

## Corporate social responsibility report of Enea Capital Group 2015

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## Letter of the President of the Management Board

Dear Sirs,

I invite you to read the Sustainable Development Report of the Enea Group for 2015. Already for the fifth time we do our best so that this publication would accurately reflect the impact of our social, environmental and economic influence and that it would be interesting for you.

Enea is one of the largest groups of raw materials and energy in Poland. We are a reputable retailer, distributor and producer of electricity and heat. We are responsible for the safe delivery of energy to 2.5 million customers and our networks cover 20 percent of the country. We are also one of the largest employers. Therefore, a huge responsibility rests upon us: both for our employees, local communities, the quality of life of millions of customers and the energy security of the country.

In 2015, we continued the strategy to strengthen our role as a responsible partner of positive economic changes. We focus on the construction and development of a strong and innovative raw material and energy group. We have a full value chain - from the extraction of coal, through the energy production, until the distribution and sale. We also invest in the modernization and development of generation capacity by diversifying the sources thereof.

Our large-scale investment has also aroused much interest - we are building a modern power unit in the Koziernice Power Station. This project is important for both Polish economy and energy security. The new unit will use modern solutions in the field of environmental protection and will therefore minimize the impact of coal-fired generation on the environment. The project carried out by Enea will become an important pillar of the Polish energy security. At the same time it will be one of the most efficient facilities of its kind in the world.

Well understood partnership and communication are the basis for positive relationships within the company. Without the knowledge, skills and commitment of 15,000 employees of the Group, Enea would not be one of the top Polish companies. Therefore, the development of our employees is one of our priorities.

For years, Enea has been socially active. I am glad that we combine the activities of our Foundation as well as the involvement in valuable initiatives with such an important and unique form of assistance, which is volunteering of our employees. By supporting local communities, we affect the quality of life of our customers, employees and their relatives.

The modern world, economy, everyday life rely on electricity. The responsible approach to conducting our business contributes to sustainable and durable development of our Group while providing a better quality of life of Poles.

Mirosław Kowalik

President of the Management Board of Enea SA

## Enea Group

We are one of the largest raw material and energy companies in Poland. Our main activity focuses on the production, distribution and sale of electricity, as well as coal mining. We develop our generation capacities among others through the construction of a new power unit in Enea's power plant in Koźienice - one of the most modern investments of this type in Europe. We employ almost 15 thousand employees, which makes us one of the largest employers in the Wielkopolska region. Our headquarters is located in Poznań. Every day, we serve 2.4 million customers.

### Operating segments



WYDOBYCIE



WYTWARZANIE



DYSTRYBUCJA



OBRÓT

| EXTRACTION   | GENERATION  | DISTRIBUTION   | TRADE   |
|--|---|--|---|
| <p><b>15%</b> share in the fuel coal market</p> <p><b>8.5 million tonnes</b> of net annual coal production</p> <p><b>8.6 million tonnes</b> of net annual coal sales</p> <p><b>20.0 km</b> performed excavations</p> | <p><b>9%</b> share in energy generation</p> <p><b>16 TWh</b> of annual generating potential.</p> <p><b>3.3 GW<sub>e</sub></b> installed electrical capacity</p> <p><b>925 MW<sub>t</sub></b> installed heating capacity</p> | <p><b>14%</b> share in electricity distribution market</p> <p><b>17,9 TWh</b> of energy supplied to Customers annually</p> <p><b>58.2 thousand km<sup>2</sup></b> of energy distribution area</p> <p><b>134 thousand km</b> of distribution lines including connections.</p> <p><b>37 thousand</b> transformer stations.</p> | <p><b>13%</b> share in sales of electricity to retail users</p> <p><b>16 TWh</b> of annual electricity sales to retail users.</p> <p><b>1 TWh</b> of annual gaseous fuel sales to retail users</p> <p><b>2.4 million</b> energy Consumers</p> |

The activities of companies engaged in the generation, distribution and electricity trading is supported by the Shared Services Centre providing services to, among others, human resources, finance and accounting, IT, logistics, legal services and Client service.

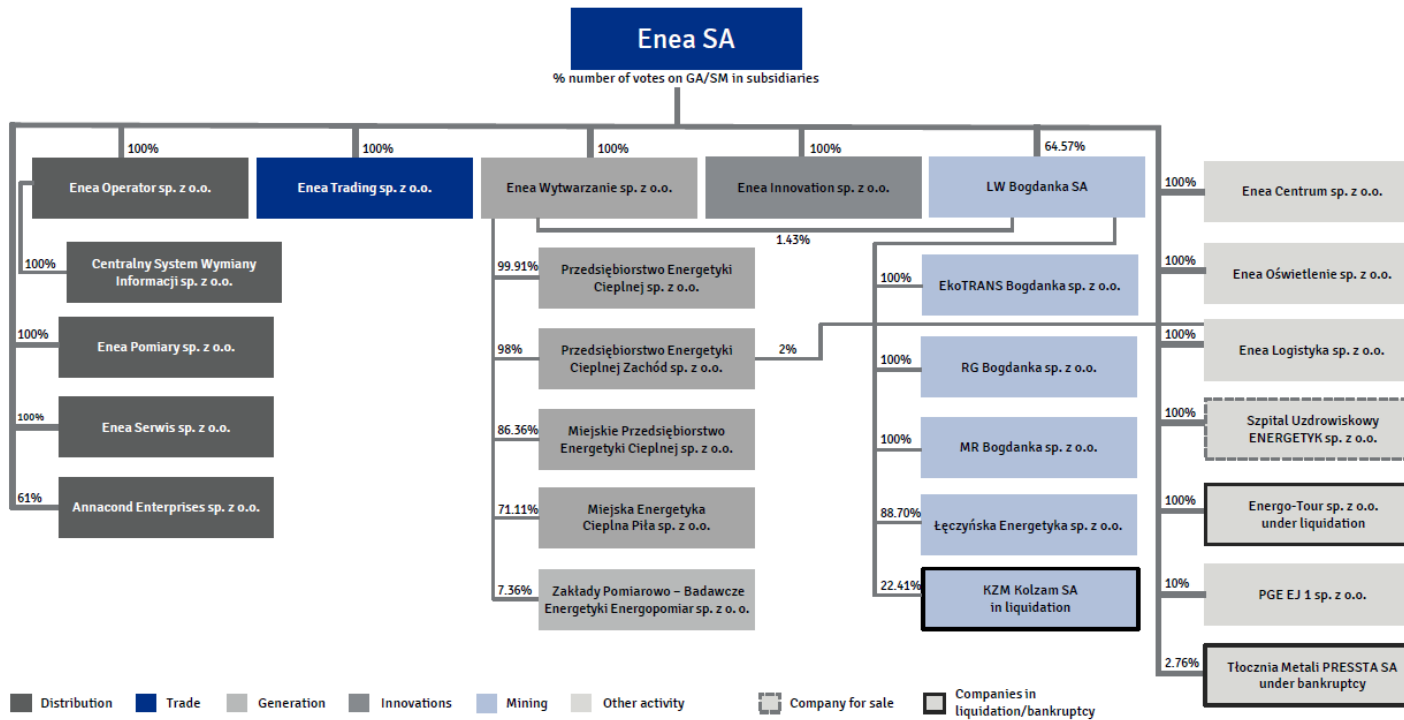
## Enea Group

### Structure of the Enea Group

Enea Group consists of Enea parent company and thirteen direct subsidiaries.

Within the Enea Group, there are 5 leading companies, i.e. **Enea SA** (electricity trading), **Enea Operator Sp. z o.o.** (distribution of electricity), **Enea Wytwarzanie Sp. z o.o.** (production of electricity and thermal energy, including renewable energy), **Energa Trading Sp. z o.o.** (wholesale of electricity) and since 2015 **LW Bogdanka SA** (extraction). Other entities provide supporting activities.

GROUP'S STRUCTURE



Go to [our corporate website](#), to find a brief description of the company.

On April 15, 2015, the Enea Group acquired from PGE 10 per cent stake in PGE EJ 1, which will act as the operator of the first Polish nuclear power plant. This project also involves KGHM Polska Miedz and Tauron Polska Energia. These companies have acquired 10 per cent stake in PGE EJ 1. The fundamental decision on the construction of a nuclear power plant in Poland is to be made in 2017.

In February 2015, the company Energo-Tour was put in liquidation.

In December 2015, Enea sold Hotel Edison to another entity.

A detailed description of the Enea Group as at 31 December 2015 may be found in the [annual report](#).

### **New management model**

In 2013, the Enea Group started the process of creating a new model of organization management, the intensification of the work fell on 2014-2015.

Our new management model is a **transparent, planned, consistent and formally and legally safe decision-making mechanism** within the Group by the competent corporate bodies ensuring the selection of the best business decisions.

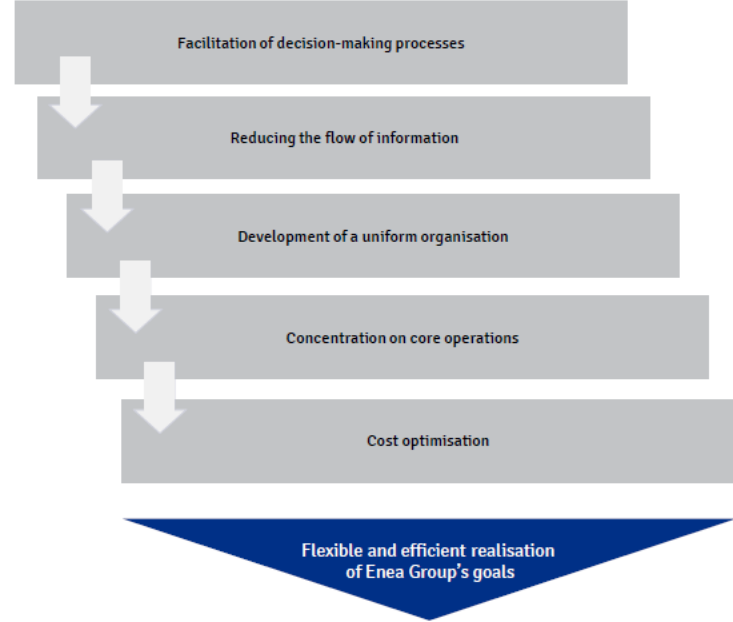
Currently, there are six Committees of the Enea Group: **Compliance, Management, Investment, Risk, Finance and IT as well as Trade and Promotion**, that, within the framework to their powers and competences, enhance decision-making process within the Group.

The aim of a wide project “Corporate governance - Enea Capital Group Management Plan” was to create a strong pillar of the Group.

Simplifying the Group's structure and focusing on its core business is the most significant. The development of the **Shared Services Centre** providing services to, among others, human resources, finance and accounting, IT, logistics, legal services and Client service is the milestone in this direction.

### The benefits of implementing a new organizational governance within the Enea Group

Benefits resulting from the implementation of the new corporate governance in Enea Group



To increase the efficiency of our processes, the Group's operations are supported by IT systems, such as SAP, Electronic Document Flow (EDF) or the Comprehensive Customer Service System (CCSS).

In 2015 Enea Group saved **PLN 352 mln**

**2015 the year of optimisation and better efficiency**

- Centralisation and efficiency optimisation of business processes - reducing unit costs
- Extension of the rendered services to the next Enea CG's companies
- Implementation of IT systems supporting the operations in particular areas
- Extension of the service catalogue - centralisation of next support functions



### Code of the Enea Group

The new management model functioning in the Enea Group is defined in the Code of the Enea Group, that is a specific constitution of the Group. The document obliges all companies within the Enea Group to work together to implement the strategy and mission of the Group, create its value as a whole and maintain consistency.

Our business is complex and exposed to a number of risks, i.e. financial, market. That is why we have introduced an **integrated risk management system**. It covers such areas as: corporate, liquidity, currency, credit, commodity and interest rate risk. Click [the Report of the Management Board of the Capital Group Operations](#), if you wish to learn more on the risk management process.

### Capital Group management

The Management Board of Enea consists of four persons.  
Composition of the Management Board as of 15.06.2016

|                        |  |   |  |
|------------------------|--|---|--|
| President of the Board | Vice-President of the Management Board for Corporate Affairs | Vice-President of the Management Board for Commercial Affairs | Vice-President of the Management Board for Financial Affairs |
|------------------------|--|---|--|



**Mirosław Kowalik**  
Prezes Zarządu



**Wiesław Piosik**  
Wiceprezes Zarządu ds. Korporacyjnych



**Piotr Adamczak**  
Wiceprezes Zarządu ds. Handlowych



**Mikołaj Franzkowiak**  
Wiceprezes Zarządu ds. Finansowych

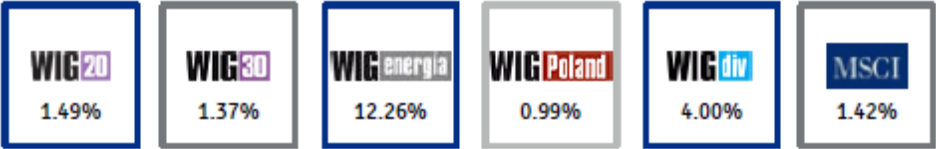
Enea is supervised by the Supervisory Board comprising of nine persons.

Click the [link](#), if you want to see the detailed biographies of the members of the Management Board and the Supervisory Board. Rules of the Management and Supervisory Board are available [here](#).

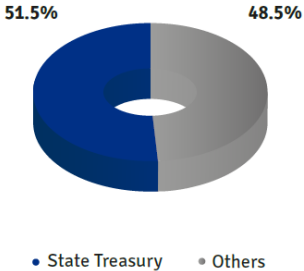
**Enea on exchanges**

Enea company is listed on the **Warsaw Stock Exchange**.

The share of the company's shares in the Indices at the end of 2015:



**Enea SA's shareholding structure**



PLN 17.48 - the maximum rate in 2015

PLN 10.56 - the minimum rate in 2015

PLN 4,988.30 mln - capitalization at the end of the period

## Vision and strategy

In 2015, the Corporate Strategy of the Enea Group was updated.

Updating our strategy was associated with dynamic market and regulatory changes shaping power sector in Poland. The mission and the vision remained unchanged. The objectives of the strategy and scope of actions implementing it were updated.



### Updating the Corporate Strategy of the Enea Group for the years 2014 – 2020

|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>▪ The construction of the block with a capacity of 1,075 MW in Koziencice Power Station.</li> <li>▪ Environmental investments enabling the continuation of the work of generation assets after 2015.</li> <li>▪ Development of RES.</li> <li>▪ Development of co-generation sources of heating networks.</li> <li>▪ Implementation of the program to improve reliability and reduce network failure.</li> <li>▪ Implementation of the program of development of smart grids.</li> <li>▪ Measures aimed at reducing the volume of electricity required to cover the losses in the energy balance.</li> <li>▪ The increase in the volume of electricity sales while increasing the margin.</li> </ul> | <p><b>The implementation of the challenges of the Enea Group will increase its competitive advantage:</b></p> <ul style="list-style-type: none"> <li>▪ Optimisation of costs.</li> <li>▪ Stabilization of the functioning of the Shared Service Centre.</li> <li>▪ Building the effective organization capable of sourcing, evaluation and implementing innovation within the Enea Group.</li> <li>▪ Improving service processes of internal and external clients.</li> <li>▪ Focus on core business.</li> <li>▪ Restructuring non-core entities.</li> </ul> |
|--|--|

|  |  |
|--|--|
| <ul style="list-style-type: none"><li>▪ Development of new product offerings.</li><li>▪ Expansion of remote channels of customer service.</li><li>▪ Securing customer loyalty.</li></ul> |  |
|--|--|

**In the current 2015 strategy, three new elements were included:**

1. **Securing fuel supplies for own generation assets** - the Enea Group detains generation assets mainly based on coal. The profitability of power generation from hard coal is currently under a lot of pressure. Energy companies therefore need to adjust the purchase of coal from mining assets in order to reduce the cost and improve the competitiveness of production based on coal.
2. **Innovation** - Implementation of innovation and new technologies is one of the main factors affecting the competitiveness of companies on the market. Innovative activities of the Enea Group are strongly oriented to customers' needs and improving the internal efficiency of the organization. The group, as a beneficiary of implemented innovations, will build competitiveness and improve operational efficiency.
3. **Extended staff policy of the Enea Group** - It will ensure the implementation of the objectives and tasks of the Enea Group and at the same time satisfy the ambitions and aspirations of the employees. In terms of human resource management we will focus on increasing efficiency of work through the formulation and implementation of policy of management of performance and pay for performance as well as management of competence, expertise and employee development.

In 2016, the work began on the new corporate strategy.

## Ethical standards

### Corporate values

Together with our employees we have developed four key corporate values on which we base our business. These are: **honesty, competence, responsibility, safety**.

The year 2015 has been proclaimed “Year of the Enea Capital Group values”.

In order to show the practical application and daily dimension of our corporate values, we invited to cooperation the undisputed authority in the field of ethics, the originator and initiator of the project Szlachetna Paczka (Noble Pack), Fr. Jacek Stryczek. As the aftermath of the meeting, we published the message of Fr. Stryczek contained in the short films forming a series of four mini-lectures. The series is available on our intranet.

### Code of Ethics

Goodwill and standards of professional conduct of employees are included in [the “Code of ethics of the Enea Capital Group.”](#)

The Code specifies the expected attitudes and thus commitment towards co-workers and business partners.

In January 2014, all employees received the Code in print, and its implementation was supported by series of **e-learning** available on the intranet. Already from 2013, Enea SA has been conducting training for each new employee.

Click to see the [series of short movies](#) promoting the Code.

Each episode covers a different ethical principle included in the Code.

### Reporting irregularities

Any doubts and irregularities can be reported to the **Committee for Code of Ethics**. The Committee comprises of three persons elected by the employees by means of general election.

The **Committee for Code of Ethics** can be contacted in two ways:

- by e-mail: [etyka@enea.pl](mailto:etyka@enea.pl)
- or through the form for reporting ethical concerns and violations of the Code of Ethics available on the website [www.enea.pl](http://www.enea.pl)  
<https://www.enea.pl/pl/grupaenea/odpowiedzialny-biznes/kodeks-etyki/kontakt-z-komisja-etyki>

## Investments

### Investments completed in 2015

Consistently implemented investment plan

Within the most important investments of Enea in 2015, there are the acquisition of the company Lubelski Węgiel Bogdanka and the construction of Block 11 in the Koźienice Power Station, which will significantly increase the production capacities of Enea.

- In October 2015, Enea SA acquired a controlling stake of the Lubelski Węgiel Bogdanka, which is the most efficient mining company in the country and the largest supplier of fuel for the key carbon sources of energy production in Koźienice Power Station.
- Most of the funds were devoted to the generation. This involves the **investment of Block 11** implemented according to the schedule in the Koźienice Power Station and the **purchase of wind farms**. The remaining funds were allocated to distribution and support area.

### Unit 11 means...

- Europe's largest coal-fired power unit.
- The entirely independent unit with its own infrastructure.
- Increasing by 1/3 power of the Koźienice power station.
- Low operating costs, low failure rate.
- Compliance with stringent emission standards.
- Precisely planned works carried out according to plan.

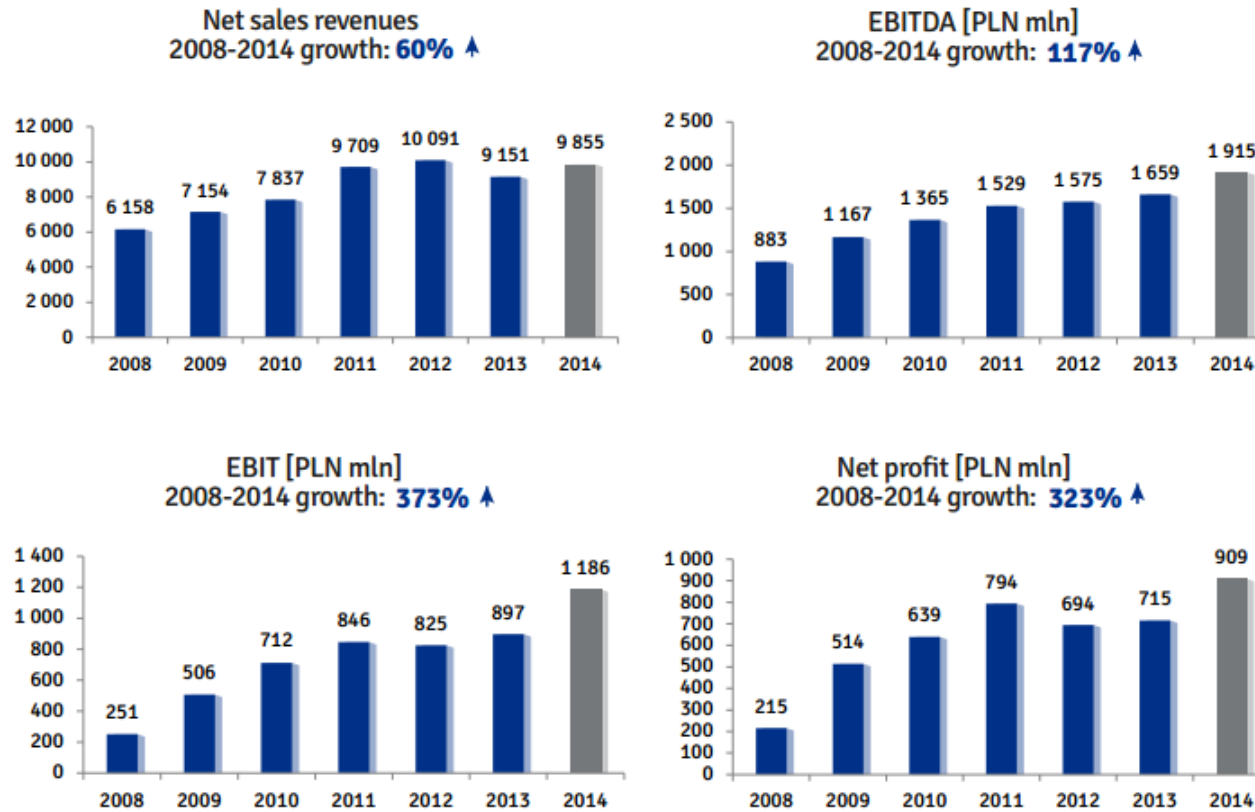
In the years 2015-2020, we plan to carry out investments in the total amount of approx. 17 billion PLN, which will be covered from our own funds and obtained debt financing.

Selected investments planned for 2016.

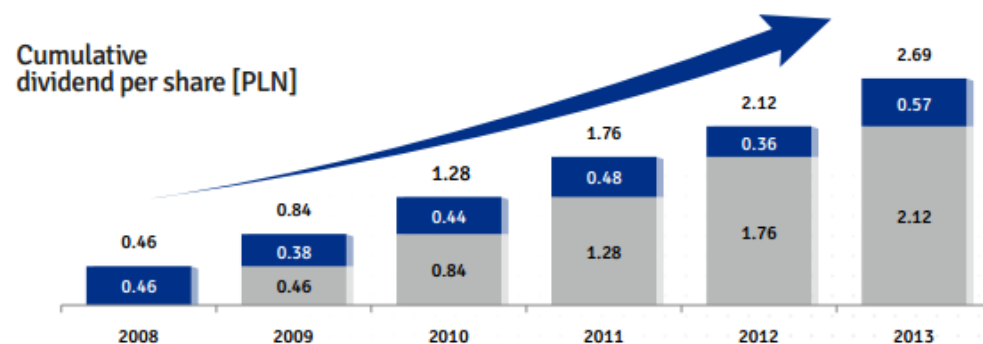
| Generation   | Distribution   | Retail trade  | Customer Service   | Wholesale trade   |
|--|--|---|--|---|
| <ul style="list-style-type: none"> <li>• Construction of unit 11.</li> <li>• Construction of rain-industrial effluents treatment plant.</li> <li>• Modernization of the cooling water intake - the stabilizing checkdam on the Vistula River.</li> <li>• Construction of the Baczyzna wind farm 14.1 MW (<b>ended</b> in May 2016).<br/><a href="http://investors.enea.pl/en/pr/316020/baczyna-enea-s-new-wind-farm?changeLocale=en">http://investors.enea.pl/en/pr/316020/baczyna-enea-s-new-wind-farm?changeLocale=en</a></li> <li>• <b>The project of expansion of the wind farm <u>Bardy</u> by maximum 10 MW (project Bardy II).</b><br/><a href="http://investors.enea.pl/en/pr/299285/enea-s-new-wind-farm?changeLocale=en">http://investors.enea.pl/en/pr/299285/enea-s-new-wind-farm?changeLocale=en</a></li> </ul> | <ul style="list-style-type: none"> <li>• Implementation of the program for the development of smart grid solutions (AMI).</li> <li>• Implementation of the program to improve the reliability of the network.</li> <li>• Implementation of the project Network Information System.</li> <li>• Implementation of the system of digital dispatch communication in the TETRA standard.</li> </ul> | <ul style="list-style-type: none"> <li>• Optimization of sales channels, including the launch of e-commerce platform.</li> <li>• Development and optimization of product offerings.</li> <li>• Continuation of the marketing campaigns for clients.</li> <li>• Activation of promotional activities at sponsored events.</li> <li>• Development of analytical and operational systems for sales support.</li> </ul> | <ul style="list-style-type: none"> <li>• Completion of the migration of customer data to the central billing system – CCSS-T, CCSS-D.</li> <li>• Launch of new electronic channels of Customer Service – e-CSC, e-Invoice for customers from the entire region.</li> <li>• Launch of new subservices for all companies of the Enea Group on the Enea Group’s website.</li> <li>• Optimization of Customer Service Centres (CSCs), visualisation of the selected CSCs.</li> <li>• Further development of Contact Centre.</li> <li>• Building Centres of Competence in Division of Support and Settlements.</li> </ul> | <ul style="list-style-type: none"> <li>• Improvement of tools and methods for portfolio management and hedging in the framework of the full value added chain in the field of electricity, derived products and natural gas trading.</li> <li>• Development of trading systems and their integration with systems used within the Enea Group.</li> <li>• Development of a comprehensive strategy for the security of property rights portfolio of renewable energy sources for Enea CG.</li> <li>• Continuation of the project Trade and Fuels Logistics.</li> <li>• Continuation of the development of competence in the German market.</li> </ul> |

## Financial results

Fitch Ratings confirmed the company's long-term rating of BBB (internationally) and A (nationally) in April 2015. In the same year, in October, Fitch Ratings affirmed the ratings of Enea in connection with the acquisition of LW Bogdanka. Also, the agency EuroRating confirmed in April 2016 years long-term rating of BBB of the company and the rating outlook as stable.







In 2015, Enea paid to ten customers compensation for non-compliance with laws and regulations concerning the provision and use of products and services of the total amount of 45,048.17 PLN.

On December 31, 2015, the Office of Competition and Consumer Protection (UOKiK) issued a decision No. RWA-28/2015 stating that Enea SA had applied in the previous year the practice of misleading consumers with regard to electricity prices: without taking into account the tax on goods and services. UOKiK said, however, that this practice was discontinued on April 1, 2014. Therefore, no fine was imposed on Enea.

Detailed financial results for 2015 - go to the [annual report](#).

## Awards

### Best service

Best Service and Pride of the Region - these are the categories of the Wielkopolska edition of the economic rating "Proud of You", in which Enea has won.

### Patron of Innovation

Our active and responsible participation in building the ecosystem of innovation in Poland has been noticed and awarded in INNOWATORY competition organized by Wprost. We received the title of Patron of Innovation “for understanding the importance of effective exploration and implementation of innovative projects that contribute to the development of the energy sector and the entire economy.”

### Energy World Leader

We were also the winner of the “World Energy Leaders” in the category “Producer of the Year” organized in the framework of the EUROPOWER Congress. The jury granted us an award for one of the most important and the most advanced manufacturing investments in the Polish energy sector - the construction of the country's largest modern power unit with a capacity of 1,075 MW.

## Contact

We invite you to contact us:

Joanna Maderska

Corporate Social Responsibility Office

Department of Public Relations and Communications

email: [csr@enea.pl](mailto:csr@enea.pl)

Information on the strategic objectives of corporate social responsibility and respective activities, including earlier reports are available at [page](#):

<http://www.enea.pl/pl/grupaenea/odpowiedzialny-biznes/raportowanie-csr>

## Stakeholders

### Map of Enea Capital Group stakeholders

| Stakeholder                       | Communication channels   |
|-----------------------------------|--|
| Investors, Shareholders, Analysts | <ul style="list-style-type: none"> <li>• Investor Relations Office</li> <li>• face-to-face meetings with investors i.e. road show, study tour</li> <li>• conferences</li> <li>• mobile applications</li> <li>• new website <a href="http://www.enea.pl">www.enea.pl</a></li> <li>• current and quarterly reports</li> <li>• annual report</li> <li>• CSR report</li> </ul>   |
| Employees                         | <ul style="list-style-type: none"> <li>• employee satisfaction research</li> <li>• meetings and trainings</li> <li>• cooperation with trade members</li> <li>• intranet</li> <li>• newsletters</li> <li>• meetings and newsletters for managers</li> <li>• broadcasting system</li> <li>• employee volunteer program</li> <li>• annual report</li> <li>• CSR report</li> <li>• intelligent kiosks</li> </ul>   |
| Clients                           | <ul style="list-style-type: none"> <li>• direct contact with the Customer Service Centre and Sales Offices</li> <li>• electronic Customer Service Centre (eCSC)</li> <li>• customer hotline (Contact Centre)</li> <li>• Enea Purchasing Zone</li> <li>• customer satisfaction research</li> <li>• new website <a href="http://www.enea.pl">www.enea.pl</a></li> <li>• platform <a href="http://www.energiaplus.pl">www.energiaplus.pl</a></li> </ul> |

Corporate social responsibility report of Enea Capital Group 2015

|   |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>• profile “Energia +” on Facebook</li> <li>• Web platform for communication with municipalities</li> <li>• print on invoices, invoices inserts</li> <li>• ATL media</li> <li>• partners and caregivers of a Client</li> <li>• special events i.e. sponsored by Enea</li> <li>• advertisements in the local media: newspapers and radio</li> <li>• annual report</li> <li>• CSR report</li> </ul>   |
| Local authorities   | <ul style="list-style-type: none"> <li>• direct meetings, participation in local events</li> <li>• representatives of Enea take an active part in the working group appointed by the governor of Wielkopolska. Its goal is to identify the essential social needs and planning measures for their implementation</li> <li>• newsletter</li> <li>• websites, including new website <a href="http://www.enea.pl">www.enea.pl</a></li> <li>• conferences</li> <li>• CSR report</li> </ul>  |
| Local communities, public opinion   | <ul style="list-style-type: none"> <li>• direct meetings and cooperation with representatives of the local communities</li> <li>• contact and cooperation with the Enea Foundation</li> <li>• communication with local and national media</li> <li>• participation of Enea Capital Group employees in activities for the sake of local communities within employee volunteer program</li> <li>• new website <a href="http://www.enea.pl">www.enea.pl</a>, including website tab dedicated to corporate social responsibility, Enea strategic goals in that respect and their implementation</li> <li>• lectures and participation in industry events and events dedicated to corporate social responsibility</li> <li>• CSR report</li> </ul> |
| Non-governmental organizations, beneficiaries, social partners, scientific institutions | <ul style="list-style-type: none"> <li>• new website <a href="http://www.enea.pl">www.enea.pl</a></li> <li>• application form for beneficiaries</li> <li>• direct contact</li> <li>• dialogue during the implementation of shared projects</li> <li>• CSR report</li> </ul>   |
| Contractors and suppliers   | <ul style="list-style-type: none"> <li>• direct communication with dedicated people appointed for cooperation from the Group companies</li> <li>• new website <a href="http://www.enea.pl">www.enea.pl</a></li> <li>• industry meetings, trade fairs</li> <li>• annual report</li> </ul>  |

|                        |   |
|------------------------|---|
|                        | <ul style="list-style-type: none"> <li>• CSR report</li> </ul>  |
| Industry organizations | <ul style="list-style-type: none"> <li>• meetings</li> <li>• trade fairs</li> <li>• membership in organizations</li> <li>• participation in working groups, authorities of industry organizations</li> <li>• annual report</li> <li>• CSR report</li> </ul>                                 |
| Media                  | <ul style="list-style-type: none"> <li>• press office and current communication</li> <li>• contact by the dedicated e-mail</li> <li>• new website <a href="http://www.enea.pl">www.enea.pl</a></li> <li>• meetings with media</li> <li>• press conferences</li> <li>• CSR report</li> </ul> |
| Public administration  | <ul style="list-style-type: none"> <li>• reports</li> <li>• annual report</li> <li>• CSR report</li> <li>• direct communication</li> <li>• conferences</li> </ul>   |
| Natural environment    | <ul style="list-style-type: none"> <li>• communication of environmental impact through statements and reports sent to government entities dedicated to environment protection and through the CSR Report</li> </ul>   |

## Membership in organizations

We have joined the Polish Member Committee of the World Energy Council in January 2015.

Enea Group companies also belong to the following organizations:

- EDSO for Smart Grids
- Polish District Heating Chamber of Commerce
- Polish Chamber of Power Industry and Environmental Protection

- Partner Club of the Poznan University of Economics
- Polish Testing Laboratories POLLAB
- Lubuskie Association for Energy Development
- Polish Electricity Association
- Polish Committee of the World Energy Council
- Polish Wind Energy Association
- Polish Society of Transmission and Distribution of Electricity
- Association of Polish Electrical Engineers
- Association of Listed Companies
- Polish Association for Hydropower
- Economic Society Polish Power Plants
- Association of Energy Trading
- Wielkopolska Chamber of Commerce and Industry

## Suppliers

### Our Clients

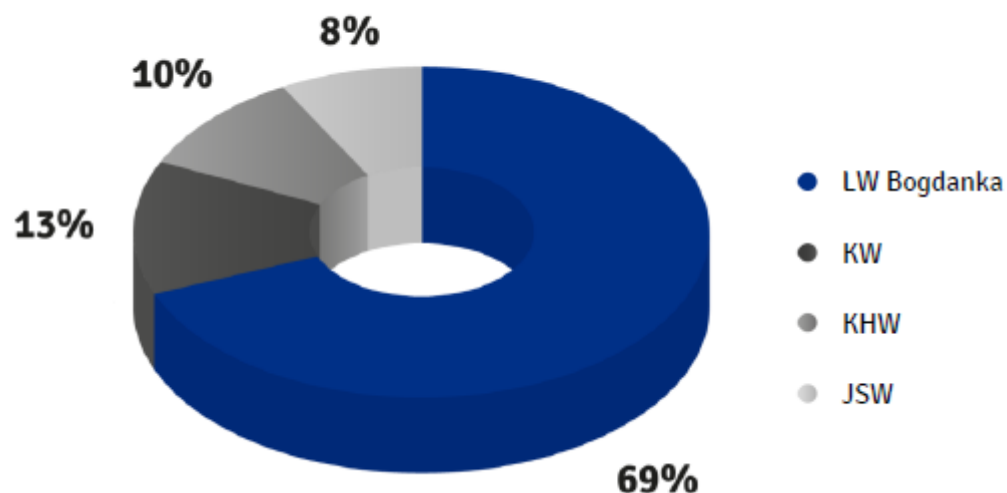
We use services and products from hundreds of suppliers every day. From January 2015, purchasing issues have been assigned to Enea Centrum, which is an “administrative centre” of Enea.

Our daily activities related to the production and marketing of energy could not be done without suppliers of key raw materials and transport services ensuring smooth supply of raw materials to the plant, as well as key suppliers for Enea Operator who provide high quality products needed for the modernization and maintenance of energy distribution networks.

We constantly cooperate with domestic and foreign producers of coal, which is for us one of the most important raw materials. The main Polish suppliers include:

- Lubelski Węgiel “Bogdanka” - the company which joined the Enea Group in 2015
- Katowicki Holding Węglowy
- Jastrzębska Spółka Węglowa
- Kompania Węglowa

Coal suppliers to Enea Wytwarzanie in 2015



We also work with suppliers of biomass that we use to produce energy. These are suppliers of wood chips, energy willow, sunflower husk pellets or beetroot pulp.

Suppliers are obliged to follow practices consistent with the objectives of the Integrated Management System for Quality, Environment and Work Safety which is binding in Enea Wytwarzanie.

Furthermore, the System of Due Caution influences principles of cooperation with biomass suppliers. Issues related with principles of cooperation with suppliers are also regulated by the Code of Ethics and Code of Values.

#### Providers of transport services

The flow of energy production depends, inter alia, on the timely deliveries of raw materials. Such deliveries are possible through constant cooperation with transport companies.

Hard coal is delivered to the Koziencice Power Station exclusively by rail - in 2015, mainly within services of PKP Cargo. Deliveries of coal and biomass for Bialystok Power Station also depend on the rail carrier.

### Suppliers of distribution segment

From more than one thousand suppliers of products and services for distribution segment the most important categories include:

- suppliers of electrical materials used in the construction and operation of the distribution network, producers of transformers, cables and wires, accessories for the construction of the network
- suppliers of IT infrastructure and services related with the design of the power network
- providers of modernization services or construction of power grids
- software, vehicles, fuel and safety equipment providers.



## Clients

### Who are our Clients?

The quality of everyday life and energy security of millions of Poles depend on our services. More than 2 million households and more than 700 thousand companies and institutions use our energy. Enea Operator takes care of the distribution of electricity to more than 2.4 million customers in the north-western part of Poland.

Our clients include individuals and families, housing cooperatives, many institutions and organizations, municipalities and local governments as well as large and small companies, including some of the largest manufacturing companies in the country.

### Main products and services

- We provide customers from all over the country with electricity.
- Our companies provide residents with thermal energy
- We take care of the reliability of the energy infrastructure and continuity of supply.
- We modernize the lighting systems of municipalities and towns, especially public buildings.



13% share in sales of electricity to retail users

2.4 million energy Customers



58,2 thousand km<sup>2</sup> of energy distribution area

17,9 TWh of energy supplied to Customers annually

### Our priorities

In everything we do, we aim at a high level of customer satisfaction of the cooperation with us.

We implement measures to ensure the highest quality of customer service, such as simple customer service, which allows customers to benefit from fast and easily accessible channels of agreement conclusion.

To increase the comfort of using the services of Enea, we invest in innovative solutions, such as Customer Service Centre (eCSC).

Changes in service – Be up-to-date

Electronic Customer Service Centre

- access to electronic invoice
- quick payments

How to prepay?

- Via Moje Doładowania spots
- mojeplatnosci.pl
- Client Service Office



**Zmiany w obsłudze -  
Bądź na bieżąco**



**Elektroniczne Biuro  
Obsługi Klienta**

- › Dostęp do eFaktury
- › Szybkie płatności



**Jak doładować licznik  
przedpłatowy**

- › Punkty Via Moje Doładowania
- › mojeplatnosci.pl
- › eBOK

## Opinion of Clients

Periodic testing of customer satisfaction is very important for us. Clients' opinions directly affect our future actions and plans.

One of the customer satisfaction studies was conducted by a research agency at the turn of 2014/2015. Another research was commissioned at the turn of 2015/2016. In this study, we verified the level of satisfaction with our services of both individual and business customers. In order to draw accurate conclusions about the level of satisfaction, we also asked customers of other companies in our industry.

Over 1900 customers of Enea participated in the study. The Customer satisfaction index was similar to the result of the previous study and amounted to 67.83.

In 2015, Enea Operator participated one more time in the project: *The survey of satisfaction of customers of Electricity Distribution System Operators (DSOs)*, which involved five main Distribution System Operators in Poland. The processes covering an electrician visit, connection to the network and support of helpline were assessed at the same level as in 2014. Lower levels of satisfaction were detected in the complaint process, which should be associated with many changes in the functioning of this area in the organization in 2015 (including organizational changes and changes in the billing system in all business areas).

Customer satisfaction surveys were also carried out by other companies, including Enea Oświetlenie, the customer satisfaction of which increased by 5% within the area of operation compared to the previous year.

### We work for our Clients – examples

**INVESTMENTS:** We invest in the development of power plants in order to provide energy security to our customers today and in the future. For more information on Enea investments click here .

**INNOVATION:** Innovation and new technologies are for us the key direction of development. That is why, in 2015, we announced a contest for innovation in our industry ENERGY + Innovation. The winning idea, possible to be implemented by us within 2-3 years, concerned the automation of inspection of high-voltage lines. It should improve the reliability and security of the functioning of the power distribution network. Winners of the contest had a total of 1 million PLN for the implementation of the idea. Unfortunately, the project, which was highly rated in the competition, was finally impossible to be implemented in practice.

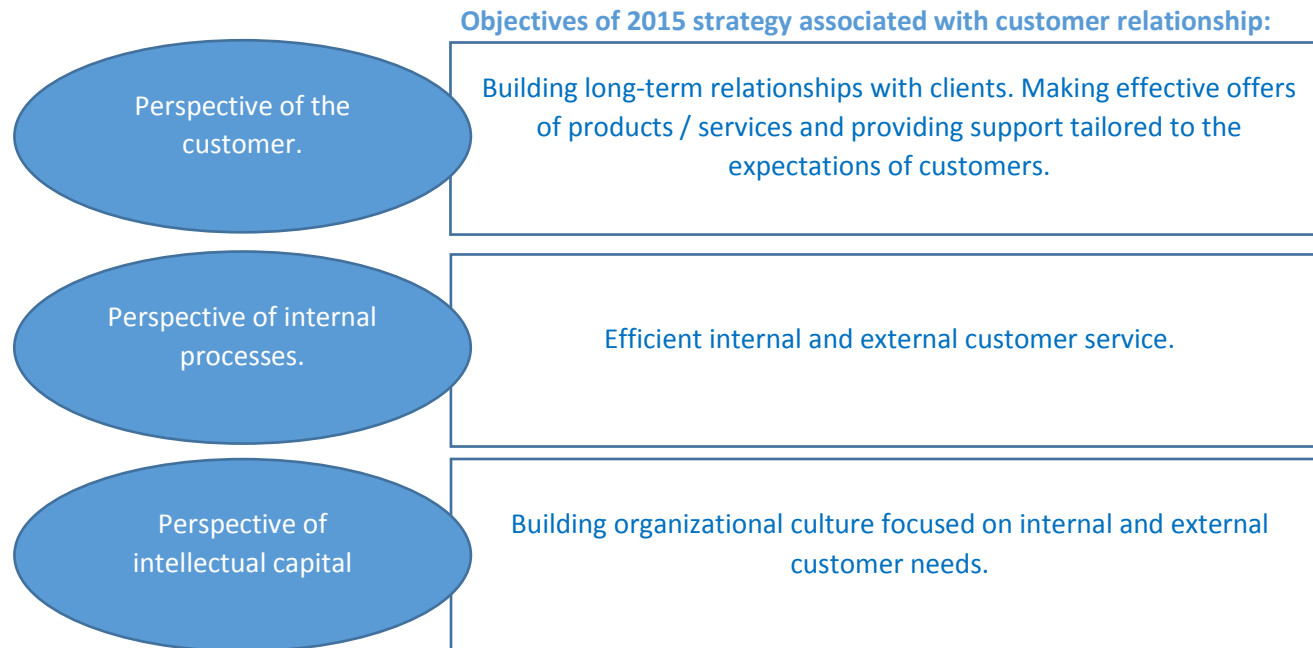
**COMFORT:** We increase the safety and comfort of the inhabitants of many villages. We conducted among others the upgrading of the lighting of the Old Market in Poznan, where Enea Oświetlenie financed the installation of the LED light sources. This way, we increased by nearly five times the lighting of walkways and by more than seven times - the plates of the Old Market.

## Service quality

### Strategic goals and standards of Client service

We develop our business for our customers and we implement for them strict service standards. our mission, strategic goals and defined standards of customer service underline the importance of continuous improvement of the quality of relationships with customers.

**Mission: Enhancing the Group's value through building Customer confidence**



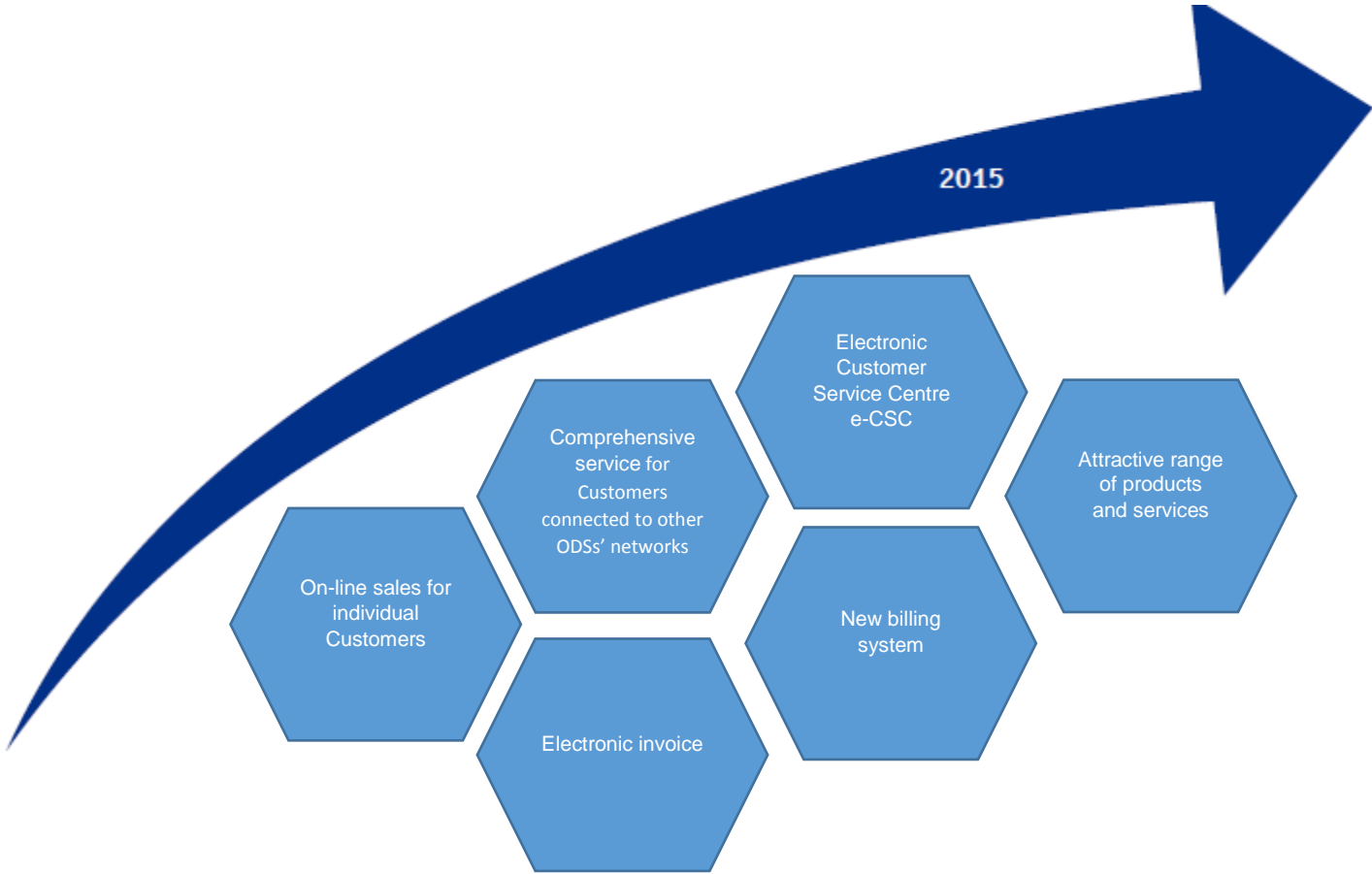
Principles of contact with clients are determined by our standards:

- “Standards for Customer Service in Contact Centre”
- “Standards for Customer Service in Customer Service Centre”
- “Standard of working in the Office of Support of Customer Service”
- “Standard of working in the Office for Settlements”

[Click](#) and explore principles that we have agreed to follow for the better quality and standardization of cooperation with the customer.

- Procedures for determining the connection conditions and concluding agreement
- Procedures for execution and settlement of the connection
- Procedures for changing supplier
- Program of Providing a Non-discriminatory Treatment of the Enea Operator Sp. z o.o. Distribution System Users
- Procedure for collection and analysis of data concerning the process of connecting Customers
- Manual for calculation of distribution services billing corrections in Enea Operator Sp. z o.o.
- Instruction of transmission and maintenance of the distribution network
- Instruction for receiving and recording Customer requests, processes of Customer service and complaints of provided services
- Principles of debts recovery
- Rules of debt releasing, writing off overdue and uncollectible receivables and performing revaluation write-downs of receivables
- Procedures for connection and concluding agreement for provision of electricity distribution services for micro-installations
- Procedures for inspection of measurement systems, abiding by the agreements and the accuracy of settlements by representatives of Enea Operator Sp. z o.o.
- Tariff for electricity distribution services Enea Operator Sp. z o.o.
- Templates for correspondence with Enea Operator Sp. z o.o. Customers
- Principles for determining the connection power and determination of the connection fee for multi-unit buildings
- Principles for determining the connection power when ordering by Customers contractual capacity
- Rules for connecting renewable energy sources Principles of implementation of the General Distribution Agreements for comprehensive services
- Settlement rules of electricity distribution services resulting from the change in the definition of the final customer
- Procedure of Client service
- Standards for Client Service in Contact Centre
- Procedure for handling complaints
- Instruction of user testing and expert opinions of electric meters Manual of repair and legalization of electricity meters
- Integrated Quality Management System, Environmental, Health and Safety in accordance with the requirements of PN-EN ISO 9001:2009, PN-EN ISO 14001:2005, PN-N-18001:2004, OHSAS 18001:2007, within: generation and trade of electricity, generation, transmission and distribution of heat.

Strategic initiatives related to customer service implemented in 2015.



### Standards of all our actions affect customer satisfaction

Thinking about the needs of its customers, Enea is not only expanding the offered services and forms of contact. Meeting the needs of our clients means as well the quality of production processes and increase of generation capacity, provision of electricity and heat in a reliable, safe and environmentally friendly manner. Moreover, Integrated Quality Management System has an important role in maintaining the best standards of action.

### Awards



In 2015, we received again the award of a Customer Friendly Company mainly thanks to the customer studies which were part of the process of granting awards. We received high marks in the following categories: customer satisfaction with the quality of service and meeting their expectations and needs.



We belong to the group of companies awards with the Certificate of Energy Suppliers of the Association of Energy Trading. This certification confirms that we adopted the Code of Good Practices of Energy Suppliers and that we were positively assessed during the audit. The audit was conducted by the external certification body TÜV Rheinland Poland. The introduction of the certificate on the market was preceded by the education and information campaign "Choose wisely. Check out who sells you the energy." Only seven out of the 400 companies with a license to sell electricity on the Polish territory received this title. Our company is one of them.

### Availability and friendly service

Enea Centrum is responsible for the quality of contact with customers. Thanks to this solution, we develop more channels of communication with customers. We would like to make the contact with us and the principles of cooperation friendly to our customers.

We also implement a modern billing system and customer relationship management (CRM).

We keep 31 Customer Service Centres. In 2015, we opened the first Customer Service Centre in the mall (Malta Poznan).

### **31 modern, comfortable Enea Customer Service Centres**

- Poznan district: 8
- Bydgoszcz district: 6
- Gorzow district: 4
- Szczecin district: 6
- Zielona Gora district: 7

We are expanding our hotline by 20 positions and 60 telephone channels. We hired 100 additional employees to support it. We extended the working hours of the hotline, which is now open from 6.00 am to 10.00 pm every day (except Sundays).

### Nearly 2.5 million customers in the Comprehensive Customer Service System

In 2015, we introduced modifications in the area of customer service, which completely changed the use of the services offered by our company. In a short period of time, we made a lot of organizational changes in the area of information technology, as well as changes in the invoice shipping, new numbers of individual customer accounts and new channels of contact and billing. New modern electronic Customer Service Centre (eCSC) constituted a particular challenge. It involved the safe transfer of data of almost 2.5 million customers from several old systems to one Comprehensive Customer Service System, that provides comprehensive support via each channel of contact. Data transfer and implementation of the system in each location were conducted in stages in 2015 and ended in March 2016.



### Electronic Customer Service Centre (eCSC) available for all Enea customers

From April 1, 2016, the electronic Customer Service Centre (eCSC) has been available for all Enea customers. Quickly, efficiently, without leaving home and from anywhere where Internet is available - this is how the electronic Client Service Office works. It is a solution that significantly facilitates the contact and the use of the services of Enea. With the new system, after logging in, you can, among others, check the current status of invoices, check balances and payment terms, pay invoices, purchase codes for prepayment meters and contact Enea.

#### Benefits for customers

- Starting eCSC functionality, which allows customers to:
  - Make payments for energy online,
  - Purchase codes for prepayment meters,
  - Check the current balance of payments,
- The launch of the eInvoice service and direct debits,
- The possibility to purchase codes for prepayment meters and to pay energy invoices in the hundreds of network Via Moje Rachunki points (grocery stores, gas stations),
- The possibility of receiving a summary invoice,
- Free transfers from several thousand Pekao SA bank branches (for individuals) and PKO BP (for business customers) throughout the country.

The changes required appropriate organizational preparation, conscious and consistent implementation of various functions and adequately prepared and carried out communication with customers who could feel the temporary inconveniences associated with so many changes. Reconstruction of customer service has been carried out successfully whereas reliable and consistent communication helped our customers understand our goals and the need to introduce such changes as well as the challenges that the entire organization faced.

#### Difficulties encountered during data migration:

- Postponing the date of receipt of the invoice,
- Extending the time for dealing with complaints,
- Inability to verify whether the payment is made by the Client,
- Inability to issue a correction invoice.

In addition, all employees of departments of customer service, billing, debt collection, regardless of location, are already working in one billing system, using the same data and tools.

However, the primary benefit of the project is to obtain a central database of over 2.4 million clients and to introduce low-cost remote channels of contact with customers (eCSC, eInvoice), as well as to lay the foundation for further development of support systems for customer service, for example CRM.

The new website [www.enea.pl](http://www.enea.pl) is an important communication channel.

### Pogotowie energetyczne



Informacje o awariach i przerwach w dostawie prądu - czynne całą dobę

In addition, Enea Operator provides customers with 24 hour a day hotline for power emergency.

*Tłumaczenie obrazka: Power emergency – Information on breakdowns and interruptions in power supply – open around the clock*

### ENERGIA+

We try to facilitate the choice of products that best fit their needs. Our customers use the website [www.energiaplus.pl](http://www.energiaplus.pl). It is a server dedicated to offers and promotions for businesses and individual customers. It is complemented by the Facebook profile of the same name. Customers receive the latest information available about our packages combining sales of energy with additional services, thanks to which we take care of the comfort and safety of customers.

We want to take care of the satisfaction and loyalty of our customers by offering to them a range of varied and attractively priced products. In October 2015, Enea launched a new online sales channel. Individual customers of Enea can already conclude agreements on the Internet with a guaranteed fixed price for energy and additional benefits such as ENERGY + Health, ENERGY + Fixed price and ENERGY + Savings.

We combine an offer to buy energy with diverse packages of additional services. We offer, among others, fixed energy prices combined with a professional service of an electrician or with a package of specialist medical care.



Access to services of an electrician and heat and gas installation technician

Discount program – package of discount for products and services offered by our partners

Concierge services – special information and organization service

Access to medical specialists for you and your family

health care in LUX MED

In 2015, we introduced an “Assistant Package” for business customers. It combines the purchase of energy with services supporting business and insurance.



We also organize promotions and lotteries for individual and business customers. In 2015, the lotteries included awards, such as a year of energy for free, a car, tablets, etc.:

ENERGY + Prizes - for individuals

ENERGY + Double benefit - for small companies

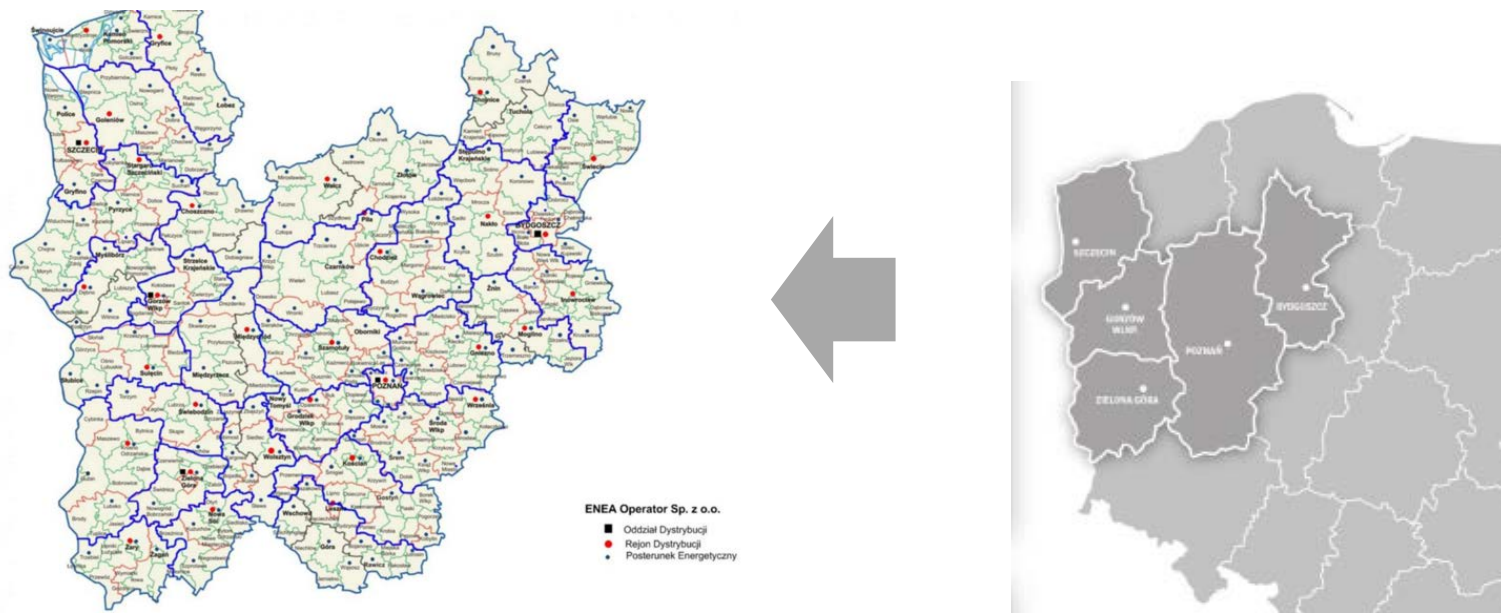
ENERGY + Active life. Our customers could increase their chances to win by voting for the triathlete in the ENEA GRAND TRI pall.

### Efficient energy supply network

Thanks to our investments, repairs and upgrades, we provide access to electricity to customers of six provinces: Wielkopolska, Zachodniopomorskie, Kujawsko-Pomorskie, Lubuskie and a part of the provinces of Lower Silesia and Pomerania.

We care about the reliability of the network and, if necessary, we guarantee possible liquidation of any failure in the area of **58.2 thousand km<sup>2</sup>** of the north-west of the country where our distribution network operate. It consists of 134,000 kilometres of distribution lines with connections and 37,000 electromagnetic stations.

Area of energy distribution of Enea Operator



*Tłumaczenie legendy z obrazka:* Enea Operator Sp. z o.o./Distribution Branch/Distribution Region/Power station

In 2015, we faced a number of weather anomalies that caused network failures. Our specialists repaired the damage caused by, among others, the January hurricane Felix, in March by the hurricane Niklas and by very intense storms in July, August and September. Therefore, we recorded the greater number of local power outages compared to 2014.

**Table 1.** Time rates of interruptions in the supply of electricity for years 2013 and 2015

| Rate   | 2013      | 2014      | 2015      | unit   |
|--|-----------|-----------|-----------|--------|
| Number of customers  | 2,438,037 | 2,460,758 | 2,487,023 | [pcs.] |
| SAIDI* for scheduled breaks  | 127.39    | 106.09    | 110.19    | [min.] |
| SAIDI* for unplanned breaks, including breaks following disasters  | 415.33    | 223.49    | 410.05    | [min.] |
| SAIFI** for unplanned breaks, including breaks following disasters | 4.21      | 3.21      | 5.43      |        |
| SAIFI for scheduled breaks   | 0.51      | 0.47      | 0.51      |        |

\*SAIDI is an average index of systemic long and very long break in electricity supply, determined in minutes per customer.

\*\*SAIFI is an average index of systemic frequency of long and very long break in electricity supply.

### Data safety

When serving so many individual and institutional customers, we pay special attention to the rules of data protection. We strictly follow the policies and procedures that protect the personal information of our customers.

Examples of regulations that help us ensure data security:

- “Security rules within processing of personal data in the Enea Group”
- “Instruction of IT system management which processes personal data in the Enea Group”
- “IT security rules in the Enea Group”
- The registration of each agreement of Enea Operator with clients to ensure the protection of personal data.

## Education

### We share knowledge

We are happy to share our expertise at conferences and industry meetings.

### **We are the host of the International Congress of Science and Industry Energi@ 21.**

The congress was organized with success in 2015. It was attended by experts and practitioners from Poland and abroad. The next edition, which we also hosted, was held on 10-11 May 2016. During the congress, Poznan became a meeting place for the energy industry experts who discussed the challenges and the upcoming transformation of the energy sector. The discussions focused on innovation considered as the foundation of the future of the industry.

For more information check <http://www.energy21.pl/?lang=en>

### **More Light Trade fairs**

More Light Trade fairs in Kołobrzeg hosted by Enea Oświetlenie are one of the important events organized by our companies. In the course of the fairs, we conducted trainings for elected representatives of local municipalities on the latest solutions of lighting of public spaces and public buildings.

In 2015, during the fairs, we presented the web platform for communication with the municipality, which is a new channel of information exchange on the use of lighting. This tool will facilitate and improve our cooperation. We presented the latest achievements in the field of energy-efficient LED lighting dedicated to road lighting and illuminations.

### **The European Economic Congress**

Our experts shared their knowledge of the industry at the European Economic Congress. They focused on, among others, the impact of EU climate protection policy on the competitiveness of the economy, the idea of European energy solidarity, new trends in the market, distributed energy and the role of the prosumer, the specifics of the Polish customer in the European context, the financing of investment, co-generation and directions of development of renewable energy sources.

### **We support innovation**

We have been awarded the title of the **Patron of Innovation** in the INNOWATORY organized by Wprost. We were awarded for the promotion of innovation, among others for the organization of the competition **ENERGY+ !nnovation** as well as for the presence on the Platform for Technology Transfer linking the creators of technology with companies.

Encouraging innovation and supporting it are an important direction of education of current and potential customers and, more broadly, the whole society. By our actions, we want to strengthen the awareness of the importance of innovation, particularly innovation in the energy sector.

We also draw attention to the role of innovation during the International Congress of Science and Industry Energi@ 21. During the congress, we awarded the prize for innovation in the competition for students entitled “Future with the energy, the energy with the future.” The winning design assumed the production of energy from hydrogen and biogas in modern dairies and was conceived by students of the University of Life Sciences in Poznan. 39 participants competed in the contest of the Polish Electricity Association and Enea.

### Other channels of customers education

Our companies, through various communication channels, wish to increase customer knowledge about products, services, security of their use as well as innovation in our industry:

- through the local and industry press
- through leaflets, magazine, film footage
- through product trainings
- through industry trade fairs
- 
- through profiles such as Facebook profile “Energia +”

Enea Operator worked with the Provincial Environmental Protection and Water Management Fund in Poznan under the program KAWKA. This program concerned the improvement of air quality by, among others, providing information on how to connect solar panels or electric heating, which reduces emissions of particles and nitrogen oxides.

Among the activities of Enea Operator, [spots](#) against theft and devastation are worth mentioning. They show new investments and negative effects of vandalism and stealing of network assets.

### We warn against fraud

We are also involved in **the national** educational and information campaign directed at individual customers “**Choose wisely. Check out who sells you the energy**” warning against rogue energy suppliers who deliberately mislead customers. We warn clients against unfair practices and we encourage to carefully read all contracts proposed to them by the salesmen.

**Energy Trading Association (TOE) was the organizer of the action and patronage was taken by the President of the Energy Regulatory Office (ERO).** Education and information campaign was supported by the biggest players on the Polish electricity market, among others: PGE Polska Grupa Energetyczna, TAURON Polska Energia, Enea, Grupa Energa and RWE Polska.

Link to the spot: <http://media.enea.pl/2800/pl/presskit/13570?file=717120>



## Employees

We employ almost 15 thousand people which makes of us one of the major employers in the area of our operation. A great responsibility rests upon us, that is why, as an employer, we especially take care of the safety and health of employees. Our employees also benefit from a number of privileges and benefits. We provide development opportunities in strategic directions for the entire Enea Group.

### The rules in the workplace

Work rules in individual companies are governed by the Labour Code and internal documents. In 2015, management staff and employees focused on one of the overarching document, which is the “Code of Ethics of ENEA Capital Group.”



#### IMPORTANT DOCUMENTS REGARDING WORPLACE:

- Labour Code.
- Code of Ethics of ENEA Capital Group.
- Multicompany Collective Bargaining Agreement.
- Collective Bargaining Agreement.
- Organizational Regulations of the company.
- Terms of remuneration of employees of the Company.

### Cooperation with trade unions

Trade unions operate in our companies. Therefore, collective agreements are binding in the Group.

**Table 2.** Percentage of employees covered by collective bargaining agreements in 2015 and trade unions in which the company's employees were associated in 2015.

| Company | Percentage of employees | Trade unions in which the company's employees |
|---------|-------------------------|---|
|---------|-------------------------|---|

Corporate social responsibility report of Enea Capital Group 2015

|                                | covered by collective bargaining agreements in 2015 | were associated in 2015  |
|--------------------------------|---|--|
| Enea SA                        | 97%   | NSZZ Solidarity Enea Inter-enterprise Organization   |
|                                |   | Inter-enterprise Employee Organization of Enea Capital Group   |
|                                |   | Trade Union of Engineers and Technicians – Inter-enterprise Trade Organization in Enea SA                              |
| Enea Operator                  | 99,98%  | Enea NSZZ Solidarity Enea Inter-enterprise Organization  |
|                                |   | Inter-enterprise Employee Organization of Enea Capital Group   |
|                                |   | Inter-enterprise Trade Union of Continuous Maintenance Employees of Enea SA Energy Group                               |
|                                |   | Trade Union of Engineers and Technicians – Inter-enterprise Trade Organization in Enea SA                              |
|                                |   | Kadra' Inter-enterprise Trade Union of Enea SA Energy Group Employees  |
| Enea Wytwarzanie               | 99,90%  | Independent Self-Governing Trade Union "Solidarity" Organization in Enea Wytwarzanie Sp. z o.o.                        |
|                                |   | Inter-enterprise Trade Union of Power Engineers in Enea Wytwarzanie Sp. z o.o.   |
|                                |   | Trade Union of Shift Employees in Enea Wytwarzanie Sp. z o.o.  |
|                                |   | Inter-enterprise Trade Union of Continuous Maintenance Employees of Enea SA Energy Group Enea Wytwarzanie Organization |
|                                |   | Kadra' Inter-enterprise Trade Union of Enea SA Energy Group Employees  |
|                                |   | Independent Trade Union of Engineering, Technical, Administrative and Support Employees of Elektrociepłownia Białystok |
| PEC Oborniki                   | 100%  | The National Union of Heat Engineers   |
| Elektrociepłownia Białystok    | 99,61%  | NSZZ Solidarity Inter-enterprise Organization  |
|                                |   | The Interenterprise National Union of Heat Engineers   |
| PEC Zachód                     | 99,01%  | Solidarity Inter-enterprise Organization   |
|                                |   | Ciepłownik Inter-enterprise Organization   |
| Miejska Energetyka Ciepła Piła | 0   | The National Union of Heat Engineers in Piła   |
| Enea Centrum                   | 100%  | Inter-enterprise Trade Union of Power Engineers in Enea Wytwarzanie Sp. z o.o.   |
|                                |   | Kadra' Inter-enterprise Trade Union of Enea Capital Group Employees  |
|                                |   | NSZZ Solidarity Enea Inter-enterprise Organization   |
|                                |   | Inter-enterprise Employee Organization of Enea Capital Group   |
|                                |   | Inter-enterprise Trade Union of Power Engineers and Technicians at Enea S.A.   |

|                                   |         |  |
|-----------------------------------|---------|--|
| Enea Trading                      | 60,00%  | Inter-enterprise Trade Union of Power Engineers in Enea Wytwarzanie Sp. z o. o<br>NSZZ Solidarity Enea No. 2 Organization in Poznań  |
| Enea Serwis                       | 100%    | NSZZ Solidarity Enea Inter-enterprise Organization<br>Inter-enterprise Employee Organization of Enea Capital Group   |
|                                   |         | Inter-enterprise Trade Union of Continuous Maintenance Employees of Enea SA<br>Energy Group  |
|                                   |         | Kadra' Inter-enterprise Trade Union of Enea Capital Group Employees  |
| Enea Oświetlenie                  | 100%    | Inter-enterprise Employee Organization of Enea Capital Group<br>NSZZ Solidarity Enea Inter-enterprise Organization   |
| Enea Pomiary                      | 100%    | NSZZ Solidarity Enea Inter-enterprise Organization   |
| Enea Logistyka                    |         | NSZZ Solidarity Enea Inter-enterprise Organization, NSZZ Solidarity MPEC,<br>National Union of Heat Engineers - Inter-enterprise Trade Union Białystok, Inter-<br>enterprise Trade Union of Power Engineers in Enea Wytwarzanie Sp. z o. o |
| Centrum Uzdrawiskowe<br>ENERGETYK | no data | MZZP Trade Union of the Enea Capital Group in Bydgoszcz  |
|                                   |         | NSZZ Solidarity Enea Inter-enterprise Organization   |

## Employment

Table 3. Number of employees employed on a contract of employment by gender (as at 31.12.2015)

| Company          | Total number of employees | No. of women | No. of men |
|------------------|---------------------------|--------------|------------|
| Enea SA          | 278                       | 148          | 130        |
| Enea Wytwarzanie | 2250                      | 294          | 1956       |
| MEC Piła         | 130                       | 21           | 109        |
| PEC Oborniki     | 33                        | 3            | 30         |
| MPEC Białystok   | 257                       | 44           | 213        |
| PEC Zachód       | 133                       | 5            | 128        |
| Enea Operator    | 4175                      | 496          | 3679       |
| Enea Trading     | 82                        | 33           | 49         |
| Enea Centrum     | 1302                      | 954          | 348        |

Corporate social responsibility report of Enea Capital Group 2015

|                                |     |    |     |
|--------------------------------|-----|----|-----|
| Enea Serwis                    | 556 | 88 | 468 |
| Enea Logistyka                 | 173 | 38 | 135 |
| Enea Oświetlenie               | 127 | 33 | 94  |
| Enea Pomiary                   | 165 | 42 | 123 |
| Szpital Uzdrawiskowy ENERGETYK | 73  | 61 | 12  |

**Table 4.** Number of employees employed on a contract of employment broken down into posts and gender (as at 31 December 2015).

| Company          | Top management |            | Directors    |            | Middle level managers |            | Operational employees |            | Office personnel |            |
|------------------|----------------|------------|--------------|------------|-----------------------|------------|-----------------------|------------|------------------|------------|
|                  | No. of women   | No. of men | No. of women | No. of men | No. of women          | No. of men | No. of women          | No. of men | No. of women     | No. of men |
| Enea SA          | 0              | 0          | 4            | 6          | 16                    | 26         | 0                     | 0          | 128              | 98         |
| Enea Wytwarzanie | 0              | 1          | 0            | 9          | 22                    | 103        | 112                   | 1482       | 160              | 361        |
| MEC Piła         | 0              | 0          | 0            | 2          | 1                     | 8          | 8                     | 80         | 12               | 19         |
| PEC Oborniki     | 0              | 0          | 1            | 1          | 0                     | 0          | 0                     | 25         | 2                | 4          |
| MPEC Białystok   | 0              | 1          | 0            | 4          | 8                     | 24         | 0                     | 158        | 36               | 26         |
| PEC Zachód       | 0              | 0          | 0            | 0          | 2                     | 15         | 0                     | 105        | 3                | 8          |
| Enea Operator    | 0              | 1          | 5            | 42         | 41                    | 298        | 22                    | 2064       | 428              | 1274       |
| Enea Trading     | 0              | 0          | 0            | 5          | 5                     | 6          | 0                     | 0          | 28               | 38         |
| Enea Centrum     | 0              | 0          | 7            | 12         | 42                    | 35         | 0                     | 0          | 905              | 301        |
| Enea Serwis      | 1              | 0          | 1            | 15         | 9                     | 59         | 25                    | 334        | 52               | 60         |
| Enea Logistyka   |                |            | 2            | 8          | 9                     | 21         | 18                    | 95         | 9                | 11         |

Corporate social responsibility report of Enea Capital Group 2015

|                                |   |   |   |   |   |    |    |     |    |    |
|--------------------------------|---|---|---|---|---|----|----|-----|----|----|
| Enea Oświetlenie               | 0 | 0 | 0 | 2 | 3 | 17 | 0  | 46  | 30 | 29 |
| Enea Pomiar                    | 0 | 0 | 0 | 3 | 5 | 11 | 24 | 108 | 13 | 1  |
| Szpital Uzdrowiskowy ENERGETYK | 1 | 1 | 0 | 0 | 3 | 2  | 51 | 8   | 6  | 1  |

Table 5. Number of employees employed on a contract of employment broken down by type of employment contract (as at 31 December 2015).

| Company          | Total number of employees employed on a contract of employment | No. of employees in division to type of employment contract |            |            | No. of employees in division to working time |           |
|------------------|--|---|------------|------------|--|-----------|
|                  |  | Trial   | Fixed-term | Indefinite | Full time                                    | Part time |
| Enea SA          | 278  | 0   | 26         | 252        | 270  | 8         |
| Enea Wytwarzanie | 2250   | 0   | 215        | 2035       | 2239   | 11        |
| MEC Piła         | 130  | 2   | 3          | 125        | 130  | 0         |

Corporate social responsibility report of Enea Capital Group 2015

|                                      |      |   |    |      |      |    |
|--------------------------------------|------|---|----|------|------|----|
| PEC Oborniki                         | 33   | 0 | 2  | 31   | 33   | 0  |
| MPEC Białystok                       | 257  | 0 | 0  | 257  | 254  | 3  |
| PEC Zachód                           | 133  | 0 | 0  | 133  | 133  | 0  |
| Enea Operator                        | 4175 | 0 | 75 | 4100 | 4161 | 14 |
| Enea Trading                         | 82   | 0 | 3  | 79   | 81   | 1  |
| Enea Centrum                         | 1302 | 0 | 51 | 1251 | 1291 | 11 |
| Enea Serwis                          | 556  | 2 | 38 | 516  | 538  | 18 |
| Enea Logistyka                       | 173  | 4 | 10 | 159  | 171  | 2  |
| Enea Oświetlenie                     | 127  | 0 | 8  | 119  | 126  | 1  |
| Enea Pomiary                         | 165  | 0 | 0  | 165  | 162  | 3  |
| Szpital<br>Uzdrowiskowy<br>ENERGETYK | 73   | 0 | 3  | 70   | 73   | 0  |

**Table 6.** Number of employees employed on a contract of employment and under civil-law in 2015 (as at 31 December 2015)

| Company          | Number of employees employed |                           |
|------------------|------------------------------|---------------------------|
|                  | on a contract of employment  | under civil-law agreement |
| Enea SA          | 278                          | 11                        |
| Enea Wytwarzanie | 2250                         | 23                        |

Corporate social responsibility report of Enea Capital Group 2015

|                                      |      |    |
|--------------------------------------|------|----|
| MEC Piła                             | 130  | 0  |
| PEC Oborniki                         | 33   | 0  |
| MPEC<br>Białystok                    | 257  | 2  |
| PEC Zachód                           | 133  | 1  |
| Enea<br>Operator                     | 4175 | 10 |
| Enea Trading                         | 82   | 0  |
| Enea Centrum                         | 1302 | 5  |
| Enea Serwis                          | 556  | 27 |
| Enea<br>Logistyka                    | 173  | 6  |
| Enea<br>Oświetlenie                  | 127  | 9  |
| Enea Pomiar                          | 165  | 0  |
| Szpital<br>Uzdrowiskowy<br>ENERGETYK | 73   | 25 |

Table 7. Number of employee leaves and churn broken down by gender in 2015.

| Company          | Total number of leaves | Churn of all employees | No. of women leaves | Women churn | No. of men leaves | Men churn |
|------------------|------------------------|------------------------|---------------------|-------------|-------------------|-----------|
| Enea SA          | 53                     | 19.1%                  | 30                  | 20.3%       | 23                | 17.7%     |
| Enea Wytwarzanie | 169                    | 7.51%                  | 29                  | 1.29%       | 140               | 6.22%     |
| MEC Piła         | 12                     | 9.23%                  | 0                   | 0.00%       | 12                | 11.01%    |
| PEC Oborniki     | 5                      | 15.15%                 | 0                   | 0.00%       | 5                 | 15.15%    |
| MPEC Białystok   | 39                     | 10.5%                  | 5                   | 1.3%        | 34                | 9.2%      |
| PEC Zachód       | 30                     | 55.2%                  | 3                   | 5.5%        | 27                | 49.7%     |
| Enea Operator    | 198                    | 4.7%                   | 35                  | 80.00%      | 163               | 3.9%      |
| Enea Trading     | 8                      | 9.76%                  | 1                   | 1.22%       | 7                 | 8.54%     |
| Enea Centrum     | 67                     | 5.1%                   | 54                  | 4.1%        | 13                | 1.00%     |
| Enea Serwis      | 70                     | 12.59%                 | 38                  | 6.83%       | 32                | 5.76%     |
| Enea Logistyka   | 22                     | 12.72%                 | 9                   | 5.2%        | 13                | 7.51%     |
| Enea Oświetlenie | 3                      | 2.36%                  | 0                   | 0.00%       | 3                 | 2.36%     |
| Enea Pomiar      | 19                     | 11.52%                 | 6                   | 14.29%      | 13                | 10.57%    |



Corporate social responsibility report of Enea Capital Group 2015

|                                      |   |       |   |      |   |       |
|--------------------------------------|---|-------|---|------|---|-------|
| Szpital<br>Uzdrowiskowy<br>ENERGETYK | 5 | 6.85% | 5 | 8.2% | 0 | 0.00% |
|--------------------------------------|---|-------|---|------|---|-------|

**Table 8.** Number of employee leaves and churn broken down by age in 2015

| Company                           | Employees<br>leaves till 29<br>years old | Churn of<br>employees<br>below 30<br>years old | Employees<br>leaves from<br>30 till 50<br>years old | Churn of<br>employees<br>from 30 till<br>50 years old | Employees<br>leaves above<br>50 years old | Churn of<br>employees<br>above 50<br>years old |
|-----------------------------------|--|--|---|---|---|--|
| Enea SA                           | 7  | 2.5%   | 43  | 15.5%   | 3   | 1.1%   |
| Enea Wytwarzanie                  | 6  | 0.27%  | 29  | 1.29%   | 134                                       | 5.95%  |
| MEC Piła                          | 0  | 0  | 3   | 0.05  | 9   | 0.13   |
| PEC Oborniki                      | 0  | 0%   | 1   | 3.03%   | 4   | 12.12%   |
| MPEC Białystok                    | 3  | 7.7%   | 28  | 71.8%   | 8   | 20.5%  |
| PEC Zachód                        | 0  | 0.00%  | 24  | 80.00%  | 6   | 20.00%   |
| Enea Operator                     | 10                                       | 4  | 34  | 1.5   | 154                                       | 9.3  |
| Enea Trading                      | 2  | 2.44%  | 4   | 4.88%   | 2   | 2.44%  |
| Enea Centrum                      | 8  | 8.7  | 32  | 4.1   | 27  | 6.3  |
| Enea Serwis                       | 6  | 15.00%   | 19  | 6.03%   | 44  | 21.89%   |
| Enea Logistyka                    | 0  | 0  | 9   | 10.47   | 13  | 18.84  |
| Enea Oświetlenie                  | 0  | 0.00%  | 1   | 0.79%   | 2   | 1.58%  |
| Enea Pomiar                       | 1  | 16.67  | 8   | 9.09  | 10  | 14.08  |
| Szpital Uzdrowiskowy<br>ENERGETYK | 0  | 0  | 1   | 2.17  | 4   | 15.38  |

Table 9. Number of new employees hired, broken down by age groups and gender in 2015.

| Company          | Total | Women  | Men | Age category up to 29 years of age | Age category from 30 to 50 years of age | Age category above 50 years of age |
|------------------|-------|--------|-----|------------------------------------|---|------------------------------------|
| Enea SA          | 43    | 19.00% | 24  | 18%                                | 23                                      | 2%                                 |
| Enea Wytwarzanie | 63    | 15.00% | 48  | 14.00%                             | 43                                      | 6.00%                              |
| MEC Piła         | 2     | 0      | 2   | 1                                  | 1                                       | 0                                  |
| PEC Oborniki     | 2     | 0      | 2   | 1.00%                              | 0                                       | 1.00%                              |
| MPEC Białystok   | 1     | 1.00%  | 0   | 0.00%                              | 1                                       | 0.00%                              |
| PEC Zachód       | 27    | 3.00%  | 24  | 0.00%                              | 22                                      | 5.00%                              |
| Enea Operator    | 111   | 14     | 97  | 59                                 | 45                                      | 7                                  |
| Enea Trading     | 11    | 3.00%  | 8   | 7.00%                              | 4                                       | 0.00%                              |
| Enea Centrum     | 99    | 56     | 43  | 42                                 | 55                                      | 2                                  |
| Enea Serwis      | 14    | 4.00%  | 10  | 4.00%                              | 7                                       | 3.00%                              |
| Enea Logistyka   | 51    | 9      | 42  | 6                                  | 20                                      | 25                                 |
| Enea Oświetlenie | 10    | 3.00%  | 7   | 2.00%                              | 6                                       | 2.00%                              |
| Enea Pomiary     | 12*   | 2      | 10  | 1                                  | 2                                       | 9                                  |

|                                   |   |   |   |   |   |   |
|-----------------------------------|---|---|---|---|---|---|
| Szpital Uzdrawiskowy<br>ENERGETYK | 3 | 3 | 0 | 0 | 3 | 0 |
|-----------------------------------|---|---|---|---|---|---|

\*9 persons were employed in 2015 and 3 persons returned from the rehabilitation benefit

## Health and safety

### Employees safety and health

Due to the nature of our business, we pay special attention to health and safety. We operate in accordance with external regulations, such as laws and regulations relating to health and safety, but we also have our internal guidelines, eg. "Guidelines regarding evaluation and documentation of occupational risk."

Important documents and regulations relating to safety and health at work:

|   |   |
|---|---|
| Work regulations                                      | Instructions for example of a station, of operation |
| Training programs                                     | Safety procedures                                   |
| PN-N-18002:2011 – health and safety management system | Rules related to operational activities             |
| Occupational risk assessment                          | Labour regulations, eg. work under tension          |

Each company in our Group manages occupational health and safety issues separately. Dedicated specialists who usually work in specially established for that purpose departments are responsible for those issues, eg.:

- within Enea Centrum, Safety Department is the key organizational unit the composition of which includes specialists for safety and safety coordinator,
- within Enea Serwis, this is Central Processing Unit of Health and Safety Service,

- within Enea Oświelenie, it is the Labour Protection Office in which Senior OHS Inspector supported by OHS Specialist are employed,
- within the hospital ENERGETYK, these are the Head of Technical and Administrative Unit and a Senior Clerk for Administration / OHS Inspector,
- in MEC Piła, Company's Social Labour Inspectors operate.

### OHS actions and initiatives

Our activities in the field of health and safety result primarily from the requirements of applicable law. In addition, we also have a number of our own initiatives.

The most important are:

- hazards identification and occupational risk assessment,
- monitoring of working conditions,
- corrective and preventive actions in the health and safety area,
- health and safety trainings,
- internal communication in the health and safety area,
- identification and implementation of legal requirements and other external, health and safety, requirements (Labour Code and Rules of Procedure).

### From trainings to competitions, our health and safety initiatives

Scale and number of our actions taken in 2015 clearly shows that safety and health of our employees is of particular importance to us.

- **Workplaces:** attention to ergonomic workplaces, renovations, freshening up individual workplaces, inspections and maintenance jobs (hospital ENERGETYK), analysis of the health of workers removing asbestos and cement insulation on the heating network (PEC Zachod)
- **Equipment:** purchase of four AEDs for Szczecin, Zielona Gora, Poznan, Gorzow Wielkopolski. (Enea Centrum), the current control of the technical condition of all equipment, fire inspection (installation of fire alarm in the office), checking of the insulation of equipment and wiring, replacement of lighting in indoor workplaces to the lighting similar to daylight (PEC Oborniki), issuance of repellents to employees during the period of increased activity of insects;

- **Control:** verification of equipment technical condition, measuring of the fire protection effectiveness and equipment insulation (Szpital Uzdrowiskowy ENERGETYK), verification of first-aid kits (Enea Serwis), current analysis of entries in the “Central Register of Discrepancies” placed by employees of Enea Wytwarzanie
- **Development of instructions and analysis of the legal changes:** use, continuous verification and the current update of the Instructions for Organization of Safe Work in all segments of Enea Wytwarzanie, distribution among employees of articles from the press about the safety discussing the causes and consequences of accidents at work and safety of the work (Enea Logistyka), development and implementation of work and safety instructions: the use of fork-lift truck, manual transport handling, the warehouse, the use of a movable loading platform on the vehicle (Enea Pomiary)
- **Trainings:** initial and periodic health and safety trainings, organization of and participation in trainings in the field of first aid for workers, raising the qualifications of employees through participation in trainings in occupational risk assessment,
- **Test evacuation:** eg. in Enea Centrum in the facility in Poznan at Dziadoszanska Street
- **Conferences, actions and competitions:** the organization in the entire Enea Group of the annual contest of Energy Knowledge “1 of 10,000” of Paweł Balcerowski - 2015 edition, Conference of Live Working (3-4 September 2015)

Table 10. Total number of injuries and injury rate in 2015

| Company          | Number of injuries | Injury frequency rate* |
|------------------|--------------------|------------------------|
| Enea SA          | 0                  | 0                      |
| Enea Wytwarzanie | 8                  | 3.5                    |
| MEC Piła         | 2                  | 15.38                  |
| PEC Oborniki     | 0                  | 0                      |
| MPEC Białystok   | 2                  | 5.05                   |
| PEC Zachód       | 1                  | 7.52                   |
| Enea Operator    | 20                 | 4.79                   |
| Enea Trading     | 0                  | 0                      |
| Enea Centrum     | 4                  | 3.02                   |

|                                   |   |       |
|-----------------------------------|---|-------|
| Enea Serwis                       | 7 | 12.59 |
| Enea Logistyka                    | 2 | 11.56 |
| Enea Oświetlenie                  | 2 | 15.75 |
| Enea Pomiary                      | 0 | 0     |
| Szpital Uzdrawiskowy<br>ENERGETYK | 0 | 0     |

### Employees health

We encourage our employees to lead active lives through a series of initiatives to promote health. There are the following:

- actions promoting preventing testing organized by the company clinic
- preventive actions for employees and their family members, eg. human influenza vaccine, the study of tumour markers
- possibility to go to the health resort "Energetyk" in Inowrocław
- rental of a sports hall for trainings of a football team
- employee participation in amateur football league, participation in tournaments, amateur races and events sponsored by Enea.

### Support and benefits

Our employees have the opportunity to enjoy additional privileges and benefits. Additional benefits vary depending on the company and are the result of the employees needs and the company's possibilities.

## Support of employees

- Employee Pension
- Employee Investment Program for Executives
- Housing loans
- Repayable or non-repayable grants
- Funding for recreation of employee and children and group tours
- Support for cultural and educational activities and sports (the purchase of tickets to cinemas, theaters, sports events)
- Buying Christmas and New Year packages for children under 15
- Funding child care in nurseries and kindergartens
- Funding collective catering

## Preventive care

- Additional health provision - providing employees with medical care in the field of occupational medicine as well as - depending on the entity providing the service - additional medical services, the cost of which is paid by the employer
- Preventive actions for employees and their family members, eg. flu vaccine, the study of tumor markers

## Cheaper electricity

- The right to a reduced payment for electricity after having worked for one year in ENEA Group
- The right to a reduced payment for electricity - financing payment for electricity used for household needs in the amount not exceeding 3000 kWh

## Trainings and education

We provide our employees with opportunities for development through a system of training and benefits in the form of subsidies to learn English, studies or law applications.

Training that we organize for our employees are associated with the directions of our development:

|                                      | <b>Managerial competence</b>  | <b>Better service for our customers</b>   | <b>Project management</b>  | <b>Professional education</b>   |
|--------------------------------------|---|---|--|---|
| <b>Examples of training programs</b> | <ul style="list-style-type: none"> <li>• Development program Communication in the team - psychological skills workshops dedicated to representatives of managerial staff of Enea SA.</li> </ul> | <ul style="list-style-type: none"> <li>• Development program for Employees of Sales Department Enea SA (90 trained employees).</li> </ul> | <ul style="list-style-type: none"> <li>• Development program “Academy of Coach” - a cycle consisted of a series of trainings aimed at training workers in internal training (Enea Centrum).</li> </ul> | <ul style="list-style-type: none"> <li>• Preparation of the Master Program in order to fill a generation gap among workers employed as electrical fitters (Enea Operator).</li> </ul> |

We cooperate with universities and industry organizations.

The cooperation of the companies of Enea Group with the Warsaw University of Technology, Wroclaw University of Technology and, since 2015, Poznan University of Technology are a few examples. The cooperation includes:

- training and research (eg. organization of scientific conferences, seminars);
- promotion in the student environment (organization of educational trips for students, internships of full-time / part-time students);
- training of the technical staff of Enea Wytwarzanie Sp. z o.o. on postgraduate and doctoral studies.



Table 11. Average number of training hours per year per employee according to the employment structure in 2015

| Company          | Average number of training hours per: |       |       |                |           |                       |                       |                  |
|------------------|---------------------------------------|-------|-------|----------------|-----------|-----------------------|-----------------------|------------------|
|                  | Total employees                       | Women | Men   | Top management | Directors | Middle level managers | Operational employees | Office personnel |
| Enea SA          | 25.44                                 | 22.38 | 28.8  | 0              | 30.4      | 25.9                  | 0                     | 25.13            |
| Enea Wytwarzanie | 35.75                                 | 23.32 | 37.62 | 16             | 44.44     | 39.62                 | 29.51                 | 28.88            |
| MEC Piła         | 13.4                                  | 4.2   | 15.2  | 0              | 90        | 27.4                  | 11.1                  | 11               |
| PEC Oborniki     | 11.4                                  | 16    | 11    | 0              | 16        | 0                     | 8                     | 22.6             |
| MPEC Białystok   | 4018                                  | 381   | 3637  | 7              | 74        | 531                   | 2808                  | 598              |
| PEC Zachód       | 1123                                  | 18    | 1105  | 0              | 0         | 348                   | 585                   | 190              |
| Enea Operator    | 39.63                                 | 23.81 | 41.76 | 16             | 41.87     | 50.3                  | 67.35                 | 12.84            |
| Enea Trading     | 7.9                                   | 6.3   | 8.98  | 0              | 22.4      | 10.91                 | 0                     | 5.82             |
| Enea Centrum     | 34.24                                 | 33    | 37.7  | 0              | 37.89     | 41.56                 | 0                     | 25.91            |
| Enea Serwis      | 19                                    | 12    | 16    | 3              | 6         | 12                    | 14                    | 8                |
| Enea Logistyka   |                                       |       |       |                |           |                       |                       |                  |
| Enea Oświetlenie | 1.7                                   | 1.1   | 1.9   | 0              | 0         | 0.6                   | 1                     | 2.6              |
| Enea Pomiary     | 12.95                                 | 10.86 | 13.66 | 0              | 34.67     | 30                    | 10.12                 | 15.43            |

Corporate social responsibility report of Enea Capital Group 2015

|                                       |   |   |   |   |   |   |   |   |
|---------------------------------------|---|---|---|---|---|---|---|---|
| Szpital<br>Uzdrowskiowy<br>ENERGETYK* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|---------------------------------------|---|---|---|---|---|---|---|---|

## Community

Enea is a company associated with the north-western Poland and has always been an active member of the community where it grew up. We are aware that we carry a special responsibility over local communities in the regions where the companies of the Group are planted. For this reason, through the activities of the Enea Foundation and volunteer activities of our employees, we are actively involved in socially important goals and initiatives.

### Principles of cooperation with communities

We want to keep our social commitment based on clear principles. Therefore, in 2014, Enea established the Foundation, which, basing on the statute, organizational rules and the rules for granting support, is responsible for activities in the area of social commitment. The Foundation both carries out its original projects and coordinates volunteering throughout the Group.

In 2015, the Enea Foundation supported important goals and social initiatives with donations of a total amount of 960,200 PLN.

### The main areas of Enea Foundation activities:



Rules of support are [available on the Foundation's website](#).

Moreover, in 2015, the Enea Group developed the program ENEA Sports Academy dedicated to children and young people from four provinces within the distribution area of Enea.

Within the program:

- 73 schools from the provinces of Wielkopolska, Lubuskie, Kujawsko-Pomorskie and Zachodniopomorskie were covered by the activities of the Academy;
- 2,100 children benefited from sports activities (extracurricular or organized in partnership sports clubs);
- for schools participating in the program, the competition “ENERGY + Active school” was organized.

The winners received vouchers for the purchase of sports equipment.

### Sponsoring

The Enea Group conducts numerous sponsoring projects. In this way, we build brand recognition and support business objectives while supporting the areas of culture and sport appreciated by us, our customers and local communities.

In 2015, Enea SA completed **43 sponsoring projects in 487 Polish cities**, reaching **one million direct participants** of the events.



|   |   |   |
|---|---|---|
| <p><b>We were an active sponsor of such events and sports initiatives as:</b></p> <ul style="list-style-type: none"> <li>• Enea Challenge Poznan and a series of triathlon</li> </ul> | <p><b>We were a sponsor of such cultural events and projects as:</b></p> <ul style="list-style-type: none"> <li>• Enea Perfect Tour – a nationwide tour to celebrate</li> </ul> | <p><b>We were a sponsor of such events and projects as:</b></p> <ul style="list-style-type: none"> <li>• Enea Sports Academy (joint project with the Foundation Enea);</li> </ul> |
|---|---|---|

|  |  |  |
|--|--|--|
| <p>competitions Enea Tri Tour;</p> <ul style="list-style-type: none"> <li>• Herbalife Ironman 70.3 Gdynia;</li> <li>• Polish Speedway Team and other speedway projects;</li> <li>• Stelmet BC Zielona Gora;</li> <li>• Enea AZS Poznan.</li> </ul> | <p>the 35th anniversary of the band Perfect;</p> <ul style="list-style-type: none"> <li>• Enter Enea Festival;</li> <li>• Spring Break;</li> <li>• Malta Festival Poznan;</li> <li>• Grand Theatre in Poznan.</li> </ul> | <ul style="list-style-type: none"> <li>• EneaMini Cup – football game for kids;</li> <li>• The project "Energy + Sparkling emotions" - a project started in 2015, its goal is to activate the presence of the brand in the winter season thanks to Enea Truck and promotional events organized at the Polish rinks.</li> </ul> |
|--|--|--|

## Employee volunteering

Nearly 15,000 employees work with the Enea Group. Many of them work socially and implement projects that change for the better the reality that surrounds us all. Since 2011, we have supported in a systemic way the voluntary social engagement of our employees through employee volunteer program.

**About 97,000 beneficiaries during almost 6,000 hours** benefited from numerous activities of our volunteers since the beginning of the volunteer program. In 2015, the volunteers of the Enea Group dedicated to volunteering **116.5 hours to nearly 2,650 beneficiaries**, 2,300 of which were trained in the framework of **paramedic first aid**.

A member of the Enea Management Board engaged in the volunteering promotion by joining “Presidents – Volunteers” Coalition. This initiative, which brings business leaders together around important values, such as cooperation for the common good.

### Competence volunteering

Within the framework of competence voluntary work, our employees can share their professional knowledge and skills. Our employees took part in two competence voluntary programs in 2015. They trained a lot of people, including children and youth, in safe handling of current and guaranteeing first premedical aid. Volunteers taught first aid also to employees of our companies.

### Electricity is not so terrible

“Electricity is not so terrible” is a program prepared for the youngest, i.e. children aged 3 to 9. Our employees - volunteers conduct classes in schools and make them more attractive by interesting experiences, i.e. they obtain electricity from a potato or a carbonated beverage.

### First aid

Both children and adults may benefit from our “First Aid” program. Volunteers – premedical rescuers teach how to react when you witness an unfortunate event i.e. fainting or heart attack. They communicate theoretical knowledge and practice practical skills, allowing to take fast rescue action in situations of a life and health-threatening situation. Demonstrations were conducted by means of professional rescue equipment.

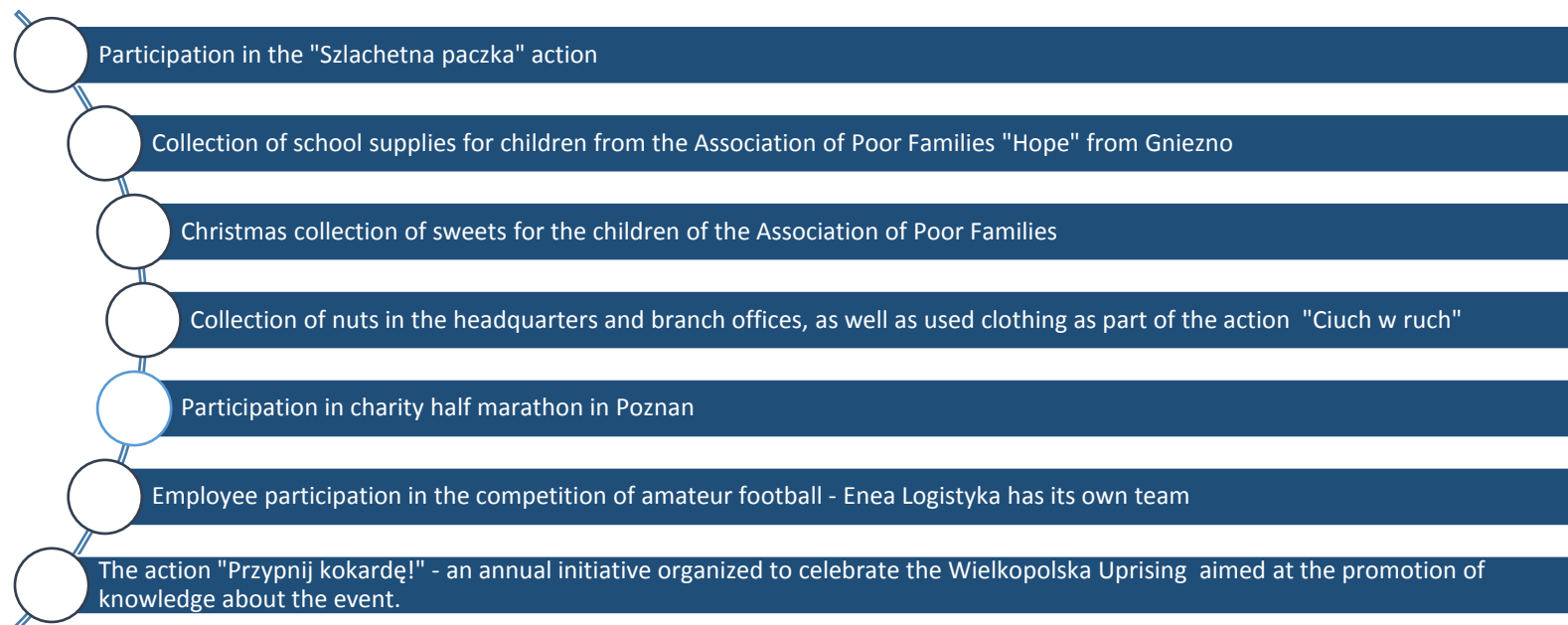
### Action volunteering

We are committed to help with one-time actions, collections, festivals, tours and with all kinds of special events.

## Social investments

Aside from supporting social initiatives and engaging employees, we’ve been operating for the benefit of local communities for years, by organizing competitions and participating in historical or educational campaigns. Get to know our initiatives.

Selected initiatives in 2015:

- 
- Participation in the "Szlachetna paczka" action
  - Collection of school supplies for children from the Association of Poor Families "Hope" from Gniezno
  - Christmas collection of sweets for the children of the Association of Poor Families
  - Collection of nuts in the headquarters and branch offices, as well as used clothing as part of the action "Ciuch w ruch"
  - Participation in charity half marathon in Poznan
  - Employee participation in the competition of amateur football - Enea Logistyka has its own team
  - The action "Przypnij kokardę!" - an annual initiative organized to celebrate the Wielkopolska Uprising aimed at the promotion of knowledge about the event.

## Environment

The processes of energy production and distribution are related to the effects on the environment. The effectiveness of both the monitoring of the impact on the environment and the implemented solutions minimizing our impact on natural resources translates onto ecosystems, but also onto the future of our business. The expectations of regulators, customers and the social environment towards our industry continue to grow.

Therefore, we include in our activities a variety of programs and initiatives related to the management and minimization of environmental impact. We are guided by a number of regulations, we undertake a number of voluntary commitments.

### Environmental protection in the management system

In 2015, environmental issues are among the priorities of Corporate Strategy of the Enea Group for the years 2014-2020. The objectives of the strategy include:

- Environmental investments which allow a continuation of the work of generation assets after 2015;
- The development of renewable energy sources (RES);
- The development of co-generation sources and heat networks.

Strategic objectives translate into comprehensive management systems and investment projects. They affect also the daily activities of each of our employees. This is emphasized by guidelines contained in the “Code of Ethics of ENEA Capital Group”.



Key principles in the Enea Capital Group

dbałość  
o środowisko naturalne  
każdy z nas stara się podejmować działania  
w celu ochrony środowiska naturalnego,  
niezależnie od miejsca i rodzaju  
wykonywanej pracy

Care for the environment. We try to take all possible measures to ensure the environmental protection no matter where and how we work.

- We care about the environment, regardless of the location and type of work.
- In our daily work we adhere diligently to internal regulations of the Enea Group as well as laws on environmental protection.
- We engage in the activities and participate in educational campaigns on environmental protection.



The high quality of processes related to environmental protection is guaranteed by the implemented **Policy of Integrated Quality Management, Environmental and Safety System**. It is consistent with the requirements of PN-EN ISO 9001:2009, PN-EN ISO 14001:2005, PN-N-18001:2004, OHSAS 18001:2007, within

generation and trade of electricity, generation and distribution of heat. It sets out, among others, objectives and responsibilities of environmental protection in the Koziencice Power Station, CHP Białystok and other entities producing energy within Enea Wytwarzanie.

Click to view a list of instructions and procedures that guide the Enea Wytwarzanie in the monitoring of environmental impact.

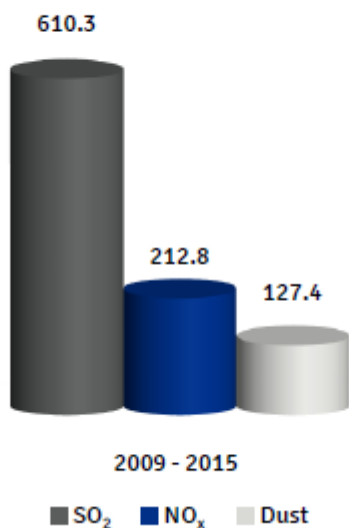
- 1) Instructions of Monitoring the Environment in Enea Wytwarzanie sp. z o.o. - Location Świerze Gorne.
- 2) Instructions of Data Management in the field of Environmental Protection in Enea Wytwarzanie sp. z o.o. - Location Białystok.
- 3) Procedure of Monitoring the Environment in Enea Wytwarzanie sp. z o.o. - Location Koronowo.
- 4) The plan of monitoring CO<sub>2</sub> emissions approved by the decision of the Marshal of the Podlasie Province and Procedure of Monitoring CO<sub>2</sub> emissions in Enea Wytwarzanie sp. z o.o. - location Białystok.
- 5) The plan of monitoring CO<sub>2</sub> emissions approved by the decision of the Marshal of the Mazowieckie Province and Procedure of Monitoring CO<sub>2</sub> emissions in Enea Wytwarzanie sp. z o.o. - location Świerze Gorne.
  - a) Monitoring of CO<sub>2</sub> emissions from the combustion of coal and biomass,
  - b) Monitoring of CO<sub>2</sub> emissions from the combustion of coal (mass-balance approach)
    - c) Monitoring of CO<sub>2</sub> emissions from the combustion of fuel oil,
    - c) Monitoring of CO<sub>2</sub> emissions from the process of flue gas desulphurisation,
    - e) The procedure for supervision of the implementation of the monitoring plan
    - f) The procedure for risk management in monitoring CO<sub>2</sub> emissions,
    - g) The procedure for estimating the uncertainty of data regarding the monitoring of CO<sub>2</sub> emissions.
- 6) Instructions of the Principles of Waste Management in Enea Wytwarzanie sp. z o.o. - Location Świerze Gorne.
- 7) Instructions on the handling of waste in the CHP Białystok.
- 8) Instructions of waste management in Enea Wytwarzanie sp. z o.o. - Location Koronowo.

## Key investments

In 2015, we conducted investments important for the environment. These include, inter alia:

- Launch of the flue gas desulphurization installations (FGD IV) in Kozenice - from 1 January 2016 all exhaust fumes have been desulphurised
- Construction of installations of catalytic reduction of NO<sub>x</sub> (SCR) for boilers K7 and K8 in CHP Białystok
- Installation of heat recovery from the exhaust gases of the biomass boiler in CHP Białystok
- The construction of gas co-generation unit in MEC Pila

**Financial expenditures for reduction of emissions of SO<sub>2</sub>, NO<sub>x</sub> and dust to the air during 2009-2015 in Kozenice Power Plant [PLN mln]**



Our biggest investment - the construction of power unit No. 11 in Kozenice Power Station - it uses the most modern installations related to the protection of the environment during energy production.

**Watch the film** of Discovery Channel on Kozenice Power Station and check if the energy from coal can be environmentally friendly:

Link to the film: <https://www.youtube.com/watch?v=NStMdl4gQU>.

Our most important investments initiated or continued in 2016:

|                                       |                     |  |
|---------------------------------------|---------------------|--|
| <b>Segment of System Power Plants</b> | <b>New</b>          | <ul style="list-style-type: none"> <li>• Modernisation of units No. 4 and 5</li> </ul>   |
|                                       | <b>Continuation</b> | <ul style="list-style-type: none"> <li>• Construction of power unit No. 11</li> <li>• IOS IV Flue Gas Desulphurisation Plant - within flue gas channels</li> <li>• Installation of flue gases denitrification - SCR for units No. 4-8 and 1-2</li> <li>• Installation of flue gases denitrification - SCR for units No. 9-10</li> <li>• Construction of industrial waste and rainwater treatment</li> <li>• Modernisation of cooling water intake - stabilising checkdam on the Vistula River</li> <li>• Modernisation of the slag and ash depot - modernisation of field 5</li> </ul> |
| <b>Segment of Heat</b>                |                     | <ul style="list-style-type: none"> <li>• Construction of flue gas desulphurisation plant on K7 and K8 boilers</li> </ul>   |
| <b>Segment of RES</b>                 |                     | <ul style="list-style-type: none"> <li>• Continuation of the construction of 14.1 MW Baczyna wind farm and the project of max. 10 MW extension of Bardy wind farm (project titled Bardy II)</li> <li>• Acquisition of 100% of shares in the special purpose vehicle - Eco - Power sp. z o.o. (36 MW Skoczylody wind farm) is planned until the end of Q1 2016</li> <li>• Searching for new investment and acquisition projects within the realisation of the strategy of increasing the capacity installed in wind farms</li> </ul>  |

No fines were imposed on us for non-compliance with laws and regulations relating to environmental protection in 2015.

## Energy

Table 12. Total electricity consumption in 2015 (MWh)

| Company          | MWh       |
|------------------|-----------|
| Enea SA          | 1 029.061 |
| Enea Wytwarzanie | 1 117 501 |
| MEC Piła         | 3940.8    |
| PEC Oborniki     | 599.16    |
| MPEC Białystok   | 6 209     |

|                                |  |
|--------------------------------|--|
| Enea Operator                  | company's own needs – 38 821 MWh. company's network losses – 1 382 544 MWh |
| Enea Centrum**                 | no data  |
| Enea Trading *                 | no data  |
| Enea Serwis                    | 1618.12  |
| Enea Logistyka                 | 524.79   |
| Enea Oświetlenie               | 201  |
| Enea Pomiary                   | 282.2  |
| Szpital Uzdrowiskowy ENERGETYK | 453.042  |
| PEC Zachód                     | 35.7   |

\* ENEA Trading doesn't own office spaces which are rented from ENEA SA, ENEA Wytwarzanie and Enea Serwis. Operating costs are included in the rent.

\*\* ENEA Centrum doesn't keep records of energy consumption, since it doesn't own offices, which it uses. ENEA Centrum nleases offices from other companies of the Capital Group and from Rentall company.

### Good practice: Energy saving solution

- In connection with the modernization of units 1 and 2 of Kozenice Power Station, we exchanged exhaust fans on the boiler No. 1 and 2. We used a more economical way to regulate their performance. Installation of new exhaust fans along with the replacement of the drive and the new variable speed of fan drive motor save a significant amount of power consumed by the motor.
- In Białystok CHPm we have reduced energy consumption through the modernization of the heating infrastructure. We replaced sections of the channel network on the network of pre-insulated technology and modernization of the district heating pump, which contributes to the reduction of energy losses during heat transfer.

## Emissions

### Compliance with EU guidelines

According to the EU Directive 2010/75/EU on industrial emissions (IED), from 1 January 2016, more stringent emission standards have been introduced. We had been preparing for this for many years by investing in the modernization of installations to reduce emissions of oxides of sulphur, nitrogen and dust. Now, we face the next phase of works aimed at minimizing emissions to air.

Kozienice Power Plant acceded to [Interim National Plan](#) within the SO<sub>2</sub> and dust emissions which shall be valid until 30 June 2020.

Link to information about the Interim National Plan on the website of the Ministry: <https://www.mos.gov.pl/srodowisko/ochrona-powietrza/przejsciowy-plan-krajowy/>

### The emission of gases and dust

In 2015 in Kozienice Power Station:

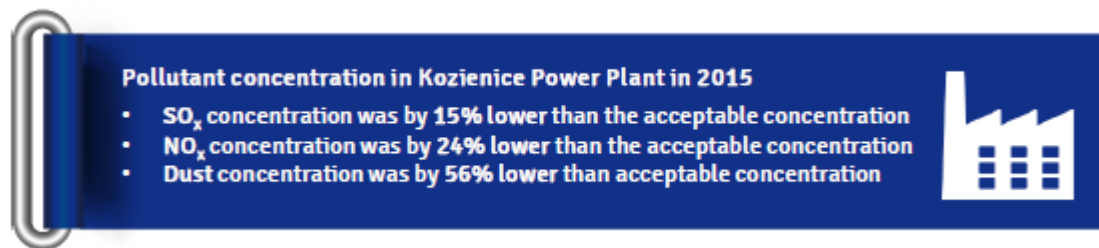
**For the reduction of sulphur oxides:** we launched the fourth installation of flue gas desulphurisation

**For the reduction of nitrogen oxides:** we installed a catalytic denitrification station (SCR) of exhaust in 4 blocks of 200 MW (with achievable concentrations below 100 mg / Nm<sup>3</sup>). Denitrification systems are designed to provide approx. 80% reduction of nitrogen oxides in exhaust gases.

**For the reduction of dust emissions:** we provided the possibility of a two-stage extraction thanks to high-performance electrofilters and flue gas desulphurization installations.

For the period 2016-2018 in Kozienice Power Station, we plan to build the same installation in the remaining three blocks of 200 MW and two blocks with a capacity of 500MW.

On the other hand, CHP Bialystok has been gradually upgrading its transmission networks and heat distribution in order to improve the efficiency of heat supply in line with the assumptions contained in the "Plan for the development of district heating in Bialystok for the years 2013-2018". The upgrades affect both the level of energy consumption and the reduction of greenhouse gas emissions.



**Table 13.** Emission rate of carbon dioxide in the companies from the generation segment [Mg] and the rate of carbon dioxide emission by 2015

| Name of the company | Emissions of CO <sub>2</sub> [Mg] | Rate of emissions      |
|---------------------|-----------------------------------|------------------------|
| Enea Wytwarzanie    | 11,719,892.61                     | 857 kg/MWh             |
| CHP Białystok       | 33,196.00                         | 197 kg/MWh or 55 kg/GJ |
| PEC Oborniki        | 12,940.25                         | 109.06 kg/GJ           |
| MEC Piła            | 74,699.60                         | 91.47 kg/GJ            |

**Table 14.** Emission of sulphur and nitrogen oxides in the companies from the generation segment [Mg] in 2015

| Name of the company | Sulphur oxides [Mg] | Nitrogen oxides [Mg] |
|---------------------|---------------------|----------------------|
| Enea Wytwarzanie    | 32,188              | 16,989               |
| CHP Białystok       | 10                  | 71                   |
| PEC Oborniki        | 45.46               | 23.94                |
| MEC Piła            | 116.7647498         | 48.086101            |

**Table 15.** CO<sub>2</sub> emission allowances in the generating units [tons of CO<sub>2</sub>] in 2014 and 2015\*

|  | As at 31 December 2014 | As at 31 December 2015 |
|--|------------------------|------------------------|
| The amount of free allowances for CO <sub>2</sub> emissions                              | 5,921,554              | 3,413,076              |
| The amount of allowances for CO <sub>2</sub> emissions purchased on the secondary market | 5,326,118              | 8,306,817              |
| Total allowances for emissions of CO <sub>2</sub>  | 11,247,672             | 11,719,893             |
| Coverage of emissions by allocation of free allowances                                   | 52.6 %                 | 29.1 %                 |

\*Accounting

### Important investments

**BIAŁYSTOK:** 27.7 million PLN was spent on the installation, which recovers heat from exhaust gases from the combustion of biomass in CHP Białystok. This is the first installation on such a large scale in Poland. Our commitment to the environment was appreciated the Swedish Ambassador for Ecology Jan Olsson. During the scientific and technical symposium in Białystok devoted to the latest environmental investment of Enea, he drew attention to the great importance of Polish - Swedish cooperation in this innovative project.

The technology used for heat recovery from the exhaust gases can increase heat production from biomass boiler without additional fuel consumption. Thanks to the investment in a modern heat recovery system, Enea Wytwarzanie significantly reduced emissions into the atmosphere and increased its productivity. The estimated reduction of carbon dioxide emissions amounts to approx. 20,000 tonnes per year.

**PIŁA:** The co-generation power plant built in MEC Pila is one of the most modern plants of this kind in the country. It can produce approx. 10 MWh of heat and approx. 10 MWh of electricity. It is powered by natural gas.

Its launch reduced the need for energy from conventional sources contributing to the reduction of the amount of burned carbon, emissions of dust, sulphur oxides and CO<sub>2</sub> to the atmosphere.

### Water and raw materials

Main raw materials that are used in our daily activities include: biomass, coal, fuel oil and light fuel oil. We purchase heavy and light fuel oil in Poland. The remaining raw materials are acquired both in the Polish and foreign markets. The largest purchases are made by Enea Wytwarzanie which has the largest generation units.

**Table 16.** The main raw materials used by Enea Wytwarzanie in 2014 and 2015

## Corporate social responsibility report of Enea Capital Group 2015

### Fuel supplies

| Fuel type                                | 2014 <sup>2)</sup>      |                                  | 2015                    |                                  | Change |                     |
|--|-------------------------|----------------------------------|-------------------------|----------------------------------|--------|---------------------|
|  | Volume<br>['000 tonnes] | Costs <sup>3)</sup><br>[PLN mln] | Volume<br>['000 tonnes] | Costs <sup>3)</sup><br>[PLN mln] | Volume | Costs <sup>3)</sup> |
| Bituminous coal                          | 5 540                   | 1 286                            | 5 870                   | 1 321                            | 6.0%   | 2.7%                |
| Biomass                                  | 759                     | 248                              | 634                     | 172                              | -16.5% | -30.6%              |
| Fuel oil (heavy) <sup>4)</sup>           | 8                       | 14                               | 8                       | 9                                | 0.0%   | -35.7%              |
| Gas ['000 m <sup>3</sup> ] <sup>5)</sup> | 1 926                   | 3                                | 13 845                  | 20                               | 618.8% | 566.7%              |
| <b>TOTAL</b>                             |                         | <b>1 551</b>                     |                         | <b>1 552</b>                     |        | <b>0.1%</b>         |

- 1) Including to Enea SA
- 2) Includes production from MPEC from the take-over by Enea CG - MPEC taken over on 16 September 2014
- 3) Including transport
- 4) Light-up fuel in Kozienice Power Plant
- 5) Used for the production of electricity and heat energy in MEC Piła and heat energy in PEC Oborniki

**Table 17.** Total water withdrawal in the companies of Enea Group in m<sup>3</sup> in 2015

|                                   | Unit           | 2015          |
|-----------------------------------|----------------|---------------|
| ENEA S.A.                         | m <sup>3</sup> | 4075          |
| ENEA Operator                     | m <sup>3</sup> | 64134.81      |
| ENEA Wytwarzanie                  | m <sup>3</sup> | 1 801 483 624 |
| Elektrociepłownia Białystok       | m <sup>3</sup> | 24 866        |
| MEC Piła                          | m <sup>3</sup> | 5 677         |
| PEC Oborniki                      | m <sup>3</sup> | 2334.5        |
| Szpital Uzdrowiskowy<br>ENERGETYK | m <sup>3</sup> | 25135         |
| Enea Pomiary                      | m <sup>3</sup> | 659           |
| Enea Oświetlenie                  | m <sup>3</sup> | 936           |
| Enea Logistyka                    | m <sup>3</sup> | 1264          |
| PEC Zachód                        | m <sup>3</sup> | 1097.5        |
| ENEA Centrum*                     | m <sup>3</sup> | no data       |



Corporate social responsibility report of Enea Capital Group 2015

|                 |                |         |
|-----------------|----------------|---------|
| Enea Serwis     | m <sup>3</sup> | 14850   |
| Enea Trading ** | m <sup>3</sup> | no data |

\* Enea Centrum doesn't keep records of waste generation, since it doesn't own offices, which it uses. ENEA Centrum leases offices from other companies.

\* \* Enea Trading doesn't own office spaces which are rented from Enea SA, Enea Wytwarzanie and Enea Serwis. Operating costs are included in the rent.

**Table 18.**Waste by type of waste [Mg] in 2015

|                             |                            | Unit | 2015       |
|-----------------------------|----------------------------|------|------------|
| ENE A S.A.                  |                            |      |            |
|                             | Hazardous waste            | Mg   | 3.89       |
|                             | Other than hazardous waste | Mg   | 1.444      |
| ENE A Operator              |                            |      |            |
|                             | Hazardous waste            | Mg   | 334.839    |
|                             | Other than hazardous waste | Mg   | 4068.837   |
| Elektrociepłownia Białystok |                            |      |            |
|                             | Hazardous waste            | Mg   | 5.813      |
|                             | Other than hazardous waste | Mg   | 304.229    |
| ENE A Wytwarzanie           |                            |      |            |
|                             | Hazardous waste            | Mg   | 55.759     |
|                             | Other than hazardous waste | Mg   | 590399.653 |
| MEC Piła                    |                            |      |            |
|                             | Hazardous waste            | Mg   | 2.5        |
|                             | Other than hazardous waste | Mg   | 4751.3     |

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|                |                            |    |         |
|----------------|----------------------------|----|---------|
| PEC Oborniki   |                            |    |         |
|                | Hazardous waste            | Mg | 0.02    |
|                | Other than hazardous waste | Mg | 831.7   |
| PEC Zachód     |                            |    |         |
|                | Hazardous waste            | Mg | no data |
|                | Other than hazardous waste | Mg | no data |
| Enea Pomiary   |                            |    |         |
|                | Hazardous waste            | Mg | 0.014   |
|                | Other than hazardous waste | Mg | 1.01    |
| Enea Logistyka |                            |    |         |
|                | Hazardous waste            | Mg | 7.488*  |
|                | Other than hazardous waste | Mg | 6.330*  |
| Enea Trading   |                            |    |         |
|                | Hazardous waste            | Mg | no data |
|                | Other than hazardous waste | Mg | no data |
| Enea Serwis    |                            |    |         |
|                | Hazardous waste            | Mg | 500.999 |

Corporate social responsibility report of Enea Capital Group 2015

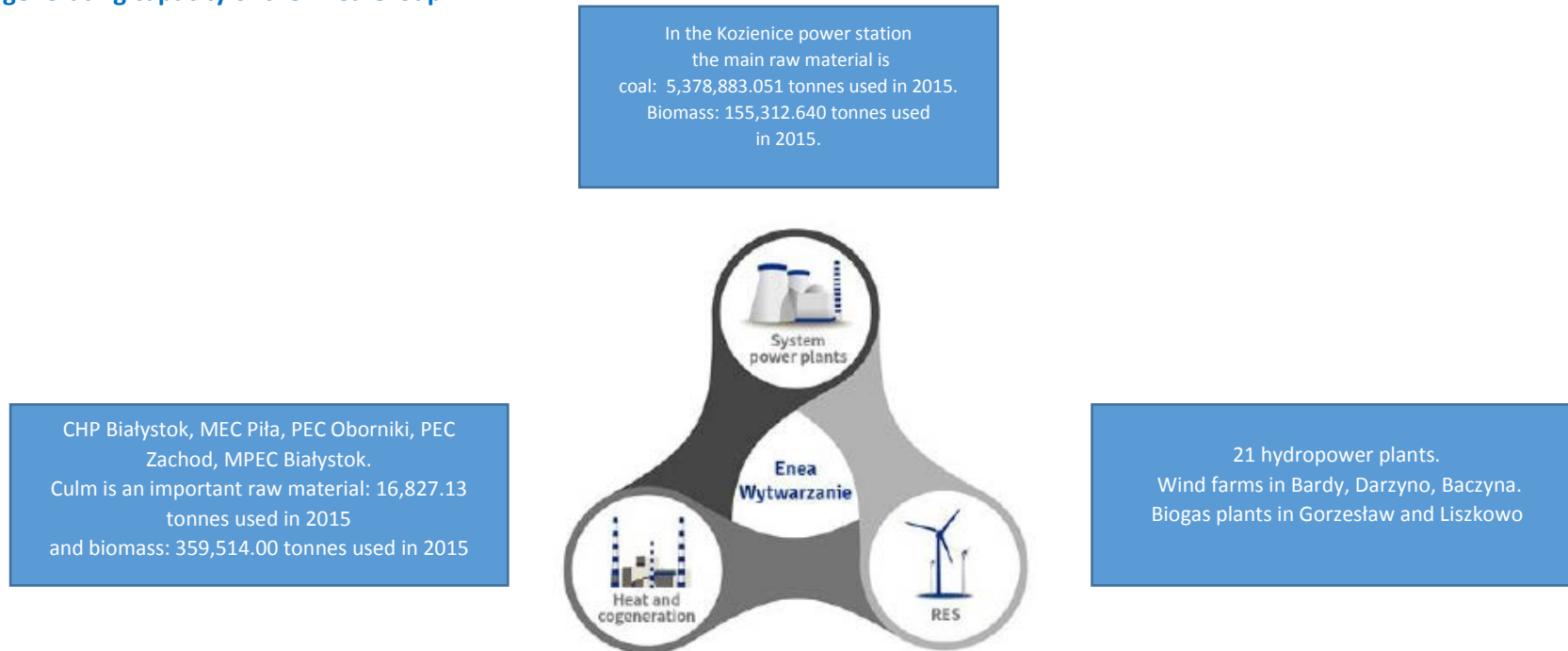
|                                |                              |    |                                     |
|--------------------------------|------------------------------|----|-------------------------------------|
|                                | Other than hazardous waste   | Mg | 838.273                             |
| Enea Oświetlenie               |                              |    |                                     |
|                                | Hazardous waste              | Mg | 4.141                               |
|                                | Other than hazardous waste * | Mg | 176.04                              |
| ENEA Centrum                   |                              |    |                                     |
|                                | Hazardous waste              | Mg | no data                             |
|                                | Other than hazardous waste   | Mg | no data                             |
| Szpital Uzdrowskiowy ENERGETYK |                              |    |                                     |
|                                | Hazardous waste              | Mg | a. 3.50 Mg<br>b. 520 m <sup>3</sup> |
|                                | Other than hazardous waste   | Mg | 0.043                               |

\*The above values include waste produced by the Company and waste collected by Enea Logistyka Sp. z o.o. from other Enea companies which result from provisions of the Waste Electrical and Electronic Equipment Act. The above figures do not include municipal waste. Hazardous wastes (used light sources) were handed over to ABBA Ekomed company Sp. z o.o from Toruń, while non-hazardous waste are subject to recycling.

## RES

We use renewable energy sources (RES for short) in the form of combustion and co-combustion of biomass, hydropower, wind farms and biogas plants.

### Power generating capacity of the Enea Group



- Total installed RES capacity: **134.31 MW**
- Amount of energy generated from RES in Enea Wytwarzanie: **303,838.813 MWh**
- Amount of energy generated from co-generation in Enea Wytwarzanie: **523,488.352 MWh**

**Table 19.** The generation by the Enea Group of electricity (net) from renewable energy sources [GWh]

|                       |            | 2014   | 2015   |
|-----------------------|------------|--------|--------|
| Co-firing of biomass  |            | 476    | 255    |
|                       | Change [%] |        | -46.4% |
| Combustion of biomass |            | 294    | 309    |
|                       | Change [%] |        | 5.10%  |
| Hydropower plants     |            | 115.5  | 109    |
|                       | Change [%] |        | -3.50% |
| Wind farms            |            | 154.66 | 162    |
|                       | Change [%] |        | 14.90% |
| Biogas power plants   |            | 10.464 | 14     |
|                       | Change [%] |        | 55.60% |

#### The most important initiatives in the RES area

We invest in renewable energy sources (RES).

**Table 19.** Existing and planned capital expenditures of Enea in renewable energy

|                             | 2014             | 2015             | 2016              |
|-----------------------------|------------------|------------------|-------------------|
| Capital expenditures in RES | 13.1 million PLN | 94.3 million PLN | 298.8 million PLN |

These amounts were spent in 2015 primarily on the development of new energy sources in the areas of wind energy and photovoltaics as well as modernization of hydroelectric power and biogas.

In 2015, within the RES segment, we conducted intensive activities in the area of acquisition of wind projects. On August 7, 2015, we entered into a preliminary agreement to purchase a 100% stake in the company which is building a wind farm with a capacity of 36 MW.

In 2015, we conducted the investment of a wind farm with a capacity of 14.1 MW in Lubno next to Gorzow Wielkopolski. We also continue the work on a pilot project to build a photovoltaic farm with a capacity of 1 MW in Jastrowie.

## Calendar of 2015

### JANUARY

- Launch of the first phase of implementation of the new SAP system in four companies of the Group: Enea SA, Enea Operator, Enea Centrum and Enea Trading.

### FEBRUARY

- Reception of an eco-system in CHP Białystok - the first investment on such a scale in Poland. The heat recovery system recovers heat from the exhaust gases from biomass combustion. The system allows to produce an additional 385,000 GJ of heat per year without additional input of fuel.

### MARCH

- The shares of Enea SA entered the main indices of the Warsaw Stock Exchange: WIG20 and WIG20TR. According to the decision of the WSE authorities, Enea is one of the most important Polish companies. The WIG20 index is a key indicator of the economic situation, as well as the main index and the underlying for futures and options.
- Enea SA acquired 1 billion PLN through the first issue of bonds under the program with a total value of 5 billion PLN. Securities were issued as bearer bonds with five-year maturity.
- The Enea Group simplifies and optimizes its structure. The key companies of the Group were renamed: Enea Oświetlenie (previously Eneos), Enea Pomiary (previously Energomiar), Enea Logistyka (previously BHU) and Enea Serwis (previously Energobud Leszno). All companies, except for the distribution company, use the same logo.
- Launch of a new website [www.enea.pl](http://www.enea.pl). The site was refreshed in order to response to the expectations of Customers. According to the research conducted by TNS OBOP, customers expect the online support as well as wider range of products and services possible to purchase on mobile devices.

### APRIL

- The construction of Block 11 in Kozienice was awarded during a gala of Energy World Leader. The jury awarded the project for innovation and sustainable solutions, thanks to which the production will take place at much lower consumption of coal and reduction of emissions.
- The company Energo-Tour was put into liquidation. The decision of the Extraordinary General Meeting of Shareholders is consistent with the corporate strategy of Enea, which involves focusing on the Group's core business.
- On April 15, Enea, KGHM Polska Miedz and Tauron Polska Energia acquired from PGE 10% stake each in PGE EJ 1 - special purpose entity, which will act as the operator of the first Polish nuclear power plant. PGE EJ 1 is responsible for the preparation and implementation of investment involving the construction and operation of a power plant with a capacity of 3,000 MWe.

- On April 27, Fitch Ratings maintained the company's long-term ratings in foreign and local currency at “BBB” and national long-term rating at “A (pol)” with a stable outlook. On October 29, Fitch Ratings affirmed the ratings of Enea in connection with the acquisition of LW Bogdanka.
- Enea launched a product for individual customers: ENERGY + Health. Along with the guaranteed fixed rates for electricity, customers will gain the right to use an affiliate program for medical services provided by LUX MED.

#### MAY

- Enea began to operate in May on the German electricity wholesale market. Thanks to a specialized company Enea Trading is present on both the SPOT market - EPEX SPOT (European Power Exchange), as well as on the futures market - EEX (European Energy Exchange).
- On May 29, the European Investment Bank granted a loan to Enea in the amount of 946 million PLN for the modernization and expansion of power grids in north-western Poland. The investment program of Enea implemented in the period 2015-2017 will contribute to the increase in the competitiveness and security of distribution in this part of the country.
- Enea Oświetlenie organized another edition of the fair “More light” in Kolobrzeg. This annual meeting of the industry, during which leading manufacturers present the latest technological solutions in the field of road and decorative lighting.
- Enea was a strategic partner of the contest ENERGY + Innovation. The participants' task was to propose the most innovative idea, which will be ultimately applied in the Enea Group.
- Enea Logistyka signed an affiliation agreement with the purchasing group Elektro-Holding of Wielun. It specifies the conditions for future cooperation in the field of trade in the electrical and technical industry. Thanks to it Enea Logistyka gained additional potential and a chance of development.

#### JUNE

- Enea Operator linked to the network one of the largest photovoltaic power plants in Poland. The farm with a capacity of 1.45 M covers an area of about one hectare. It is made up of more than six thousand panels. The new plant can produce annually the energy worth up to 400 thousand PLN and the reduction of carbon dioxide emissions into the atmosphere is estimated to be 1300 tonnes per year.
- Przedsiębiorstwo Energetyki Ciepłej Zachod began operations within the Group as a subsidiary of Enea Wytwarzanie PEC Zachod provides services to, among others, the heat segment in the operation and construction of the district heating network and service belonging to MPEC Ciepłownia Zachod.

#### JULY

- Enea and Tauron Group signed a letter of intent regarding possible cooperation in the field of renewable energy sources. It envisages the establishment of working groups the task of which will be to determine details.
- Best Service and Pride of the Region - these are the categories of the Wielkopolska edition of the economic rating “Proud of You”, in which Enea won. The idea of a plebiscite is to integrate the business as well as establish and strengthen economic relations. The competition awards the best companies for their contribution to the development of the region. The contest was organized by the magazine Regions' Business.

#### AUGUST

- On August 11, Enea paid a dividend from the profit for 2014 in the amount of 0.47 per share. The dividend yield was 3.2%.

- Enea Oświetlenie completed the construction of four photovoltaic power plants in Szczecin. Photovoltaic panels were installed on four public buildings. The installations were designed so that the produced energy was used for the buildings' own needs. The initiative in Szczecin was to develop and increase the use of solar energy in urban units.
- Enea Wytwarzanie signed a conditional agreement to purchase 100% of the shares in the company that runs the construction of a wind farm with a capacity of 36 MW. The farm located in the central Poland will consist of 12 wind turbines - each with a capacity of 3 MW. Enea Wytwarzanie will become a single shareholder in the company after the formal commissioning of investment.

#### SEPTEMBER

- On September 18, the company Centralny System Wymiany Informacji (Central Information Exchange System) was established, which aims to implement a uniform standard for the exchange of information between the participants of the retail electricity market.
- On September 29, the new company Enea Innovation was established with the objective to carry out activities aimed at implementation of the Corporate Strategy of the Enea Group determining crucial interest of the group in the field of innovation.
- At the beginning of September in Lagow (Lubuskie Province), the conference "Live Working" took place organized by Enea Operator . It summarized the completed five-year project promoting, implementing and disseminating the live working. The meeting was also an opportunity to summarize the four editions of the competition for the best installation electrician brigade working without interrupting the supply of electricity.
- The reconstruction of high-voltage lines Międzychod-Sierakow ended. On September 22, the ceremony of its connection to the network was held. The modernized line will significantly affect the improvement of energy security in the provinces of Lubuskie and Wielkopolska. Enea Operator allocated 13.5 million PLN of its modernization.

#### OCTOBER

- On October 29, Enea became the owner of a total of 66% of the shares of LW Bogdanka, taking the operational control over the most effective Polish mine. Co-creation of a modern fuel and energy company guaranteed Bogdanka stable future whereas Enea ensured a safe supply of fuel at a competitive price.
- Enea launched a new online sales channel. Individual customers of Enea can already conclude agreements on the Internet with a guaranteed fixed price for energy and additional benefits such as ENERGY + Health, ENERGY + Fixed price and ENERGY + Savings.

#### NOVEMBER

- Enea signed a letter of intent with Poznan University of Technology, which opens the way to joint looking for innovative projects and business cooperation with the scientific community.
- Enea Oświetlenie finished the upgrading of the lighting of the Old Market in Poznan financed by the funds of the company. Modern LED lighting replaced the sodium lamps in 32 lampposts. The neutral white colour light illuminates almost five times more walkways and more than seven times the plates of the Old Town. The modernization will improve not only the quality of lighting, but also the safety of residents and tourists.

#### DECEMBER

- The company Hotel Edison in Baranow was sold. The decision to exclude the Hotel Edison from the Group was a natural consequence of limiting involvement in projects not related to the core business of the Group.



- The Management Committee approved on December 18 the material and financial plan for 2016, including the Investment Plan for the years 2016 and 2017 for Enea Operator. Enea Operator plans to carry out investments in the amount of 841 million PLN in 2016 and 949 million PLN in 2017.
- Mirosław Kowalik became the new president of Enea. Mirosław Kowalik is a manager with wide experience in the energy sector. Previously, he served as Vice President and Director for Business Development at SNC-Lavalin Poland. For many years he was Director of Sales and Marketing at Alstom Power in Poland.

## Initiatives in 2016

### COMMUNITIES

#### Cooperation with schools for the future of the industry

Enea Operator works with schools preparing young people to work in the energy sector. The company established close cooperation with schools in Szczecin, Gorzow Wielkopolski and Poznan. Enea Operator offers apprenticeships to students and subsidizes modern workshops in schools.



Enea Operator - Współpraca ze szkołami technicznymi

<https://www.youtube.com/watch?v=PaBtQRoYacc>

#### Enea Wytwarzanie closer to local communities

Enea Wytwarzanie signed the framework cooperation agreement with the Municipality of Kozienice. This is the third agreement of this type of between the company and the local government, which will allow the support for educational, cultural and sports projects.

### **The project promoting safety**

The first action of Enea Operator organized on such a large scale regarding safety in the vicinity of the energy infrastructure “We care about your safety. Care about it too” started. The Police of Zachodniopomorskie Province, the Fire Brigade and the Polish Society of Transmission and Distribution of Electricity are the partners of the action. During the inauguration of the project, the premiere of the animated educational spots was held while firefighters, rescue workers and volunteers of Enea organized competitions for students and shows dedicated to security.

## **INVESTMENTS**

### **The first general rehearsal on the construction site of Block 11 in Kozenice Power Station**

One of the most important stages of construction of a new power unit of 1,075 MW in Enea Wytwarzanie was completed successfully. In March 2016, the first [water test of the boiler](#) was conducted successfully.

The high-performance power unit under construction in Kozenice Power Plant (Enea Wytwarzanie) will have a power of 1,075 MW and the efficiency of 45.59%. The Enea Group has invested over 5.1 billion PLN (about 1.21 billion euros) in the construction.

### **The new high-voltage lines**

The new line of Dolna Odra - Chlebowo enhanced the energy security of the agglomeration of Szczecin. The investment changes the configuration of power supply from the Dolna Odra power plant. In the framework of the investment, 17 km of double-track energy lines adapted to the operating temperature of 80 ° C were built. Szczecin has gained three additional power lines providing the Szczecin conurbation with energy.

We also launched a new high-voltage line between Pakość and Znin. This line replaced the old, worn-out network of 110 kV built in the early sixties of the last century. Thanks to the investment, inhabitants of the municipalities of Inowroclaw and Znin will gain more energy with better quality parameters and its supply will be more reliable. The activation was held on March 1 in the presence of local self-government representatives and the Board of Enea Operator.

### **Inauguration of the wind farm Baczyna**

Enea put into operation a new [wind farm Baczyna](#) of the capacity of 14.1 MW. Its construction involved Enea Serwis and the electricity produced by the farm will go to the distribution network of Enea Operator. The project is located in Lubno in the municipality Lubiszyn in Lubuskie province. The Baczyna wind farm consists of six wind power plants with a capacity of 2.35 MW and a tower of 104 meters each. The expected annual electricity production will be shaped at the level of more than 30,000 MWh.

## CUSTOMERS

### Nearly 2.5 million customers in the Comprehensive Customer Service System

Last year, we started the reconstruction in the area of customer service, which completely changed the use of the services offered by our company. In a short period of time, we made a lot of organizational changes in the area of information technology, as well as changes in the invoice shipping, new numbers of individual customer accounts and new channels of contact and billing. New modern electronic Customer Service Centre (eCSC) constituted a particular challenge. It involved the safe transfer of data of almost 2.5 million customers from several old systems to one Comprehensive Customer Service System, that provides comprehensive support via each channel of contact. Data transfer and implementation of the system in each location were conducted in stages in 2015 and ended in March 2016.

### Electronic Customer Service Centre (eCSC) available for all Enea customers

From April 1, 2016, the electronic Customer Service Centre (eCSC) has been available for all Enea customers. Quickly, efficiently, without leaving home and from anywhere where Internet is available - this is how the electronic Customer Service Centre works. With the new system, you can, among others, check the current status of invoices, pay invoices and contact Enea.

#### Benefits for customers

- Starting eCSC functionality, which allows customers to:
  - Make payments for energy online,
  - Purchase codes for prepayment meters,
  - Check the current balance of payments,
- The launch of the eInvoice service and direct debits,
- The possibility to purchase codes for prepayment meters and to pay energy invoices in the hundreds of network Via Moje Rachunki points (grocery stores, gas stations),
- The possibility of receiving a summary invoice,
- Free transfers from several thousand Pekao SA bank branches (for individuals) and PKO BP (for business customers) throughout the country.

The changes required appropriate organizational preparation, conscious and consistent implementation of various functions and adequately prepared and carried out communication with customers who could feel the temporary inconveniences associated with so many changes. Reconstruction of customer service has been carried out successfully whereas reliable and consistent communication helped our customers understand our goals and the need to introduce such changes as well as the challenges that the entire organization faced.

**Difficulties encountered during data migration:**

- Postponing the date of receipt of the invoice,
- Extending the time for dealing with complaints,
- Inability to verify whether the payment is made by the Client,
- Inability to issue a correction invoice.

In addition, all employees of departments of customer service, billing, debt collection, regardless of location, are already working in one billing system, using the same data and tools.

However, the primary benefit of the project is to obtain a central database of over 2.4 million clients and to introduce low-cost remote channels of contact with customers (eCSC, eInvoice), as well as to lay the foundation for further development of support systems for customer service, for example CRM.

**The Code of Good Practices of Distribution System Operators**

Enea Operator is co-author and signatory of the Code of Good Practices of Electricity Distribution System Operators.

The Code is directed to the recipients of electricity and its objectives is to present, as transparently as possible, both the main tasks of companies distributing electricity and the significant differences between the seller, distributor and manufacturer.

The Code was developed in cooperation with the Polish Society of Transmission and Distribution of Electricity. Not only Enea Operator Sp. z o.o., but also ENERGA-OPERATOR SA, PGE Dystrybucja SA, RWE Stoen Operator Sp. z o.o. and Tauron Dystrybucja SA., committed themselves to the compliance with the provisions.

**New Customer Service Centre in the old transformer station**

Enea launched the new Customer Service Centre (CSC) in Szczecin. Modern room with 14 posts offers a comfortable and efficient service. A place where the new CSC was launched is special - it is an ancient energy substation built in the early twentieth century in a residential area of Szczecin.

**EMPLOYEES**

**New rules on giving and receiving gifts in the Enea Group**

In 2016, “New rules on giving and receiving gifts in the Enea Group” were established. This document organizes issues of giving and receiving gifts and facilitates contacts with many stakeholders.

### **New Trade Union in Enea**

On April 20, 2016, a new union of employees of the Enea Group officially began operating. This is the Trade Union of Workers of the Enea Synergy Group.

### **ENVIRONMENT**

#### **Bird houses on electric poles**

Each year, Enea Operator cares about the stork nests located by birds on electric poles. In four years, nearly 500 nests were built, 486 of which were shielded by Enea Operator by platforms in order to protect young birds from falling out of the socket or from electric shock. In 2016, a brigade of electricians from Krosno Odrzanskie, in cooperation with RDOŚ, installed a special platform at the osprey nest.