



Clean water is a source of rest and recreation in towns and cities. Dense development also calls for smart ways of dealing with rainwater.

Foreword

Once again in 2016, Aquafin could count on the confidence of the Flemish Region, its municipal customers and financiers. In 2016, as every year, the Flemish Region awarded us a new Optimisation Programme for the development and optimisation of the treatment infrastructure for waste water. The total value of the projects in this programme is 230 million euros, the highest in years. This means that our order book for the region will remain well-filled for several years to come.

The confidence of our main client, the Flemish Region, is also evident from the agreement we reached regarding the remuneration for our operating costs. The Flemish Government approved a new budget model for this in 2013. Under this model, the budget for our activities for the region depends on a series of packages, the assets and the pollution load treated. This approval also foresaw the calibration of the model, following its application during a trial period. The model was adapted in 2016, in close consultation with our Financial Regulator. In February, the 2017 budget was approved, based on the new, calibrated formula. This represents a major milestone.

Once again in 2016, Aquafin achieved excellent treatment results. Out of all waste water treatment plants assessed, 98.99% complied with the applicable standards. Dilution of the waste water with connected rainwater has a major impact on how far the standards are met. In the past, concentrations of substances to be removed in the incoming waste water were already below the treatment standard in the event of heavy rainfall. In order to still achieve the removal standard, expensive chemicals often had to be added during the

treatment process. Last year, Aquafin and its Ecological Regulator at the Flemish Environment Agency reached agreement on a different way of calculating the removal percentages. And this only has positive consequences, both for our budget for chemicals and the environment.

Finally, a change took place in Aquafin's management in 2016. In August 2016, the Board of Directors appointed Jan Goossens as General Manager of Aquafin after Luc Bossyns announced his resignation as Managing Director earlier in the year. The Board of Directors thanks Luc Bossyns for how he has put the company on the map in the water industry and opened it up to society. We have the utmost confidence that, together with an enthusiastic team of Aquafin employees, Jan Goossens will press ahead with expanding and deepening the course already embarked upon. With its strategy, the company is already on track to make the mission and vision a reality.

Erik Matthijs
Chairman