

Corporate social responsibility report of Enea Capital Group 2014

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Letter of the President of the Management Board

Full text of the letter of the President of the Management Board:

Dear Sirs,

I invite you to read sustainability Report of the Enea Capital Group for 2014. We've been reporting our social, economic and environmental impact for the fourth time already.

We are one of the largest energy companies in Poland. Decisions we make affect not only quality of life of millions of our Customers, but also energy security of the country. Transparency and reliable analysis of responsible business issues is one of the manifestations and natural consequences of chosen by us direction of continuous improvement and dynamic development of the Enea Capital Group.

In all our activities we take into account the sustainable development of Enea Group values. This means strengthening our role as a responsible, contributing to the quality of life of Poles partner of positive economic changes, consistent with the key principles of sustainable development.

We've thoroughly rebuilt our organization. We have strengthened internal management systems and we effectively use the expertise and experience of our specialists. Already in the first year of implementation of the new corporate strategy we've created a uniform economic organism, which effectively operates on the market. We have also implemented a new, integrated risk management system. This is a particularly valuable investment in management systems, which significantly helps us, among others, to analyse current and future trends affecting directly the condition and expectations towards our industry.

Strong, healthy competition, efficiency and cost optimization, energy and climate policy of Poland and Europe, growing energy needs and energy supply reliability - are the key challenges that we confidently respond to. We've responsibly taken part in a thorough restructuring of the Polish energy sector. We rationally develop our capacities and modernize distribution networks. We rely on the best technologies, looking for innovation also here in Poland.

We're building a unique on a global scale, modern power unit in Kozienice. We're increasing our portfolio of renewable energy sources and cogeneration. We're rebuilding electricity grids in the north-western Poland. We're developing our offer addressed to customers and improve service quality. As we respond to their needs every day we enjoy higher customer confidence.

We are changing to take the best care for the world of our customers. Enea is now a modern, innovative and courageously forward-looking company.

Krzysztof Zamasz

President of Enea SA Management Board

Enea Capital Group

We are one of the largest energy groups in Poland, with the most modern power unit in Europe. We generate, distribute and sell electricity. We serve 2.5 million customers. We employ 10 thousand employees. Our central headquarters are located in Poznań.

Learn our business segments

GENERATION:

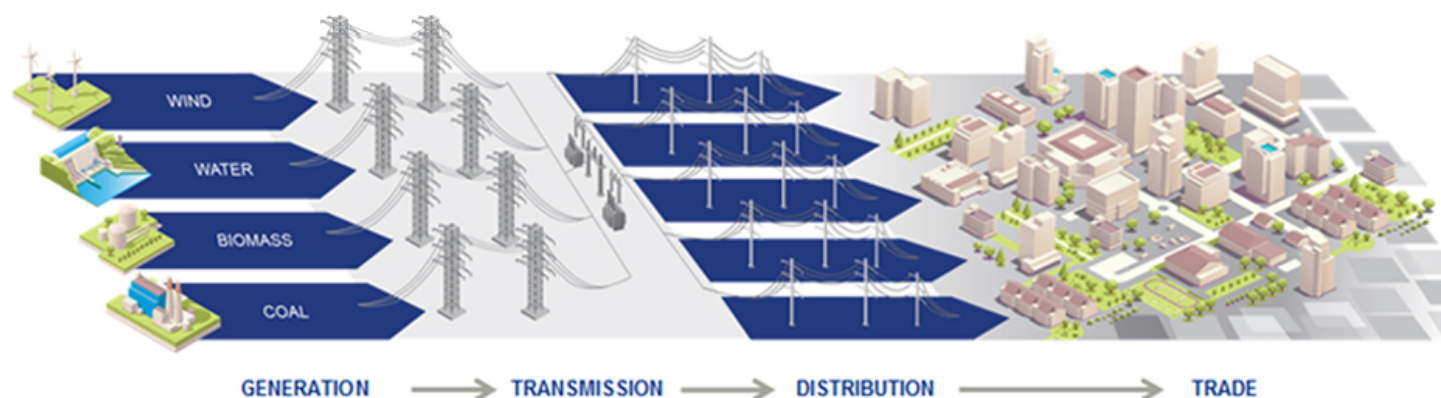
- We generate electricity based on bituminous coal, biomass, wind, water, biogas and heat in cogeneration
- We are responsible for transmission and distribution of heat and trade of electricity
- 9% of energy generated in Poland comes from our power plants
- 16 TWh generating potential annually in Enea Wytwarzanie
- 199 MW capacity installed in renewable energy sources

DISTRIBUTION:

- We manage and extend distribution network and manage data measurement
- 132 thou. km of power lines with connections
- 36 thou. switching stations
- 20% coverage of Poland

TRADE:

- We are responsible for wholesale trading and service of retail Clients
- 2.5 mln Customers
- 13% of electricity sold to end users in Poland
- Customer Friendly Company



SHARED SERVICE CENTRE

Supports generation, distribution and trade companies

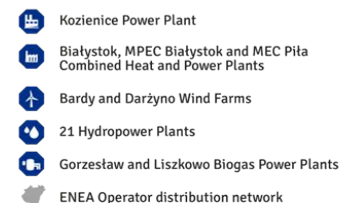
Enea Capital Group

Structure of the Enea Capital Group

ENEA Capital Group consists of Enea parent company and twelve other companies. Enea Wytwarzanie is responsible for the **energy generation**, Enea Operator for **distribution**, and Enea Trading and Enea companies are responsible for **trading**.

The Capital Group also comprises **support companies** such as Enea Centrum, Enea Logistyka, Enea Oświetlenie, Enea Serwis, Enea Pomiary, Hotel Edison, Annacond Enterprises, Szpital Uzdrowiskowy ENERGETYK and Energo-Tour. Furthermore, Enea Capital Group founded Enea Foundation, which is responsible for social activities.

Click on the [company's website](http://www.enea.pl/pl/grupaEnea/o-grupie/spolki-grupy-Enea) to find a brief description of companies.
[<http://www.enea.pl/pl/grupaEnea/o-grupie/spolki-grupy-Enea>]



A detailed description of the Enea Group as at 31 December 2014 may be found in the [annual report](http://ir.enea.pl/en/releases/3692?from_y=2015&from_m=1&from_d=1&to_y=2015&to_m=12&to_d=31)
http://ir.enea.pl/en/releases/3692?from_y=2015&from_m=1&from_d=1&to_y=2015&to_m=12&to_d=31

Foundations of modern business group

Enea Code is the most important document in the Capital Group, which may be compared to constitution. Code is a legal instrument thanks to which we operate every day as one organism and we may take decisions quickly.

The Capital Group is like a team. We need to choose wisely its members and their roles. That is why we have introduced **changes in the structure of the Group**. Simplifying the Group's structure and focusing on its core business, namely generation, distribution and energy trading is the most significant.

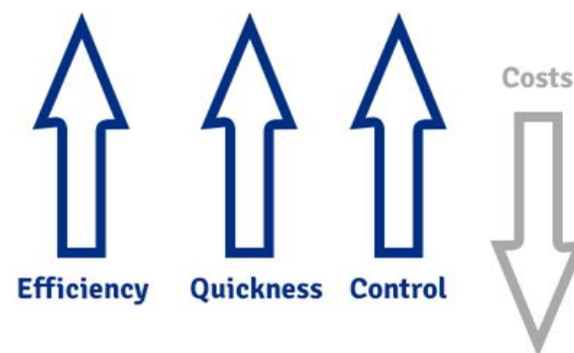
Development of a **shared service centre**, began with a foundation of Enea Centrum last year, was a milestone in this direction. It is a kind of "administrator". The Centre provides services to, among others, human resources, finance and accounting, IT, logistics, legal services and Client service.

Our goal: particular business areas like generation, distribution, trade and shared service centre are represented by individual companies. All share this same Enea logo (with the exception of Enea Operator due to the separation of an energy seller and distributor) and operate on the basis of the new brand strategy.

The Group's operations are supported with **IT systems**. We have had an intense year of work on the implementation of specialized IT systems, such as SAP and Comprehensive Customer Service System (CCSS). Thanks to them, we increase our efficiency.

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](http://ir.enea.pl/en/pr/294241/enea-capital-group-consolidated-annual-report-for-2014), if you wish to learn more on the risk management process. [http://ir.enea.pl/en/pr/294241/enea-capital-group-consolidated-annual-report-for-2014]

Creation of strong foundations of the Group was a goal of a wider project 'Corporate governance - Enea Capital Group Management Plan'. You may read more about the project in our previous [CSR report](http://raportcsr.enea.pl/2013/en#start) [http://raportcsr.enea.pl/2013/en#start] or in the [annual report for 2014](http://ir.enea.pl/en/pr/294241/enea-capital-group-consolidated-annual-report-for-2014). [http://ir.enea.pl/en/pr/294241/enea-capital-group-consolidated-annual-report-for-2014]



In 2014 ENEA Group saved **PLN 252 mln**

Capital Group management

Enea Management Board comprises of four persons.



Krzysztof Zamasz

President of the Board



Dalida Gepfert

Vice-President of the Management Board
for Corporate Affairs



Grzegorz Kinelski

Vice-President of the Management Board
for Financial Affairs



Paweł Orlof

Vice-President of the Management Board
for Commercial Affairs

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

Click the [link](http://ir.enea.pl/en/ir/investor-relations/corporate-governance/company-authorities), if you wish to read detailed biographies of the Management and Supervisory Board members <http://ir.enea.pl/en/ir/investor-relations/corporate-governance/company-authorities> Rules of the Management and Supervisory Board are available [here](http://ir.enea.pl/en/ir/investor-relations/corporate-governance/corporate-documents) <http://ir.enea.pl/en/ir/investor-relations/corporate-governance/corporate-documents>

Enea on exchanges

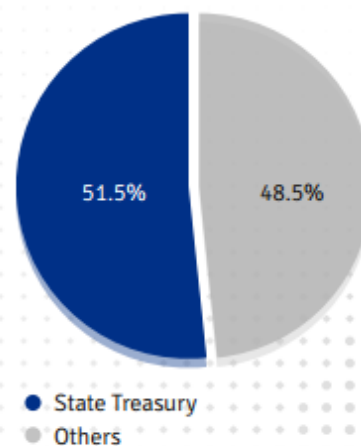
Enea company is listed on the Stock Exchange in Warsaw. Since 11 February 2014 all Enea shares are traded (that day 2 000 033 company's shares were introduced to trading).

ENEA's shares on WSE

Ticker	ENA PW
Volume of shares	441 442 578
Capitalisation ¹⁾	PLN 7.33 bn
% in indices ¹⁾	WIG: 1.16% WIG20: 1.71% WIG30: 1.67% WIG-ENERG: 11.25% WIG-PL: 1.19% WIG-DIV: 3.17% MSCI Poland: 1.63%

¹⁾As at 23 March 2015

ENEA S.A.'s shareholding structure



Enea Trading signed an agreement with the **Polish Power Exchange** and became the Market Maker in 2014. Thanks to that Enea shall receive financial benefits related with the optimisation of variable costs of concluded transactions.

Furthermore, Enea Trading became a member of an international commodity exchange **ICE Futures Europe** in 2014. This is one of the largest European energy exchanges. Among others, transactions for oil, gas, coal and CO₂ emission allowances are concluded there.

Vision and strategy

Enea Group strategic objectives

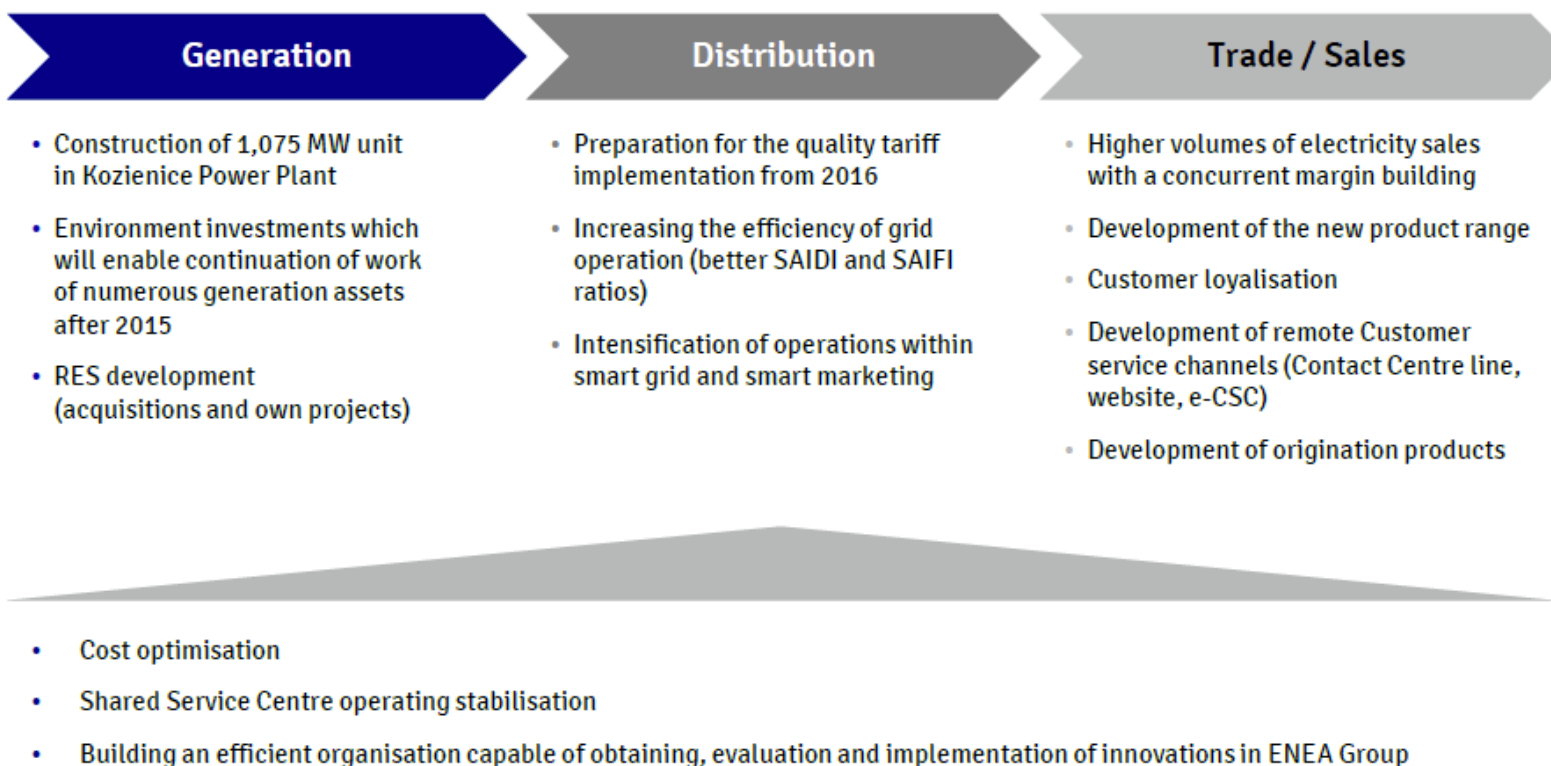


Based on corporate strategy for the years 2014-2020 five area strategies were defined, which involve: generation, distribution, sales and trading, and shared services. They facilitate goals management.

Objectives for the coming years



Implementation of challenges faced by ENEA Group will enhance its competitive advantage:



Ethical standards

Corporate values

Our business is based on four values: **honesty, competence, responsibility, safety**. These values have been chosen through workshops and voting by the employees. They are described in the Code of Ethics.

Code of Ethics

"Code of Ethics of the Enea Capital Group" developed in 2013 [<http://www.enea.pl/pl/grupaEnea/odpowiedzialny-biznes/kodeks-etyki/kodeks-etyki-grupy-kapitalowej-Enea>] includes standards of conduct adopted by the company. It clearly defines what values and attitudes are to characterize the Enea Capital Group employees.

All employees received the Code in print, and its implementation was supported by available on the intranet series of **e-learning**. Furthermore, trainings for newly recruited employees were conducted.

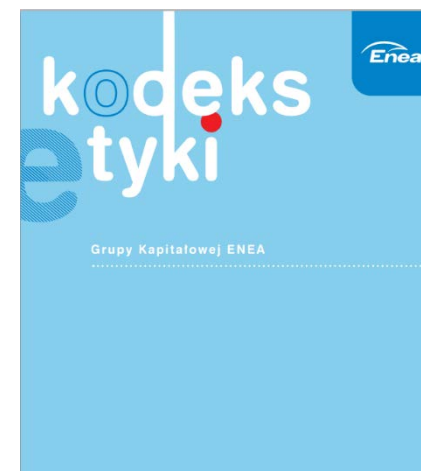
Code of Ethics is supplemented by the following documents:

1. Primary Regulation of candidates for the Code of Ethics committee Members
2. Election Regulation of committee members for Code of Ethics
3. Rules of the Committee for Code of Ethics

Reporting irregularities

Ethics Committee comprises of three persons in the Group, whose members were elected by the employees by means of general election. All concerns or irregularities may be reported to the Ethics Committee.

We have created a special tab on the enea.pl website devoted to ethics and the code, which is available not only for employees but for all stakeholders. Thanks to the **online form** everyone may report to the Ethics Committee any ethical doubts or irregularities.



If you wish to see videos promoting the Code of Ethics and learn more about the document itself and ethics, click the [tab](http://www.enea.pl/pl/grupaenea/odpowiedzialny-biznes/kodeks-etyki)
[<http://www.enea.pl/pl/grupaenea/odpowiedzialny-biznes/kodeks-etyki>]

Investments

Scale of planned investments in 2014-2020

Capital expenditures amount to 20 bln PLN. Majority of this amount will be spent on development of the generation and distribution areas. Its implementation will allow us to grow dynamically, serve our Customers better and provide value for the Group's shareholders. Funds for investments will come from own sources and debt financing.

First year of the plan implementation - results

We have completed majority of investments planned for the first year of the investment strategy implementation. Most of the funds was devoted to the generation area. Here, the greatest importance had **investment of Block 11**, accomplished according to the schedule, in the Kozienice power plant and purchase of wind farms. The remaining funds were allocated to distribution and support area.

Block 11 is:

- The largest in Europe power unit fired with bituminous coal
- Completely independent unit, possessing its own infrastructure
- New unit means a 1/3 increase in the Kozienice Power Plant's capacity
- Unit No. 11 will allow to eliminate deficits of energy on the market
- Low exploitation costs and costs of fuel consumption, low failure rate
- Works are precisely planned and realised on the schedule
- The unit complies with strict emission requirements

Enea Capital Group capital expenditures 2014-2020 (in 2013 prices without financial costs)

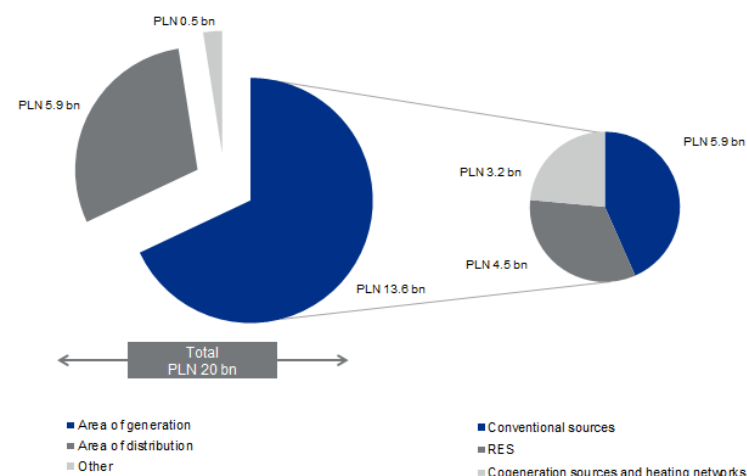


Table 1 Capital expenditures [PLN mln]

Capital expenditures [PLN mln]	2013	2014	Change	Change %	2015 Plan
Generation	1 265	1 832	567	45%	2 509
Unit 11	969	1 096	127	13%	1 587
RES	16	13	-3	-19%	418
Distribution	900	826	-74	-8%	899
Support and other	29	91	62	214%	125
TOTAL	2 195	2 749	554	25%	3 558

Investments completed in 2014

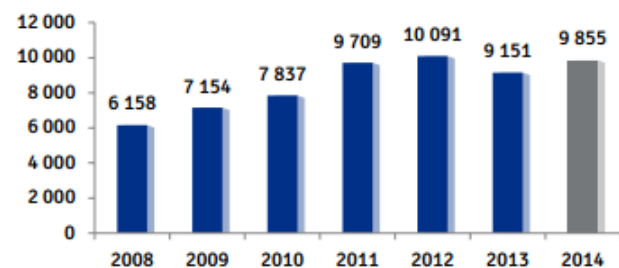
Generation	Distribution
<ul style="list-style-type: none"> – Modernisation of units No. 4 and 10 – Modernisation of the slag and ash depot – Acceptance of Gorzesław biogas plant with the installed capacity of 1.6 MW – Takeover of 86.36% of shares in Miejskie Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. in Białystok 	<ul style="list-style-type: none"> – Construction of 110 kV overhead line in Lubiechnia Wielka - Sulęcín relation – Reconstruction of 110 kV overhead line in Niechorze – Skrobotowo and Pomorska – Załom relations – Construction of Ujście switching station, Redlica switching station and Babimost switching station – Reconstruction of Warlubie switching station, Braniborska switching station, Wawrów switching station and Osowa Góra switching station

Financial results

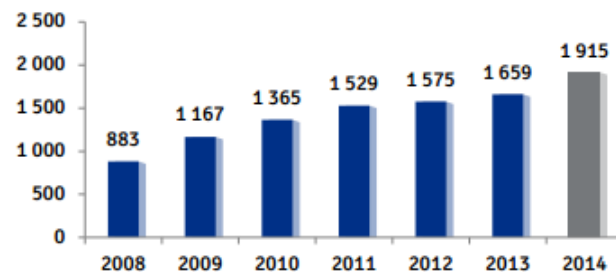
Good financial results and management improvement resulted with affirmation by Fitch Ratings of the company's long-term rating of BBB (internationally) and A (nationally) in April 2014.

Generated financial results reflect the optimum use
of ENEA Capital Group's resources

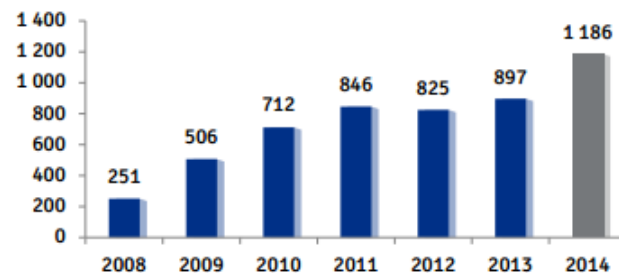
Net sales revenues
2008-2014 growth: **60%** ↑



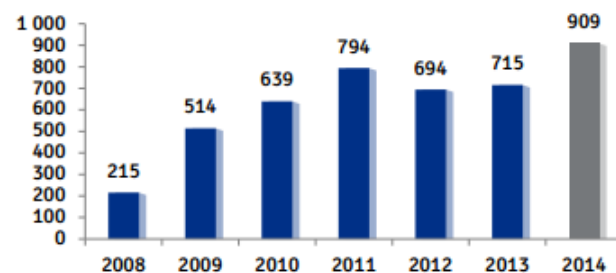
EBITDA [PLN mln]
2008-2014 growth: **117%** ↑

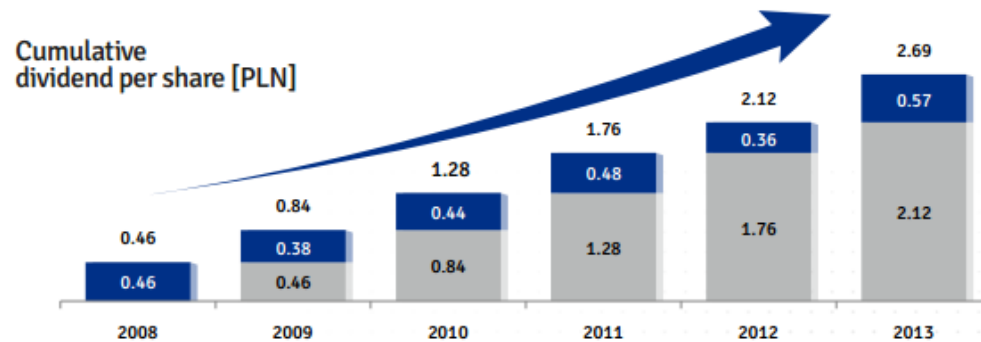


EBIT [PLN mln]
2008-2014 growth: **373%** ↑



Net profit [PLN mln]
2008-2014 growth: **323%** ↑





If you are interested in more detailed financial results for 2014 - go to the [annual report](http://ir.enea.pl/en/releases/3692?from_y=2015&from_m=1&from_d=1&to_y=2015&to_m=12&to_d=3)
[\[http://ir.enea.pl/en/releases/3692?from_y=2015&from_m=1&from_d=1&to_y=2015&to_m=12&to_d=3\]](http://ir.enea.pl/en/releases/3692?from_y=2015&from_m=1&from_d=1&to_y=2015&to_m=12&to_d=3)

Awards

Customer Friendly Company

We've received the award for the highest quality of Customer relations. "Customer Friendly Company" is a nationwide certification program, organized by the Management Observatory Foundation. The program effectively verifies the Customer satisfaction and the quality of Client service. The emblem is granted as a result of independent survey conducted among the company's Clients. The survey covers four areas: Client satisfaction, satisfaction with cooperation, quality of service, probability of recommendation.

Enea awarded for high transparency standards

Enea has been awarded in its industry in the project of the Polish Association of Stock Exchange Issuers 'ESG analysis of companies in Poland', which examines the reporting of non-financial data. We were also included in the circle of 30 listed companies with the highest transparency and clarity of communication of non-financial data.

The Best Annual Report 2013

It was a year of awards for communication of annual results. We've not only received an award for the presentation of non-financial data but also for presentation of financial results in the prestigious competition 'The Best Annual Report 2013'.

Among the most important hundred

We took 26th place in the ranking of the 100 largest companies in Poland, prepared by the Forbes business magazine (edition 2014). Ranking is published every year based on revenue ratio.

Energy World Leader

Our internal work on the transformation of the Capital Group has been recognized in the market. President of Enea Management Board Krzysztof Zamasz received title of the Man of 2013 and a statuette of the Energy World Leader during XIX EUROPOWER conference.

Prudent Company

A 'Prudent Company' certificate was granted to Enea Logistyka. This is a confirmation of conducting business in accordance with the standards described in the Canon of Best Practices of Prudent Companies. A 'Prudent Company' is not only a certificate but also a modern platform that guarantees permanent access to knowledge and tools allowing for a complex management of receivables and protection of the company from dishonest contractors.

Contact

We invite you to contact us:

Joanna Maderska

Department of Corporate Communications

email: csr@enea.pl

Information on the strategic objectives of corporate social responsibility and respective activities of the Enea Capital Group, including earlier reports are available at [page: \[http://www.enea.pl/pl/grupaenea/odpowiedzialny-biznes/raportowanie-csr\]](http://www.enea.pl/pl/grupaenea/odpowiedzialny-biznes/raportowanie-csr)

Stakeholders

Map of Enea Capital Group stakeholders	
Stakeholder	Communication source
Investors, Shareholders, Analysts	<ul style="list-style-type: none"> • Investor Relations Office • face-to-face meetings with investors i.e. road show, study tour • conferences • mobile applications • website • current and quarterly reports • annual report • CSR report
Employees	<ul style="list-style-type: none"> • employee satisfaction research • meetings and trainings • cooperation with trade members • intranet • newsletters • meetings and newsletters for managers • broadcasting system • employee volunteer program • annual report • CSR report • intelligent kiosks
Clients	<ul style="list-style-type: none"> • direct contact with the Client Service Office • customer Hotline • customer satisfaction research • special website tabs at www.enea.pl • special events i.e. sponsored by Enea • annual report • CSR Report
Local authorities	<ul style="list-style-type: none"> • direct meetings, participation in local events • 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 • bulletin 'Energetyczny samorząd' • websites

	<ul style="list-style-type: none"> • conferences • CSR Report
Local communities, public opinion	<ul style="list-style-type: none"> • direct meetings and cooperation with representatives of the local communities • communication with local and national media • participation of Enea Capital Group employees in activities for the sake of local communities within employee volunteer program • www.enea.pl website, including website tab dedicated to corporate social responsibility, Enea strategic goals in that respect and their implementation • lectures and participation in industry events and events dedicated to corporate social responsibility • CSR Report
Non-governmental organizations, beneficiaries, social partners, scientific institutions	<ul style="list-style-type: none"> • website • application form for beneficiaries • direct contact • dialog during the implementation of shared projects • CSR Report
Contractors and suppliers	<ul style="list-style-type: none"> • direct communication with dedicated people appointed for cooperation from the Group companies • website • industry meetings, trade fairs • annual report • CSR Report
Industry organizations	<ul style="list-style-type: none"> • meetings • trade fairs • membership in organizations • participation in working groups, authorities of industry organizations • annual report • CSR report
Media	<ul style="list-style-type: none"> • press office and current communication • contact by the dedicated e-mail • website • meetings with media • press conferences • dedicated press services • CSR Report

Public administration	<ul style="list-style-type: none"> • reports • annual report • CSR Report • direct communication • conferences
Natural environment	<ul style="list-style-type: none"> • communication of environmental impact through statements and reports sent to government entities dedicated to environment protection and through the CSR Report

Membership in organizations

The Group's companies are active members of employers, trade, professional and regional organizations. Thanks to the efforts undertaken in 2014, we have joined the Polish Member Committee of the World Energy Council in January 2015.

A list of initiatives in which we've participated in 2014

Business Centre Club Central Europe Energy Partners (by mid-2014)	Polish Committee for Electrical Energy Polish Wind Energy Association	STELEN Hydropower Association
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EDSD for Smart Grids Poznań Power Industry Company Employers Federation of Polish Energy Polish Chamber of Commerce of Heat Engineering Chamber of Commerce for Energy and Environmental Protection Chamber of Commerce of Northern Wielkopolska Izrael-Poland Chamber of Commerce Partner Club of University of Economics in Poznań Polish Club POLLAB Laboratories Lubuskie Association for Energy Development Organisation of Employers of Lubuska Land Polish Red Cross District Board in Kozienice	Polish Association of System Heat and Power Plants Polish Power Transmission and Distribution Organisation Spain-Poland Chamber of Commerce Wielkopolska Chamber of Tourism Institute of Internal Auditors IIA Poland Association of Polish Electricians Association of Polish Electrical Engineers Białystok Branch Association of Polish Electrical Engineers Radom Branch Polish Association of Stock Exchange Issuers Association of Individual Investors The Accountants Association in Poland Association of Construction and Electrical Equipment Producers	Economic Society Polish Power Plants Energy Trading Association Energy Services Association ENERGOBUD Leszno Wielkopolska Chamber of Commerce and Industry Wielkopolska Chamber of Tourism Wielkopolska Employers Association Heat Engineering Employers Association Heat and Power Plant Employers Association Power Plant Employers Association Power Industry Employers Association Power Plant Employers Association - ZPE Power Plant Employers Association in Warsaw
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Suppliers

Cooperation with suppliers is an increasingly important topic in the daily activities of companies guided by the principles of corporate social responsibility. So far, each of our companies alone was building relationships with suppliers. Purchasing issues are assigned to Enea Centrum, which is an 'administrative centrum' of our Group from January 2015. This will facilitate the purchasing process.

We use services and products from hundreds of suppliers every day. Three groups that are described below are the most important for our daily activities related to the generation and trade of energy:

Suppliers of key raw materials

As producers of electricity we constantly cooperate with domestic and foreign coal producers. Lubelski Węgiel „Bogdanka” S.A., Katowicki Holding Węglowy S.A., Jastrzębska Spółka Węglowa S.A. and PETROKOL Sp. z o. o. companies are our main Polish suppliers. CHP Białystok uses coal from Russia. We use biomass from Poland, Ukraine, Russia and Belarus to generate energy from biomass.

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 Wytworzenie. Furthermore, a 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

Transport companies are also our key suppliers. Hard coal is delivered to the Power Station in Kozienice exclusively by rail. Moreover, supply of coal and biomass for CHP Bialystok also depends on the efficiency and logistical capabilities of the rail carrier.

Suppliers of transmission and distribution segment

From more than one thousand suppliers of products and services for transmission and 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

Our Clients

We serve several million customers. We sell energy to over 2 million households and more than 200 thousand business Customers. Our distribution company Enea Operator serves over 2.4 million customers.

We have both individual as well as institutional Clients, such as companies, housing associations (MPEC Białystok), schools and local governments (eg. Enea Oświetlenie).

Rules for taking care of Clients

Customer satisfaction is the most important for us. We wish that Clients buy energy from us. Therefore, we introduce many changes in the organization itself, we develop and try to simplify contact with us.

On the other hand, we must be guided by a number of regulations, guidelines and procedures to achieve a high level of service. We also join voluntary projects like 'Best Practices of the Electricity Retailers'. Enea has joined these practices in 2014 as it passed the audit for compliance with the Code of Best Practice.

A result of our care is not only a better service, but also lack of penalties resulting from non-compliance with laws and regulations.

[Click](#) to see a selection of principles that guide us in our business operations:

- Procedures for changing supplier
- Procedures for determining the connection conditions and concluding agreement
- Procedures for execution and settlement of the connection
- 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

- | | | |
|---|---|--|
| <p>representatives of Enea Operator Sp. z o.o.</p> <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 recipient • Program of Providing a Non-discriminatory Treatment of the Enea Operator Sp. z o.o. Distribution System Users • Procedure of Client service • Standards for Client Service in Contact Centre • Procedure for handling complaints | <ul style="list-style-type: none"> • 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. |
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Your data is safe with us

By entering into a contract with us, you are certain that your data is safe. We have adequate regulations that protect your personal information. As a result we haven't had any complaints regarding breaches of customer privacy and loss of personal data in 2014.

Examples of regulations:

- 'Security policy within processing of personal data in Enea SA'
- 'Instruction of IT system management which processes personal data in Enea SA'
- "Personal Data Security Policy" Enea Centrum,
- "Manual for processing of personal data" Enea Centrum,
- Each contract signed with Enea Operator Customers contains provisions guaranteeing the protection of personal data.

Service quality

We introduce clear standards of Client service

Service standards define rules of contact with Clients, set goals of organizational changes and trainings of our employees. We identified them in many points of contact, such as call centre, Client service offices and while informing about, for example, heat outages.

Organizational change in 2014 was a very important task for us. It involved transfer of Client service into one company - Enea Centrum, which acts as a shared services centre. What thus gains our Customer? Thanks to this solution, we were able to develop a new model of business processes and thus provide better Customer service. We are proud that we changed as much as 20 business processes in such important areas like conclusion of agreements or direct Client service.

We invest in the construction and development of communication channels

We invest in the construction and development of new communication channels and Client service, such as e-CSC, e-Invoice, hotline and e-Commerce. We also implement a modern billing system and customer relationship management (CRM). In case of business Customers, we strive to build long-term relationships based on mutual trust, personal service and professional advice.

We introduce new services and offer

We introduced new products (i.e. energy with the price guarantee) and facilitated offer selection through a new website enea.pl. Development of the offer applies to the entire Enea team. Enea Logistyka decided to combine quality of products with expert advice for the Customer, as our sales managers are specialists with valuable experience in the industry. Thus, we don't only sell energy efficient solutions, but also educate. Moreover, Enea Pomiarzy invested in Measurement Laboratory and expands its operations by a service of current transformer verification.

We provide quality of products and high standards of service

It is worth to remember that the Enea Group is not just services, but a very strong core of production, supply of electricity and heat in a reliable, safe and environmentally friendly way. To ensure high generation quality, we invest in new technologies and increase capacity. At the same time we take care to provide high quality of service standards. We carry out projects, about which you may read in [Investments](#) section. Moreover, Integrated Quality Management System has an important role in quality management.

We have power lines of more than 133 610 km (including connections) and 36 877 transmission stations (as of 31.12.2014), which are located in the area of 58 213 km². Power network covers six provinces: wielkopolskie, zachodniopomorskie, kujawsko – pomorskie, lubuskie and part of dolnośląskie and

pomorskie. Ensuring smooth running of such an extensive network requires from us expenditures on investments, network repairs and modernizations every year. Thanks to them, we have reduced time interruptions in the electricity supply.



Table 2. Time rates of interruptions in the supply of electricity for years 2013 and 2014

index	2013	2014	unit
Number of customers	2.438.037	2 460 758	[no]
SAIDI for unplanned interruptions	353.5	219.43	[min]

SAIDI for unplanned interruptions including the catastrophic interruptions	415.33	223.49	[min]
SAIDI for planned interruptions	127.39	106.09	[min]
SAIFI for unplanned interruptions	4.18	3.21	
SAIFI for unplanned interruptions including the catastrophic interruptions	4.21	3.21	
SAIFI for planned interruptions	0.51	0.47	
MAIFI	2.31	1.93	

Results of our work – Customers evaluation

We've conducted a customer satisfaction survey at the turn of 2014/2015 to know the results of our actions. The study included both individual and business Customers, totalling more than three and a half thousand people. The study has been completed by an independent research agency TNS Poland. The result, i.e. Customer satisfaction index - CSI is 68.57. We plan to continue this research, to check whether we make adequate progress.

We've also received an award of a Customer Friendly Company. This program required a study in which 900 Enea Customers took part. The index that we were awarded is 87 per cent. This high rate was second in the industry and resulted in granting us a certificate.

Education

We share knowledge

Professionals work in Enea. We are experts in the field of energy. That is why we share our knowledge at conferences and industry meetings.

Examples:

- Conference 'Intelligent buildings management - Digital Home' organized by GLOBENERGIA, during which our experts had a lecture on 'The photovoltaic system for own needs -from design to execution'.
- "Fair More Light" in Kołobrzeg, where we educated representatives of local governments in the context of new energy solutions entering the market.

Education with partners

We know that in education we may achieve more by working together. Therefore, the program for the safety of children ' Safe Kindergarten Academy' was implemented under joint preventive actions of Municipal Police Headquarters in Poznań, Polish Gas Company and Enea Operator.

Enea Operator also took part in the project "Eco-crative" addressed to small and medium-sized businesses.

Education through the media

Our companies try to reach customers in every possible way:

- Through press, for example PEC Oborniki published articles in the local press addressed to the inhabitants of Oborniki
- Through a series of programs 'Friends with energy' in the Mercury Radio (Enea Operator)
- Through leaflets, magazine, film footage, a TV program (i.e. MEC Piła)
- Through trade shows (i.e. Enea Oświetlenie)
- Through e-bhu.pl website or Facebook profile.

Customers educational campaign 'Find out who'.

Enea also implemented a nationwide educational campaign directed to individual Customers, warning against dishonest energy sellers, who were deliberately misleading Customers. The action was aimed at making Consumers aware of their rights in this market and promote fair business rules. It is continued in 2015.

Press advertisements and newspaper articles appeared in the press in 2014 warning and teaching Customers on how to avoid signing an unfavourable contract, especially while changing energy supplier. The campaign was conducted in the local press. Energy Trading Association (TOE) was the organizer of the spring 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: PGE Polska Grupa Energetyczna, TAURON Polska Energia, Enea, Grupa Energa and RWE Polska.

Enea within individual actions completed another part of an educational campaign - in October 2014. Enea Group published new warning ads and newspaper articles, in the local press covering Enea Group operations, which was supplemented by further identified and reported by the Customers examples of unfair practices.

Also in the fourth quarter, Enea has carried out a direct educational campaign for residents of one of Poznań housing associations. Consultants from Enea explained to participants during festival organized by the building manager risks associated with the process of changing energy supplier and informed how to protect themselves against them. In the blocks belonging to the housing association posters and leaflets were distributed.

Employees

We employ over 10 thousand people and we are one of the major employers in the Wielkopolska region. We revise structure of companies, which causes changes in employment. As an employer, we especially take care for 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.

Workplace management

Work rules in individual companies are governed by the Labour Code and internal documents.



Cooperation with trade unions

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

Table 3. Percentage of employees covered by collective bargaining agreements in 2014 and trade unions in which the company's employees were associated in 2014.

Company	Percentage of employees covered by collective bargaining agreements in 2014	Trade unions in which the company's employees were associated in 2014
Enea SA	100%	NSZZ Solidarity Enea Inter-enterprise Organization
		Inter-enterprise Employee Organization of Enea Capital Group
Enea Operator	100%	Trade Union of Engineers and Technicians – Inter-enterprise Trade Organization in Enea SA
		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	99.87%	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

PEC Oborniki	100%	Independent Trade Union of Engineering, Technical, Administrative and Support Employees of Elektrociepłownia Białystok
Elektrociepłownia Białystok	99.41%	The National Union of Heat Engineers, (60% of employees are associated)
		NSZZ Solidarity Inter-enterprise Organization at MPEC Sp. z o.o. in Białystok
		The National Union of Heat Engineers at MPEC Sp. z o.o. in Białystok
Miejska Energetyka Ciepła Pila	0	The National Union of Heat Engineers
Enea Centrum	100%	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
		Kadra' Inter-enterprise Trade Union of Enea Capital Group Employees
		Inter-enterprise Trade Union of Power Engineers in Enea Wytwarzanie Sp. z o.o.
Enea Trading	59%	Inter-enterprise Trade Union of Power Engineers in Enea Trading
		NSZZ Solidarity Enea No. 2 Organization in Poznań
Enea Serwis	100%	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
		Kadra' Inter-enterprise Trade Union of Enea Capital Group Employees
Enea Oświetlenie	100%	NSZZ Solidarity Enea Inter-enterprise Organization
		Inter-enterprise Trade Union of Enea Capital Group Employees
Enea Pomiary	100%	NSZZ Solidarity Enea Inter-enterprise Organization

Enea Logistyka	65,97%	NSZZ Solidarity
Hotel EDISON	Not applicable	NSZZ Solidarity Enea Inter-enterprise Organization
Centrum Uzdrowiskowe ENERGETYK	Not applicable	MZZP of Enea Capital Group
		MZZP Trade Union of the ENEA Capital Group in Bydgoszcz
		NSZZ Solidarity Enea Inter-enterprise Organization
Energio-Tour	83%	Inter-enterprise Employee Organization of Enea SA Capital Group
		NSZZ Solidarity

Employment

Table 4. Number of employees employed on a contract of employment by gender in 2014 (as at 31.12.2014).

Company	Total number of employees	Number of women	Number of men
Enea SA	288	158	130
Enea Wytwarzanie	2348	306	2042
MEC Piła	140	21	119
PEC Oborniki	35	3	32
MPEC Białystok	448	55	393
Enea Operator	4276	517	3759
Enea Trading	79	31	48
Enea Centrum	1274	956	318
Enea Serwis	623	127	496
Enea Logistyka	144	38	106
Enea Oświetlenie	120	30	90

Enea Pomiary	172	46	126
Hotel Edison	21	15	6
Szpital Uzdrowskiowy ENERGETYK	75	63	12
Energo-Tour	18	14	4

Table 5. Number of employees employed on a contract of employment broken down into posts and gender (as at 31 December 2014).

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	8	15	23	0	0	139	99
Enea Wytwarzanie	0	2	1	12	22	105	145	1591	142	328
MEC Piła	0	0	0	2	1	8	8	89	12	20
PEC Oborniki	0	0	1	1	0	0	0	27	2	4
MPEC Białystok	0	1	0	4	7	19	1	321	47	48
Enea Operator	0	1	3	42	49	437	25	2130	440	1149
Enea Trading	0	0	0	4	5	7	0	0	26	37
Enea Centrum	0	0	6	22	68	33	0	0	882	263
Enea Serwis	2	0	1	13	12	64	50	361	62	58
Enea Logistyka			2	6	9	21	14	69	13	10
Enea Oświetlenie	0	0	0	2	3	15	0	46	27	27
Enea Pomiary	1	0	1	4	6	17	25	102	13	3

Hotel Edison	0	0	0	0	3	0	5	6	7	0
Szpital Uzdrowskiowy ENERGETYK	1	1	0	0	3	2	52	8	7	1
Energio-Tour	0	1	0	0	1	1	0	0	13	2

Table 6. Number of employees employed on a contract of employment broken down by type of employment contract in 2014 (as at 31 December 2014).

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	288	0	24	264	279	9
Enea Wytwarzanie	2348	0	63	2285	2337	11
MEC Piła	140	0	7	133	140	0
PEC Oborniki	35	2	0	33	35	0
MPEC Białystok	448	4	0	444	445	3
Enea Operator	4276	0	63	4213	4260	16
Enea Trading	79	1	5	73	76	3
Enea Centrum	1274	0	39	1235	1265	9
Enea Serwis	623	0	48	575	589	34
Enea Logistyka	144	0	11	133	142	2
Enea Oświetlenie	120	0	11	109	118	2
Enea Pomiary	172		1	171	167	5

Hotel Edison	21	0	12	9	21	0
Szpital Uzdrowski ENERGETYK	75	0	0	75	75	0
Energo-Tour	18	0	0	18	18	0

Table 7. Number of employees employed on a contract of employment and under civil-law in 2014 (as at 31 December 2014.)

Company	Number of employees employed on a contract of employment	Number of employees employed under civil-law agreement
Enea SA	288	10
Enea Wytwarzanie	2348	24
MEC Piła	140	0
PEC Oborniki	35	0
MPEC Białystok	448	3
Enea Operator	4276	8
Enea Trading	79	0
Enea Centrum	1274	2
Enea Serwis	623	61
Enea Logistyka	144	2
Enea Oświetlenie	120	7
Enea Pomiary	172	0
Hotel Edison	21	1

Szpital Uzdrawiskowy ENERGETYK	75	26
Energo-Tour	18	0

Table 8. Number of employee leaves and churn broken down by gender in 2014

Company	Total number of leaves	Churn of all employees	Number of women leaves	Women churn	Number of men leaves	Men churn
Enea SA	169	58.68%	111	70.25%	58	44.62%
Enea Wytwarzanie	298	12.69%	117	5.00%	181	8.86%
MEC Piła	18	12.86%	5	23.81%	13	10.92%
PEC Oborniki	5	14.29%	1	33.33%	4	12.50%
MPEC Białystok	74	16.52%	17	30.91%	57	14.50%
Enea Operator	999	23.36%	666	128.82%	333	8.86%
Enea Trading	10	12.66%	8	25.81%	2	4.17%
Enea Centrum	68	5.34%	49	5.13%	19	5.97%
Enea Serwis	64	10.27%	28	22.05%	36	7.26%
Enea Logistyka	12	8.33%	4	10.53%	8	7.55%
Enea Oświetlenie	13	10.83%	4	13.33%	9	10.00%
Enea Pomiary	19	11.05%	10	22.22%	9	7.14%
Hotel Edison	9	42.86%	6	40.00%	3	50.00%
Szpital Uzdrawiskowy ENERGETYK	1	1.33%	0	0.00%	1	8.33%
Energo-Tour	6	33.33%	4	28.57%	2	50.00%

Table 9. Number of employee leaves and churn broken down by age in 2014.

Company	Employees leaves till 29 years old	Churn of employees below 30 years old	Employees leaves from 30 till 50 years old	Churn of employees from 30 till 50 years old	Employees leaves above 50 years old	Churn of employees above 50 years old
Enea SA	24	8.00%	117	41%	28	10%
Enea Wytwarzanie	11	0.4%	109	4.00%	178	7.00%
MEC Piła	1	0.69	1	0.69	16	11
PEC Oborniki	0	0	1	2.6%	4	10.5%
MPEC Białystok	2	2.7%	10	13.51%	62	83.79%
Enea Operator	49	19.7	462	19.7	488	29
Enea Trading	2	2.5%	7	8.75%	1	1.25%
Enea Centrum	12	14.8	33	4.3	23	5.4
Enea Serwis	2	3.78%	17	5.06%	45	19.23%
Enea Logistyka	0	0	5	0.06	7	0.12
Enea Oświetlenie	1	0.83%	5	4.17%	7	5.83%
Enea Pomiary	1	11.11	3	2.86	15	25.86
Hotel Edison	3	0.5	3	0.3	3	0.6
Szpital Uzdrowskiowy ENERGETYK	0	0	1	2.08	0	0
Energo-Tour	0	0	2	0.11	4	0.22

Table 10. Number of new employees hired, broken down by age groups and gender in 2014

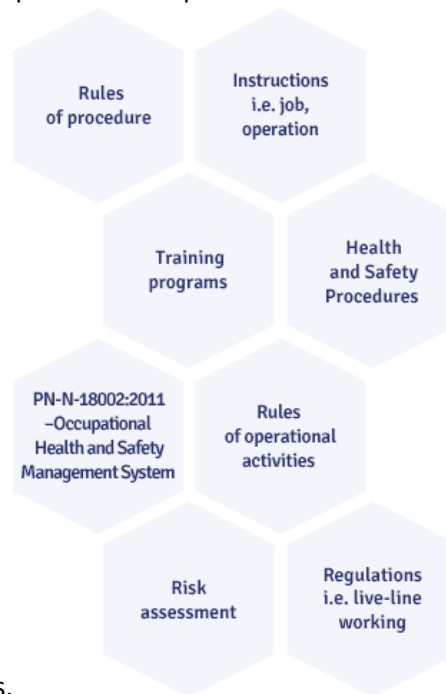
Number of employees hired in 2014

Company	Total	Women	Men	Age category		
				up to 29 years of age	from 30 to 50 years of age	above 50 years of age
Enea SA	46	26	20	19	27	0
Enea Wytwarzanie	57	17	40	25	22	10
MEC Piła	2	0	2	1	1	0
PEC Oborniki	2	0	2	1	0	1
MPEC Białystok	7	2	5	5	0	2
Enea Operator	105	34	71	58	37	10
Enea Trading	10	5	5	7	3	0
Enea Centrum	1163	870	293	69	690	404
Enea Serwis	21	5	16	2	14	5
Enea Logistyka	4	2	2		3	1
Enea Oświetlenie	16	5	11	7	7	2
Enea Pomiary	1	1	0	0	1	0
Hotel Edison	9	6	3	5	3	1
Szpital Uzdrowskiowy ENERGETYK	0	0	0	0	0	0
Energo-Tour	0	0	0	0	0	0

Health and safety

Employees safety and health

In our business, safety and health at work is very important. We operate in accordance with external regulations, such as laws and regulations relating to



health and safety. We also have internal guidelines.

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. Company's Social Labour Inspectors operate in selected companies such as MEC Piła.

Examples:

- Central Processing Unit of Health and Safety Service in Enea Serwis,
- Labour Protection Office in which Senior OHS Inspector supported by OHS Specialist are employed in Enea Oświetlenie,
- Manager of Labour Protection Office in Enea Operator.

Find out what are health and safety activities and learn about our results

Our activities on the one hand result from the requirements of applicable law and on the other hand from our own initiatives. As such, the most important activities in the field of occupational health and safety include:

- 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 2014 clearly shows that safety and health of our employees is of particular importance to us.

- **Workplaces:** attention to ergonomic workplaces (i.e. replacement of worn out office chairs in Enea Centrum), renovations, freshening up individual workplaces, inspections and maintenance jobs, modernization of the control room in the Kosice boiler house (MEC Piła)
- **Equipment:** provision of Enea Operator employees with high-quality equipment and tools for live-line working, equipping brigades of electricians with protective equipment that improves safety and purchase of additional first –aid kits, issuing to employees repellents in a period of increased insect activity; introduction of 181 sets of equipment for electricians in Enea Serwis, equipment of a workshop with welding table with exhaust system (MPEC Białystok)
- **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), 143 controls within compliance with the terms and conditions of health and safety on construction sites (in Enea Serwis)
- **Drawing up instructions and analysis of legal changes:** ‘Instructions of live-line working on high voltage systems’ in Enea Operator and a central register of non-compliance in order to facilitate employees to report observed non-compliance in Enea Wytwarzanie
- **Trainings:** initial and periodic health and safety, first aid, fire trainings (i.e. training with fire extinguishers attended by about 300 employees in Enea Centrum)
- **Trial evacuation:** i.e. at Enea Centrum at Dziadoszańska Str. and at Enea SA seat at Górecka 1 Str. in Poznań
- **Actions and competitions:** Energy Knowledge Competition ‘1 of 10,000’ after Paweł Balcerowski - edition 2014, ‘Spring inspection of protecting equipment against falls from heights’ action carried out by Enea Serwis, leaflets issue informing visitors and employees of external companies about

the possibility of risks in the company (Enea Wytwarzanie), Competition "1 of 10,000" for employees of the entire Capital Group concerning labour law, health and safety, first aid and energy industry itself (Enea SA)

- **Health care:** organization by the company's clinic health screening action (Enea Wytwarzanie), providing employees with opportunities for active leisure, i.e. football team of Enea Logistyka employees.

Table 11. Total number of injuries and injury rate in the companies of ENEA Capital Group in 2014

Company	Number of injuries	Injury frequency rate*
Enea SA	1	3.65
Enea Wytwarzanie	5	2.13
MEC Piła	1	7.14
PEC Oborniki	0	0
MPEC Białystok	9	19.2
Enea Operator	34	8.02
Enea Trading	0	0
Enea Centrum	6	4.63
Enea Serwis	11	17.66
Enea Logistyka	2	13.9
Enea Oświetlenie	1	8.55
Enea Pomiary	1	5.5
Hotel Edison	0	0
Szpital Uzdrawiskowy ENERGETYK	3	40
Energo-Tour	0	0

Support and benefits

Working in Enea gives, very often, a possibility of using benefits and support. Additional benefits to our employees vary depending on the company and are the result of the employees needs and the company's possibilities.

Employees' support	Preventive care	Cheaper electricity	Other benefits
<ul style="list-style-type: none">• Monetary or material assistance to employees in a difficult situation• Financing or subsidizing holidays for children and young people, funding children's Christmas gifts• Support of sport, recreation, culture and education activities• Employee Pension Program• Social benefits and loans fund	<ul style="list-style-type: none">• Subscriptions in medical facilities• Preventive treatment in a sanatorium• Influenza vaccination• Tumor markers tests	<ul style="list-style-type: none">• Preferential conditions for use of electricity. According to the Collective Bargaining Agreement employees are entitled to a reduced fee for electricity for household needs in an amount up to 3,000 kWh a year.	<ul style="list-style-type: none">• Award on the occasion of the Power Engineer's Day, jubilee awards• Annual, mandatory bonus• Subsidizing employees travel to work• Subsidizing catering• Allowance for working in conditions harmful to health, particularly arduous or dangerous

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:

Menegerial competences	Better service of our Customers	Project management	Vocational education
<ul style="list-style-type: none"> •Example: •Psychological skills workshops that were supplemented by individual meetings with the coach. Workshops were attended by Enea SA managers. 	<ul style="list-style-type: none"> • Example: • Sales department employees development program which was attended by 82 employees (Enea SA) • ‘BHU sales academy’ 	<ul style="list-style-type: none"> •Example: •A series of trainings for representatives of the Sales Department and the Department of Portfolio and Products Management 	<ul style="list-style-type: none"> •Example: •2014 balance (Enea Logistyka) •Studies in the field of energy, electrical engineering, smart power grids - intelligent power networks (Enea Operator)

We have commenced initial activities in implementing human resources development program based on career paths, mentoring and coaching program for electricians in Enea Operator in 2014. Strategic activities related to the emergence and training mentors shall be continued in 2015.

We cooperate with universities and industry organizations. Cooperation of Enea Wytwarzanie with Warsaw University of Technology and Wroclaw University of Technology is an example and includes activities such as:

- organization of scientific - technical conferences or seminars,
- organization of educational trips for students, internships of full-time / part-time students,
- training of Enea technical staff on postgraduate and doctoral studies.

Table 12. Average number of training hours per year per employee according to the employment structure in 2014

Company	Average number of training hours per:							
	Total employees	Women	Men	Top management	Directors	Middle level managers	Operational employees	Office personnel
Enea SA	31.39	24.61	39.63	0	32	41.13	0	29.63
Enea Wytwarzanie	36.49	21.26	35.03	60.09	54.79	42.73	28.88	28.94
MEC Piła	15.3	16.2	13.2	0	49.5	15.1	12	12.4
PEC Oborniki	11.4	16	11	0	16	0	8	22.6
MPEC Białystok	4520	595	3925	27	31	262	3051	1149
Enea Operator	34.14	23.9	35.5	48	25.95	25.81	41.3	13.34
Enea Trading	5.85	4.26	6.88	0	12	7.5	0	5.14
Enea Centrum	8.53	7.75	9.51	0	22.29	10.61	0	7.6
Enea Serwis	21	13	21	16	27	19	18	15
Enea Logistyka	1328	352	976	40	0	336	760	0
Enea Oświetlenie	18.4	18.7	18.3	36	36	34.89	13.3	14.98
Enea Pomiary	11.87	12.17	11.76	64	35.2	27.83	7.34	14.38
Hotel Edison	0	0	0	0	0	0	0	0
Szpital Uzdrawiskowy ENERGETYK*	no data	no data	no data	no data	no data	no data	no data	no data

Energio-Tour

0

0

0

0

0

0

0

0

* Company doesn't carry statistics in the above-mentioned range

Community

Activities for the sake of communities in which we operate are very important to us. Companies of our Group are very strongly associated with the region in which they are located, for example, Kozienice power plant. That is why we are committed to community life through activities of the Enea Foundation and voluntary commitment of our employees.

Table 13. Sum of donations granted in 2014

Companies	Sum of donations granted in 2014 in PLN
Enea SA*	400.000
Enea Wytwarzanie*	604.500
MEC Piła	3.751
PEC Oborniki	0
MPEC Białystok	24879
Enea Operator*	448.500
Enea Trading	0
Enea Centrum	no data
Enea Serwis	0
Enea Logistyka	2.388
Enea Oświetlenie	12.000
Enea Pomiary	0

Hotel Edison	0
Szpital Uzdrowskiowy ENERGETYK	0
Energo-Tour	0
TOTAL	1.496.018

* out of which 400000 PLN for the Enea Foundation

We realize that our daily operations meet with strong social perception. We have recorded two problematic situations in 2014. The first is sporadic protests by individual Customers in terms of technical vindication in metering and billing electricity. Enea Pomiary company responded professionally explaining a debt collection activities arising from liabilities for the use of electricity. Furthermore, we encountered difficulties when buying shares of MPEC from the Municipality of Bialystok.

Principles of cooperation with communities

We have clear rules, by which we are guided during social cooperation. Enea Foundation, which was founded in 2014, is responsible for this area and operates on the basis of the statute, organizational rules and rules for granting support. The main areas of Enea Foundation activities include:



Foundation is the only entity in the Group which grants support for social purposes - rules of support are available on the [Foundation's website](https://www.enea.pl/pl/grupaEnea/odpowiedzialny-biznes/dzialalnosc-fundacji).

[<https://www.enea.pl/pl/grupaEnea/odpowiedzialny-biznes/dzialalnosc-fundacji>]

The Foundation carries out own projects, as well as employee volunteering activities, which shall allow for coordination of the volunteer area in the entire Capital Group.

Tabela 14. Suma przyznanego wsparcia przez Fundację Enea w 2014 roku

Fundacja Enea wydatkowała	416.235
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Enea Capital Group also runs sponsoring projects, by being a sponsor of Polish sports (i.e. Polish Speedway Team, cycle of triathlon competitions Enea TriTour or basketball games) and by engaging in cultural projects (i.e. Enea is a patron of the Grand Theatre in Poznań and sponsor of the Perfect band jubilee tour). Enea sponsorship policy is pursued on a basis of strategy and rules.

Employee volunteering

We have 10 thousand employees - it is a huge strength. We created an opportunity to our employees to engage in social activities in 2011. Result: 94 thousand beneficiaries benefited during 5800 hours from the activities of our volunteers.

Example comes from the top, which is why a member of Enea Management Board engaged in the volunteering promotion by joining 'Presidents – Volunteers' Coalition. Coalition promotes the idea of volunteering. Four Presidents of the largest Enea companies led classroom lessons for children and young people in 2014.

Competence volunteering

Competence Volunteering is a type of volunteering, in which our employees- volunteers use their professional knowledge and skills. Our employees took part in two multiannual programs in 2014. In terms of safe handling of electricity and provision of premedical rescue they trained 1024 people in 2014, including children and young people. Volunteers dedicated almost 60 hours on educational activities.

- 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

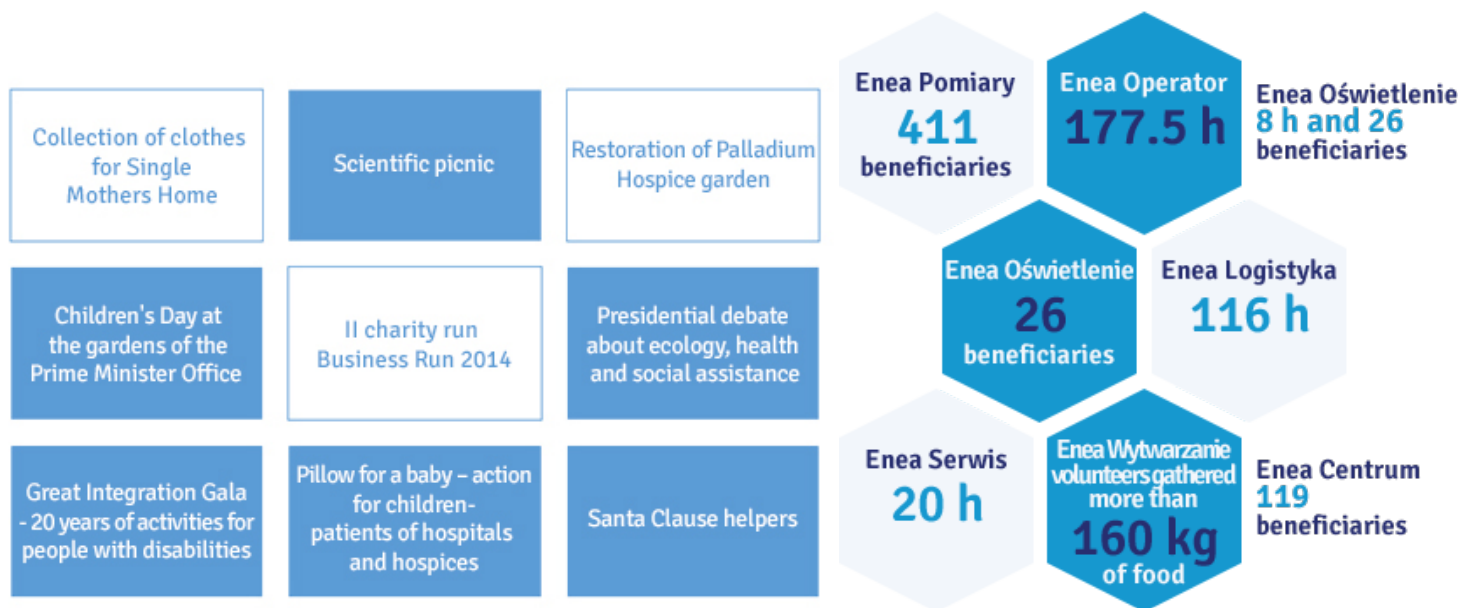


Both children and adults may benefit from our ‘First Aid’ program. Our volunteers – premedical rescuers teach how to react when you witness an unfortunate event i.e. fainting or heart attack. They communicate theoretical knowledge and practice practical skills, allowing to take fast rescue action in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

Action volunteering

Action volunteering are projects and initiatives organized together with partners, supported by our employees.

Get to know our volunteering actions organized in 2014.



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.

'In contact with electricity' competition

It is a competition to which we invited schools. Its aim was to promote knowledge of the safe use of electricity, as well as to promote green habits. The contestants' task was to document various forms of events related to environmental initiatives implemented by the school. Thus, we encouraged children and young people to practice the art of writing, photography and film. The winners were awarded with modern multimedia boards, and we prepared interactive meetings for them.

Education on energy infrastructure

Enea Operator takes part in the initiative counteracting the devastation of energy infrastructure – ‘INVINCIBLES. Infrastructure protection’. The Company informs through the media about the effects and extent of the theft and devastation of energy infrastructure (cooperation with i.e. Radio Merkury, Radio ZET, TOK FM, Polskie Radio, telewizja WTK, TVP Poznań, TVP Szczecin, Głos Wielkopolski, Kurier Lubuski, CIRE, epoznan.pl, TV Asta, EXTRA Wałcz).

We take patronage over technical schools

Decrease of interest in technical and vocational education among youth as well as a need to rejuvenate technical employees inspired Enea Operator Management Board to create a program supporting the education and development of future electricians and power engineers. The first result of the cooperation were officially signed agreements with the Electrical School Complex No. 1 named after Henryk Zygański in Poznań.

Help for people in need

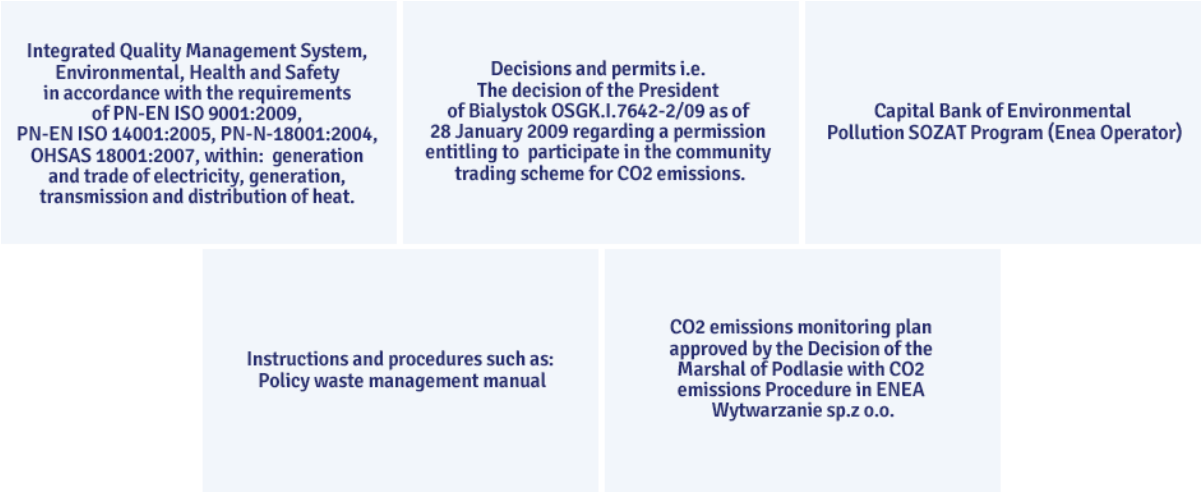
Enea Logistyka organized a collection for the ill daughter of the company's employee.

Participation in events and local initiatives

- Action ‘Pin a bow’! - an annual initiative to celebrate the Wielkopolska Uprising and the promotion of knowledge about it.
- Multimedia competition ‘Show history - Wielkopolska Uprising 1918-1919’. Competition was organized for the students of Wielkopolska middle and high schools for the 96th anniversary of the outbreak of the Wielkopolska Uprising.
- Organization of the industry trade show for local authorities by Enea Oświecenie, during which key issues concerning lighting and other energy topics were discussed, and which also served the exchange of experiences between local authorities and the energy sector.
- Cooperation with the Provincial Police Headquarters in Poznań and State Forests which consists of carrying out joint patrols aimed at preventive monitoring of the area for thieves and vandals spoiling life to power engineers and foresters.

Environment

Generation and distribution of energy is associated with the interference and influence on the environment. Therefore, we conduct programs and initiatives related to monitoring and managing our impact on the environment, in our daily business activities. We follow many rules and regulations and undertake voluntary initiatives. Result: no fines were imposed on us for non-compliance with laws and regulations relating to environmental protection in 2014.



Our environmental activities are focused on five areas



Good practice: Protection of white stork

White storks like to build nests directly on electric poles. To protect storks and at the same time prevent possible incidents, Enea Operator takes such actions like:

- elevation of nests on special platforms,
- on some MV and LV lines insulated cables are used,
- use of insulated connectors,
- use of insulated covers on the terminals of transformers (MV side and LV),
- use of insulated bridges on MV and LV pillars.

105 nests were elevated on the platforms in 2014.

We report our business operations

Marshal's Office of Provinces:	Provincial Environment Protection	Provincial Environment Protection
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-Mazowieckie in Warszawa, -Podlaskie in Białystok, -Kujawsko-Pomorskie in Toruń, -Wielkopolskie in Poznań, -Zachodniopomorskie in Szczecin, -Lubuskie in Zielona Góra, -Dolnośląskie in Wrocław, -Pomorskie in Gdańsk. -Provincial Environment Protection Inspectorate in Radom,	Inspectorate in Białystok, Provincial Environment Protection Inspectorate in Bydgoszcz, Provincial Environment Protection Inspectorate in Poznań, Provincial Environment Protection Inspectorate in Szczecin, Provincial Environment Protection Inspectorate in Zielona Góra, Provincial Environment Protection Inspectorate in Wrocław,	Inspectorate in Gdańsk, The National Centre for Emissions Balancing and Management Energy Market Agency Statistical Office Industrial Chemistry Research Institute BOWOiK The National Fund for Environmental Protection and Water Management Ministry of Environment Energy Regulatory Office Offices of District Authorities
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Energy

Table 15. Total electricity consumption (MWh)

Good practice: Energy saving solution

We're modernizing unit no. 7 in Świerże Górne where Enea Wytwarzanie is located. During the ongoing modernization we've decided to exchange the exhaust fan on the boiler No. 7. Before the modernization fan control was held by choking the exhaust at the inlet to the fan and the use of two rotational speeds of the drive motor. Installation of new exhaust fan saves energy consumed by the engine, which contributes to the reduction of own needs of block no. 7.

Emissions

Table 16. Emission rate of carbon dioxide in the companies from the generation segment [Mg]

Company	CO2 emissions [Mg]	Emission rate
Enea Wytwarzanie	11 247 672	839 kg/MWh Świerże Górne location 93.12 kg/GJ Białystok location
MPEC Białystok	89.747	0.103 Mg/GJ
PEC Oborniki	14400.77	-
MEC Piła	71.430	94.97 kg/GJ

Table 17. Emission of sulfur and nitrogen oxides in the companies from the generation segment [Mg]

Company	2014	
	SO _x	NO _x
Enea Wytwarzanie	35.203	18.284
MPEC Białystok	132	198
PEC Oborniki	41	27
MEC Piła	120	51

Good practice: Investments to reduce emissions

A system of heat recovery from boiler exhaust was built in Enea Wytwarzanie in Białystok. Installation allows to cool the hot combustion gases from the boiler below the dew point temperature and lead to condensation of steam contained in the exhaust. The heat released in the condensation of water is used for utility purposes, to heat return mains water. In this way, a certain amount of heat is produced without the contribution of additional fuel, which contributes to a reduction of coal consumption in coal-fired boilers, and therefore to reduction of CO₂ emissions.

Water and raw materials

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

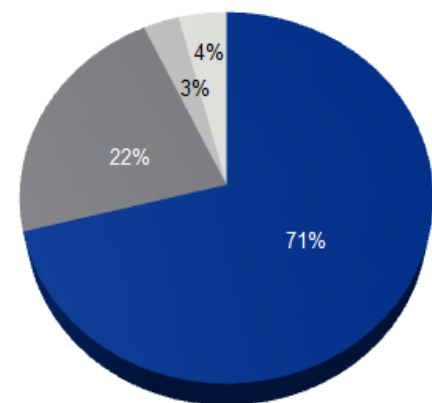
Table 18. Use of raw materials by Enea Wytwarzanie in 2014 [thousand tons]

Fuel type	2013	2014
Hard coal	5096	5540
Biomass	714	759
Fuel oil (heavy)	6	8
Gas ['000 m ³]	2127	1926
Total	7945	8233

Fuel type	2013		2014	
	Volume [‘000 t]	Costs ¹⁾ [PLN mln]	Volume [‘000 t]	Costs ¹⁾ [PLN mln]
Bituminous coal	5 098	1 257	5 540	1 286
Biomass	714	228	759	248
Fuel oil (heavy)	6	12	8	14
Gas [‘000 m ³]	2 127	4	1 926	3
TOTAL	7 945	1 501	8 233	1 551

1) Including transport

The share of coal suppliers in the total volumes delivered in 2014 - ENEA Wytwarzanie Segment of System Power Plants



■ LW Bogdanka ■ KHW ■ JSW ■ Petrokol

Table 19. Total water withdrawal in the companies of ENEA Capital Group

Company	Total water withdrawal [m3]	Main sources of	Water withdrawal
		water intake used	by source [m3]
		by the company in 2014	
Enea SA*	2.699	wells	1.371
		water supply system	1.328
Enea Wytwarzanie	1821423604	groundwater intake	1110705
		water from drainage	4 445 471
		surface water from Wisła river - returnable water withdrawal for cooling purposes and non-returnable water withdrawal for technological purposes	1 815 813 712
		water supply system intake	53 716
MEC Piła	17000	municipal water supply system	17000
PEC Oborniki	2.350	Oborniki Kowanówko water intake	2.350
MPEC Białystok	84.012	water from deep wells	80.158
		water supply system	3.854
Enea Operator	60.012	wells	3.007
		water supply system	57.005
Enea Trading**	no data	no data	no data
Enea Centrum***	no data	no data	no data
Enea Serwis	3.289	municipal water supply system	3.289

Enea Logistyka	1.194	water supply system	1.194
Enea Oświetlenie	860	municipal water supply system	Poznań - 498 Szczecin - 362
Enea Pomiary	493	municipal water supply system	493
Hotel Edison	2.095	sewage of Tarnowo Podgórne District	2.095
Szpital Uzdrowskiwowy ENERGETYK	23792	municipal water supply system	23792
Energo-Tour	4587	municipal water supply system	4587

* The above value applies to water consumption for own use (at Enea SA own premises). It is not possible to determine water consumption at locations hired by Enea SA (flat fee or a percentage of total costs).

** 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 waste generation, since it doesn't own offices, which it uses. ENEA Centrum leases offices from other companies of the Capital Group and from Rentall company.

Good practice: pollution prevention

Square for slag storage was hardened in Przedsiębiorstwo Energetyki Cieplnej in Oborniki to prevent the penetration of substances into the soil. In turn, thirteen leaking transformer stations 110 / MV in Enea Operator was modernized in order to prevent possible soil pollution with oil derivatives. Other leaking stations are to be modernized and are included in the investment plans for the coming years.

Table 20. Waste by type of waste [Mg]

Company	2014	
	Hazardous waste	Other than hazardous waste
Enea SA*	0.045	105.6 m3

Enea Wytwarzanie	155.21 Mg	944 399.04 Mg
MEC Pila	1.6	6532
PEC Oborniki	1007.796	no data
MPEC Białystok	3.133	12042.5
Enea Operator	594.823	4839.098
Enea Trading**	no data	no data
Enea Centrum***	no data	no data
Enea Serwis	Produced - 578.227 Collected - 1.925 Recycled - 278.569	Produced - 683.843 Collected - 37.373
Enea Logistyka****	5.638	13.41
Enea Oświetlenie	2.552	103.918 (excluding municipal waste)
Enea Pomiary	0.004	91.289
Hotel Edison****	0	no data
Szpital Uzdrowskiowy ENERGETYK	0.041	Waste code 20 03 01 – 520 m3 Code 02 02 03 i 16 03 80 – 3.05 Mg
Energo-Tour	0.2081	External contracts for export

* Waste is collected by volume rather than by weight; values relate to waste in Enea SA own premises. It is not possible to determine amount of waste at locations hired by Enea SA (flat fee or a percentage of total costs).

** 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 waste generation, since it doesn't own offices, which it uses. ENEA Centrum leases offices from other companies of the Capital Group and from Rental

company.

**** The above values include waste collected by Enea Logistyka from other units and result from provisions of the Waste Electrical and Electronic Equipment Act. The above figures do not include municipal waste. Hazardous wastes are handed over to ABBA Ekomed company, while non-hazardous waste are subject to recycling.

**** In connection with the new law called "junk", the company doesn't receive invoices, and only pays a fixed fee to municipality by the declaration, which shows the capacity and the amount of owned containers. Hence the lack of data regarding the specific amount of waste collected.

RES

Electricity is obtained from the following renewable energy sources (RES):

- biomass firing and co-firing
- hydropower plants
- wind farms
- biogas power plants

We invest in renewable energy sources (RES) every year. Total expenditure amounted to 1 307 000 PLN in 2014. Majority (i.e. 1 265 000 thousand) was spent on modernizing hydroelectric power plants and development of new energy sources.

The most important initiatives in the RES area

- Starting negotiations to purchase wind farm projects and accomplish own initiatives. The most advanced works involve the construction of a wind farm in the municipality of Lubiszyn of a planned capacity of approx. 15 MWe
- Launching a Gorzesław biogas plant (1698 MWe)
- Development of a photovoltaic project of a 1 MWe capacity. A decision to change connection terms was obtained and a building permit was designed in 2014.

See our RES results in 2014

- Total installed RES capacity: 120.146 MWe
- Amount of energy generated from RES in Enea Wytwarzanie: 1 101 851.185 MWh
- Amount of energy generated from cogeneration in Enea Wytwarzanie: 486 663.265 MWh

Table 21. Generation, by ENEA Wytwarzanie RES segment, of electricity (net) from renewable energy sources [GWh]

Biomass co-firing	475.195
Biomass firing	346.029
Water power plants	115.5
Wind farms	154.663
Biogas plants	10.464
TOTAL:	0

Item	2013	2014	Change	Q4 2013	Q4 2014	Change
Production from renewable energy sources [GWh], including:	964	1 033	7.2%	297	258	-13.1%
Co-combustion of biomass	418	476	13.9%	128	105	-18.0%
Combustion of biomass	253	294	16.2%	84	86	2.4%
ENEA Wytwarzanie - RES segment (hydroelectric plants)	145	113	-22.1%	33	27	-18.2%
ENEA Wytwarzanie - RES segment (wind farms)	138	141	2.2%	49	37	-24.5%
ENEA Wytwarzanie - RES segment (biogas plants)	10	9	-10.0%	3	3	-

Table 22. Amount of biomass used by ENEA Wytwarzanie SA [Mg]

Company	Unit	2011	2012	2013	2014
Enea Wytwarzanie	Mg	219 302.8	294 658.65	243.010	747.375

Calendar of events 2014

JANUARY

- Shares constituting 18.67% of the Enea company share capital were sold by Vattenfall AB on 22 January. The process confirmed that Enea is a good investment for renowned Polish and foreign financial investors.
- Enea and PKO BP and Pekao S.A. banks concluded an agreement on 28 January which provided an access to additional financing totalling to up to PLN 700 mln. Customers of Enea Capital Group will be able to make free cash payments in over 3,400 units of PKO BP and Pekao S.A.
- Enea Centrum was established in line with the corporate strategy for 2014-2020, which acts as a shared services centre. Enea Centrum took over the entire financial and accounting department of Enea company at the beginning of 2014.

FEBRUARY

- Enea Wytwarzanie was awarded "Quality 2013" in the 'eco' category. The award was granted for investments made to minimize the impact of the power plant in Kozienice on the environment by reducing emissions of dust, sulphur dioxide and nitrogen oxides, as well as adapting to the requirements related to the implementation of the Directive of the European Parliament and of the Council (IED) on industrial emissions.

MARCH

- Enea was recognized as one of the strongest business brands in the 'Energy' category and for the brand most recommended by customers in the prestigious international Superbrands ranking.
- Enea Operator launched an e-mail notification system about unplanned electricity outages in the area served by the company. The new information service is dedicated to local governments, which wish to receive messages about local emergency situations.

APRIL

- On 30 April Fitch Ratings agency maintained the long term rating issued for the Company in April 2011 on the present level of BBB (on the international scale) and A (on the national scale). The outlook of the ratings is stable. A stable rating issued by a prestigious agency confirms the Company's high credibility in the eyes of international financial institutions.
- President of the Enea Management Board was awarded in the prestigious 'World Energy' Leaders competition, in the Person of the Year category. Krzysztof Zamasz was recognized for his contribution to the development of the Polish energy sector, transformation of Enea Capital Group and generation of its new DNA (new organizational and functional shape, market and customer oriented).

MAY

- The programme agreement signed on 15 May with Bank Gospodarstwa Krajowego will help the company to finance the current operations and investment needs of Enea Group. The funds will be used e.g. for adjusting units operating in the power plant in Kozienice to the environmental requirements and for acquisition projects in the segment of cogeneration and RES. The agreement relates to long-term bonds issue of the value of PLN 1 billion.
- Krzysztof Zamasz President of Enea received from the English-language magazine "Polish Market" title "Conqueror of the Year 2014"

JUNE

- On 30 June Enea S.A. and the banks: PKO BP, ING Bank Śląski, Pekao S.A. and mBank concluded an agreement relating to the bond issue programme up to the maximum amount to PLN 5 billion. The proceeds coming from new issues will be used by the company for the implementation of the investments described in the corporate strategy and for the financing of the Group entities' current operations.
- Enea was among the companies that, in the most effective way, contribute to the development of Polish sport, and was awarded with the title of Sport Patron of the Free Poland.
- Enea Wytwarzanie announced a tender, as a result of which Baczyna Wind Farm will be built. The project is to be completed in 2017.
- Enea launched energy investments important for Lubuskie region. Transformer switching station in Babimost and 110 Kv line Lubiechnia Wielka – Sulęcín increase possibilities of connecting new Customers, improve the performance quality of the supplied energy and power reliability in the region.

JULY

- Enea Group invited employees to contribute to creation of the Code of Values. All employees had an opportunity to express their views on the principles by which the Group will be guided, through an online survey.
- As part of the centralization of the Enea Group print area and provision of mass correspondence a project related with creation 'Centre for Mass Correspondence' was completed in Enea Centrum. It is estimated that this will allow to save more than 20 million PLN by the Group within three years. Costs of printing services and delivery of correspondence shall fall by an average 35 percent.

AUGUST

- Since the beginning of August individual Clients may use a new product - ENERGY WITH AN ACCOUNT. The new product guarantees constant energy prices over the next 20 months, and the right to 15 percent reimbursement from the paid electricity bill (up to 200 PLN during the contract period).
- A 110kV line Pomorska – Załom was launched which is one of the three sections of the high-voltage line Dąbie – Pomorska – Załom – Goleniów. As such energy security was improved in Zachodniopomorskie region.

SEPTEMBER

- Enea purchased from PGE Polska Grupa Energetyczna S.A. 10% of shares in the special purpose vehicle PGE EJ1 Sp. z o.o. - responsible for the preparation and construction of the first Polish nuclear power plant with the capacity of around 3,000 MW. Enea S.A., PGE Polska Grupa Energetyczna S.A. TAURON Polska Energia S.A. and KGHM Polska Miedź S.A. concluded the Shareholder Agreement on 3 September. On 8 October the President of the Office of Competition and Consumer Protection issued an unconditional permit which enables realisation of the agreement.
- Elections took place, in the Enea Group companies, for the members of Ethics Commission through a dedicated electronic platform. Each employee could have one vote, indicating a person from the candidates selected in primaries.
- Enea Wytwarzanie after approval by the OCCP took over 86.36% shares in the Miejskie Przedsiębiorstwo Energetyki Ciepłej in Białystok. Enea previously owned a major producer of heat for the city, CHP Białystok. Now it also took over responsibility for its delivery to the inhabitants of the city.

OCTOBER

- Enea Group completed construction of a modern corporate governance with the beginning of October. New committees and management divisions began activity from 1st October in accordance with the Management Board decision. The main changes objective is to facilitate decision-making and their execution in the entire Enea Group.
- At the beginning of October Enea commenced gas supplies to the first Customers. The company offers gas in the dual-fuel formula, i.e. together with electricity. As a result it may offer its Customers very attractive commercial conditions and strengthen its position on the market. The offer is directed to companies, and individual Customers.
- Newly appointed Ethics Commission commenced activity as at 21 October. The Commission is composed of Anna Sobańska (Chairperson), Tadeusz Dachowski and Janusz Śniadecki (Members).
- Enea Trading, responsible for wholesale in the Enea Group, gained membership in ICE Futures Europe, international commodity exchange. It is one of the biggest European energy exchanges. There are concluded, inter alia, transactions for oil, gas, coal and CO2 emission allowances.
- Enea won the tender called by the purchasing group chaired by the City of Poznań. The company shall sell a total of 238 GWh of electricity to municipalities, institutions and companies from Poznań and surrounding area according to the agreement signed in 2015. As such, after a few years break, Enea returned to business co-operation with the capital of Wielkopolska.

NOVEMBER

- During the conference organized by ING Securities in Warsaw representatives of Polish and foreign pension and investment funds positively evaluated changes in Enea. Key were the effects of the program, thanks to which costs were reduced by as much as 124 million PLN during the first three quarters.

DECEMBER

- Enea Group finalized the process of preparing for implementation electronic document circulation system from 1 January 2015. First, it will be used by the biggest companies of the Capital Group: Enea, Enea Operator, Enea Wytwarzanie, Enea Trading and Enea Centrum. E-circulation shall concern invoices and later entire incoming mail.
- Enea Operator capital expenditures are planned for nearly 892 million PLN in 2015 and 872 million PLN in 2016.
- The stage of the Shared Service Centre organisation was completed within finance and accounting, IT, Customer service and on 1 January 2015 a new, more efficient operating model was implemented. As a consequence of the above mentioned activities, the Shared Service Centre was built in Enea CG within support functions, such as: Customer service, IT, finance and accounting, HR, logistics and coordination of legal services.

Initiatives in 2015

Management

2015 year has been proclaimed 'Year of the Enea Capital Group values'. It means that we shall be accomplishing actions and initiatives that contribute to a better understanding of the most significant values.

Enea Centrum, which is the heart of "shared services" in the Capital Group and is to improve management for the benefit of Customers and employees has taken over tasks related to purchases at the beginning of the year.

Employees

5.5 thousand employees and their families will be able to benefit from specialized medical services in hospitals of Ministry of Internal Affairs, thanks to the signed agreement.

'Power of Innovation' is a competition for employees with innovative ideas. We wish to award those employees who have great ideas of improving daily activities. This will allow us to work faster and easier.

Customers

ENERGY + is a new offer for Customers that gives them more benefits, such as insurance or a bank account. ENERGY + Savings package allows for reimbursement of 15% of costs for paid energy bills and 5% of costs for non-cash purchases with 0 PLN account in Getin Bank. For more information check www.energiaplus.pl.

Environment

Enea Oświetlenie will build four photovoltaic power plants with a total capacity of 200kW on the roofs of public buildings, including City Sports, Recreation and Rehabilitation Centre in Szczecin.

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 of this scale in the country.

Communities

Enea is engaged in sponsoring projects supporting sport and culture. Involvement in the development of Polish triathlon, basketball clubs sponsoring or patronage of the Grand Theatre in Poznan are an example.

Together with the Department of Prevention Department of Provincial Headquarters in Poznań and State Forests we have started patrols consisting of police officers, foresters and power engineers. Patrols monitor people and vehicles in the woods or staying in the vicinity of power lines.

About the Report

This report presents social, environmental and economic results of the Enea Capital Group for the period from 1 January 2014 to 31 December 2014, as well as a brief summary of CSR activities undertaken in the first half of 2015 years. The report covers all Group companies except for the Annacond Enterprises company.

How often the company publishes report?

Enea publishes report every year. Previous corporate social responsibility report for 2013 years was released in 2014.

How was the report prepared?

The report was prepared in accordance with the guidelines of the international Global Reporting Initiative G4 standard, CORE application level. The report presents relevant aspects of sustainability reporting, that's the most significant impacts of the company on the environment. They were defined in the previous reporting process. Employees from all companies take part in the report preparation. The reporting process is coordinated by the CSR Manager.

This year's report neither contains any other significant changes in the scope or measurement methods compared to the report for the previous year nor corrections of information contained in the previous report.

A list of key aspects of the Enea Capital Group reporting:

Both external stakeholders of the Enea Capital Group and its employees, indicated most often a high level of significance of the following two aspects:

1. Employees' health and safety
2. Quality of client service.

In addition, twelve aspects are included in the list of key aspects which should be reported in the first instance.

Stakeholders involved in the process of aspects revision haven't suggested to complete the list of key aspects by any other issues.

Table: List of the most significant aspects of sustainable development of the Enea Capital Group

Key aspect or subject	Impact of the aspect within the organization	Impact of the aspect outside the organization
Environmental area		
Emissions of carbon dioxide and other greenhouse gases in the context of energy generation and distribution	In particular on companies from the Generation Segment	
Energy consumption and energy saving solutions		In particular on the Clients
Care of water resources		
Renewable Energy Sources (RES)		In particular on suppliers, Clients and environment
Compliance		
Social area: employment and decent work		
Employment - scale and conditions of employment		
Employees health and safety		
Employees training and education		In particular on the Clients
Social area: impact on community		
Anti-corruption policy and procedures		In particular on suppliers and Clients
Impact on local communities and cooperation		In particular on local communities of the companies operating area
Social indicators: product responsibility		
Client privacy and personal data protection	In particular on companies from Trade and Distribution Segment	In particular on the Clients
Quality of Client service	In particular on companies from Trade and Distribution Segment	In particular on the Clients
Communication channels with Clients		In particular on the Clients

Compliance		In particular on the Clients and competition
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How is the report verified?

The report is verified internally. The data are checked by employees of the company.

Glossary of terms

Red certificates - Certificates of energy origin from conventional sources issued by the President of the Energy Regulatory Office.

CSR - Corporate Social Responsibility. The liability of the organization for the impact of its decisions and activities on the society and environment provided by a transparent and ethical behaviour that:

- contributes to sustainable development, including society health and well-being,
- takes into account expectations of stakeholders,
- is in accordance with applicable law and consistent with international standards of conduct and
- is integrated with the activities of the organization and followed by its relations.

IED – Directive of the European Parliament and the Council of the European Parliament 2010/75/EU of 24 November 2010 on industrial emissions (the IED Directive). The Directive tightens emission standards for sulfur dioxide, nitrogen oxides and dust from combustion plants.

Stakeholder - A person or a group of persons interested in any of the decisions or actions of the organization. A stakeholder is anyone who influences the organization and everyone whom it affects.

Cogeneration - A technological process of the simultaneous generation of electricity and thermal energy in the heat and power plant.

Supply Chain - A sequence of activities or parties that provide products or services to the organization.

MAIFI - the momentary average interruption frequency index

Mg - mega gram, or tonne.

MW - Megawatt of electrical power.

MWh - Megawatt-hour.

RES - Renewable energy sources. It is in accordance with the provisions of the Energy Law, 'a source which uses in the processing energy of wind, solar, aero thermal, geothermal, hydrothermal, wave, tidal, river fall, biomass, biogas from landfills, and the biogas produced in the process of discharge or sewage treatment or decomposition of plant and animal remains'.

Product origination - tailor-made product for the client, which may include a few other products, i.e. .: electricity, gas, CO2 allowances that a customer might as well buy separately, albeit less favourably.

SAIDI – average index of systemic long and very long break in electricity supply, determined in minutes per customer. SAIDI is the reliability factor, calculated as the sum of products of the duration of power outages (in minutes) and the number of recipients vulnerable to the effects of this break during the year, divided by the total number of supported users connected to the network.

SAIFI – average index of systemic frequency of long and very long break in electricity supply – SAIFI is the reliability factor, calculated as the number of recipients vulnerable to the effects of all breaks during the year, divided by the total number of supported recipients.

SMART GRID - intelligent electricity networks, where there is communication between all participants in the energy market, aimed at ensuring the provision of energy services, reduction of costs, efficiency increase and integration of distributed energy sources, including renewable energy.

SMART METERING - intelligent measuring system - a comprehensive, integrated IT system which includes smart energy meters of energy recipients, telecommunications infrastructure, a central database and management system. Smart metering is a part of smart power network and should not be considered in isolation. Smart metering enable real-time, two-way communication of IT systems with electronic electricity meters.

Social labour inspectors - Acting as social labour inspector is a social service, performed by employees to ensure by workplaces safe and healthy working conditions and to protect the rights of employees as defined in the employment law. Social labour inspectors interact with the National Labour Inspectorate and other supervising and controlling working conditions authorities. Basic scope of social labour inspector is defined in the Act of 24 June 1983 on the Social Labour Inspection (Journal of Laws as at 30 June 1983).

TPA (Third-part access) – Is related with provision of network infrastructure to third parties by the operator in order to deliver energy to third party customers.

The Energy Act - the Act of 10 April 1997 - Energy Law (Journal of Laws of 2012, pos. 1059 and 2013, pos. 984).

WCAG 2.0 (Web Content Accessibility Guidelines 2.0) – it is a developed by W3C consortium of a set of rules for website developers to follow in order to create a maximally accessible website, especially for persons with disabilities.

Accident rate - Understood as an accidents frequency ratio (A). This is the ratio of the number of accidents to the number of employees, calculated according to the formula: number of incidents divided by the total number of persons employed, multiplied by 1000.

Churn rate - A rate understood as the ratio of employee leaves to all employed, calculated according to the formula: number of persons who have left (in total and in a given category) divided by the total number of employees multiplied by 100.

Green certificates - Certificates of energy origin from conventional sources issued by the President of the Energy Regulatory Office.

Sustainable development - a development, according to which the needs of the present generation may be met without lessening chances of future generations, by taking into account the management which responds to the environment expectations as well as social, environmental and economic challenges, allowing to permanently increase the goodwill and rational management of resources .

CLA - Collective Bargaining Agreement. It is an agreement between the employer and the trade unions, which defines, among others, such issues like the employer's obligations to employees and guaranteed employee rights.