

COMMUNIQUE

on the Progress in the Field of the
Corporate Social Responsibility

Sector: Energy

Reporting Period: January – December 2015



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Contact

EVN Bulgaria
37, Hristo G. Danov
4000 Plovdiv, Bulgaria

0700 1 7777
info@evn.bg
www.evn.bg

Statement on the support of the Global Contract by Robert Dick – Chairman of the Management Board and Kalina Trifonova – Chairman of the Management Board of EVN Bulgaria EAD

EVN Bulgaria EAD has been a member of the UN Global Compact since August 2010 and a co-founder of the Bulgarian Global Compact Network since August 2010. The company is part of the large EVN AG family – a leading Austrian company with headquarters in Lower Austria, the country's largest federal province.

EVN Bulgaria is a company with socially responsible behaviour to the society. Our long-term existence requires excellence, competence and reliability to ensure customers and partners' satisfaction. That brings sustainable success guarantee and encourages us to keep being a leading company by promoting values and positive corporate culture.

The company completely agrees with and supports the 10 Global Compact principles with respect to human rights, labour standards, environmental affairs and anti-corruption principles. We are committed to making the Global Compact and its principles a part of our strategy, culture and daily corporate duties. EVN Bulgaria is making all the necessary efforts to involve and attract in the initiative all its employees, partners and suppliers.

EVN Bulgaria's Corporate Social Responsibility aims to achieve social, economic and environmental practices that go beyond regulatory requirements and which are implemented in a dialogue with all stakeholders. The company's policy is aimed at taking care of employees and commitment to the problems associated with the environment and the community in which the company operates.

We share the sustainable management concept and strive to observe simultaneously the technological, economic, environmental and social aspects. Our priority is to balance the interests of all stakeholders, transparency and openness to dialogue.

In the spirit of high responsibility associated with our work we set ambitious standards to work with state-of-the-art and highly efficient technologies, environmental responsibility, commitment towards society and human resource development.



Kalina Trifonova
Member of the Management Board
of EVN Bulgaria EAD



Robert Dick
Chairman of the Management Board
of EVN Bulgaria EAD

Charter of the EVN Bulgaria Group

Our vision

As an energy and environmental services provider, we fulfil the daily needs of our customers. Through our reliable and high quality services, we make sustainable contribution to our clients' quality of life.

Our mission

We create values through high profitability and by assuming corporate social responsibility, thus ensuring the long-term success of the EVN Group. On this basis, we offer to our customers competitive prices, to our shareholders sustainable enhancement of value and to our employees attractive working conditions.

From our headquarters in Lower Austria, we focus primarily on the dynamically growing region of Central and Eastern Europe, where we seek to establish a strong market position.

In the energy and environmental services segments, our business operations are mainly designed to serve the end-customers. In order to meet their expectations as best as possible, we have developed high-quality standards for both our products and services.

Sustainable performance in the provision of electricity, gas, heating, drinking water, wastewater treatment or waste incineration services requires outstanding know-how, a high-level of efficiency, a state-of-the-art infrastructure and a constant willingness to innovate.

Our values

We have defined highly ambitious standards of behaviour which apply to the way in which we operate and manage our Group, in the spirit of assuming a high-level of responsibility in our daily supply. For us it is a natural consequence that we adhere to fundamental ethical principles as well as all relevant legal regulations. We are committed to the principle of sustainable corporate governance, and subsequently endeavour to balance economic, ecological and social considerations. The top priority is ensuring a fair and reasonable balance of the needs of all company stakeholders.

The economic responsibility to secure the long-term existence of our Group demands outstanding performance on our part. A high level of competence and reliability ensure the satisfaction of our customers and business partners. In turn, they represent the underlying basis for our sustained corporate success.

We fulfil our responsibility to the environment in particular by endeavouring to best preserve the natural resources, entrusted to us, minimize waste gas emissions and promote the use of renewable energy sources. On-going innovations and increased efficiency will make a decisive contribution towards achieving these goals.

We also fulfil our social responsibility in manifold ways. The commitment we demonstrate to ensure the well-being of our employees, fair and attractive salary levels, and our maintaining a positive corporate culture featuring openness, loyalty and mutual respect are just as important as our emphasis on serving people and achieving an appropriate positioning within the framework of a society shaped by a diverse range of influences. This approach encompasses a high-level of transparency and the willingness to engage in an on-going dialogue, both within and outside the company.

I. Human Rights

Principle 1:

Respecting and supporting the protection of human rights.

Principle 2:

Guaranteeing avoidance of actions, which violate human rights.

1. 10th Edition of “Youth With a Future” Internship Program

In the summer of 2015, the tenth annual internship program “Youth With a Future” of EVN Bulgaria was held. The program provides opportunities for students in engineering and economics from various universities to work in the company during the summer and acquire experience, which will be beneficial for their future career success.

For the 2015 edition of the program there was strong interest, as there were more than 600 candidates. After the selection procedure 40 students were approved for internship in the company.

“Youth with a Future” program covers three months – July, August and September. A total of 25 interns worked in central departments of EVN Bulgaria Group companies and 15 interns worked in various service units in Southeast Bulgaria. Each of them worked under the personal guidance and advice of a mentor.



EVN Interns class 2015 were guests at the Dispatching center in Stara Zagora.

2. Partnership with Universities

In 2015 EVN Bulgaria continued the consistent policy of cooperation with higher education institutions with the aim of raising the practical knowledge of the students and exchange of experience. On 8 June 2015 the company concluded memoranda of cooperation with Burgas Free University. The document provides for cooperation to enhance the practical knowledge of students in the areas of electrical engineering, information technologies, etc.

This is yet another agreement that EVN Bulgaria has concluded with a higher education institution. In 2015 the company renewed the memoranda with the Technical University of Sofia – Branch Plovdiv (TUSP) and with the University of food technologies in Plovdiv, which validity had expired. In addition, the agreement remains valid with two faculties of the Technical University of Sofia: Electrical Engineering and Power Engineering & Power Machines.

Within the framework of cooperation with higher educational establishments EVN Bulgaria initiated visits for students to sites of the company, which are of interest for future professionals and enrich their knowledge with the technologies and innovation introduced by the company. In 2015 a total of 114 students had the opportunity to visit the technical facilities of EVN Bulgaria and to become physically acquainted with work of the high-tech and complex systems as well as to ask their questions to the experts from the company.



Internship group in front of the building of the regional servicing center in Stara Zagora.

3. Supporting Students

In 2015 an internship was held with students from Vocational School of Electrical Engineering and Electronics (VSEEE) – Plovdiv. This was possible as a result of the cooperation between EVN Bulgaria and the educational institution. Under the agreement, eleven 12-grade pupils of “Electrical equipment of Production” specialty at VSEEE – Plovdiv, began internship at EVN Bulgaria running under the conditions of a real working environment.

The curriculum was developed by company experts and was tailored to EVN Bulgaria’s specific activities as well as to students’ needs. Youths passed the internship in both technical departments at the headquarters of the company and in regional customer centers, where the maintenance of the grid is performed. The agreement of EVN Bulgaria with VSEEE – Plovdiv follows the ambition of the company to cooperate with educational establishments that have specialized classes.

4. “The Evy and Encho’s Class” Initiative

For the seventh consecutive year children in Southeast Bulgaria attended energy lessons

During 2015/16 school year, for the seventh year in succession, EVN Bulgaria began training of students in the rational use of energy resources and nature conservation within the framework of the initiative “The Evy and Encho’s class”.

EVN Bulgaria organized “energy lessons” in all 9 administrative areas in Southeastern Bulgaria, serviced by EVN Bulgaria – Burgas, Kardzhali, Pazardzhik, Plovdiv, Sliven, Smolyan, Stara Zagora, Haskovo and Yambol. In addition, since the 2015/16 school year 10 new schools have joined the program. The expansion will allow for training courses under the program to educate a total of over 10 900 students this year alone, from 480 classes from 2nd, 3rd and 4th grade making a total of 61 schools in Southeastern Bulgaria.

With the aim of the program to be even more accessible and understandable for the students, special painted heroes are helping children: Evy – the firefly and Encho – the bunny. Therefore the full name of the initiative is “Evy and Encho’s class. Amusing trainings for energy and environment.” Evy and Encho offer children interesting energy tips and curious ways for the rational energy use.

Our exciting lessons “The Evy and Encho’s class” are carried out by teachers in 4 class hours in the course of the year, during the so called “class hours”. For the purposes of training the company develops and grants the materials approved by

the Ministry of Education and Science (MES), as well as useful and amusing gifts for the students and class.

The initiative of EVN Bulgaria is approved by the Ministry of Education and Science and is carried out in partnership with the Regional Inspectorates of Education (RIE). EVN Bulgaria started training on energy efficiency in schools in 2009, and by the end of the 2015/16 school year a total of 20 000 students will have undergone training for rational use of the natural resources.

Evy and Encho’s competition

In order to diversify the energy lessons for children in Southeast Bulgaria, EVN Bulgaria organized different competitions with prizes for the participants each school year. Depending on their age, students create their vision of rational energy use in a different form.

At the end of the school year 2014/2015 the company held for a second consecutive year a contest for making a maquette dedicated to the topic “Environmentally friendly city”. The purpose of the contest was the students to present again in the form of a maquette their view of an environmentally friendly city in which the energy and water consumption is energy-efficient and reasonable.

The first place in the contest was awarded to fourth-graders from “St. St. Cyril and Methodius” primary school, village of Sarnevo, municipality of Radnevo. The second place was awarded to fourth-graders from “Georgi Karaslavov” primary school in the town of Parvomai, and the third place was awarded to students from “Elisaveta Bagryana” primary school in the town Sliven. All the participants received incentive awards.

The primary school in the village of Sarnevo was awarded with the grand prize provided by EVN Bulgaria: a playground with sports equipment in the yard of the educational establishment. For all the winners in the contest the company organized a visit in the modern high-efficiency cogeneration plant.



The first place ranked the model of the IV grade students from Primary School "St. St. Cyril and Methodius" primary school, village of Sarnevo, municipality of Radnevo.



The prize for the winners: a playground in the yard of "St. St. Cyril and Methodius" primary school, village of Sarnevo, municipality of Radnevo. The facility includes one "energy" swing and various sports facilities.



The second place was awarded to fourth-graders from "Georgi Karaslavov" primary school in the town of Parvomai.



The winners in the children's contest of EVN Bulgaria for making a maquette on the topic "Environmentally friendly city" visited the new modern cogeneration headquarters of EVN Bulgaria Toplofikatsia in Plovdiv on 26 May 2015.



The third ranked were the students from "Elisaveta Bagryana" primary school in the town of Sliven.

5. EVN for Bulgaria 2015 – 60 Volunteering Initiatives

In the spring of 2015 on the occasion of the ten-year anniversary of EVN Bulgaria, the company launched a major initiative for corporate social responsibility under the name “EVN for Bulgaria”.

In the year of its establishment the program EVN for Bulgaria was dedicated to corporate volunteering and relied entirely on the initiative and the motivation of EVN employees. Each employee of EVN Bulgaria Group companies could participate, and the company supported volunteer actions by provision of financial resources for each approved cause and one working day of each participating employee.

The volunteers were referred to as “Good Fellows”, because a good heart is enough to help and bring joy to the people around you. Within the period of the program from April to December over 420 employees joined actively the volunteering campaign.

As a result a total of 60 actions were realized based on the ideas of EVN employees in 28 settlements in the country. The beneficiaries are accommodation centers of family-type for children, retirement homes, centers for children with disabilities, public lands, kindergartens, schools, children’s gym, refugee center, monastery, churches, community center, theatre, museum-house, non-governmental organizations.

Full information about EVN for Bulgaria is published on the company webpage www.evn.bg in the menu “Responsibility”.



Volunteering initiative: Music Spring

A team of seven employees with musical gifts organized a cultural event in the home for elderly people in Banya village, Nova Zagora. The Good Fellows personally sang Rhodopean folklore music. The team gave the occupants of the home also some small gifts as a souvenir – embroidered cloth.



Volunteering initiative: More light for the “little sunshines”.

A team of seven employees have helped the kindergarten “Nadezhda” in Brestnik village, district of Plovdiv. The Good Fellows replaced the existing old lighting with luminescent lamps and renewed the switches for the lighting in two of the studies. They also inspected and secured the power installation in the medical cabinet and did a preventive check of the computer.



Volunteering initiative: Give joy of children

A team of ten employees helped the Center for family-type accommodation of children and youth and kindergarten, village of Pavelsko, municipality of Chepelare. The Good Fellows painted the playing equipment and the walls, a wooden gazebo, a handrail of the terraces and corridor, removed rust and old plaster, polished wooden parts.



Volunteering initiative: “Everything native Bulgarian I cherish, observe and adore”

A team of four employees mounted lighting on the facade and in the yard of the house museum “Ivan Vazov” in the town of Sopot.



Volunteering initiative: EVN bike track

A team of seven employees constructed a wooden track between the trees in park "Lauta" in Plovdiv. The novelty is a wooden track with different height and artificial obstacles among the trees, where beginners cyclists can experience the mountain biking feeling.



Volunteering initiative: A second chance for homeless animals

A team of seven employees fenced a terrain with partition mesh of a newly built rescue center for animals in trouble Animal Hope Bulgaria, in the town of Saedinenie.



Volunteering initiative: Culinary feast "Golden fall"

A team of three employees helped the school for disabled children "Stefan Karadzha" in Plovdiv. The team furnished the newly opened room for cooking and organized a culinary competition for children. The students were divided into teams and had the opportunity to cook and present various dishes prepared with autumn fruits and vegetables.

II. Labour Standards

Principle 3:

Upholding the freedom of association and the effective recognition of the right of collective bargaining.

Principle 4:

Eliminating all forms of forced and compulsory labour.

Principle 5:

Effective abolishment of child labour.

Principle 6:

Eliminating the discrimination in respect of the right to employment and occupation.

1. Model “Flexible Working Hours”

In 2011 EVN Bulgaria introduced a “floating” (or “flexible”) work hours at the administrative departments of the companies in Plovdiv. Following the good results a year later, the same model was introduced for the employees working at the customer service centers of the company in other cities of the Southeastern Bulgaria.

This working hours model was borrowed from EVN AG, where the flexible working hours have been successfully applied for many years. According to this model, within the 8-hour workday a period of compulsory presence of the employees at their work places is fixed, and during the rest of the time every employee has the opportunity to organize their working time in accordance with the specific tasks and projects. Thus, the employees are able to manage in a more flexible way their work and personal time, so the working place becomes more attractive. The free fixing of the start and the end of the workday is to great extent a precondition for good coordination between the company’s engagements and the personal interests and contributes for increasing the efficient conduct of the employees at work.

2. Training and Qualification – EVN Academy

EVN Academy is the specialized unit in EVN Bulgaria, which coordinates all internal and external qualification events of the company. The vision of EVN Academy is connected with a targeted and long-term improving of the skills and knowledge of the employees.

Highlights in the 2015 curriculum of EVN Academy included training on leadership and human development, communication with customers, time management, efficient implementation of meetings, written communication, economics for non-economists, engineering for non-engineers, etc. Traditionally, the seminar “Working under Voltage” was held for employees performing grid maintenance activities. The main purpose of the seminars is the development of managerial and specialized competencies.

EVN Library

In September 2015 EVN Academy started an internal corporate library with professional literature accessible to all employees of EVN Bulgaria. The initiative follows the strategy for development of the company employees focusing on their personal responsibility. A register was created for this purpose, where it was described the literature available to different organizational units. On the basis of the register, the employees of EVN Bulgaria may request and use those editions, which are of interest to them and thereby assist their professional expertise and development.

A training facility unique for Bulgaria

Since 2014 EVN Bulgaria has upgraded the qualification of its electricians with trainings at a unique training facility providing real working conditions on the electricity distribution grid. The facility for real height and live work was built in Stara Zagora on account of its central location to the licensed company territory in Southeast Bulgaria, facilitating the training process. It represents an extended and modernized version of the existing company training center.

The training facility is a part of the professional qualification team of EVN Academy and was built in only a few months in coordination with the Centre for Occupational Safety and Fire Safety of EVN Bulgaria. The training is held by qualified trainers, a part of EVN Bulgaria team, with real experience as electricians of company emergency teams. A real low voltage and middle voltage grid is available on the training range maintained by the company.

A total of three iron grid and 24 reinforced concrete pillars with the respective overhead lines and equipment allows the specialized training to be performed at real heights in case of troubleshooting breakdowns, making the training ground unique in terms of its characteristics.

Specialized trainings include:

- work at heights on live and non-live 400 V overhead line
- work at heights on live and non-live 20 kV overhead line
- simulation of emergency rescue of an injured employee at height
- works on medium and low voltage cable lines
- make of cable connections
- installation of switching cabinets, etc.

The training facility includes a new concrete transformer station which further enhances the scope of the training process. An important aspect of the trainings is improvement of safety level during emergency repairs, including various skills for using protective equipment at heights and safe use of specialized equipment.

Since the launch of its first operation in April 2014, more than 600 employees have gone through the training facility by the end of 2015.



Employees of KEZ successfully completed training – the trainees are in yellow outfits, the trainers – in red.

3. Work Safety

Safety certificate BS OHSAS 18001

EVN Bulgaria Toplofikatsia obtained a certificate for health and safety at work in accordance with the international standard BS OHSAS 18001 in 2014. In 2015 the company passed successfully a surveillance audit confirming the certification.

The certification and surveillance audits are performed by TÜV Rheinland – Bulgaria EOOD Bringing the activities of EVN Bulgaria in accordance with the internationally recognized standard BS OHSAS 18001 contribute to the high level of awareness and motivation of the employees to observe safety at work.

The assessment of health and safety at work in accordance with BS OHSAS 18001 is the most well-known professional system for safety management. This certification is recognized in over 80 countries. The certificate ensures that health and safety of the employees are a priority for the employer.

Corporate campaign “Work Safety”

The safety issue is of particular importance in any of the operation fields, but in particular a lot of risks are observed when technical activities are carried out: work outdoors, with machinery or with electricity. This is why in EVN Bulgaria is running a long-term internal campaign called “Work Safety” with a focus on regional technical units (KEZ – customer energy centers) and technical central departments of the company.

Since 1 September 2013 in every KEZ a board to count the days without accidents has been running. The counter calculates and shows the days where caution and attention at work have resulted in a work without accidents. All employees of the KEZ where 500 days with no accident at first step and then another 999 at the second stage have been reached shall receive special prizes.

On 14 January 2015, the first 500 days from the launch of the internal campaign “Work Safety” in KEZ were reached. The counters of 18 (out of over 30) KEZ managed to mark 500 days without accidents and were rewarded for their efforts in safety at work. By the end of 2015 another six KEZ earned the award for achieved 500 days of safe operation.



Logo for safe work

To illustrate the internal campaign “Work Safety” EVN Bulgaria introduced a safety logo. It was a part of all materials, trainings, information related to occupational safety. The logo contains the words “Protect Life” and is a symbol of the joint efforts of the company that work should be carried out with caution and in accordance with the security rules. An interesting fact of the logo is that it was chosen among four options after an internal investigation of the opinion in several technical departments.



The first technical units which counted 500 days without accidents from the start of the campaign received diplomas from the management of the company at a special ceremony in Plovdiv.

“Safety champion”

At the beginning of October 2015 another internal initiative was launched for EVN Bulgaria’s employees, developed by the Centre for Occupational Safety and Fire Safety. It is called “Safety champion” and is intended to encourage the individual contribution that each one of the employees can give for establishing and improving safety in the company. Each year will be nominated a Safety champion, who will receive a special prize from the company.

Every employee of EVN Bulgaria Group companies may apply for the title Safety champion by proposing new ideas on the topic of safety or any good practice acquired from internet or another company. Individual nominees are sought and each employee may participate with more than one idea. The initiative is annual and the first Safety champion in EVN Bulgaria will be announced at the end of November 2016. He will be elected by an internal corporate commission formed by the employees of different organizational units.

Napo’s experience

One can become a champion with regular training. That is why the team of the initiative has selected a series of short amusing and useful video movies for the employees. They aimed at raising the awareness on the topic of health and safety at work and encouraging the colleagues to participate in the initiative. The cartoon man Napo is the main character in all movies. Together with other heroes in various episodes, Napo shows individual situations of working life, the health and safety risks and the opportunities to eliminate hazards.



On the right is Napo – the hero of the educational movies on safety. On the left is an employee of the Centre for Occupational Safety and Fire Safety in EVN Bulgaria Elektrorazpredelenie.

4. Supplementary Health Insurance

The company provides its employees with a program for additional health insurance, which offers annual prophylactic examinations by different specialist as well as a package of additional medical services for prevention and treatment of diseases.

5. EVN Ombudsman Institution

Since the spring of 2011 an EVN Ombudsman is appointed at EVN Bulgaria with the task to help maintaining open and transparent working relations between the company and its employees. The employees at of EVN Bulgaria can refer to EVN Ombudsman in the event of current disputable matter by searching for assistance for efficient resolution of interpersonal, ethical or labour-organizational issues.

EVN Ombudsman appears as a guarantor of the human rights and freedoms, and their purpose is to give publicity to concealed unresolved conflicts, to help addressing them and to improve the working environment. This institution is a real manifestation of the principles in the field of human rights set in the UN Global Compact.

In 2015 were reported 112 occasions in the entire company. Thus the total number of reported cases for the four years was 584 since the foundation of the institution.

6. Keeping the Employees Informed Regarding the Company’s Internal Recruitment

In 2012 the communication with the employees with respect to the free positions and internal recruitment competitions at the company was improved. The regular and timely internal communication is aimed at informing the employees about new positions throughout the company and the opportunities for internal rotations. Thus EVN Bulgaria has further extended its platform for professional and personal development, as well as endeavours to motivate its own employees.

7. Driving Values for Employees

Meeting EVN Driving Values

Among the main topics in the internal corporate life of the company in 2015 were EVN Driving values – ensure, encourage and enable. The values developed in the group were adopted in EVN Bulgaria at the end of 2014, and in 2015 there were seminars for all employees. The purpose was for each employee to have individual meeting with the Driving values, to get acquainted with them, their meaning and application at work. All employees had the opportunity to participate in a discussion and to work in a team. The positive feedback confirmed the expectations that they will be a springboard for everyone to achieve professional excellence.



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History of the values

The three Driving values: ensure, encourage and enable are developed in the holding EVN AG, and later implemented into all companies of the group. The values build a common corporate foundation for all employees of the group in 21 countries where it operates. In this way it aims at every individual employee to be inspired and dedicated to the commitment on providing quality and reliable service for all of 14 million customers of EVN in Europe.

Ensure quality and success.

We aim at continuity and security. Our employees are competent, reliable and high-quality oriented. Everyone contributes towards achieving best quality for our customers, security of energy supply and environmental services in the spirit of our strategy. Through our professionalism we contribute to the growth of the company.

Encourage the personal development.

We encourage well-intentioned relations and help each other. The good spirit and positive atmosphere are of equal importance both for the success of our companies and for the development of our employees. We encourage each other to develop our skills, to learn and to discuss constructively.

Enable innovations for a better future.

We do not just talk the talk, but also walk the walk, thus reaching our targets. We act correctly and choose the way leading to specific decisions. We participate in projects having long-term benefits for people and nature. For us, the sustainable development is an important goal in all activities.

8. Health and Balance @ EVN Bulgaria Program

An integral part of EVN Bulgaria's policy for corporate and social responsibility are the measures that the company is undertaking for its employees – for their health, working conditions, working atmosphere and integration. Being a logical continuation of the consecutive steps in this direction, a new corporate program was launched in 2015 for healthy and balanced life – Health and Balance @ EVN Bulgaria. The program summarises the existing measures and at the same time provides a platform for new initiatives to create a more favourable working environment, to form healthy habits and to increase the employees' satisfaction.

At the time of the program launch a number of solutions were already realized in EVN Bulgaria to support the prosperity of the employees such as:

- flexible working hours,
- supplementary pension insurance,
- additional health insurance,
- thorough prophylactic examinations,
- various social benefits,
- drinking water provided at the working place, etc.

The purpose of the company was to supplement these measures with initiatives aimed more toward prevention and awareness, building and consolidation of habits for a healthy and balanced way of life and to improve the health status.

Objective

The main purpose of the program is to encourage employees to practice healthy habits in order to achieve and maintain a high quality of life by prevention.

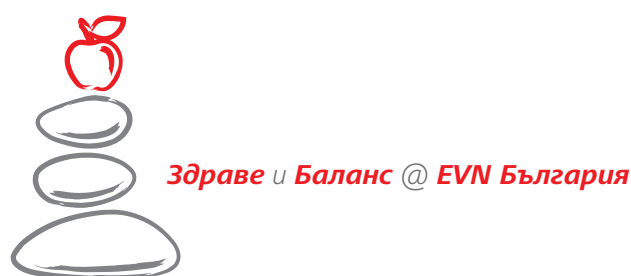
Principles

Health and Balance @ EVN Bulgaria is based on three key principles:

1. Accessibility – the measures and initiatives within the program shall be accessible to all employees according to their needs.
2. Promoting personal involvement – the healthy and balanced life is a matter of personal decision and contribution.
3. Creating a culture of balanced way of life – different measures will be gradually introduced, including information campaigns and other initiatives for the separate aspects of balanced life aiming to encourage healthy habits and balance.

Feedback

For the launch of Health and Balance @ EVN Bulgaria, focus groups were implemented in the company in order to survey the employees' opinion. The points of view of about 60 colleagues were collected, analyzed and taken into account when planning and further refining the initial measures in several separate areas: physical activity, healthy eating habits, improvement of the working environment, promotion of social activities, resistance to stress and emotional balance.



Logo of the Program

9. Certificate for Social Responsibility

At a ceremony on 24 March 2015 in the town of Haskovo EVN Bulgaria was awarded a prize for "Socially responsible company of the municipality" for 2014. The award was given during the Third awards of the Confederation of Employers and Industrialists in Bulgaria (CEIBG) in Haskovo region.

In 2015 the nominations were made by all 11 municipalities in the region proposing a total of 40 companies with extremely high social contribution in the field of development of corporate social responsibility for 2014. Among the official guests were: the Deputy Chairman of the 43rd National Assembly of the Republic of Bulgaria at the time Ivan Ivanov, Deputy Minister of economy Lyuben Petrov, representatives of the Bulgarian Small and Medium Enterprises Promotion Agency, of the Bulgarian Investment Agency, the Consulate General of the Republic of Turkey in Plovdiv and the local business.

III. Environment

Principle 7:

Supporting the preventive approaches to environment protection.

Principle 8:

Undertaking initiatives to stimulate the assumption of greater responsibility to the environment.

Principle 9:

Encouraging the development and distribution of environment-friendly technologies.

1. Project “Life for Safe Grid” under Life + Program of the European Commission

The project of EVN Bulgaria “Life for Safe Grid” is co-financed under LIFE + program of the European emissions and is developed in cooperation with the Bulgarian Society for the Protection of Birds (BSPB). The full name of the project is “Improving the Protection of the Globally Threatened Imperial Eagle in Bulgaria by Reducing Its Mortality Caused by Electricity Distribution Lines”.

In 2015 EVN Bulgaria Elektrorazpredelenie initiated construction works on the project. The symbolic start was given on 16 April 2015 on the territory of one of the specially protected areas (SPA) of the NATURA 2000 grid – “Sakar”, in the area of Harmanli municipality. At an official ceremony with representatives of the local public and media, a demonstration installation was carried out of the so called “bird rests” on 20 kV overhead line “Balgarin”. This was the first time they were installed in Bulgaria. Each “bird rest” provides a high landing place for birds, which is at a safe distance from the electrical pillar and protects birds from current conducting elements.

The first site under the project was on the territory of Harmanli municipality within the period up to September 2015. This site included installation of 10 “bird rests” and 255 spacers, which protect the wings of the birds. In addition, almost 45 km of the so-called PAS system on 20 kV overhead electric line “Bulgaria” were installed. PAS system is one of the most modern methods for securing the power lines. It consists in new insulated conductors along the electric line.

Thus completely is eliminated the risk of electrocution, caused by a simultaneous contact of birds with live conductors and grounded parts of the supporting pillars. The introduction of the PAS system significantly reduces the risk of collision of flying



The symbolic start of the technical activities under the project “Life for Safe Grid” was given on 16 April 2015 with a demonstration installation of “bird rests”.

birds with the overhead conductors, as the new conductors are more visible and easy to avoid.

The total value of the investment in the first site amounts to BGN 388 000.

In the summer of 2015 the technical activities in relation to the second site were launched as well, being a part of the project “Life for Safe Grid”.

On 23 June 2015, a symbolic first ground-breaking ceremony on this site was made in the region of the town of Topolovgrad, close to one of the habitats of the Imperial eagle in Bulgaria. The sub-project includes laying of underground cable lines at the place of the existing 3 overhead lines with a total length of nearly 50 km. Along with this will be constructed also nearly 17 km of PAS system (insulated conductors). Additionally will be installed safety devices like spacers, "bird rests" for birds, etc.

The construction of a total of 50 km of underground cable lines will eliminate the hazards for the birds in the area. On the other hand this will significantly improve the power supply for 10 settlements in the municipalities Elhovo and Topolovgrad. This is possible because the underground cable lines are not exposed to outside weather conditions. On the other hand, PAS system provides protection against icing of the conductors in the winter months and ensures the security of power supply to the customers in the area.

The value of the investment in the territory of the municipalities Elhovo and Topolovgrad is nearly BGN 5 million.



Insulators type "MST-spacers" were installed under the project "Life for Safe Grid".

The project "Life for Safe Grid" was approved by the EC in July 2013 with a beneficiary EVN Bulgaria Elektrorazpredelenie. Thus, EVN Bulgaria Elektrorazpredelenie became the first infrastructure company in the country, which implemented a project with LIFE + program funding by the European Commission. The total value of the project is nearly EUR 4 million and the activities will be performed for a period of 5 years from 2013 to 2018. The project provides for extensive investment activities related to securing the electricity distribution grid. The website of the project is www.lifeforsafegrid.bg.

The Imperial eagle is protected species included in the Red book and in the list of endangered species of the international union for the protection of nature and natural resources.

The project "Life for Safe Grid" of EVN Bulgaria is a continuation of the long-standing support that the company provided to the BSPB's project "Conservation of Imperial Eagle and Saker Falcon in the key areas of Natura 2000 network in Bulgaria." The project of BSPB ended in December 2013, as within the project EVN Bulgaria secured with protective isolation nearly 561 pillars along the electricity distribution grid.



The start of the technical activities was given by Mr. Bozhin Bozhinov, mayor of the Municipality of Topolovgrad, Mr. Svetoslav Spasov, projects director in BSPB, Mr. Ronald Brechelmacher, Chairman of the Board of Directors of EVN Bulgaria Elektrorazpredelenie and Mr. Kostadin Velichkov, Executive member of the Board of Directors of EVN Bulgaria Elektrorazpredelenie.

2. Biodiversity

Awards for eco activity

On January 27th 2015 in Brussels, EVN Bulgaria and the Bulgarian Society for the Protection of Birds (BSPB) received yet another international recognition of their protection activities aimed at protecting the endangered Imperial Eagle and Saker Falcon in Bulgaria. On that date the BSPB and its partner organization BirdLife International won the “Good Practice of the Year Award” in “Environmental Protection” category in a competition organized by Renewables-Grid-Initiative (RGI). The prize was awarded for the joint work of EVN Bulgaria and BSPB in isolation of the pillars around the nest of the Imperial eagles in Bulgaria.

The prize is being awarded for the first time as the assessment of the applications was done by 9-member jury, which included European Commission experts and a Bern Convention Secretariat representative.

EVN Bulgaria Elektrorazpredelenie won once more the prestigious award – the prize of Bulgarian Biodiversity Foundation for “Business supporting biodiversity in Bulgaria”. This happened in Sofia on 25 November 2015 at a ceremony where the Annual awards for conservation of biodiversity in the country were given.

EVN Bulgaria Elektrorazpredelenie won this honour in a competition with 10 other nominations in its category and the prize was awarded by a jury comprising of experts and public figures. The honoured award comes as a recognition of EVN EP’s long-years operations on conservation of protected animal species in its licensed territory in South-East Bulgaria. Among these operations is the annual campaign of EVN Bulgaria Elektrorazpredelenie on mounting safety platforms for stork nests on electric poles which are preferred places for nesting.



The winners in all categories (from left to right): Svetoslav Spasov (BSPB) and Ilina Stefanova (EVN Bulgaria) with the Good Practice of the Year award. The awarded Dutch-German organization TenneT in “Communication” category and the Danish Bystrup winner in “Technology and Design” category. Source: <http://renewables-grid.eu/news.html>.



EVN Bulgaria won the prestigious award of Bulgarian Biodiversity Foundation for “Business supporting biodiversity in Bulgaria”. On behalf of the company the award was received by Petar Kostadinov, head of Communications department (in the middle) and Dilyana Popova from Energy Policy and Environmental Affairs department (on the left).

Care for the storks in Bulgaria

In the construction and operation of its facilities EVN Bulgaria intends to use the latest ecological and advanced technologies. In respect of the protected species White Stork, which often chooses to nest on the pillars of the electricity distribution grid, the company applies consistent activities in securing the nests by installation of platforms. The initiative is carried out on the basis of the authorisation issued for securing the stork nests by the Ministry of Environment and Water (MoEW). The activities on securing are agreed with the relevant Regional Inspectorate in Environment and Waters (RIEW), which are annually provided with a schedule of the nests planned to be secured and a report on performed activities.

Through standard metal platforms, the nests are raised to a safe distance from the live parts. Thus, we protect the lives of the birds and prevent the occurrence of accidents along the electricity distribution grid. Most often the accidents are caused by rainy weather from collapse and contact of a part of the nests with the wires leading to the emergence of short circuit, interrupts or disturbances in power supply. On the one hand this is fatal to the bird, and on the other hand it causes damage to the electricity distribution grid and the consumers of electricity.

Safety activities of EVN Bulgaria in 2015 were performed within the framework of the new authorisation by MoEW, after the company reported excellent performance of the measures under the old authorization for the period 2011 – 2014: more than 60% of the nest platforms are populated by White Storks. Also in 2015 the company carried out a review and updated the technical characteristics of the safety platform used so far, as a result of which the platform was improved for the purpose of greater reliability and service life.

With the 210 platforms mounted in 2015, the total number of facilities installed by EVN Bulgaria to protect the life of storks is amounting to 1890 for the period 2009 – 2015.



Installing the security platform for storks using the new and improved type in the region of Kardzhali.

Rescue operations

In 2015 the employees of EVN in the regional service centers (KEZ) once again became heroes, helping actively in emergency operations for the rescue of young storks, become a victim of their inexperience in flying or of human intervention in nature.

On 17 July 2015 colleagues from KEZ Dimitrovgrad saved the young stork in the village of Yabalkovo. One foot of the bird was entangled in a piece of twine, which was brought to the nest by the parent birds. Fortunately, the bird foot was not damaged and the stork was successfully released.

Another case with a stork entangled in twine in the village of Moriantsi, municipality of Krumovgrad, resulted in interference of the teams of EVN Bulgaria on 24 July. Our colleagues managed to rescue the young bird which making attempts

to fly away from the nest, was hanging out on the side of the nest near to the wires. The bird had, however, injured its wing as a result of the continued attempts to fly away release from the twine, due to which the bird was brought to be treated in the Survival center for wild animals of the Green Balkans organization in the town of Stara Zagora.

Of 30 July colleagues in Burgas saved the young stork in the village of Trastikovo, municipality of Kameno; the stork had fallen from its nest located on a pillar in the village.

In the beginning of August the colleagues responded to help rescue a young stork, caught up in a twine loop in its nest in the town of Sredets, Burgas district.



Recovery of extinct bird species

In June 2015 EVN Bulgaria assisted “Green Balkans” to perform informative workshops in Customers Energy Centers of Krumovgrad and Svilengrad within a new project of the non-governmental organization – “Greater chance for the Lesser Kestrel (*Falco naumanni*) in Bulgaria”, funded by the EU LIFE program (LIFE11 NAT/BG/360).

EVN Bulgaria is cooperating on the project of the environmental organization in the activities set for securing the electricity distribution lines in protected areas from the network Natura 2000, located in the territory of both customer centers, which cover the municipalities Krumovgrad, Ivailovgrad, Svilengrad, etc.

During the joint expert meetings between EVN Bulgaria and “Green Balkans” the objectives of the project were presented, the target power lines to be secured were identified, and a schedule for the implementation of the technical activities was discussed. Within the expert meetings were organised on-site visits of three protected areas from Natura 2000 network, as well as a visit of the Green Balkans’ demonstration center for lesser kestrel in protected area “Sakar” within the project.

The commitment of EVN Bulgaria included installation of protective insulation of over 150 pillars of the electricity distribution grid in the areas of Natura 2000 and the activity is planned to be carried out in 2016.



The lesser kestrel, which used to be a widespread species in Bulgaria, disappeared from the country at the end of the 80's of the 20th century. Photo: “Green Balkans”.

Campaign in Strandzha

EVN Bulgaria cooperated with the Directorate of Natural Park “Strandzha” (DNP “Strandzha”) on a project funded by the Operational Program “Environment” – “Sustainable Management and Structure of Strandzha Nature Park”. The joint work includes securing 150 electric pillars. At the beginning of 2014 DNP “Strandzha” identified the electric pillars located in the park, which posed risk for birds and located on the territory of KEZ Primorsko – in the region of the towns of Malko Tarnovo and Ahtopol, and by the end of 2014 EVN Bulgaria had secured 83 electric pillars.

In 2015 employees of the company secured the remaining 67 electric pillars, a part of 20 kV overhead electricity grid, covering the expenses for installation of the insulation materials purchased for the purpose of the project.

The objective of securing is to protect the populations of protected bird species from the orders stork-like (Ciconiiformes) and falcon-like (Falconiformes) on the territory of the park.

“Sinite kamani” Natural Park

EVN Bulgaria cooperated with the Directorate of “Sinite kamani” Natural Park (DNP “Sinite kamani”) under a project funded by the Operational Program “Environment” – “Sustainable management and structure of “Sinite kamani” Natural Park.

The company assisted the natural park in the implementation of an activity under the project for securing the hazardous electric poles in the site of Karakityuk with the aim of preventing the damage from electric shock to birds and bats. On the territory of the DNP “Sinite kamani” there are 176 species of birds, of which 149 are protected by the Biological Diversity Act. Among them are the owl (*Bubo bubo*), imperial eagle (*Aquila heliaca*), golden eagle (*Aquila chryseos*), Egyptian vulture (*Neophron perenopterus*).

In 2015 EVN Bulgaria secured the 200 electric pillars identified to pose risk for large species of birds in the area of the Natural Park, which is located in the Balkan Mountains over the town of Sliven.

International cooperation

In May 2015 EVN's wind farm near the town of Kavarna hosted a group of international specialists who examined the radar system blocking the blades when a flock of birds is detected. The system is constructed by Dutch company Robin Radar and is designed to protect migratory birds, which main road passes through this area. Among the guests were representatives of a number of non-governmental organizations from Austria and Germany, including the Austrian branch of the world nature preservation organization BirdLife.

The Bulgarian representative of BirdLife – the Bulgarian society for the Bird Protection is a traditional partner of EVN Bulgaria in the company activities for environmental protection.



3. Integrated Quality and Environmental Management System

Waste Management

Implementing its environmental policy and socially responsible behaviour, in 2015 EVN Bulgaria continued the program for separate collection of industrial and hazardous waste. They are collected and provided for recovery and disposal to companies having the relevant permits.

In 2015 the company reported over 28 tonnes of paper for recycling, which is equivalent to rescuing almost 400 trees from being cut down.

Proper waste management among the companies in the group leads to saving natural resources by waste recycling and utilization on the one hand, and on the other to preventing environmental pollution with hazardous substances through the disposal of waste that cannot be otherwise used.

Environmental Management Certificate ISO 14001

Four companies of EVN Bulgaria Group hold certificates of compliance for their environment management systems to the requirements of the international ISO 14001 standard: EVN Bulgaria Elektrorazpredelenie, EVN Bulgaria Elektrosnabdiavane, EVN Bulgaria Toplofikatsia, and EVN Trading South East Europe. In 2015 all companies successfully passed the surveillance audit to confirm their certifications.

The certification and surveillance audits are performed by TÜV Rheinland – Bulgaria EOOD.

Bringing the activities of EVN Bulgaria in accordance with the internationally recognized standard ISO 14001 is expanding the possibilities for identifying the measures for environmental protection and the prevention of pollution.



4. iURBAN – an International Project for Energy Management

The international project iURBAN started in October 2013 and will continue by 2016 funded by the European Union's Seventh Framework Program for research, technological development and demonstration. The abbreviation iURBAN derives from the "Intelligent URBAn eNErgy tool" – Intelligent devices for urban energy. The participants in the project are a consortium of nine organizations from different Member States of the EU, among which energy and IT companies, scientific institute, a non-governmental organisation, etc. In the project 2 pilot cities – Plovdiv and Rijeka (Croatia) are included. On the Bulgarian side the beneficiaries of the project are EVN Bulgaria Toplofikatsia and Energy Agency Plovdiv.

In January 2015 EVN Bulgaria held information meetings with household customers from heated buildings in the town of Plovdiv under the project. During the meetings information was presented on iURBAN, opportunities for participation and project objectives – the development and implementation of an electronic platform for management, monitoring and improvement of energy consumption and costs.

The project gives the opportunity to the participant to install new appliances with remote sensing in their properties – an individual heating meter was mounted by the entrance of the housing (without having metering devices on the heaters), hot water meters and an electric meter. Data from the appliances will be monitored with a newly installed electronic platform accessible to the customer. The benefits that are provided to customers via iURBAN are as follows:

- installation and use of new appliances for remote sensing
- option for different types of reports on energy consumption
- free access of the customer to the electronic platform
- complete technical maintenance of the appliances, including metrological check.

Demo version of the software under the project was presented to the customers for the first time in April 2015. At that time in the town of Plovdiv a second seminar was held with customers of heating energy. Participation included partners under the project from "Sensing & Control" (Spain), Fraunhofer Institute (Germany), EVN Bulgaria Toplofikatsia and Energy Agency Plovdiv. The customers were informed how they may use the new electronic platform in their everyday life. The main functionalities of the program were also presented and the options which are provided to record the energy consumed in different past periods of time. This gives customers the opportunity to monitor and optimize their consumption including the energy costs.

The attendees had the opportunity to ask questions and evaluate the demo version of the software. The customers' feedback was extremely important for developers in future upgrades of design and structure of the electronic platform.

The activities of iURBAN for the town of Plovdiv include the installation of metering devices with remote sensing in a total of 30 heated buildings in Plovdiv. Among them are residential buildings, kindergartens, administrative buildings, etc. Energy consumption inside these premises will be measured in a new and modern way. The new system will give the opportunity for effective monitoring and analysis of various aspects of the energy consumption of the customers.

The development of the specialized software for energy consumption monitoring finished in September 2015 and an individual user name and password for access was created for each participant. The participants in the project iURBAN received individual access to the software during two demonstration presentations in October 2015.

Energy efficiency awards

Seven kindergartens in Plovdiv, participating in the project iURBAN were awarded with gold medals by The Association of Bulgarian Energy Agencies for reducing their energy costs. In the kindergartens there were installed innovative and modern installations for the production of renewable energy and for daily monitoring of the heating and electricity costs. The seven children establishments are "Nezabravka", "Kremena", "Slantze", "Rositza", "Viara", "100 Usmivki" and "Prikazen sviat".



Demo version of the software for monitoring of energy consumption under iURBAN project was presented to customers participating in the project for Plovdiv, for the first time in April 2015.

5. Investments in Modern and Environmentally Friendly Electricity and Heat Production

Preparation for 2015 autumn-winter period

The crisis situation of March 2015 showed how important is to be invested in a modern and secure grid, which can minimize the influence of bad atmospheric conditions during cold months. In this respect and as a part of the preparation for the coming winter, in the summer of 2015 EVN Bulgaria Elektrorazpredelenie (EVN EP) managed to install 30 km of overhead power lines in the Rhodopes Mountain. This was announced also during the visit of the Minister of Energy Temenuzhka Petkova, Deputy Minister Nikolay Nikolov and Rozalin Petkov, the current regional governor of Plovdiv, at the headquarter of the company in Plovdiv on 17 September 2015. The readiness of the company to meet the coming 2015/2016 winter season was discussed during the meeting with Mr. Robert Dick, regional manager of EVN for Bulgaria and the management of EVN EP.

Minister Petkova and Mr. Dick acknowledged the good coordination between EVN Bulgaria and the authorities during the March crisis in the Rhodopes Mountain that year, being crucial for recovery activities. Following the analysis of the damages caused by the crisis, this summer the company paid special attention to secure those overhead power lines, being most vulnerable in bad weather in the mountain areas by means of laying cables (and thus, replacing the overhead power lines underground). The cabling of electric lines is among the most effective for improving the electricity supply. In view of the difficult mountain terrain and in accordance with the possible investments EVN Bulgaria Elektrorazpredelenie identified and installed 14 electric lines that are most influenced by the atmosphere. That significantly increased the security of power supply in these regions, which was noted by Minister Petkova and Mr. Dick as a long-term measure.

An example of such is the cabling of an electric line supplying the neighbourhood of Raikovo in the town of Smolyan where during the crisis in March 2015 only one of the neighbourhoods in the town had overhead electricity supply. Now the neighbourhood of Raikovo similar to the other parts in the town of Smolyan is totally cabled underground which guarantees uninterruptible power feeding under regular supplies from the substations.

Another cabled overhead electric line is the one supplying the villages of Kiselchovo and Kremene in Smolyan municipality, which is one of the most difficult mountain area, a new underground cable line of 4,1 km was installed.

The total amount of the investments made by EVN EP for cabling of electric lines and other technical activities for this summer is estimated at more than BGN 5 million. Besides the cabling, the preparation included replacement of electrical pillars, 100% physical inspections of electric lines, electricity installations, transformers and switching stations both in the Rhodopes Mountain and in all other areas on the territory of EVN EP.



KEZ Kardzhali: repair of iron grid pillar on the overhead line at medium voltage "Ardino".

A total of 329 km of clearings through grids of medium and low voltage, supply of equipment, inspection of the specialized machinery, instruments and providing the necessary supply of stocks and materials were carried out in compliance with the legal requirements.

To deal with various situations during winter period EVN Bulgaria relies on the good cooperation of the company's regional control engineers and managers with the local authorities in the face of the regional governors, the municipal and territorial directorates of "Civil defence". Information about the contacts persons of EVN Bulgaria was provided to all regional governments, municipal mayors and the directors of Territorial directorates of "Civil defence".

Investment and Repair Program 2015 of EVN Bulgaria Toplofikatsia

In 2015 EVN Bulgaria Toplofikatsia continued the fast pace of investments and repairs, when a total of BGN 18,6 million were invested in modernization, expansion and repair of the heating grid and generation facilities. This resulted in construction of 3 km of new heating mains in Plovdiv and 24 new abo stations, which will allow more customers to use environmentally-friendly and comfortable district heating.

Guaranteed 2015/2016 heating season

During the summer months of 2015 EVN Bulgaria Toplofikatsia (EVN TP) was working actively as usually on its investment program, including both replacement of old infrastructure and construction of new one in Plovdiv in areas having no district heating. Among the significant buildings interconnected this year is the medical center of "Selena" on "Peshtersko shose" blvd., which required the laying of 100 meters of new heating mains, and the administrative building of Water and Sewerage Plovdiv on "Shesti Septemvri" Blvd., which required the construction of 150 meters of new heating mains.

In August EVN TP started another project for expansion of the heating grid in the central area in Plovdiv. New 350 m of heating mains will connect "Veliko Tarnovo" street with the crossing of "Ivan Vazov" street and "Ekzarh Yosif" street, as a result of which "Sveti Mina" hospital and other administrative buildings on "Ivan Vazov" street were interconnected to the heating grid. The project is a part of the company investments to construct a circular scheme of the heating grid in Plovdiv, which is a precondition for improving grid management in the city.

After having started the construction of a heating grid for district heating in the western area "Zapaden" of Plovdiv in 2014 for the first time, that autumn EVN TP implemented new projects in the area for interconnection of the buildings of two kindergartens – "Elitza" and "Zvezda". In order for these two facilities to benefit the comfort of district heating, EVN TP constructed new grid with a total length of 330 m. Earlier – in May 2015, the company worked on interconnection of the newly built facility of a kindergarten "Mir", located in the area, to the heating grid.



One of the large-scale projects of EVN TP in 2015 was related to the replacement of main district heating pipeline on the bridge of "Vassil Aprilov" blvd. The new heating mains have a larger diameter providing higher consumption of thermal energy. They are equipped with electronic alert system in case of rupture, as well as with modern expansion joints to handle the temperature expansions. The specifics of work on the bridge required extraordinary measures, such as moving the bed of "Maritza River", to be taken so that the construction machinery could access the site.

IV. Anti-corruption

Principle 10:

Supporting the anti-corruption initiatives and policy of transparency.

As an international company providing services in the field of energy and environment, we serve as a role model in both domestic and foreign market. To establish the good reputation and business success of EVN Bulgaria, we attached significant value to honesty and respecting of the law by all our employees.

1. 12 Principles of Loyal Communication with Our Customers

EVN Bulgaria has developed “12 Principles of Loyal Communication with Our Customers”. Every company’s employee is familiar with the principles and follows them strictly in relations with our customers. The purpose of the company is to implement a policy of transparency and customer satisfaction by providing high-quality services.

The document containing all 12 principles, is published in the internal network (Intranet) of EVN Bulgaria to be available to the employees, being distributed at the same time in all company offices.

2. Corporate Social Responsibility Clause of EVN Group Companies

EVN Bulgaria has developed a social responsibility clause valid for the companies of EVN Group, which obliges the suppliers and subcontractors to observe the following basic principles:

- respect for human rights,
- abolition of child and forced labour,
- elimination of discrimination and torture in respect of employment and occupation,
- occupational health and safety,
- labour and social legal regulations,
- transparency of the working time and remuneration,
- environmental protection,
- reducing the use of resources, waste and emissions generation,
- high ethical standards;
- transparent business relations,
- right for gatherings and strikes.

3. Compliance – It’s Good Energy

Integrity and legitimate behaviour of the employees holds a central position in the corporate culture of EVN Group. Ethical and correct conduct are a prerequisite for good image and thus for the company success also. In this regard in October 2013 in the group, including EVN Bulgaria, the Compliance management system (CMS) was launched. An essential part in this system is EVN Code of conduct.

The code was established on the basis of the Charter of EVN, in which the vision, mission and fundamental values of the company have been formulated. In addition, the code lays down the basic principles of conduct in EVN in different areas like anti-corruption, work safety and relations with business partners and customers.

CMS implementation aims to ensure compliance with the legitimate conduct within the framework of EVN. The three main pillars of the CMS are:

1. Prevention through awareness.
2. Identification of violations of the Code of conduct and signalling.
3. Reaction through analysis and improvement.

The project for rollout of the CMS in EVN Bulgaria completed successfully at the end of 2014. Within the clarifying in-house Compliance campaign were carried out 89 trainings for all the employees, in which took participation 2372 people or 99% of the company personnel.

The project ended with a test “How well are you informed about Compliance?”, which was programed interactively in the intranet of EVN Bulgaria. The summarised positive results of the test denote the good awareness of the principles of Compliance.

Regarding the Christmas and New Year holidays and the existing traditions for exchange of gifts and invitations to holiday events and building on the positive feedback for the first Compliance test was organised one more Christmas test. With real examples it guided the employees of EVN Bulgaria how to act in accordance with the Code of conduct of EVN.

4. Union with the Loyal Customer

In 2015 EVN Bulgaria continued its campaign “Union with the Loyal Customer”. Its main purpose is to protect the principles of equal treatment of all customers of the company: electricity supply to all customers paying regularly for their energy consumed and adequate reaction towards bad payers.

Being part of the activities for protection of its loyal customers, the company regularly carries out a series of checks for legitimate use of electricity in Southeast Bulgaria. In 2015 EVN Bulgaria continued the tendency of improving the effectiveness of the checks for the unauthorised use of electrical energy. The 24 600 facility checks of household and business customers, by 37% less than the previous year, established 9400 cases of either deviations or violation of the Energy Act and the General terms and conditions of the electricity sale contracts approved by the Energy and Water Regulatory Commission. This number is by 9% lower compared to 2014, however, the electricity thefts detected in 2015 amounts to 15,7 million kWh, which is by 12% higher than the previous year.

In 2015 the number of thefts from the facilities of the electricity distribution grid continued to increase. For the entire territory of the company, in 2015 EVN Bulgaria registered more than 340 cases of theft from electricity facilities, which was by 17% more than the previous year. Conductors (overhead and cable power lines) with a total length of 32 000 m were stolen. Besides, a subject of illegal encroachments on the territory of the company became electric meters, transformers, fuses and other equipment in the transformer stations. The amount of the reported material damages for the company reaches nearly BGN 260 000 – funds that could have been invested for improving the electricity supply and customer care. EVN Bulgaria continues to attract the public attention to the risks posed by the encroachments on the energy infrastructure. They cause not only big financial losses for the company but are the reason for failures and interruptions in the electricity supply to a large number of customers. In order to preserve the security of electricity supply EVN Bulgaria applies all necessary measures to ensure the shortest possible grid recovery. Part of these measures includes joint initiative for enhanced cooperation with the police for checking and limiting the thefts. The efforts are focused on the application of measures for mutual actions on the whole territory of the company in Southeast Bulgaria.

5. Reporting

The companies from the EVN Bulgaria Group develop their activity in compliance with the requirements of the effective Bulgarian laws. In this connection they prepare each year annual financial statements according to the International Financial Reporting Standards. The statements are audited by an external auditor and published in the Commercial Register of the Republic of Bulgaria, being available to the public.

Always here, always with you

EVN Bulgaria

2016 edition