



DECISION ON DONATIONS BUDGET

Donations Strategy for 2020

Social responsibility permeates all fields of activities of CEZ Group where it is present through corporate donations.

In accordance with its motto “We Help Where We Operate,” CEZ Group supports areas such as education, culture, sports, health care, environmental protection, as well as community life. By continued donation activities, we significantly help build one of the strategic pillars of sustainable development, namely helpfulness.

For 17 years, CEZ Group’s most important partner in donation activities has been the ČEZ Foundation. It was one of the first corporate foundations in Czechia and every year it helps support hundreds of projects across the country responding to society’s current needs and making people’s lives better. A total of 1,025 projects with a total value of CZK 175.5 million were supported through the ČEZ Foundation in 2018. Information about all supported projects is regularly published in ČEZ Foundation annual reports.

The targeting of a portion of the ČEZ Foundation’s financial aid has been determined for four years by all those who decided to help through sports with the EPP—Move to Help mobile app. In 2018 alone, the Foundation financially supported 335 projects worth almost CZK 25.5 million thanks to those people’s choice. Around the turn of 2019, the app achieved a nice round figure of 400,000 users.

Donation activities are also significantly contributed to by CEZ Group employees, who managed to raise CZK 2.463 million in the already traditional Granting Wishes, Thinking about Others collection in 2018, with the ČEZ Foundation then doubling that amount to a total of CZK 4.926 million. Financial support was provided to 79 specific people who got themselves into difficult situations in their lives due to severe illness or injury.

The 2018 Annual Report of ČEZ, a. s., includes a link to www.cez.cz/dary on page 141. The Web page shows a list of all beneficiaries of donations made by the Company in 2018, including donation purposes. The list does not show the amounts of donations. This is to prevent the discrimination of beneficiaries that apply for donations or subsidies from other donors and institutions.

Proposed terms for financial donations in 2020:

- The total amount of funds that the Company can use to give donations in 2020 will be CZK 110 million;
- of which for projects undertaken through the ČEZ Foundation, we estimate that approximately CZK 50 million will be transferred to the Foundation’s account in 2020;
- And in the context of the operation, construction, and renovation of ČEZ generating facilities and distribution grids, we estimate that donations of approximately CZK 60 million will be given to selected entities directly by ČEZ, a. s., rather than through the ČEZ Foundation, in order to maintain positive relations with the affected regions.

DRAFT RESOLUTION:

The General Meeting of ČEZ, a. s., approves a 2020 donations budget of CZK 110 million.

Rationale:

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