

Articles of Association of ČEZ, a. s.

*In the wording of amendments adopted by the Company's General Meeting held on
June 28 and 29, 2022 and effective from June 30, 2022*

I. PRINCIPAL PROVISIONS

Article 1

Corporate Name, Registered Office and Internet Website of the Company

1. The company's corporate name is ČEZ, a. s. (hereinafter as the "company").
2. The company's registered office is at Prague 4, Duhová 2/1444, 140 53.
3. The company's internet website is available at www.cez.cz.

Article 2

Scope of Business

1. The scope of the company's business is as follows:
 - a) power generation;
 - b) power trading;
 - c) thermal energy generation;
 - d) thermal energy distribution;
 - e) gas trading;
 - f) production, business and services not stated in annexes 1 to 3 of the Trade Licensing Act, specifically:
 - (i) Provision of services for agriculture, horticulture, fishing, forestry and hunting;
 - (ii) Professional forest management and production of forest management plans and outlines;
 - (iii) Publishing, printing, binding and copying;
 - (iv) Manufacture of building materials, porcelain, ceramic and plaster products;
 - (v) Manufacture of measuring, testing, navigation, optical and photographic instruments and equipment;
 - (vi) Manufacture of electronic components, electrical equipment, and the manufacture and repair of electrical machinery, appliances and electronic equipment powered by low voltage;
 - (vii) Manufacture, repair and maintenance of sport products, games, toys and prams and pushchairs;
 - (viii) Operation of water supply and wastewater services, and water treatment and distribution;
 - (ix) Waste management (except hazardous waste);
 - (x) Preparatory and finishing work, specialized construction activities;
 - (xi) Intermediation in trade and services;

- (xii) Wholesale and retail trade;
- (xiii) Maintenance of motor vehicles and accessories;
- (xiv) Storage, packaging of goods, cargo handling and technical activities in transport;
- (xv) Forwarding and representation in customs procedure;
- (xvi) Accommodation services;
- (xvii) Provision of software, information technology consulting, data processing, hosting and related activities and web portals;
- (xviii) Real estate services, facility management and maintenance;
- (xix) Leasing and loaning of movables;
- (xx) Guidance and consulting activities, production of expert studies and opinions;
- (xxi) Preparation and production of technical designs, graphic and drawing work;
- (xxii) Design of electrical equipment;
- (xxiii) Research and development in the field of natural and technical sciences or social sciences;
- (xxiv) Testing, measurement, analysis and inspections;
- (xxv) Administrative services and services of an organizational and economic nature;
- (xxvi) Extra-curricular education, organization of courses, training, including instructor services;
- (xxvii) Operation of cultural, educational and entertainment facilities, organization of cultural productions, events, exhibitions, fairs, festivals, sales and similar events;
- (xxviii) Provision of technical services;
- (xxix) Repair and maintenance of household goods, items of a cultural nature, precision equipment, optical equipment and measuring devices;
- (xxx) Provision of services for legal entities and trusts;
- g) production, installation and repairs of electrical machinery and devices, electronic and telecommunication equipment;
- h) electrical equipment installation, repairs, reviews, and testing;
- i) pressure equipment and gas vessels installation, repairs, reviews, and testing;
- j) hazardous waste management business;
- k) machining;
- l) plumbing, heating;
- m) insulation installations;
- n) catering;

- o) production of hazardous chemicals and hazardous chemical mixtures and sale of chemicals and chemical mixtures classified as very toxic and toxic;
 - p) psychological advisory services and diagnostics;
 - q) services in the area of occupational health and safety and health;
 - r) technical-organizational activities in the area of fire protection;
 - s) acting as accountants, bookkeeping, tax recordkeeping;
 - t) provision of technical services to protect property and individuals;
 - u) security of property and individuals;
 - v) lifting equipment installation, repairs, reviews, and testing;
 - w) locksmithing, toolmaking;
 - x) registry keeping;
 - y) construction, alteration and removal of buildings;
 - z) production and processing of fuels and lubricants and distribution of fuels;
 - aa) road motor transport – passenger transport operated by vehicles designed to carry not more than 9 persons including the driver;
 - bb) real estate intermediation;
 - cc) installation, repair, inspection and testing of gas equipment and the filling of vessels with gas; and
 - dd) property, flat and non-residential premises rental.
2. Another scope of business of the company is the management of its own assets.

Article 3 Registered Capital of the Company

1. The company's registered capital amounts to CZK 53,798,975,900 (in words: fifty-three billion seven hundred and ninety-eight million nine hundred seventy-five thousand and nine hundred Czech crowns).

Article 4 Company Shares

1. The company's registered capital is divided into 537,989,759 shares (in words: five hundred thirty-seven million nine hundred eighty-nine thousand seven hundred and fifty-nine shares), each with a nominal value of CZK 100 (in words: one hundred Czech crowns). All the shares are issued as book-entered shares.
2. All company shares are bearer shares. All company shares have been admitted for trading on the European regulated market.
3. Company shares may be acquired by company employees subject to the supervisory board's consent and the conditions listed in Section 258(2) of the Business Corporations Act, with the company employees not being required to

pay the full issue price of the shares subscribed for or the full price for which the company purchased the shares for the employees, if the difference is covered out of the company's own funds. The aggregate of the portions of the issue price or purchase price of all shares not being paid for by employees may not exceed 5 % of the registered capital at the time of the decision on the subscription of shares by employees or sale of the shares thereto.

Article 5 Issue of Bonds

1. Pursuant to the general meeting's decision, the company may issue bonds with the attached right to exchange the same for the company's stocks (convertible bonds) or with the attached preferable right to subscription of shares (priority bonds). The issue of such bonds is subject to the company's concurrent decision on a conditional increase in the registered capital, unless, where convertible bonds are involved, it is subject to conversion for company shares that have already been issued.

II. COMPANY'S BODIES

Article 6 Structure of Company's Bodies

1. The company has a two-tier internal structure.
2. The company has the following bodies:
 - a) general meeting;
 - b) board of directors;
 - c) supervisory board;
 - d) audit committee.

III. GENERAL MEETING

Article 7 Status and Dates of the General Meeting, Shareholder Per Rollam Decisions

1. The general meeting is the company's supreme body.
2. The general meeting is held at least once per accounting period, at all times within six months following the last day of the previous accounting period.

3. The general meeting may also take decisions within its powers through decisions outside meetings pursuant to Sections 418 to 420 of the Business Corporations Act (hereinafter as “per rollam decisions”), whereas:
- a) per rollam decisions are only admissible if the general meeting, according to the law or the company's Articles of Association, must take place or is in the important interest of the company for the general meeting to take place, and at the same time:
 - (i) a public authority has issued a decision or other binding measure which prevents or substantially impedes the company's general meeting; or
 - (ii) the general meeting is prevented or substantially impeded as a result of a natural emergency (especially flood, atmospheric disturbance or earthquake), civil emergency (especially emergency involving the release of dangerous or radiation substances or a terrorist attack) or emergency caused by other influences (especially pandemic or epidemic) or as a result of the resolution of consequences of such emergencies (including situations where a critical disruption of critical infrastructure occurs as a result of any of those emergencies);
 - b) the person authorized to convene the general meeting shall deliver the draft resolution to all shareholders of the company:
 - (i) by publishing it on the company's website; and
 - (ii) by publishing it in the Commercial Bulletin (Obchodní věstník);which replace sending the draft resolution to the shareholder's address, with proper delivery taking place on the day on which the draft resolution is submitted to shareholders in both ways (hereinafter as the "submission date”);
 - c) the time limit for the delivery of the shareholder's statement on the draft resolution shall be at least 20 days from the submission date;
 - d) the record date for the per rollam decisions is the seventh day preceding the submission date; the significance of the record date lies in the fact that the person registered as a shareholder in the statutory register of investment instruments (Central Securities Depository) as of the record date has the right to participate in per rollam decisions, unless it is proven that the record does not correspond to facts;
 - e) the person authorized to convene the general meeting shall ensure that at least 15 days before the date of submission, a notice of such their intention is published on the company's website, stating in particular information on how shareholders may become acquainted with draft resolutions and relevant supporting documents;
 - f) in the notification under letter (e) hereof, the person authorized to convene the general meeting shall also determine the detailed conditions of the given per rollam decisions, in particular the manner in which the shareholder may express agreement with the draft resolution (the form of ballots and the manner of obtaining them); and
 - g) all draft resolutions delivered to shareholders pursuant to letter (b) hereof as well as the notification under letter (e) hereof must be available on the company's website at least until the announcement of the results of the per

rollam decisions in accordance with Section 420 (1) of the Business Corporations Act.

Article 8

Powers of the General Meeting

1. The exclusive powers of the general meeting include the following:
 - a) decisions on amendments to these Articles of Association, unless such change results from an increase in the registered capital by the board of directors authorized to do so by the general meeting, or unless such change occurred in consequence of other legal facts;
 - b) decisions on changing the amount of the registered capital and on the board of directors' authorization to increase the registered capital or on the possibility to set-off a monetary claim due to the company against a claim for the payment of the issue price, including approval of a draft offset agreement;
 - c) decisions on issuing convertible or priority bonds;
 - d) election and removal of two-thirds of supervisory board members and approval of supervisory board members' service contracts and any amendments thereto;
 - e) approvals of the ordinary or extraordinary financial statements and consolidated financial statements and, where approval of interim financial statements by the general meeting is required by law, of interim financial statements, decisions on distribution of profits or other resources of the company or coverage of losses;
 - f) decisions to provide consideration pursuant to Section 61 of the Business Corporations Act to members of the supervisory board and members of the audit committee;
 - g) decisions on submitting a request on accepting the company's participating securities for trading on the European regulated market and on their exclusion from trading on such market;
 - h) decisions on terminating the company with liquidation, appointment and removal of a liquidator, approval of the final report on the liquidation process and proposal for the use of the liquidation balance;
 - i) decisions on a company transformation – not necessary if not required by law;
 - j) approval of transfers of, pledges over or usufructuary leases of the enterprise or any part of the assets and liabilities which would mean a substantial change of the actual business operations or activities of the company;
 - k) approvals of silent partnership agreements and other agreements, which establish the right of share in profit or other resources of the company;
 - l) decisions on funds available to the company for donations within a stipulated period;
 - m) decisions on changing the class or type of shares and on changes to the rights related to specific share classes;
 - n) exclusions or restrictions of priority rights to acquisitions of convertible and priority bonds or to subscription of new shares;

- o) decisions on stock mergers or splits;
- p) decisions on the company's business concept and changes thereto;
- q) discussions on the board of directors' report on the company's business activities, supervisory board reports and audit committee reports on their activities;
- r) decisions on appointing the auditor to perform the statutory audit;
- s) election and removal of the members of the audit committee and approval of audit committee members' service contracts;
- t) approval of remuneration policy and remuneration report under the Capital Market Undertakings Act;
- u) approval of a material transaction pursuant to Section 121s et seq. of the Capital Market Undertakings Act;
- v) decisions on other matters covered by the powers of the general meeting by law or pursuant to these Articles of Association.

Article 9

Convening the General Meetings

1. The general meeting is convened by the board of directors, or, if applicable, any director if the board of directors has failed to convene the general meeting without undue delay and the law requires that the general meeting be convened, or if the board of directors does not constitute a quorum on a long-term basis, unless the law sets forth otherwise.
2. If the company's interests so require, or if the board of directors fails to discharge its duties on a long-term basis and a director does not convene the general meeting, the supervisory board convenes the general meeting and proposes the measures to be taken. If the supervisory board fails to convene the general meeting, any member thereof may do so.
3. Subject to the terms and conditions set forth by law, the shareholders specified in Section 365 of the Business Corporations Act may apply to the court to grant the power to convene the general meeting.
4. The body convening the general meeting is required to have a notice of such general meeting published no later than 30 days prior to the meeting on the company's internet website and on a notice board in the company's registered office. The deadline is reduced to 15 days where a substitute general meeting is convened and to 21 days where a general meeting is convened upon the request of the shareholders specified in Section 365 of the Business Corporations Act. Instead, the notices are published in the Commercial Bulletin (Obchodní věstník).
5. Each notice contains at least the following:
 - a) company's business name and registered office;
 - b) place, date, and time of the general meeting;
 - c) information on whether an annual or substitute general meeting is being convened;

- d) agenda of the general meeting, including individuals who are nominated as directors/officers/members, if known to the convener or proposed by them as a member of an elected company bodies;
 - e) record date for attendance of the general meeting and explanation of its meaning for voting at the general meeting;
 - f) conditions for exercising shareholders' rights at the general meeting, or, if the board of directors so decides, further instructions and notices concerning the exercise of these rights;
 - g) a draft resolution of the general meeting and its rationale; if no draft resolution concerning proposed matters is presented to the general meeting, the notice shall include the opinion of the board of directors on the proposed matters;
 - h) if the agenda requires the general meeting to approve financial statements or consolidated financial statements, the notice will also inform shareholders that the full version of the financial statements or consolidated financial statements is available on the company's website; the financial statements or consolidated financial statements are to be made available on the website at least 30 days before the general meeting is held (no later than on the date the notice of the general meeting is published) and for 30 days after they are approved or disapproved;
 - i) should the agenda of the general meeting include amendments to the company's Articles of Association, the notice of the general meeting must contain at least a brief and concise description and rationale of the proposed amendments to the Articles of Association, whereas the board of directors shall publish the complete draft amendment to the Articles of Association together with the notice of the general meeting on the company's website and the company shall allow each shareholder to review the draft amendment to the Articles of Association free of charge at the registered office of the company, within the time limit set out in the notice of the general meeting, and the notification of the shareholders to this right;
 - j) other particulars required by law or by a decision of the body convening the general meeting.
6. Any general meeting may be cancelled or postponed. Such cancellation or postponement must be notified in the same manner as the convocation of the general meeting by no later than the time specified for commencement of the general meeting. Unless such notice is issued at least one week prior to the date of the general meeting, the shareholders arriving according to the original notice of the general meeting are entitled to reimbursement of purposefully incurred costs. Any general meeting convened upon the request of the shareholders specified in Section 365 of the Business Corporations Act may only be cancelled or postponed if such shareholders so agree.
7. Subject to the conditions imposed in Section 369 of the Business Corporations Act, the board of directors will, upon the request of the shareholders specified in Section 365 of the Business Corporations Act, amend the agenda of the general meeting by a matter specified by such shareholders or publish the updated agenda.

Article 10

General Meeting's Quorum and Substitute General Meeting

1. The general meeting constitutes a quorum if the attending shareholders hold shares whose nominal value exceeds 30% of the company's registered capital.
2. In assessing whether the general meeting is quorate to make resolutions, shares and interim certificates to which no voting right is attached or where the voting rights cannot be exercised in line with law or these Articles of Association will not be taken into account. This does not apply if these shares and interim certificates temporarily acquire the voting right.
3. Unless the general meeting constitutes a quorum, the board of directors will convene, if necessary and in a manner set forth by law and these Articles of Association, a substitute general meeting to take place within six weeks following the date of the original general meeting.
4. The substitute general meeting has the same agenda as the original general meeting, unless the law implies otherwise, and constitutes a quorum subject to the terms and conditions imposed in Section 1 above.

Article 11

Attendance of the General Meetings

1. The right to attend a general meeting is vested in each person recorded as a shareholder in the statutory register of investment instruments (Central Securities Depository) as of the record date; participation of a person designated by a shareholder pursuant to Section 399(2) of the Business Corporations Act is not permitted, except for participation of a person providing assistance to a disabled shareholder. The record date for attending the general meeting is the seventh calendar day prior to the date of the general meeting. The general meeting is also attended by directors, supervisory board members and audit committee members. The general meeting may also be attended by persons whose views on the individual items of the agenda of the general meeting may be useful, such as the company's auditors or advisors and persons ensuring due course of the general meeting.
2. Each shareholder will without undue delay notify all changes, if any, in their data entered in the statutory register of investment instruments. Under no circumstances will the company be liable for any consequences of any shareholder's omission to fulfil such duty.
3. Shareholders attend a general meeting in person or by proxy. A power of attorney must be in writing and indicate whether it was granted for representation at one general meeting or several general meetings. To grant a power of attorney, a shareholder can use a form that the company makes available in documentary form at the company's registered office and publishes on the company's website in electronic form no later than on the publication date of the notice of the general meeting.
4. A shareholder may also notify the company of the granting or revocation of a power of attorney in electronic form. Requirements for the form and contents of a notice

according to the first sentence shall be specified in the notice of the general meeting.

5. A shareholder may be represented at a 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 dematerialized securities as an administrator and/or as a person entitled 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 the statutory register, which is to be obtained by the company. If the shareholder according to the first sentence of this paragraph wishes to be present at the general meeting in person or represented otherwise than in accordance with the first sentence of this paragraph, the shareholder must submit on registration an extract from the statutory register in which the company's shares are registered evidencing that he/she was the company's shareholder at the record date. This is without prejudice to the satisfaction of the obligations of the shareholder or his/her proxy on registration for the general meeting pursuant to paragraph 7 of this Article.
6. Attending shareholders are entered in the shareholder attendance list specifying the business name or name and registered office of the legal entity or the name and place of residence of an individual person being the shareholder, or, as the case may be, also a proxy of the same, the number and nominal value of shares authorizing such person to vote, or, as the case may be, the information that such share does not authorize its holder to vote. Should the company reject to record a person in the attendance list, such fact will be included in the attendance list, including the reason for such rejection. The accuracy of the attendance list will be confirmed by the signatures of the person who convened the general meeting or a person appointed by him/her.
7. A shareholder that is an individual proves his/her identity on registration by presenting his/her identity card. A member of the statutory governing 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 governing body acts on behalf of the legal entity. In addition, a shareholder's proxy (other than an administrator and/or person entitled to exercise rights attached to a share registered in a register of investment instruments or a register of dematerialized 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 pursuant to paragraph 4. A representative whose right to represent a shareholder is based on a fact other than authorization is required to present documents attesting such right.
8. Documents authenticated by foreign authorities by virtue of which a shareholder or his/her/its 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 clauses are executed in a foreign language, they must also bear a certified translation into Czech.

Article 12

Transaction of Business and Decision-Making of the General Meeting

1. The general meeting elects its chairman, minutes clerk, minutes verifying clerk, and a scrutinizer or scrutinizers. If the minutes clerk, minutes verifying clerk, and a scrutinizer are not elected they will be appointed by the party which convened the general meeting. The general meeting may decide that one and the same person will be the chairman of the general meeting and minutes verifying clerk at the same time or, if applicable, that the chairman of the general meeting will be in charge of counting the votes unless it jeopardizes the due course of the general meeting. If the general meeting is convened on the basis of a court decision at the request of the shareholders referred to in Section 365 of the Business Corporations Act and the court also appoints the chairman of the general meeting, the person designated by the court is the chairman of such general meeting.
2. Before the chairman of the general meeting is elected, the general meeting is chaired by the party which convened the general meeting or person appointed by it. The same applies if the chairman of the general meeting is not elected or otherwise appointed. The rights and duties of the chairman of the general meeting shall similarly apply to another person who presides over the general meeting.
3. In accordance with the law, the company or persons appointed to perform tasks relating to the organization and arrangement of the general meeting may bar persons whose presence might pose a risk to a dignified and undisturbed course of the general meeting, including persons whose clothing, contamination or conduct may interfere with the course of the general meeting or manifestly violate the principles of decency, or armed persons.
4. The general meeting decides by a simple majority of votes of attending shareholders, unless provided otherwise by law or the company's Articles of Association. 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 in the company is 537,989,759 (in words: five hundred and thirty-seven million nine hundred and eighty-nine thousand seven hundred and fifty-nine).
5. Save where set forth otherwise by law, the general meeting decides by at least a two-thirds majority of votes of attending shareholders on the following:
 - a) amendments to the Articles of Association or decisions as a result of which the Articles of Association are to be amended;
 - b) authorization of the board of directors to increase the registered capital;
 - c) the possibility to set off a monetary claim due from the company against a claim for payment of the issue price;
 - d) issue of convertible and priority bonds;
 - e) the company's dissolution with liquidation and distribution of the company's liquidation balance;
 - f) approval of transfers of, pledges over or usufructuary leases of the enterprise or any part of the assets and liabilities which would mean a substantial change of the actual business operations or activities of the company;

6. Save where set forth otherwise by law, the general meeting decides by at least a three-fourths majority of attending shareholders on the following:
 - a) exclusion or restriction of the priority right for acquiring convertible and priority bonds;
 - b) distribution of profit or other resources to persons other than shareholders in line with law and the Articles of Association;
 - c) exclusion or restriction of the priority right of shareholders during an increase of the registered capital by subscription for new shares;
 - d) increase in the registered capital through in-kind contributions.
7. Decisions of the general meeting on changing the class or type of shares, on changes to the rights related to certain classes of shares, on restricting the transferability of shares and on excluding shares from trading on the European regulated market are subject to the consent of at least three fourths of the votes of attending shareholders holding such shares.
8. General meeting decisions on consolidation of shares or to change the type of shares to shares without voting rights shall also require the consent of all shareholders concerned.
9. A shareholder may not exercise a voting right in cases set forth by law.
10. Matters not included in the published agenda of the general meeting may only be decided in the presence and with the approval of all the company's shareholders.
11. A notarial deed is made in cases where the law requires that the general meeting's decision take the form of a notarial deed; this is without prejudice to the possibility that the general meeting's decisions on other matters take the form of a notarial deed.
12. Minutes of general meetings, together with notices of general meetings and attendance lists, including all submitted powers of attorney, must be kept in the company's archives for the duration of the company's existence.

Article 13

General Meeting's Rules of Procedure

1. Shareholder rights at the general meeting. Under the conditions laid down in these Articles of Association, shareholders may exercise the rights conferred upon them by law, namely the rights to:
 - a) vote;
 - b) request and obtain an explanation of matters relating to the company or persons controlled by the company, if such explanation is necessary for the assessment of the content of matters included on the agenda of the general meeting or for the exercise of shareholder rights therein;
 - c) submit proposals and counterproposals, unless the law provides otherwise or the impossibility of filing a proposal or counterproposal by the shareholder is due to the nature of the matter; and
 - d) submit protests.

The company is obligated to treat all shareholders in the exercise of these rights under the same conditions and to enable all shareholders to exercise these rights in accordance with these Articles of Association.

2. Exercise of shareholder rights. Each shareholder is obligated to:
 - a) not abuse their rights in their exercise, namely to exercise these rights only in accordance with their purpose and in a manner that does not harm other shareholders or the company or otherwise unduly interfere with their rights or legally protected interests;
 - b) act honestly in exercising their rights, responsibly and in a manner that will respect the purpose of the general meeting (factual discussion of matters included in its agenda) and its proper and peaceful conduct;
 - c) follow the instructions of the chairman of the general meeting issued in accordance with the law and these Articles of Association;
 - d) respect the rules and limitations imposed by law and these Articles of Association; and
 - e) indicate clearly, concisely and comprehensibly in each written submission and during each oral address what rights are exercised and what is the content of the submission or address.
3. Duration of the general meeting. As a general rule, each session of the general meeting shall not exceed 10 hours after its commencement, whereas:
 - a) this maximum duration does not include the time when (i) the board of directors (or other elected body) submits drafts for the adoption of resolutions of the general meeting, including their rationale, or reports or other communications addressed to the general meeting, (ii) a break is declared in order to prepare responses to requests for explanation, and (iii) the general meeting is suspended due to a fact preventing the continuation of its regular course;
 - b) this maximum duration shall include the time at which a technical break is declared, provided that it does not exceed 10 minutes in individual cases, in total not more than one hour;
 - c) if during the general meeting it becomes clear that it is not possible to discuss all matters on the 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 any of the following procedural decisions:
 - (i) suspension of the discussion and the transfer of the outstanding matters to another specified date, time and place, whereas this date shall not be later than the fifth working day following the day on which the general meeting commenced; 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 obligated to submit 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 maximum duration.

4. Discussion of individual items on the agenda: For each item on the agenda of the general meeting at which a draft resolution of the general meeting is to be submitted, the procedure shall be as follows:
 - a) First, the board of directors or a person authorized by the board of directors shall inform the general meeting of all draft resolutions submitted by elected bodies, including any rationale;
 - b) Then the board of directors or a person authorized by the board of directors shall acquaint the general meeting (or arrange for its acquaintance) with all duly and timely submitted proposals and counterproposals of shareholders;
 - c) requests for explanations shall subsequently be discussed in accordance with the procedure set out in Sections 5 to 13 of this Article; and
 - d) finally, a vote shall be taken on the individual proposals in accordance with the procedure set out in Section 15 of this Article.

If an item on the agenda of the general meeting is discussed where a draft resolution is not to be submitted, the competent elected body (the person authorized by it) shall acquaint the general meeting of its report or other communication addressed to the general meeting instead of the procedure pursuant to Section 4 a) and b) of this Article. Requests for explanations related to this item shall be dealt with under the related item on the agenda of the general meeting determined by the board of directors in the notice; if no such related item is determined, any requests for explanation shall be discussed directly under the relevant item.

5. Discussion of requests for explanation. Discussion of requests for explanation means providing a response to a request for explanation by a shareholder submitted in accordance with the law and these Articles of Association. Requests for explanations shall be discussed separately for each relevant item on the agenda of the general meeting, or in the case of several items on the agenda, jointly based on the procedure under Section 4 of this Article, last sentence, and in two rounds.
6. Submission of requests for explanation. As a rule, requests for explanations are submitted in the form of written submissions by the shareholder. The shareholder is obligated to submit written submissions containing the request for explanation either before the general meeting commences by sending it to the company's address stated in the notice or at the general meeting through the information center. A shareholder is not entitled to read a written submission containing a request for explanation during their oral address.
7. Extensive submissions. If a shareholder intends to make an extensive submission containing requests for explanation, they are obligated to deliver it to the specified company's address in writing at least two working days before the date on which the general meeting commences, whereas an extensive submissions of one shareholder is considered to be (assessed separately for each item on the agenda at which requests for explanations are to be discussed): (i) submissions containing more than 10 requests for explanation, or (ii) submissions that clearly exceed 4 standard pages of text. This is without prejudice to the right of the shareholder to send written submissions containing a request for explanation, which are not extensive submissions, to the specified company's address before the general meeting commences.

8. Particulars of written requests for explanation. If the written submission containing the request for explanation is not submitted on a form prepared by the organizers of the general meeting, such submission shall expressly state that it contains a request for explanation and to which item on the agenda it applies, whereas if the request for explanation contains more than one item on the agenda, requests for explanation shall be grouped together for an individual item. Such submission shall further bear the legible name and surname (name or business name) of the shareholder and, where applicable, their representative, and be signed.
9. Oral requests for explanation. A shareholder is further entitled to submit a request for explanation as part of their oral address, during the first or second round of the request for explanation, provided that they apply for the relevant round in time and observe other rules set out for each round. Application is performed through the information center.
10. First round of discussion of requests for explanation. The following applies to the first round of discussion of requests for explanation:
 - a) in this round, the following will be answered:
 - (i) requests for explanation contained in extensive submissions received within the time limit referred to in Section 7 of this Article;
 - (ii) requests for explanation that are not extensive submissions and were contained in written submissions delivered or filed before the general meeting commenced or until discussion of the first item on the agenda of the general meeting commences where the requests for explanation are to be discussed, but no later than one hour after the general meeting commences; and
 - (iii) requests for explanation given during oral addresses under the conditions set out in this Section;
 - b) each shareholder may speak only once, with a limited time of 10 minutes, unless otherwise specified below;
 - c) each shareholder may submit a maximum of 5 requests for explanation in their address; in addition, they shall be entitled to add an oral rationale or explanation to their requests for explanation submitted in their written submissions;
 - d) a shareholder wishing to present their address in the first round (for any item on the agenda) shall apply at the latest by the beginning of the discussion on the first item on the agenda of the general meeting where the requests for explanation are to be discussed, but no later than one hour after the general meeting commences;
 - e) shareholders shall be invited to deliver their address consecutively by the order of application;
 - f) after the address of all applied shareholders, explanations shall be provided on all requests for explanation mentioned under letter a); and
 - g) the chairman of the general meeting (with the approval of the board of directors) may decide at the beginning of the first round (of the given item on the agenda) that the time limit according to letter b) of this Section shall be reduced to 5 minutes if (i) more than 15 shareholders have applied to give their address in the first round (of the given item on the agenda), or (ii) more than 100 shareholders apply to give their address for the first round of all items on

the agenda of the general meeting (if one shareholder applies for more first rounds, each application is counted separately for these purposes); if condition (ii) is met, the time limit pursuant to letter b) of this Section shall be reduced to the same extent for all first rounds of the remaining items on the agenda of the general meeting, unless otherwise specified by the chairman of the general meeting (with the consent of the board of directors), no later than at the beginning of the respective first round.

11. Second round of discussion of requests for explanation. The following applies to the second round of discussion of requests for explanation:

- a) in this round, the following will be answered:
 - (i) requests for explanation contained in written submissions submitted after the expiry of the deadline for submission to the first round, provided that they are submitted on a form prepared by the organizers of the general meeting and do not clearly exceed 4 standard pages of text (per shareholder and agenda item); and
 - (ii) requests for explanation given during oral addresses under the conditions set out in this Section;
- b) the number of addresses by one shareholder is not limited, but the total duration of all their addresses may not exceed 10 minutes;
- c) a shareholder wishing to deliver an address in the course of this round is entitled to apply at any time until the end of this round, unless otherwise specified below;
- d) shareholders shall be invited to deliver their address consecutively by the order of application;
- e) the board of directors or a person authorized by the board of directors shall provide an explanation based on the requests for explanation submitted either after the request for explanation has been submitted as part of the oral address of the shareholder or subsequently following the submission of more requests for explanation;
- f) the chairman of the general meeting is obligated to give the floor to the board of directors for explanation whenever they request so, but must not do so during a shareholder's address; such explanation by the board of directors shall be followed by other shareholder addresses by the order of application;
- g) the chairman of the general meeting (with the approval of the board of directors) may, taking into account the maximum duration of the general meeting pursuant to Section 3, determine the time after which the shareholders will no longer be able to apply for their addresses;
- h) the second round shall be completed by providing explanations to all requests for explanation, provided that no more shareholders are applied for their addresses; the chairman of the general meeting is entitled, upon a reasoned request of a shareholder or a group of shareholders, after considering these reasons and taking into account the maximum duration of the general meeting pursuant to Section 3, to decide after discussing with the board of directors, that before the voting commences, shareholders may still deliver their addresses and submit brief requests for explanation for a certain period of time (usually no longer than 30 minutes).

12. Providing explanations. Explanations may be provided in the form of a consolidated response to multiple requests for explanation of similar content. The board of directors shall provide an explanation of matters concerning the general meeting directly at the general meeting. If impossible given the complexity of the explanation, the company will provide the explanation to the shareholder within 15 days following the date the general meeting is held. An explanation is deemed as provided to the shareholder even if the information was published on the company's website no later than the day preceding the day of the general meeting and is available to the shareholders at the place of the general meeting. The chairman of the general meeting may, in agreement with the board of directors, allow the provision of explanations also within the preceding item of the agenda to the request for explanation if it relates to this item.
13. Representatives of multiple shareholders. A representative (including a member of a statutory body) of multiple shareholders shall be considered as a single shareholder for the purposes of the restrictions set out in Sections 5 to 11. However, if the representative represents at least one shareholder and is themselves a shareholder, the time limit referred to in Section 10 (b) and the limit referred to in Section 10 (c) shall apply separately to an address delivered in the first round of discussing requests for explanation in their own name and to an address delivered in this round on behalf of the represented shareholder(s).
14. Chairman of the general meeting. The chairman of the general meeting:
- a) is obligated to ensure that the general meeting is acquainted with all submissions made duly and timely by the shareholders;
 - b) shall ensure dignified and undisturbed course of the general meeting;
 - c) is in exceptional cases entitled (after discussion with the board of directors) to relieve a specific shareholder from the time limit or to allow time or other limitations to be exceeded if necessary for serious reasons beyond the control of the shareholder concerned;
 - d) is entitled to direct shareholder addresses, forbid them to speak or enter into their address (for example, in the case of manifestly repetitive inquiries or to specify the content of a shareholder's address).
15. Voting. At the time of voting, first the proposal of the board of directors is voted on, followed by the proposal of the supervisory board and then on proposals and counterproposals of shareholders in the order in which they were submitted; this shall not apply if, pursuant to Section 367 or 369 of the Business Corporations Act, the item has been placed on the agenda of the general meeting at the request of the shareholders mentioned in Section 365 of the Business Corporations Act when the proposal of shareholders is first voted on. Once a submitted proposal is approved, no other proposals or counterproposals opposing the approved proposals are voted on.
16. Proposals and counterproposals of shareholders. If a shareholder intends to make a proposal or counterproposal to matters of the agenda of the general meeting, they are obligated to deliver it to the company in writing at the latest ten days prior to the general meeting; this shall not apply in the case of proposals and counterproposals for the election or removal of specific persons to/from the company body, or related proposals and counterproposals concerning such persons (e.g. a proposal for approval of a service contract). Proposals and

counterproposals received after this deadline will not be discussed at the general meeting; this is without prejudice to Section 362 of the Business Corporations Act.

17. Voting method. Voting takes place by means of ballots according to instructions given by the chairman of the general meeting. In the ballot, each shareholder makes its choice for a proposed resolution that is voted on by crossing “FOR” or “AGAINST” and signs the ballot. If a shareholder wishes to abstain from voting, he/she/it does not submit the ballot.
18. Invalidity and loss of ballots. Unsigned ballots are invalid. Ballots that do not allow identifying the shareholder’s choice 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. Should a mistake occur when filling in the ballot papers by crossing the incorrect value, a scrutinizer must be asked for assistance. Such scrutinizer transforms the cross to an asterisk and, by his/her legible signature placed under the shareholder's (representative's) signature, he/she confirms such adjustment. Should a ballot be lost, attendance takers or a scrutinizer will be asked to issue a duplicate. A record stating that a duplicate was issued is required.
19. Voting evaluation. The scrutinizer(s) ensure that ballots are collected in the ballot box and that votes are counted immediately after voting. As soon as it is determined that the number of votes required for a decision on the proposed matter have been achieved, the chairman of the general meeting is to be notified by the scrutinizers of such preliminary voting result. The counting of the remaining votes of shareholders continues and shareholders shall be informed of the final results of voting on the individual items on the agenda no later than at the end of the general meeting.
20. Protests against a resolution of the general meeting. Shareholders, directors, and supervisory board members may lodge a protest concerning a general meeting resolution. Shareholders cannot claim a general meeting’s resolution invalid unless a reasoned protest has been filed against the general meeting’s resolution, unless the petitioner failed to file the protest for a serious reason.

IV. BOARD OF DIRECTORS

Article 14

Status and Powers of the Board of Directors

1. The board of directors is the governing body managing the company's activities. Directors act on behalf of and bind the company in the manner set forth herein.
2. The board of directors decides on all company matters, unless such matters are reserved to the powers of the general meeting, the supervisory board, or another body by law or these Articles of Association. The board of directors may delegate decision-making powers regarding particular matters to individual directors as per Section 156(2) of the Civil Code, and to company employees, in particular by means of internal rules approved by the board of directors. However, the delegation

of powers does not release directors from the duty to supervise how company matters are administered.

3. The board of directors must observe the principles and instructions approved by the general meeting, provided that they are in accordance with legal regulations and these Articles of Association.
4. No one is authorized to instruct the board of directors in the matters related to the company's business management, unless provided so by law. Directors may request the general meeting to grant instructions regarding business management; this is without prejudice to the duty to act with the due care of a prudent manager.
5. The board of directors convenes a general meeting without undue delay after finding out that the total loss of the company pursuant to any financial statements has achieved such an amount that, even through coverage thereof using the disposable resources of the company, the unpaid loss would reach one half of the company's registered capital, or it may be presumed with a view to all circumstances or on any other serious grounds; thereafter, the board of directors proposes that the company be dissolved or another suitable measure to the general meeting, unless provided otherwise by the insolvency act.
6. Directors are obligated to file with the relevant court without undue delay an insolvency petition in cases specified by the Insolvency Act.
7. The board of directors is required to, without limitation:
 - a) provide for the company's business management and due keeping of the relevant books;
 - b) convene the general meeting and provide for organization of the same;
 - c) submit the following to the general meeting:
 - c.1 draft company business policy and draft amendments thereto, at least once every 4 years;
 - c.2 draft amendments to these Articles of Association;
 - c.3 proposals to increase or reduce the registered capital as well as proposals to issue priority and convertible bonds pursuant to the provisions of Article 8 hereof;
 - c.4 ordinary, extraordinary, consolidated, or, as the case may be, interim financial statements, if approval by the general meeting is required;
 - c.5 proposals for the distribution of profits and other resources including the determination of the amount, method of payment, and maturity of dividends, amount of royalties and contributions to funds, or proposals for coverage of the company's losses;
 - c.6 report on the company's business activities;
 - c.7 proposal for winding up the company;
 - c.8 summary explanatory report pursuant to Section 118 (9) of the Capital Market Undertakings Act, remuneration policy and remuneration report pursuant to the Capital Market Undertakings Act;
 - c.9 proposal for approval of a material transaction pursuant to Section 121s et seq. of the Capital Market Undertakings Act;

- c.10 other proposals and documents required by law or these Articles of Association;
 - d) enforce the resolutions of the general meeting;
 - e) grant and recall the right of procuration;
 - f) approve and amend the Signing Rules of ČEZ, a. s., and - with the approval of such trade union bodies as may operate at the company - the Working Regulations of ČEZ, a. s.;
 - g) approve, after discussing them with such trade union bodies as may operate at the company, the Election Rules of ČEZ, a. s. applicable to the election of supervisory board members to be elected by company employees, and organize such elections;
 - h) recall company managers pursuant to the provisions of Section 73 of the Labour Code; and
 - i) conclude on behalf of the company contracts of service of the company's directors/body members.
8. The board of directors decides on the following, without limitation:
- a) use of funds from the reserve fund, unless provided otherwise by law;
 - b) increases of the company's registered capital pursuant to the provisions of Section 474 of the Business Corporations Act and Article 30 et seq., and, in this connection, issue of company's book-entered bearer shares;
 - c) draft purchase agreements for electricity, heat, natural gas and greenhouse gas emission allowances, distribution, transmission and auxiliary services, commodity derivatives and commodity trade services, provided that this arises from the Signing Rules of ČEZ, a. s.;
 - d) capital expenditure projects and performance thereof, provided that this arises from the Signing Rules of ČEZ, a. s.;
 - e) acceptance of long-term loans or borrowings for a period exceeding 1 year and of other similar long-term financial operations of the company, except for security operations, provided that this arises from the Signing Rules of ČEZ, a. s.;
 - f) content of the annual report pursuant to the provisions of the accounting act and of the semi-annual and annual reports pursuant to the provisions of the capital market trading act;
 - g) founding legal act at the establishment of another legal entity, acquiring ownership interest of the company in another legal entity, as well as on winding up of another legal entity, if the company as a partner or member is to make the decision on winding up of another legal entity, or transfer of the company's ownership interest in another legal entity;
 - h) disposal or lease of real estate, if so implied by these Articles of Association or the Signing Rules of ČEZ, a. s.;
 - i) matters outlined in Section 9 through 11 of this Article, whereas the matters specified in Section 11 of this Article may only be discussed by the board of directors according to their nature.

9. The board of directors is obligated to obtain prior consent from the supervisory board to the implementation of any of the board of directors' decisions on the following:
- a) acquisitions, alienation, encumbrance, leases, usufructuary leases or free use of movables and immovables (except for stock according to Czech accounting regulations and securities for liquidity management), which will be or already are part of the company's assets, if their book value exceeds CZK 500,000,000 (in words: five hundred million Czech crowns);
 - b) implementation of the company's capital expenditure projects or granting of the company's consent to the implementation of a capital expenditure project of a person controlled by the company if the value of the company's or controlled person's capital expenditure project exceeds CZK 500,000,000 (in words: five hundred million Czech crowns);
 - c) on disposition with property stakes in another legal entity, with its registered office in the Czech Republic or abroad in the following cases:
 - c.1 acquisition of a stake in another legal entity for the company by founding a person directly controlled by the company as well as by increasing the registered capital of a person directly controlled by the company through assuming an obligation to invest in excess of CZK 500,000,000 (in words: five hundred million Czech crowns), or by transfer from a third party (a person controlled by the company is not deemed to be a third party for these purposes) or by any other manner where the sum of the value of the acquired stake and the net debt attributable to it ("Enterprise Value") exceeds in each individual case CZK 500,000,000 (in words: five hundred million Czech crowns) or where, due to such action, the company's share in the registered capital of that other legal entity exceeds one third or one half or two thirds of such entity's registered capital; this does not apply if a person directly controlled by the company is established with registered capital not exceeding CZK 10,000,000;
 - c.2 abolishment or encumbrance of the company's stake in another legal entity or reduction of the registered capital of another legal entity in the event that the equity of the stake in such person that is subject to such disposition exceeds in every individual case CZK 500,000,000 (in words: five hundred million Czech crowns), or alienation of the company's stake if the sum of the value of the alienated stake and the net debt attributable to it ("Enterprise Value") exceeds in each individual case CZK 500,000,000 (in words: five hundred million Czech crowns), or where, due to such action, the company's share in the registered capital of such other legal entity is reduced below one third or one half or two thirds; this does not apply if shareholdings in the other legal entity are transferred to or encumbered to the benefit of a person controlled by the company or if the abolishment of the company's stake in another legal entity results from a merger of such legal entity with the company or with a person controlled by the company;
 - c.3 granting of the company's approval to the acquisition of a stake in another legal entity by a person controlled by the company if the sum of the value of the acquired stake and the net debt attributable to it ("Enterprise

Value”) exceeds CZK 500,000,000 (in words: five hundred million Czech crowns).

For the purposes of this item (c), the "Enterprise Value" of a shareholding is deemed to be its market value (the market value of the stake) plus the net debt attributable to it (short-term and long-term interest-bearing liabilities minus cash and cash equivalents).

- d) provision of a monetary or non-monetary surcharge for the creation of equity outside the registered capital of a person directly controlled by the company, if the amount or value of the surcharge exceeds CZK 500,000,000 (in words: five hundred million Czech crowns), and/or granting the company's consent to provide a monetary or non-monetary surcharge by a person controlled by the company (the "surcharge provider") to create equity outside the registered capital of a person indirectly controlled by the company, if the amount or value of the surcharge exceeds CZK 500,000,000 (in words: five hundred million Czech crowns);
- e) transfer and encumbrance of the company's own shares;
- f) composition of supervisory boards of legal entities wherein the company holds a stake in such legal entity's registered capital in each individual case exceeding CZK 500,000,000 (in words: five hundred million Czech crowns). The supervisory board may reserve by resolution the right of prior consent even with regard to legal entities wherein the stake in such legal entity's registered capital does not exceed CZK 500,000,000 (in words: five hundred million Czech crowns);
- g) draft agreement with the auditor selected by the general meeting to perform the statutory audit;
- h) alienation of real estate if the market or appraised price thereof exceeds CZK 100,000,000 (in words: one hundred million Czech crowns);
- i) provision of borrowings (loans) to third parties or providing security for third-party liabilities exceeding CZK 200,000,000 (in words: two hundred million Czech crowns) in each individual case, with a controlled person not being deemed to be a third party;
- j) acceptance of a long-term loan from third parties for a period exceeding 1 year, or of other similar financial operation, save for security operations, in excess of CZK 500,000,000 (in words: five hundred million Czech crowns), with a controlled person not being considered to be a third party;
- k) bond issue, except for a bond issue subject to approval by the general meeting within the meaning of Section 421(2)(d) of the Business Corporations Act;
- l) provision of options to the company shares where the law makes it possible for the board to decide thereon;
- m) transformation of the company, if the law stipulates that the board of directors has the power to make such decisions;
- n) conclusion of a contract whereunder the company is to acquire or dispose of assets if the value thereof exceeds, in one accounting period, one third of the company's equity as shown in the most recent approved consolidated financial statements;

- o) enabling the conduct of due diligence (legal, economic, technical, or, as the case may be, environmental audits) of the company, or its organizational unit;
 - p) conclusion of management contracts with the head managers of the company divisions unless they are directors, and appointment to the office of the chief executive officer;
 - q) stipulation and evaluation of the performance of specific tasks of head managers of the company divisions unless they are directors;
 - r) submission of tender documentation to tenderers for public contracts pursuant to the Act on Public Contracts Award, if the expected value of the contract is higher than one third of the equity arising from the last consolidated financial statements;
 - s) other cases stipulated by law.
10. The board of directors is obligated to submit for review to and obtain the prior opinion of the supervisory board on the following matters:
- a) approvals of or amendments to the Organizational Rules of ČEZ, a. s.;
 - b) approval of rules for creating and applying the company's funds in accordance with the law and these Articles of Association;
 - c) annual investment and operational budgets;
 - d) proposals for substantial changes in the organizational structure of the company in line with the Organization Rules of ČEZ, a. s.;
 - e) draft strategy of the company or any substantial update thereof in line with the company's business concept as approved by the general meeting;
 - f) draft company's business plan;
 - g) proposals for the business concept (and changes thereof) of controlled entities with a registered capital exceeding CZK 500,000,000 (in words: five hundred million Czech crowns), in accordance with legal regulations and with the constitutive documents of controlled companies;
 - h) any and all proposals submitted by the board of directors to the general meeting for decision or information purposes; where the board of directors is obligated to submit a particular proposal to the general meeting by law, it is sufficient to advise the supervisory board of such fact;
 - i) content of tender documentation pursuant to the Act on Public Contracts Award, if the expected value of the contract is higher than one third of the equity arising from the last consolidated financial statements;
 - j) remuneration policy and remuneration report under the Capital Market Undertakings Act.
11. The board of directors is obligated to advise the supervisory board in particular of the following:
- a) approvals of the Working Regulations of ČEZ, a. s., the Signing Rules of ČEZ, a. s., and the Election Rules of ČEZ, a. s.;
 - b) use of funds from the reserve fund;

- c) increase in the registered capital pursuant to the provisions of Article 31;
 - d) long-term agreements for the purchase, sale and transit of electricity concluded for a period exceeding 3 years or if their value in each individual case exceeds CZK 3,000,000,000 (in words: three billion Czech crowns), agreements for the purchase of distribution and transmission services concerning electricity, agreements on the provision of supporting services under the Power Act, agreements for the purchase and sale of commodity derivatives and on the provision of commodity trade services, agreements for the purchase and sale of greenhouse gas emission allowances, agreements for purchase, sale, storage and transit of natural gas, agreements for the purchase of distribution and transmission services concerning natural gas and agreements for the purchase and sale of heat, all the foregoing if their value in each individual case exceeds CZK 3,000,000,000 (in words: three billion Czech crowns); in addition, the board of directors is obligated to advise members of the supervisory board in advance about the intent to make such agreement;
 - e) results of collective bargaining;
 - f) calling an election of supervisory board members to be elected by company employees;
 - g) acquisition (including increase in the registered capital), alienation, abolishment or encumbrance of the company's stake in another legal entity or reduction of the registered capital of another legal entity in all other cases not regulated by Section 9 (c);
 - h) provision of a monetary or non-monetary surcharge to create equity outside the registered capital of a person directly controlled by the company, and/or granting the company's consent to provide a monetary or non-monetary surcharge by the surcharge provider to create equity outside the registered capital of a person indirectly controlled by the company, in all other cases not covered by Section 9 (d);
 - i) the structure of income, conditions determining the level of wages and remuneration for the achievement of set goals, and on conditions associated with the termination of service or employment for directors, division heads, department heads, and heads of organizational units, once a year;
 - j) capital expenditure projects and the implementation thereof if approved by the board of directors;
 - k) developments in the status of overdue claims and debts;
 - l) monthly developments in the company's economic operations;
 - m) the course and outcome of meetings of the company's board of directors.
12. Always on or before 30 May of each calendar year, the board of directors submits to the supervisory board for review the ordinary and consolidated financial statements, a proposal for the distribution of profit (including the method of payment and maturity of dividends) or, as the case may be, proposal for the coverage of the company's loss or a proposal for distribution of other resources if it intends to submit it to the general meeting, a proposal for the amount of royalties, and a related parties report pursuant to Section 82 of the Business Corporations Act. The board of directors also submits the extraordinary and interim

financial statements to the supervisory board for review where the preparation thereof is mandated by law.

Article 15 Directors

1. There are 7 directors on the board of directors.
2. Directors are elected and removed by the supervisory board. Each director may be elected repeatedly. Only a natural person may become a director.
3. The board of directors elects and removes the chairman and two vice-chairmen of the board of directors.
4. The term of service of each director is four years.
5. Should a director die, resign, be removed, or should his term of service be terminated otherwise, the supervisory board elects a new director within two months.
6. A director may resign from service by virtue of a written statement delivered to the company and addressed to the supervisory board. The resigning director will simultaneously inform the board of directors of his/her resignation. The resigning director ceases to serve as a director upon the expiry of one month from the delivery of the resignation notice to the company, unless the supervisory board approves a different end of the director's service upon the resigning director's request.

Article 16 Board of Directors' Meetings and Decision-Making

1. The board of directors constitutes a quorum if a simple majority of all directors are present. Each director has one vote. Any reference in this Article to a majority of all directors or majority of votes of all directors is understood to mean a majority of the number of directors determined by the Articles of Association.
2. The board of directors decides by a simple majority of all directors' votes. When voting takes place on an election or removal of a chairman or vice-chairman, the particular director cannot vote.
3. The chairman of the board of directors is obligated to convene a meeting of the board of directors in the event at least two directors or the chairman of the supervisory board based on the decision of the supervisory board so require. Such a request must be in writing and must specify the urgent reason for convening such board of directors' meeting.
4. The meetings of the board of directors are subject to and governed by the board's rules of procedure which especially apply to how meetings are convened, include measures against inaction, impose requirements for notices of meetings, delivery deadlines, background materials, attendance of other parties, the course of the meetings and other details. The board of directors adopts or modifies the rules of procedure by a two-thirds majority of votes of all the directors.

5. Unless the board of directors resolves otherwise, a board meeting will be presided over by the board of directors' chairman or, if absent, one of the vice-chairmen (the order of preference is set forth in the rules of procedure of the board of directors).
6. Minutes are taken on the course of a board of directors' acting and on all adopted resolutions; such minutes are signed by the chairman of the board of directors, another director (always the director who presided the meeting of the board of directors or any part thereof or otherwise any director who takes part in the meeting), and the minutes clerk. The minutes of the board of directors' meeting specifies the names of directors voting against each individual resolution of the board of directors or of those abstaining from voting. Unless provided otherwise, directors not specified are presumed to have voted for adopting such resolution.
7. In urgent matters permitting no delay, the chairman - or vice-chairman in the chairman's absence - may submit per rollam voting to take place in writing or via technical devices. The draft resolution must be sent to all directors. A resolution is deemed to have been adopted if at least two thirds of all directors are present and a simple majority of all directors votes for its adoption. Other details of the per rollam voting may be set forth in the board of directors' rules of procedure.
8. Directors generally attend board meetings in person; however, a director may, in line with Section 159(2) of the Civil Code, empower another director to vote on a particular matter should the director be absent. Where legitimate, a director's presence at a board meeting, including voting, may take a different form (such as using voice or image transmission devices, telephone, telephone or video conferencing). Any individual so involved is presumed to be present at the meeting. Other details may be set forth in the board of directors' rules of procedure.
9. The board of directors may, at its own discretion, also invite members of other company's bodies, company's employees, or other persons to its meetings.
10. Board meetings are held at least once a month.

Article 17

Board of Directors' Working Commissions, Teams, and Committees

1. The board of directors may establish for its activities working commissions, teams, and committees.

V. SUPERVISORY BOARD

Article 18

Status and Powers of the Supervisory Board

1. The supervisory board is the company's inspecting body. The supervisory board oversees how the board of directors exercises its powers and the company conducts its operations.
2. The supervisory board may review all documents and records related to the company's business and may inspect whether accounting entries are kept

correctly and in accord with the facts and whether the company's business or any other operations are conducted pursuant to the provisions of the law and these Articles of Association. Members of the supervisory board may only exercise this authority on the basis of the supervisory board's decision unless the supervisory board is unable to perform its functions. The supervisory board informs the general meeting of the results of its inspection activities.

3. The supervisory board convenes a general meeting if it is necessary in the company's best interest or required by law; at such general meeting, the supervisory board proposes all necessary measures.
4. The supervisory board appoints a member thereof to represent the company in proceedings before courts and other authorities against a member of the board of directors.
5. In addition to the matters defined by law or these Articles of Association, the supervisory board is required to:
 - a) supervise the observance of generally binding legal rules and regulations, these Articles of Association, and resolutions of the general meeting;
 - b) supervise the exercise of ownership rights by the board of directors in legal entities wherein the company holds stakes;
 - c) review the ordinary, extraordinary, consolidated, or, as the case may be, interim financial statements, proposals for distribution of profits or other resources or coverage of losses, report on the relationships between affiliated parties, and submit its opinions to the general meeting;
 - d) discuss the quarterly business results, semi-annual reports or, if applicable, other reports pursuant to the provisions of the Capital Market Business Act, and the annual reports drawn up pursuant to the provisions of the accounting act;
 - e) submit to the general meeting and the board of directors its opinions, recommendations, and proposals;
 - f) elect and recall members of the board of directors in the manner provided for in Article 20;
 - g) approve directors' contracts of service and consideration provided to the directors, pursuant to Section 61 of the Business Corporations Act, provided that the supervisory board is not entitled to decide on providing consideration if the service of a board of directors member apparently contributed to the adverse economic result of the company;
 - h) decide on determining and evaluating the performance of specific tasks of directors;
 - i) propose to the general meeting the appointment of an auditor to conduct the statutory audit, taking account of the audit committee's recommendation; if the supervisory board proposes to the general meeting an auditor other than the one recommended by the audit committee, it must duly justify such proposal, stating, in particular, the reasons why it departed from the audit committee's recommendation;
 - j) establish an internal procedure enabling the regular assessment of whether the conditions under Section 121v(1) of the Capital Market Undertakings Act are met.

6. The supervisory board grants its preliminary consent to the board of directors for the decisions referred to in Article 14(9) hereof.
7. The supervisory board discusses and provides its prior opinions to the board of directors on the matters referred to in Article 14(10) hereof.
8. The supervisory board has the right to be advised by the board of directors in particular in the circumstances referred to in Article 14(11) hereof.

Article 19

Number of Supervisory Board's Members and Termination of Their Service

1. There are 12 members on the supervisory board.
2. Two-thirds of supervisory board members are elected and removed by the general meeting and one-third of supervisory board members are elected and removed by the company's employees. Each member of the supervisory board may be re-elected. Only a natural person may serve as a supervisory board member. Only employees who are under an employment contract with the company may be a supervisory board member elected by employees.
3. Only employees under an employment contract at the time of the election or removal have the right to elect and remove supervisory board members.
4. In addition to supervisory board members elected by employees, one or more substitute members may be elected up to a total of four. The manner of election and removal of supervisory board members elected by company employees and their substitutes is specified by the Election Rules of ČEZ, a. s., which may also stipulate that such elections are through electors.
5. The supervisory board elects and recalls its chairman and two vice-chairmen.
6. Each supervisory board member serves for four years. The term of service of a substitute member replacing a supervisory board member elected by employees terminates on the date on which the term of the replaced member of the supervisory board was to terminate.
7. Should a supervisory board member elected by a general meeting die, resign, be recalled, or should his/her service be terminated otherwise, the general meeting must elect a new member of the supervisory board within two months, unless the supervisory board exercises its right set forth under Section 10 below. Should a supervisory board member elected by employees die, resign, be recalled by employees, or should his/her service be terminated otherwise during his/her term of service or in the period from his/her election to the effective date of the election, he/she shall be replaced by the next substitute member with the highest number of votes obtained in the election of supervisory board members to be elected by company employees. If there is no such substitute member, the board of directors must call the election of a new supervisory board member to be elected by employees no later than one month after the termination of the service of the supervisory board member elected by employees.
8. A supervisory board member may resign by virtue of a written statement delivered to the company (addressed to the supervisory board). The resigning supervisory board member will cease to serve upon the expiry of one month following

the delivery thereof to the company, unless the supervisory board approves a different termination date at the resigning supervisory board member's request. The supervisory board must notify the board of directors of the resignation of a supervisory board member without undue delay. The last sentence of Section 58(1) of the Business Corporations Act shall not apply.

9. A member of the supervisory board elected by a general meeting also ceases to serve when a new member of the supervisory board is elected by a general meeting provided that the general meeting's decision allows determining which member of the supervisory board is to be replaced.
10. Unless the number of members of the supervisory board drops under one-half, the supervisory board may appoint substitute members instead of supervisory board members elected by a general meeting whose service terminated in the period since the last general meeting session to serve until the next general meeting. The time of the substitute supervisory board member's service is to be included in the term of service of the supervisory board member.

Article 20

Supervisory Board's Meetings and Decision-Making

1. The supervisory board constitutes a quorum if a simple majority of all supervisory board members are present at its meeting. Each supervisory board member has one vote. Any reference in this Article to a majority of all members or majority of votes of all members is understood to mean a majority of the number of supervisory board members determined by the Articles of Association.
2. The supervisory board decides by a simple majority of the votes of all its members, unless provided otherwise by these Articles of Association. When voting takes place on an election or removal of chairman or vice-chairman, the particular member cannot vote.
3. The chairman of the supervisory board is obligated to convene a supervisory board meeting if a member of the supervisory board or the board of directors so requires or if the shareholders specified in Section 365 of the Business Corporations Act request that the exercise of the board's powers be reviewed in line with Section 370 of the Business Corporations Act. Such a request must be in writing and must specify the urgent reason for convening such meeting.
4. Meetings of the supervisory board are subject to and governed by the supervisory board's rules of procedure which especially apply to how meetings are convened, include measures against inaction, impose requirements for notices of meetings, delivery deadlines, attendance of other parties, the course of the meetings and other details. The supervisory board adopts or modifies the rules of procedure by a two-thirds majority of the votes of all its members.
5. A supervisory board meeting will be presided over by the supervisory board's chairman or, if absent, one of the vice-chairmen (the order of preference is set forth in the supervisory board's rules of procedure).
6. Minutes are to be taken of the course of a supervisory board's meeting and on all adopted resolutions; such minutes are to be signed by the chairman of the supervisory board and another member if he/she presided over the meeting or any part thereof and the minutes clerk. The minutes of the supervisory board's

meeting specifies the names of the supervisory board members who voted against each individual resolution or who abstained from voting; supervisory board members not specified are presumed to have voted for adopting such resolution. A secret vote is only permissible when voting on personnel matters (e.g., electing and removing the chairman or a vice-chairman of the supervisory board, electing and removing members of supervisory board committees, appointing a substitute member of the supervisory board until the next general meeting, electing and removing a director).

7. In urgent matters permitting no delay, the chairman or vice-chairman in the chairman's absence may submit per rollam voting to take place in writing or via technical devices. The draft resolution must be sent to all supervisory board members. A resolution is deemed to have been adopted if at least two thirds of all directors are present and a simple majority of all directors votes for its adoption. Other details of the per rollam voting are set forth in the supervisory board's rules of procedure.
8. Supervisory board members generally attend supervisory board meetings in person; however, a supervisory board member may empower another supervisory board member to vote on a particular matter should the supervisory board member be absent. Where legitimate, a supervisory board member's presence at a board meeting, including voting, may take a different form (such as using voice or image transmission devices, telephone, telephone or video conferencing). Any individual so involved is presumed to be present at the meeting. Other details may be set forth in the supervisory board's rules of procedure.
9. The supervisory board may, at its own discretion, also invite members of other company bodies, company employees, or other persons to its meetings. Members of other company bodies and company employees are required to be present.
10. Supervisory board meetings are held usually once a month.

Article 21

Committees of the Supervisory Board

1. The supervisory board has the right to establish committees ("supervisory board committees"), which are the supervisory board's consulting bodies for selected professional issues. Only a member of the supervisory board may serve on a supervisory board committee.
2. Members of supervisory board committees are elected and removed by the supervisory board. Unless a supervisory board committee member is recalled from the committee (or steps down from his or her membership in the committee), their office as a committee member ends no later than on the day on which their supervisory board membership terminates.
3. Each supervisory board committee elects from among their number a chairman and a vice-chairman, who acts on the chairman's behalf in his absence.
4. The supervisory board committees meet as required but at least once every quarter.
5. The position, competences and composition of the individual supervisory board committees is stipulated by the statutes of every such committee, approved by

the supervisory board. Details about the manner of supervisory board committee meetings are set forth by the rules of procedure of every such committee, which are approved by the committee to which the rules apply.

VI. AUDIT COMMITTEE

Article 22

Status and Powers of the Audit Committee

1. Without prejudice to the responsibilities of directors and supervisory board members, the audit committee, in particular:
 - a) monitors the process of preparing financial statements and consolidated financial statements and submits recommendations to the board of directors and the supervisory board in order to ensure integrity of accounting and financial reporting systems;
 - b) monitors the effectiveness of internal controls and risk management systems;
 - c) monitors the effectiveness of internal audit and its functional independence;
 - d) recommends an auditor to conduct the statutory audit to the supervisory board, duly justifying such a proposal;
 - e) monitors the statutory audit process;
 - f) assesses independence of the auditor conducting the statutory audit and the auditor's provision of non-audit services for the company;
 - g) discusses with the auditor risks to the auditor's independence and safeguards applied by the auditor in order to mitigate such risks;
 - h) gives its opinion on release from an obligation under a statutory audit contract or termination of a statutory audit contract;
 - i) informs the supervisory board of the result of the statutory audit and of its findings obtained by monitoring the statutory audit process;
 - j) informs the supervisory board how the statutory audit contributed to ensuring integrity of accounting and financial reporting systems;
 - k) approves the provision of other non-audit services;
 - l) exercises other powers pursuant to the Auditors Act or directly applicable EU legislation.
2. The audit committee debates reports on important facts resulting from the statutory audit on an ongoing basis, especially about any principal flaws in internal control relating to the process of preparing the financial statements or consolidated financial statements.
3. If the audit committee receives an additional auditor report pursuant to the applicable provisions of the Auditors Act, it shall debate it and upon request pass it to the board of directors and the supervisory board without undue delay.

4. The audit committee is entitled to inspect documents and records concerning the company's activities to the extent necessary for the performance of its activities.
5. The audit committee shall prepare an activity report once a year, in which it shall evaluate its activities, and provide the report to the Public Audit Oversight Board.
6. Members of the audit committee exercise their powers with the due care of a prudent manager and observe secrecy in respect of confidential information and facts the disclosure of which to third persons could cause the company any harm. The confidentiality duty survives the appointment.
7. Members of the audit committee participate in the general meeting and they are obligated to present results of their activities to the general meeting.

Article 23

Number of the Audit Committee Members and Termination of Their Office

1. The audit committee has five members appointed and removed by the general meeting from among the supervisory board members or from among third persons. Neither members of the board of directors nor proxies may become audit committee members. Only a natural person may serve as a member of the audit committee.
2. A majority of audit committee members must be independent and professionally qualified pursuant to the applicable provisions of the Auditors Act. At least one member of the audit committee must be a person that is or was a statutory auditor or a person whose expertise and/or prior practice in accounting qualify them to duly perform the duties of an audit committee member, including with respect to the industry that the company is active in. This member of the audit committee must always be independent.
3. The audit committee elects its chairman and vice-chairman; the chairman must be independent pursuant to the applicable provisions of the Auditors Act.
4. The term of office of each audit committee member is four years.
5. The general meeting may elect up to three substitute audit committee members, setting forth the order of preference. Should a member of the audit committee die, resign, be recalled, or should his term of office be terminated otherwise, the substitute audit committee member who is next in the order of preference is to replace the deceased, resigned or removed member; such audit committee member's term of office will terminate no later than five years after he/she is elected a substitute audit committee member, unless the law implies otherwise. The general meeting may change the order of preference of the already-elected substitute audit committee member.
6. A member of the audit committee may resign from his/her office by virtue of a written statement delivered to company and addressed to the audit committee. The office of such member of the audit committee terminates upon the expiry of one month following the delivery thereof to the company, unless the audit committee approves a different termination date at the resigning member's request.
7. The office of a member of the audit committee terminates upon the election of a new member of the audit committee by the next general meeting, unless the general meeting decides otherwise.

Article 24

Audit Committee's Meetings and Decision-Making

1. The audit committee constitutes a quorum if a simple majority of all members are present at its meeting. Each audit committee member has one vote. Any reference in this Article to a majority of all members or majority of votes of all members is understood to mean a majority of the number of audit committee members determined by the Articles of Association.
2. The audit committee decides by a simple majority of votes of all its members. If there is a tie, the audit committee chairman does not have a tie-breaking vote.
3. Meetings of the audit committee are subject to and governed by the audit committee's rules of procedure which especially apply to how meetings are convened, include measures against inaction, impose requirements for notices of meetings, delivery deadlines, background materials, attendance of other parties, the course of the meetings and other details. The audit committee adopts or modifies the rules of procedure by a two-thirds majority of votes of all its members.
4. In urgent matters permitting no delay, the chairman or vice-chairman in the chairman's absence may submit per rollam voting to take place in writing or via technical devices. The draft resolution must be sent to all audit committee members. A resolution is deemed to have been adopted if at least two thirds of all directors are present and a simple majority of all directors votes for its adoption. Other details of the per rollam voting may be set forth in the audit committee's rules of procedure.
5. Audit committee members generally attend audit committee meetings in person; however, an audit committee member may empower another audit committee member to vote on a particular matter should the audit committee member be absent. Where legitimate, an audit committee member's presence at a board meeting, including voting, may take a different form (such as using voice or image transmission devices, telephone, telephone or video conferencing). Any individual so involved is presumed to be present at the meeting. Other details may be set forth in the audit committee's rules of procedure.
6. The audit committee may, at its own discretion, also invite members of other company bodies, company employees, or other persons to its meetings. Members of other company bodies and company employees are required to be present.
7. Audit committee meetings are held as necessary. The audit committee's rules of procedure may set forth the frequency of audit committee meetings.

VII. JOINT PROVISIONS ON THE ACTIVITIES OF THE BOARD OF

DIRECTORS, THE SUPERVISORY BOARD AND AUDIT COMMITTEE

Article 25

Conditions for Serving as a Company Body Member, Remuneration of Company Body Members (Including Royalties)

1. Costs related to organizing meetings and to other activities of the board of directors, the supervisory board and the audit committee are borne by the company.
2. Members of company bodies are reimbursed by the company for costs purposefully expended in connection with their serving as company directors/other body members and with their attendance at such bodies' meetings.
3. In addition to the other types of remuneration, directors and supervisory board members have the right to receive a share in profit (royalties) under the condition that the company generates a profit and the general meeting approves that royalties be paid. Approval of the royalties, the amount thereof and the method of distribution among directors and supervisory board members are decided by the general meeting in connection with its decision on profit distribution. If the general meeting approves that royalties be paid out but does not determine the distribution method thereof among directors and supervisory board members the following rule applies: every director's and supervisory board member's share will be determined on a pro rata basis depending on how long the particular director and supervisory board member serves on the board in the course of the relevant accounting period. Royalties cannot be granted to directors and supervisory board members in circumstances in which the law does not allow for the payment thereof.
4. The company may, in accordance with legal regulations, provide to members of the bodies other considerations in line with Section 61 of the Business Corporations Act, provided that, as board of directors members concern, the supervisory board is not entitled to decide on providing consideration if the service of a board of directors member apparently contributed to the adverse economic result of the company.
5. A member of the board of directors or supervisory board may not:
 - a) undertake business within the scope of activities of the company, not even on behalf of other persons, or to mediate the company business for another entity;
 - b) be a member of the statutory body of another legal entity with the same or a similar subject of activity or a person in a similar position, unless it is a concern or a person controlled by the company;
 - c) participate in the business activities of another business corporation as a member with unlimited liability or as the controlling person of another person engaged in the same or similar line of business;

unless the company body entitled to elect the member of the company body concerned has given prior approval to that competitive activity at the time of the election or during the performance of their duties; in the case of a supervisory board member elected by employees, this body is the general meeting.

VIII. ACTING AND SIGNING ON BEHALF OF THE COMPANY

Article 26

Acting and Signing on Behalf of the Company

1. Two directors act and sign jointly on behalf of the company. They sign by affixing their signatures to the written or printed corporate name of the company and indicate their title.
2. The company's employees also act and sign on behalf of the company to the extent arising from organizational and signing rules and regulations of the company.
3. Other parties which may act on behalf of the company are those who are authorized to do so by a written power of attorney granted by the board of directors and other company's representatives in line with the law.

IX. COMPANY'S FINANCIAL MANAGEMENT

Article 27

Method of Profit Distribution and Other Resources and Loss Coverage

1. Net income is distributed in particular for the following purposes:
 - a) 5 % to the reserve fund of up to 20 % of the company's registered capital;
 - b) to the company's other funds, if established;
 - c) for dividend payments;
 - d) for royalty payments to members of the board of directors and of the supervisory board;
 - e) the remaining portion of profits shall be transferred to the retained earnings account.

The above-stated order is not binding for the company. A portion of net income may be used to increase the registered capital upon approval by the general meeting. A portion of net income may be used to pay the share attributable to bonds, in compliance with the prospectus, upon approval by the general meeting.

2. The company's own resources will be applied to cover losses in the following sequence of priority:
 - a) reserve fund;
 - b) retained profit;

- c) other company funds, if established, unless such use of the funds is prohibited by the law or the Articles of Association;
 - d) registered capital.
3. The company is not entitled to pay profits or other resources should it lead to its insolvency. Furthermore, the company may not distribute its profits or other resources if, following the end of the most recent accounting period, its equity determined through ordinary or extraordinary financial statements or equity after distribution is reduced under the amount of the company's subscribed registered capital increased by funds that it may not distribute to shareholders.
 4. The amount to be distributed may not exceed the sum of profit or loss for the most recent completed accounting period, profit or loss for the previous years and other funds that the company may use at its own discretion, less the allocations to reserves and other funds in accordance with the law and these Articles of Association. Funds whose creation, modification or termination are regulated by a legal regulation or these Articles of Association in a way that does not allow their distribution may not be used for the distribution.
 5. Where development costs are recognized in assets in the balance sheet, the company may not distribute profit or other resources unless the amount to be distributed under the previous Section is higher than the non-depreciated portion of development costs. The amount to be distributed under the preceding Section shall be reduced by the non-depreciated amount of development costs.
 6. Unless the general meeting determines otherwise in line with the law, the fourth business day following the date of the general meeting which decides to distribute profit is the date decisive for raising the right to dividend or share in other resources.
 7. The board of directors is obligated to announce a decision of the general meeting on the date of dividend or other resources maturity, as well as the place and method of payment thereof in the manner set forth by law and these Articles of Association.

Article 28

Quarterly Results of Operations

1. Besides the annual financial statement, the board of directors is obligated to provide for drawing up quarterly results of operations, providing the basic information on the current proprietary and financial situation of the company, efficiency of its financial management in the previous calendar quarter, and on the amounts of profits generated or losses incurred during such period of time.

Article 29

Reserve Fund and Other Funds

1. The company creates a reserve fund in circumstances and by methods prescribed by law; the company may also create reserve funds in circumstances and by methods admitted by law.
2. The board of directors decides on how to use the reserve fund, unless the general meeting has such decisions reserved for itself.

3. The company may also establish other funds. The general meeting is the body in charge of deciding whether to establish such other funds; the foregoing does not apply if the establishment of a particular fund is mandatory by virtue of law. Should such funds be created or supplemented using the profits, the contributions to such funds and the use of monies in such funds are approved by the general meeting.

X. CHANGES IN REGISTERED CAPITAL

Article 30

Increase in Registered Capital

1. The general meeting decides on any increase of the company's registered capital, or, in line with the law and these Articles of Association, the board of directors.
2. The company's registered capital may be increased in all manners permissible pursuant to the provisions of Sections 474 through 515 and 546 through 548 of the Business Corporations Act.
3. Every shareholder has a priority right to subscribe for a portion of new shares in a proportion to its shareholding in the registered capital, if the issue price is to be paid in cash.
4. The rights and obligations attached to an unpaid share can be attached to an interim certificate.
5. If a subscriber breaches their obligation to pay the issue price of the shares subscribed for, they shall pay late payment interest in an amount determined pursuant to the Business Corporations Act.
6. New shares issued as a result of a general meeting's or board of directors' decision on subscription of shares are included in the economic results of previous years.

Article 31

Increase in the Registered Capital by the Board of Directors

1. By virtue of a general meeting's resolution, the board of directors may be authorized under the terms and conditions set forth by law and these Articles of Association to decide on an increase in the registered capital through subscription of shares, conditional increase or using the company's own resources, save for undistributed profits, but always by up to one-half of the amount of the registered capital existing at the time when the general meeting charged the board of directors with such increase in the registered capital.
2. The authorization to increase the company's registered capital may be granted for up to five years as of the date the general meeting resolved to grant the authority; the authorization may be granted several times.
3. The authorization must specify the nominal value, class and type of shares to be issued in order to increase the company's registered capital or information that they are to be issued as book-entered shares. The authorization must also specify which company body is to be in charge of deciding about the evaluation of the contribution

in kind by means of an expert report. The board of directors may increase the company's registered capital repeatedly within the authorization, provided that the total amount of the increase does not exceed the limit set out in Section 1.

Article 32

Reduction of Registered Capital

1. Reduction of the registered capital is subject to and governed by the provisions of Sections 516 through 545 of the Business Corporations Act, while reduction of the registered capital through withdrawal of shares based on the shareholders' proposal is permissible (pursuant to the provisions of Section 523(2) of the Business Corporations Act). Moreover, registered capital can be reduced by reducing the nominal value of shares and interim certificates and through a decision not to issue shares.

XI. FINAL PROVISIONS

Article 33

Publishing, Notices, and Information

1. All facts that the company is obligated to publish will be so published in the Commercial Bulletin (Obchodní věstník), unless the law sets forth otherwise.
2. All facts that the company is obligated to publish will be published on the company's internet website and other locations designated by law or these Articles of Association.
3. In line with the law the company publishes its annual report, a part of which is also the related parties report. Should the company issue securities accepted for trading on a European regulated market, it must also draft and publish a semi-annual report and is required to comply with all other obligations of the issuer set forth by law.
4. The company chooses to be governed entirely by Act No. 90/2012 Sb., on Commercial Companies and Cooperatives (the Business Corporations Act).