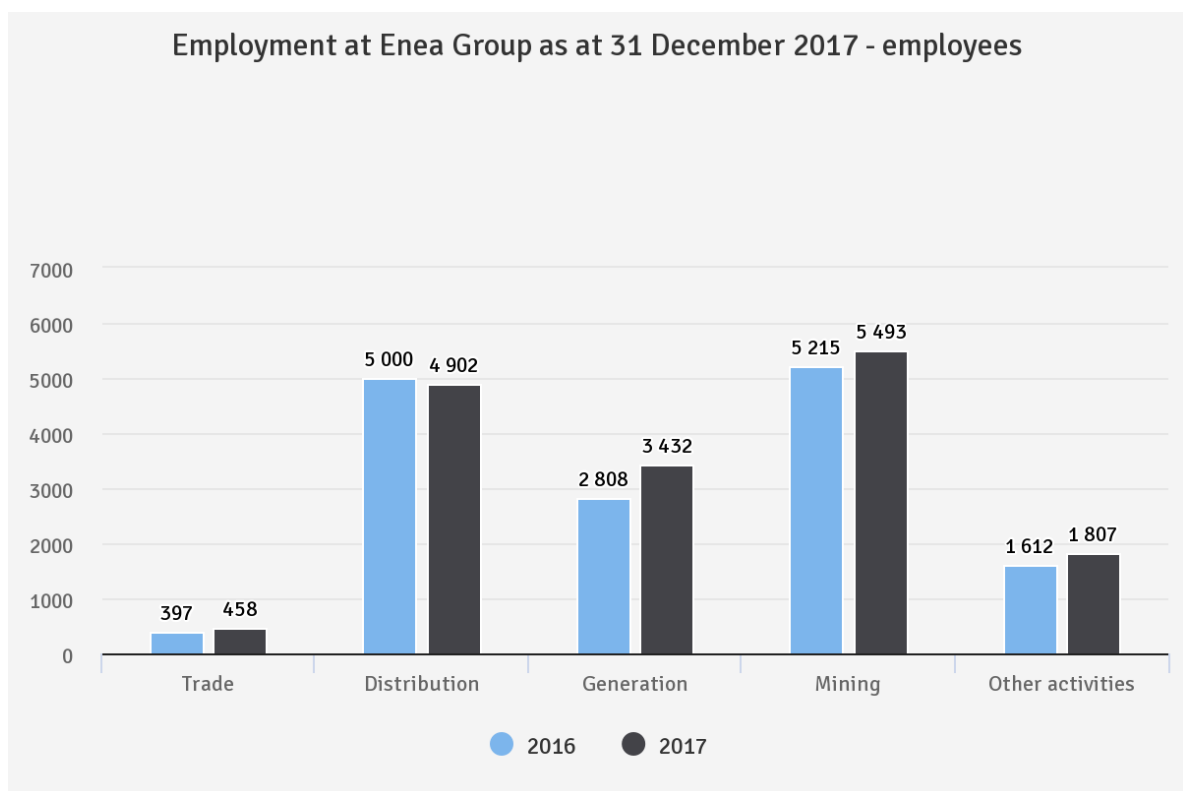


Employment

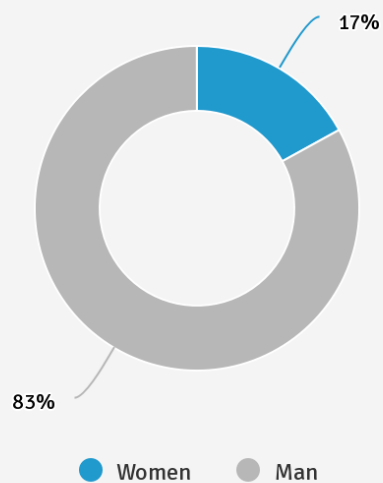
Information on employment

As at the end of 2017, 16 092 persons were actively employed¹⁾ in Enea Group. The dominant group were persons aged between 26 and 55 years, constituting 78% of all the employees. 80% of the Group's employees are persons with secondary or higher education.

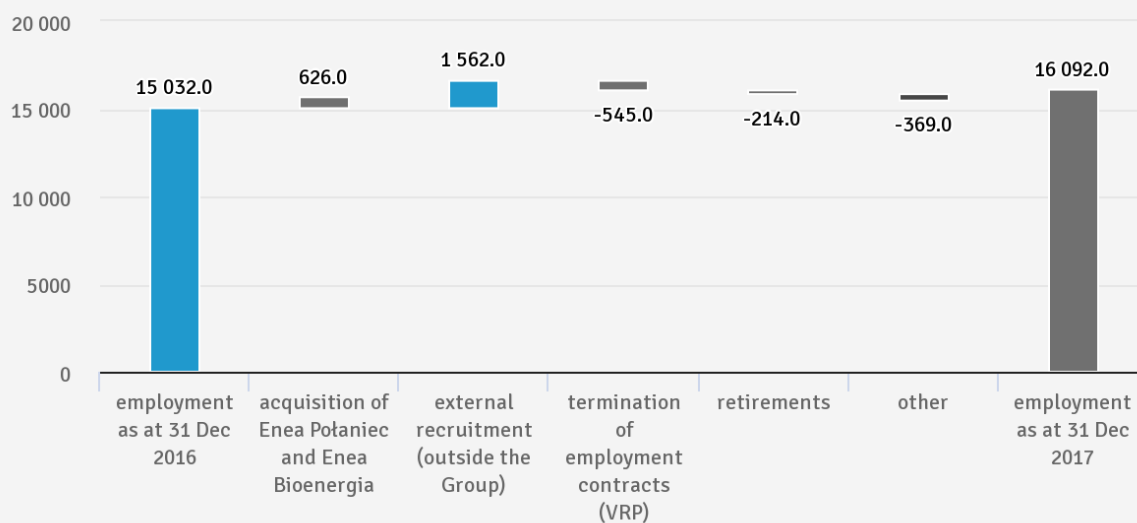
Detailed information on employment is presented on the diagrams below.



Employment at Enea Group as at 31 December 2017 - sex



Changes in employment in Enea Group - employees



HR Policy implementation at Enea Group in 2017

1. Optimisation of the HR work organisation model aimed to facilitate the Group's activity. The essence of the new model is :
 - creating HR policy at the level of Enea SA and cascading the assumptions for implementation to individual member companies of the Group, which is to ensure the cohesion of HR operations and support for the pursuit of Enea Group Strategy
 - ensuring business support in member companies of the Group through HR Business Partners responsible for implementing HR solutions, supporting the Management Boards and the management staff in HR managing, and cooperation with the company's trade union organisations
 - development and implementation of cohesive HR processes and standards throughout Enea Group in such areas as: recruiting, hiring, and changes to employment terms and conditions, development policy, training, management by objectives, incentive systems, etc.
 - leaving in the Shared Service Centre at Enea Centrum only the operating activities in the field of HR and payroll services, the Company's Welfare Benefits Fund, handling of training, and settlement of trade union organisations
2. The implementation of the Generation Change Scheme (GCS) aimed to ensure the proper exchange of personnel and maintain the competence at Enea Group, which warrants maintaining the continuity of business processes. GCS includes 3 components: the Voluntary Redundancy Scheme announced in 2016, the Competence Improvement Scheme, and the New Payroll Policy. The above components are systemic operations and will be continued in the subsequent years throughout Enea Group.
 - the Voluntary Redundancy Scheme (VRS) – the process is underway of presumed restoration of jobs for the employees who terminated their employment contracts under the VRS.
 - the Competence Improvement Scheme – starting long-term Development Schemes targeted at all employees of ENEA Group. The first stage of the project: the audit of competence, diagnosing competence gaps and obtaining employees' opinions on the organisation in the satisfaction survey – operations continued in Q1 2018.
3. HR process digitalisation – initiating the operations aimed to introduce electronic personal files (e-files) and electronic document circulation in the scope of processes handled by HRBP (recruiting, hiring, changes to employment terms and conditions, etc.).
4. Operations in the field of employer branding aimed to win the best candidates for work, including the measures targeted at students and graduates, such as promoting at higher schools and during career fairs the "Get installed at Enea" internship and student practice programme which came into effect in January 2017 and the measures targeted at students of technical schools through establishing a model of cooperation with patronage schools in the Company's area of operation, promoting employment at Enea among students (potential employees), and supporting students in the education process, e.g., through organising educational trips and meetings with experts from Enea.
5. Permanent review of incentive systems and adjusting them to market conditions; implementing the tool for management by objectives, being the basis for transparent and incentive remunerating for the performance, including remuneration for the management and for the sales personnel.

Information on the rules for remunerating in effect at Enea SA

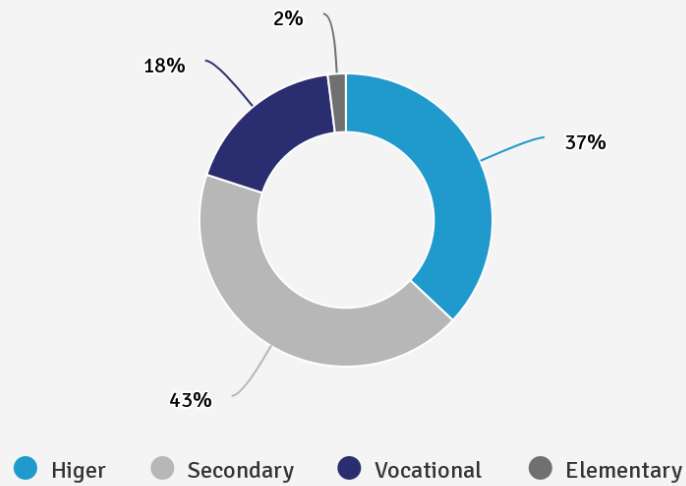
In 2017, there was no formalised remuneration policy at the Company with respect to members of the Company's bodies and the key managers. However, various formal remuneration regulations are applied in the Company. At Enea SA, remunerations are determined on the basis of the company's collective labour agreement, bonus regulations, and work regulations. The rules for determining remunerations at Enea SA are linked to its strategy, objectives, interests, and results. In addition, they are set out taking into consideration the principle of non-discrimination on any grounds. Save for the modifications in the rules of remunerating persons performing management or supervision functions, there were no significant changes to the remuneration rules applied at the Company in 2017.

The extra-financial remuneration components (including those for the key managers) applied by Enea SA in 2017 included, without limitation: health care services, training courses, welfare benefits (under the Company's Welfare Benefits Fund, i.e., co-financing the employees' holidays and sports, leisure, cultural and education activities, and low-interest loans for housing purposes), an additional day off, preferential insurance offer, company cars with the option to use them for private purposes, and the employee pension scheme.

As mentioned above, there was no formalised remuneration policy at Enea SA in 2017. However, the remunerating rules applied at the Company are assessed positively from the point of view of implementation of its objectives, including long-term increase in value for shareholders and stability of the enterprise operation.

As at 31 December 2017, neither the Issuer nor the member companies of Enea Group had any liabilities (including assumed liabilities) on account of retirement pensions or similar benefits assigned individually to former employees performing management or supervision functions or former members of administering authorities.

Employment at Enea Group as at 31 December 2017 - education



Employment at Enea Group as at 31 December 2017 - age

