

CORPORATE SOCIAL RESPONSIBILITY REPORT OF ENEA CAPITAL GROUP 2013

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CALENDAR OF EVENTS 2013

January 2013

- Krzysztof Zamasz was appointed to the position of the President of ENEA SA Management Board
- ENEA Wytwarzanie received a certificate „Employer Friendly to Employees” awarded by the National Commission NSZZ „Solidarność”

February 2013

- Andrzej Schroeder and Krzysztof Sadowski were appointed by the Supervisory Board to the Management Board of ENEA Wytwarzanie

March 2013

- The Supervisory Board of ENEA SA has chosen the Management Board of the VIII term of office: Krzysztof Zamasz – President of the Management Board, Paweł Orlof – Vice-President of the Management Board for Corporate Affairs, Grzegorz Kinelski – Vice-President of the Management Board for Commercial Affairs
- A new system of incentive bonuses for employees was introduced in ENEA SA
- Centrum Uzdrawiskowe ENERGETYK celebrated the 50th anniversary of the Sanatorium "Energetyk" in Inowrocław

April 2013

- Dalida Gepfert was appointed to the position of the Vice-President of the Management Board for Financial Affairs
- ENEA Operator signed an agreement to build a new Main Transformer Station in Ługi Ujskie
- ENEA Wytwarzanie SA selected a winning tender for a contract engineer for the construction of flue gas desulphurization plant for units 200 MW no. 1-8 in Kozienice

May 2013

- ENEA brand received an Emblem of the Most Environmentally Friendly Brand in the customer study of European Trusted Brands
- Miejska Energetyka Ciepła Piła signed a contract for a value of PLN 36 million for the „Development of the heating system in Piła through the development of gas cogeneration units in the regional boiler house KR-Koszyce in Piła”

June 2013

- The European Investment Bank granted a loan of PLN 475 million for the modernization and development of energy networks
- ENEA Operator has signed an agreement for the redevelopment of 110 kV overhead power line Morzyczyn – Drawski Młyn

July 2013

- Krzysztof Sadowski was appointed to the position of the President of ENEA Wytwarzanie
- Michał Jarczyński was appointed to the position of the President of ENEA Operator
- ENEA Operator has signed an agreement for the redevelopment of 110 kV overhead power line Morzyczyn – Drawski Młyn – the biggest in the company's history contract of this type

August 2013

- The English version of the website www.enea.pl/en was launched
- ENEA SA signed an agreement with Energa SA "Contract of shares sale in the share capital of the BHU SA company", becoming the owner of 100 percent of the company's share capital

September 2013

- ENEA SA entered the WIG30 index which brings together the largest and most liquid companies on the Warsaw Stock Exchange
- ENEA SA was granted a license for the sale of gas by the decision of the ERO President
- The Management Board of ENEA SA approved the Code of ENEA Group - basic act which defines a new model of corporate governance in ENEA Group

October 2013

- "Corporate Strategy of ENEA Capital Group for the period 2014-2020" was approved
- "Code of ethics of the ENEA Capital Group" was approved

November 2013

- ENEA brand celebrated its 10th anniversary
- ENEA Capital Group published the second CSR report for 2012
- ENEA SA won the tender for the supply of electricity to nearly 190 units and municipal institutions in Szczecin and to the NORDA purchasing group

December 2013

- A tragic accident took place in ENEA Wytwarzanie SA in Kozenice. During demolition of the chimney no.3 subcontractor employees were killed.
- ENEA Capital Group established a Shared Services Centre
- ENEA Capital Group launched the Voluntary Leave Program

ABOUT THE REPORT

Corporate Social Responsibility Report of ENEA Capital Group for 2013 has been prepared according to the international standard Global Reporting Initiative G4 on the CORE application-level. The report is released on an annual basis. Previous social responsibility report of ENEA Capital Group for 2012 was issued in November 2013.

Scope of the Report

This report includes data of 18 companies of the ENEA Capital Group for the period from 1 January 2013 to 31 December 2013 (unless stated otherwise), as well as a brief summary of the CSR activities carried out in the first half of 2014.

Reported companies

ENEA SA, ENEA Operator, ENEA Wytwarzanie, Elektrownie Wodne, Elektrociepłownia Białystok, Miejska Energetyka Ciepła Piła, Przedsiębiorstwo Energetyki Ciepłej in Oborniki, Energetyka Poznańska Przedsiębiorstwo Usług Energetycznych ENERGOBUD Leszno Eneos, Energomiar, Hotel EDISON, Annacond Enterprises, ITSERWIS, Energo-Tour , BHU, ENEA Centrum, Energetyka Poznańska Zakład Transportu, ENEA Trading, Centrum Uzdrowiskowe ENERGETYK.

Changes in the reporting

Report for 2013 does not contain detailed information on companies: Windfarm Polska, DOBITT ENERGIA and ENTUR. The document, however, was supplemented by data concerning Annacond Enterprises company.

Aside from the above mentioned changes, the report neither contains any other significant differences in the scope, boundary or measurement methods in relation to the report for the previous year, nor any correction of the information contained in the previous report.

Selection of the report content

In accordance with the guidelines of the GRI standard G4, the report was prepared in accordance with "Principles of materiality". Thus, the report contains information and data on key aspects of the ENEA Capital Group, which allow to understand the nature of its operations and its impact on the environment.

The report is divided into five chapters describing activities of companies in the areas of corporate responsibility, such as: corporate governance, relationships with the Customers, employees and local communities as well as environment protection.

When assessing the materiality, aspects selected in the last year's reporting process were taken into account and revised. Additionally, an evaluation survey among external stakeholders and employees was conducted.

A list of the most important aspects of reporting is a result. The report illustrates how the company manages the above mentioned aspects and the results achieved in those areas.

Employees of ENEA Capital Group - specialists providing all necessary data, were involved in the drafting of the report. The process was coordinated by CSR Manager, supported by educational and advisory company - CSRinfo. The report was not subject to the external verification.

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:

- employees' health and safety;
- quality of client service.

Furthermore, twelve other points relevant to reporting were also taken into account.

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 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: eciao 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

STAKEHOLDERS

Map of 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 • applications available on appliances iPhone / iPad and smartphones • Website • current and quarterly reports • annual report • CSR report
Employees	<ul style="list-style-type: none"> • employee satisfaction research • meetings, trainings, team building • cooperation with trade members • intranet • newsletters • meetings and newsletters for managers • broadcasting system • employee volunteer program • annual report • CSR report • intelligent kiosk
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 • channel ENERGIA NEWS at www.elko.com.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 S.A. 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. • channel ENERGIA NEWS at www.elko.com.pl • bulletin „Energetyczny samorząd” • websites • 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

	<ul style="list-style-type: none"> • www.enea.pl website, including website tab dedicated to corporate social responsibility, ENEA S.A. strategic goals in that respect and their implementation • profile on Facebook • 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 ENEA Capital Group companies belonged to the following organizations in 2013:

Company	Organization
ENEA SA	<ul style="list-style-type: none"> • Wielkopolska Chamber of Commerce and Industry • Polish Association of Stock Exchange Issuers • Central Europe Energy Partners • Polish Association of Energy Traders • Polish Committee for Electrical Energy • Business Centre Club • Institute of Internal Auditors IIA Poland • Spain-Poland Chamber of Commerce
ENEA Operator	<ul style="list-style-type: none"> • Wielkopolska Employers Association • Polish Power Transmission and Distribution Organisation • Partner Club of University of Economics in Poznań • Lubuskie Association for Energy Development • Energy Employers Association in Warsaw • Association of Polish Electricians • EDSO for Smart Grids
ENEA Wytwarzanie	<ul style="list-style-type: none"> • The Power Plant Employers Union • Economic Society Polish Power Plants • Association of Polish Electricians Radom Branch • Chamber of Commerce for Energy and Environmental Protection • Polish Club POLLAB Laboratories • Polish Red Cross District Board in Koźienice • Business Centre Club • Izrael-Poland Chamber of Commerce
Elektrownie Wodne (from 31 December 2013 ENEA Wytwarzanie RES segment)	<ul style="list-style-type: none"> • Energy Employers Association • Polish Hydropower Association • Polish Wind Energy Association • The Accountants Association in Poland
Elektrociepłownia Białystok (from 31 December 2013 ENEA Wytwarzanie heat segment)	<ul style="list-style-type: none"> • The Combined Heat and Power Station Association of Employees • Chamber of Commerce for Energy and Environmental Protection • Association of Polish Electrical Engineers Białystok Branch • Polish Association of System Heat and Power Plants • Polish Chamber of Commerce of Heat Engineering
Miejska Energetyka Ciepła with registered office in Piła	<ul style="list-style-type: none"> • Polish Chamber of Commerce of Heat Engineering • Heat Engineering Employers Association

	<ul style="list-style-type: none"> • Chamber of Commerce of Northern Wielkopolska
Przedsiębiorstwo Energetyki Ciepłej in Oborniki	<ul style="list-style-type: none"> • Polish Chamber of Commerce of Heat Engineering
Energetyka Poznańska Przedsiębiorstwo Usług Energetycznych ENERGOBUD Leszno	<ul style="list-style-type: none"> • Energy Employers Association • Employers Federation of Polish Energy • Association of Construction and Electrical Equipment Producers STELEN
Eneos	<ul style="list-style-type: none"> • Energy Employers Association
Energomiar	<ul style="list-style-type: none"> • Polish Power Transmission and Distribution Organisation
Hotel EDISON	<ul style="list-style-type: none"> • Poznań Local Tourist Organization
ITSERWIS	<ul style="list-style-type: none"> • Organisation of Employers of Lubuska Land
Energo-Tour	<ul style="list-style-type: none"> • Wielkopolska Chamber of Commerce and Industry • Wielkopolska Chamber of Tourism

1. ENEA CAPITAL GROUP

- 1.1 Structure
- 1.2 Corporate governance
- 1.3 Corporate strategy
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Information for the first part of this section:

ENEA Capital Group is one of the largest energy groups in Poland. Trade, generation and distribution of electricity are the main segments of its business activity.

23 companies which belonged to ENEA Capital Group serviced about 2.4 million individual and business customers thanks to the work of nearly 10 000 employees (as at 31 December 2013).

Mission of the ENEA Capital Group: Growth in the value of the Group through building customer confidence.

Vision of the ENEA Capital Group: Fully integrated energy group building its competitive advantage through swift responding to the market needs and efficient resources management.

We recommend to present the following data in the form of infographics:

C. 8%	- of electricity generated in Poland comes from the ENEA Capital Group
3.2 GW	- installed capacity
199 MW	- installed capacity in RES
372 GWh	- an increase in generation from conventional and renewable sources in 2013 compared to 2012
853 GWh	- an increase in sales of conventional energy in 2013 compared to 2012.
C. 10 000	- number of employees
C. 2,4 mln	- number of Clients
20%	- coverage of Poland – ENEA Operator distribution network
109 thsd km	- length of ENEA Operator distribution network power lines
35 thsd	- number of ENEA Operator power stations
9 150 520 thsd PLN	- net sales revenues of the ENEA Capital Group

Map Source: Report of the Management Board on the operations of ENEA Capital Group in 2013. (available at www.enea.pl)

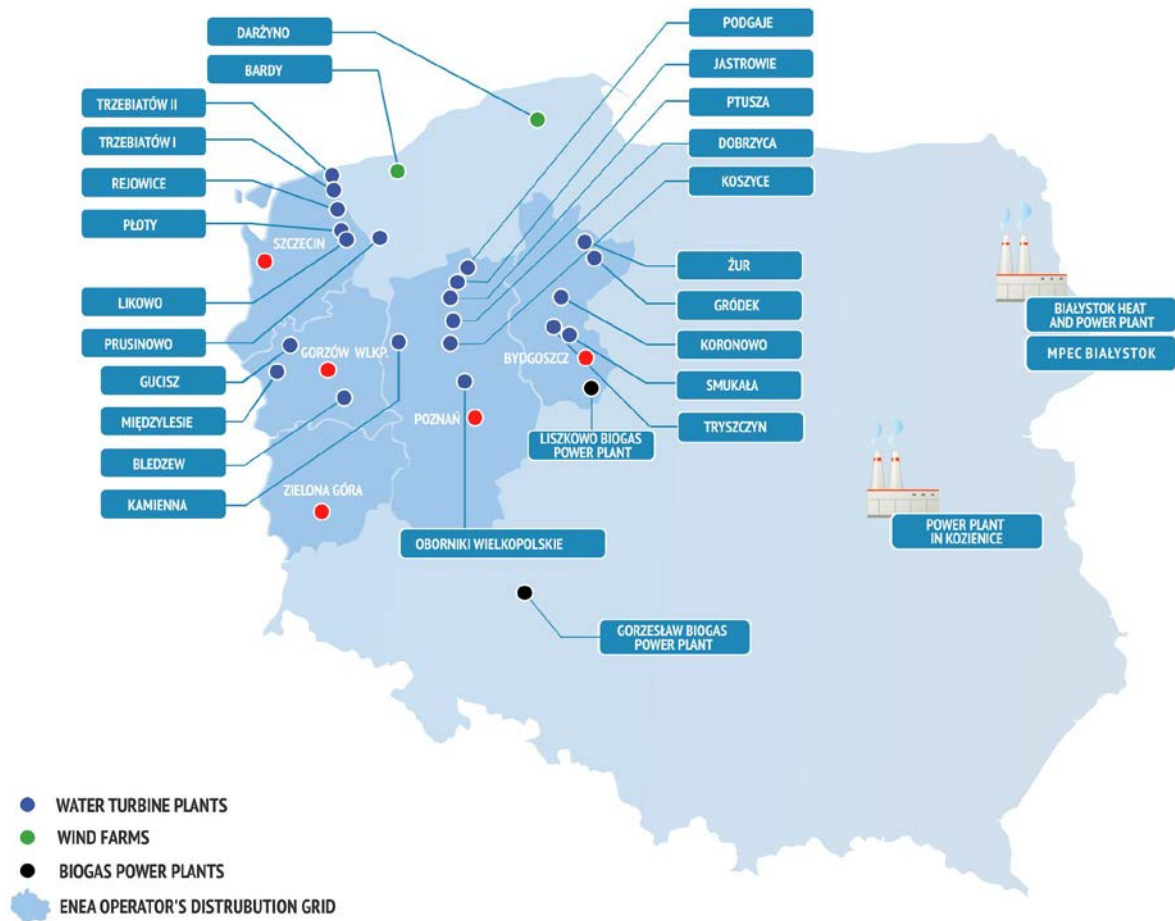


Table. Technical characteristics of the distribution network of ENEA Operator

Total length of lines in conversion to one track in km, of which:	
High-voltage overhead	4923
High-voltage cable	15
Medium-voltage overhead	35 942
Medium-voltage cable	11 988
Low-voltage overhead	33 843
Low-voltage cable	26 793

Total length of connections in km, of which:	
Overhead	12 200
Cable	6476

Number of connections in items, of which:	
Overhead	549 922
Cable	269 885

Number of substations in items	36 420
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1.1 Structure

Direction of changes

ENEA Capital Group focuses on energy trading, which is its core business. At this same time it builds a portfolio of companies related to the value chain.

Leading entities in the ENEA Capital Group

ENEA SA is the dominant entity in the ENEA Capital Group. Its registered office is located in Poznań. Trade and sale of electricity are the Group's main operations. ENEA SA also has its trading offices in Szczecin, Gorzów Wielkopolski, Bydgoszcz, Zielona Góra and Poznań.

ENEA Operator is an independent distribution network operator. The distribution network covers 20% of the country in the following provinces: wielkopolskie, zachodnio-pomorskie, lubuskie, kujawsko-pomorskie and part of dolnośląskie and pomorskie. The network delivers energy to more than 2.42 million individual and business customers.

Enea Wytwarzanie generates and sells both electricity and heat in three segments: system power plants, heat and cogeneration, RES.

ENEA Trading is responsible for the wholesale energy trading.

Table. Structure of the ENEA Capital Group (as at 30 December 2013)

ENEA CAPITAL GROUP		
Company	Basic scope of business activity	Direct and indirect share of ENEA S.A. in the company's share capital %
TRADE SEGMENT		
ENEA SA with registered office in Poznań.	A dominant entity in the ENEA Capital Group. The Company is operating within trade of electric energy.	
DISTRIBUTION SEGMENT		
ENEA Operator Sp. z o.o. (hereafter: ENEA Operator) with registered office in Poznań.	Distribution of electricity is conducted since 1 July 2007 on the basis of a licence issued by the President of the Energy Regulatory Office (ERO) as at 28 June 2007 for the period from 1 July 2007 to 1 July 2017. Simultaneously, on 30 June 2007 the President of the ERO designated ENEA Operator as the operator of an electrical energy distribution system for the life of the licence.	100%
Annacond Enterprises Sp. z o.o. (hereafter: Annacond Enterprises)	The Company is being prepared for commencement of operating activities in energy distribution.	61%

with registered office in Warsaw		
SYSTEM POWER PLANTS SEGMENT		
ENEA Wytwarzanie SA (hereafter: ENEA Wytwarzanie) with registered office in Swierze Górne	Generation of electricity and heat co-generated with electricity.	100%
RES SEGMENT		
Elektrownie Wodne Sp. z o.o. (hereafter: Elektrownie Wodne) with registered office in Samociażek (merged with ENEA Wytwarzanie as at 31 December 2013)	Generation of electricity and services within operation of water turbine plants and development of activity within generation of electricity coming from renewable sources through realisation of projects of wind farms and biogas power plants.	100%*
Windfarm Polska Sp. z o.o. (hereafter: Windfarm Polska) with registered office in Koszalin (merged with ENEA Wytwarzanie as at 30 June 2014)	Generation of electricity from renewable energy sources. The company owns Bardy wind farm.	100%*
DOBITT ENERGIA Sp. z o.o. (hereafter: DOBITT ENERGIA. with registered office in Gorzesław (merged with ENEA Wytwarzanie as at 31 December 2013)	The company leads an investment of biogas plant construction.	100%*
HEAT AND COGENERATION SEGMENT		
Elektrociepłownia Białystok SA (hereafter: Elektrociepłownia Białystok) with registered office in Białystok (merged with ENEA Wytwarzanie as at 31 December 2013)	Production of heat and electricity.	100%*
Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. (hereafter: PEC Oborniki) with registered office in Oborniki.	Generation, transmission and distribution of heat.	99.89%*
Miejska Energetyka Ciepła Piła Sp. z o.o. (hereafter: MEC Piła) with registered office in Piła	Generation, transmission and distribution of heat and generation of combined heat and power energy using cogeneration units.	65,03%*
OTHER BUSINESS ACTIVITY		
ENEA Centrum Sp. z o.o.	Provision of Client service on behalf and for ENEA SA	100%

(hereafter: ENEA Centrum) with registered office in Poznań		
ENEA Trading Sp. z o.o. (hereafter: ENEA Trading) with registered office in Świerze Górne	Portfolio management and electricity trading for generation and trade segments.	100%
Energetyka Poznańska Przedsiębiorstwo Usług Energetycznych ENERGOBUD Leszno Sp. z o.o. (hereafter: ENERGOBUD Leszno) with registered office in Gronówek.	Design, construction, modernisation and operation of electric power grids and associated equipment.	100%
Eneos Sp. z o.o. (hereafter: Eneos) with registered office in Poznań	Operation and maintenance of street lighting.	100%
Energomiarski Sp. z o.o. (hereafter: Energomiarski) with registered office in Poznań	Maintenance, assembly, legalisation and standardisation of electricity meters, production of astronomical clocks, readings of electricity consumption and remote-control power services.	100%
BHU SA (hereafter: BHU) with registered office in Poznań	Trade in electrical power equipment, tools and materials.	100%
Hotel EDISON Sp. z o.o. (hereafter: "Hotel EDISON" with registered office in Baranów	Hotel, restaurant, training, sports and recreation business.	100%
Energetyka Poznańska Zakład Transportu Sp. z o.o. (hereafter: Energetyka Poznańska Zakład Transportu) with registered office in Poznań	Road transport and vehicle maintenance services.	100%
ENTUR Sp. z o.o. in liquidation with registered office in Szczecin (a process of the company's liquidation was stopped in 2014).	Recreation, hotel, tourism and restaurant services, as well as healthcare.	100%
ITSERWIS Sp. z o.o. (hereafter: ITSERWIS) with registered office in Zielona Góra	Landline and wireless telecommunications and IT and computer services, as well as wholesale and retail selling of electronic and telecommunications equipment, computers and software.	100%
Ecebe Sp. z o.o. (hereafter: Ecebe) with registered office in Augustów	Indirect subsidiary through shares in Elektrociepłownia Białystok Company. Hotel services, services related to the organization of meetings, conferences and trade fairs.	100%**
Centrum Uzdrowiskowe	Health resort services and services within health and	99,94%

ENERGETYK Sp. z o.o. (hereafter: Centrum Uzdrowiskowe ENERGETYK) with registered office in Inowrocław (the company changed its name to Szpital Uzdrowiskowy Energetyk Sp. z o.o. in 2014)	rehabilitation.	
Energo-Tour Sp. z o.o. (hereafter: Energo-Tour) with registered office in Poznań	Hotel and restaurant services, organizes vacations, recreational and youth camps, provides tourism and healthcare services.	99,92%

* Indirect subsidiary through shares in ENEA Wytwarzanie SA . Integration of the generation segment took place on 28 December 2012. The percentage share represents the share of ENEA Wytwarzanie SA. ENEA Wytwarzanie SA became a sole shareholder of Elektrociepłownia Białystok from 27 August 2013.

** Indirect subsidiary through shares in Elektrociepłownia Białystok.

The most important changes in the structure of the ENEA Capital Group in 2013:

- February 2013 – adoption of a resolution on the dissolution of the ENTUR Company following liquidation proceeding (resolution entered into force on 1 March 2013). It was decided to suspend the process of liquidation of the ENTUR Company in 2014 and to merge it with the ENEA Centrum Company.
- August 2013 - acquisition in the mode of compulsory purchase by ENEA Wytwarzanie of 75 shares in the Elektrociepłownia Białystok company and as a result becoming the sole shareholder of the company.
- September 2013 - transformation of ENEA Centrum into a Limited Liability Company.
- September 2013 - establishment of the ENEA Group, incorporating the ENEA SA and nine subsidiaries. The companies signed an agreement on the establishment of the Tax Group, which aims, among others, to improve the management of CIT settlements and reduction of administrative costs
- September 2013 - approval of "Code of the ENEA Group" by the Management Board of ENEA SA which defines a new model of corporate governance in the ENEA Capital Group
- 31 December 2013 - ENEA Wytwarzanie merged with Elektrociepłownia Białystok, Elektrownie Wodne, Dobitt Energia by transferring all assets of the acquired companies to ENEA Wytwarzanie. As a result, a subsidiary company to Elektrociepłownia Białystok - Ecebe became a subsidiary of ENEA Wytwarzanie.

ENEA Capital Group as at 31 December 2013 consisted of:

- the parent company - ENEA SA,
- 15 direct subsidiaries,
- 1 indirect subsidiary.

1.2 Corporate governance

VISION OF THE ENEA CAPITAL GROUP: Fully integrated energy group building its competitive advantage through swift responding to the market needs and efficient resources management”.

New Corporate Governance

ENE SA is a stock exchange listed company. It constitutes, together with its subsidiaries, one economic entity within the ENEA Capital Group. The Management Board and Supervisory Board of ENE SA is responsible for the efficient management of the entire Capital Group. The binding holding contract of the ENEA Capital Group, however sanctioned legally independence of subsidiaries from the parent company - ENE SA. Moreover, it strongly emphasized the separateness of the companies, rather than emphasize the commonality and compatibility of its goals.

Therefore as at 22 July 2013 the Management Board of ENE SA adopted a resolution to launch a project "Corporate Governance - Management Plan of the ENEA Capital Group". The aim of the project was to implement legal and corporate solutions, focused on business activity of subsidiaries and implementation of the strategic objectives of the Capital Group.

New legal tools for the management of the ENEA Capital Group were developed in order to:

- develop a homogeneous economic body in which the key role is played by ENEA S.A.,
- shorten the decision-making process within ENEA Capital Group,
- enable the introduction of modern management methods,
- limit legal risks of Management and Supervisory Boards of the parent company and subsidiaries,
- shorten communication paths between the parent company and daughter companies (including disclosure requirements),
- create a communication channel to ENEA SA the leading shareholder,
- manage the risks of possible decision-making lawlessness of subsidiaries.

New model of corporate governance in the ENEA Capital Group was defined in the Code of ENEA Group, i.e. "The Constitution of the ENEA Group". The Code introduced the concept of ENEA Capital Group interest. The Code also obligates all companies of the ENEA Capital Group to work together to implement the strategy and mission of the Group, creating its value as a whole and to maintain consistency.

Simultaneously, the Management Board of ENE SA formed the ENEA Capital Group composed of:

- 1) ENEA SA
- 2) ENEA Centrum
- 3) ENEA Operator
- 4) ENEA Trading
- 5) ENEA Wytwarzanie
- 6) Energetyka Poznańska Zakład Transportu
- 7) Energomiar
- 8) Energetyka Poznańska Przedsiębiorstwo Usług Energetycznych ENERGOBUD Leszno
- 9) BHU
- 10) Eneos

2013 is also a time for launching of managerial departments and committees of ENEA Capital Group. These are internal teams which support the Management Board of ENEA SA in an efficient and effective management of the Group companies.

Integration of generation segment

The process of integrating the companies which generate energy, i.e. generation segment, is one of the implemented solutions providing synergies for the sake of the entire ENEA Capital Group. Management of this segment shall be located in one centre - in ENEA Wytwarzanie company.

The Management Board

ENEA SA is the dominant entity of the ENEA Capital Group. It is managed by the Management Board, whose members are appointed for a three year term of office. Supervisory Board is an authority which supervises the Management Board of ENEA SA.

The Management Board is responsible for coordinating issues related to the overall activities of the Company and the Capital Group. Evaluation of the Management Board members depends on the financial performance of the ENEA Capital Group as well as the level of implementation of the corporate strategy of ENEA Capital Group.

Members of ENEA SA Management Board (as at 31 December 2013):

Krzysztof Zamasz – President of the Management Board

Dalida Gepfert – Vice-President of the Board for Financial Affairs

Grzegorz Kinelski – Vice-President of the Board for Commercial Affairs

Paweł Orlof – Vice-President of the Board for Corporate Affairs

The Supervisory Board

The Supervisory Board of ENEA S.A. is responsible for supervising the Company's operations in all areas of business activity. The Supervisory Board, among others, assess the Report of the Management Board on the Company's operations and submits an annual report on the evaluation to the General Meeting of Shareholders.

According to the Statute of ENEA S.A. The Supervisory Board may consist of 6 to 15 members appointed by the General Meeting, the Company's employees and the State Treasury - the main shareholder of ENEA S.A.

Members of ENEA SA Supervisory Board (as at 10 March 2014):

Wojciech Chmielewski – Chairman

Jeremi Mordasewicz – Vice-chairman of the Supervisory Board

Michał Kowalewski – Secretary of the Supervisory Board

Małgorzata Niezgoda - Member

Sandra Malinowska - Member

Sławomir Brzeziński - Member

Przemysław Łyczyński - Member

Tadeusz Mikłosz – Member

Changes in the composition of the Management Board and Supervisory Board of ENEA SA:

- in March 2013 a Management Board of a new term was appointed
- on 27 March 2013 Graham Wood resigned from the position of a member of the Supervisory Board – on 24 April 2013 Małgorzata Aniołek resigned from the position of a member of the Supervisory Board
- on 24 April 2013 Małgorzatę Niezgoda and Torbjörn Wahlborg were appointed to the Supervisory Board

- on 24 June 2013 Michał Jarczyński resigned from the position of a member of the Supervisory Board
- 22 January 2014 Torbjörn Wahlborg resigned from the position of a member of the Supervisory Board

More information is available in the Report of the Management Board on the operations of ENEA Capital Group in 2013:
http://www.ir.enea.pl/en/stock_market_reports/interim_reports/enea_capital_group_consolidated_annual_report_for_2013/

1.3 Corporate strategy

The company made significant changes on issues related with corporate governance and management in 2013. Aside from the new corporate governance ENEA SA Management Board adopted a new Strategy for the ENEA Capital Group for 2014-2020.

Mission of the ENEA Capital Group

„Growth in the value of the Group through building customer confidence”

Vision of the ENEA Capital Group

“Fully integrated energy group building its competitive advantage through swift responding to the market needs and efficient resources management”

Four cornerstones of the ENEA Capital Group development

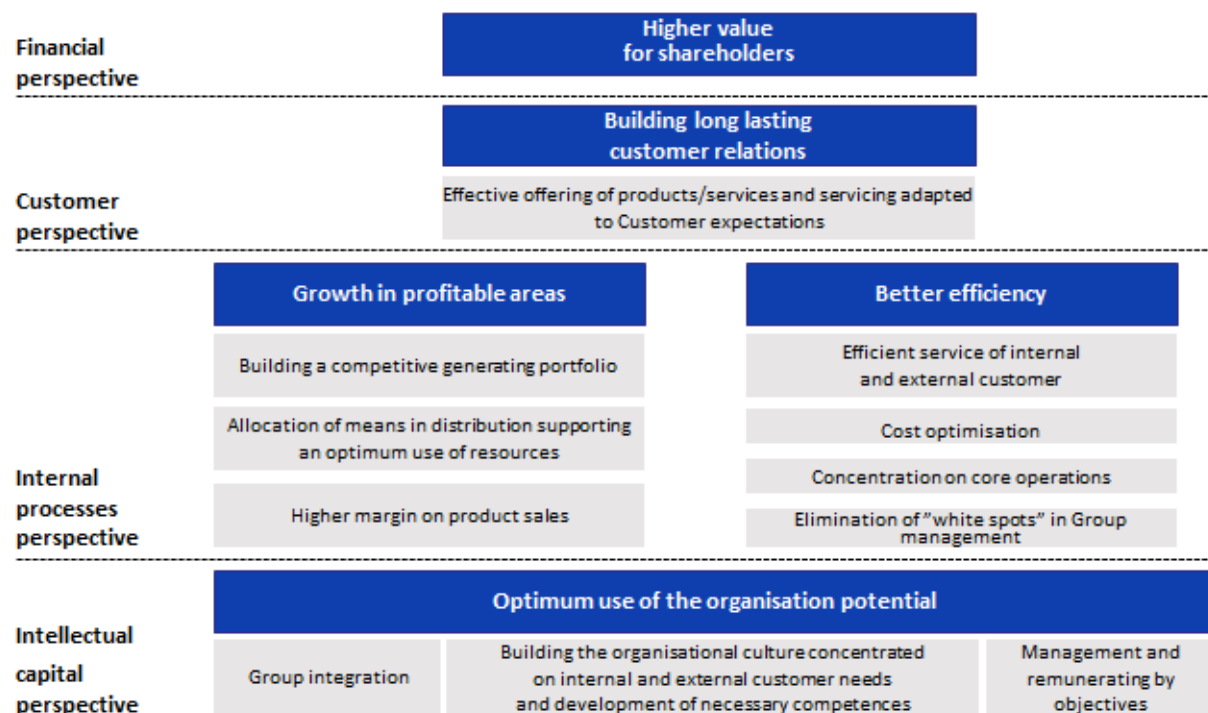


Strategic goals

Strategic goals of the ENEA Capital Group in the coming years:

- creation of a higher value for shareholders,
- building long lasting relations with a Customer,
- growth in profitable areas,
- higher efficiency,
- optimum use of the organisation’s potential.

The ENEA CG's strategic objective map was built on the basis of the Balanced Scorecard (BSC) concept.

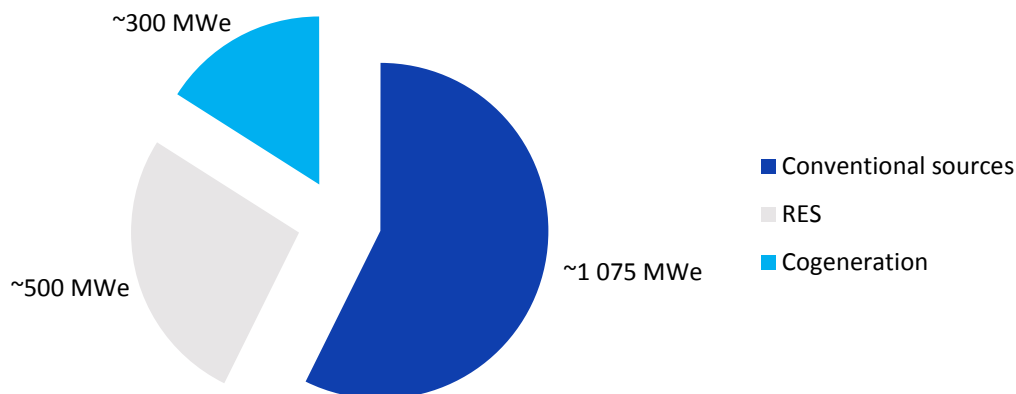


Strategic plans in the Generation segment

ENEA Capital Group develops generating capacities to the level of additional 1,075 MWe in the segment of system power plants in 2017, and as a target (in 2020) of additional ca. 500 MWe in RES and ca. 300 MWe and 1,500 MWT in cogeneration sources and heating networks.

Figure: Additional generating capacities in the ENEA Capital Group until 2020.

Additional generating capacities in ENEA CG till 2020



Strategic plans in the Distribution segment

The Distribution segment strategy will be implemented through:

- implementation of a programme for better reliability and reduction in the failure rates of the network,
- implementation of a programme for intelligent networks solution development,
- undertaking actions directed at reduction in volumes of electricity necessary for covering losses in the energy balance.

Risk management

Thanks to an integrated approach to risk management, ENEA applies the precautionary principle. The most significant risks to which the Group may be exposed in connection with its operations, are analysed and moderated.

Companies carry out a detailed identification and analysis of corporate risks, including the area of financial and non-financial risks - especially related with environmental, social, health and employees safety issues.

Key companies of the Group, including ENEA SA, ENEA Wytwarzanie and ENEA Operator, are covered with the Integrated Risk Management.

1.4 Ethics

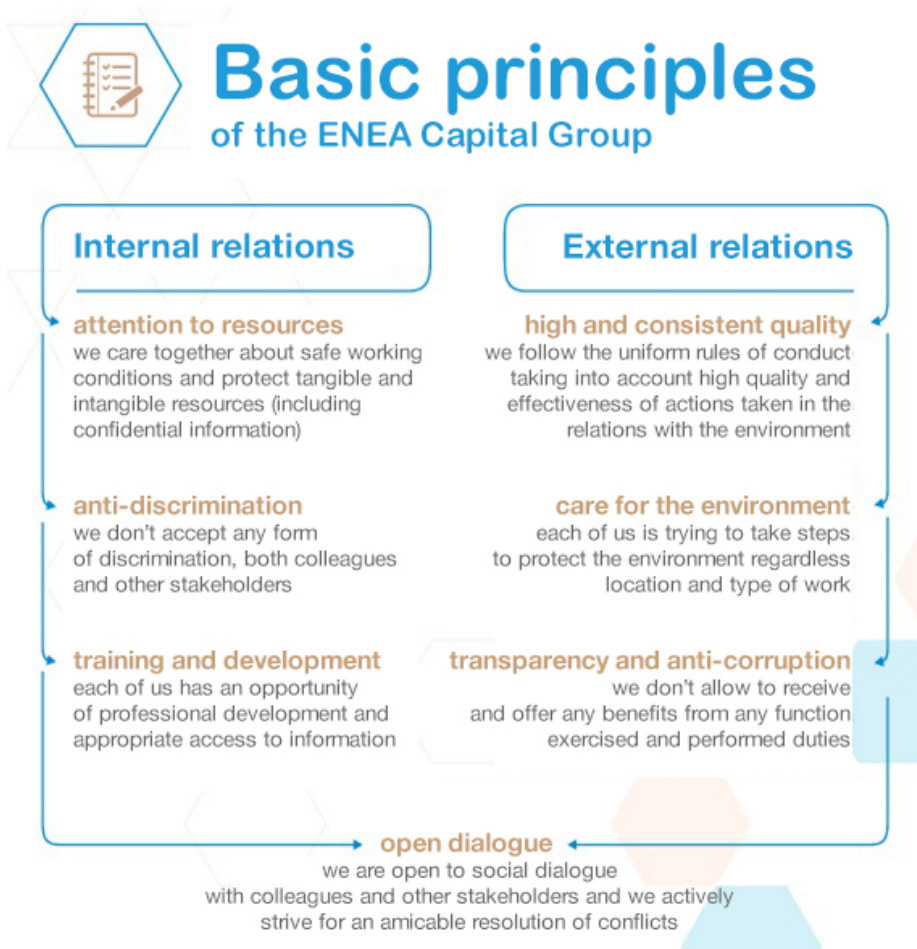
Code of ethics of the ENEA Capital Group

"Code of Ethics of the ENEA Capital Group" was developed in 2013. The creation of the Code was attended by representatives of all companies of the Capital Group. Thanks to that, the Code is consistent with the specificity of each company and possible to implement in practice. The content of the "Code of Ethics of the ENEA Capital Group" is also consistent with the "Code of Ethics ENEA Operator" which had already been functioning in previous years in ENEA Operator.

The Code defines common fundamental values of the company, which were selected through workshops and on-line voting by the employees.

ENEA Capital Group is based on values such as responsibility, kindness and cooperation. These principles should guide all employees - both in internal and external relations. The Code also regulates the issues of transparency and anti-corruption.

Figure: Seven ethical principles of the ENEA Capital Group.



Basic principles of the ENEA Capital Group

Internal relations

attention to resources

-we care together about safe working conditions and protect tangible and intangible resources (including confidential information)

anti-discrimination

-we don't accept any form of discrimination, both colleagues and other stakeholders

training and development

each of us has an opportunity of professional development and appropriate access to information

External relations

high and consistent quality

- we follow the uniform rules of conduct taking into account high quality and effectiveness of actions taken in the relations with the environment

care for the environment

-each of us is trying to take steps to protect the environment regardless location and type of work

transparency and anti-corruption

-we don't allow to receive and offer any benefits from any function exercised and performed duties

open dialogue

-we are open to social dialogue with colleagues and other stakeholders and we actively strive for an amicable resolution of conflicts

Promotion of the "Code of Ethics of the ENEA Capital Group"

The Code was delivered to every employee in the company in electronic and paper form. The document was made available to other stakeholders of the Capital Group through the ENEA SA website in the "Responsible Business" section.

 To read the "Code of Ethics of the ENEA Capital Group", click [HERE](#).

"Code of Ethics of the ENEA Capital Group", to which we give the link above, is the source of the figure.

Other documents on ethics

Ethical issues in companies are also regulated by additional internal documents, i.e. .:

- "The Internal Anti-Bullying Policy and Non-Discriminatory Treatment of Users of ENEA Operator Distribution System" in **ENEA Operator**
- "The Internal Anti-Bullying Policy" in **ENEA SA**
- "Standards of Client Service" and "Manager and Coordinator working standards" - documents in ENEA Centrum identifying desirable behaviour towards internal and external customer.

ENEA SA supports principles of the international initiative - UN Global Compact. It requires to respect human and labour rights, environmental protection, combating corruption and promoting responsible business from the signatories.

1.5 Investments

ENEA Capital Group planned investments for 2014-2020, which are associated with financial expenditures of PLN 20 billion. It will be proportionally spent on:

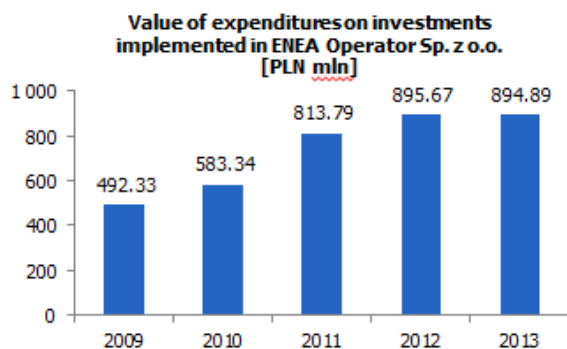
- development of the generation and distribution segments in the basic value - in the amount of PLN 11.8 billion,
- development of RES, cogeneration and heating networks - in the amount of PLN 7.7 billion.

Investments in the distribution segment

ENEA Operator performed 96.5% of the planned budget for investment in 2013. It amounted to PLN 894 888.2 and enabled the accomplishment of investments in three areas:

- network investment
- business supporting infrastructure
- ICT

Figure: Value of investment expenditures in ENEA Operator



The most important network investments carried out by ENEA Operator:

1. Modernization of power line 110 kV Morzyczyn – Stargard Wschód – Dolice – Choszczno – Krzęcin –Dobiegiew – Drawski Młyn.
2. Construction of overhead power line 110 kV Mirosławiec – Czaplonek.
3. Redevelopment of power line 110 kV Kluczewo – Pyrzyce – Mostkowo – Barlinek.
4. Modernization of power line 110 kV Września – Miłosław – Środa – Śrem HCP – Śrem Helenki – Leszno Gronowo.
5. Modernization of power line 110 kV Gorzów – Strzelce Krajeńskie – Drezdenko – Drawski Młyn – Wronki – Szamotuły.
6. Construction of transformer station Redlica – 110/15 kV.
7. Construction of transformer station Babimost with power lines – 110/15 kV, powered by 110 kV transformer station Wolsztyn – transformer station Sulechów; construction of power line 110 kV transformer station Babimost – transformer station Zbąszynek is planned;
8. Expansion and complex modernization of a transformer station Drezdenko – 110/15 kV;
9. Modernization of transformer station Kostrzyn – Kostrzyn nad Odrą 110/15 kV

Investments in generation segment

A majority of investments accomplished in 2013 was dedicated to the development and modernization of Power Plant in Kozenice in the following areas:

- construction of power unit No. 11 (construction completion date is scheduled for 2017),
- modernization of power unit No.8,
- construction of flue gas desulphurization system IOS IV,
- construction of flue gas desulphurization system building – SCR for power blocks No. 4–8.

Modernization of a power unit No. 9 in ENEA Wytwarzanie in Kozenice is completed.

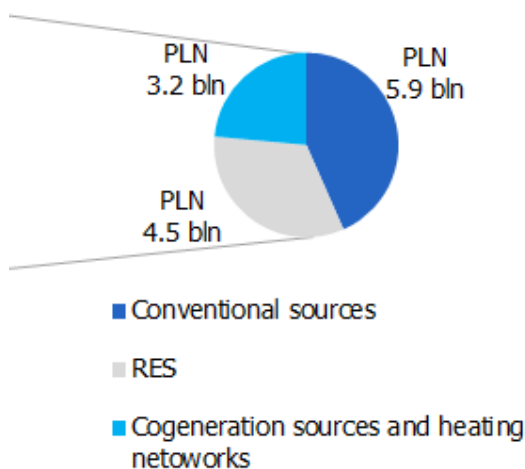
Investments of RES segment

Time horizon for wind projects acquisition was determined until year 2020. Key investment plans for RES segment are as follows:

- increase of wind energy by purchasing wind farms, construction of Baczyzna wind farm of 15 MW (2008-2016)
- construction of Bardy II wind farm with a capacity of 9-10 MW (2013-2016) - a continuation of the Windfarm Polska investment project
- construction of Gorzesław biogas plant with a capacity of 1.6 MW (2009-2014) - a continuation of Dobitt Energia investment project. Final completion of the investment has been commenced on the 29 September 2014.

Construction of the biogas plant Gorzesław with a capacity of 1.6 MW (2009-2014) was a significant investment being accomplished in 2013.

Figure: Planned investments in the generation segment:



Heat and cogeneration

Investments were also accomplished in the Heat and Cogeneration segment.

The following investments were implemented in Elektrociepłownia Białystok:

- systems to reduce nitrogen oxide emissions by SNCR technology for biomass boilers K5 and K6 - this will reduce emissions of nitrogen oxides to the atmosphere. The installation can reduce NOx emissions from boilers to below 180 mg / m3.
- "Installation for heat recovery from the exhaust of biomass boiler K6" implemented by the company in 2013-2014. Heat recovery system will produce about 175 000 GJ/year. CO2 emissions will fall by about 20 000 tonnes/year.
 - Installation of DeNOx on coal boilers K7 and K8 planned for 2014-2015 in Elektrociepłownia Białystok, i.e. installation to reduce nitrogen oxide emissions -thanks to which the emission of nitrogen oxides into the atmosphere shall be reduced significantly. These installations will reduce nitrogen oxide emissions from these boilers to less than 95 mg/m3.

Investments in MEC Piła:

- implementation of "Development of the heating system in Piła through the development of cogeneration units in regional boiler house KR-Koszyce in Piła " project – it allowed for elimination of low-emission from conventional boilers fuelled with solid fuel in the summer.

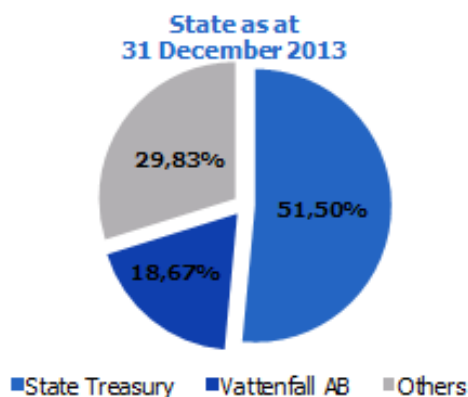
Investments in PEC Oborniki:

- modernization of the coal boiler – it will reduce heat prices for consumers and reduce greenhouse gases and dust emission into the atmosphere, the construction of high efficiency cogeneration system based on gas engines allowing a change of a thermal power plant into the combined heat and power plant - this will allow to turn down the boiler room in the summer and save approx. 1663 tons of coal per year, and at the same CO2 reduction of about 2175 tons/year.

1.6 Financial results

State Treasury (51.50%) and Vattenfall AB (18.67%) are main shareholders of the ENEA Capital Group. The remaining 29.83% of the shares belong to minority shareholders (as at 31 December 2013).

Figure: Shareholding structure of ENEA SA (as at 31 December 2013)



Vatenfall AB sold all ENEA SA shares in 2014.

ENEA S.A. is listed on the Warsaw Stock Exchange. The Company is part of, among others, such indexes like: mWIG40, WIG-ENERGIA and WIG-30 was launched in 2013.



Revenues of the ENEA Capital Group

Net sales revenues of the ENEA Capital Group amounted to PLN 9 150 520 thousand.

- revenues from electricity sales amounted to PLN 5 832 788 thousand
- revenues from sales of distribution services amounted to PLN 2 833 784 thousand

The total amount of the ENEA Capital Group assets amounted to PLN 16 322 024 thousand as at 31 December 2013.

🔗 Current financial data of the Company is available at: <http://www.ir.enea.pl/>

Detailed financial information for 2013 is available at:

http://www.ir.enea.pl/en/stock_market_reports/interim_reports

1.7 Awards

Company	Award
ENEA SA	<ul style="list-style-type: none"> • Emblem of the Most Environmentally Friendly Brand in the “Electricity Provider” category in a research of European Trusted Brands consumers • award for ENEA SA in 2013 "Analysis of ESG companies in Poland" project for the publication of non-financial data: environmental, social and corporate governance scope - the company was in the top three best companies in its industry in the category of companies from public sector ; it was also listed among 30 companies with the highest transparency and clarity of non-financial data reporting • good CSR practices of the company were awarded in the "Responsible Business in Poland 2013. Good practices" report. • the company was on the 8th place of the most profitable companies ranking by the Polityka weekly • ENEA SA was on the 21st place among the 500 most valuable and largest companies ranking by Rzeczpospolita daily • the company received an award in the "Pearls of the Polish Economy" ranking in the "Great Pearls" category • ENEA SA was among the most recognizable companies in the market ranking by Puls Biznesu daily
ENEA Wytwarzanie	<ul style="list-style-type: none"> • ENEA Wytwarzanie received "Employer friendly to employees" certificate - the ceremony was held on 30 January at the Belweder Palace

	<ul style="list-style-type: none"> The company was awarded "Quality 2013" and "Bronze - quality of the year" organized by the Qualitas European Centre for the Promotion of Good Business Practices Foundation.
ENERGOBUD Leszno	<ul style="list-style-type: none"> Gold Medal "ACANTHUS AUREUS" granted to the company during EXPOPOWER 2013 for "Participation in fairs with a stand most favourable for accomplishment of a marketing strategy."
ITSERWIS	<ul style="list-style-type: none"> Lenovo Gold Business Partner 2013 title and Microsoft's award granted to the company

1.8 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: <http://www.firma.enea.pl/74/csr>

2 CLIENTS

- 2.1 Goals and priorities
- 2.2 Contact with the Client
- 2.3 Service quality
- 2.4 Education

2.1 Goals and priorities

All operations of the ENEA Capital Group are carried out in order to effectively meet needs and expectations of our customers. This applies both to investments, changes in corporate governance and other key areas of the Group's operations as well as practices in relationships with Clients. Mission adopted in 2013: "Growth in the value of the Group through building customer confidence" and the new strategy put emphasis on quality service and Customer satisfaction.

 More information about Corporate Strategy is available in the "Strategy" chapter.

Group's strategic objective is to build long-term relationships with the Client. This will be achieved by:

- **development of an attractive range of products and services** which matches needs and expectations of Customers
- **continuous improvement of the Client service quality** through "Program of Client Service Model Change"
- **sales development throughout Poland by taking into account modern channels** - including the launch of additional retail points

Strategic documents in the sales area

ENE SA has continued to work within the adopted in 2012 "Sales of ENEA SA in the retail area for 2013-2016" in the past year. The main pillars of this strategy are:

- expansion of retail sales,
- efficiency of Client service,
- efficiency of wholesale trade.

Area strategies were adopted with the new ENEA Capital Group Corporate Strategy in 2014, among them " Sales Area Strategy of ENEA Capital Group for the period 2014-2020".

Figure: Basic business objectives of the "Sales" area

Sales

- Gaining new customers in the whole country.
- Growth in margin through:
 - Widening of the product and service offer matched to customers,
 - Optimisation of customer service costs,
 - Building an optimum sales network.

Table. Time rates of interruptions in the supply of electricity for year 2013.

Index	Value	Unit
Number of customers	2 438 037	[no.]
SAIDI for planned interruptions *	127.39	[min.]
SAIDI for unplanned interruptions *	353.5	[min.]
SAIDI for unplanned interruptions including the catastrophic interruptions *	415.33	[min.]
SAIFI for planned interruptions *	0.51	
SAIFI for unplanned interruptions *	4.18	
SAIFI for unplanned interruptions including the catastrophic interruptions *	4.21	
MAIFI	2.31	

2.2 Contact with the Client

Customers of the ENEA Capital Group

Companies of ENEA Capital Group provide services to more than 2.4 million customers, of which 2.1 million are individual customers and approx. 0.3 million are business customers. Customers of ENEA SA and ENEA Operator are the most numerous group.

Communication channels for ENEA SA customers (trade)

- **Client Service Office**

Communication channels with ENEA SA Customers: Client Service Office, Sales Office, call center, website, inserts to invoices, notices and announcements in local newspapers or on the radio. Furthermore, Client account managers are dedicated to business Customers.

ENEA SA Customers have a possibility to contact the company directly through 34 Client Service Offices located in north-western Poland, and Sales Offices located in 5 Polish cities: Poznań, Szczecin, Bydgoszcz, Gorzów Wielkopolski and Zielona Góra. Furthermore, ENEA mobile sellers and business partners are responsible for sale of electricity throughout the country.

- **Contact Center**

Contact Center a modern channel of communication with customers was launched in April 2013.

Telephone Service Office, Back Office and Settlement and Debt Recovery Office are located in its new registered office in Poznań. They are responsible for Client service in the Poznań, Zielona Góra and Gorzów Wielkopolski area.

Clients have the opportunity to use the services of the Contact Center from Monday to Friday, 7-18. Contact Center handles more than a thousand telephone calls each day. The average waiting time for contact with the consultant was 30 seconds in 2013. Effectiveness in receiving incoming calls was 90proc., of which 75 per cent calls were received in the first 20 seconds after dialling.

- **New payment network**

Individual clients of the ENEA Capital Group may pay for energy in the new payment network branded VIA Moje Rachunki. This is a great convenience as since 2013 Customers may pay their energy bills, among others, in grocery stores, supermarkets or petrol stations, often located near the previous ENEA cashier's offices.

ENEA SA and ENEA Centrum companies plan to develop communication with Customers through Customer Service Offices during sponsored events and through the development of modern communication channels in 2014.

Communication channels for ENEA Operator customers (distribution)

Development of Client contact channels and improvement of service quality are particularly important for ENEA Operator. Electronic form of contact with the Customer, including electronic call handling Call Center, as well as online Client service and access to the web by mobile phone is the priority.

The main activities carried out by ENEA Operator in 2013 within development of communication channels with customers:

- integration of the electronic Call Center system with OSCC system (a system designed for commercial lines)
- Increase of the Call Center throughput for emergencies by **180 channels**
- pilot implementation of **Contactis Failures** system module for technical brigades of power emergency - the new system enables the electronic transmission of notifications by the dispatchers with the technical documentation in electronic form to the teams in the field
- development of **cooperation with crisis management centers** by providing information about failures in the company's distribution network in the form of a newsletter.

2.3 Service quality

Client-oriented program

ENEA Capital Group is implementing a wide "Client-oriented program". The program is associated with the provision of new, remote Client contact channels with the ENEA Capital Group.

Work is underway on establishing a common Client service for ENEA SA, ENEA Operator ENEA Wytwarzanie and ENEA Trading (i.e. Shared Services Centre).

Main business objectives of the introduced changes:

- design and implementation of Client service functions common to trading and distribution areas in the ENEA Capital Group
- increase of Client satisfaction level
- implementation of IT solutions to support Client service
- standardization, improvement of quality and efficiency of Client service processes.

Shared Services Centre

Shared Services Centre - Common Client Service is the central Client point of contact in the ENEA Capital Group. The idea behind this project is to gradually unify the common service processes of trade and distribution Clients and implement a new organizational model of Client service area. As part of the Shared Services Centre in 2013:

- acquisition process of the back-office for the city of Poznań was carried out by ENEA Centrum from ENEA Operator company
- transfer of after-sales services of TPA Clients (Third-part access) from the After-Sales Service Office in ENEA to ENEA Centrum.
- TPA agreements registration in enPort system and extension by direct sales.

Change of the Client Service Model

Continuation of the Change of the Client Service Model Program was an important measure being implemented in 2013 by ENEA SA. Under this program, the following projects are dedicated to the company's Clients:

- development and implementation of the Sales and Client Service operating model,
- definition of the target Sales and Client Service organization,
- development of indirect sales channel,
- development of products and additional services,
- Call Center project,
- controlling system,
- optimization of the payments acceptance model of ENEA SA Clients.

Service quality in ENEA Operator

ENEA Operator complies with the provisions of the Compliance program, i.e. "Non-Discriminatory Treatment of ENEA Operator Distribution System Users". The system guarantees non-discriminatory treatment of distribution system users within the free choice of energy supplier. The Client is free to choose any energy supplier. This system also ensures the protection of Customer data who made that choice.

ENEA Operator granted discounts to Customers with a total of PLN 40 130.69 in 2013. Bonuses were associated with electricity quality parameters and standards of service.

Customer Privacy

Information Security Policy is the basic element of information security management system in ENEA SA. It includes, among others, attention to the protection of Customer data. *Information Security Policy* is implemented in ENEA SA on the basis of standard ISO27001:2005 and is a part of the Integrated Management System.

Furthermore, ENEA Operator implements guidelines of *Policy security within processing of personal data in ENEA Operator*. Each of the concluded agreements with Customers by ENEA Operator include provisions to ensure the data protection.

On the other hand, *Compliance Program*, *Client Service Standards (ENEA SA, ENEA Operator)* and *i.e. Card Services* are the basis of the lawful operations of ENEA Centrum company and Customer privacy.

Client satisfaction surveys

Energomiar companies (increase of the Customer satisfaction by 0.73 points compared with 2012) and Energetyka Poznańska Zakład Transportu (93.07% - satisfactory rating. For comparison- 93.86% in 2012). Customer satisfaction survey was also conducted by ENEA SA in 2013.

2.4 Education

In response to the Clients' expectations ENEA Capital Group shares its expertise with Customers. Eneos, ENEA Operator and ENEA SA companies are most active in this respect.

ENEA SA Lectures

ENEA SA experts conducted a series of training lectures at several conferences throughout the country in 2013. They focused on energy efficiency and the use of an energy audit. The training was attended by representatives of business and local government units.

ENEA Operator Programs

Customers education in terms of safety and rational use of energy is particularly important for ENEA Operator. The company cooperates in this respect with the Municipal Police in Poznań and Polska Spółka Gazownictwa leading a Safe Kindergarten Academy program. ENEA Operator also implemented a series of programs "I know electricity" in Merkury Radio.

Furthermore, the Company got involved in the "Eco-creative companies - new powers - pure profit" project in the first half of 2014 organized by the Centre for Energetic Technologies Association of Free Enterprise. Thanks to this initiative, the owners of small and medium-sized businesses connected to the ENEA Operator grid may use the free audit services within consumption of electricity, heat and gas. These shall reduce costs and energy losses in companies and facilitate energy efficiency improvement.

Eneos initiatives

Transfer of expertise about modern solutions in the modernization of street lighting and public space to local governments is particularly significant to Eneos company.

Company organized "More light" fairs in May 2013. The event gathered lighting equipment manufacturers, energy companies and a large group of local governments representatives. During the fair, participants learned how in a modern way and impressively illuminate cities and villages.

A series of presentations on technical and formal-legal issues in the field of lighting was included in the program.

Eneos was also a partner of the University of RES by Rzeczpospolita daily. A representative of the company had a lecture from RES area on photovoltaics.

3 ENVIRONMENT

- 3.1 Goals and priorities
- 3.2 Energy
- 3.3 Emissions
- 3.4 Renewable energy sources
- 3.5 Water and raw materials

Key issues

ENEA Capital Group's activities affect the environment. The most important environmental issues include: emissions of carbon dioxide and other greenhouse gas emissions, water and waste water management, energy efficiency and waste.

Investments in the development of renewable energy sources and cogeneration sources are key directions of the Capital Group investments.

Compliance with environmental regulations

ENEA Capital Group reports to the competent regulators and bodies of the public administration information concerning environmental impact and complies with directives and other international guidelines.

No penalties were imposed on the ENEA Capital Group for non-compliance with laws and regulations relating to environmental protection in 2013.

Investments in environmental protection

Implementation of objectives from the scope of environmental protection is reflected in investments that minimize negative environmental impact of the Capital Group. Key investments are accomplished by the generation segment companies and ENEA Operator.

Table. Examples of investments for environmental protection

Company:	ENEA Wytwarzanie
Investment:	Construction of ecological flue gas desulphurisation plant, reducing sulfur dioxide emissions - IOS IV. The investment value: more than PLN 182 million gross. Installation is to be completed in June 2015.
Investment objective:	Provision of more than 93proc. desulfurization efficiency, which enable the company to meet emissions standards and the implementation of production plans.
Company:	Elektrociepłownia Białystok
Investment:	Investment related to the combustion of biomass generating unit with Heat Accumulation System - finalization in 2013.
Investment objective:	Reduction of emissions to the atmosphere and thus increase of the heat supply security. Expected result of the investment is a reduction of CO2 emissions by 7000Mg/year and reduction of combustion waste by 400mg/year. At the same time, the company began construction of heat recovery system from the exhaust gas of the biomass boiler. It is to recover and utilize heat, which is now lost. The maximum boiler capacity shall amount to 18.4 MW. This is the first project of this kind in Poland, and the investment value is PLN 25.5 million.

Company:	ENEA Wytwarzanie
Investment:	Construction of the fourth flue gas desulfurization plant (IOSIV).
Investment objective:	Meeting the requirements of the Industrial Emissions Directive (IED). Provision of 100 percent desulfurization of discharged fumes.

3.1 Goals and priorities

Environmental management is extremely important for the functioning of the ENEA Capital Group.

Environmental issues are taken into account, inter alia, in the system of the ENEA Capital Group risk analysis. Moreover, individual companies implement environmental management systems and/or environmental policy.

Implemented standards and policies of environmental management in the ENEA Capital Group companies

ENEA Wytwarzanie – RES segment (Elektrownie Wodne company)

- Quality and Environment Policy ISO 9001 and 14001,
- Procedure of environmental aspects,
- Procedure of environmental monitoring,
- Waste management Instruction,
- Water management Instruction,
- Evaluation of environmental aspects,
- Evaluation of legal requirements of the environmental and quality management system.

ENEA Wytwarzanie – Power Plant in Koźienice

- 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.

ENEA SA

- Environmental policy of ENEA SA

Eneos

- ISO 9001:2008

ITSERWIS

- ISO 9001:2009

MEC Piła

- ISO 14001

Elektrociepłownia Białystok

- ISO 14001:2004

ENERGOBUD Leszno

- Quality Management System, according to PN-EN ISO 9001:2001 and PN-EN ISO 14001:2005

PEC Oborniki

- Environmental policy, ISO 14001.

3.2 Energy

The Capital Group aims to minimize energy consumption. It mainly results from the optimization of energy generation and distribution processes. Furthermore, companies' energy efficiency is affected by the employees through daily habits and solutions implemented in office buildings. ENEA Capital Group also conducts targeted at customers educational activities in the field of efficient energy use. Examples of such initiatives can be found [HERE](#).

Table. Total electricity consumption (MWh)

Company	Total electricity consumption
ENEA SA	1535.31
ENEA Operator	company's own needs – 40 334
	company's network losses – 1 465 456
ENEA Wytwarzanie	931 907.97
Elektrownie Wodne	1500
PEC Oborniki	802
Elektrociepłownia Białystok	75 868.215
MEC Piła	3033
Annacond Enterprises*	no data
ENEA Centrum**	no data
ENEA Trading***	no data
ENERGOBUD Leszno	863
Eneos	182.191****
Energomiar	280.1
BHU	585.49
Hotel EDISON	237.199
Energetyka Poznańska Zakład Transportu	9494
ITSERWIS	0.38
Centrum Uzdrowskawe ENERGETYK	487.636
Energo-Tour	457.896

* Annacond Enterprises Company subleases office spaces and doesn't account for electricity consumption.

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

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

**** Including 3,086 MWh photovoltaic installation.

Examples of activities that minimize energy consumption

ENEA Wytwarzanie

- replacement of the electrostatic precipitator in unit no. 8 equipped with energy saving program; saving of electricity consumption is 236.79 kWh/h;
- modernization of coal transfer buildings 500 MW (Phase I) and 200 MW (Phase II) in the field of lighting;
- Replacement of exhaust fans to exhaust fan system with an power inverter within the building of denitrification system for unit no. 8 in 2017. It is necessary because of the increased flow resistance caused by the building for denitrification unit catalytic converters.

PEC Oborniki

- combination of two coal-fired boilers and a gas boiler, which gives estimated electricity savings of 30%.

3.3 Emissions

Companies of the generation segment constantly monitor emissions of carbon dioxide, oxides of sulfur and nitrogen. ENEA Capital Group applied to Polish and international regulations in this regard.

ENEA Wytwarzanie implements investments in accordance with the present and prepares for the upcoming, more stringent EU guidelines.

MONITORING AND REPORTING SYSTEM OF CARBON DIOXIDE EMISSIONS MAKES USE OF THE FOLLOWING PROCEDURES:

- Monitoring procedure of CO₂ emissions from the combustion of coal and biomass in ENEA Wytwarzanie – Świerże Górne
- Monitoring procedure of CO₂ emissions from coal combustion (mass balance method) – Świerże Górne
- Monitoring procedure of CO₂ emissions from the combustion of fuel oil in ENEA Wytwarzanie – Świerże Górne
- Monitoring procedure of CO₂ emissions from flue gas desulfurization process in ENEA Wytwarzanie - Świerże Górne
- Supervision procedure over documents and records in monitoring of CO₂ emissions process – Świerże Górne
- Supervision procedure over implementation of the plan for monitoring CO₂ emissions – Świerże Górne
- Risk management procedure in the monitoring of CO₂ emissions process in ENEA Wytwarzanie - Świerże Górne
- Procedure for estimating the measurement uncertainty of the data in the monitoring of CO₂ emissions in ENEA Wytwarzanie - Świerże Górne

Main regulations in the management of greenhouse gas emissions

- "Directive 2003/87/EC of 13 October 2003 establishing a trading scheme for greenhouse gas emission",
- The Act of 28 April 2011 on the greenhouse gas emissions trading scheme (Journal of Laws of 2011 No. 122, Item 695)
- "European Commission Decision of 27 April 2011 on the establishment of transitional rules for the harmonized free allocation of emission allowances across the EU under Articles. 10a of Directive 2003/87/EC of the European Parliament and of the Council (OJ EU L 130, 17.5.2011, p. 1)".
- Commission Regulation (EU) No. 601/2012 of 21 June 2012 in the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and the Council.

Greenhouse gas emissions

Table. Emission of carbon dioxide in the companies from the Generation segment [Mg]

Company	2013
ENEA Wytwarzanie	10 230 491 (without biomass)
Elektrociepłownia Białystok	232 308
PEC Oborniki	15556.34
MEC Piła	80 047

Ratio of carbon dioxide emission in ENEA Wytwarzanie was 845 kg/MWh in 2013.

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

Company	2013	
	SO _x	NO _x
ENEA Wytwarzanie	33 405	18 109
Elektrociepłownia Białystok	628.89	936.26
PEC Oborniki	62.61	28.18
MEC Piła	119	63

ENEA WYTWARZANIE IMPLEMENTS MEASURES TO MINIMIZE EMISSIONS:

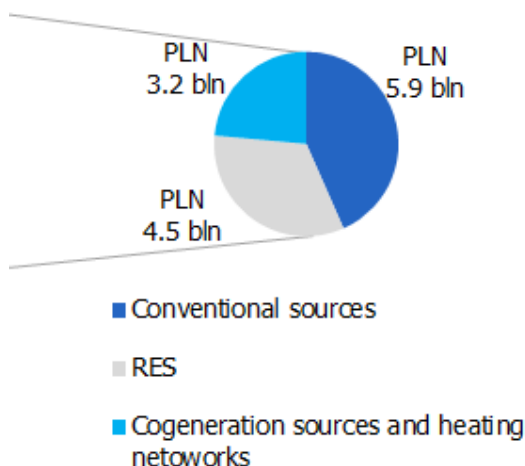
- modernization of high pressure steam generator for turbines 13K225 of units No. 1-8 at ENEA Wytwarzanie (reported under the National Investment Plan) - Its purpose is to reduce the unit heat consumption by 100 kJ/kWh, increasing power by 3 MW and increasing efficiency of the steam generator part to 85% which translates directly into a reduction of carbon dioxide emissions;
- change of the refrigerant from R22 to MO59-21 in air-conditioning, which reduces the amount of used ozone-depleting substances;
- generation of "green energy" in biomass co-firing installation of units 200 MW, resulting in the burning of 243 010 Mg of biomass and emissions avoidance of 376 949 Mg of carbon dioxide;
- replacement of the electrostatic precipitator at unit No. 8 of 200 MW – aim of those activities was to maintain the flue gas dust removal efficiency of above 99%;
- in connection with a necessity to adapt to the requirements of the industrial Emissions Directive (IED), the company is building a fourth flue gas desulphurization plant (IOSIV), which provides 100 percent of desulfurization. Furthermore, the company also implements development of catalytic denitrification system for Units No. 4-8 of 200 MW.

3.4 Renewable energy sources

ENEA Capital Group plans to increase capacity based on Renewable Energy Sources (RES).

120.048 MW – total installed capacity in RES segment in 2013

Figure: Planned investments in the generation segment:



Construction of the biogas plant Gorzesław with a capacity of 1.6 MW (2009-2014) is one of the key investments in RES segment. According to the strategy in the perspective of 2020, also the following investments are being accomplished:

- acquisition of renewable energy projects - investments in wind assets
- construction of Baczyna wind farm of 15 MW (2008-2016)
- construction of Bardy II wind farm with a capacity of 9-10 MW (2013-2016) - a continuation of the Windfarm Polska investment project

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

Hydroelectric power plants	144.823 GWh
Wind Farms Darżyno + Bardy	138.174 GWh
Liszkowo biogas plant	9.972 GWh
TOTAL:	292.969 GWh

Certificates of origin

- 147 316.222 MWh – Energy generated from RES, for which hydropower plants received green certificates of origin
- 11 111.264 MWh – Gross electricity generated by the biogas plant Liszkowo for which DOBITT Energia received green certificates of origin
- 14 421.708 MWh – Energy generated by the Wind Farm Darżyno for which Elektrownie Wodne company received green certificates of origin
- 135 454.99 MWh – Energy generated by the Wind Farm Bardy, for which Windfarm Polska company received green certificates of origin.

3.5 Water and raw materials

Key raw materials in the supply chain

Hard coal is the main raw material used to generate electricity at ENEA Wytwarzanie. Kozenice power plant used 4921 thousand tons of coal, approx. 243 thousand tons of biomass and 7.7 thousand tons of heavy fuel oil in 2013 to generate energy.

Lubelski Węgiel "Bogdanka" SA (supplier of 71% of coal for ENEA Wytwarzanie) and Katowicki Holding Węglowy SA are two main suppliers of this key for the ENEA Capital Group raw material. Power plant in Kozenice which belongs to ENEA Wytwarzanie also bought coal from Petrokol and JSW SA companies. Elektrociepłownia Białystok mainly used coal from suppliers abroad in 2013.

Light-up fuel - heavy fuel oil with a sulfur of up to 3 percent. - ENEA Wytwarzanie purchased exclusively from PKN ORLEN SA. Transport of coal to the power plant in Kozenice takes place mainly by rail. 98% of coal transport to ENEA Wytwarzanie was carried out by PKP Cargo SA.

ENEA Capital Group also uses Renewable Energy Sources to generate energy: biomass, hydropower and wind power. As far as biomass is concerned pellets from sawdust, pellets and briquettes from sunflower husk and straw pellets are used.

Biomass

Power plant in Kozenice which belongs to ENEA Wytwarzanie purchased 243 988.26 Mg of biomass in 2013.

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

Company	Unit	2011	2012	2013
ENEA Wytwarzanie	Mg	219 302.8	294 658.65	243 010

Main raw materials used by ENEA Wytwarzanie:

- **hard coal** – 4 920 837 Mg
- **biomass** – 243 010 Mg
- **mazut** – 7721 Mg
- **limestone powder** – 90 094 Mg

Water

Municipal water supply system is a major source of water intake for the companies. Companies of generation segment consume the majority of water in their basic business activity.

The greatest responsibility associated with the protection of water resources rests with ENEA Wytwarzanie SA. Power plant in Kozenice which belongs to ENEA Wytwarzanie is located in the

vicinity of the Vistula river and the protection of water is one of the priorities of the ENEA Wytwarzanie environmental management.

9 cubic meters of fuel oil leaked into the Vistula in Power plant in Kozenice in July 2014. A detailed description of preventive measures is [HERE](#).

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

Company	Total water withdrawal [m ³]	Main sources of water intake used by the Company in 2013	Water withdrawal by source [m ³]
ENEA SA	4701	water supply system	water supply system: 2813
		wells	wells: 1888
ENEA Operator	60 476	municipal wells and water supply system	water supply system: 57 701
			wells: 2775
ENEA Wytwarzanie	7 361 720	for industrial purposes: surface water (Vistula river)	surface water: 7 093 294
			for municipal-social purposes: groundwater
Elektrownie Wodne	3500	water supply system	one source of water intake
PEC Oborniki	2172	municipal water supply system	one source of water intake
Elektrociepłownia Białystok	695 172	municipal water supply system	municipal water supply system – 40 100
		own deep wells	deep wells – 655 072
MEC Piła	no data	no data	no data
Annacond Enterprises*	no data	no data	no data
ENEA Centrum**	no data	no data	no data
ENEA Trading ***	no data	no data	no data
ENERGOBUD Leszno****	2680	no data	no data
Eneos	1273	municipal water supply system in Poznań and Szczecin	municipal water supply system Poznań – 835m ³ , municipal water supply system Szczecin - 438m ³
Energomiar	717,57	municipal water supply system	one source of water intake
BHU	1117	water supply system	one source of water intake
Hotel EDISON	2150	Sewage of Tarnowo Podgórze District	one source of water intake

Energetyka Poznańska Zakład Transportu	767	municipal water supply system	one source of water intake
ITSERWIS	470	municipal water supply system	one source of water intake
Centrum Uzdrowiskowe ENERGETYK	26 274	water supply system of Sewage Company in Inowrocław	one source of water intake
Energo-Tour	4466	municipal water supply system	one source of water intake

- * Annacond Enterprises company subleases offices from Heat Engineering Technology Europe company and does not address the issue of water withdrawal.
- ** 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.
- *** ENEA Trading doesn't own office spaces which are rented from ENEA SA, ENEA Wytwarzanie and Energetyka Poznańska Zakład Transportu. Operating costs are included in the rent.

Waste

Table. Waste by type of waste [Mg]

Company	2013	
	Hazardous waste	Other than hazardous waste
ENEA SA	0.031	1.061 (municipal waste 60.5)
ENEA Operator	444.66	5989.8
ENEA Wytwarzanie	44.39	783 985.23
Elektrownie Wodne	4.966	26.112
PEC Oborniki	Slag 1017.5	no data
	Batteries 0.002	
	Fluorescent lamps 0.0195	
	Toners 0.0053	
	Steel scrap 10.1	
	Plastic packaging 0.0029	
	Computers 0.013	
	Monitors 0.013	
Elektrociepłownia Białystok	0.384	25 632.686
MEC Piła	1	6415
Annacond Enterprises*	no data	no data
ENEA Centrum**	no data	no data

ENEA Trading***	no data	no data
ENERGOBUD Leszno	Produced 1095.063	Produced 817.757
	Collected 7.355	Collected 81.873
	Recycled 427.065	
Eneos	3.114	138.274 (without municipal waste)
Energomiar	0.0237	147.585
BHU	5.373	5.274
Hotel EDISON****	no data	no data
Energetyka Poznańska Zakład Transportu		
	2.81	2.085
ITSERWIS	0.4	0.291
Centrum Uzdrowiskowe ENERGETYK	Waste code 180103 – 0.035	Waste code 200301 – 670 m ³
Energo-Tour	0.2195	External contracts for export

* Annacond Enterprises company subleases offices from Heat Engineering Technology Europe company and does not address the issue of waste disposal.

** 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.

*** ENEA Trading doesn't own office spaces which are rented from ENEA SA, ENEA Wytwarzanie and Energetyka Poznańska Zakład Transportu. Operating costs are included in the rent.

**** 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.

4 EMPLOYEES

- 4.1 Goals and priorities
- 4.2 Employment
- 4.3 Health and safety
- 4.4 Support and benefits
- 4.5 Trainings and education

A total of 9968 people, including 2418 women and 7550 men were employed on a contract of employment in the ENEA Capital Group companies in 2013.

The success of the ENEA Capital Group is the result of experience, commitment and the potential of its employees. Relationships based on respect, ensuring safety of employees in the workplace and equal opportunities for professional development are crucial in companies of the Capital Group.

A prestigious "Employer friendly to employees" certificate granted to ENEA Wytwarzanie SA in a competition organized by the National Commission NSZZ "Solidarity" is a confirmation of this approach. The title is granted to organizations which obey the labour laws and ensure its employees freedom of association in trade unions. The Polish President Bronisław Komorowski is a patron of this competition.

Key documents

Labour Code, Occupational Safety and Health Policy, Collective Labour Agreement (CLA) and procedures, rules of procedure, rules of bonuses and salaries for individual companies are documents governing the workplace management in the ENEA Capital Group.

Moreover, "Equal treatment in employment" document is valid in the BHU company, which helps to prevent gender discrimination practices.

In ENEA SA functions the "Internal policy for dealing with the application or detection of unacceptable behavior in ENEA SA."

Collective bargaining agreements

100% employees of ENEA SA, ENEA Operator, ENEA Centrum, Elektrociepłownia Białystok, ENERGOBUD Leszno, Energomiar and Energo-Tour is covered by collective bargaining agreements.

Table. Percentage of employees covered by collective bargaining agreements in 2013.

Company	Percentage of employees covered by collective bargaining agreements in 2013	Trade unions in which the company's employees were associated in 2013
ENEA SA	100%	<ul style="list-style-type: none"> • NSZZ Solidarity Inter-enterprise Organization • Inter-enterprise Employee Organization of ENEA Capital Group • Trade Union of Engineers and Technicians – Inter-enterprise Trade Organization in ENEA S.A. • „KADRA” Inter-enterprise Trade Union of ENEA Capital Group Employees
ENEA Operator	100%	<ul style="list-style-type: none"> • NSZZ Solidarity Inter-enterprise Organization • Inter-enterprise Employee Organization of ENEA Capital Group • Inter-enterprise Trade Union of Continuous Maintenance Employees of ENEA Capital Group • Trade Union of Engineers and Technicians – Inter-enterprise Trade Organization in ENEA S.A. • „KADRA” Inter-enterprise Trade Union of ENEA Capital Group Employees
ENEA Wytwarzanie	78.38%	<ul style="list-style-type: none"> • Independent Self-Governing Trade Union "Solidarity" Organization in ENEA Wytwarzanie SA • Inter-enterprise Trade Union of Power Engineers in ENEA Wytwarzanie SA • Trade Union of Shift Employees in ENEA Wytwarzanie SA
Elektrownie Wodne	98.79% for employees covered by the Collective Bargaining Agreement	<ul style="list-style-type: none"> • Inter-enterprise Employee Organization of ENEA Capital Group MZZ PGK ENEA Trade Union in Bydgoszcz • ENEA NSZZ Solidarity Inter-enterprise Commission • Inter-enterprise Trade Union of Continuous Maintenance Employees of ENEA Capital Group • „KADRA” Inter-enterprise Trade Union of ENEA Capital Group Employees
PEC Oborniki	97.36% of employees is covered by the Collective Bargaining Agreement	<ul style="list-style-type: none"> • The National Union of Heat Engineers, (60% of employees are associated)
Elektrociepłownia Białystok	100%	<ul style="list-style-type: none"> • NSZZ Solidarity Inter-enterprise Organization in Elektrociepłownia Białystok SA • Independent Trade Union of Engineering, Technical, Administrative and Support Employees of Elektrociepłownia Białystok SA
Miejska Energetyka Ciepła Piła	0	<ul style="list-style-type: none"> • The National Union of Heat Engineers
Annacond Enterprises	0	Not applicable
ENEA Centrum	100%	<ul style="list-style-type: none"> • NSZZ Solidarity Inter-enterprise Organization • Inter-enterprise Employee Organization of ENEA Capital Group

		<ul style="list-style-type: none"> • Trade Union of Engineers and Technicians – Inter-enterprise Trade Organization in ENEA S.A. • „KADRA” Inter-enterprise Trade Union of ENEA Capital Group Employees • Inter-enterprise Trade Union of Continuous Maintenance Employees of ENEA Capital Group
ENE A Trading	17.72%	<ul style="list-style-type: none"> • Inter-enterprise Trade Union of Power Engineers in ENEA Trading • NSZZ Solidarity ENEA No. 2 Organization in Poznań
ENERGOBUD Leszno	100%	<ul style="list-style-type: none"> • NSZZ Solidarity • Inter-enterprise Employee Organization of ENEA Capital Group in Poznań
Eneos	98%	<ul style="list-style-type: none"> • Inter-enterprise Employee Organization of ENEA Capital Group, NSZZ Solidarity Inter-enterprise Commission
Energomi ar	100%	<ul style="list-style-type: none"> • NSZZ Solidarity Inter-enterprise Trade Union
BHU	63.4%	<ul style="list-style-type: none"> • NSZZ Solidarity
Hotel EDISON	Not applicable	<ul style="list-style-type: none"> • NSZZ Solidarity of ENEA Capital Group • MZZP of the ENEA Capital Group
Energetyka Poznańska Zakład Transportu	97%	<ul style="list-style-type: none"> • Inter-enterprise Employee Organization of ENEA Capital Group • NSZZ Solidarity ENEA SA No. 2 Organization
ITSERWIS	0	Not applicable
Centrum Uzdrowiskowe ENERGETYK	0%	<ul style="list-style-type: none"> • MZZP Trade Union of the ENEA Capital Group in Bydgoszcz • NSZZ Solidarity Inter-enterprise Organization
Energ o-Tour	100%	<ul style="list-style-type: none"> • Inter-enterprise Employee Organization of ENEA Capital Group • NSZZ Solidarity

4.1 Goals and priorities

Improvement of employee access to corporate information

There is a system of internal communication in the ENEA Capital Group. Eight multimedia kiosks, that provide access to current information to employees who due to the nature of work have a difficult access to the computer, are accessible to employees of Kozenice Power Plant which belongs to ENEA Wytwarzanie S.A. company. Modern IT tools allow employees to use the corporate intranet and intranet of Kozenice Power Plant, phone book of the ENEA Capital Group and ENEA Wytwarzanie and ENEA SA websites.

Preparation for a Shared Services Centre launch

Shared Services Centre (SSC) project was one of the priority actions undertaken in the workplace in 2013. Implementation of the SSC involves changing the work organization and transfer of a large group of employees between companies. This applies in particular to employees of finance, accounting, customer service and IT areas of the largest companies of the Capital Group.

In order to prepare employees for a change, a series of meetings of the Management Board with the employees was conducted, in particular with the employees from the Client service and ITC area of ENEA SA, ENEA Operator, ENEA Wytwarzanie and ENEA Trading companies in 2013 and 2014. Directors and SSC project managers organized nearly 80 meetings with managers, employees and trade union representatives till the second half of 2014, during which assumptions and goals of the SSC project were presented as well as the rules for the transition to the new employer.

Moreover, ENEA Centrum has launched a dedicated intranet site devoted to the creation of the Shared Services Centre. The Company has released a brochure for employees and created a mailbox where they could address their questions. In total, more than 300 questions asked by employees were answered.

4. Employment

96.56 per cent of employees was employed on full-time basis, 147 employees on executive positions out of whom 15 percent were female.

Table. Number of employees employed in the reporting companies on a contract of employment by gender in 2013 (as at 31 December 2013).

Company	Total number of employees	Number of women	Number of men
ENEA SA	411	243	168
ENEA Operator	5175	1147	4028
ENEA Wytwarzanie SA	2239	338	1901
Elektrownie Wodne*	165	23	142
PEC Oborniki	38	4	34
Elektrociepłownia Białystok	185	45	140
Miejska Energetyka Ciepła Piła	156	25	131
Annacond Enterprises	2	1	1
ENEA Centrum	187	140	47
ENEA Trading	79	34	45
ENERGOBUD Leszno	608	141	467
Eneos	117	29	88
Energomiar	191	56	135
BHU	153**	41	112
Hotel EDISON	20	15	5
Energetyka Poznańska Zakład Transportu	58	8	50
ITSERWIS	84	46	38
Centrum Uzdrowiskowe ENERGETYK	76	63	13
Energio-Tour	24	19	5

* Total number of employees of Elektrownie Wodne and Dobitt Energia companies. Takeover of Dobitt Energia employees by Elektrownie Wodne company took place on 31 December 2013.

** The number also includes one person on a parental leave.

Table. Number of employees employed on a contract of employment broken down into posts and gender (as at 31 December 2013).

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	9	24	35	0	0	215	124
ENEA Operator	0	1	10	63	96	479	37	2556	1004	929
ENEA Wytwarzanie SA	0	1	1	10	21	68	123	1460	193	362
Elektrownie Wodne	0	1	0	2	5	13	2	112	16	14
PEC Oborniki	0	1	1	1	0	0	0	28	3	4
Elektrociepłownia Białystok	0	0	0	2	7	13	30	125	8	0
Miejska Energetyka Ciepła Piła	0	1	0	2	1	8	11	98	13	22
Annacond Enterprises	0	1	0	0	0	0	0	0	1	0
ENEA Centrum	0	0	1	3	6	4	0	0	133	40
ENEA Trading	0	0	0	3	4	7	0	0	30	35
ENERGOBUD Leszno	2	2	1	15	11	62	62	296	65	92
Eneos	0	1	0	2	7	15	1	47	21	23
Energomiar	1	1	1	4	6	17	32	109	16	4
BHU SA	0	0	2	6	8	25	17	69	14	12
Hotel EDISON	1	0	0	0	2	0	2	5	10	0
Energetyka Poznańska Zakład Transportu	1	1	0	0	0	3	0	40	7	6
ITSERWIS	0	1	2	1	0	5	36	30	8	1
Centrum Uzdrawiskowe ENERGETYK	1	1	0	0	3	1	53	9	6	2
Energio-Tour	0	1	0	1	0	0	0	4	17	1

Table. Number of employees employed on a contract of employment broken down by type of employment contract in 2013 (as at 31 December 2013).

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	411	0	28	383	408	3
ENEa Operator	5175	0	76	5099	5156	19
ENEa Wytwarzanie SA	2239	0	111	2128	2238	1
Elektrownie Wodne	165	0	3	163	162	3
PEC Oborniki	38	0	1	37	38	0
Elektrociepłownia Białystok	185	0	0	185	184	1
Miejska Energetyka Ciepła Piła	156	0	8	148	156	0
Annacond Enterprises	2	0	1	1	2	0
ENEa Centrum	187	0	20	167	186	1
ENEa Trading	79	1	5	73	77	2
ENERGOBUD Leszno	608	0	53	555	564	44
Eneos	117	0	4	113	114	3
Energomiar	191	0	1	190	186	5
BHU SA	153	0	13	140	150	3
Hotel EDISON	20	0	6	14	20	0
Energetyka Poznańska Zakład Transportu	58	0	0	58	57	1
ITSERWIS	84	1	11	72	82	2
Centrum Uzdrowiskowe ENERGETYK	76	0	0	76	76	0
Energ-Tour	24	0	0	24	22	2

Table. Number of employees employed on a contract of employment and under civil-law in 2013 (as at 31 December 2013)

Company	Number of employees employed on a contract of employment	Number of employees employed under civil-law agreement
ENEA SA	411	9
ENEA Operator	5175	16
ENEA Wytwarzanie	2239	2
Elektrownie Wodne	165	14
PEC Oborniki	38	0
Elektrociepłownia Białystok	185	2
MEC Piła	156	0
Annacond Enterprises	2	0
ENEA Centrum	187	10
ENEA Trading	79	0
ENERGOBUD Leszno	608	47
Eneos	117	10
Energomiar	191	73
BHU	153	4
Hotel EDISON	20	4
Energetyka Poznańska Zakład Transportu	58	2
ITSERWIS	84	0
Centrum Uzdrowskowe ENERGETYK	76	27
Energo-Tour	24	5

Table. Number of employee leaves and churn rate broken down by gender in 2013.

Company	Total number of leaves	Churn rate of all employees	Number of women leaves	Women churn rate	Number of men leaves	Men churn rate
ENEA SA	40	10%	12	3%	28	7%
ENEA Operator	178	3.44%	42	0.81%	136	2.63%
ENEA Wytwarzanie	106	4.71%	16	0.71%	90	3.99%
Elektrownie Wodne	4	2.42	1	0.61	3	1.82
PEC Oborniki	0	0	0	0	0	0
Elektrociepłownia Białystok	7	3.78	4	2.16	3	1.62
MEC Piła	9	5.68	3	1.89	6	3.79

Annacond Enterprises	4	200%*	2	100%*	2	100%*
ENEA Centrum	13	7%	9	5%	4	2%
ENEA Trading	14	22.81%	3	4.89%	11	17.92%
ENERGOBUD Leszno	34	5.59%	5	0.82%	29	4.77%
Eneos	6	5.12%	1	0.85%	5	4.27%
Energomiar	3	1.56	1	1.79	2	1.47
BHU	16	10.46	5	3.27	11	7.19
Hotel EDISON	7	2.86	6	2.5	1	5
Energetyka Poznańska Zakład Transportu	4	6.8%	0	0	4	6.8%
ITSERWIS	12	14.28	8	9.52	4	4.76
Centrum Uzdrowiskowe ENERGETYK	2	2.63%	1	1.59%	1	7.69%
Energo-Tour	2	8.3%	2	8.3%	0	0

* There were two employees in the Annacond Enterprises company as at 31 December 2013. In total there were 6 persons employed during 2013 and with four of them the employment relationship was terminated. Churn rate of employees was calculated on the basis of the employees number as at 31 December 2013, and as such it is high.

Table. Number of employee leaves and churn rate broken down by age in 2013.

Company	Employees leaves till 29 years old	Churn rate of employees below 30 years old	Employees leaves from 30 till 50 years old	Churn rate of employees from 30 till 50 years old	Employees leaves above 50 years old	Churn rate of employees above 50 years old
ENEA SA	4	1%	32	8%	4	1%
ENEA Operator	14	0.27%	28	0.54%	136	2.63%
ENEA Wytwarzanie	7	0.31%	17	0.75%	82	3.64%
Elektrownie Wodne	1	0.61	2	1.21	1	0.61
PEC Oborniki	0	0	0	0	0	0
Elektrociepłownia Białystok	0	0	3	1.62	4	2.16
MEC Piła	0	0	2	1.26	7	4.42
Annacond Enterprises	0	0	3	150%*	1	50%*
ENEA Centrum	7	4%	6	3%	0	0
ENEA Trading	2	3.26%	9	14.66%	3	4.89%
ENERGOBUD Leszno	2	0.3%	10	1.6%	22	3.6%
Eneos	1	0.85%	0	0	5	4.27%
Energomiar	1	11.11	1	0.89	1	1.43
BHU	2	1.31	9	5.88	5	3.27
Hotel EDISON	3	2.33	3	2.33	1	7
Energetyka Poznańska Zakład	0	0	1	1.7%	3	5%

Transportu						
ITSERWIS	3	3.57	8	9.52	1	1.19
Centrum Uzdrowiskowe ENERGETYK	1	33.33%	0	0	1	3.57%
Energo-Tour	0	0	0	0	2	0

* There were two employees in the Annacond Enterprises company as at 31 December 2013. In total there were 6 persons employed during 2013 and with four of them the employment relationship was terminated. Churn rate of employees was calculated on the basis of the employees number as at 31 December 2013, and as such it is high.

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

Company	Number of employees hired in 2013					
	Total	Women	Men	Age category up to 29 years of age	Age category from 30 to 50 years of age	Age category above 50 years of age
ENEA SA	51	28	23	17	33	1
ENEA Operator	113	34	79	71	39	3
ENEA Wytwarzanie	24	9	15	10	11	3
Elektrownie Wodne	3	1	2	1	1	1
PEC Oborniki	1	0	1	1	0	0
Elektrociepłownia Białystok	2	1	1	0	2	0
MEC Piła	2	1	1	0	0	2
Annacond Enterprises	1	1	0	1	0	0
ENEA Centrum	45	33	12	13	23	9
ENEA Trading	33	16	17	6	19	8
ENERGOBUD Leszno	32	7	25	10	16	6
Eneos	3	2	1	2	1	0
Energomiar	3	2	1	3	0	0
BHU	3	0	3	1	2	0
Hotel EDISON	6	6	0	5	0	1
Energetyka Poznańska Zakład Transportu	2	0	2	0	2	0
ITSERWIS	11	8	3	8	3	0
Centrum Uzdrowiskowe ENERGETYK	0	0	0	0	0	0
Energo-Tour	0	0	0	0	0	0

4.3 Health and safety

Safety of the employees is the ENEA Capital Group invariable priority. Principles of this important area management are governed by the provisions of law, internal instructions and regulations, for example: "Live-line working regulations" in ENEA Operator or "Procedure for the identification of potential accidents and emergency situations, and responding in the event of their occurrence in ENEA Wytwarzanie SA in Świerże Górne". Occupational safety is also regulated by the provisions of the Collective Bargaining Agreement.

OSH trainings

Initial and periodic occupational health and safety trainings, trainings in first-aid or in the field of occupational risk evaluation were carried out in 2013.

Furthermore, i.e. trainings in new technologies and update of safety regulations were carried out in ENEA Operator. Employees were equipped with high quality equipment and tools for live-line working. A new Safe Work Organization Manual for operating electrical devices is binding from 24 October 2013. The training on the Manual was attended by 3421 employees. In turn, Central OSH Unit emerged in ENERGOBUD Leszno in 2013.

Competitions that promote safety

Activities that promote safety in the workplace were carried out in the ENEA Capital Group.

Employees of the ENEA Capital Group could compete in the competition of power knowledge "1 of 10,000". Moreover, ENEA Operator organized the "Live-line working" competition, which allowed to find the best specialists in the field of safe live-line working. ENEA Operator in Zielona Góra employees won in the third edition of this competition.

Live-line working

Wide-spreading Live-line working as a standard in ENEA Operator brings positive effects:

1. It increases the quality of distribution services. Our Clients have access to electricity during various operating procedures and investments. We also use live-line working while connecting new customers to the network without a necessity to cut off the existing ones.
2. It significantly improves safety of installation electricians, among others, through investment in tools and equipment, training of more than 1,500 employees and introduction of the uniform principles of organization and responsibility of installation electricians and managers.
3. We promote among installation electricians and managers rules of safe work organization through "Live-line working" competition and "Potential – power without interruptions" magazine.
4. More than 24 thousand in 2013 and since the beginning of the of the Project implementation around 90 thousand live-line works were performed without a single accident.

Injury rate

There was no fatal accident among the ENEA Capital Group employees employed on a contract of employment.

Table. Total number of injuries and injury rate in ENEA Capital Group in 2013.

Company	Total number of injuries	Injury frequency rate*
ENEA SA	2	4.87
ENEA Operator	37	9.02
ENEA Wytwarzanie	2	0.87
Elektrownie Wodne	2	12.12
PEC Oborniki	0	0
Elektrociepłownia Białystok	1	44
MEC Piła	1	6.17
Annacond Enterprises	0	0
ENEA Centrum	0	0
ENEA Trading	0	0
ENERGOBUD Leszno	9	14.74
Eneos	0	0
Energomiar	5	26.46
BHU SA	3	19.7
Hotel EDISON	0	0
Energetyka Poznańska Zakład Transportu	0	0
ITSERWIS	0	0
Centrum Uzdrowiskowe ENERGETYK	2	26.31
Energio-Tour	0	0

* *accident frequency rate = 1000 × number of accidents / number of employed*

Accident at the Power Plant in Kozenice

A tragic accident took place during demolition works of the chimney no. 3 at the Power Plant in Kozenice on 4 December 2013. During the accident four people were killed - employees of a contractor executing works inside the chimney. The modernization works were stopped and relevant services under the supervision of the prosecutor began to examine the circumstances of the tragic accident. Psychological assistance was provided to other persons working at the demolition of the chimney and to the families of the victims.

4.4 Support and benefits

ENECA Capital Group companies aspire to be a highly-regarded employer. The top management realize that the quality of the actions taken and the success of the strategy depends on the employees motivation. Employees are offered a wide range of additional benefits resulting from the Social Fund and the Collective Labour Agreement (CLA). The range of benefits is determined separately for each company and depends on the employees needs and possibilities of a given company.

Main benefits

Most popular benefits from the Social Fund: monetary or material assistance to employees in a difficult financial situation or affected by random accidents, financing or subsidizing holidays for children and young people, funding children's Christmas gifts, or support of sport, recreation, culture and education activities. In addition, all employees of the ENECA Capital Group may participate in the Employee Pension Program.

Preventive care

In many companies (i.e. ENECA SA, ENECA Operator, Elektrociepłownia Białystok, ENECA Wytwarzanie, ENECA Centrum, Energomiary) employees may benefit from additional preventive health benefits, for example: influenza vaccination, tumor markers test, preventive treatment in a sanatorium, or medical subscriptions.

Development of competences

Companies care about the development of employees skills. Employees of such companies like ENECA SA, Elektrociepłownia Białystok, MEC Piła, or ITSERWIS could take advantage of English lessons or studies funding in 2013.

Cheaper electricity

Preferential conditions for electricity use is another benefit granted to employees of the Capital Group. 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.

Other benefits

- higher than generally applicable additional remuneration: (I) for working overtime; (II) for night work; (III) for working on Saturdays, Sundays and public holidays; (IV) for technical emergency service, (V) for sick leave;
- allowance for working in conditions harmful to health, particularly arduous or dangerous;
- monthly seniority allowance, entitlement for the period of employment in the power industry, i.e. companies listed in the Nationwide Collective Bargaining Agreement;
- gratuity related to retirement or disability pension in the form of gratification in cash;
- award on the occasion of the Power Engineer's Day in the value not lower than 25% of the average basic salary in ENECA S.A.;
- prizes for the detection and elimination of illegal consumption of electricity and energy intake not in conformity with the agreement;

- annual, mandatory bonus paid from the annual bonus fund, which amounts to 8.5% of payroll budget from the previous year;
- jubilee awards - their value depends on employment time in power sector and in other employees, and value of received remuneration;
- subsidizing employees travel to work (ENEA Wytwarzanie SA);
- subsidizing catering (MEC Piła).

AWARDS FOR EMPLOYEES OF MERIT

200 employees from all companies were awarded "Employee of merit to the ENEA Capital Group" during the celebration of the Power Engineer's Day in August 2013.

Departmental awards ceremony was held for employees of merit to power industry during the celebration of 45th anniversary of Power Plant in Koźienice in September 2013.

Work satisfaction

Employee satisfaction in the ENEA Capital Group is regularly monitored. A most recent study was carried out in 2012. Its purpose was to examine satisfaction and loyalty of employees of major companies of the ENEA Capital Group and evaluate quality of internal communications. Internal Communications Office of ENEA SA which cooperated with the external research company was responsible for the implementation of the study.

Results of the study were collected and presented in 2013 to the Management Board of ENEA SA, representatives of Trade Unions, and then made available to employees on the intranet.

Within the study individual and group interviews were conducted and electronic or paper questionnaires were distributed. The study included all employees whose job satisfaction was 3.7 on a scale of 1 to 5.

Atmosphere and working conditions were considered as major advantages in the companies of the Capital Group. System of remuneration (excluding wages) was identified as a weakness. The survey also shows that 85 per cent of employees identifies themselves with the company or organizational unit in which they work.

A series of 20 workshops for representatives of the largest companies and trade unions was another initiative of measuring the work satisfaction level of employees in the Capital Group. Workshops for representatives of the largest companies and trade unions were carried out in November. The workshop discussed issues relating to working conditions, employee satisfaction factors and their identification with the Group.

4.4 Trainings and education

Trainings which develop skills of the Capital Group employees are tailored to a specific business profile of each company. Training policy is governed by internal procedures, such as: "The principles of training policy in ENEA Operator" or "The rules of training initiatives implementation in ENEA SA" adopted in 2013. Moreover, the training program at universities and high schools define "General Principles of employees training in the ENEA Capital Group".

In ENEA SA, Elektrociepłownia Białystok, MEC Piła, or ITSERWIS companies employees had an opportunity to participate in an English language course.

Education in ENEA SA

In accordance with the newly adopted "Principles of training initiatives of ENEA SA" training plans are adjusted to the individual needs of employees.

A new Competence Model was developed and implemented in ENEA SA, which is designed to effectively select key competencies of employees. Out of concern for the service quality and Client satisfaction, skills assessment was carried out and actions were implemented to support and supplement competency gaps among employees responsible for sales and Client service. Results of the assessment were the basis for the implementation of the development program.

Furthermore, fast and efficient training of new employees is possible thanks to developed standards of new team members adaptation process.

Education in ENEA Operator

ENEA Operator carries out a number of specialized classroom trainings and e-learning courses for their employees. They may expand their skills through such trainings like: project management methodology (260 participants), training for drivers within off-road driving and periodic training for drivers (433 participants), or compulsory training in the field of ICT Security Policy and Data Protection. 3615 employees took part in the training in 2013.

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

Company	Average number of training hours per:							
	Total employees	Women	Men	Top management	Directors	Middle level managers	Operational employees	Office personnel
ENEA SA	40.2	33.8	49.5	0	79.1	67	0	34
ENEA Operator	46.77	20.4	54.29	10.66	11.84	21.37	58.76	20.6
ENEA Wytwarzanie	8.88	9.82	8.71	60	32.73	19.55	6.7	12.79
Elektrownie Wodne*	22.86	19.37	23.42	16	20	13.78	23.28	27.38
PEC Oborniki	18	16	17	16	32	0	10	41
Elektrociepłownia Białystok	no data	no data	no data	no data	no data	no data	no data	no data
MEC Piła	17.8	13.7	18.6	28	59	32.2	16.9	14.2

Annacond Enterprises	no data	no data	no data	no data	no data	no data	no data	no data
ENE A Centrum	17.32	21.77	28.43	0	64	45.48	0	10.5
ENE A Trading	25.49	30.94	21.37	0	28	40	0	21.6
ENERGOBUD Leszno	14**	no data	no data	no data	no data	no data	no data	no data
Eneos	16.35	8.75	18.86	20	20	15.5	16.54	16.34
Energomi ar	10.46	8.64	11.21	28	33.6	21.57	6.87	15.5
BHU	10	10	10	20	20	22	30	10
Hotel EDISON	12	12	0	0	0	0	0	12
Energetyka Poznańska Zakład Transportu	6.1	3	6.6	8	0	14.7	6.2	3.7
ITSERWIS	1224	368	856	8	48	40	1096	32
Centrum Uzdrowiskowe ENERGETYK**	no data	no data	no data	no data	no data	no data	no data	no data
Energ o-Tour	0	0	0	0	0	0	0	0

* (Elektrownie wodne):

- without hours of English lessons,
- without hours of studies funding.


** Companies don't carry statistics in the above-mentioned range.

5 COMMUNITY

- 5.1 Goals and priorities
- 5.2 Social investments
- 5.3 Employee volunteering

ENEA Capital Group has supported local communities for many years, among others, through an extensive program of employee volunteering and involvement of employees in social activities.

"Policy of social engagement of the ENEA Capital Group" defined priorities and directions in the area of social activities in 2013. The Management Board of ENEA SA founded ENEA Foundation in the first half of 2014. The Foundation is responsible for coordination of social engagement area of the ENEA Capital Group. ENEA Foundation has begun the accomplishment of statutory purposes in July 2014.

 More information about Foundation is available at: <http://www.enea.pl/fundacja/>

5.1 Goals and priorities

"Policy of social engagement of the ENEA Capital Group" focuses around two main directions of social activities development carried out in 2013 in the Capital Group. These are: Society and Environment.

According to the Policy, companies may grant financial donations or in kind, engage in employee volunteering initiative, provide logistical and factual support - on condition that supported by them activities inscribe in the two directions of development.

Key documents governing social activities

"Policy of social engagement of the ENEA Capital Group" is the main document. It was supplemented by the regulations for granting donations formulated separately for key companies of the Capital Group.

- ENEA SA defined "Rules of granting donations by the Management Board of ENEA SA",
- ENEA Operator adopted " Rules of granting donations in ENEA Operator",
- "Strategy of corporate social responsibility of ENEA Wytwarzanie SA", "Policy of social engagement in ENEA Wytwarzanie SA" and " Rules of granting donations and sponsorship by ENEA Wytwarzanie SA" binding in ENEA Wytwarzanie SA.
- "Regulations of employee volunteering program in Eneos Sp. z o.o." binding in Eneos Sp. z o.o.

Donations

ENEA Capital Group companies granted donations for social activities in the amount of PLN 556 329.82 in 2013.

Table. Sum of donations granted in 2013.

Company	Sum of donations granted in 2013 in PLN
ENEA SA	42 000*
ENEA Operator	138 940
ENEA Wytwarzanie	218 500
Elektrociepłownia Białystok	98 300
Elektrownie Wodne	3200
MEC Piła	1600
PEC Oborniki	1000
Annacond Enterprises	0
ENEA Centrum	0
ENEA Trading	20 000
ENERGOBUD Leszno	13 480
Eneos	0
Energomiar	14 020
BHU	5289.82
Hotel EDISON	0
Energetyka Poznańska Zakład Transportu	0
ITSERWIS	0
Centrum Uzdrowiskowe ENERGETYK	0
Energ-Tour	0
SUM	556 329.82

* The Management Board of ENEA SA didn't take any resolutions to grant donations to social organizations in 2013. However, donations were granted to six beneficiaries of a total amount of PLN 42 000.00 gross, which were transferred pursuant to resolutions of the Management Board of ENEA SA undertaken in the second half of 2012.

5.2 Social investments

Active participation in life of a community and making investments positively influencing its development is a basis of the ENEA Capital Group cooperation with local communities.

Communication with local communities

Companies use a variety of communication channels in order to learn about the needs and expectations of local communities:

ENEA Wytwarzanie provides information on its activities to citizens of Kozenice and neighbourhood thanks to regular cooperation with local media: "OKO" weekly, "Echo Dnia" daily and TV "Kronika Kozenicka", in which periodic reports on the company appear.

Energomiar company also maintains a direct contact with local communities through offices in Bydgoszcz, Maszew and Zielona Góra. The company is in a regular contact with citizens by means of meter readers and fitters of metering and billing systems.

Organizations may apply for financial and in-kind support by submitting application form to ENEA SA. The form is available for download on the ENEA SA website, in the Foundation section from 2014.

Applications for support are assessed according to the following criteria: experience of the applying organization in the implementation of social projects, statutory objectives, level of initiative consistency with the directions of social engagement of the ENEA Capital Group, number of beneficiaries and level of mutual benefits that gain parties involved in the project.

Impact of investments on the quality of community life

ENEA Capital Group thanks to long-term activities wishes to contribute to the economic development of areas where the companies of the Capital Group operate. ENEA Wytwarzanie has continued in 2013 construction, already started in 2012, of a modern power unit No. 11 with a capacity of 1075 MW. 2,500 people is involved in the construction. The project is implemented with a view to ensure energy safety of the country.

[More information about work progress is available at ENEA Wytwarzanie SA]

Support of sport and a healthy lifestyle

ENEA Capital Group companies get involved in local community initiatives related to the promotion of sports, environmental attitudes and safety improvement.

ENEA SA together with Energetyk Sports Club and the City of Poznań got involved in the project Energy Volleyball Academy, which was to encourage students of III and IV classes of primary schools to play volleyball and to promote sport spirit among children. Free sport activities were organized within the project by the "Energetyk" Poznań team players. The project was attended by 800 students from 30 primary schools in Poznań, Bydgoszcz, Szczecin, Zielona Góra and Gorzów Wielkopolski.

Safety promotion

ENEA Operator supported the Municipal Police Headquarters in Poznań in its preventive measures within activities to improve safety. The company gets involved in "Safe Preschool Academy," "Blues for the Kids" and "I ride a bicycle safely" projects.

Protection of biodiversity

Conservation of biodiversity plays an important role to ENEA Operator. Company has prepared new poles with platforms to which nests of a white stork were moved from power poles in coordination with the Regional Directorate for Environmental Protection in Szczecin, in the Miedzydroje Distribution Region. 141 stork nests were moved to platforms in 2013.

5.3 Employee volunteering

Employees have an opportunity to work closely with local communities through the "Employee volunteering program of the ENEA Capital Group" managed on the basis of the "General provisions of employee volunteering supporting".

Volunteer coordinators operate in companies. They provide assistance to employees who wish to join the program. Each employee-volunteer is obliged to comply with the "Volunteer Ethics Code" available at ENEA SA intranet.

- 1051- total number of hours spent on voluntary actions by the ENEA Capital Group volunteers in 2013
- More than 4000 - total number of hours spent on voluntary actions by the Capital Group volunteers since the launch of the program in June 2011
- 3,5% of the Capital Group employees is currently engaged in volunteer activities

Employees-volunteers got involved in various projects in 2013 in the field of education, safety, first aid, encouraging social awareness, promoting sport, charity, environmental activities and helping animals.

Table. Employee Volunteering Program in the ENEA Capital Group

Category	2011	2012	2013	Total from the beginning of Employee Volunteering Program
Number of beneficiaries	14 141	26 085	34 235	74 461*
Number of beneficiaries "Electricity is not so terrible" and "In contact with nature Kids" programs	7345	11 264	14 715	33 324
Number of beneficiaries "First Aid - premedical rescue" program	5293	10 204	14 752	30 249
Institutions provided with education and support	127	295	165	587

- including stop-gap volunteering (ad hoc activities) - 10 888 beneficiaries

Evaluation of the employee volunteering program

Efforts and commitment of ENEA Capital Group volunteers were repeatedly recognized in regional and national competitions. Jury of the "Poznań Volunteer of the Year" competition recognized a program of the ENEA Capital Group Employee Volunteering "From the heart impulse" best employee volunteer program in the region in 2013.

All activities carried out within the employee volunteering program are evaluated quantitatively. They are evaluated in terms of the number of individuals and institutions, which reached the support and the number of volunteers and hours dedicated to volunteering.

Electricity is not so terrible

ENEA volunteers taught kindergarten and elementary school pupils how to avoid accidents associated with the use of electronic devices within "Electricity is not so terrible" program. Lessons were conducted by ENEA SA, ENEA Operator, ENEA Wytwarzanie, ENEA Centrum, BHU and ITSERWIS employees.

Volunteers also shared their knowledge on electricity during the Science Picnic organized by the Copernicus Science Centre and the Polish Radio during events aimed at children and organized by the ENEA Capital Group.

First Aid - premedical rescue


Professionally trained rescuers are among the ENEA Capital Group volunteers. They share their life-saving knowledge within "First Aid – premedical rescue" program. ENEA Operator employees, among others, devoted to the program 268 hours of voluntary work in the past year. 14 752 beneficiaries were trained in 2013.

Thanks to the skills acquired during the training, a pupil of a II class from Secondary School in

"Small Volunteering" program

"Small Volunteering" social program which was launched in 2013 aims to sensitize young people to social needs and teach responsibility for the world around us. Teachers, parents, and class tutors of educational institutions were invited to participate in the program. Lessons' scenarios on volunteering for different age groups were developed in consultation with specialists for the purposes of the program. 120 educational institutions and 4000 young volunteers joined the program.

"Small Volunteering" program was organized with the cooperation and under the auspices of provincial vice-governor of Wielkopolska. "Jedność" publishing house was a partner of the program and honorary patronage was taken by Wielkopolska Chief Education Officer.

 To learn more, visit the "Small Volunteering" on Facebook

Charity

Volunteers from the ENEA Capital Group are also involved in charitable activities.

- ENEA Wytwarzanie gave Christmas "Full of energy packages" to the charges of PANDA socialization institution in Koźienice and Special Purpose School and Education Center in Opactwo
- employees-volunteers of ENEA Centrum took part in a support action for a Single Parent Home organized by the Provincial Office in Poznań
- volunteers, i.e. BHU and Energomiar employees, took part in cleaning works for "Stworzenie Pana Smolenia" Foundation.

Examples of other activities

As part of National Tree Planting Campaign ENEA Capital Group volunteers planted 200 trees in Rogalin near Poznań, thereby enriching Rogalin space by a lime-tree alley.

Volunteers also helped during the Great Integration Gala organized on the occasion of the International Day of Persons with Disabilities. The event was organized by the Academy for Philanthropy Development and the Association of the Friends of Integration at the Palace of Culture and Science in Warsaw. Honorary patronage over the event was taken by the President Bronisław Komorowski.

GLOBAL REPORTING INITIATIVE CONTENT INDEX

GENERAL STANDARD DISCLOSURE – CORE			
Indicator	GRI G4 Guidelines	Omissions	External Assurance
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization’s strategy for addressing sustainability.	Full	None
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization.	Full	None
G4-4	Primary brands, products, and/or services.	Full	None
G4-5	Location of the organization’s headquarters.	Full	None
G4-6	Number of countries where the organization operates.	Full	None
G4-7	Nature of ownership and legal form.	Full	None
G4-8	Markets served including geographic breakdown, sectors served, and types of customers and beneficiaries.	Full	None
G4-9	Scale of the organization.	Full	None
G4-10	Total number of employees by employment contract and gender.	Full	None
G4-11	Percentage of total employees covered by collective bargaining agreements.	Full	None
G4-12	Organization’s supply chain.	Partially	None
G4-13	Any significant changes during the reporting period regarding the organization’s size, structure, ownership, or its supply chain.	Full	None
G4-14	Explanation whether and how the precautionary approach or principle is addressed by the organization.	Full	None
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Full	None
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations.	Full	None
EU4	The length of the overhead and underground transmission and distribution lines according to the relevant provisions.	Full	None
IDENTIFIED MATERIAL ASPECTS AND BOUNDRIES			
G4-17	Operational structure of the organization, including main divisions, subsidiaries, affiliates and joint venture with an explanation which ones are not included in the report.	Full	None
G4-18	Process for defining the report content and the Aspect Boundaries.	Full	None
G4-19	All the material Aspects identified in the process for defining report content.	Full	None
G4-20	Aspect Boundary for each material Aspect within the organization.	Full	None
G4-21	Aspect Boundary for each material Aspect outside the	Full	None

	organization.		
G4-22	Explanations which relate to effects of any restatements of information provided in previous reports, and the reasons for such restatement and their influence (i.e., mergers, acquisitions, change of base years/periods, nature of business, measurement methods).	Full. No adjustments.	None
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Full	None
STAKEHOLDER ENGAGEMENT			
G4-24	A list of stakeholder groups engaged by the organization.	Full	None
G4-25	The basis for identification and selection of stakeholders.	Full	None
G4-26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Full	None
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns with indication of the stakeholder groups that raised each of the key topics and concerns.	Partially. No detailed information which aspects exactly and issues were indicated by various stakeholder groups.	None
REPORT PROFILE			
G4-28	Reporting period.	Full	None
G4-29	Date of most recent previous report.	Full	None
G4-30	Reporting cycle.	Full	None
G4-31	Contact point.	Full	None
G4-32	a. Indication of the reporting option the organization has chosen. b. Table indicating where the standard information is placed in the report. c. Indication of the reference to the external assurance, if the report has been externally assured.	Full	None
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explanation of the scope and basis of any external assurance provided and relationship between the organization and the assurance providers.	Full	None
GOVERNANCE			
G4-34	Governance structure of the organization, including committees of the highest governance body with identification of the committees responsible for decision-making on economic, environmental and social impacts.	Full	None
ETHICS AND INTEGRITY			
G4-56	Organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	Full	None

SPECIFIC STANDARD DISCLOSURE				
ASPECT	Indicators	GRI G4 Guidelines	Omissions	External assurance
Category: Environmental				
Materials	G4-EN1	Materials/raw materials used by weight or volume.	Partially. Information on the weight of key raw materials is reported.	None
Materials	G4-DMA	How the organization manages the "materials" Aspect.	Full	None
Energy	G4-EN3	Direct energy consumption including fuel types.	Full	None
Energy	G4-DMA	How the organization manages the "energy" Aspect.	Full	None
Water	G4-EN8	Total water withdrawal by source.	Partially. No division to sources.	None
Water	G4-DMA	How the organization manages the "water" Aspect.	Full	None
Emissions	G4-EN15	Total direct and indirect greenhouse gas emissions per weight.	Full	None
Emissions	G4-EN21	NOx, Sox and other significant air emissions as per type and weight.	Full	None
Emissions	G4-DMA	How the organization manages the "emissions" Aspect.	Full	None
Effluents and Waste	G4-EN23	Total weight of waste by type and disposal method.	Partially. No division as to disposal method.	None
Effluents and Waste	G4-DMA	How the organization manages the "effluents and waste" Aspect.	Full	None
Compliance	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Full. No fines and non-monetary sanctions.	None
Compliance	G4-DMA	How the organization manages the "compliance" Aspect.	Full	None
Category: labour practices and decent work				
Employment	G4-LA1	Total number of new employee hires during the reporting period, by age group, gender and region and total number and rate of employee turnover by age group, gender and region.	Full	None
Employment	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	Full	None
Employment	G4-DMA	How the organization manages the "employment" Aspect.	Full	None
Occupational Health and Safety	G4-LA6	Rate of injury, occupational diseases, lost days and absenteeism and total number of work-related fatalities by region and gender.	Partially. No information on lost days. Companies report the indicator of accidents frequency.	None
Occupational	G4-DMA	How the organization manages the	Full	None

Health and Safety		"occupational health and safety" Aspect.		
Training and Education	G4-LA9	Average hours of training per year per employee by employee category.	Partially	None
Training and Education	G4-DMA	How the organization manages the "training and education" Aspect.	Full	None
Category: society				
Local Communities	G4-SO2	Operations with significant actual and potential negative impacts on local communities.	Full. Not reported.	None
Anti-corruption	G4-SO5	Confirmed incidents of corruption and actions taken.	Full. Not reported.	None
Anti-corruption	G4-DMA	How the organization manages the "anti-corruption" Aspect.	Full	None
Category: product responsibility				
Product and Service Labelling	G4-PR5	Results of surveys measuring Customer satisfaction.		None
Product and Service Labelling	G4-DMA	How the organization manages the "product and service labelling" Aspect.	Partially. No detailed information on key documents regulating this aspect.	None
Customer Privacy	G4-PR8	Total number of substantiated complaints regarding breaches of Customer privacy and losses of Customer data.	Full	None
Customer Privacy	G4-DMA	How the organization manages the "customer privacy" Aspect.	Full	None
Compliance	G4-PR9	Monetary value of fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Full	None
Compliance	G4-DMA	How the organization manages the "compliance" Aspect.	Full	None

INITIATIVES 2014

ENEA CAPITAL GROUP

Construction of a new 1075 MW power unit is making progress

Kozienice Power Station which belongs to the ENEA Wytwarzanie completed the installation of the first of the four columns of the boiler constituting the driving force behind the newly built strategic for the Polish power unit 1075 MWe in June of 2014.

The investment in Kozienice is proceeding according to schedule.

Cooperation for innovation

Four Polish energy companies: : ENEA, ENERGA, PGE Polska Grupa Energetyczna and Tauron Polska Energia signed a letter of intent on cooperation in the area of research, innovation and competitiveness improvement. This cooperation aims at facilitating companies to find technological solutions that replay to key challenges facing the energy sector in Poland.

Companies will support research projects for emissions reduction in the process of electricity generation and increase of distribution and energy use efficiency. Development of distribution and transmission smart grids is another key issue.

Research carried out within cooperation may bring benefits not only to the Polish energy sector, but also to regional academic centres, business partners and entire economy.

Funds for the development are secured

Effective gaining and securing funds for implementation of long-term investments is the elementary action that is crucial for their realization. The Company and Bank Gospodarstwa Krajowego concluded a programme agreement relating to the issue of long-term bonds valued PLN 1 bln in May 2014. The objective will be financing current operations and future investment needs of the ENEA Capital Group. The bond issue programme was concluded for the term of 12 years and 7 months and ends on 15 December 2026. The Agreement was signed on the construction site of the 1,075 MW unit in Kozienice. The ceremony was attended by the Minister of Treasury, Włodzimierz Karpiński.

Area strategies are adopted

Five area strategies were established on the basis of the corporate strategy, which were adopted by the Management Board of ENEA SA in June 2014. These relate to generation, distribution, sales, trading and shared services. This is the foundation for each of the key segments of the ENEA Capital Group.

Area strategies precisely define participation of business segments in the achievement of the Capital Group goals by 2020. Among others, specific performance indicators serve this purpose. They arise directly from the "Corporate Strategy of the ENEA Capital Group for 2014-2020" and translate into ownership goals of subsidiary entities.

Keeping existing customers and attracting new ones, as well as providing an adequate level of margin is the sales goal. Its growth is to be ensured by, among others, creation of products and services offer adjusted to customer needs and optimization of the Client service costs.

Distribution is to prepare the Capital Group for a new way of rewarding DSO companies for distribution services, which is associated with the introduction of a quality tariff. Assumptions also included investments and activities aimed at improvement of the network quality indicators SAIDI and

SAIFI and allowing OPEX optimization in the future. "Smart grid" development is also important in this segment.

Generation segment is to focus on the cheapest electricity generation.

ENEA Trading takes over competences related with the fuel purchase, but also related with external purchases i.e. CO2 emission allowances, or risk management portfolio.

Shared Services Centre is to focus on supporting activities to the entire Capital Group. It will provide Client service, accounting and payroll, ICT, as well as logistics and HR services.

ENEA Wytwarzanie takes over Windfarm Polska

"Acquisition of the Windfarm Polska Sp. z o.o. business operations" project was accomplished in 2014. Windfarm Polska was incorporated to ENEA Wytwarzanie on 30 June 2014.

Unification of the legal form of the ENEA Capital Group companies

Transformation of the legal form of joint stock companies ENEA Wytwarzanie and BHU to limited liability companies is taking place in 2014.

Reorganization of the Capital Group structure

Merger process of Energetyka Poznańska Zakład Transportu with ENERGOBUD Leszno company and merger of ITSERWIS and ENTUR with ENEA Centrum are taking place.

Corporate Governance in 2014

Further works within the target map of the competences of the ENEA Capital Group bodies, ENEA SA Management Board and Management Boards of subsidiaries will be continued within the implementation of the new corporate governance model in the ENEA Capital Group in 2014. The works also include an analysis of the appropriateness of the next Committees and Management Departments appointment. Furthermore, an adjustment of the internal regulations binding ENEA Capital Group companies to the target map of competences will be necessary.

CLIENTS

Client education for security

ENEA Capital Group, along with other leading companies from the energy sector supports educational and information campaign which warns against dishonest sellers of energy. "Check who's selling energy!" initiative is accomplished by Association of Energy Trading under the auspices of the Energy Regulatory Office. It is a response to increasing unfair practices of sales representatives of some retailers. Campaign which has started in April 2014 is addressed primarily to individual customers, especially elderly persons, who are often victims of companies using unfair market practices.

 More information is available at: <http://www.toe.pl/pl/kampania-edukacyjna>

Client pays less

ENEA SA has introduced new, lower electricity prices for households on 1 January 2014. Rates decreased by 6.47%. Their reduction results from lower prices of energy purchase. Thanks to the reduction a household which consumes annually approx. 5000 kWh saved around PLN 123,05 gross.

ENVIRONMENT

The biggest investment in road LED lighting in Poland

Eneos company completed the country's largest investment in road lighting using LED technology in Wschowa district in 2014. Close to 2200 units of modern, energy-efficient lighting was installed. Old, energy-intensive mercury-vapour and sodium lamps were replaced with modern LEDs with outputs from 38 to 90 W.

The aim of the investment was to reduce carbon emissions into the air, reduce energy costs and improve safety of the residents of the Wschowo district and town. The light emitted by new LEDs is brighter and more natural. The project was developed on ESCO formula, i.e. financed from savings which are possible thanks to new lighting. Accomplished investment is an example of a good cooperation with the local government.

New President for Renewable Energy in ENEA Wytwarzanie

Michał Prażyński became a Vice-President of ENEA Wytwarzanie for Renewable Energy in March 2014. Supplementing the composition of the Management Board with Michał Prażyński, an expert in the field of energy, results from the new corporate strategy of the ENEA Capital Group. The strategy assumes a significant development in the RES area until 2020 and capex of PLN 4.5 billion.

New investments for environment in Kozenice Power Plant

ENEA Wytwarzanie S.A. and Mitsubishi Hitachi Power Systems, LTD. concluded a contract for the construction of the flue gas denitrification system for two units in the power plant in Kozenice in July 2014. This is another investment aimed at minimizing the negative impact of power plants on the environment. The investment will allow to reduce the nitric oxides emission by 80%. The value of the contract will total PLN 92 mln and the completion of the investment is planned in May 2016.

Furthermore, a Flue Gas Desulphurization IOS IV for units 8 × 200 MW, capacity 800 MW is being constructed. The new installation will allow all eight blocks of 200 MW generate energy after 2015, ensuring SO₂ emissions below 200 mg/Nm³. Estimated completion of the investment is planned for 2015.

MEC Piła investment co-funding

Mec Piła company and Provincial Fund for Environmental Protection and Water Management in Warsaw signed an annex to the agreement in May of 2014. The annex guarantees funding in the amount of PLN 11.8 million of the "Development of the heating system in Piła through the development of gas cogeneration units in regional boiler house KR -Koszyce in Piła" project. The total value of the project amounts to almost PLN 43 million.

New investment will be the largest in Poland cogeneration source powered with natural gas. It will generate approx. 10 MWt of heat energy and approx. 10 MWe of electricity. This will result with reduction of demand for energy from conventional sources and reduction of the amount of coal burned and emissions, especially dust and CO₂ into the atmosphere.

The investment has been started in mid-2013 and its commencement is scheduled for the fourth quarter of 2014.

Fight with consequences of a valve failure in the unit No. 7

On 16 July in ENEA Wytwarzanie SA there was a valve failure in the unit No. 7. As a result of this occurrence ca. 9 m³ of mazut leaked out to the channel located on the area of Kozenice Power Plant. The channel is one of the elements of the hydro technical infrastructure protecting against a leakage of potential contaminations to the Vistula River.

Almost 40 people from the plant's firefighting team and units responsible for safety immediately commenced activities aiming at the minimisation of the results of the failure and possibilities of the mazut getting into the Vistula River. Thanks to appropriate dams and use of a modern absorbent, the substance didn't get to the Vistula stream and the action was successful.

Pursuant to the information gained in the Provincial Inspectorate of Environmental Protection regarding the samples taken from the Vistula River in the vicinity of the event, no odour or visual contaminations of the water were stated. However, according to the fire fighters, despite the undertaken actions, it is impossible to completely rule out the risk of traces of contaminations getting into the water. In relation to the above, the cooperation with relevant services, including the monitoring of the Vistula River, will be continued, till it is certain that the potential threat has gone away definitely.

ETHICS

E-learning on the principles of the "Code of Ethics of the ENEA Capital Group"

Implementation of e-learning cycle that promotes attitudes consistent with the principles set out in the Code of ethics of the ENEA Capital Group has commenced on 30 June 2014. Training in the form of short video clips are published simultaneously in the corporate intranet and e-learning platform, which are available to all employees of the ENEA Capital Group. Subsequent episodes will appear till the end of 2014 at the end of each month.

All newly employed ENEA SA employees are trained on ethics principles binding in the ENEA Capital Group since the beginning of 2014.

Two-stage general elections for two members of the Committee for Code of ethics of the ENEA Capital Group were organized in September 2014. Elections included all companies of the ENEA Capital Group. To make the process transparent electronic voting platform was used, to which every employee of the Group had access by means of dedicated, unique token. Each employee could vote once, choosing from candidates identified at the stage of primary elections. A manager of the Audit and Control Office at ENEA SA is the third member of the Committee and its chairman.

BHU receives a certificate of a "Prudent Company"

BHU company is certified "Prudent Company awarded in recognition of consistent compliance with the "Code of Best Practices of Prudent Companies" in 2014.

"Card of Principles" in the Energomiary company

Work under "Card of Principles" has been commenced in Energomiary company where a large proportion of employees has a direct contact with the Client. The Card introduces ethical standards of contact with the Client.

COMMUNITY

Trainings for a better tomorrow

ENEA Capital Group cares for the development of potential future employees. Therefore, ENEA Operator company to prevent the occurrence of intergenerational gap, took a patronage over Electrical School Complex No. 1 of Henryk Zygalski in Poznań in 2013. As part of the sponsorship, students may benefit from professional practice and workshops conducted by professionals - employees of the company.

ENEA Foundation

The Management Board of ENEA SA established the corporate foundation called the ENEA Foundation in January of 2014. The newly established Foundation manages the area of social engagement. This will unify the social activities carried out so far by the ENEA Capital Group companies and focus social efforts on a selected area or social goal. ENEA Foundation has begun the accomplishment of the statutory purposes in July 2014.

More information about ENEA Foundation is available at: <http://www.enea.pl/fundacja/>

Development of employee volunteering

15 social initiatives were accomplished by ENEA volunteers in the first half of 2014.

Here are the most interesting ones:

With a help for family harmed in the fire: ENEA Capital Group volunteers worked on the reconstruction of the 3-year-old boy house suffering from cancer in February 2014. The house was destroyed by a Xavier hurricane shortly after the boy's parents completed a costly renovation to allow the sick child to stay at home. Volunteers of the Capital Group partially renovated the house - ENEA Operator employees, among others, installed electrical wiring.

Pillow for a baby: ENEA SA volunteers and the participants of the "Small Volunteering" program took part in the pillows embroidery action for young patients in hospitals and hospices. Action took place on 28 February 2014 within XIII Trade Meetings - Books for children and young people.

ENEA rescuers for citizens of Poznań: Rescuers from the ENEA Capital Group taught citizens of Poznań how to give first aid in May 2014. Demonstration took place during the family festival organized by the City Hall in Poznań.

International Day of Children's Book: Participants of the "Small Volunteering" program organized a collection of books, games and puzzles for children in Poznań hospitals in April 2014. Representatives of the Regional Office together with volunteers of the ENEA Capital Group donated gifts to selected institutions.

Activities for Palium hospice: The ENEA Capital Group volunteers together with volunteers of Palium hospice and representatives of the Regional Office in Poznan took part in the "Get rid of the cocoon" initiative in Spring 2014. They called to citizens of Poznań for financial assistance in completing the expansion of Palium hospice. Rescuers-volunteers of the ENEA Capital Group taught the first aid rules. Furthermore, volunteers cleaned up the garden around the hospice building while carrying out support activities in June 2014.

ENEA Capital Group supports Triathlon

ENEA Capital Group supports development of a variety of sports, including slag and volleyball, and also triathlon since 2014. ENEA SA became a sponsor of a cycle of triathlon competitions ENEA TriTour and the title sponsor of Poznań Triathlon 2014. The last event was attended by 3,000 athletes, including leading athletes from the country and abroad.

Details are available on the official website: <http://www.poznantriathlon.pl/>

Activities for the sport development awarded

ENEA SA was awarded a Sport Patron of Free Poland for contributing to the development of the Polish sport in June of 2014. The prize was granted during the Sport Success Gala of the 25th anniversary of Free Poland organized at the National Stadium in Warsaw. The ceremony was attended by President Bronisław Komorowski and Prime Minister Donald Tusk. The ceremony was organized by the Ministry of Sport and Tourism in cooperation with Polish Television and Przegląd Sportowy.

EMPLOYEES

"1 of 10,000" competition in 2014.

"1 of 10,000" competition has a long tradition in the ENEA Capital Group dating back to the 90s. Employees participating in the competition may compete in several stages of the competition and boast their expert knowledge about health and safety, labour law and principles of first aid.

Employees from ENEA SA, ENEA Centrum, ENEA Operator, ENEA Trading or Elektrownie Wodne companies took part in the competition in 2014. The final of the competition was held on 26.06.2014.

Training of employees an investment in the development of intellectual capital

ENEA Capital Group companies continue to invest in the development of professional qualifications of their employees by pursuing specialized trainings adjusted to the specific nature of the individual companies. BHU company invested in improvement of the sales managers competences, by implementing "BHU Sales Academy" program in a form of a series of trainings in the first half of 2014.

ENEA SA accomplishes a series of trainings within development program for employees of the sales area in 2014.

ENEA Trading organizes specialized trainings for its area. Employees participated in the following trainings in the first half of 2014, i.e.: workshops from risk management, training traders, or a training on technical analysis. In addition, the Company's employees may participate in professional trainings for the energy industry, conferences (also as speakers).

Safety in workplace

A "Spring control of equipment against falls from height" was an example of preventive measures taken in 2014 to improve safety of the ENEA Capital Group employees. ENERGOBUD Leszno company controlled the equipment in May 2014.

In accordance with provisions of occupational health and safety regulations, the protective equipment against falls from height should be checked every 12 months. The aim of the periodic review was to examine protective equipment against falls from height in terms of its further safe use. During the campaign 181 sets of equipment of installation electricians were examined in the entire Company. The equipment was controlled by the employees of the Central OSH Service Unit.