



CLEAN  
ENERGY OF  
TOMORROW

# Remuneration Report of the Body Members of ČEZ, a. s., for Accounting Period of 2022

(report pursuant to Section 121o  
et seq. of Act No. 256/2004 Sb.,  
on capital market undertakings,  
as amended, for the accounting  
period of 2022)

# 1 Introduction

This Remuneration Report is prepared on the basis of Section 121(o) and Section 121(p) of Act No. 256/2004 Sb., on capital market undertakings, as amended (hereinafter the "**CMUA**") and builds on the Remuneration Policy ČEZ, a. s., company ID: 45274649, with its registered office at Praha 4, Duhová 2/1444, Postcode 14053, registered in the Commercial Register maintained 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 Report relates to remuneration of members of the Company's Board of Directors and the Supervisory Board (hereinafter referred to as "**Body Members**") paid by the Company and other CEZ Group companies.

This Remuneration Report is prepared for the accounting period of 2022 and not only includes remuneration of current Body Members, but also remuneration of former Body Members granted in 2022. The amounts in this 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 2022.

## 2 Remuneration of the Company's Body Members for the Accounting Period of 2022

The Remuneration Policy contributes to the implementation of the Company's business strategy, defending its long-term interests and supporting its sustainability. The publicly available Remuneration Policy defines the parameters of remuneration of members of the Company's Board of Directors and the Supervisory Board.

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 performance contract are determined in accordance with the Remuneration Policy. This fact shall be documented upon submitting this 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 implementation of 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 powers, scope of management in terms of the number of employees and countries as well as the diversity of managed processes and segments, the difficulty of handled issues, 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 provides comparisons to comparable positions based on Korn Ferry's compensation surveys.

In May 2021, CEZ Group's updated strategy, "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 and 2023.

### 2.1 Summary of the Remuneration Components for the Board of Directors Members

The total remuneration of a Board of Directors member consists of a **fixed** 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, 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.

## 2.1.1 Base Salary

In 2022, members of the Company's Board of Directors were paid a base salary in accordance with Section 3.1 of the Base Salary 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 2022 and disclosed in this Remuneration Report, does not include the remuneration paid in January 2022 for acting as a member of the Board of Directors in December 2021, and includes the remuneration paid in January 2023 for acting as a member of the Board of Directors in December 2022.

## 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 2022, 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 121I(2)(a) of the CMUA were provided to the members of the Board of Directors:

- Use of a mobile phone provided for office duties of a member of the Board of Directors and for private purposes;
- Use of a 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 their 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 business day, when they perform activities related to their duties as 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 their family members for free-time activities (e.g. recreation, education, culture, sports, relaxation and health-related activities);
- Arrangement of 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 Report follows the same approach as for base salary, i.e., the amount of benefits provided for 2022 excludes benefits provided in December 2021 and charged to base salary in January 2022 and includes benefits provided in December 2022 and charged to base salary in January 2023. 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 2021 are granted in the month of January 2022 and are included in the 2022 remuneration in this Report. A similar procedure will follow for the meal vouchers for Q4 2022, which will be included in the remuneration for 2023.

## 2.1.3 Pension Schemes

In addition, pension schemes were provided to members of the Board of Directors in 2022 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 2022 with monthly compensation for December 2021 is not included in this 2022 Pension Schemes Remuneration Report and the contribution made in January 2023 with monthly compensation for December 2022 is included in this 2022 Pension Schemes Remuneration Report.

## 2.1.4 Annual Bonus

The criteria (indicators) for the annual bonus of the Board of Directors members in accordance with Section 3.7 of the Remuneration Policy 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 2023, as well as an evaluation of the performance of the indicators set for 2022 and 2021, all of which have been approved by the Company's Supervisory Board.

### 2.1.4.1 Indicators (Performance Criteria for Annual Bonus) Set for 2023

The Supervisory Board has set indicators (performance criteria) for the annual bonus of the Board of Directors members for 2023. The common task of all members of the Board of Directors is to achieve the target value of the group indicator "CEZ Group Adjusted EBITDA". In addition, 6 individual tasks were set for each member of the Board of Directors, which are presented in the tables below, including the weightings. The individual tasks for all members of the Board of Directors include a single task to develop the business in a responsible and sustainable manner in accordance with ESG principles with a weighting of 15%. This task consists of achieving the target level of ČEZ's ESG rating in accordance with the public commitments of the applicable VISION 2030 strategy and implementing defined ESG programs and measures leading to meeting CEZ Group's medium-term ESG commitments.

The Supervisory Board will decide on the evaluation of meeting the set indicators and thus on the amount of the balance payment of annual bonus for 2023 in March 2024. The balance payment of the annual bonus for 2023 will be paid in April 2024 and its amount will be stated in the 2024 Remuneration Report.

### Chairman of the Board of Directors Daniel Beneš – Individual Tasks for 2023

Individual Task		Weighting
1.	Continuously improve safety and ensure conditions for the long-term operation of nuclear power plants	20%
2.	Ensure implementation of steps to meet the main strategic objectives of CEZ Group within the VISION 2030 initiative	25%
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	15%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize fixed division costs	5%

### Vice-Chairman of the Board of Directors Pavel Cyrani – Individual Tasks for 2023

Individual Task		Weighting
1.	Maximize the contribution of commodity trading and sales of support services to CEZ Group's EBITDA	15%
2.	Ensure implementation of steps to meet the main strategic objectives of CEZ Group within the VISION 2030 initiative	25%
3.	Maximize the market value of the SALES segment	20%
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 fixed division costs	5%

### Member of the Board of Directors Michaela Chaloupková – Individual Tasks for 2023

Individual Task		Weighting
1.	Provide quality HR services	20%
2.	Ensure the implementation of steps to meet the main strategic objectives in the field of HR	25%
3.	Effectively manage expenditures in real estate management and transportation	15%
4.	Ensure the implementation of steps to meet the main strategic objectives in the field of procurement	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize fixed division costs	5%

### Member of the Board of Directors Jan Kalina – Individual Tasks for 2023

Individual Task		Weighting
1.	Maximize operating cash flow of existing RES assets and realize strategic objectives in the field of RES development	25%
2.	Maximize the availability of generating facilities	15%
3.	Maximize operating cash flow generation of the GENERATION – Emission Facilities segment	20%
4.	Ensure the implementation of steps to meet the main strategic objectives of the GENERATION–Emission Sources segment	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize fixed division costs	5%

### Member of the Board of Directors Martin Novák – Individual Tasks for 2023

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

### Member of the Board of Directors Tomáš Pleskač – Individual Tasks for 2023

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	20%
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 the development of small modular reactors (SMRs) and the achievement of other strategic objectives for new nuclear power plants at the Temelín NPP	20%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize fixed division costs	5%

### Member of the Board of Directors Bohdan Zronek – Individual Tasks for 2023

Individual Task		Weighting
1.	Continually improve safety of nuclear power plants	20%
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 long-term operation of nuclear power plants and provide assistance in meeting CEZ Group's strategic objectives	25%
5.	Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles	15%
6.	Minimize fixed division costs	5%

## 2.1.4.2 Evaluation of Indicators (Performance Criteria for Annual Bonus) for 2022

For the year 2022, 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 target 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 2022.

The overall evaluation of the indicators set for 2022 (determining the amount of the balance payment of annual bonus for 2022) was approved by the Supervisory Board on April 27, 2023. The amount of the balance payment of the annual bonus for 2022 paid in May 2023 will be disclosed in the 2023 report.



### Evaluation Summary of the Performance Indicators for 2022:

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	140.8%	101.5%	100.0%
Pavel Cyrani	Vice-Chairman of the Board of Directors and Chief Sales and Strategy Officer		107.5%	100.0%
Michaela Chaloupková	Member of the Board of Directors and Chief Administrative Officer		103.8%	100.0%
Jan Kalina	Member of the Board of Directors and Chief Renewables and Conventionals Officer		105.7%	100.0%
Martin Novák	Member of the Board of Directors and Chief Financial Officer		100.6%	100.0%
Tomáš Pleskač	Member of the Board of Directors and Chief New Energy Officer		100.8%	100.0%
Bohdan Zronek	Member of the Board of Directors and Chief Nuclear Officer		102.5%	100.0%

### Evaluation of Performing the Common Indicator (Task) for 2022:

Common Group Indicator for 2022	Performance
CEZ Group Adjusted EBITDA	140.8%

The initial budget target was significantly exceeded, mainly due to extraordinary profit from commodity trading on foreign markets. ČEZ's trading team managed to take advantage of the extreme volatility in the markets and generated EBITDA in 2022 of more than CZK 22 billion above the baseline ambition. This achievement contributed more than 75% to outperforming the Group's common indicator target. In addition, record generation from nuclear power plants, which surpassed 31 TWh, was the main contributor to exceeding the baseline target.

In line with the definition of the indicator, the positive impact of the increase in commodity market prices on the open position of electricity generation in Czechia was not included in the final achievement of the baseline target.

# Overall Assessment of the Members of the Board of Directors for 2022:

## Chairman of the Board of Directors Daniel Beneš – Individual Tasks for 2022

	Individual Task	Weighting	Performance
1.	Continuously improve safety and ensure conditions for the long-term operation of nuclear power plants	20%	<b>101.5%</b>
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%	

Overall, the individual tasks were completed at 101.5%. CEZ Group's total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

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

	Individual Task	Weighting	Performance
1.	Maximize profit from commodity trading	15%	<b>107.5%</b>
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%	

Individual tasks were met at 107.5% overall, with performance above 100% especially for task 1. CEZ Group's total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

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

Individual Task		Weighting	Performance
1.	Provide quality HR services	20%	<b>103.8%</b>
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 real estate 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%	

Overall, the individual tasks were completed at 103.8%. CEZ Group’s total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

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

Individual Task		Weighting	Performance
1.	Maximize operating cash flow of existing RES assets and realize strategic objectives in the field of RES development in Czechia.	20%	<b>105.7%</b>
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%	

Individual tasks were met at 105.7% overall, with performance above 100% especially for task 3. CEZ Group’s total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

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

Individual Task		Weighting	Performance
1.	Effectively support maintaining CEZ Group's medium-term financial stability	20%	<b>100.6%</b>
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%	

Overall, the individual tasks were completed at 100.6%. CEZ Group's total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

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

Individual Task		Weighting	Performance
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%	<b>100.8%</b>
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%	

Overall, the individual tasks were completed at 100.8%. CEZ Group's total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

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

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%	<b>102.5%</b>
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%	

Overall, the individual tasks were completed at 102.5%. CEZ Group’s total adjusted EBITDA was met at 140.8%. In accordance with the provisions of the performance contract, the total annual bonus for 2022 was paid at the maximum rate of **100%**.

### 2.1.4.3 Evaluation of Indicators (Performance Criteria of the 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.

In 2022 advances were paid to the members of the Company’s Board of Directors for the 2022 annual bonus and the balance payment of the 2021 annual bonus based on an overall evaluation of the fulfillment of the established criteria (indicators) for the 2021 annual bonus. The overall evaluation of the indicators set for 2021 (determining the amount of the balance payment of the 2021 annual bonus) was approved by the Supervisory Board in March 2022. The advances for the 2022 annual performance component and the amount of the balance payment for the 2021 annual bonus, paid in April 2022, 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 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%	100.0%
Pavel Cyrani	Vice-Chairman of the Board of Directors and Chief Sales and Strategy Officer		108.7%	100.0%
Michaela Chaloupková	Member of the Board of Directors and Chief Administrative Officer		100.6%	100.0%
Jan Kalina	Member of the Board of Directors and Chief Renewables and Conventionals Officer		100.1%	100.0%
Martin Novák	Member of the Board of Directors and Chief Financial Officer		100.1%	100.0%
Tomáš Pleskač	Member of the Board of Directors and Chief New Energy Officer		101.4%	100.0%
Ladislav Štěpánek	Member of the Board of Directors and Chief Conventional Officer		101.0%	100.0%
Bohdan Zronek	Member of the Board of Directors and Chief Nuclear Officer		100.2%	100.0%

### 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 profit from commodity trading on foreign markets, higher realized prices for generated electricity 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%	<b>100.4%</b>
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 performance 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%	<b>108.7%</b>
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 profit 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 performance 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%	<b>100.6%</b>
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 performance 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%	<b>100.1%</b>
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 performance 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%	<b>100.1%</b>
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 performance 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%	<b>101.4%</b>
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 performance 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%	<b>101.0%</b>
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 performance 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%	<b>100.2%</b>
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 performance contract, the total annual bonus for 2021 was paid at the maximum rate of **100%**.

## 2.1.5 Target-Based Bonus

The target-based bonus has not been set for 2022 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 component 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 must 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 and in 2022.

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 a 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 assessment period, achieving the performance indicator is always evaluated by the Company's Supervisory Board.

**The following numbers of performance unit allocations have been granted to individual members of the Board of Directors for 2022:**

Board of Directors Member	Number of performance units allocated as at January 1, 2022	Evaluation of performance indicators for 2022	Adjusted allocation of performance units for 2022
Daniel Beneš	13,046 pcs	120.6%	15,734 pcs
Pavel Cyrani	5,880 pcs	120.6%	7,092 pcs
Michaela Chaloupková	3,496 pcs	120.6%	4,217 pcs
Jan Kalina	3,496 pcs	120.6%	4,217 pcs
Martin Novák	5,289 pcs	120.6%	6,379 pcs
Tomáš Pleskač	3,596 pcs	120.6%	4,337 pcs
Bohdan Zronek	3,496 pcs	120.6%	4,217 pcs

The performance indicator achievement for 2022 was evaluated at 120.60% and therefore the resulting allocation of performance units (the so-called Adjusted Allocation for the 2022 evaluation period) was at 120.6% 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 2022 performance unit allocation will occur in 2025 at an amount derived from the share price development and the amount of dividends paid for the "Holding Period".

The following numbers of performance unit allocations have been granted to individual members of the Board of Directors for 2021:

Board of Directors Member	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 <sup>2)</sup>	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 <sup>1)</sup>	150%	4,212 pcs
Bohdan Zronek	5,726 pcs	150%	8,589 pcs

<sup>1)</sup> 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.

<sup>2)</sup> In 2021, Mr. Jan Kalina's number of allocated performance units 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.

The performance indicator achievement for 2021 was evaluated at 150% 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 for the "Holding Period".

The following numbers of performance unit allocations have been granted to individual members of the Board of Directors for 2020:

Board of Directors Member	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

The performance indicator achievement for 2020 was evaluated at 0% and therefore the resulting allocation of performance units (the so-called Adjusted Allocation for the 2020 evaluation 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 payment 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 2022, 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 measures and only includes the annual bonus in 2022 as no target-based bonus, long-term performance bonus or 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 each member of the Board of Directors in aggregate for 2022 and the proportions of fixed and variable components of the total remuneration for each Board of Directors member:**

Summary of remuneration, ratio of fixed and variable components (CZK thousands)	Fixed remuneration component			Variable remuneration component linked to the achievement of the performance indicators				Total remuneration <sup>6)</sup>	Ratio of fixed component to total remuneration	Ratio of variable component to total remuneration
	Fixed base salary (in aggregate for the whole year 2022)	Benefits	Pension Schemes	Annual bonus linked to the achievement of the performance indicators <sup>2)</sup>	Long-Term Performance bonus <sup>3)</sup>	Target-based bonus <sup>4)</sup>	Royalty <sup>5)</sup>			
Daniel Beneš	13,276	1,861	0 <sup>1)</sup>	20,110	0	0	0	35,247	43.0%	57.0%
Pavel Cyrani	9,890	1,436	16	8,717	0	0	0	20,059	56.5%	43.5%
Michaela Chaloupková	7,145	1,294	16	6,000	0	0	0	14,455	58.5%	41.5%
Jan Kalina <sup>7)</sup>	6,947	1,365	16	4,368	0	0	0	12,696	65.6%	34.4%
Martin Novák	9,489	1,479	16	9,450	0	0	0	20,434	53.8%	46.2%
Tomáš Pleskač	7,776	1,339	16	7,059	0	0	0	16,190	56.4%	43.6%
Ladislav Štěpánek <sup>8)</sup>	0	0	0	1,632	0	0	0	1,632	0.0%	100.0%
Bohdan Zronek	7,259	1,285	16	6,000	0	0	0	14,560	58.8%	41.2%

<sup>1)</sup> Mr. Daniel Beneš was not received pension schemes in 2022.

<sup>2)</sup> In 2022 an advance payment of annual bonus for 2022 was paid together with a balance payment of annual bonus for meeting the annual bonus criteria for 2021.

<sup>3)</sup> No long-term performance bonus was paid to any of the Board of Directors members in 2022. 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.

<sup>4)</sup> No target-based bonus was paid to any of the Board of Directors members in 2022.

<sup>5)</sup> No royalty was paid to any of the Board of Directors members in 2022.

<sup>6)</sup> The value is rounded to the nearest thousand, as are the individual parts.

<sup>7)</sup> In the case of Mr. Jan Kalina, the balance payment of the annual bonus for 2021 does not cover the entire calendar year 2021, but only the period from the beginning of his service as a member of the Board of Directors, i.e., from June 29, 2021, to December 31, 2021.

<sup>8)</sup> In the case of Mr. Ladislav Štěpánek, the data above includes the balance payment of annual bonus for 2021 paid in April 2022. The balance payment of annual bonus includes the period from January 1, 2021 to June 28, 2021, when Mr. Ladislav Štěpánek's four-year term as a member of the Board of Directors ended.

In 2022 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. Tomáš Pleskač, two consecutive terms as a member of the Board of Directors were held in the calendar year 2022, from January 1, 2022 to January 29, 2022, and from January 30, 2022 to December 31, 2022.

## Annual Change in Total Remuneration

The table shows the annual change in total remuneration for each Board of Directors member between 2021 and 2020 and between 2022 and 2021.

Board of Directors Member	Year-on-year change between 2021 and 2020	Year-on-year change between 2022 and 2021
Daniel Beneš	0.00%	+1.15%
Pavel Cyrani	10.22%	+11.39% <sup>2)</sup>
Michaela Chaloupková	6.32%	-1.10%
Jan Kalina	n/a <sup>1)</sup>	+111.35% <sup>3)</sup>
Martin Novák	-4.72%	+1.48%
Tomáš Pleskač	+1.21%	-10.10% <sup>4)</sup>
Ladislav Štěpánek	-37.53%	-81.84 % <sup>5)</sup>
Bohdan Zronek	0.63%	+1.41%

<sup>1)</sup> In 2020, Mr. Jan Kalina did not serve as a member of the Board of Directors.

<sup>2)</sup> As of 1 January 2022, the contractual terms of Pavel Cyrani's service as a member of the Board of Directors were modified.

<sup>3)</sup> Mr. Jan Kalina's total remuneration for 2021 did not include the entire calendar year, but instead the period of his term of office lasting from June 29, 2021 to December 31, 2021, as opposed to 2022, where the total remuneration includes the entire calendar year 2022.

<sup>4)</sup> In 2022, Mr. Tomáš Pleskač's two consecutive terms of office were held from January 1, 2022 to January 29, 2022, and from January 30, 2022 to December 31, 2022. The contractual terms of office of a member of the Board of Directors were adjusted for the new term of office.

<sup>5)</sup> Mr. Ladislav Štěpánek's total remuneration for 2022 includes only the balance payment of annual bonus for 2021, paid in April 2022, and relates to the term of office running in 2021, from January 1, 2021 to June 28, 2021, i.e., it does not include the entire year and does not include any other remuneration components relating to this term of office and paid in 2022.

The year-on-year change in the total remuneration of the Board of Directors members between 2022 and 2021 is in aggregate +0.23% and the year-on-year change in the total remuneration of the Board of Directors members between 2021 and 2020 is in aggregate +1.85%.



## 2.1.9 Remuneration Provided by CEZ Group Companies

Individual members of the Board of Directors were also allocated remuneration from companies belonging to CEZ Group. For these remunerations this Report follows the same approach as for base salary, i.e., they do not 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 vested and settled) and they include remuneration granted in December 2021 and settled with the base salary in January 2023 (in case the remuneration entitlement with the respective company for this period has been granted and settled).

In 2022, 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 168,000 for membership in the Supervisory Board of this company in 2022. Severočeské doly, a. s., provided a total remuneration in the total amount of CZK 2,023,799 for membership in the Supervisory Board of this company in 2022, of which the fixed monthly fee was in the total amount of CZK 559,761, royalty paid in the amount of CZK 1,339,038, and benefits in the amount of CZK 125,000.

In 2022, 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 144,000 for membership in the Supervisory Board of this company in 2022. 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 2022. 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 2022. 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 2022. Elevion GmbH provided a fixed monthly fee in the total amount of EUR 4,800 for membership in the statutory governing body of this company in 2022.

In 2022, Ms. Michaela Chaloupková 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 2022. 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 2022. Telco Pro 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 2022. 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 2022. 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 2022, 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.

In 2022, Mr. Jan Kalina 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 148,000 for membership in the Supervisory Board of this company in 2022. ČEZ Energetické produkty, 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 2022. ČEZ Obnovitelné zdroje, s.r.o., provided a remuneration in the total amount of CZK 267,586 for membership in the statutory body of this company in 2022, of which the fixed monthly fee was in the total amount of CZK 84,000, and an annual bonus of CZK 183,586 and a remuneration of CZK 109,162 for membership in the Supervisory Board of this company.

ČEZ OZ uzavřený investiční fond 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 2022. Severočeské doly a. s. provided total remuneration in the aggregate for 2022 in the amount of CZK 1,034,247 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in the aggregate amount of CZK 480,000, royalties of CZK 429,247 and benefits of CZK 125,000. CEZ Polska sp. z o.o., provided a fixed monthly fee of EUR 13,800 in aggregate for 2022 for membership in the Supervisory Board of this company. CEZ Chorzów S.A. provided a fixed monthly fee in the total amount of EUR 12,000 for membership in the Supervisory Board of this company in 2022. CEZ Skawina S.A. provided a fixed monthly fee in the total amount of EUR 11,750 for membership in the Supervisory Board of this company in 2022. CEZ RES International B.V., paid an annual bonus for 2021 and a 3-year bonus, both payable in 2022, in the aggregate amount of CZK 2,945,206 for membership of the company's statutory body and provided a fixed monthly fee in the aggregate amount of EUR 9,600 for membership of the company's Supervisory Board for 2022. BELETRIC GmbH provided a fixed monthly fee in the aggregate for the year 2022 of

EUR 9,600 for membership of the Supervisory Board of this company. CEZ Deutschland 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 2022.

In 2022, 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 168,000 for membership in the Supervisory Board of this company in 2022. ČEZ ESCO, 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 2022. ČEZ OZ, 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 2022. 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 2022. 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 2022. Telco Pro 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 2022. Severočeské doly a.s., provided a royalty of CZK 502,139 in 2022 for membership in the Supervisory Board of this company in 2021. Elevion Group B.V. provided a fixed monthly fee of EUR 9,600 in aggregate for 2022 for membership in the Supervisory Board of this company.

In 2022, Mr. Tomáš Pleskač received remuneration from the following CEZ Group companies: ČEZ Obnovitelné zdroje, s.r.o., provided a fixed monthly fee in the total amount of CZK 148,904 for membership in the Supervisory Board of this company in 2022. 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 2022. Elektrárna Dukovany II, 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 2022. Elektrárna Temelín II, 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 2022. ÚJV Řež, a. s., provided a total remuneration in aggregate for the year 2022 in the amount of CZK 185,612 for membership in the Supervisory Board of this company, of which the fixed monthly fee was in aggregate CZK 125,612 and the annual bonus in the amount of CZK 60,000. CEZ Polska sp. z o.o., provided a fixed monthly fee in the aggregate for 2022 in the amount of EUR 16,500 for membership in the Supervisory Board of this company. Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. provided a fixed monthly fee in the total amount of TL 81,506.01 for membership in the statutory governing body of this company in 2022. Akenerji Elektrik Üretim A.Ş., provided a fixed monthly fee in the total amount of TL 158,676.26 for membership in the statutory governing body of this company in 2022. Sakarya Elektrik Perakende Satis A.Ş., provided a fixed monthly fee in the total amount of TL 27,483.34 for membership in the statutory governing body of this company in 2022.

In 2022, Mr. Ladislav Štěpánek received remuneration for the period of his service as a member of the Board of Directors of ČEZ, a. s. (i.e. for the period from January 1, 2021 to June 28, 2021), from the following CEZ Group companies: Energotrans, a. s., provided an annual bonus for the stated period of 2021 and payable in 2022 in the amount of CZK 83,067 for membership in the Supervisory Board of this company. ÚJV ŘEŽ, a. s, provided an annual bonus for the period of 2021 and payable in 2022 in the amount of CZK 71,200 for membership in the Supervisory Board of this company.

In 2022, 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 2022. ŠKODA JS, a. s., provided a fixed monthly fee in the total amount of CZK 14,909 for membership in the Supervisory Board of this company in 2022. 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 2022. 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 2022. ÚJV Řež, a. s., provided a total remuneration in the total amount of CZK 331,200 for membership in the Supervisory Board of this company in 2022, of which the fixed monthly fee was in the total amount of CZK 168,000 and annual bonus in the amount of CZK 163,200.

## 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 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 the total remuneration included only annual bonus in 2022. 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 indicators of financial and non-financial performance, are based on the applicable Company 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 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 income 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).

An 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 that 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 their 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 their option, a member of the Board of Directors will pay for each Company share the purchase price that is set out as a weighted average of prices for which the Company 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 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 2022:

Share Option Plan—exercised options in 2022	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	508.26	January 17, 2022	811.00	5,753
Pavel Cyrani	517.14	July 1, 2022	970.00	11,671
Michaela Chaloupková	517.47	July 1, 2022	970.00	5,671

In 2022 all remaining valid option rights granted to the members of the Board of Directors under the Share Option Plan were exercised.

## 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 includes 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 2022, the Supervisory Board members were paid a monthly fee for their service as members of the Supervisory Board in accordance with Section 4.1 of the Remuneration Policy to the extent set out in Section 2.2.4 hereof. The monthly fee belongs to the fixed remuneration component.

By analogy to personal income taxes for employment tax purposes the amount of aggregate monthly fee paid in 2022 and disclosed in this Remuneration Report, does not include the remuneration paid in January 2022 for acting as a member of the Supervisory Board in December 2021, and includes the remuneration paid in January 2023 for acting as a member of the Supervisory Board in December 2022.

## 2.2.2 Benefits

The Supervisory Board members were provided with benefits in 2022. 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 2022. The benefits belong to the fixed remuneration component.

In accordance with the Remuneration Policy and to the extent set out in Section 2.2.5 hereof, the following benefits constituting other benefits within the meaning of Section 121(2)(a) of the CMUA 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 Report follows the same approach as for monthly fee, i.e., the amount of benefits provided for 2022 excludes benefits provided in December 2021 and charged to monthly fee in January 2022, and includes benefits provided in December 2022 and charged to monthly fee in January 2023.

## 2.2.3 Royalty

A member of the Supervisory Board is entitled to a royalty payment 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 2022 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 2022. The ratio of the fixed component to the total remuneration was therefore 100% in 2022 and the ratio of the variable remuneration was 0%.

**The amount of remuneration provided by the Company to each member of the Supervisory Board in aggregate for 2022 and the proportions of fixed and variable components of the total remuneration for each Supervisory Board member**

Summary of remuneration, ratio of fixed and variable components (CZK thousands)	Fixed remuneration component		Variable remuneration component	Total remuneration in 2022 <sup>6)</sup>	Ratio of fixed component to total remuneration	Ratio of variable component to total remuneration	Supervisory Board membership in 2022	
	Fixed monthly fee (in aggregate for the whole year 2022)	Benefits	Royalty <sup>5)</sup>				from	to
Radim Jirout	637	1,107	0	1,744	100%	0%	June 29	December 31
Roman Binder <sup>1)</sup>	0	0	0	0	–	–	February 24	December 31
Milan Wagner	782	798	0	1,580	100%	0%	January 24	December 31
Marta Ctiborová	591	705	0	1,297	100%	0%	January 24	December 31
Vít Doležálek	319	638	0	956	100%	0%	June 29	December 31
Eva Hanáková	319	665	0	983	100%	0%	June 29	December 31
Jiří Kadrnka	319	638	0	956	100%	0%	June 29	December 31
Vratislav Košťál	65	0	0	65	100%	0%	November 24	December 31
Václav Kučera	65	7	0	72	100%	0%	November 24	December 31
Radek Mucha	591	715	0	1,306	100%	0%	January 24	December 31
František Novotný	591	638	0	1,229	100%	0%	January 24	December 31
Otakar Hora	717	64	0	781	100%	0%	January 1	June 29
Zdeněk Černý	501	69	0	570	100%	0%	January 1	June 28
Ondřej Landa <sup>2)</sup>	19	0	0	19	100%	0%	January 1	January 16
Jitka Čermáková	39	7	0	46	100%	0%	January 1	January 23
Vladimír Hronek	39	0	0	39	100%	0%	January 1	January 23
Lubomír Klosík	39	7	0	46	100%	0%	January 1	January 23
Vladimír Kohout	420	638	0	1,058	100%	0%	January 1	31 August
Vladimír Černý	420	71	0	491	100%	0%	January 1	31 August
Josef Suchánek	39	7	0	46	100%	0%	January 1	January 23
Karel Tyll <sup>3)</sup>	303	0	0	303	100%	0%	January 1	June 23
František Vágner <sup>4)</sup>	420	0	0	420	100%	0%	January 1	31 August
Jan Vaněček	433	35	0	467	100%	0%	January 1	June 29

<sup>1)</sup> Mr. Roman Binder is a civil servant covered by Section 303 of Act 262/2006 Sb., the Labor Code, i.e., without entitlement to remuneration for the performance of his duties.

<sup>2)</sup> Mr. Ondřej Landa was a civil servant seconded to the Company's Supervisory Board by a service authority during his term of office as a member of the Supervisory Board. In accordance with Section 81 of Act No. 234/2014 Sb., on the Civil Service, as amended (hereinafter referred to as "Act No. 234/2014 Sb."), the remuneration paid to Mgr. Ondřej Landa was limited and only paid in the form of a monthly fee.

<sup>3)</sup> Mr. Karel Tyll was a civil servant seconded to the Company's Supervisory Board by the service authority for the duration of his service as a member of the Supervisory Board. In accordance with Section 81 of Act No. 234/2014 Sb., the remuneration paid to Mr. Karel Tyll was limited and only paid in the form of monthly fee.

<sup>4)</sup> Mr. František Vágner did not received any benefits in 2022.

<sup>5)</sup> No royalty was paid to any of the Supervisory Board members in 2022.

<sup>6)</sup> The value is rounded to the nearest thousand as are the individual components.

The members of the Supervisory Board held office in 2022 for the period indicated in the Supervisory Board Membership from-to columns.



## Annual Change in Total Remuneration

The table shows the annual change in total remuneration for each Supervisory Board member between 2021 and 2020 and between 2022 and 2021.

Member of the Supervisory Board	Annual Change in Total Remuneratoin between 2021 and 2020	Annual Change in Total Remuneration between 2022 and 2021
Radim Jirout	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Roman Binder	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Milan Wagner	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Marta Ctiborová	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Vít Doležálek	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Eva Hanáková	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Jiří Kadrnka	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Vratislav Košťál	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Václav Kučera	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Radek Mucha	n/a <sup>1)</sup>	n/a <sup>2)</sup>
František Novotný	n/a <sup>1)</sup>	n/a <sup>2)</sup>
Otakar Hora	0.00%	-67.34% <sup>3)</sup>
Zdeněk Černý	+0.75%	-69.78% <sup>3)</sup>
Ondřej Landa	0.00%	-95.83% <sup>3)</sup>
Jitka Čermáková	0.00%	-96.61% <sup>3)</sup>
Vladimír Hronek	0.00%	-96.93% <sup>3)</sup>
Lubomír Klosík	-0.07%	-96.61% <sup>3)</sup>
Vladimír Kohout	0.00%	-16.60% <sup>3)</sup>
Vladimír Černý	+38.53%	-63.87% <sup>3)</sup>
Josef Suchánek	0.00%	-96.60% <sup>3)</sup>
Karel Tyll	0.00%	-12.25% <sup>3)</sup>
František Vágner	0.00%	-33.33% <sup>3)</sup>
Jan Vaněček	+0.07%	-65.08% <sup>3)</sup>

<sup>1)</sup> Did not serve as a member of the Supervisory Board in 2021 and 2020

<sup>2)</sup> Served as a member of the Supervisory Board only in 2022

<sup>3)</sup> In 2022 only served as a member of the Supervisory Board during the period indicated in the table "The amount of remuneration allocated by the Company to each member of the Supervisory Board in aggregate for 2022 and the proportions of fixed and variable components of the total remuneration for each Supervisory Board member", see above.

The year-on-year change in the total remuneration of the Supervisory Board members between 2022 and 2021 is in aggregate -3.54% and the year-on-year change in the total remuneration of the Supervisory Board members between 2021 and 2020 is in aggregate +0.18%.

None of the members of the Supervisory Board were paid remuneration by other CEZ Group companies in 2021 and 2022.

## 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 that 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 2022, 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 member of the Supervisory Board for the 2022 financial year and therefore did not exercise such a right in 2022.

In accordance with Article 7 of the Remuneration Policy, no benefit will be granted to a member of an authority under a service contract if the performance of the relevant member of an authority contributed to the Company's adverse economic performance (malus). For the accounting period of 2022, there was no reason for withholding benefits to the Company's Body Member and therefore no malus was exercised in 2022.

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

The year 2022 was an exceptionally successful year for CEZ Group shareholders. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) will reach CZK 131.6 billion in 2022, a year-on-year increase of 108%. And CEZ Group's net profit will reach CZK 80.7 billion, an increase of more than CZK 70 billion year-on-year. The significant year-on-year increase reflects the huge increase in commodity prices due to the Russian invasion of Ukraine, record profit from commodity trading on foreign markets, and the high operational reliability of ČEZ's power plants. The profit achieved for 2022 allows for the payment of the highest dividend in the Company's history.

Moreover, in 2022 CEZ Group contributed to solving the energy crisis and proved to be a reliable, socially responsible partner. A key step in resolving the crisis was securing Czechia's access to LNG, a liquefied form of natural gas, supplied to Europe by sea. Together with the Czech state, we have managed to acquire capacity equivalent to 1/3 of the annual gas consumption in Czechia. In addition, CEZ Group was able to secure sufficient nuclear fuel supplies for the near future and all supplies of quality materials and services for the operation of the generating facilities.



### Development of Selected Financial and Non-Financial Indicators:

Indicator	Unit	Year-on-year change 2022 and 2021	Year-on-year change 2021 and 2020	2022	2021	2020
Market capitalization as at December 31	CZK billions	-7%	+61%	413.3	443.9	275.8
CEZ Group operating revenues	CZK billions	+27%	+7%	288.5	227.8	213.7
EBITDA of CEZ Group	CZK billions	+108%	-2%	131.6	63.2	64.8
CEZ Group net profit	CZK billions	+714%	+81%	80.7	9.9	5.5
CEZ Group electricity generation	TWh	-3%	-8%	54.3	56.0	60.9
ČEZ injury frequency	per 100 employees	+72,7%	-15%	0.19	0.11	0.13

## 2.5 Annual Change in Average Employee Remuneration

The table shows the average remuneration of the Company's employees between 2020 and 2022 and the percentage change between 2020 and 2021 and between 2021 and 2022. The value of the average remuneration of the Company's employees is calculated as the Company's wage cost per employee (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.

Year	Average monthly remuneration of employees	Year-on-year change from previous year in %
2022	85,707	8.29%
2021	79,149	3.07%
2020	76,793	-

## 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 2022.

### Terms used in this Report:

Base salary means the component of remuneration as defined in Section 3.1 of the Remuneration Policy.  
Annual bonus means the component of remuneration as defined in Section 3.4 of the Remuneration Policy.  
Target-based bonus means the remuneration component as defined in Section 3.5 of the Remuneration Policy.  
Long-term performance bonus means the remuneration component as defined in Section 3.6 of the Remuneration Policy.

Monthly fee of Supervisory Board members means the remuneration component as defined in Section 4.1 of the Remuneration Policy.



*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 Sb., 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, 2022 (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 solely intended 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 only relates 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 the 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 ISQC 1 international standard for quality management 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 performed procedures include, but are not limited to, interviewing relevant persons and other procedures designed to obtain evidence about the Remuneration Report. The performed assurance 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 Sb., 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 performed verification procedures 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

05/02/2023  
Prague, Czechia