



CLEAN
ENERGY OF
TOMORROW

Remuneration Report ČEZ, a. s., for the Accounting Period of 2021

1. Introduction

This Remuneration Report is prepared on the basis of Sec. 121(o) and Sec. 121(p) of Act No. 256/2004 Coll., on capital market undertakings, as amended (hereinafter the “**CMUA**”) and builds on the Remuneration Policy ČEZ, a. s., company ID: 45274649, having its registered office at Praha 4, Duhová 2/1444, postcode 14053, registered in the Commercial Register kept by the Municipal Court in Prague, ref. B 1581, registered with the Municipal Court in Prague (hereinafter referred to as the “**Company**”), which was approved by the General Meeting of the Company (hereinafter referred to as the “**General Meeting**”) on June 29, 2020 (hereinafter referred to as the “**Remuneration Policy**”).

This Remuneration Report relates to remuneration of members of the Company’s Board of Directors and the Supervisory Board (hereinafter the “**Body Members**”).

The Remuneration Report is prepared for the accounting period of 2021. The Remuneration Report includes the remuneration of not only the current Body Members but also former Body Members who received remuneration in 2021. The amounts in the Remuneration Report are stated before statutory deductions are carried out.

The Company has not deviated from the Remuneration Policy in remuneration of Body Members in 2021.

2. Remuneration of the Company's Body Members for the Accounting Period of 2021

The remuneration of members of the Company's Board of Directors and Supervisory Board is defined in the publicly available Remuneration Policy. The Remuneration Policy contributes to the fulfillment of the Company's business strategy, protection of its long-term interests, and support for sustainability. The Remuneration Policy provides a clear and transparent description of all components of fixed and variable remuneration, including all bonuses and other benefits in any form, and their proportion, key financial and non-financial performance indicators, conditions of termination of service and related benefits such as severance pay (in the case of contracts that came into effect before January 1, 2020) and a non-compete clause.

Remuneration of the Company's Board of Directors and the Supervisory Board is agreed in a service contract concluded individually with each Company's Body Member, approved by the Supervisory Board in case of members of the Board of Directors and by the General Meeting in case of members of the Supervisory Board. The Supervisory Board also defines and evaluates performance indicators related to any variable component of remuneration of members of the Board of Directors. In this way, the Supervisory Board also fulfills the role of the Remuneration Committee. The terms and conditions set out in the service contract are determined in accordance with the Remuneration Policy. This fact shall be documented upon submitting the Remuneration Report to the shareholders for approval at the Company's General Meeting. This complies with the principle of "Say on Pay" by the Company's shareholders. The General Meeting also decides on any royalty payments to members of the Board of Directors and the Supervisory Board.

The remuneration of the members of the Board of Directors is based on cooperation with the professional consultant Korn Ferry s.r.o. (formerly Hay Group) (hereinafter referred to as "Korn Ferry"), which has a long-standing and global focus on remuneration consulting and human resources management, including the remuneration surveys. ČEZ, a. s. uses Korn Ferry's globally consistent analytical method and standardized compensation surveys for remuneration comparisons. The Korn Ferry analytical method assesses positions with respect to amount of responsibility and authority, scope of management in terms of the number of employees and countries as well as the diversity of managed processes and segments, complexity of problem solved, required know-how, amount of revenue, amount of investment, as well as the degree of freedom in decision-making. Through this position valuation methodology, the Company ensures comparisons to comparable positions based on Korn Ferry's compensation surveys.

In May 2021, CEZ Group's accelerated strategy, "VISION 2030 - Clean Energy of Tomorrow", was presented. Within this strategy, the emphasis was increased on ESG (Environmental, Social, Governance) with a focus on environmental friendliness, responsible behavior towards both employees and other stakeholders, and transparent and ethical management of CEZ Group. These changes were naturally reflected in the indicators (performance criteria for annual bonus) set for the Board of Directors members for 2022.

2.1 Summary of Remuneration Components for the Board of Directors Members

The total remuneration of a Board of Directors member consists of a **fixed remuneration component** and a **variable remuneration component**.

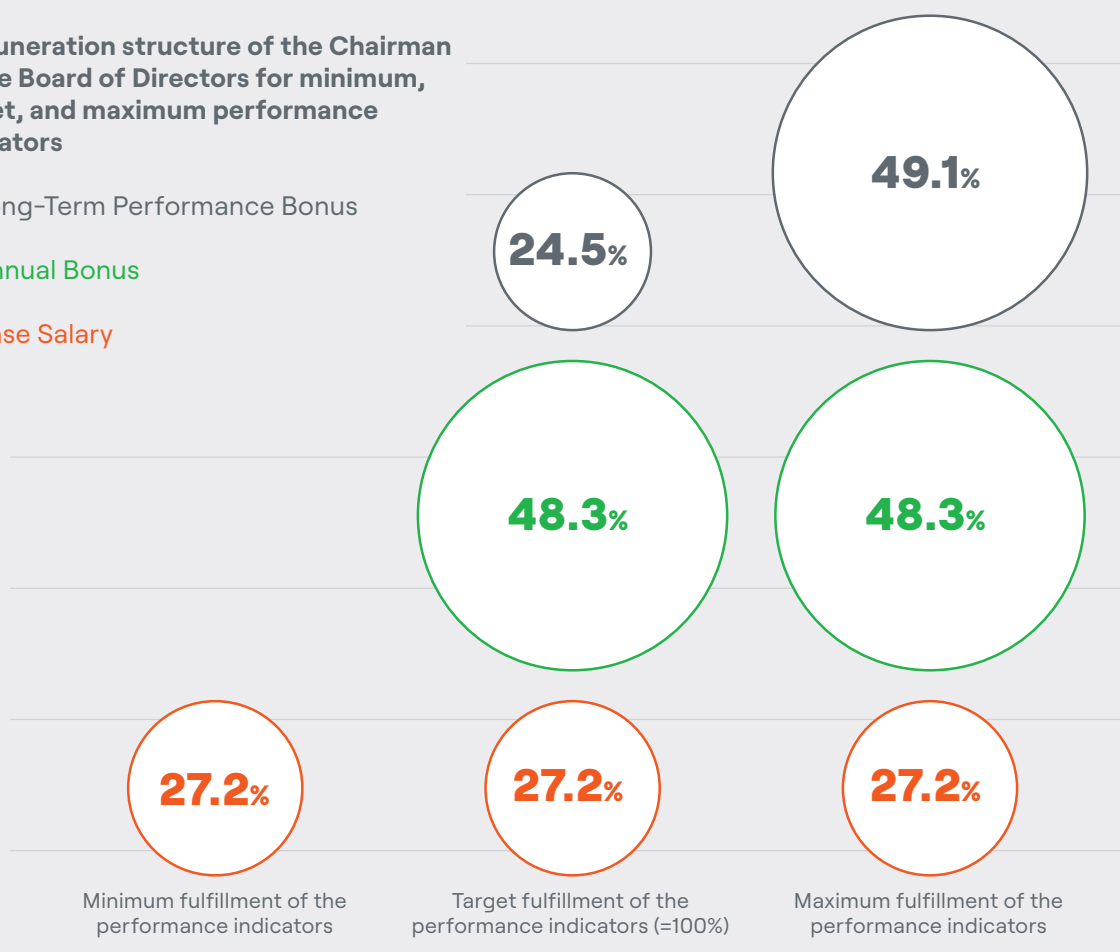
The fixed remuneration component for members of the Board of Directors includes base salary, benefits, and pension schemes.

The variable remuneration component for members of the Board of Directors includes annual bonus, target-based bonus, long-term performance bonus, and royalty.

The variable remuneration component is subject to the achievement of performance indicators set and evaluated for members of the Board of Directors by the Supervisory Board. The following charts illustrate the proportions of base salary, annual bonus, and long-term performance remuneration depending on the level of meeting the performance indicators.

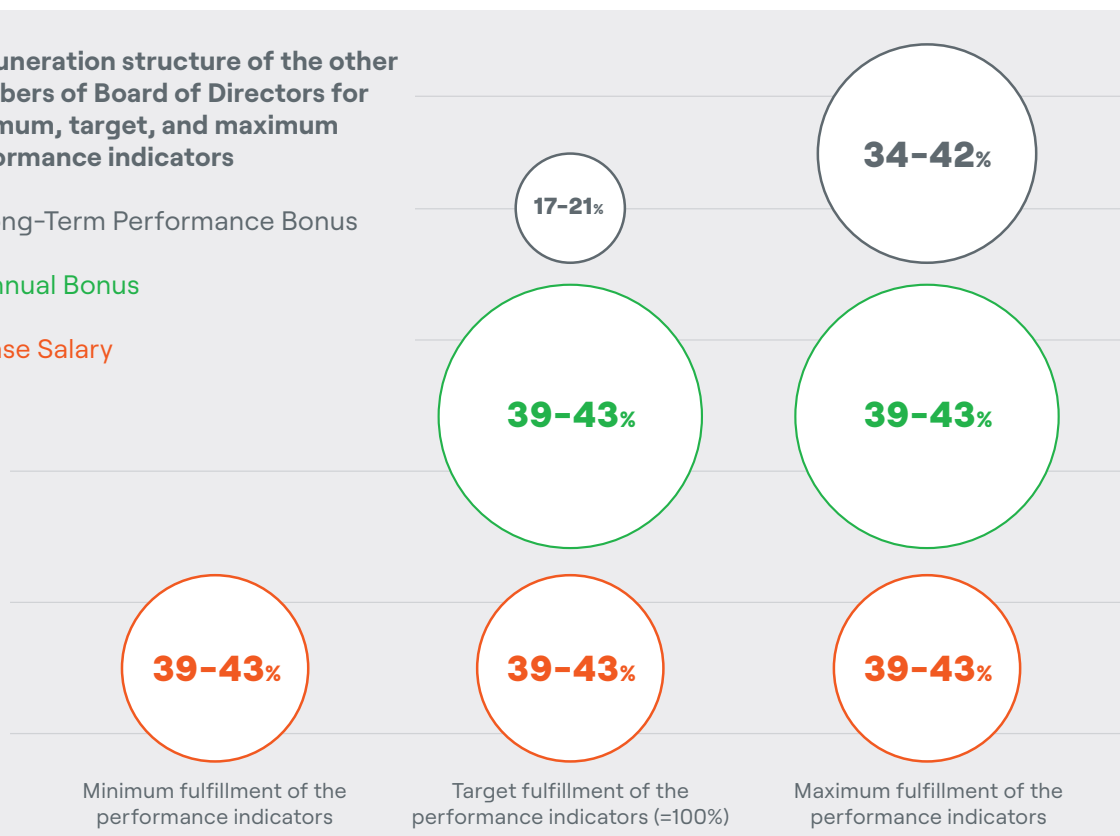
Remuneration structure of the Chairman of the Board of Directors for minimum, target, and maximum performance indicators

- Long-Term Performance Bonus
- Annual Bonus
- Base Salary



Remuneration structure of the other Members of Board of Directors for minimum, target, and maximum performance indicators

- Long-Term Performance Bonus
- Annual Bonus
- Base Salary



2.1.1 Base Salary

In 2021, members of the Company's Board of Directors were paid a base salary in accordance with Section 3.1 of the Remuneration Policy for their service as members of the Board of Directors, to the extent set out in Section 2.1.8 hereof. The base salary belongs to the fixed remuneration component.

By analogy to personal income taxes for employment tax purposes the amount of aggregate base salary paid in 2021 and disclosed in this Remuneration Report, does not include the remuneration paid in January 2021 for acting as a member of the Board of Directors in December 2020, and includes the remuneration paid in January 2022 for acting as a member of the Board of Directors in December 2021.

2.1.2 Benefits

In addition, members of the Board of Directors were granted benefits in accordance with Section 3.2 of the Remuneration Policy in the period January to December 2021, to the extent set out in Section 2.1.8 hereof. The benefit belongs to the fixed remuneration component.

In accordance with the Remuneration Policy, the following benefits representing other benefits within the meaning of Section 121(2)(a) of the CMUA were provided to the members of the Board of Directors:

- Use of mobile phone provided for office duties of a member of the Board of Directors and for private purposes;
- Use of vehicle provided for office duties of a member of the Board of Directors and for private purposes, including all-risk insurance and reimbursement of repair and maintenance costs;
- Comprehensive medical care for a member of the Board of Directors and his/her family members consisting of the provision of labor-related medical services in accordance with the applicable legislation and other medical services focusing primarily on prevention of civilizational diseases and musculoskeletal system problems;
- Contribution for a meal plan in the Company's canteen or in the form of meal vouchers in the same value and amount as it is common for employees in the given location as at the date of the service contract in the form of a contribution for one meal collected / meal voucher per a business day, when he/she performs activities related to his/her duties of a member of the Board of Directors;
- Contribution for private life insurance;
- Financial resources allocated to the personal account of a member of the Board of Directors that can be used by the member of the Board of Directors and his/her family members for free-time activities (e.g. recreation, education, culture, sports, relaxation and health-related activities);
- Arrangement of a capital life insurance with the duration of insurance of 4 years;
- Accident insurance, and third-party liability insurance that can be used, in addition to claims related to the performance of office of a member of the Board of Directors, also in claims of a personal nature.

For benefits, this Remuneration Report follows the same approach as for base salary, i.e. the amount of benefits provided for 2021 excludes benefits provided in December 2020 and charged to base salary in January 2021 and includes benefits provided in December 2021 and charged to base salary in January 2022. Meal vouchers are provided in the month following the end of the calendar quarter based on entitlements accrued in that quarter. Therefore, meal vouchers for Q4 2020 are granted in the month of January 2021 and are included in the 2021 remuneration in this Remuneration Report. A similar procedure will follow for the meal vouchers for Q4 2021, which will be included in the remuneration for 2022.

2.1.3 Pension Schemes

In addition, pension schemes were provided to members of the Board of Directors in 2021 in accordance with Section 3.3 of the Remuneration Policy, to the extent set out in Section 2.1.8 hereof. The pension schemes belong to the fixed remuneration component. The Company provides the members of the Board of Directors with a contribution for supplementary pension insurance and/or additional pension savings. Provision of the contribution is conditioned by the conclusion of a valid contract on supplementary pension insurance (and/or additional pension savings) with a state contribution by the respective member of the Board of Directors, and a regular monthly co-payment by the member of the Board of Directors in the agreed amount from their own resources. The pension contribution or supplemental retirement savings plan contribution made in January 2021 with monthly compensation for December 2020 is not included in this 2021 Pension Scheme Compensation Report and the contribution made in January 2022 with monthly compensation for December 2021 is included in this 2021 Pension Scheme Compensation Report.

2.1.4 Annual Bonus

The criteria (indicators) for the annual bonus of the Board of Directors members are set to reflect the key financial and non-financial performance indicators of the Company based on the objectives of the applicable strategy, business plan, and annual budget of the Company in accordance with the applicable legislative and regulatory business conditions. The indicators set for each member of the Board of Directors reflect the areas of responsibility assigned to the respective member.

A common group target is set for all Board of Directors members, derived from CEZ Group's EBITDA for the calendar year in question, i.e. from a standardized indicator that appropriately indicates the total operating cash flow generated in the year and is objectively measurable.

The chapters below present the criteria (indicators) for the annual bonus of the Board of Directors members for 2022, as well as an evaluation of the performance of the indicators set for 2021 and 2020, all of which have been approved by the Company's Supervisory Board.

2.1.4.1. Indicators (Performance Criteria for Annual Bonus) Set for 2022

The Supervisory Board has set indicators (performance criteria) for the annual bonus of the Board of Directors members for 2022. These include a common unified task for all members of the Board of Directors, which is to achieve the target value of the group indicator „CEZ Group Adjusted EBITDA“, as well as individual tasks for individual members of the Board of Directors, which are shown in the tables below, including the weightings. The individual tasks of all members of the Board of Directors include a unified ESG task with a weighting of at least 15%. This task consists of achieving the target level of international ESG rating, fulfilling public commitments, and implementing ESG programs and measures set out in accordance with the accelerated VISION 2030 strategy.

The Supervisory Board will decide on the evaluation of meeting the established indicators and thus on the amount of the balance payment of the annual bonus for 2022 in March 2023. The balance payment of the annual bonus for 2022 will be paid in April 2023 and its amount will be stated in the 2023 Remuneration Report.

Chairman of the Management Board Daniel Beneš – Individual Tasks for 2022

Individual Task		Weighting
1.	Continuously improve safety and ensure conditions for the long-term operation of nuclear power plants	20%
2.	Ensure the implementation of steps to meet CEZ Group's main strategic objectives for 2023–2026 under the VISION 2030 initiative and to meet strategic objectives in the area of regulation and procurement	20%
3.	Maximize the market value of the DISTRIBUTION segment	20%
4.	Effectively communicate CEZ Group's strategy and activities with an emphasis on developing ESG within CEZ Group	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize the impactable portion of the division's fixed costs	5%

Vice-Chairman of the Board of Directors Pavel Cyrani – Individual Tasks for 2022

Individual Task		Weighting
1.	Maximize income from commodity trading	15%
2.	Ensure the implementation of steps to meet CEZ Group's main strategic objectives for 2023–2026 in the areas of the division head's substantive competence and CEZ Group's main ESG commitments	20%
3.	Maximize the market value of the SALES segment	25%
4.	Maximize the market value of the DISTRIBUTION segment	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize the impactable portion of the division's fixed costs	5%

Member of the Board of Directors Michaela Chaloupková – Individual Tasks for 2022

Individual Task		Weighting
1.	Provide quality HR services	20%
2.	Ensure implementation of steps to meet CEZ Group's main strategic objectives for 2023–2026 in the area of HR	20%
3.	Effectively manage expenditures in facility management and transportation	20%
4.	Ensure implementation of steps to meet CEZ Group's main strategic objectives for 2023–2026 in the area of procurement	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize the impactable portion of the division's fixed costs	5%

Member of the Board of Directors Jan Kalina – Individual Tasks for 2022

	Individual Task	Weighting
1.	Maximize operating cash flow of existing RES assets and realize strategic objectives in the field of RES development in Czechia.	20%
2.	Maximize the availability of emission generation facilities	15%
3.	Maximize operating cash flow generation of the GENERATION – Emission Facilities segment	20%
4.	Ensure the implementation of steps to meet CEZ Group’s strategic objectives for 2023–2026 in the context of transforming the heating industry and the gradual decarbonization of the conventional portfolio, and in the context of meeting ESG commitments in the area of emissions generation	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	20%
6.	Minimize the impactable portion of the division’s fixed costs	5%

Member of the Board of Directors Martin Novák – Individual Tasks for 2022

	Individual Task	Weighting
1.	Effectively support maintaining CEZ Group’s medium-term financial stability	20%
2.	Minimize average financing costs	15%
3.	Ensure the implementation of steps to meet the main strategic objectives in the field of IT and telecommunication services	25%
4.	Ensure the implementation of steps to meet CEZ Group’s strategic objectives for 2023–2026 in the areas of the division head’s substantive competence	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize the impactable portion of the division’s fixed costs	5%

Member of the Board of Directors Tomáš Pleskač – Individual Tasks for 2022

	Individual Task	Weighting
1.	Meet the NPP EDU project objectives in the area of contractor selection and budget in accordance with the obligations from the contracts with the state and the CEZ Group strategy	25%
2.	Meet the NPP EDU project objectives in the area of legislation and permitting procedures in accordance with the obligations of the contracts with the state and the CEZ Group strategy	20%
3.	Meet the NPP EDU project objectives in the area of financing and economic profitability in accordance with the obligations under the contracts with the state and the CEZ Group strategy	20%
4.	Ensure that other strategic objectives in the area of new nuclear power plants are met	15%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize the impactable portion of the division’s fixed costs	5%

Member of the Board of Directors Bohdan Zronek – Individual Tasks for 2022

Individual Task		Weighting
1.	Continuously improve the safety of nuclear power plants and raise the level of processes under the responsibility of the division head	20%
2.	Ensure optimum availability of nuclear generation facilities	20%
3.	Maximize operating cash flow generation of the GENERATION – Nuclear Facilities segment	20%
4.	Ensure conditions for the long-term operation of nuclear power plants	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize the impactable portion of the division's fixed costs	5%

2.1.4.2. Evaluation of Indicators (Performance Criteria for Annual Bonus) for 2021

For the year 2021, the Supervisory Board set indicators (performance criteria for annual bonus) for the Board of Directors members, which included the common task of all Board of Directors members (achievement of the set value of the group indicator „CEZ Group Adjusted EBITDA”), as well as individual indicators (performance criteria for annual bonus) set for individual Board of Directors members, which are presented below, including the overall evaluation of annual bonus for 2021.

The overall evaluation of the indicators set for 2021 (determining the amount of the balance payment of the annual bonus for 2021) was approved by the Supervisory Board on March 24, 2022. The amount of the balance payment of the annual bonus for 2021 paid in April 2022 will be disclosed in the 2022 Remuneration Report.

Evaluation Summary of the Performance Indicators for 2021:

Member of the Board of Directors	Position	Common Indicator	Performance of Individual Tasks	Total Annual Bonus
Daniel Beneš	Chairman of the Board of Directors and Chief Executive Officer	112.3%	100.4%	100%
Pavel Cyrani	Vice-Chairman of the Board of Directors and Chief of the Sales and Strategy Division		108.7%	100%
Michaela Chaloupková	Member of the Board of Directors and Chief of the Administration Division		100.6%	100%
Jan Kalina	Member of the Board of Directors and Chief of the Renewable and Traditional Energy Division		100.1%	100%
Martin Novák	Member of the Board of Directors and Chief of the Finance Division		100.1%	100%
Tomáš Pleskač	Member of the Board of Directors and Chief of the New Energy Division		101.4%	100%
Ladislav Štěpánek	Member of the Board of Directors and Chief Fossil/Hydro Officer		101.0%	100%
Bohdan Zronek	Member of the Board of Directors and Chief of the Nuclear Energy Division		100.2%	100%

Evaluation of Performing the Common Indicator (Task) for 2021:

Common Group Indicator for 2021	Performance
CEZ Group Adjusted EBITDA	112.3%

The initial budget target was significantly exceeded, mainly due to record income from commodity trading on foreign markets, higher realized prices for electricity generated, and stable safe operation of nuclear power plants. EBITDA (Operating Earnings Before Depreciation and Amortization) of CEZ Group's existing assets increased by 5% year-on-year, mainly due to the increase in the sales prices of generated electricity (reflecting multi-year pre-sales on the wholesale market) and the stable safe operation of nuclear power plants.

Overall Assessment of the Members of the Board of Directors for 2021:

Chairman of the Board of Directors Daniel Beneš

	Individual Task	Weighting	Performance
1.	Continuously improve safety and ensure conditions for the long-term operation of nuclear power plants	20%	100.4%
2.	Meet the NPP EDU project objectives in accordance with the obligations under the contracts with the state and the CEZ Group strategy	20%	
3.	Update CEZ Group's Brand Strategy	20%	
4.	Ensure implementation of steps to meet strategic regulatory and legislative objectives	20%	
5.	Effectively communicate CEZ Group's strategy and activities and maintain a positive image of CEZ Group in the Czech public opinion	15%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Overall, the individual tasks were completed at 100.4%. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Vice-Chairman of the Board of Directors Pavel Cyrani

	Individual Task	Weighting	Performance
1.	Meet the NPP EDU project objectives in accordance with the obligations under the contracts with the state and the CEZ Group strategy	20%	108.7%
2.	Ensure the implementation of steps to meet strategic objectives for 2022–2025 in the areas of the division head's substantive competence	20%	
3.	Maximize income from commodity trading	15%	
4.	Maximize operating cash flow of the SALES segment	25%	
5.	Ensure the implementation of steps leading to meeting the 2022–2025 strategic objectives in the SALES segment	15%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Individual tasks were met at 108.7% overall, with performance above 100% especially for tasks 3 and 5. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Member of the Board of Directors Michaela Chaloupková

Individual Task		Weighting	Performance
1.	Provide quality HR services	20%	100.6%
2.	Ensure collective bargaining in accordance with CEZ Group strategy	15%	
3.	Effectively manage expenditures in real estate management and transportation	20%	
4.	Secure fuel supply for nuclear power plants in 2021	20%	
5.	Meet the NPP EDU project objectives in accordance with the obligations under the contracts with the state and the CEZ Group strategy	15%	
6.	Minimize the impactable portion of the division's fixed costs	10%	

Overall, the individual tasks were completed at 100.6%. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Member of the Board of Directors Jan Kalina

Individual Task		Weighting	Performance
1.	Continuously improve the safety of the assets operated under the responsibility of the division head	20%	100.1%
2.	Maximize the availability of generating facilities in Czechia under the responsibility of the division head	15%	
3.	Maximize operating cash flow generation of the GENERATION – Emission Facilities segment	15%	
4.	Maximize operating cash flow of existing RES assets and realize strategic objectives in the field of RES development in Czechia.	25%	
5.	Ensure that the conditions for the operation of emission facilities after 2021 are met and prepare a plan for the transition to low-emission facilities	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

The individual tasks were met at 100.1% overall, with performance above 100% especially for task 3, while partial underperformance was recorded for tasks 2 and 4. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Member of the Board of Directors Martin Novák

	Individual Task	Weighting	Performance
1.	Effectively support maintaining CEZ Group's medium-term financial stability	20%	100.1%
2.	Minimize average financing costs	20%	
3.	Ensure the implementation of the steps to meet the 2022–2025 key strategic objectives in the area of finance and the NPP EDU II	20%	
4.	Effectively manage IT and telecommunication services expenditure	15%	
5.	Ensure the implementation of steps to meet the main strategic objectives in the field of IT and telecommunication services	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Overall, the individual tasks were completed at 100.1%. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Member of the Board of Directors Tomáš Pleskač

	Individual Task	Weighting	Performance
1.	Maximize operating cash flow of existing RES assets	10%	101.4%
2.	Maximize operating cash flow generation in the area of Distribution in Czechia	15%	
3.	Implement the divisional strategy of foreign companies	25%	
4.	Meet the NPP EDU project objectives in accordance with the obligations under the contracts with the state and the CEZ Group strategy	35%	
5.	Ensure that other strategic objectives in the area of new nuclear power plants are met	10%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Individual tasks were met at 101.4% overall, with performance above 100% especially for tasks 2 and 3. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Member of the Board of Directors Ladislav Štěpánek

	Individual Task	Weighting	Performance
1.	Continuously improve the safety of the assets operated under the responsibility of the division head	20%	101.0%
2.	Maximize the availability of conventional generating facilities In Czechia	20%	
3.	Maximize operating cash flow generation in the GENERATION segment (conventional facilities)	20%	
4.	Optimize the investment cash flow of ČEZ and the subsidiaries entrusted to the substantive management of the division head	15%	
5.	Ensure that the conditions for the operation of emission facilities after 2021 are met and prepare a plan for the transition to low-emission facilities	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

The individual tasks were met at 101.0% overall, with performance above 100% especially for task 3, while partial underperformance was recorded for task 2. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

Member of the Board of Directors Bohdan Zronek

	Individual Task	Weighting	Performance
1.	Continuously improve the safety of nuclear power plants and raise the level of processes under the responsibility of the division head	20%	100.2%
2.	Ensure optimum availability of nuclear generation facilities	20%	
3.	Maximize operating cash flow generation of the GENERATION – Nuclear Facilities segment	15%	
4.	Ensure conditions for the long-term operation of nuclear power plants	20%	
5.	Meet the NPP EDU project objectives in accordance with the obligations under the contracts with the state and the CEZ Group strategy	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Overall, the individual tasks were completed at 100.2%. CEZ Group's total adjusted EBITDA was met at 112.3%. In accordance with the provisions of the service contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

2.1.4.3 Evaluation of Indicators (Performance Criteria for Annual Bonus) for 2020

For the year 2020, the indicators (performance criteria for annual bonus) were set for the Board of Directors members, which included the common task of all Board of Directors members (achievement of the set value of the group indicator “CEZ Group Adjusted EBITDA”), as well as individual indicators (performance criteria for annual bonus) set for individual Board of Directors members, which are presented below, including the overall evaluation of annual bonus for 2020.

In 2021, advances were paid to the members of the Company’s Board of Directors for the 2021 annual bonus and the balance payment of the 2020 annual bonus based on an overall evaluation of the fulfillment of the established criteria (indicators) for the 2020 annual bonus. The overall evaluation of the indicators set for 2020 (determining the amount of the balance payment of the 2020 annual bonus) was approved by the Supervisory Board in March 2021. The advances for the 2021 annual bonus and the amount of the balance payment of the the 2020 annual bonus, paid in April 2021, are included under the heading “Annual Bonus Subject to Performance Indicators” set out in Section 2.1.8 hereof.

Evaluation Summary of the Performance Indicators for 2020:

Member of the Board of Directors	Position	Common Indicator	Performance of Individual Tasks	Total Annual Bonus
Daniel Beneš	Chairman of the Board of Directors and Chief Executive Officer	101.5%	100.7%	100.0%
Pavel Cyrani	Vice-Chairman of the Board of Directors and Chief of the Sales and Strategy Division		100.8%	100.0%
Michaela Chaloupková	Member of the Board of Directors and Chief of the Administration Division		100.6%	100.0%
Martin Novák	Member of the Board of Directors and Chief of the Finance Division		100.2%	100.0%
Tomáš Pleskač	Member of the Board of Directors and Chief of the New Energy Division		101.8%	100.0%
Ladislav Štěpánek	Member of the Board of Directors and Chief Fossil/Hydro Officer		100.2%	100.0%
Bohdan Zronek	Member of the Board of Directors and Chief of the Nuclear Energy Division		98.1%	98,1%

Evaluation of Performing the Common Indicator (Task) for 2020:

Common Group Indicator for 2020	Performance
CEZ Group Adjusted EBITDA	101.5%

The baseline budget target was exceeded despite the negative impact of the COVID-19 pandemic (in the amount of approx. CZK 3 billion), mainly due to higher profits from commodity trading and lower fixed costs compared to the baseline budget. EBITDA (Operating Earnings Before Depreciation and Amortization) of CEZ Group increased by 8% year-on-year, mainly due to the increase in the sales prices of generated electricity (reflecting multi-year pre-sales on the wholesale market) and the stable safe operation of nuclear power plants.

Overall Assessment of the Members of the Board of Directors for 2020

Chairman of the Board of Directors Daniel Beneš

	Individual Task	Weighting	Performance
1.	Continuously improve safety and ensure conditions for the long-term operation of nuclear power plants	20%	100.7%
2.	Ensure CEZ Group's strategic objectives in the area of new nuclear power plants are met	20%	
3.	Effectively communicate CEZ Group's strategy and activities and maintain a positive image of CEZ Group in the Czech public opinion	15%	
4.	Maximize generation of operating cash flow in the SALES segment	20%	
5.	Prepare tender for supplier of NPP EDU II including documentation for the fuel part	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Individual tasks were met at 100.7% overall, with performance above 100% especially for task 4. CEZ Group's total adjusted EBITDA was met at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the maximum rate of **100%**.

Vice-Chairman of the Board of Directors Pavel Cyrani

	Individual Task	Weighting	Performance
1.	Ensure implementation of steps to meet main strategic objectives for 2021–2024	20%	100.8%
2.	Maximize income from commodity trading	15%	
3.	Maximize operating cash flow generation of the SALES – Retail and Foreign Sales segment in 2020	20%	
4.	Maximize operating cash flow generation in the SALES – ESCO segment in 2020	25%	
5.	Ensure the implementation of steps leading to meeting CEZ Group's 2021– 2024 strategic objectives in the SALES segment	15%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

The individual tasks were met at 100.8% overall, with performance above 100% especially for tasks 2 and 3, while below-100% performance occurred for Task 4. CEZ Group's total Adjusted EBITDA was fulfilled at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the maximum rate of **100%**.

Member of the Board of Directors Michaela Chaloupková

	Individual Task	Weighting	Performance
1.	Provide quality HR services	20%	100.6%
2.	Ensure collective bargaining in accordance with CEZ Group strategy	15%	
3.	Prepare a tender for the supplier of the new EDU II nuclear power plant, including documentation for the fuel part	20%	
4.	Effectively manage ČEZ Corporate Services expenses	15%	
5.	Ensure implementation of steps to meet the 2021–2024 strategic objectives in support services	15%	
6.	Minimize the impactable portion of the division's fixed costs	15%	

Overall, the individual tasks were completed at 100.6%. CEZ Group's total adjusted group EBITDA was met at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the maximum rate of **100%**.

Member of the Board of Directors Martin Novák

	Individual Task	Weighting	Performance
1.	Effectively support maintaining CEZ Group's medium-term financial stability	20%	100.2%
2.	Minimize average financing costs	20%	
3.	Ensure implementation of steps to meet the 2021– 2024 strategic objectives in the area of finance and strategy	20%	
4.	Ensure the implementation of steps to meet the 2021–2024 strategic objectives in the area of efficiency of ancillary and central activities	20%	
5.	Effectively manage IT and telecommunication services expenditure	15%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

Overall, the individual tasks were completed at 100.2%. CEZ Group's total adjusted group EBITDA was met at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the maximum rate of **100%**.

Member of the Board of Directors Tomáš Pleskač

	Individual Task	Weighting	Performance
1.	Maximize operational cash flow generation of existing RES assets	15%	101.8%
2.	Ensure implementation of steps to meet the 2021– 2024 strategic objectives in RES	20%	
3.	Implement the divisional strategy of foreign companies and maximize the contribution of divisions to CEZ Group's CF	20%	
4.	Maximize operating cash flow generation in the area of Distribution in Czechia	20%	
5.	Ensure implementation of steps to meet the 2021– 2024 strategic objectives in the area of Distribution in Czechia	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

The individual tasks were met at 101.8% overall, with performance above 100% especially for tasks 1 and 3, while below-100% performance occurred for task 2. CEZ Group's total Adjusted EBITDA was fulfilled at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the maximum rate of **100%**.

Member of the Board of Directors Ladislav Štěpánek

	Individual Task	Weighting	Performance
1.	Continuously improve the safety of the generating assets operated under the responsibility of the division head	20%	100.2%
2.	Maximize operating cash flow generation of the GENERATION – Conventional Energy segment (conventional facilities)	20%	
3.	Ensure optimal availability of conventional generating facilities	20%	
4.	Optimize the investment cash flow of ČEZ and the subsidiaries entrusted to the substantive management of the division head	15%	
5.	Ensure that the conditions for the operation of conventional facilities after 2020 are met	20%	
6.	Minimize the impactable portion of the division's fixed costs	5%	

The individual tasks were met at 100.2% overall, with performance above 100% especially for task 2 and while below-100% performance occurred for task 3. CEZ Group's total Adjusted EBITDA was fulfilled at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the maximum rate of **100%**.

Member of the Board of Directors Bohdan Zronek

	Individual Task	Weighting	Performance
1.	Continuously improve the safety of nuclear power plants and raise the level of processes under the responsibility of the division head	20%	98.1%
2.	Maximize operating cash flow generation of the GENERATION – Conventional Energy segment (nuclear facilities)	15%	
3.	Ensure optimum availability of nuclear generation facilities	20%	
4.	Ensure CEZ Group’s strategic objectives in the area of new nuclear power plants are met	20%	
5.	Ensure conditions for the future long-term operation of nuclear power plants	20%	
6.	Minimize the impactable portion of the division’s fixed costs	5%	

Overall, individual tasks were met at 98.1%, with only task 1 falling below 100% in the area of partial underperformance of the ambition to increase the value of the internal aggregate index measuring the comprehensive improvement of the level of all processes under the responsibility of the division head. All safety requirements from regulatory authorities and nuclear operating conditions were met at 100%. CEZ Group’s total adjusted group EBITDA was met at 101.5%. In accordance with the provisions of the service contract, the total annual bonus for 2020 was paid at the rate of **98.1%**.

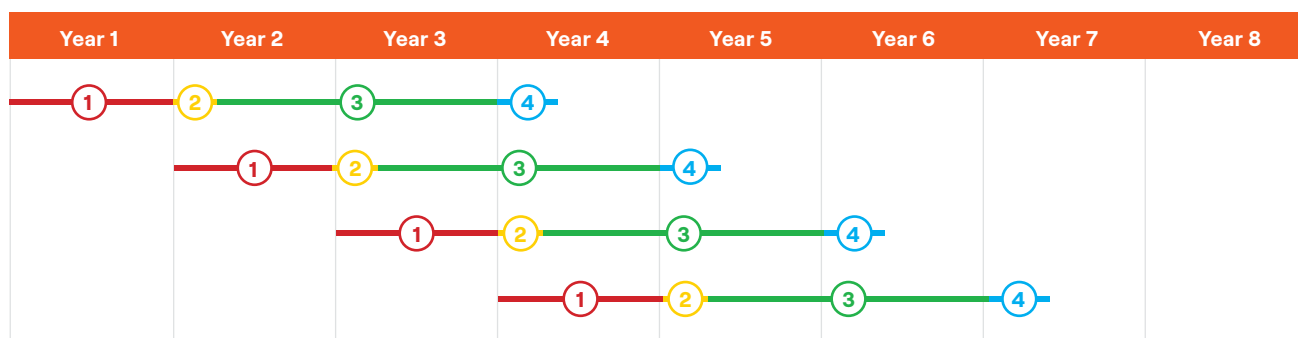
2.1.5 Target-Based Bonus

The target-based bonus according to Section 3.5 of the Remuneration Policy belongs to the variable remuneration of the Company’s Board of Directors members and is dependent on the performance of tasks set by the General Meeting. Details, including the amount and payment date of the target-based bonus, are specified by the Supervisory Board, subject to principles laid down by the General Meeting. Tasks that are decisive for the determination of the target-based bonus of individual members of the Board of Directors will be assessed by the Supervisory Board. The target-based bonus has not been set for 2021 and therefore not paid.

2.1.6 Long-Term Performance Bonus

The long-term performance bonus scheme under Section 3.6 of the Remuneration Policy was introduced in the Company as at January 1, 2020, replacing the Share Option Plan which was discontinued as at December 31, 2019. The long-term performance bonus is based on a three-year period commencing by the allocation of a certain amount of performance units and ending by the creation of entitlement to its payment. Its amount depends on the long-term development of the market price of the share, payments of dividend and assessment of fulfillment of criteria (indicators) decided by the Supervisory Board. The criteria (indicators) for granting long-term performance bonus (performance indicators) are set by the Supervisory Board to reflect the long-term implementation of the Company’s business strategy while protecting its interests and supporting its sustainability, and the Supervisory Board may determine the most appropriate, usually financial, indicators that best fulfill the Company’s long-term strategy in a given calendar year.

Chart of individual steps of the long-term performance bonus



1 Performance measurement period

At the beginning of each calendar year, "Allocation" of performance units is made to the beneficiaries and, concurrently with this Allocation, performance measures are set for the performance measurement period. The number of performance units granted = the determined annual value of the long-term bonus divided by the average market price of the Company's share for the month immediately preceding the granting of the Allocation.

2 Performance evaluation

At the end of the performance measurement period, the established performance indicators will be evaluated and the number of performance units granted will be adjusted according to the degree to which they have been met (0-150%). This determines the "Adjusted Allocation", i.e. the number of performance units whose value will be paid to the beneficiary in the future.

3 Holding Period

After the performance indicators have been evaluated and the Adjusted Allocation has been determined, the Holding Period begins, when the Adjusted Allocation reflects the long-term development of the share price and dividends paid. It lasts until the end of the 3rd year following the Allocation.

4 Payment of the Long-Term Performance Bonus

At the beginning of the 4th year following the Allocation, the long-term performance bonus is paid to the beneficiary equal to the product of the number of performance units from the Adjusted Allocation and the average market price of the share for the last month of the Holding Period plus the value of the dividends paid on the Company's shares during the Holding Period.

The total amount paid may not exceed 200% of the annual value of the long-term performance bonus set out by the Supervisory Board upon its allocation.

Given the parameters set for the long-term performance bonus, no long-term performance bonus was paid to any of the members of the Board of Directors in 2021.

For 2020, 2021, and 2022, the Supervisory Board has set one performance indicator, namely Total Shareholder Return (TSR), including consideration of its relative comparison with the TSR achieved within

the industry. TSR for the shareholders of a given company corresponds to change in the market value of traded Company shares in the evaluated period, including the effect of dividends. The Company's resulting TSR is then compared to a defined group of energy companies selected from the companies included in the STOXX Europe 600 Utilities Equity Index and, depending on the Company's position in the company ranking, the resulting Adjusted Allocation of performance units is determined. After the end of the Performance measurement period, fulfillment of the performance indicator is always evaluated by the Company's Supervisory Board.

The following numbers of performance unit allocations were granted to individual members of the Board of Directors for 2021 under the long-term performance bonus plan:

Member of the Board of Directors	Number of performance units allocated as at January 1, 2021	Evaluation of performance indicators for 2021	Adjusted allocation of performance units for 2021
Daniel Beneš	21,372 pcs	150%	32,058 pcs
Pavel Cyrani	7,786 pcs	150%	11,679 pcs
Michaela Chaloupková	5,726 pcs	150%	8,589 pcs
Jan Kalina	2,918 pcs ²⁾	150%	4,377 pcs
Martin Novák	8,664 pcs	150%	12,996 pcs
Tomáš Pleskač	7,786 pcs	150%	11,679 pcs
Ladislav Štěpánek	2,808 pcs ¹⁾	150%	4,212 pcs
Bohdan Zronek	5,726 pcs	150%	8,589 pcs

¹⁾ In 2021, Mr Ladislav Štěpánek's term of office as a member of the Company's Board of Directors did not cover the entire calendar year, but instead the period from January 1, 2021 to June 28, 2021, for which reason the originally established allocation of performance units in the amount of 5,726 units for 2021 was proportionally reduced in accordance with Article VII, Section 7.1(a) and (d) of Annex 5 to the Service Contract of a Member of the Board of Directors.

²⁾ In 2021, Mr Jan Kalina's number of performance units allocated was not as at January 1, 2021, but as at the beginning of his term of office as a member of the Company's Board of Directors, i.e. as at June 29, 2021, for which reason the annual allocation of performance units for the first performance measurement period was proportionally reduced in accordance with Section 2.3 of Annex 5 to the Service Contract.

In 2021, the Company's TSR value meant that the Company ranked at the 100th percentile of the comparator companies. ČEZ thus achieved the highest TSR level compared to a total of 25 selected energy companies in the STOXX Europe 600 Utilities share index. The performance indicator achievement was at the maximum level of 150% with respect to the evaluation parameters set by the Supervisory Board, and therefore the resulting allocation of performance units (the so-called Adjusted Allocation for the 2021 evaluation period) was at 150% of the initial allocation of performance units for all members of the Board of Directors. The payment of the long-term performance bonus in respect of the 2021 performance unit allocation will occur in 2024 at an amount derived from the share price development and the amount of dividends paid during the "Holding Period".

The following numbers of performance unit allocations were granted to individual members of the Board of Directors for 2020 under the long-term performance bonus plan:

Member of the Board of Directors	Number of performance units allocated as at January 1, 2020	Evaluation of performance indicators for 2020	Adjusted allocation of performance units for 2020
Daniel Beneš	20,203 pcs	0%	0 pcs
Pavel Cyrani	7,360 pcs	0%	0 pcs
Michaela Chaloupková	5,413 pcs	0%	0 pcs
Martin Novák	8,191 pcs	0%	0 pcs
Tomáš Pleskač	7,360 pcs	0%	0 pcs
Ladislav Štěpánek	5,413 pcs	0%	0 pcs
Bohdan Zronek	5,413 pcs	0%	0 pcs

In 2020, the Company's TSR value meant that the Company ranked at the 50th percentile of the comparator companies. The performance indicator achievement was zero with respect to the minimum threshold for the Company's 2020 positioning (set by the Supervisory Board) and therefore the resulting allocation of performance units (the so-called Adjusted Allocation for the 2020 assessment period) for all members of the Board of Directors was 0 units. This implies that there will be no payment of long-term performance bonus in 2023 in respect of the 2020 performance unit allocations.

2.1.7 Royalty

A member of the Board of Directors is entitled to a royalty in accordance with Section 3.7 of the Remuneration Policy, if the Company's General Meeting so decides, in an amount determined by the General Meeting. In 2021, no royalty was paid to the members of the Company's Board of Directors.

2.1.8 Summary of the Amount of Remuneration Paid, the Proportion of Fixed and Variable Remuneration Paid to Board of Directors Members

The total remuneration of a Board of Directors member is the sum of the **fixed remuneration component** and the **variable remuneration component**.

Fixed remuneration includes base salary, benefits, and pension schemes in accordance with the Remuneration Policy. The variable remuneration component is dependent on the achievement of performance indicators and includes only annual bonus in 2021 as no target-based bonus, long-term performance bonus, nor royalty was paid to the Board of Directors members. A summary of the exercised share option rights from the share option plan is presented in Section 2.1.11.

The amount of remuneration provided by the Company to individual members of the Board of Directors in total for 2021 and the proportions of fixed and variable components of the total remuneration amount for individual members Board of Directors:

Summary of remuneration, Proportion of fixed and variable components (CZK thousands)	Fixed remuneration component			Variable remuneration component linked to the achievement of the performance indicators.				Total remuneration ⁶⁾	Proportion of fixed component of the total remuneration	Proportion of variable component of the total remuneration
	Fixed base salary (in aggregate for the whole year 2021)	Benefits	Pension benefits	Annual bonus subject to performance indicators ²⁾	Long-term performance bonus ³⁾	Target-based bonus ⁴⁾	Royalty ⁵⁾			
Daniel Beneš	12,884	1,853	0 ¹⁾	20,110	0	0	0	34,847	42.3%	57.7%
Pavel Cyrani	8,870	1,311	16	7,811	0	0	0	18,008	56.6%	43.4%
Michaela Chaloupková	7,308	1,292	16	6,000	0	0	0	14,616	59.0%	41.0%
Jan Kalina ⁸⁾	3,480	1,154	8	1,365	0	0	0	6,007	77.3%	22.7%
Martin Novák	9,195	1,475	16	9,450	0	0	0	20,136	53.1%	46.9%
Tomáš Pleskač	8,717	1,465	16	7,811	0	0	0	18,009	56.6%	43.4%
Ladislav Štěpánek ⁷⁾	3,938	406	8	4,635	0	0	0	8,987	48.4%	51.6%
Bohdan Zronek	7,112	1,343	16	5,886	0	0	0	14,357	59.0%	41.0%

¹⁾ Mr Daniel Beneš did not receive pension scheme in 2021.

²⁾ In 2021, advance payment of annual bonus for 2020 was paid together with balance payment of annual bonus for meeting the annual bonus criteria for 2020.

³⁾ No long-term performance bonus was paid to any of the Board of Directors members in 2021. Given the set parameters of the long-term performance bonus, the first payment would be possible in 2023. Considering the resulting evaluation of the set performance indicator for 2020 at 0%, the first payment of the long-term performance bonus would be possible in 2024 based on the allocation and evaluation of the 2021 performance indicators.

⁴⁾ No target-based bonus was paid to any of the Board of Directors members.

⁵⁾ No royalty was paid to any of the Board of Directors members in 2021.

⁶⁾ The value is rounded to the nearest thousand as are the individual parts.

⁷⁾ In the case of Mr Ladislav Štěpánek, his four-year term of office ended in 2021 on June 28, 2021, so the figures include the period from January 1, 2021, to June 28, 2021.

⁸⁾ In the case of Mr Jan Kalina, his term of office began in 2021 on June 29, 2021, so the figures include the period from June 29, 2021, to December 31, 2021.

In 2021, all Board of Directors members held office for the entire calendar year, i.e. from January 1 to December 31, unless otherwise stated. In the case of Mr. Daniel Beneš, two consecutive terms of office as a Board of Directors member in one calendar year were from January 1, 2021, to December 18, 2021, and from December 19, 2021, to December 31, 2021, and in the case of Board of Directors member Bohdan Zronek, the terms of office were from January 1, 2021, to May 18, 2021, and from May 19, 2021, to December 31, 2021.

Annual Change in Total Remuneration

The table shows the annual change in total remuneration of individual members of Board of Directors between 2021 and 2020, the year for which the first remuneration report was issued.

Board of Directors Member	Annual Change in Total Remuneration between 2021 and 2020
Daniel Beneš	0.00%
Pavel Cyrani	+10.22% ¹⁾
Michaela Chaloupková	+6.32% ²⁾
Jan Kalina	n/a ⁴⁾
Martin Novák	-4.72%
Tomáš Pleskač	+1.21%
Ladislav Štěpánek	-37.53% ³⁾
Bohdan Zronek	+0.63%

¹⁾ In 2020, Pavel Cyrani's annual bonus target value was increased and therefore the balance payment of annual bonus for 2019 made in March 2020 was lower than the balance payment of annual bonus for 2020 made in March 2021.

²⁾ In the case of Ms Michaela Chaloupková, the balance payment of annual bonus for 2019 paid in March 2020 related to the term of office lasting only from January 1, 2019 to October 21, 2019, during which she served as a member of the Board of Directors in the calendar year 2019, and the balance payment of annual bonus for 2020 paid in 2021 related to the entire calendar year of service, i.e. even with the same assessment of the performance indicators at 100%, the balance payment in 2021 was higher.

³⁾ The total amount of Mr Ladislav Štěpánek's annual bonus for 2021 relates to the period of office from January 1, 2021 to June 28, 2021, i.e. it does not cover the entire year 2021.

⁴⁾ The total amount of annual bonus for the year 2021 for Mr Jan Kalina relates to the term of office from June 29, 2021 to December 31, 2021, i.e. it does not include the whole year 2021. Mr Jan Kalina did not serve as a member of the Board of Directors in 2020.

2.1.9 Remuneration Provided by CEZ Group Companies

Individual members of the Board of Directors also received remuneration from CEZ Group companies. For these remunerations, this Remuneration Report follows the same approach as for base salary, i.e. they do not include remuneration granted in December 2020 and settled with the base salary in January 2021 (in case the remuneration entitlement with the respective company for this period has been vested and settled) and they include remuneration granted in December 2021 and settled with the base salary in January 2022 (in case the remuneration entitlement with the respective company for this period has been granted and settled).

In 2021, Mr. Daniel Beneš received remuneration from the following CEZ Group companies: ČEZ Distribuce, a. s., provided a fixed monthly fee in the total amount of CZK 84,000 for membership in the Supervisory Board of this company in 2021. Severočeské doly, a. s., provided a total remuneration in the total amount of CZK 725,000 for membership in the Supervisory Board of this company in 2021, of which the fixed monthly fee was in the total amount of CZK 600,000 and benefits in the amount of CZK 125,000.

In 2021, Mr Pavel Cyrani received remuneration from the following CEZ Group companies: ČEZ Distribuce, a. s., provided a fixed monthly fee in the total amount of CZK 72,000 for membership in the Supervisory Board of this company in 2021. ČEZ ESCO, a. s., provided a fixed monthly fee in the total amount of CZK 168,000 for membership in the Supervisory Board of this company in 2021. ČEZ Prodej, a. s., provided a fixed monthly fee in the total amount of CZK 168,000 for membership in the Supervisory Board of this company in 2021. Elevion Group B.V. provided a fixed monthly fee in the total amount of EUR 9,600 for membership in the Supervisory

Board of this company in 2021. Elevion GmbH provided a fixed monthly fee in the total amount of EUR 9,600 for membership in the statutory governing body of this company in 2021.

In 2021, Mrs Michaela Chaloupková received remuneration from the following CEZ Group companies: ČEZ Distribuce, a. s., provided a fixed monthly fee in the total amount of CZK 72,000 for membership in the Supervisory Board of this company in 2021. ČEZ ICT Services, a. s., provided a fixed monthly fee in the total amount of CZK 120,000 for membership in the Supervisory Board of this company in 2021. Elektrárna Dukovany II, a. s., provided a fixed monthly fee in the total amount of CZK 120,000 for membership in the Supervisory Board of this company in 2021. Telco Pro Services, a. s., provided a fixed monthly fee in the total amount of CZK 60,000 for membership in the Supervisory Board of this company in 2021. Telco Infrastructure, a. s., provided a fixed monthly fee in the total amount of CZK 120,000 for membership in the Supervisory Board of this company in 2021. ÚJV Řež, a. s., provided a total remuneration in the total amount of CZK 240,000 for membership in the Supervisory Board of this company in 2021, of which the fixed monthly fee was in the total amount of CZK 120,000 and annual bonus in the amount of CZK 120,000.

Mr Jan Kalina received remuneration from the following CEZ Group companies in 2021 (in the period from June 29, 2021, to December 31, 2021): ČEZ ENERGOSERVIS spol. s r. o., provided a fixed monthly fee in the total amount of CZK 50,000 for membership in the Supervisory Board of this company in 2021. ČEZ Energetické produkty, a. s., provided a fixed monthly fee in the total amount of CZK 60,000 for membership in the Supervisory Board of this company in 2021. ČEZ Obnovitelné zdroje, s.r.o., provided a fixed monthly fee in the total amount of CZK 175,600 for membership in the of the statutory governing body of this company in 2021. ČEZ OZ uzavřený investiční fond a. s., provided a total remuneration in the total amount of CZK 81,819 for membership in the statutory governing body and the Supervisory Board of this company in 2021. ČEZ Recyklace, s.r.o., provided a total remuneration in the amount of CZK 1,333 for membership in the statutory governing body of this company in 2021. Severočeské doly a. s., provided total remuneration in the aggregate for 2021 in the amount of CZK 347,580 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in the aggregate amount of CZK 222,580 and benefits in the amount of CZK 125,000. CEZ Polska sp. z o.o. provided a fixed monthly fee in the aggregate amount of EUR 7,500 for membership in the Supervisory Board of this company in 2021. CEZ Chorzów S.A. provided a fixed monthly fee in the total amount of EUR 6,000 for membership in the Supervisory Board of this company in 2021. CEZ Skawina S.A. provided a fixed monthly fee in the total amount of EUR 5,448.39 for membership in the Supervisory Board of this company in 2021. CEZ RES International B.V. provided a fixed monthly fee in amount of CZK 18,268 for membership in the statutory governing body of this company and EUR 4,800 for membership in the company's Supervisory Board in 2021. CEZ Erneuerbare Energien Beteiligungs GmbH provided a fixed monthly fee in the total amount of EUR 53.33 for membership in the statutory governing body of this company in 2021. CEZ Erneuerbare Energien Beteiligungs II. GmbH provided a fixed monthly fee in the total amount of EUR 53.33 for membership in the statutory governing body of this company in 2021. CEZ Deutschland GmbH provided a fixed monthly fee in the total amount of EUR 4,853.33 for membership in the statutory governing body of this company in 2021.

In 2021, Mr Martin Novák received remuneration from the following CEZ Group companies: ČEZ ICT Services, a. s., provided a fixed monthly fee in the total amount of CZK 144,000 for membership in the Supervisory Board of this company in 2021. ČEZ ESCO, a. s., provided a fixed monthly fee in the total amount of CZK 67,000 for membership in the Supervisory Board of this company in 2021. ČEZ OZ, a. s., provided a fixed monthly fee in the total amount of CZK 141,910 for membership in the Supervisory Board of this company in 2021. Inven Capital, SICAV, a.s., provided a fixed monthly fee in the total amount of CZK 144,000 for membership in the Supervisory Board of this company in 2021. Telco Infrastructure, s.r.o., provided a fixed monthly fee in the total amount of CZK 144,000 for membership in the Supervisory Board of this company in 2021. Telco Pro Services, a. s., provided a fixed monthly fee in the total amount of CZK 72,000 for membership in the Supervisory Board of this company in 2021. Severočeské doly a. s., provided total remuneration in the aggregate for 2021 in the amount of CZK 365,000 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in the aggregate amount of CZK 240,000 and benefits in the amount of CZK 125,000. Elevion Group B.V. provided fixed monthly fee in the aggregate amount of EUR 9,600 for membership in the Supervisory Board of this company in 2021.

In 2021, Mr Tomáš Pleskač received remuneration from the following CEZ Group companies: ČEZ Distribuce, a. s., provided a fixed monthly fee in the total amount of CZK 84,000 for membership in the Supervisory Board of this company in 2021. ČEZ Obnovitelné zdroje, s.r.o., provided a fixed monthly fee in the total amount of

CZK 144,000 for membership in the Supervisory Board of this company in 2021. ČEZ OZ uzavřený investiční fond a. s., provided a fixed monthly fee in the total amount of CZK 84,000 for membership in the Supervisory Board of this company in 2021. Inven Capital, SICAV, a.s., provided a fixed monthly fee in the total amount of CZK 168,000 for membership in the Supervisory Board of this company in 2021. Elektrárna Dukovany II, a. s., provided a fixed monthly fee in the total amount of CZK 114,801 for membership in the Supervisory Board of this company in 2021. Elektrárna Temelín II, a. s., provided a fixed monthly fee in the total amount of CZK 114,801 for membership in the Supervisory Board of this company in 2021. ÚJV Řež, a. s., provided a fixed monthly fee in the total amount of CZK 60,000 for membership in the Supervisory Board of this company in 2021. CEZ Polska sp. z o.o. provided a fixed monthly fee in the total amount of EUR 18,000 for membership in the Supervisory Board of this company in 2021. Distributie Energie Oltenia S.A. provided a fixed monthly fee in the total amount of EUR 4,500 for membership in the Supervisory Board of this company in 2021. CEZ Romania S.A. provided a fixed monthly fee in the total amount of EUR 4,125 for membership in the Supervisory Board of this company in 2021. Akcezi Enerji Yatirimlari Sanayi ve Ticaret A.Ş. provided a fixed monthly fee in the total amount of TRY 64,409.35 for membership in the statutory governing body of this company in 2021. Akenerji Elektrik Üretim A.Ş. provided a fixed monthly fee in the total amount of TRY 105,332.15 for membership in the statutory governing body of this company in 2021. CEZ RES International B.V. provided a fixed monthly fee in the total amount of EUR 4,800 for membership in the Supervisory Board of this company in 2021.

In 2021, Mr Ladislav Štěpánek received remuneration from the following CEZ Group companies: ČEZ Energetické produkty, a. s., provided a fixed monthly fee in the total amount of CZK 84,000 for membership in the Supervisory Board of this company in 2021. ČEZ ENERGOSERVIS spol. s r. o., provided a fixed monthly fee in the total amount of CZK 72,000 for membership in the Supervisory Board of this company in 2021. ČEZ ESCO, a. s., provided a fixed monthly fee in the total amount of CZK 72,000 for membership in the Supervisory Board of this company in 2021. GEOMET s.r.o., provided a fixed monthly fee in the total amount of CZK 140,000 for membership in the of the statutory governing body of this company in 2021. Lomy Mořina spol. s r.o., provided a fixed monthly fee in the total amount of CZK 72,000 for membership in the Supervisory Board of this company in 2021. ČEZ Teplárenská, a.s., provided a fixed monthly fee in the total amount of CZK 84,000 for membership in the Supervisory Board of this company in 2021. Energotrans, a.s., provided total remuneration in aggregate for 2021 in the amount of CZK 336,000 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in aggregate CZK 168,000 and the annual bonus was CZK 168,000. ÚJV Řež, a. s., provided a total remuneration in aggregate for 2021 in the amount of CZK 288,000 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in aggregate CZK 144,000 and the annual bonus was CZK 144 000. Severočeské doly a. s., provided total remuneration in aggregate for 2021 in the amount of CZK 305,000 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in aggregate CZK 180,000 and benefits of CZK 125,000. CEZ Polska sp. z o.o. provided a fixed monthly fee in the aggregate amount of CZK 193,980 for membership in the Supervisory Board of this company in 2021. CEZ Chorzów S.A. provided a fixed monthly fee in the total amount of CZK 155,183 for membership in the Supervisory Board of this company in 2021. CEZ Skawina S.A. provided a fixed monthly fee in the total amount of CZK 155,183 for membership in the Supervisory Board of this company in 2021.

In 2021, Mr Bohdan Zronek received remuneration from the following CEZ Group companies: ČEZ ENERGOSERVIS spol. s r. o., provided a fixed monthly fee in the total amount of CZK 168,000 for membership in the Supervisory Board of this company in 2021. Elektrárna Dukovany II, a. s., provided a fixed monthly fee in the total amount of CZK 127,934 for membership in the Supervisory Board of this company in 2021. Elektrárna Temelín II, a. s., provided a fixed monthly fee in the total amount of CZK 120,000 for membership in the Supervisory Board of this company in 2021. ÚJV Řež, a. s., provided a total remuneration in the total amount of CZK 331,183 for membership in the Supervisory Board of this company in 2021, of which the fixed monthly fee was in the total amount of CZK 163,183 and annual bonus in the amount of CZK 168,000.

2.1.10 Compliance with the Remuneration Policy

The payment of all remuneration components to the Board of Directors was in compliance with the Remuneration Policy. The individual remuneration components were determined and paid in accordance with the terms and conditions set out in the Remuneration Policy and the amount of the individual remuneration components was paid subject to the provisions of the Remuneration Policy. Therefore, the total remuneration of all Board of Directors members is in line with the Remuneration Policy.

The fixed component of the total remuneration includes base salary, benefits, and pension schemes which have been provided and paid in accordance with the Remuneration Policy.

The variable component of total remuneration included only annual bonus in 2021. Its amount depended on individual members of the Board of Directors meeting predetermined indicators. The indicators, including the criteria for their performance for the purpose of determining the annual bonus are set out so that they take into account key Company's indicators of financial and non-financial performance, are based on the applicable Company's strategy and business plan, in accordance with market- and legislation-based business conditions, in order that they reflect the area of responsibility of the respective member of the Board of Directors. This process motivates individual Board of Directors members to pursue the Company's business strategy, defend its long-term interests, and promote its sustainability in the area entrusted to their management.

When assessing the fulfillment of the indicators decisive for the annual bonus, the Supervisory Board assesses the specific defined indicators against predetermined criteria, following the evaluation of economic results of the Company for the given year and after its financial accounts are verified by an auditor. Such an assessment of fulfillment of specific indicators is decisive for the determination of the amount of annual bonus of individual members of the Board of Directors for the calendar year in question.

The specific value of the achievement of the set indicators and the amount of the annual bonus paid is presented for individual members of the Board of Directors in Sections 2.1.4 and 2.1.8. This amount then influenced both the absolute amount of the variable remuneration and its share of the total remuneration.

Support for the Company's long-term performance is provided through the long-term performance bonus, which is part of the variable remuneration of the Directors. The long-term performance bonus depends on the long-term development of share prices, payment of dividends, and fulfillment of predetermined performance indicators specifically set out by the Supervisory Board for each calendar year. Dependence of the long-term performance bonus on key financial indicators of the Company, i.e. on the development of share prices and generated dividends, creates a connection between the motivation for members of the Board of Directors and long-term interests of shareholders, in compliance with the OECD Code (G20/OECD Principles of Corporate Governance).

Increase or decrease in market price of a share clearly reflects the dynamics of the total value for the shareholders and the attractiveness of the Company and its business for investors and shareholders. Dependence of the remuneration on the multi-annual development of the Company's share price contributes to the support of the Company's business strategy, its long-term interests and sustainability particularly by motivating members of the Board of Directors to determine and fulfill the Company's strategy in compliance with shareholders' interests, to manage the Company to achieve long-term profits and increase the Company's value for shareholders.

2.1.11 Share Option Plan

The Share Option Plan has been discontinued in the Company as at December 31, 2019. For members of the Board of Directors, it was replaced by the long-term performance bonus.

After the termination of the Share Option Plan, members of the Board of Directors are not allocated new Company's share options. After January 1, 2020, members of the Board of Directors can only exercise their Company's share options, which belong to them from the period before December 31, 2019. The period during which shares acquired through such options cannot be alienated has not been set out.

During the period of the Share Option Plan, members of the Board of Directors were allocated options (rights of option) for a certain number of shares, as defined in their service contracts. A member of the Board of Directors is entitled to exercise his/her options no sooner than after two years from allocation of options and no later than in the half of the fourth year. In case of exercise of his/her option, a member of the Board of Directors will pay for each Company's share the purchase price, which is set out as a

weighted average of prices for which the Company's shares were traded in the Czech regulated market during the period of one month before the allocation of options. The purchase price shall be paid by the member of the Board of Directors within 30 calendar days of the transfer. The right of option of a member of the Board of Directors is limited in such a way, that the appreciation of the Company's shares on a public market on the date of exercise may be no more than 100% over the purchase price applicable to the option grant in question.

Summary of share options exercised under the share option plan in 2021:

Share Option Plan – exercised options in 2021	Share purchase price (CZK per 1 unit of option allotment)	Date of option exercise	Closing price of the share on the date of exercising the option (CZK)	Number of options exercised
Daniel Beneš	487.97	5/24/2021	629.00	150,000
	545.22	5/26/2021	621.00	50,000
	545.22	5/27/2021	623.00	50,000
	545.22	5/28/2021	624.00	50,000
Pavel Cyrani	445.59	4/06/2021	559.50	60,000
	564.91	6/21/2021	630.50	60,000
Michaela Chaloupková	445.59	3/24/2021	544.00	60,000
	564.91	6/07/2021	636.50	30,000
	564.91	6/10/2021	637.50	30,000
Jan Kalina	–	–	–	0 ¹⁾
Martin Novák	555.57	5/31/2021	626.00	50,000
	555.57	6/02/2021	631.50	50,000
	531.51	6/07/2021	636.50	30,000
	531.51	6/10/2021	637.50	31,096
Tomáš Pleskač	508.63	5/31/2021	626.00	50,000
	508.63	6/02/2021	631.50	50,000
	541.14	6/07/2021	636.50	50,000
	541.14	6/10/2021	637.50	42,329
Ladislav Štěpánek	557.58	6/14/2021	637.50	60,000
Bohdan Zronek	548.68	5/31/2021	626.00	30,000
	548.68	6/02/2021	631.50	30,000
	532.64	6/07/2021	636.50	37,479

¹⁾ Mr Jan Kalina, member of the Board of Directors, is not and has not been a beneficiary of the share option plan (the share option plan was terminated as at December 31, 2019).

No member of the Board of Directors exercised any option rights granted under the Share Option Plan in 2020.

2.2 Summary of the Remuneration Components of the Supervisory Board Members

The total remuneration of a Supervisory Board Member consists of a **fixed remuneration component** and a **variable remuneration component**. In case of members of the Supervisory Board, the fixed remuneration components include the monthly fee and benefits. In case of members of the Supervisory Board, the variable remuneration component includes royalty.

2.2.1 Monthly Fee

In 2021, the Supervisory Board members were paid a monthly fee for their performance as a member of the Supervisory Board, to the extent set out in Section 2.2.4 hereof. The monthly fee represents the monthly fee pursuant to Section 4.1 of the Remuneration Policy and belongs to the fixed remuneration component.

By analogy to personal income taxes for employment tax purposes the amount of aggregate monthly fee paid in 2021 and disclosed in this Remuneration Report, does not include the remuneration paid in January 2021 for acting as a member of the Supervisory Board in December 2020, and includes the remuneration paid in January 2022 for acting as a member of the Supervisory Board in December 2021.

2.2.2 Benefits

The Supervisory Board members were provided with benefits in 2021. These represent benefits under Section 4.2 of the Remuneration Policy that were provided for the performance as members of the Supervisory Board in the period of January to December 2021. The benefits belong to the fixed remuneration component.

In accordance with the Remuneration Policy and to the extent set out in Section 2.2.4 hereof, the following benefits constituting other benefits within the meaning of Section 121(2)(a) of the ACMU were granted to the Supervisory Board member:

- Use of mobile phone provided for office duties of a member of the Supervisory Board and for private purposes;
- Use of vehicle provided for office duties of a member of the Supervisory Board and for private purposes, including all-risk insurance and reimbursement of repair and maintenance costs;
- Arrangement of a capital life insurance with the duration of insurance of 4 years;

For benefits, this Remuneration Report follows the same approach as for monthly fee, i.e. the amount of benefits provided for 2021 excludes benefits provided in December 2020 and charged to monthly fee in January 2021 and includes benefits provided in December 2021 and charged to monthly fee in January 2022.

2.2.3 Royalty

A member of the Supervisory Board is entitled to a royalty in accordance with Section 4.3 of the Remuneration Policy, if the Company's General Meeting so decides, in an amount determined by the General Meeting. In 2021, no royalty was paid to the members of the Company's Supervisory Board.

2.2.4 Summary of the Amount of Remuneration Paid, the Proportion of Fixed and Variable Remuneration Paid to Supervisory Board Members

The total remuneration of a Supervisory Board member is the sum of the **fixed remuneration component** and the **variable remuneration component**.

Fixed remuneration includes monthly fee and benefits in accordance with the Remuneration Policy. The only variable component of the Supervisory Board members' remuneration is a royalty, which was not paid in 2021. The ratio of the fixed component to the total remuneration was therefore 100% in 2021 and the ratio of the variable remuneration was 0%.

The amount of remuneration provided by the Company to individual members of the Supervisory Board in aggregate for 2021 and the proportions of fixed and variable components of the total remuneration of individual members of the Supervisory Board:

Summary of remuneration, Proportion of fixed and variable components (CZK thousands)	Fixed remuneration component		Variable remuneration component	Total remuneration ⁵⁾	Proportion of fixed component to total remuneration	Proportion of variable component to total remuneration
	Fixed base salary (in aggregate for the whole year 2021)	Benefits	Royalty ⁴⁾			
Otakar Hora	1,260	1,130	0	2,390	100%	0%
Zdeněk Černý	1,008	879	0	1,887	100%	0%
Jitka Čermáková	630	720	0	1,350	100%	0%
Vladimír Černý	630	729	0	1,359	100%	0%
Vladimír Hronek	630	638	0	1,268	100%	0%
Lubomír Klosik	630	722	0	1,352	100%	0%
Vladimír Kohout	630	638	0	1,268	100%	0%
Ondřej Landa ¹⁾	465	0	0	465	100%	0%
Josef Suchánek	630	721	0	1,351	100%	0%
Karel Tyll ²⁾	345	0	0	345	100%	0%
František Vágner	630	0 ³⁾	0	630	100%	0%
Jan Vaněček	630	708	0	1,338	100%	0%

¹⁾ Mr Ondřej Landa is a civil servant appointed to the Supervisory Board of the Company by its official body. In accordance with Section 81 of Act No. 234/2014 Coll., on the Civil Service, as amended (hereinafter referred to as "Act No. 234/2014 Coll."), the remuneration paid to Mgr. Ondřej Landa was limited and paid only in the form of a monthly fee.

²⁾ Mr Karel Tyll is a civil servant appointed to the Supervisory Board of the Company by its official body. In accordance with Section 81 of Act No. 234/2014, the remuneration paid to Mr. Karel Tyll was limited and paid only in the form of a monthly fee.

³⁾ Mr František Vágner did not received any benefits in 2021.

⁴⁾ No royalty was paid to any of the Supervisory Board members in 2021.

⁵⁾ The value is rounded to the nearest thousand as are the individual parts.

Unless otherwise stated, the Supervisory Board members held office for the entire calendar year 2021, i.e. from January 1 to December 31.

Annual Change in Total Remuneration

The table shows the annual change in total remuneration of individual members of Supervisory Board member between 2021 and 2020, the year for which the first remuneration report was issued:

Member of the Supervisory Board	Annual Change in Total Remuneration between 2021 and 2020
Otakar Hora	0.00%
Zdeněk Černý	+0.75%
Jitka Čermáková	0.00%
Vladimír Černý	+38.53% ¹⁾
Vladimír Hronek	0.00%
Lubomír Klosík	-0.07%
Vladimír Kohout	0.00%
Ondřej Landa	0.00%
Josef Suchánek	0.00%
Karel Tyll	0.00%
František Vágner	0.00%
Jan Vaněček	+0.07%

¹⁾ Mr Vladimír Černý has been a member of the Supervisory Board since July 2, 2020; the total amount of remuneration for 2020 was lower as it does not include the entire calendar year 2020.

None of the members of the Supervisory Board were paid remuneration by other CEZ Group companies in 2021.

2.2.5 Compliance with the Remuneration Policy

The payment of all remuneration components to the Supervisory Board was in compliance with the Remuneration Policy. The fixed component of the total remuneration includes monthly fee and benefits which have been provided and paid in accordance with the Remuneration Policy.

Remuneration of the members of the Supervisory Board takes into account the responsibility related to the duties of the body with controlling authority, which—unlike the Board of Directors—bears responsibility neither for the business matters of the Company nor for the achievement of the defined economic goals of the Company. Therefore, the variable remuneration component is not linked to the achievement of the Company's performance indicators.

No member of the Supervisory Board was paid a royalty in 2021, which is the only component of variable remuneration that may be granted to members of the Supervisory Board under the Remuneration Policy.

2.2.6 Application of Performance Criteria

Performance criteria are not applied to the remuneration of Supervisory Board members in view of the variable remuneration arrangements in the Remuneration Policy.

2.3 Reimbursement of Variable Remuneration

In accordance with Article 7 of the Remuneration Policy, the Company is entitled to claim repayment of the variable remuneration or part thereof (clawback). The Company was not entitled to claim clawback of variable remuneration or part thereof from any Body Member for the accounting period of 2021 and therefore did not exercise such a right in 2021.

In accordance with Article 7 of the Remuneration Policy, no remuneration will be granted to a Body Member under a service contract if the performance of the relevant Body Member contributed to the Company's adverse economic performance (malus). For the accounting period of 2021, there was no reason for withholding remuneration to the Company's Body Member and therefore no malus was exercised in 2021.

2.4 Annual Change in Financial and Non-Financial Key Performance Indicators

The year 2021 was an exceptionally successful year for CEZ Group shareholders. The Company's market value increased by more than 60% and all other key financial and non-financial indicators also developed positively year-on-year (see overview below).

Indicator	Unit	2020	2021	Year-on-year change between 2021 and 2020
Market capitalization as at December 31	CZK billions	275.8	443.9	+61%
CEZ Group operating revenues	CZK billions	213.7	227.8	+7%
EBITDA of existing CEZ Group assets*	CZK billions	57.9	60.6	+5%
Electricity generation from existing CEZ Group assets*	TWh	54.7	55.6	+2%
ČEZ injury frequency	per 100 employees	0.13	0.11	-15%

* These figures do not include EBITDA or electricity generation volumes from major divested subsidiaries

2.5 Annual Change in Average Employee Remuneration

The table below shows the Company's average employee remuneration in 2020 and 2021 and the percentage change. The value of the average remuneration of the Company's employees is calculated as the Company's wage cost (excluding the cost of remuneration for serving as a member of the statutory governance bodies) divided by the number of employees in the relevant year.

Average monthly remuneration of employees in 2020	Average monthly remuneration of employees in 2021	Year-on-year change between 2021 and 2020
76,793	79,149	3.07 %

2.6 Deviations from the Remuneration Policy

The Company did not deviate from the implementation process of the Remuneration Policy and the Remuneration Policy in 2021.

The Report is translation of Auditor's Report issued in Czech language

Independent Auditor's Report on the Assurance Engagement

To the General Meeting of ČEZ, a. s.

Introduction

In accordance with the contract for the verification of the Remuneration Report pursuant to the requirement of Section 121(q) of Act No. 256/2004 Coll., on capital market undertakings, as amended (hereinafter referred to as the "CMUA"), we were appointed by the Board of Directors of ČEZ, a. s., company reg. No. 45274649, registered in the Commercial Register maintained by the Municipal Court in Prague, file No. B1581 (hereinafter referred to as the "Company"), to verify the attached Remuneration Report for the year ending December 31, 2021 (hereinafter referred to as the "Remuneration Report") prepared by the Company's Board of Directors and containing the information required by Section 121p(1) of the CMUA.

Subject Matter of the Verification and Criteria

The subject matter of our engagement was to verify, as required by Section 121(q) of the CMUA, whether the Remuneration Report contains the information required by Section 121p(1) of the CMUA.

The auditor's task is not to verify the factual accuracy of the Remuneration Report and the information contained therein.

Purpose of the Report

This independent auditor's report is intended solely to comply with the requirements of the CMUA and for your information and may not be used for any other purpose or distributed to any other recipient. The report relates only to the Remuneration Report and should not be associated with the Financial Statements of the Company as a whole.

Responsibilities of the Board of Directors / Administrative Board

The Board of Directors of the Company is responsible for the preparation of the Remuneration Report in accordance with the relevant requirements of the CMUA. The Company's Board of Directors is responsible for publishing the Remuneration Report on the Company's website and making it available free of charge for a period of at least 10 years from the date of the General Meeting to which the Remuneration Report was submitted. The Company's Board of Directors is also responsible for the preparation of the financial data and non-financial information, as well as for the design, implementation, and maintenance of the internal control systems and processes and accounting records necessary for the preparation of the Remuneration Report that are free from material misstatement and comply with applicable legal requirements.

Responsibility of the Independent Auditor

The verification was performed in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) – "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". In accordance with this code, we are required to comply with ethical standards and plan and perform the verification to obtain limited assurance on the Remuneration Report. We follow the international standard for quality management ISQC 1 and a comprehensive quality management system has been implemented in accordance with this standard, including internal policies and procedures governing compliance with ethical and professional standards and relevant legislation.

We comply with the independence and other requirements of the Code of Ethics for Auditors and Certified Public Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which defines the fundamental principles of professional ethics, i.e. integrity, objectivity, competence and due care, confidentiality, and professional conduct.

Summary of Work Performed

The choice of procedures is subject to our discretion. The procedures performed include, but are not limited to, interviewing relevant persons and other procedures designed to obtain evidence about the Remuneration Report. The assurance performed is a contract expressing limited certainty. The nature, time, and scope of the procedures to be performed for a limited assurance engagement are limited compared to the requirements for a reasonable assurance engagement and therefore the associated assurance level is lower.

Our assurance procedures included:

- Understanding the resolutions of the Company's General Meeting relating to the remuneration policy for members of the Board of Directors / Administrative Board and the Supervisory Board, as well as other persons pursuant to Section 121(m)(1) of the CMUA, as well as any resolutions of the Supervisory Board and other documents governing the remuneration policy subject to disclosure requirements in the Remuneration Report;
- Understanding of the procedures adopted by the Board of Directors / Administrative Board to comply with the requirements of the Remuneration Policy, to prepare the Remuneration Report and to assess the application of the relevant criteria for the preparation of the Remuneration Report;
- Identification of persons pursuant to Section 121(m)(1) of the CMUA for whom there is a requirement to include information in the Remuneration Report;
- Assessment of whether the Remuneration Report contains all the information required by Section 121p(1) of the CMUA for each person identified above.

Please note that the Remuneration Report was not part of the audit of the Financial Statements and the verification of the Annual Report within the meaning of Act No. 563/1991 Coll., on accounting, as amended. In the course of performing our assurance engagement, we did not audit or review the financial or non-financial information used to prepare the Remuneration Report. However, as part of our procedures, we considered whether the information presented in the Remuneration Report is materially inconsistent with the knowledge we obtained during our audit of the Company's Financial Statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion expressed below.

Conclusion

Based on the verification procedures performed and the evidential information obtained, we have not identified any matters indicating that the Remuneration Report does not contain, in all material respects, the information required by Section 121p(1) of the CMUA.

Ernst & Young Audit, s.r.o.
Registration No. 401

Jiří Křepelka, Statutory Auditor
Registration No. 2163

4/14/2022
Prague, Czechia

Information under Section 121o (4) of Act No. 256/2004 Coll., on Capital Market Undertakings

This Remuneration Report ČEZ, a. s., for the accounting period of 2021 was approved by the General Meeting of the Company on 29. 6. 2022.