuelled plants, only natural gas fuelled thermal plants.*

Safety of installations

Producing and supplying energy is a key activity, both from an economic and social point of view. Maintaining the integrity and proper functioning of the industrial as well as the administrative sites of EDF Luminus is thus a necessity. An industrial accident (a gas pipe rupture, for example) could have significant consequences on the health of employees, neighbours and the environment.

NB: EDF Luminus owns 10.2% of four Belgian nuclear power plants, but has no responsibility, direct or indirect, in their operation (see royal decrees of December 19, 2000).

Natural resources and biodiversity

The choice of energy mix for a producer of electricity and supplier of gas and electricity can have direct and indirect impact on natural resources, soil, water and biodiversity. Specifically, the construction and exploitation of production facilities -whether for thermal or renewable energy – uses raw materials (for EDF Luminus, this is primarily natural gas) and various materials (concrete, steel and complex alloys).

The environment can also be affected by the production facilities themselves (for example, pollution risk from thermal plants, risk to avifauna and chiroptera from wind turbines, risk to fish from hydraulic plants).

- Carbon footprint >
- Renewable energy >
- Safety of installations >
- Natural resources and biodiversity >

Understanding the origin of emissions

in order to act wisely

All human activity, professional or personal, generates emissions. These can be distinguished by their nature, their origin or the type of action that can – or cannot – be taken in order to reduce their volume.



Some sources of emissions are under the direct control of the company, such as electricity usage in buildings the company owns. This is not the case when the company is renting its premises.

Others are under the partial control of the company. In the case of EDF Luminus, this can include in particular the efficiency of the thermal production units and their operating regime (few or many restarts, at full or partial charge, etc.). The level of associated emissions depends on the choices made by EDF Luminus during renovations of the production park, but also, even especially, on the evolution of the technologies implemented by the builders. In general, increased yield goes hand-in-hand with reduced emissions.

Actual emissions depend on the evolution of customers' consumption and the company's market share, but also on each country's energy policies, and on the

wholesale markets' «merit order», which favours the least costly production units, after the renewable sources. For its own energy mix, EDF Luminus strives to reduce the carbon footprint of its production park, by progressively closing the plants that pollute most, and by developing onshore wind farms.

In the case of an energy company such as EDF Luminus, a large part of the carbon footprint (consumption of natural gas or electricity by end-customers) is not under the direct control of the company. Contributing to the reduction of customers' consumption, or limiting its environmental impact, is consequently a priority for EDF Luminus (see the solutions developed, pages 16, 25-26, 34-39, 44-45).



Even the roof of the Monsin hydroelectric plant is making a contribution, with the installation of photovoltaic panels. The plant absorbs all of the electricity thus produced, which contributes to the reduction of its own carbon footprint.

The GHG standard

EDF Luminus has been measuring its carbon footprint since 2011, using the GHG (Greenhouse Gas) protocol. This is the most widely recognised method internationally for carbon accounting.

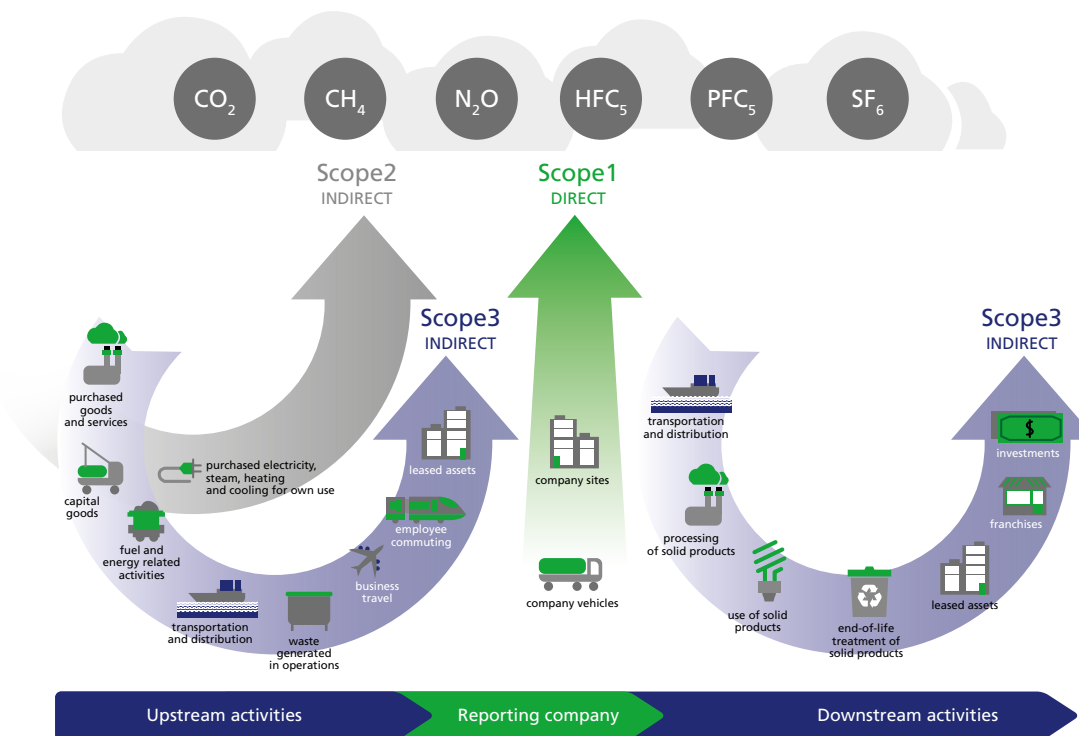
EDF Luminus complies with the GHG (Greenhouse Gas) standard for collecting data and for calculating its overall footprint. This methodology was developed at the initiative of the WRI (World Resource Institute) and the WBCSD (World Business Council for Sustainable Development) in consultation with companies, NGOs and governments.

The standard covers the six principal greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrogen oxide (N_2O), hydrofluorocarbons (HFC), perfluorocarbons (PFC) and Sulphur hexafluoride (SF_6). The data are presented in tonnes of CO_2 -equivalent (tCO_2e), with the other gases converted in accordance with their global warming potential.

The GHG Protocol classifies three «scopes» to enable companies to identify their emissions:

- direct emissions generated or controlled by the company – in the case of EDF Luminus, these are emissions from power plants fired by natural gas, emissions from company vehicles, and emissions from the heating of buildings with in-house heating systems
- emissions generated by the energy acquired for internal usage (scope 2) - in the case of EDF Luminus, only the electricity used in some of its own industrial or tertiary buildings
- emissions generated upstream and downstream (scope 3), by suppliers (of goods, services, combustibles or energy) or by end-users: emissions related to mineral extraction or the transport of energy are covered by this scope.

Overview of the GHG Protocol emissions scopes



Note on methodology

The methodology for calculating the carbon footprint, carried out by Climact, is refined every year in order to comply with the most recent developments of the GHG protocol. When the calculation method is modified, the figures for the previous years are restated, in order to maintain a comparative base for the three illustrated years. Compared to the results communicated in the 2015 report, emissions linked to the electricity acquired from other producers are once again included (as in 2014 and 2013) based on the origin of the electricity (wind, solar, nuclear, cogeneration, incineration, etc.) This approach makes it possible to use the most recent emissions factors, as well as enabling the measurement of the real carbon intensity of the electricity acquired by EDF Luminus.

Scopes 1 and 2: decreasing carbon footprint

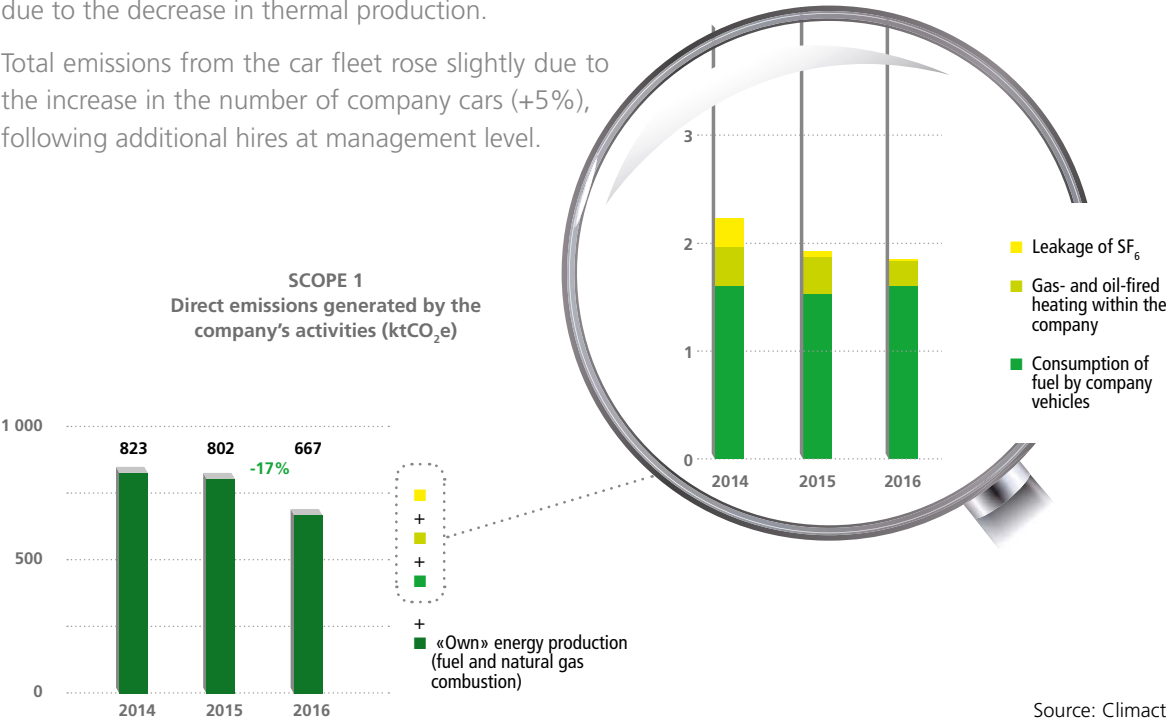
due to the reduction in thermal production

The balance of all emissions generated by EDF Luminus' activities in Belgium amounted to 6,147 kilotons of CO₂-equivalent in 2016, a decrease of 2.2% compared to 2015 (after restating of the 2015 data, especially in terms of the method used to calculate the emissions associated with electricity acquired and resold). Emissions coming from electricity production represented 13% of the total footprint.

Lower carbon footprint linked to electricity production

Scope 1 emissions fell significantly (-17%, to 667.5 ktCO₂e) due to the decrease in thermal production.

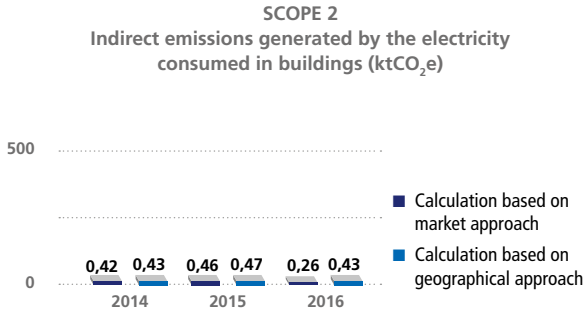
Total emissions from the car fleet rose slightly due to the increase in the number of company cars (+5%), following additional hires at management level.



Lower electricity consumption in the buildings

Scope 2 emissions dropped, according to the two calculation methods:

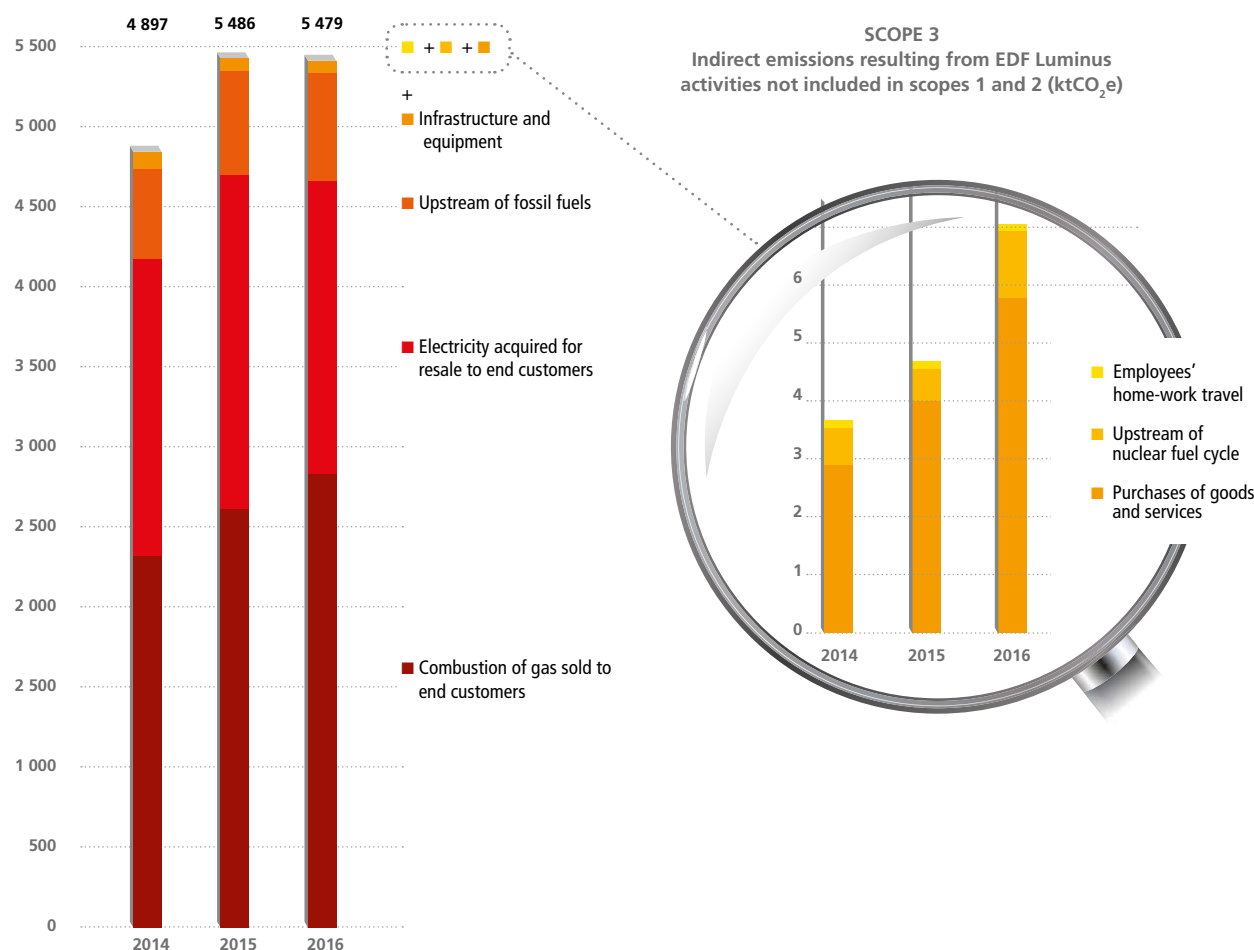
- -44.5% using the market approach, due to the lower carbon intensity in the energy mix of EDF Luminus, which provided power for all of the buildings concerned
- -8.5% based on the geographical approach, reflecting the lower electricity consumption in the company's buildings.



NB: Following a comment by a member of the jury for best Belgian Sustainable Development report, a verification has been requested from Climact. Scope 2 includes only electricity consumed by the company. The electricity acquired by the company for resale must be included within Scope 3 (see next page).

Scope 3: a stable carbon footprint

Despite increases in volumes of gas sold to end-customers



Source: Climact.

55% of the overall emissions of EDF Luminus come from the combustion of natural gas sold to customers. This figure rose in 2016, due to a colder winter than the previous two years.

Decrease in volumes of electricity acquired and resold

Scope 3 emissions decreased slightly in 2016, despite the increase in the volume of gas sold to end-customers (+8.5%), due to the colder winter. This decrease can in large part be attributed to the emissions associated with the purchase of electricity (-12.3%, based on the carbon intensity of the various technologies used to produce the acquired electricity; -2% following the calculation method used in 2015, due to the lower volume purchased).

Two other items increased:

- «Sales and Service» increased, partially due to the increase in purchase volumes (+15%).
- The upstream of the nuclear fuel cycle also increased due to the increase in production of nuclear origin (+109%).

Evolution of the production and energy mix

Output from **renewable energy** grew in 2016 (+13%), due to the increase in hydraulic energy output (15%) and wind-sourced electricity output (+12%).

Output from **the nuclear** plants share owned by EDF Luminus increased strongly, more than doubling, in large part thanks to the reactivation of the Doel 3 and Tihange 2 plants in December 2015, after a prolonged shutdown.

Thermal energy output again dropped in 2016 (-14% compared to 2015), due to:

- The reactivation of the nuclear reactors at Doel 3 and Tihange 2 (see above) and
- Generally unfavourable market conditions.

This thermal output has nonetheless remained relatively

high thanks to:

- The successes of EDF Luminus during the monthly auctions organised by Elia for primary and secondary reserves;
- The base load operation, throughout the year, of two cogeneration engines at the Ham plant (2.7 MWe each) connected to the Ghent distribution network in October 2014;
- The non-operation of several Belgian and French nuclear reactors in the final months of 2016.

In total, output from renewable sources reached 13% of the total. The thermal share (natural gas fuelled plants) was 29%, while nuclear output represented 58% of the total.

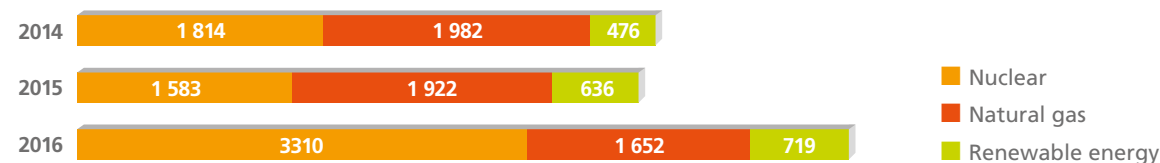
Evolution of the installed generation base

In 2016, changes to the EDF Luminus generation installed base included:

- The gas turbines at Angleur 3 (two times 25 MW) and at Izegem (22 MW) were contracted by Elia as part of the strategic reserve from November 2015 through March 2016, which meant they were not accessible by the market for a whole year; the same was true for the gas combined cycles of Seraing, placed in the strategic reserve since November 2014;
- The closing of the combined cycles of Ghent-Ham (52 MW) as of 1 November 2017 was communicated to the authorities in July 2016;
- The wind park grew 15% in installed power (292 MW), with 131 wind turbines in service at the end of 2016
- As of January 2016, two new engines with double settings were put in service in Andenne, following 17 months of renovation works.

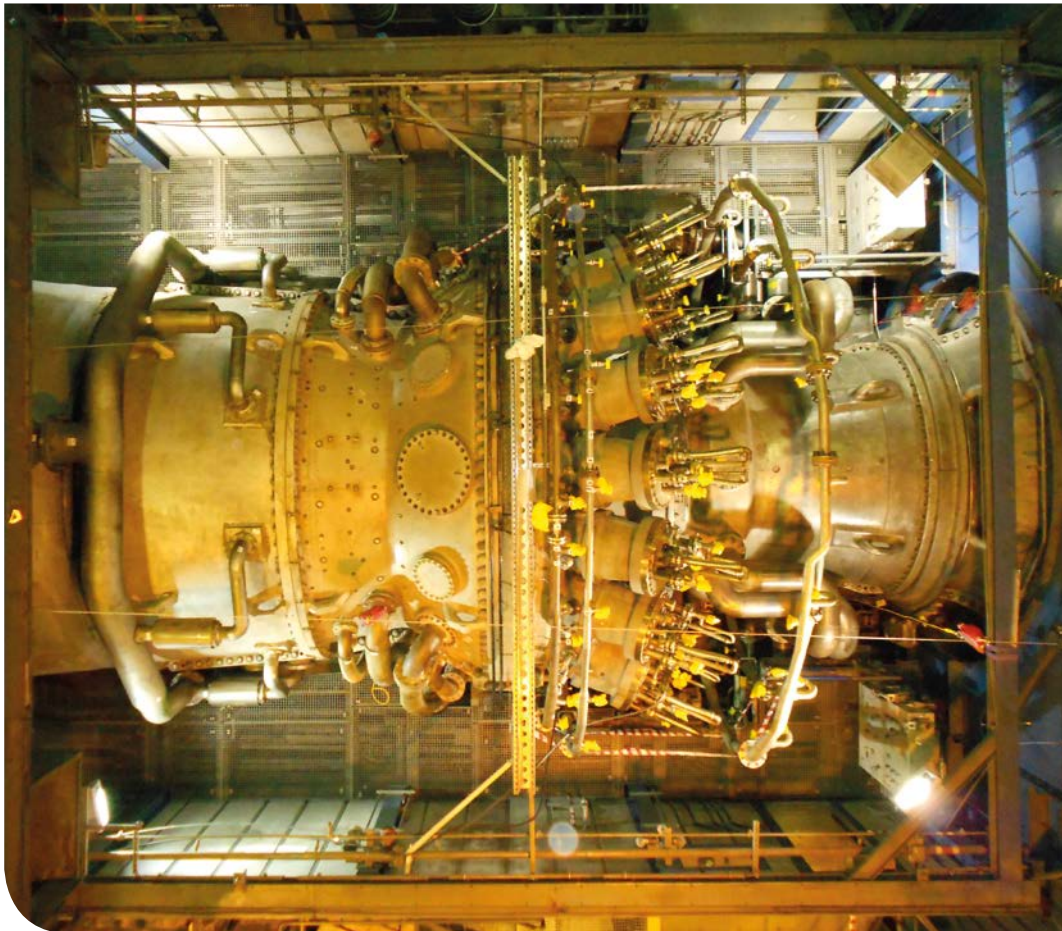
Some of these evolutions contributed or will contribute to a decrease in the carbon footprint from the company's production of electricity (see Scope 1).

Net electricity production, excluding heat (GWh)



Source: EDF Luminus. In accordance with the recommendations of the GHG Protocol, this graph and those that follow include the figures corresponding to the share of EDF Luminus in Belgian nuclear generation (10.2% of the most recent four power plants). These figures do not include production associated with drawing rights on Chooz B (100 MW).

Improvement of energy performance for the Ringvaart plant: a world first



From April to July 2016, an important technical upgrade was performed at the Ringvaart plant, during the course of a large maintenance intervention for EDF Luminus' most recent gas-fuelled combined cycle.

With GE Power's «Advanced Gas Path» (AGP) technology, the plant at Ringvaart can now respond even better to the current needs of the market.

Specifically, following this upgrade of the gas turbine:

- Maximum power increased by 3%, up to 365 MW
- Energy efficiency improved (consumption of natural gas was reduced by 2%)
- The unit is even more flexible, which will help to improve system service offers
- The length of production cycles between two major maintenance interventions is extended by 30%, which will reduce costs.

The study carried out upstream of the 12-million-euro investment demonstrated its value in technological, economic and environmental terms.

The large-scale works project was accomplished without any lost time accidents, either for EDF Luminus or for its subcontractors.

The gas turbine at Ringvaart before the intervention by GE Power.

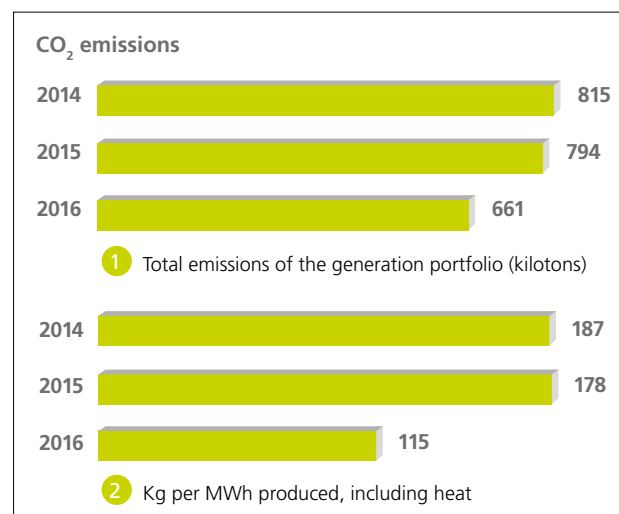
Atmospheric emissions from the thermal generation units

Emissions from EDF Luminus' thermal plants, especially CO₂ and nitrogen oxide (NO_x), must be reported annually to the authorities. Any overrun of the thresholds must be immediately signalled, and corrective actions taken. These declarations are audited internally and verified yearly by an organisation accredited for CO₂.

CO₂ emissions down

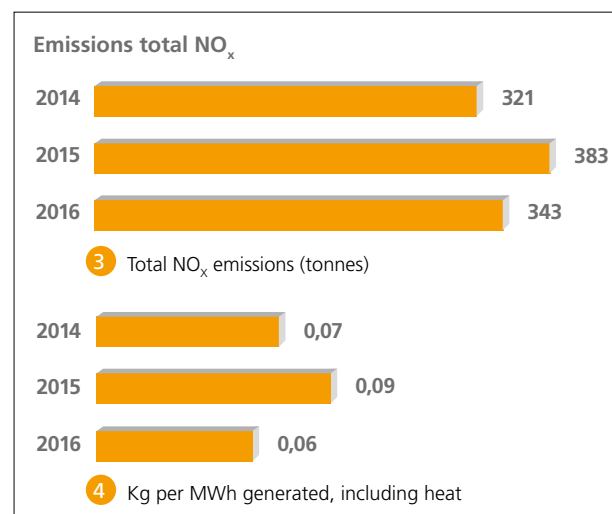
CO₂ emissions from EDF Luminus' thermal plants fell (-17%), principally due to a corresponding drop in the company's thermal power generation (-14%).

Reported emissions per kilowatt-hours produced also fell (-39%), due to the increase in carbon-free output (+17.3 pts) in the total output.



Nitrogen oxide emissions dropped

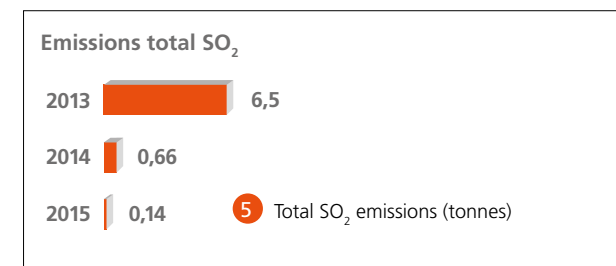
Nitrogen oxide (NO_x) emissions dropped by 10%, due to the decrease in the company's thermal power generation (-14%). Specifically, the December 2015 restart of certain Belgian nuclear power plants, which had been shut down since 2014, resulted in a significant decrease in demand for thermal power. Emissions per kWh produced remained very low (0.06 kg per MWh).



Sulphur dioxide emissions from the EDF Luminus park have almost completely disappeared

In 2016, sulphur dioxide (SO₂) emissions from the EDF Luminus production park, already below the reporting threshold for several years, dropped even further. They fell by 79% compared to 2015, to a total of 0.14 tonnes emitted.

This result can be ascribed to the evolution of the EDF Luminus generation installed base: all of the plants are now fed exclusively by natural gas. Fuel is only used to restart diesel engines during black-start tests carried out at Seraing and Ham.



Sources: 1. Environmental reports. Figures audited and validated by the VBBV (Flanders) and Vincotte (Wallonia).
2-4. EDF Luminus.
3-5. Environmental reports.

Nota bene: two graphs published on page 46 of the 2015 Sustainable Development report (CO₂ and NO_x per MWh produced) contained an error, due to the unit of energy used for the heat produced by cogeneration. They have been corrected here.

Reduction in non-production-related emissions:

voluntary actions

New drop in car fleet emissions: -4 %

The decision taken by the Executive Committee to lower the maximum emission rate of company vehicles by 4g/km each year, from 2012 onwards, is still having an effect. In 2016, the average emissions dropped to 112 g/km, a decrease of 4% compared to the previous year.

It should be noted that the average emissions of EDF Luminus vehicles registered in 2016 was only 102 g/km, compared to an average of 114g/km for new company vehicles registered in Belgium in 2015 (source; last available figure on date of publication of the report FEBIAC).

CO₂ emissions for EDF Luminus car fleet (g/km)



Source: EDF Luminus.

77% reduction of paper consumption at EDF Luminus

In 2016, EDF Luminus successfully reduced its number of sheets of printed paper by 77%, compared to 2014. To achieve this result, the IT department implemented several very tangible measures:

- 1 Individual printers have nearly disappeared;
- 2 Users can only print and retrieve printed documents by going to one of the shared printers;
- 3 Recto-verso printing has become the default setting in the printer parameters.

The IT department is thus making a material contribution to EDF Luminus' goal to reduce its ecological footprint.

Home-to-work commuting: bonuses for 72 cyclists

In 2016, 72 cyclists received the bonuses awarded for using a bicycle to commute to and from work. More than 69,000 kilometres were travelled, averaging 960 kilometres per year per cyclist.



Victor Lavarra and Dominique Cahay celebrate their participation in the «Peter Van Petegem Classic». They were sponsored by EDF Luminus under the Globetrotters programme.

277 million euro invested in renewable energy over three years

7 AFFORDABLE AND CLEAN ENERGY



As the number one producer of energy from hydroelectrical plants and onshore wind farms in Belgium, EDF Luminus invests considerable sums in the upkeep and development of its renewable energy production capacity.

To expand its wind energy park, EDF Luminus strives to continuously identify new sites appropriate for building wind turbines. To maintain the hydroelectric plants in use, EDF Luminus carries out renovation work that complies with the legal requirements.

Constructing a wind farm: a process that takes at least 5 years

The average period for the development of a wind farm is at least five years, from the initial exploration phase until it is put into service. However, this period has become longer over recent years, especially as appeals have become systematic.

■ **Phase 1** Initial studies and preparation of permit applications: this phase includes the feasibility study, the purchase of the land, environmental studies, as well as the preparations for the electrical connections and the permit application.

■ **Phase 2** Procedure for the issue of a permit: this phase lasts at least eleven months and is devoted to procedures at the regional or provincial administrative levels. It may be extended in the event of an appeal to the Minister or the Council of State.

■ **Phase 3** Technical and legal studies conducted after obtaining the permits. An invitation to tender must be made to allow an investment decision.

■ **Phase 4** Actual construction, i.e. the time from the decision to invest to the commercial operation, requires at least eleven months.

4 wind turbines that are 178 meters tall: a 2016 record

The tallest wind turbines built to-date by EDF Luminus were put into service on 27 April 2016 at Rieme-Noord, on an industrial site near the R4 and the E34 highway.

The project was carried out in collaboration with Ecopower (which owns 20%, while EDF Luminus owns the remaining 80%). The wind farm includes four wind turbines for a total of 12.8 MW, producing the electricity consumption equivalent of 6,775 households.

With a total height of 178 meters, these are the tallest wind turbines yet built by EDF Luminus.

«The height of the mast enables them to reach an altitude where there is more sustained, more regular wind. The wind turbine can therefore be used more often and its production of power is higher,» explains Jerome Gevaert, wind developer for Rieme-Noord. Frederik Vael, project manager, proudly adds, «The production phase was handled with great care, and there were no accidents to report, either at EDF Luminus, or at any of its subcontractors.»



Construction of one of the wind turbines at the Rieme-Noord park.

EDF Luminus remains the leader in onshore wind energy

Twelve new permit applications

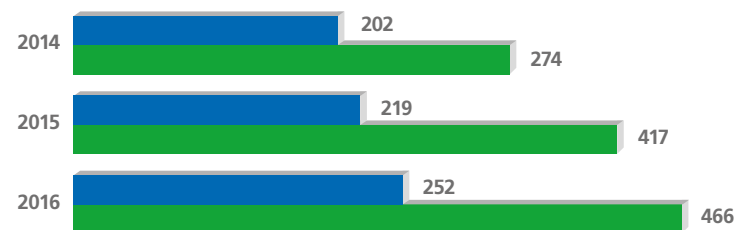
In 2016, permit applications were submitted in Ciney, Lommel, Eeklo, Bassenge, Juprelle, Remicourt, Brecht, Gembloux, Leuze, Bastogne, Arendonk and Fernelmont, representing a total power capacity of 108 MW.

Renewable output grows

In 2016, wind energy output grew (+12%), due to the increase in the number of wind turbines operating. This growth was not as high as the actual increase in installed capacity, because of the construction schedule for the new turbines, which was fuller in the second half of the year, and due to a lack of wind starting in September 2016.

Hydraulic energy production also rose (+15%). In 2016, the hydroelectric park produced a total of 252 GWh, thanks to the excellent reliability (98%) of the turbines and despite a low runoff from September to December.

Renewable energy generated (GWh)



Source: Green certificates reporting.

■ Hydraulic ■ • Wind

Wind park: organic growth of 80 million euro

In 2016, 80 million euro of investments were made to develop the EDF Luminus wind park. This was exclusively organic growth: no existing parks were acquired throughout 2016.

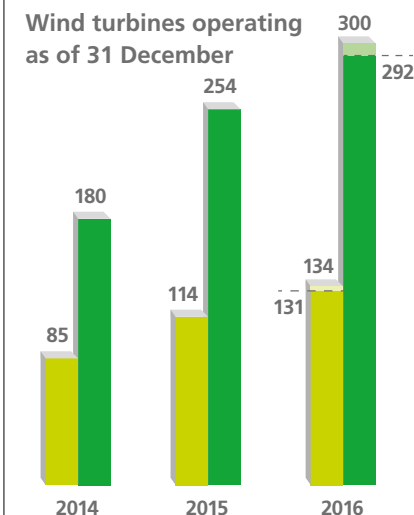
Investments in onshore wind park
in millions of euro



Source: EDF Luminus, BEGAAP standard.

In 2016, the total installed wind energy capacity of EDF Luminus rose from 254 MW to 292 MW (300 MW built). This 15% increase was due to the start-up of 17 wind turbines across 6 sites: Rieme-Noord, Ciney 2, Puurs, Meer-Hoogstraten, Beringen Katoen Natie and Mol. In all, 20 wind turbines were built during the year.

Wind turbines operating
as of 31 December



■ Number of wind turbines in operation

■ Number of wind turbines built

■ Total operational capacity (MW)

■ Total built capacity (MW)

Source: CWaPE and VEA/VREG declarations..

Ampsin hydraulic plant:

the electrical renovation begins

After the plants of Lixhe and Andenne, it is the turn of Ampsin to undergo an electric rejuvenation. The three-year works should be completed by 2018, at a total budget of 4.2 million euro.

The renovation activities at Ampsin began on Monday, 23 May 2016. The goal is to replace the outdated electrical equipment that no longer meets the current norms for electrical installations. This work will enable the plant to remain in operation for another 20 years.

First phase completed with no interruption of electricity production

The first of the three phases of work finished in November 2016. On the programme:

- The replacement of the low voltage electricity distribution ;
- The automation of the existing river screen to ensure a better collection of debris ;
- An upgrade of the travelling crane.

The excellent organisation and the active participation of every member of the personnel involved enabled EDF Luminus to keep the machines working during these operations.

The next phase of work will take place from June to October 2017, during the low-flow period, with the reconditioning of the instrument control system of the first turbine and the renovation of the medium voltage electrical equipment.

Teamwork at the Group level

For a project of this size, external skills were mobilised. EDF Luminus Group subsidiary ATS is handling the electrical work. Hydrostadium, an EDF Group subsidiary specialising in «small-scale hydropower» was in charge of the engineering of the instrument control system for the turbine-alternator groups.



ATS teams are working on the upgrade of the low tension cabins in Ampsin hydro plant (August 2016).

Preventing industrial risks

EDF Luminus aims to avoid any serious damage, whether to people or to the environment.

In addition to the permits granted by the authorities, every new site undergoes a systematic industrial risk analysis: during the design phase, when it is put in operation, subsequently every five years, and whenever any modifications are made on all or parts of the installation. The evolution of risks throughout the lifetime of the site must be controlled, both in terms of the installation itself and the operational and maintenance processes.

Residual risks are classified based on their potential consequences and their likelihood to occur, integrating in particular:

- the information provided by the builder;
- the analysis of incidents or near-incidents observed in situ, for the entire industry;
- additional risk studies carried out by multidisciplinary EDF Luminus teams supported by external experts;
- shared experiences of the sector and the authorities.

Monthly reporting on the progress of the actions implemented aims at reducing the risks. The reporting method used helps to secure ISO 14001 and OHSAS 18001 certification.

INDICATORS

EDF Luminus is required to report any incidents impacting its installations to the public authorities. Any incident that could potentially cause damage, even minor, to the environment must be reported.

To-date (31 December 2016), no serious incident has been reported by EDF Luminus.

One environmental incident was reported to the authorities in 2016. At the end of November, an oil leak was detected in a cooler installed on the lubrication circuit of one of the gas-fuelled turbines of the Seraing plant. This cooler was immediately isolated and the reserve cooler was put into service. The total quantity of oil discharged into the Meuse

was estimated at around 800 litres over the period of a month, equalling about 1 litre per hour.

Following a detailed analysis of the incident, several preventative actions were defined to prevent the repetition of the incident, whether at Seraing or at another hydraulic or thermal site.

Lower water consumption

Thermal plants must be cooled using air condensers or cooling towers or by circulating cooling water pumped near the plant, from a waterway or sea. This water must be treated before being injected into the pipes.

The used water must be returned in accordance with strict conditions regarding chemical composition and temperature. The liquid waste from the EDF Luminus plants is continually sampled and/or tested to ensure

that the limits imposed by the environmental permits are always adhered to.

In combined cycle plants, some cooling circuits must remain under water, even when the plant is not in operation (this was the case at the Seraing plant, during its summer preservation). When a plant has been shut down, some of the intake water from upstream simply passes through the pipes, without

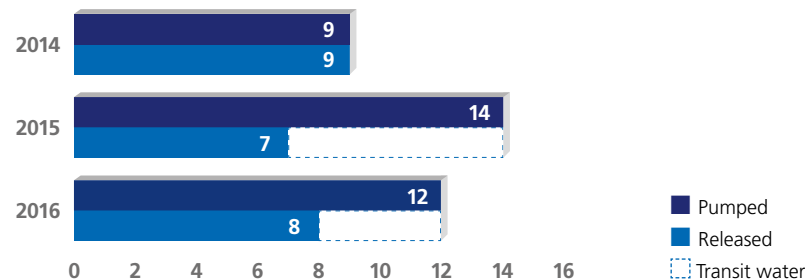
being heated or treated. By agreement with the authorities, this volume of transiting water is not included in the declared released water.

During 2016, the operating mode for the cooling circuits at Seraing was modified to reuse the pumped water, which resulted in a reduction in transiting water.

INDICATORS

The decrease in pumped water observed in 2016 is due in great part to the modifications made in 2015 and the beginning of 2016 at the Ghent-Ham and Seraing plants to reduce their water consumption.

Cooling water used by the gas-fired power stations (millions of m³)



Collection, handling and recycling of solid waste increased

The industrial activities of EDF Luminus generate various types of solid waste.

Every year, EDF Luminus collects hundreds of tonnes of waste from the Meuse, to maintain the flow upstream of the hydroelectric plants. The company bears the

costs of collecting, sorting and recycling this waste. The volume of waste collected from the river varies from one year to another, depending on the river flow and possible flooding.

The volume of waste produced directly by EDF Luminus depends on the extent of the programmed maintenance (routine maintenance, major maintenance, renovation, etc.). Some of this waste can be sorted, recycled or recovered.

INDICATORS

The volume of waste collected from the Meuse upstream of the hydroelectric plants rose slightly in 2016 (+14%) both due to the conditions of the Meuse itself, and to the reactivation of river screening at Andenne, after renovation works carried out between August 2014 and December 2015. All of this waste was sorted and recycled, at a cost of around 138,000 euro in 2016.

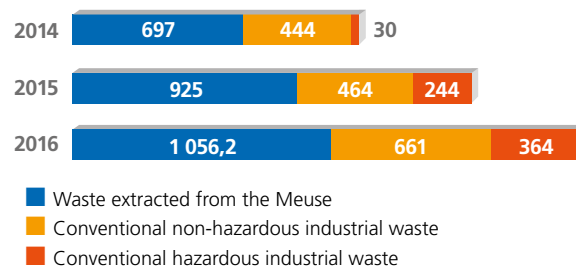
In 2016, the volume of non-hazardous industrial waste rose sharply (+42%), which can in large part be attributed to the dismantling of a 356-tonne port crane at the site of the Seraing plant.

Source: Reporting REGINE - Service Public de Wallonie, DGO3 – Soil and Waste Department. Reporting to OVAM, Openbare Vlaamse Afvalstoffenmaatschappij.

Hazardous waste volumes also rose by 50%, due to significant maintenance operations scheduled in 2016:

- Disposal of heavy fuel from the Ham site (220.6 tonnes);
- Emptying of the fuel tanks at Monsin (87.2 tonnes).

Conventional industrial waste (tonnes)

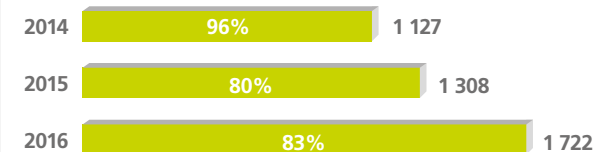


Recycled waste

In 2012, EDF Luminus introduced a policy aimed at reducing the volume of waste sent to landfills. All of the waste extracted from the Meuse is sorted and recycled.

In 2016, the recycled waste tonnage rose (+24%), due to the dismantling of a port crane (356 tons) at Seraing, the emptying of the Monsin fuel tanks and the increased volume of waste collected from the Meuse.

Recycled waste (tonnes) and the proportion of recycled waste in relation to the total amount produced



Acting for biodiversity

Preserving biodiversity is a requirement facing company daily, because of the potential impact of its activities on the environment.

Any project that might significantly impact the ecological balance must undergo an environmental impact study to obtain an environmental permit. Similar studies are carried out when a permit is renewed, for plants with a Class 1 permit.

In Wallonia in particular, regulations require the implementation of compensatory measures when a wind power project may affect biodiversity in a way that cannot be adequately mitigated.

Above and beyond these required actions, EDF Luminus contributes to protecting biodiversity whenever possible. These efforts can be seen in particular at:

- the Ringvaart and Seraing sites (late mowing zones),
- the Angleur and Lixhe sites (dedicated biodiversity spaces),
- the four sites hosting bee colonies (Floriffoux, Grands Malades, Seraing et Ringvaart).



Haie gourmande - Lixhe



Nichoir à insectes - Lixhe

INVENTORIES

An inventory of the sites on which measures have been taken to protect or restore biodiversity has been updated on the website www.edfluminus.com.

Mandatory measures



This inventory covers all of the electricity production sites (wind, thermal and hydroelectric), impacted by voluntary or mandatory requirements.

Voluntary measures



A list of the audits carried out to identify polluted soil is also online. This list shows that no clean-up measures were necessary as of December 31, 2016.

Soil audits



Life 4 Fish

preliminary studies have begun



Crane and recovery net used for the start of the Life 4 Fish study on 2 December 2016 – Andenne hydroelectric plant.

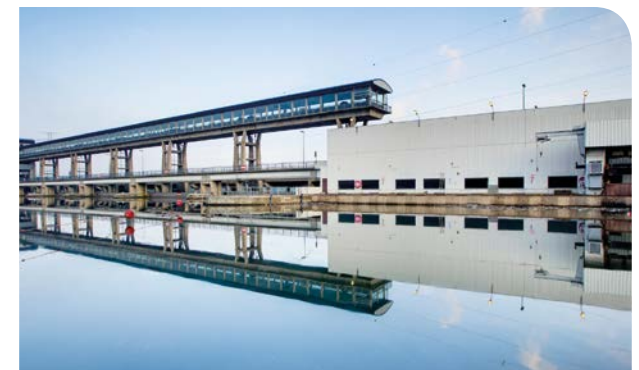
On 2 December 2016, at the EDF Luminus hydroelectric plant of Andenne, preliminary studies were begun for the Life 4 Fish programme. The goal of these studies, whose protocol was developed by a multidisciplinary team, is to measure the real impact of plants on the outmigration of two migratory fish species - the silver eel and salmon smolt - and to find sustainable solutions.

To measure the impact, two measurements will be carried out. The first will aim to measure the survival rate for passage through the turbines. The second will focus on determining the outmigration routes taken by these two species. Over time, based on the data resulting from these measurements, sustainable solutions must be implemented.

«The latest regulations regarding some of EDF Luminus hydroelectric plants include specific provisions that impact their future profitability. This is why EDF Luminus is carrying out these studies in collaboration with the Walloon and European authorities,» explains Christian Collin, Manager Safety & Environment at EDF Luminus.

All of those studies, including those at the Andenne plant in December, are to be paid for by EDF Luminus. The budget released for those preliminary studies is substantial, as they cost 1 million euro. «This is the first time that studies of this scope are carried out on the Meuse basin. They are the first phase of five-year field studies for which EDF Luminus has requested funding from the Life programme of the European Commissions,» comments Pierre Theunissen, Project Manager at EDF Luminus.

Other studies on fish mortality around the hydroelectric plants and related solutions have already been carried out by EDF Luminus since 2010, in particular at the Lixhe plant, opposite.



Compensatory measures at Héron

8.25 hectares of plantation to protect wildlife

In 2016, specific measures were implemented next to the Héron wind farm site (three turbines of 2.5 MW).

Working with the site's neighbouring farmers, EDF Luminus has planted 8.25 hectares with crops that support fauna, as required by the permit granted. These measures aim to compensate for any impact of

the Héron wind farm on the avifauna of the region. The planting of grain-based forage and cover crops and grassy headlands, in partnership with the association Faune et Biotopes, will provide food and a zone for refuge and reproduction for avifauna to prosper.

Sowing of the grain-based forage and cover crops and fodder vetch.



Protecting bees and harvesting honey



The partnership with Beeodiversity, providing four appropriate spaces on EDF Luminus sites to assist in the fight against honeybee mortality in Belgium, continues.

In the summer of 2016, the 12 bee colonies produced their second harvests. Most of the pots of honey were distributed to employees in September, in order to build awareness of the preservation of the biodiversity.

This year, 50g pots of honey were distributed to employees, instead of the 140g pots of last year. This was because the 2016 harvest was much smaller than the previous year, due to poor weather.

100% green areas at Lixhe

that fully contribute to biodiversity!

«In 2016, during the redevelopment of the area surrounding the hydroelectric plant in Lixhe, which was renovated in 2013-2014, EDF Luminus planted a gourmet hedge and a local apple tree, wildflower meadows, and installed an insect hotel,» shares Pascal Delfosse of EDF Luminus. «We used all the lessons learned from the experiment at Angleur in 2015, and this time, all of the green spaces we created were biodiversity-friendly!»

«The actions taken at Lixhe have enabled the creation of a biotope that supports plant and animal biodiversity, and that provides refuge and food to many species,» explains Amandine Delallieux of association Faune et Biotopes, which partnered EDF Luminus for this project. «At the end of 2016, the condition of all of the plantings was satisfactory. We'll confirm this in Spring 2017.»



The insect hotel at Lixhe was quickly colonised.



20m of gourmet hedge were planted in March 2016, composed of currant, black currants, gooseberries and raspberries.



Planting of a small, hardy apple tree.

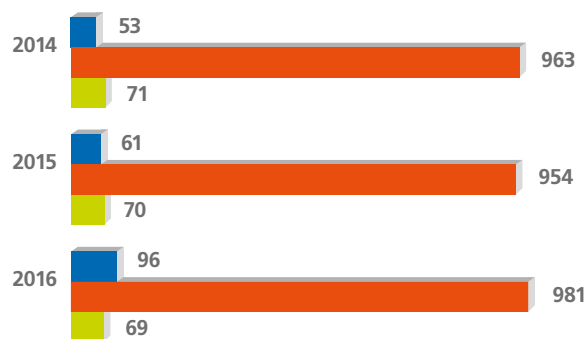


A top employer that develops its capital

Rising recruitment in services

The EDF Luminus workforce expanded (+2.8%) due to increased hires (+57%). Priority was given to the residential and business customer services departments as well as IT, within the framework of the digitalisation of our processes.

Employee movements



■ Recruited ■ Total workforce on December 31 ■ Departures
The total workforce includes part-time and fixed-term contracts as well as employees who have accepted the voluntary special leave negotiated in 2013 and compensated by EDF Luminus.

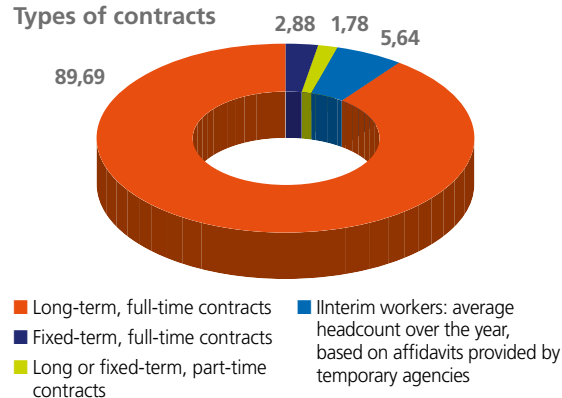
Source: Social Balance Sheets 2014-2016.

A large majority of permanent contracts

The number of fixed-term contracts increased in the same proportion as the overall workforce (+2.9%). The number of temporary contracts remained low (less than 2% of the total workforce). It rose at the same pace as hires. The number of part-time contracts dropped by 10%.

The number of people hired on interim contracts rose (average headcount for the year 29.1 persons, compared to 19.4 the previous year), due to the development of a new customer relationship management system.

Types of contracts



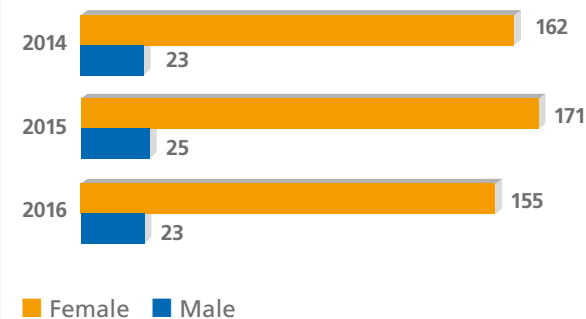
Source: Social Balance Sheets 2014-2016

18% of staff work part-time

In 2016, the percentage of employees working part-time was 18%, 13% for men.

In 2016, both voluntary and contractual part-time employment dropped, for men (-8%) and for women (-9%).

Part-time employees on December 31, 2016, both on a contractual and voluntary basis



Source: EDF Luminus.

Two years with no lost time accidents



Since 2010, EDF Luminus has had a complete management system of health, safety and the environment.

Risk analyses have been carried out for all of the worksites and most of the professional situations. The causes of each accident or near-accident are analysed in detail to progressively eliminate the material causes and to limit the cultural causes (ignorance of rules, negligence, etc.)

EDF Luminus S.A. has been certified OSHAS 18001 since June 2013. This certification is based on the continuous improvement and systematic reporting of a number of indicators.

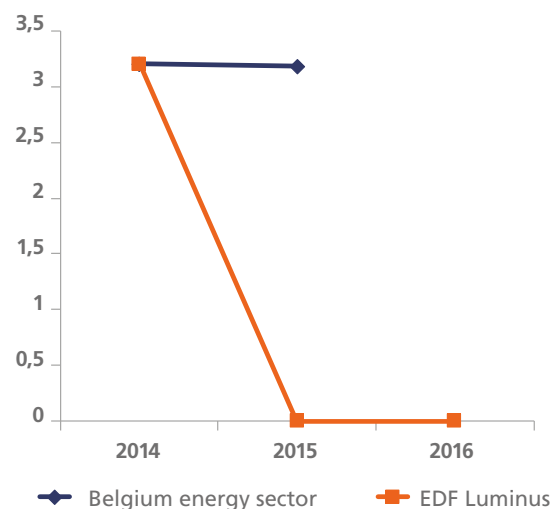
Hours of training for security rise

In 2016, a total of 5,579 hours were dedicated to security. This increase is due to a series of trainings focused on «stress prevention». The figure includes, in particular 1,321 hours of «toolbox» training on security at work, accounted for separately from the previous year.

INDICATORS

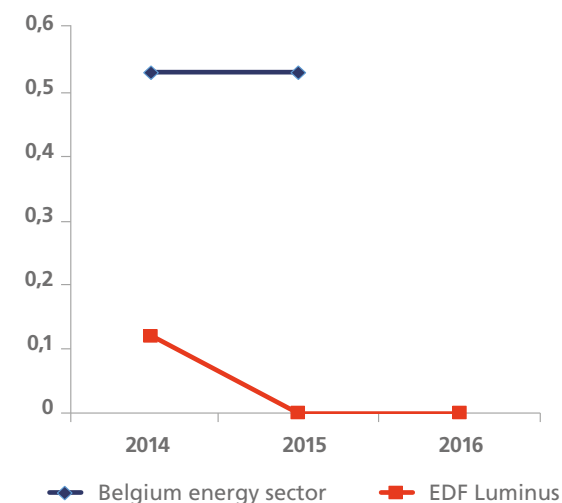
Frequency rate of accidents resulting in lost time

The frequency rate represents the number of accidents leading to incapacity per million hours worked.



Overall severity rate

The overall severity rate is the number of working days 'lost' due to workplace accidents per 1,000 hours worked.



In 2016, EDF Luminus SA/NV had no accidents resulting in incapacity to work (involving work stoppage of more than one day) amongst its employees. The frequency rate was thus 0, as in 2015, with the same severity rate of 0. Amongst sub-contractors, one accident with incapacity to work was reported, resulting in a frequency rate of 1.4, compared to 4.7 in 2015. During works on the wind farm in Dinant, a wind turbine was hit by lightning. A technician who was in the nacelle of the turbine suffered second degree burns, which resulted in work stoppage of four days. After an inquiry into the accident, additional measures were taken to avoid the repetition of this type of situation.

THE INDICATORS

Employee engagement is high and stable

Employee motivation is one of the indicators monitored very closely by the company's Executive Committee, and is measured every year using a survey conducted by an external agency.

The results of the 2016 survey, carried out in September-October, show stable results compared to 2015, with an employee engagement score of 78% - higher than the average in Belgium (47%). The participation rate for the survey was also very high: 84% in both 2016 and 2015. The results will be used, as always, to develop action plans adapted to the specific needs of each team.

Confidentiality counsellors: a recognised network

Confidentiality counsellors, whose appointment must be approved by the social partners, play an important preventive and curative role. They can be called upon anonymously, by simple request, by both employees and managers, in case of psychosocial difficulties (disagreements, stress, harassment, violence in the workplace).

At the beginning of the 2010s, EDF Luminus management determined to appoint a diversified network, in terms of gender, language, hierarchic level and geographic location. The network today far exceeds the regulatory requirements (eight people instead of one).

The names of the confidentiality counsellors are regularly recommunicated to personnel via several internal communication channels. In October 2016, the weekly Security message sent to all employees focused on specific psychosocial warning signs to heed.

The slight increase in the number of cases reported to the confidentiality counsellors in 2016 (+15%) was spread out over all departments, which shows the growing attention paid to psychosocial risks.

No formal complaint was made to the competent authorities in 2016.

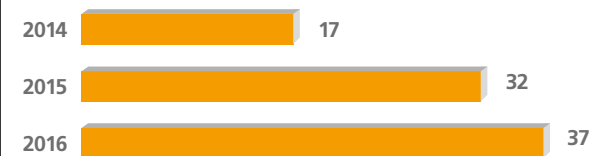
Named a Top Employer for fifth consecutive year

Each year, the Top Employer label is awarded to a limited number of companies by an independent institute. The Top Employer Institute places particular focus on HR management modalities and work conditions.

The label doesn't only recognise a favourable work environment over the year – a continuous improvement approach is an integral part of the evaluation criteria.



Cases reported to confidential counsellors



Source: Annual report of the internal prevention and protection at work department.

THE INDICATORS

Hours of training compared with total number of hours worked (%)



Source: Social Balance Sheets 2014-2016.

The number of hours dedicated to training in 2016 rose slightly, due in great part to an increased effort to prevent stress at work. All salaried workers, excluding those on voluntary special leave or employees on long-term sick-leave, followed at least one training course, whether formal or informal, during the year.

The percentage of informal-type training sessions represented 20% of the total training hours.

A high rate of internal promotion

At EDF Luminus, most vacant posts are published on the company intranet for two weeks before being advertised externally. The line manager of an employee selected for a vacant post cannot oppose the transfer. Only the transitional periods, up to a maximum of three months, can be discussed.

This policy, along with the individual training plan discussed each year with the direct manager, contributes to a high level of internal promotions. In 2016, 62% of published posts were filled internally. 63 people thus changed post and developed their perspectives.

International opportunities

As a subsidiary of an international leader in the energy field, EDF Luminus is able to offer its employees career opportunities outside of Belgium. In 2016, six EDF Luminus managers were on mission outside of the country, as expatriates within the EDF Group, in France, the United Kingdom and Thailand.

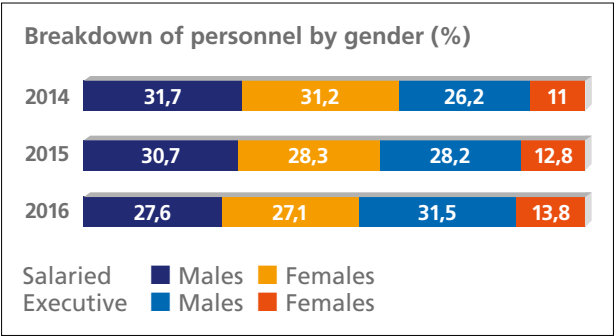
The average number of expatriate employees working for EDF Luminus was seven in 2016.

THE INDICATORS

Breakdown of employees by gender

Women make up 41% of EDF Luminus employees, a significantly higher proportion than the average for the sector, which is close to 25%. Women make up 30% of management.

It should be noted that the overall proportion of management to total personnel reached 45.2% in 2016, an upturn of 10%, which indicates increased responsibilities for employees, as well as the strengthening of their skills.



Disabled employees

EDF Luminus employs two people whose disabilities require an adaptation of the working environment. Outside of recognised disabilities, individual measures have been put in place for each person who experiences specific difficulties (desk configuration, type of vehicle, etc.).

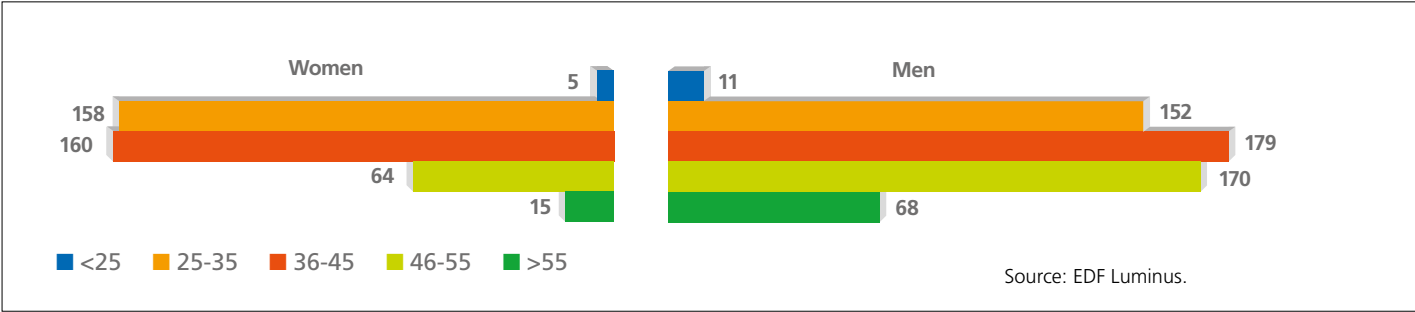
Evolution of the age pyramid

The evolution of staff by age (see page 54 of 2015 Sustainable Development report) indicates a moderate drop (of 9 to 11%) in female employees aged 25-35 and 36-45. On the other hand, age categories 46-55 and >55 rose for women, reflecting the increased number of women in executive positions (+8%). For men, all age classes rose slightly (from 1 to 5%), with

Nine nationalities

Nine nationalities were represented within the company on 31 December 2016. Belgian employees represent 95% of the total. French, Italian and Dutch employees represent 3.5% of the total workforce.

the exception of the under 25 category, where employment doubled. Developments in energy services are creating a growing demand for technical profiles, where male employees are a majority.



Global Reporting Initiative (GRI4) Content Index

This report has been prepared in accordance with the GRI4 Sustainability Reporting Guidelines, and meets all the requirements relating to the core option.

SPECIFIC STANDARD DISCLOSURES

Title	Page(s)	EA*	Title	Page(s)	EA*
STRATEGY AND ANALYSIS			STAKEHOLDER ENGAGEMENT		
G4-1 CEO statement regarding Sustainability	4, 6, 7	No	G4-24 List of stakeholder groups engaged by the organisation	14 (2015 report)	No
ORGANIZATION PROFILE			G4-25 Basis for identification and selection of stakeholders	14 (2015 report)	No
G4-3 Name of the organization	EDF Luminus S.A.	No	G4-26 Stakeholders' engagement process by type	14 (2015 report)	No
G4-4 Primary brands, products & services	Gas, electricity, energy services	No	G4-27 Key topics and concerns raised by stakeholders	11-13	No
G4-5 Location of headquarters	69	No	REPORT PROFILE		
G4-6 Countries where the company is established	Belgium	No	G4-28 Reporting period	2016	No
G4-7 Nature or ownership and legal form	5	No	G4-29 Date of most recent previous report	2015	No
G4-8 Markets served	3	No	G4-30 Reporting cycle	annual	No
G4-9 Total number of employees, sites, net sales, Total capitalization broken down in terms of debt and equity Quantity of products or services provided	2, 3	No	G4-31 Contact point for questions	csr@edfluminus.be	No
	39	Yes	G4-32 Option chosen for reporting	Core	No
	3	No	G4-33 Policy for external assurance	69	No
G4-10 Employment by contract type and gender	3, 61	Yes	GOVERNANCE		
G4-11 Percentage of employees covered by collective bargaining agreements	100%	No	G4-34 Governance structure and committees	5	No
G4-12 Supply chain description	10	No	G4-38 Detailed composition of highest governance body	5	No
G4-13 Significant changes in the reporting period	No significant changes	No	ETHICS AND INTEGRITY		
G4-14 Precautionary approach: how it is addressed by the organization	54, 62	No	G4-56 Values, principals, standards and norms of behaviors such as codes of conduct or ethical charters	16	No
G4-15 Charters or principles and other initiatives endorsed by the organization	20, 54, 62	No	G4-58 Internal and external mechanisms for reporting concerns about unethical or unlawful behavior	16	No
G4-16 Key memberships	Cogen Vlaanderen, Edora, FEBEG, ODE, The Shift, UWE, VKW Limburg, Voka	No	SECTOR SUPPLEMENT		
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			EU2 Net energy output, broken down by primary energy source and regulatory regime	47	No
G4-17 Entities included in financial statements	69	No			
G4-18 Process for defining report contents	11-13	No			
G4-19 Material aspects identified during the content defining process	11	No			
G4-20 Boundaries: materiality inside the organization	16 (2015 report)	No			
G4-21 Boundaries: materiality outside the organization	16 (2015 report)	No			
G4-22 Restatements of information provided in previous reports	38-44	No			
G4-23 Significant changes in the scope and boundaries	No significant changes	No			

*EA = External assurance

SPECIFIC STANDARD DISCLOSURES

Material aspects	Disclosure on management approach and indicators	Page(s)	O	EA*
ETHICS				
G4-DMA	ETHICS AND GOVERNANCE	15	No	No
***	Number of employees who followed the ethical e-learning	19	No	No
***	Inventory of ethical incidents reported to EDF	19	No	No
***	Complaints addressed by the EDF Group Ethics Committee	19	No	No
G4-DMA	COMMERCIAL PRACTICES & SALES TECHNIQUES	20	No	No
***	Net Promoter score for "new customers"	20	No	No
SUSTAINABLE PURCHASING				
***	Number of suppliers evaluated/audited	19	No	No
***	Suppliers contracts with CSR clauses	(100%)	No	No
INNOVATION				
G4-DMA	INNOVATION	31	No	No
***	Offers	22, 23-26, 32-35	No	No
***	Tax reductions for Research & Development activities	36	No	No
FINANCIAL PERFORMANCE				
G4-DMA	FINANCIAL PERFORMANCE	37	No	No
G4-EC1	Net result	38	No	No
G4-EC1	Dividends, taxes and contributions	40	No	No

Material aspects	Disclosure on management approach and indicators	Page(s)	O	EA*
RESIDENTIAL CUSTOMERS AND B2B CUSTOMERS				
G4-DMA	CONSUMPTION AND ECOLOGICAL FOOTPRINT, ENERGY EFFICIENCY	24 (French & Dutch reports) 21 (English report)	No	No
***	Energy services sold	27 (French & Dutch reports)	No	No
***	Monthly paperless bills sent out	27 (French & Dutch reports)	No	No
G4-DMA	SERVICE QUALITY	24 (French & Dutch reports)	No	No
G4-PR5	Results of customer satisfaction surveys	29 (French & Dutch reports)	No	No
G4-DMA	VULNERABLE CUSTOMERS	24 (French & Dutch reports)	No	No
***	Payment plans granted on a voluntary basis	30 (French & Dutch reports)	No	No
G4-DMA	ENERGY PRICE	24 (French & Dutch reports)	No	No
***	Energy component in electricity bill	31, 32 (French & Dutch reports)	Yes	No
G4-DMA	CONTINUITY OF SUPPLY AND SECURITY OF SUPPLY	28	No	No
***	Black-start tests and successful startups	30	No	No

Material aspects Disclosures on management approach and indicators Page(s) O EA*

ENVIRONMENT				
G4-DMA	CARBON FOOTPRINT	41	No	No
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	45	No	No
G4-EN16	Indirect greenhouse gas (GHG) emissions (Scope 2)	45	No	No
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	46	No	No
G4-EN19	Reduction of greenhouse gas (GHG) emissions	23-27, 32-35, 48-50, 51-53	No	No
G4-EN21	NO _x , SO ₂ and other significant air emissions	49	No	No
G4-EN30	Car fleet emissions	45, 50	No	No
G4-DMA	DEVELOPMENT OF RENEWABLE ENERGY	42, 51	No	No
***	Wind turbines: installed capacity	52	No	No
OG2	Total amount invested in renewable energy	2	No	No
OG3	Total amount of renewable energy generated by source	52	No	No
G4-DMA	SAFETY OF INSTALLATIONS	42, 54	No	No
***	Number of environmental incidents per year	54	No	No
G4-DMA	NATURAL RESOURCES & BIODIVERSITY	42	No	No
G4-EN8	Total water withdrawal by source in thermal power plants	55	No	No
GR-EN12	Significant impacts of activities on biodiversity	42	No	No
G4-EN13	Protected or restored habitats, mandatory measures	57, 59	No	No
G4-EN23	Total weight of waste by type and disposal method	56	No	No
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	57	No	No
***	Soil pollution - inventory	57	No	No

Material aspects Disclosure on management approach and indicators Page(s) O EA*

HUMAN RESOURCES				
G4-DMA	HEALTH AND SAFETY AT WORK	74 (French & Dutch versions)	No	No
G4-LA6	Severity rate	62	No	No
G4-LA6	Frequency rate	62	No	No
***	Training hours related to safety	62	No	No
G4-DMA	QUALITY OF LIFE AT WORK	74 (French & Dutch versions)	No	No
***	Alerts to confidentiality counsellors	63	No	No
G4-DMA	SKILLS DEVELOPMENT	74 (French & Dutch versions)	No	No
G4-LA9	Average hours of training per year per employee	64	No	No
***	Advertized vacancies filled internally	64	No	No
G4-DMA	DIVERSITY AND EQUAL OPPORTUNITIES	74 (French & Dutch versions)	No	No
G4-LA12	Breakdown of employees per gender	65	No	No
G4-LA12	% of women in executive positions	65	No	No
G4-LA12	Nationalities	65	No	No
G4-LA12	Breakdown by age	65	No	No
	JOB STABILITY & MOBILITY			
***	Type of contracts	61	No	No

***Additional non-GRI disclosure

O = Omissions

*EA = External assurance

**In addition to those already mentioned in this report, a large number of people should be thanked for their contribution to the report:**

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Editor in Chief: Pascale-Marie Barriquand, Head of Corporate Social Responsibility.

Contributing writers: Sania Khan, Abdelali Ramdani, Gauthier Urbain.

Declaration rules

As a Belgian company producing and supplying gas and electricity, EDF Luminus is required to comply with all laws and regulations established by the federal, regional and local legislators, and regulatory bodies, such as CREG, VREG, CWaPE and Brugel.

EDF Luminus S.A. is also required to file its annual report, as well as a management report, with the National Bank of Belgium, in compliance with the Belgian Company Code. Under the requirements laid out in the Code, EDF Luminus has opted for the exemption from sub-consolidation. The subsidiaries of EDF Luminus are thus not consolidated in this report.

As a subsidiary of the EDF Group, which is listed on the Paris stock exchange, EDF Luminus is subjected to certain obligations imposed by the Autorité des Marchés Financiers (AMF – Financial Markets Authority), with particular regard to access to information. An electronic version of this report is therefore available to all at www.edfluminus.be.

Period covered by the report

Unless otherwise indicated, the items included in this Sustainable Development Report relate to the period January 1, 2016, to December 31, 2016.

Measuring instruments used for the report

Our aim is to honestly represent the challenges and performance levels of the company, to communicate our actions clearly, honestly and in a balanced way, and to remain objective and accessible in our declarations.

Some of the data included in this report has been verified by external parties:

- The annual accounts of EDF Luminus are certified by KPMG Company Auditors and Boes & Co Company Auditors, and submitted to the National Bank of Belgium.
- The GHG emissions inventory presented in this report has been realized by Climact, in accordance with the GHG Protocol international standard.
- Several documents used for reporting to the Belgian authorities were used to present results, notably in environmental and social matters.
- A selection of CSR indicators were audited by the auditors of the EDF Group, Deloitte, within the framework of the French Grenelle 2 law, among which around 15 environmental indicators and 30 social indicators. Regarding environment, a single non significant error was identified during the audit, regarding non dangerous industrial waste traceability. A point "to follow" concerns the air conditioning use, to be included in the carbon footprint. Regarding human resources and outflows, one fill-in error was corrected on the day of the audit.

Cover: the Andenne hydroelectric plant, on the day of the inauguration after its renovation.

The French and Dutch paper extracts of the Sustainable Development report were printed using vegetable based inks on 100% recycled paper. This paper was awarded a number of environmental certificates: ISO 90001, ISO14001, NAPM and the EU ecological label. The CO₂ emitted during the printing of this report was offset via the purchase of emission certificates within the framework of the forest protection project in the "Kasigau Wildlife Corridor" (in Kenya). The project was set up to protect the existing dry forest and savannah over an area of almost 170,000 hectares. Each year, this project offsets the equivalent of 1,000,000 tonnes of CO₂ and provides work for more than 200 local inhabitants, giving them the opportunity to build themselves a sustainable future.

Sustainable development at EDF Luminus in 2016: tangible results

- ✓ 5-Star service
- ✓ 167,054 energy services contracts
- ✓ 2416 homes with energy performance contracts
- ✓ 131 windmills in service
- ✓ 277 million euro invested in renewable energy in 3 years
- ✓ 41% women, 9 nationalities
- ✓ 0 lost time accidents in 2 years
- ✓ «Advanced» social performance: top 1% worldwide according to EcoVadis

