



# NOTICE OF GENERAL MEETING

The Board of Directors of ČEZ, a. s., a joint-stock company with its registered office at Praha 4, Duhová 2/1444, postcode 140 53, company ID: 45274649, registered in the Commercial Register kept by the Municipal Court in Prague, Section B, Insert 1581, **hereby convenes an Annual Ordinary General Meeting, which will be held on June 28, 2021, from 10:00 a.m. at the Prague Congress Center, 5. května street no. 65, Prague 4.**

## **Introductory information on the effects of the COVID-19 pandemic:**

At the time of publication of this notice, it is not possible to predict with certainty which specific measures of public administration related to the COVID-19 pandemic and its development will be effective on the planned date of the General Meeting. The Board of Directors has adopted some measures related to the General Meeting, which are described below in this notice. These measures are considered by the Board of Directors to be minimal, taking into account the current experience with the COVID-19 pandemic and the interests of shareholders, while their essence lies in the effort to make the General Meeting as efficient and fast as possible and thus reduce the presence of the participants at the venue to the necessary time. At the same time all these measures respect and will respect the law and the Articles of Association, including the new General meeting's rules of procedure, which were approved by the General Meeting held on June 29, 2020. The Company's Board of Directors also closely monitors the situation and, in order to ensure the safety of shareholders and all persons ensuring the General Meeting, will, during the organization of the General Meeting, follow the instructions, recommendations and restrictions issued by the relevant public authorities, which will be effective at the time. **Current information and instructions for shareholders related to the General Meeting will therefore be continuously published on the Company's website [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section.**

## **Agenda of the Annual General Meeting:**

1. Company Bodies Reports
2. Vize 2030 – Clean Energy of Tomorrow (Information on CEZ Group's Development Plans Until 2030)
3. Approval of the Financial Statements of ČEZ, a. s., the Consolidated Financial Statements of CEZ Group, and the Final Financial Statements of ČEZ Korporátní služby, s.r.o., for the Year 2020
4. Decision on the Distribution of Profit of ČEZ, a. s.
5. Decision on the Appointment of an Auditor to Perform the Statutory Audit for the Accounting Period of the Calendar Years of 2021–2024
6. Decision on Donations Budget
7. Removal and Election of Supervisory Board Members
8. Removal and Election of Audit Committee Members
9. Approval of the Remuneration Report ČEZ, a. s. for the Accounting Period of 2020

## **Record Date for Attendance at the General Meeting and Explanation of Its Significance**

The record date for attending the General Meeting is June 21, 2021 (the "Record Date"). The significance of the Record Date is that the right to attend the General Meeting and to exercise the rights of a shareholder, including voting, is vested in each person recorded as a shareholder in the statutory register of investment instruments (Central Securities Depository) on the Record Date, unless it is proven that the record does not correspond to facts as of the Record Date. The extract from the register is to be obtained by the Company.

## Attendance at the General Meeting

### 1. Registration and Representation of Shareholders at the General Meeting

Registration of the shareholders will start at the General Meeting's venue at 8:00 a.m. on the day the General Meeting is held. Shareholders attend a General Meeting in person or by proxy. In compliance with the Company's Articles of Association and with Section 399(2) of Act No. 90/2012 Coll., on Business Companies and Cooperatives (Business Corporations Act), as amended (the "Business Corporations Act") the participation of a person providing assistance to a disabled shareholder is permitted. Personal data of individuals that may attend the General Meeting as shareholders or their proxies will be processed in connection with the General Meeting; details are provided on the Company's website at [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section.

A power of attorney must be in writing and must indicate whether it was granted for representation at one or several General Meetings. A shareholder may grant a power of attorney by completing a form that the Company will make available in hard copy at the Company's registered office and in electronic form on the Company's website from May 28, 2021 and which contains the basic required details of a power of attorney. For more details, refer to Section 2.e of this Notice.

A shareholder may also notify the Company of the granting or revocation of a power of attorney electronically at [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz). Such a notification must be signed with an advanced electronic signature based on a qualified certificate for electronic signature or a qualified electronic signature pursuant to Act No. 297/2016 Coll., on trust services for electronic transactions, as amended. A shareholder may also send a notification according to the first sentence of this paragraph signed by the shareholder from their data box to the Company's data box at: [yqkcads6](mailto:yqkcads6). A notification of the granting of a power of attorney must also contain, in particular: the name, date of birth and address of residence of the principal and the attorney, if they are individuals; the business name, identification number, and registered office of the principal and the attorney, if they are legal entities; whether the power of attorney is granted to the proxy for representation at the Company's Annual Ordinary General Meeting held on June 28, 2021, or at several General Meetings; whether the attorney may grant a substitute power of attorney and the date of granting the power of attorney. A notification of the revocation of a power of attorney must contain, in addition to the identification of the principal and the attorney as above, a detailed specification of the revoked power of attorney (in particular, a sufficiently specific description of the scope of authorization granted and the granting date of the power of attorney) and the effective date of the revocation of the power of attorney. If a notification of the granting or revocation of a power of attorney does not allow the Company to assess the compliance of the power of attorney or its revocation with legal requirements or unambiguous identification of the signatory (in particular, if it is not signed with an advanced electronic signature based on a qualified certificate for electronic signature or a qualified electronic signature pursuant to Act No. 297/2016 Coll., on trust services for electronic transactions, as amended, in e-mail communication), the Company is entitled, but not obliged, to request additional information to prove the shareholder's representation or its revocation. If a shareholder's notification of the granting of a power of attorney to represent the shareholder at the General Meeting meets all specified requirements, the Company will not request that the power of attorney be handed over during shareholder registration.

A shareholder may also be represented at the General Meeting or for the exercise of other rights attached to shares by a person registered in a register of investment instruments or a register of book-entry securities as an administrator and/or as a person authorized to exercise rights attached to a share. The authority of such an administrator or person to represent the shareholder at the General Meeting is evidenced by an extract from such statutory register, which is to be obtained by the Company. This is without prejudice to the obligations of a shareholder, proxy, or attorney during registration at the General Meeting pursuant to the following paragraphs of this Section 1.

If an attorney or an administrator represents more than three shareholders under powers of attorney at the General Meeting, we recommend contacting the Company at [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz) sufficiently in advance regarding the specification of a procedure for presenting such powers of attorney to the Company and the specification of the number of ballot sets that will be required by the attorney (with respect to possibly different instructions for voting by the shareholders represented by them) in order to ensure seamless shareholder registration on the date of the General Meeting.

A shareholder, who is an individual, proves his/her identity on registration by presenting his/her identity card. A member of the statutory body of a shareholder that is a legal entity proves his/her identity on registration by presenting his/her identity card and submits an original or an authenticated copy of an extract from the commercial register or other document certifying the existence of the legal entity and the manner in which the statutory body acts on behalf of the legal entity. In addition, a shareholder's attorney (other than an administrator and/or person authorized to exercise rights attached to a share registered in a register of investment instruments or a register of book-entry securities) is required to submit a written power of attorney with an officially certified signature of the principal unless the Company was duly notified of the authorization in advance in electronic form in accordance with the rules indicated above. A proxy whose right to represent a shareholder is based on a fact other than authorization is required to present documents attesting such right.

Documents authenticated by foreign authorities by virtue of which a shareholder or their representative proves their identity are to be superlegalized or provided with a stamp of apostille (certification), unless an agreement on legal assistance exists between the Czech Republic and the country where the document was authenticated. If the aforementioned documents or authentication certificates are executed in a foreign language, they must also bear a certified translation into Czech.

## **2. Rights of Shareholders Associated with Attendance at the General Meeting and the Manner of Exercising Such Rights**

Shareholders may exercise their rights at the General Meeting under the conditions stipulated by law and outlined below, that is to vote, request and receive explanations about matters relating to the Company or entities controlled by the Company if such an explanation is necessary for assessing the matters on the General Meeting agenda or for exercising shareholder rights at the General Meeting, submit proposals and counterproposals and to file protests. Shareholders may exercise such rights in person or by proxy. Shareholders bear their own expenses for attending and participating in the General Meeting.

The rules of the General Meeting's new rules of procedure, which were approved by the General Meeting held on June 29, 2020 as a part of the amendment of the Company's Articles of Association, will also be applied at the General Meeting, aimed at streamlining the General Meeting. The Company's Board of Directors has further adopted technical measures necessary to ensure due course of the General Meeting compliant with the new rules of procedure. **Main principles of the new rules of procedure and related technical measures are described below.**

**Duration of the General Meeting:** Each General Meeting **shall, as a general rule, last for a maximum of 10 hours from its opening**, whereas this maximum duration shall not include the time when (i) the Board of Directors (or other elected body) submits its proposals, reports, or other communications to the General Meeting; (ii) a break is declared in order to prepare responses to the submitted requests for explanations; and (iii) the General Meeting is suspended due to a fact preventing the continuation of its regular course.

If during the General Meeting it becomes clear that it is not possible to discuss all matters on its agenda without exceeding this maximum duration, the Board of Directors is entitled (even repeatedly, or after exceeding this maximum duration) to propose to the General Meeting either (i) suspension of the discussion and the transfer of the outstanding matters to another specified date, time, and place (but not later than the fifth working day following the commencement day of the General Meeting), or (ii) transfer of unresolved matters to the next General Meeting pursuant to Section 409 of the Business Corporations Act. The Board of Directors is obliged to submit to the General Meeting a proposal for any of the above-mentioned decisions whenever it receives an appropriate initiative from the Chairman of the General Meeting. If the General Meeting fails to adopt any of the above decisions, the General Meeting shall continue to be held beyond this so-called maximum duration.

**Discussion on requests for explanations:** Requests for explanations shall be discussed **separately for each relevant item on the General Meeting's agenda**, or for several items on the agenda jointly, **in two rounds**.

Requests for explanation are preferred (but not mandatory) in written form. A shareholder is obliged to submit written submissions containing a request for explanation either before the commencement of the General Meeting by delivering it to the Company, or at the General Meeting via the information center. A shareholder is not entitled to read a written submission containing a request for explanation during their oral address.

**A shareholder is obliged to deliver any extensive submissions with requests for explanations (containing more than 10 requests for explanations or clearly exceeding 4 standard pages of text for each individual item on the General Meeting's agenda; the "Extensive Submissions") to the Company in writing at least two working days before the date of commencement of the General Meeting.** Other written

requests for explanation to the first round of each of the individual items on the General Meeting's agenda may be delivered no later than one hour from the commencement of the course of the General Meeting. Written requests for explanation, which will be submitted to the Company before the commencement of the course of the General Meeting, may be delivered by one of the following means: (i) via the Company's data box, (ii) via e-mail to [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz), (iii) in person to the registry at the Company's registered office at Praha 4, Duhová 2/1444, postcode 140 53 (in case of Extensive Submissions no later than on June 24, 2021 and in case of other written submissions no later than June 25, 2021, always no later than 3:00 p.m.), or (iv) by mail or other delivery services to the same address (in such a case the consignment must be delivered in case of Extensive Submission no later than on June 24, 2021 and in case of other written submission no later than on June 25, 2021).

A shareholder is further entitled to submit their request for explanation **as a part of their oral address**, during the first or second round of discussions of the requests for explanations, **provided that they apply for the relevant round in time** and observe other rules set out for individual rounds during their address.

**In the first round** of each individual item on the General Meeting's agenda, each shareholder may speak **only once** with their address, whereas the address is limited in time (**maximum 10 minutes**), and they may submit a **maximum of 5 requests for explanation** during the address. In addition, they shall be entitled to add an oral rationale or explanation to their requests for explanation submitted in their written submissions. It shall be possible to **apply** for the first round of each of the individual items on the General Meeting's agenda **no later than one hour from the commencement of the course of the General Meeting**. A shareholder may apply for the first round also prior to the commencement of the General Meeting by one of the following means: (i) via the Company's data box, (ii) via e-mail to [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz), (iii) in person to the registry at the Company's registered office at Praha 4, Duhová 2/1444, postcode 140 53 (no later than June 25, 2021 at 3:00 p.m.), or (iv) by mail or other delivery services to the same address (in such a case the consignment must be delivered no later than on June 25, 2021).

**In the second round**, the number of addresses by one shareholder is not limited, but the **total duration** of all their addresses **may not exceed 10 minutes**. It shall be possible to apply for the oral address always until the given second round of the relevant General Meeting's agenda is terminated (on condition that the shareholder did not use up the total time for oral addresses). The second round ends with the submission of an explanation to all submitted requests for explanation, provided that no other shareholders are have applied for their address.

A representative of several shareholders is considered to be one shareholder for the purposes of the above restrictions.

**Providing explanations:** The Company will provide the shareholder with an explanation unless no response needs to be given under the law. Explanations may be provided as a summary response to multiple questions with similar contents. The Company will provide to the shareholder explanation on matters relating to the current General Meeting directly at that General Meeting. If that is not possible due to the complexity of the explanation, the Company will provide the explanation to the shareholder within 15 days following the date of the General Meeting. an explanation is deemed as provided to the shareholder even if the information was published on the Company's website no later than on the day preceding the course of the General Meeting and is available to the shareholder at the place of the General Meeting.

**Technical measures:** During the registration each shareholder shall receive a card, which shall serve for their identification when executing their shareholder rights, in particular for submitting written requests for explanations, applying for oral addresses and identifying themselves during oral addresses. Such shareholder's card is non-transferable and may be used solely by the shareholder (or their proxy respectively) to whom it was issued. The Company has implemented technical solution, which enables the monitoring of the number of written requests for explanation submitted and the transparent monitoring of the duration of oral addressed of individual shareholders, to ensure the compliance with condition stipulated by the General Meeting's rules of procedure. The Company has prepared for the shareholders basic information on how to use the shareholder's card and an overview of main rules for submitting requests for explanations according to the General Meeting's new rules of procedure, which will be available on the Company's website [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section.

In relation to the **COVID-19 pandemic** in particular the **following measures** will be adopted:

- health and hygiene measures in the form and scope according to the current situation and currently valid recommendations or measures taken by public authorities; current information and instructions for shareholders related to the General Meeting will be continuously published on the Company's website [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section;
- the Company notifies shareholders that given the current situation the verbal presentations of reports and proposals submitted by the Company's bodies may be reduced, e.g. limited to brief summaries and texts of drafts of approved resolutions; the Company therefore invites shareholders to acquaint themselves in advance with all documents and proposals published by the Company under this notice, its annexes or on the Company's website;
- the Board of Directors points out that in justified cases the members of the individual bodies of the Company may participate at the General Meeting via technical means – videoconferencing, etc.

#### **a. Number of Shares and Voting Rights**

The Company's registered capital is CZK 53,798,975,900 (in words: fifty-three billion seven hundred ninety-eight million nine hundred seventy-five thousand nine hundred Czech crowns) and is divided into 537,989,759 shares (in words: five hundred thirty-seven million nine hundred eighty-nine thousand seven hundred fifty-nine shares), each with a nominal value of CZK 100 (in words: one hundred Czech crowns). One vote is attached to each Company share with a nominal value of CZK 100 (in words: one hundred Czech crowns); the total number of votes attached to Company shares thus amounts to 537,989,759 (in words: five hundred thirty-seven million nine hundred eighty-nine thousand seven hundred fifty-nine). All the shares of the Company are issued as book-entry bearer shares and have been admitted to trading on a European regulated market. Shareholders are not required to exercise the voting rights attached to all their shares in the same manner.

#### **b. Attendance and Voting at the General Meeting**

Attending shareholders are registered in an attendance list, specifying the business name or the name and the registered office of the legal entity or the name and the place of residence of the individual that is a shareholder, and/or a proxy of the same, the number and nominal value of shares entitling the shareholder to vote or, as the case may be, information that such a share does not entitle its holder to vote. Shareholders -legal entities with registered office in the Czech Republic and legal arrangements that are obliged to register the beneficial owner according to Act No. 37/2021 Coll., on the registration of beneficial owners, and that will have no beneficial owner according to the above act registered as of the date of the General Meeting, shall not be entitled to exercise at the General Meeting the voting rights attached to their shares.

Voting at the General Meeting takes place after the General Meeting has been informed of all shareholder proposals and counterproposals duly and timely submitted for the item on the General Meeting agenda that is to be voted on; firstly, the Board of Directors' proposal is voted on; secondly, the Supervisory Board's proposal is voted on; thirdly, proposals and counterproposals submitted by shareholders are voted on in the order of submission. Once a submitted proposal is approved, no other proposals or counterproposals contradicting the approved proposal are voted on. Debate and/or voting on other matters proceed in compliance with the Articles of Association and the Business Corporations Act.

Voting is executed by ballot according to instructions given by the chairperson of the General Meeting. In their ballot, each shareholder makes their choice for a proposed resolution that is voted on by crossing through "FOR" or "AGAINST" and signing the ballot. If a shareholder wishes to abstain from voting, they do not submit their ballot. Unsigned ballots are invalid. Ballots that do not allow identifying the shareholder's will are also invalid. If a shareholder submits an invalid ballot or a ballot other than the one that should have been used for voting on the given item, the shareholder is deemed to abstain from voting.

The General Meeting decides by a simple majority of votes of attending shareholders, unless the law or the Company's Articles of Association require a different majority.

#### **c. Right to Submit Proposals and Counterproposals**

A shareholder may submit proposals and counterproposals on matters included in the General Meeting agenda, unless the impossibility to submit a proposal or counterproposal by the shareholder arises from the nature of

the matter in question. If a shareholder wishes to submit a proposal or counter-proposal to the matters on the General Meeting agenda, such proposal or counterproposal must be delivered to the Company in writing no later than 10 days before the General Meeting is held (i.e. no later than on Friday, June 18, 2021 by one of the following means: (i) via the Company's data box, (ii) via e-mail to [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz), (iii) in person to the registry at the Company's registered office at Praha 4, Duhová 2/1444, postcode 140 53, whereas on the last day of the period for delivery the registry will accept such filings until 3:00 p.m., or (iv) by mail or other delivery services to the same address). The 10-day deadline prior to the General Meeting does not apply to proposals to elect or remove particular individuals to/from the Company's bodies or related proposals and counterproposals concerning such persons. The Board of Directors will publish the proposals and counterproposal (including their rationale, if any) delivered within the above deadline together with the Board of Director's position on the Company's website [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section. Proposals and counterproposals received after the above deadline will not be discussed at the General Meeting; this is without prejudice to Section 362 of the Business Corporations Act.

#### **d. Right to Request That a Particular Matter Be Included in the General Meeting Agenda**

If so requested by a Company shareholder or shareholders holding shares whose total nominal value is at least 1% of the Company's registered capital, the Board of Directors will include a matter requested by them in the General Meeting agenda provided that each such matter is supplied with a draft resolution or a rationale for inclusion. The request must be delivered to the Company no later than 10 days before the record date, i.e. no later than on Friday, June 11, 2021, by one of the following means: (i) via the Company's data box, (ii) via e-mail to [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz), (iii) in person to the registry at the Company's registered office at Praha 4, Duhová 2/1444, postcode 140 53, whereas on the last day of the period for delivery the registry will accept such filings until 3:00 p.m., or (iv) by mail or other delivery services to the same address).

#### **e. Manner and Place for Obtaining Documents**

From no later than May 28, 2021, to the date of the General Meeting (inclusive), shareholders may:

- Inspect free of charge the annual financial statements of ČEZ, a. s., for 2020, consolidated financial statements of CEZ Group for 2020, final financial statements of the company ČEZ Korporátní služby, s.r.o., the Related Parties Report for 2020, and other documents relating to the General Meeting agenda, the General Meeting draft resolutions, including shareholders' relevant proposals and counterproposals, the rationales thereof, or, as the case may be, comments of the Board of Directors on individual items on the agenda, in the Company's registered office at Duhová 2/1444, Praha 4, postcode 140 53, as well as in the Company building at Duhová 1/425, Praha 4, postcode 140 00, on business days from 8:00 a.m. to 4:00 p.m.;
- Obtain a printed form of a power of attorney to represent a shareholder at the General Meeting in the Company's registered office at Duhová 2/1444, Praha 4, postcode 140 53, as well as in the Company building at Duhová 1/425, Praha 4, postcode 140 00, on business days from 8:00 a.m. to 4:00 p.m., or, as the case may be, request in person at the addresses given above or in writing at the Company's registered office that a printed copy of the form be sent to them at their own expense and at their own risk;
- Download the following documents in electronic form from the Company's website at [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section:
  - Form of a power of attorney, or have the form sent electronically at the e-mail address: [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz);
  - Documents regarding the General Meeting agenda, including the full versions of the annual financial statements of ČEZ, a. s., consolidated financial statements of CEZ Group for 2020, final financial statements of the company ČEZ Korporátní služby, s.r.o., and the Related Parties Report for 2020;
  - General Meeting draft resolutions, including shareholders' relevant proposals and counterproposals, the rationales for the General Meeting draft resolutions, or, as the case may be, comments of the Board of Directors on individual items on the General Meeting agenda;
- Familiarize themselves with the notice of the Annual General Meeting in the Company's registered office at Duhová 2/1444, Praha 4, postcode 140 53, or in the Company building at Duhová 1/425, Praha 4, postcode 140 00, on business days from 8:00 a.m. to 4:00 p.m., as well as on the Company's website at [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2020 General Meeting in the "General Meetings" section, in the Commercial Bulletin, and/or in other sources of information.

The e-mail address [valna.hromada@cez.cz](mailto:valna.hromada@cez.cz) is reserved solely for the purposes listed herein.

Information for shareholders will also be provided at the General Meeting venue's the date of the General Meeting as follows:

- Documents regarding the General Meeting agenda, including the CEZ Group 2020 Annual Report, the ČEZ Korporátní služby, s.r.o., 2020 Annual Report (the "Annual Reports") and the Company's Articles of Association will be available in electronic form via several PC stations;
- The Annual Reports and the Company's Articles of Association will also be available for review in a printed form and in a limited number of pieces in the information center of the General Meeting;
- Procedural information related to the course of the General Meeting will be provided to shareholders through the information center.

The Company has complied with its publication obligation in relation to the documents regarding the General Meeting agenda, in particular, electronically via the Company's website at [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section (see also the third bullet above of this Section). The Company advises the shareholders that they arrange in advance access to such published documents for the duration of the General Meeting, if they consider it necessary for the exercise of their shareholder rights, by own print or, as the case may be, on their own electronic equipment (tablets, mobile phones, laptops, etc.).

## **General Meeting draft resolutions and the rationales thereof or comments of the Board of Directors on the individual items on the General Meeting agenda:**

### **Item 1: Company Bodies Reports**

#### **Board of Directors' comment:**

The Board of Directors' Report on the Company's Business Activities is presented to the General Meeting in compliance with the Company's Articles of Association. Further the Summary Report pursuant to Section 118(9) of the Capital Market Undertakings Act, and Conclusions of the Related Parties Report are presented to the General Meeting in compliance with the law and the Company's Articles of Association.

Furthermore, the Supervisory Board Report is presented to the General Meeting in compliance with the law and the Company's Articles of Association. The Supervisory Board Report includes comments on the Company's annual financial statements, consolidated financial statements, final financial statements of ČEZ Korporátní služby, s.r.o., and on the proposal for the distribution of the Company's profit pursuant to Section 447(3) of the Business Corporations Act and Article 18(5)(c) of the Company's Articles of Association and on the Related Parties Report pursuant to Section 83(1) of the Business Corporations Act and Article 18(5)(c) of the Company's Articles of Association.

Next the Audit Committee Report on the results of its activities is presented to the General Meeting in compliance with the Company's Articles of Association.

There is no draft resolution submitted within this agenda item, as this agenda item is not voted on.

### **Item 2: Vize 2030 – Clean Energy of Tomorrow (Information on CEZ Group's Development Plans Until 2030)**

#### **Board of Directors' comment:**

On the subject of Vize 2030—Clean Energy of Tomorrow, the Board of Directors presents information on CEZ Group's development plans until 2030. Given the changing social and economic environment, the Board of Directors considers it appropriate to provide shareholders with basic information about CEZ Group's development plans until 2030. The appropriate platform for providing such information is the General Meeting. The purpose of including this item on the General Meeting agenda is not to take any decision at the General Meeting regarding the CEZ Group's development plans, as they are fully in line with the business concept approved in 2019. As such, this item is of a purely informative nature and will not include voting on any draft resolution.

### **Item 3: Approval of the Financial Statements of ČEZ, a. s., the Consolidated Financial Statements of CEZ Group, and the Final Financial Statements of ČEZ Korporátní služby, s.r.o., for the Year 2020**

#### **Draft resolution (1):**

**The General Meeting of ČEZ, a. s., approves the financial statements of ČEZ, a. s., prepared as of December 31, 2020.**

#### **Draft resolution (2):**

**The General Meeting of ČEZ, a. s., approves the consolidated financial statements of CEZ Group prepared as of December 31, 2020.**

#### **Draft resolution (3):**

**The General Meeting of ČEZ, a. s., approves the final financial statements of ČEZ Korporátní služby, s.r.o., prepared as of December 31, 2020.**

#### **Rationale:**

In accordance with the relevant provisions of the act and the Company's Articles of Association, the Board of Directors submits to the General Meeting the financial statements of ČEZ, a. s., and the consolidated financial statements of CEZ Group as of December 31, 2020.

Pursuant to Sec. 19a and Sec. 23a of the Accounting Act, the financial statements of ČEZ, a. s., and the consolidated financial statements of CEZ Group as of December 31, 2020, were prepared in accordance with International Financial Reporting Standards. Both sets of prepared financial statements comprise, respectively, the following financial statements, or the consolidated financial statements: a balance sheet, a statement of income, a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows and notes to the financial statements, or notes to the consolidated financial statements. In accordance with the relevant provisions of the Accounting Act, the financial statements and the consolidated financial statements have been audited by an independent auditor. The audit was performed by the company Ernst & Young Audit, s.r.o. According to the independent auditor's opinion dated March 15, 2021, the financial statements give a true and fair view of the financial position of ČEZ, a. s., as at December 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union. According to the independent auditor's opinion dated March 15, 2021, the consolidated financial statements give a true and fair view of the consolidated financial position of CEZ Group as at December 31, 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

The financial statements of ČEZ, a. s., and the consolidated financial statements of CEZ Group are part of the CEZ Group's Annual Report in their entirety, available to shareholders at the General Meeting and on the Company's website. The values from the financial statements and the consolidated financial statements, i.e. the balance sheet, statement of income, statement of comprehensive income, statement of changes in equity, and statement of cash flows, are also presented within the documents on this agenda item of the General Meeting of ČEZ, a. s., published on the Company's website [www.cez.cz](http://www.cez.cz) under the link "Investors" in the section of "General Meetings" concerning the General Meeting of 2021.

The Board of Directors also submits the final financial statements of ČEZ Korporátní služby, s.r.o., as of December 31, 2020, for approval by the General Meeting. ČEZ Korporátní služby, s.r.o., was a wholly-owned subsidiary of ČEZ, a. s., and ceased to exist as a result of the merger by acquisition into the successor company ČEZ, a. s., with the record date and the effective date of the merger being January 1, 2021. The financial statements of the merging company were completed after the effective date of the merger and therefore could not be approved by the merging company's supreme body before its deletion from the Commercial Register. Pursuant to Sec. 95b(4) of the Act on the transformation of companies and cooperatives, the final financial statements of the merging company are in such case approved by the supreme body of the successor company.

The financial statements of ČEZ Korporátní služby, s.r.o., as of December 31, 2020, were prepared in accordance with Czech accounting regulations. The financial statements, the balance sheet in full extent, statement of income in full extent, statement of cash flows and statement of changes in equity, and notes to the financial statements were prepared. In accordance with the respective provision of the Accounting Act,



the financial statements have been audited by an independent auditor. The audit was performed by the company Ernst & Young Audit, s.r.o. According to the independent auditor's opinion dated March 11, 2021, the financial statements give a true and fair view of the assets, equity and liabilities of ČEZ Korporátní služby, s.r.o., as at December 31, 2020, and the costs and revenues and financial results and cash flows for the year ended December 31, 2020, in accordance with Czech accounting regulations.

The financial statements of ČEZ Korporátní služby, s.r.o., are part of the annual report of ČEZ Korporátní služby, s.r.o., in their entirety, available to shareholders at the General Meeting and on the website of ČEZ, a. s. The financial statements, i.e. the balance sheet in full extent, statement of income in full extent, statement of cash flows and statement of changes in equity, are also presented within the documents on this agenda item of the General Meeting of ČEZ, a. s., published on the Company's website [www.cez.cz](http://www.cez.cz) under the link "Investors" in the section of "General Meetings" concerning the General Meeting of 2021.

All three financial statements were discussed by the Board of Directors of ČEZ, a. s., audited by an independent auditor giving the opinions cited above, and reviewed by the Company's Supervisory Board concluding that it recommends their approval to the General Meeting. Based on the independent auditor's reports, the Board of Directors proposes that the General Meeting approve the financial statements of ČEZ, a. s., as of December 31, 2020, the consolidated financial statements of CEZ Group as of December 31, 2020, and the final financial statements of ČEZ Korporátní služby, s.r.o., as of December 31, 2020.

#### **Item 4: Decision on the Distribution of Profit of ČEZ, a. s.**

##### **Draft resolution:**

**The General Meeting of ČEZ, a. s. approves the distribution of the Company's 2020 profit amounting to CZK 21,076,986,263.84 and a portion of retained earnings amounting to CZK 6,898,481,204.16 as follows:**

- **Share in profit to be distributed to shareholders (the "dividend") ..... CZK 27,975,467,468.00**

**The dividend is CZK 52 per share before tax.**

**The record date for entitlement to the dividend is July 2, 2021. Entities that will be shareholders of the Company as at the record date for entitlement to the dividend will be entitled to the dividend.**

**The above-mentioned amount of the dividend is calculated from the total number of Company shares issued. The dividend allocated to treasury shares held by the Company as at the record date for entitlement to the dividend will not be paid. The amount corresponding to the dividend on treasury shares held by the Company as at the record date for entitlement to the dividend will be transferred to the retained earnings account.**

**The dividend is payable on August 2, 2021. The dividend will be paid through Česká spořitelna, a.s., company reg. No. 45244782, having its registered office at Olbrachtova 1929/62, Praha 4, postcode 140 00, in the manner presented to this General Meeting and published on the Company's website at [www.cez.cz](http://www.cez.cz) under the "Investors" link, in the subsection concerning the 2021 General Meeting in the "General Meetings" section. The dividend will be paid until July 31, 2025.**

##### **Rationale:**

Pursuant to the applicable provisions of law and the Company's Articles of Association, decisions on the distribution of profit are within the powers of the General Meeting. The proposal for the distribution of the profit of ČEZ, a. s., as presented by the Board of Directors to the General Meeting for approval is in compliance with the applicable provisions of law and the Company's Articles of Association.

The submitted proposal for the distribution of profit share to shareholders (hereinafter referred to as the "dividend") is based on the dividend policy in force, defining the dividend payment in the amount derived from CEZ Group's consolidated net income for the past year, and also reflects the proceeds from the sale of Romanian assets this year. Therefore, the submitted proposal has two components of the total dividend—ordinary and extraordinary.

The Company's current dividend policy assumes a dividend of 80–100% of CEZ Group's consolidated net

income adjusted for extraordinary effects. CEZ Group's adjusted consolidated net income amounted to CZK 22.8 billion for 2020. From this base, an ordinary dividend component equivalent to 100% of adjusted consolidated net income for 2020 was determined. In addition, an extraordinary dividend component of CZK 5.2 billion was set to reflect the contribution of the sale of Romanian assets to CEZ Group's total debt capacity.

The Board of Directors proposal for the distribution of the profit of ČEZ, a. s., reflects the current strategy and accounts for the current outlook for and stability of estimated cash flows with the aim of maintaining CEZ Group's medium-term financial stability.

The Supervisory Board reviewed the Board of Directors' presented proposal for the distribution of the profit of ČEZ, a. s., recommending that the General Meeting approve it.

#### **Item 5: Decision on the Appointment of an Auditor to Perform the Statutory Audit for the Accounting Period of the Calendar Years of 2021–2024**

##### **Draft resolution (1):**

**The General Meeting of ČEZ, a. s., appoints Ernst & Young Audit, s.r.o., company Reg. No. 26704153, having its registered office at Na Florenci 2116/15, Nové Město, 110 00 Praha 1, as the auditor to perform the statutory audit for the accounting period of the calendar years of 2021 and 2022.**

##### **Draft resolution (2):**

**The General Meeting of ČEZ, a. s., appoints Deloitte Audit s.r.o., company Reg. No. 49620592, having its registered office at Italská 2581/67, Vinohrady, 120 00 Praha 2, as the auditor to perform the statutory audit for the accounting period of the calendar years of 2023 and 2024.**

##### **Rationale:**

Act No. 93/2009 Sb., on auditors, as amended, requires an accounting entity that is a legal person and that is required to have its financial statements or consolidated financial statements audited to have the auditor appointed by its supreme governing body; for ČEZ, a. s., this is the Company's General Meeting.

In compliance with the provision of Section 43 of the Auditors Act as well as in compliance with Article 18(5)(i) of the Company's Articles of Association, an auditor is to be proposed to the General Meeting by the Supervisory Board, taking account of the Audit Committee's recommendation.

At its meeting on March 25, 2021, the Audit Committee, in accordance with its powers pursuant to Sec. 44a of Act No. 93/2009 Sb., on auditors, as amended, discussed and recommended that the Supervisory Board of ČEZ, a. s., propose to the General Meeting the appointment of Ernst & Young Audit, s.r.o., as the auditor to conduct the statutory audit for 2021 and 2022, and Deloitte Audit s.r.o., for 2023 and 2024.

A valid contract for the verification of financial statements has been concluded with Ernst & Young Audit, s.r.o. The last statutory audit under this contract may be conducted for the financial year of 2022, in accordance with the provisions of Art. 41(2) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014, on specific requirements regarding statutory audit of public-interest entities (hereinafter referred to as the "EU Regulation").

In accordance with the EU Regulation and also in accordance with Act No. 93/2009 Sb., on auditors, and Act No. 134/2016 Sb., on public procurement, a tender procedure was performed for the purpose of selecting an audit company to conduct a statutory audit in ČEZ, a. s., and some CEZ Group companies for the period beginning in 2023. When assessing the submitted proposals, the tender was awarded to Deloitte Audit s.r.o., Reg. No.: 49620592. The tender assessment report was then discussed and approved by the Audit Committee of ČEZ, a. s.

In accordance with the Audit Committee's recommendation, the Supervisory Board submits to the General Meeting a proposal to appoint Ernst & Young Audit, s.r.o., as the auditor to perform the statutory audit for 2021 and 2022, and Deloitte Audit s.r.o., as the auditor to perform the statutory audit for 2023 and 2024.

## Item 6: Decision on Donations Budget

### Draft resolution:

**The General Meeting of ČEZ, a. s., approves a 2022 donations budget of CZK 110 million.**

### Rationale:

The proposal made by the Board of Directors is a follow-up to CEZ Group's long-term philanthropic activities. Donation activities reflect CEZ Group's social responsibility, while also being a means for promoting the Company's positive image.

### Donations Strategy for 2022

CEZ Group cares about being perceived as a good partner in the regions where it operates, especially in the neighborhood of its generating facilities. It wants to be a natural part of and contribute its part toward the improvement of everyday local life. It has long been contributing to infrastructure improvement and community life development and supporting projects in the field of education, culture, sports, healthcare, environmental protection, etc. through corporate donations according to its motto "We Help Where We Operate." Together with municipalities, CEZ Group is thus fulfilling the UN's Sustainable Development Goals (SDGs), to which Czechia has also committed. In particular, this involves Goal 3 (Good Health and Well-being—we support local hospitals, social and health care facilities, sports and leisure clubs), Goal 4 (Quality Education—we support kindergartens, primary and secondary schools, local libraries, cultural facilities and social and cultural events), Goal 8 (Decent Work and Economic Growth—we support up-skilling and retraining programs, sheltered workshops), Goal 10 (Reduced Inequalities—we support the inclusion of people with disabilities into mainstream life, reduction of educational gaps for children from disadvantaged families), Goal 11 (Sustainable Cities and Communities—we support the introduction of energy saving measures in public buildings, better transport, modernization of public lighting) and Goal 15 (Life on Land—we support environmental associations and organizations, various events, and activities to improve the environment, etc.). At the same time, CEZ Group is one of the few to provide support to a wide range of foundations and nonprofit organizations that are working to meet these global goals as well. Also thanks to CEZ Group, Czechia as a whole ranked 8th out of 166 countries in the global comparative ranking tracking the implementation of the SDGs.

By continued donation activities with impact on infrastructure development and community life promotion, CEZ Group significantly helps build on one of the strategic pillars of Sustainable Development, namely Being a Good Partner.

The ČEZ Foundation, as one of the earliest corporate foundations, has been helping throughout Czechia for 19 years. For municipalities, hospitals, schools and nursery schools, as well as not-for-profit organizations and other entities, the ČEZ Foundation has been a vital partner in their operations and development. Every year it makes calls for grant applications to respond to society's current needs and make people's lives better. A total of 1,850 projects with a total value of CZK 195.2 million were supported through the ČEZ Foundation in 2020. Information about all supported projects is published in ČEZ Foundation annual reports every year.

The non-financial evaluation of companies according to ESG (Environment, Social, Governance) criteria emphasizes, among other things, the development of community relations, which the ČEZ Foundation has been taking care of through its donorship program for almost two decades.

The EPP—Move to Help mobile app has found favor with more than 500,000 users during the past 6 years. It is the users who have control over where the ČEZ Foundation's support will be directed. The Foundation provided financial support of CZK 23.9 million to over 300 projects in 2020.

CEZ Group employees are also greatly engaged in donations. They contributed a record-breaking amount of almost CZK 3 million in their traditional collection campaign named "Granting Wishes, Thinking about Others" in 2020. The ČEZ Foundation doubled the amount and provided the aid to 101 people who faced a difficult situation in their lives due to severe illness or injury. Employee involvement in donorship is also part of developing the employee engagement, which is an integral social factor in monitoring the ESG criteria.

The 2020 Annual Report of ČEZ, a. s., includes a link to [www.cez.cz/dary](http://www.cez.cz/dary) on page 136. The Web page shows a list of all beneficiaries of donations made by the Company in 2020, including donation purposes. The list does

not show the amounts of donations. This is to prevent the discrimination of beneficiaries that apply for donations or subsidies from other donors and institutions.

#### **Proposed terms for financial donations in 2022:**

- The total amount of funds that the Company can use to give donations in 2022 will be CZK 110 million;
- We anticipate that approximately CZK 50 million of this amount will be spent in 2022. CZK 50 million will be transferred to the CEZ Foundation account in connection with projects implemented through the CEZ Foundation;
- In the context of the operation, construction, and renovation of ČEZ generating facilities and distribution grids, we estimate that donations of approximately CZK 60 million will be given to selected entities directly by ČEZ, a. s., not through the ČEZ Foundation in order to maintain positive relations with the affected regions.

#### **Item 7: Removal and Election of Supervisory Board Members**

##### **Board of Directors' comment:**

This item will be discussed depending on proposals possibly submitted by shareholders. Service contracts will be concluded with newly elected members of the Supervisory Board using the template wording approved by the Company's General Meeting on June 3, 2016.

The Board of Directors would also like to point out that this item on the General Meeting's agenda anticipates potentially voting on two relatively independent sets of issues, namely the removal of current members of the Supervisory Board and the election of new members. The two sets will be debated separately, meaning that if proposals are submitted on this item, any proposals to remove members of the Supervisory Board will be voted on first (in the order specified by the Company's Articles of Association) and only then will any proposals for the election of new members of the Supervisory Board be voted on in the appropriate order. It is therefore needed that shareholders submit any proposals to elect or remove members of the Supervisory Board separately.

The foregoing procedure will ensure, among other things, that it is clear in advance how many vacancies on the Supervisory Board, arisen after the potential removal of existing members, can be filled by electing new members.

#### **Item 8: Removal and Election of Audit Committee Members**

##### **Board of Directors' comment:**

This item will be discussed depending on proposals possibly submitted by shareholders. Service contracts will be concluded with newly elected members of the Audit Committee using the template wording approved by the Company's General Meeting on June 3, 2016.

The Board of Directors would also like to point out that this item on the General Meeting's agenda anticipates potentially voting on two relatively independent sets of issues, namely the removal of current members of the Audit Committee and the election of new members. The two sets will be debated separately, meaning that if proposals are submitted on this item, any proposals to remove members of the Audit Committee will be voted on first (in the order specified by the Company's Articles of Association) and only then will any proposals for the election of new members of the Audit Committee be voted on in the appropriate order. It is therefore needed that shareholders submit any proposals to elect or remove members of the Audit Committee separately.

The foregoing procedure will ensure, among other things, that it is clear in advance how many vacancies on the Audit Committee, arisen after the potential removal of existing members, can be filled by electing new members.

## **Item 9: Approval of the Remuneration Report ČEZ, a. s. for the Accounting Period of 2020**

### **Draft resolution:**

**The General Meeting of ČEZ, a. s. approves the Remuneration Report ČEZ, a. s. for the accounting period of 2020, as submitted to the General Meeting by the Company's Board of Directors.**

### **Rationale:**

In compliance with the provisions of Sections 121(o) to 121(q) of Act No. 256/2004 Coll., Capital Market Undertakings Act, as amended (hereinafter referred to as the "CMUA"), the approval of the remuneration report falls within the exclusive competence of the Company's General Meeting that is an issuer pursuant to Section 118(1)(a) of the CMUA. The remuneration report shall be submitted to the General Meeting by the Board of Directors in accordance with the provisions of Section 121(o)(3) of the CMUA.

In this context, the Board of Directors shall submit to this General Meeting for approval the Remuneration Report ČEZ, a. s. for the accounting period of 2020 (hereinafter referred to as the "Remuneration Report").

The submitted Remuneration Report is a successor to the Remuneration Policy ČEZ, a. s., which was approved by the Company's General Meeting on June 29, 2020 and which was the first remuneration policy submitted to the General Meeting after Act No. 204/2019 Coll., entered into force, amending the CMUA. The Remuneration Report is prepared for the accounting period of 2020 and includes the remuneration not only of the current members of the Board of Directors and the Supervisory Board, but also of former members who were granted remuneration in 2020. In the remuneration of the members of the Board of Directors and the Supervisory Board in 2020, the Company did not deviate from the Remuneration Policy ČEZ, a. s., approved by the Company's General Meeting on June 29, 2020. The Remuneration Report has been audited by Ernst & Young Audit, s.r.o., in accordance with Section 121(q) of the CMUA; the audit certificate is attached to the Remuneration Report.

After its approval by the General Meeting, the Remuneration Report ČEZ, a. s. for the accounting period of 2020 will be published on the Company's website in accordance with the CMUA.

### **Annexes:**

1. Remuneration Report ČEZ, a. s. for the accounting period of 2020 submitted by the Board of Directors to the General Meeting of the Company for approval on 28. 6. 2021

**Board of Directors of ČEZ, a. s.**