



CLEAN
ENERGY OF
TOMORROW

Decision on Donations Budget

Draft resolution:

The General Meeting of ČEZ, a. s., approves a 2025 donations budget of CZK 220 million.

Rationale:

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

Donations Strategy for 2025

In the area of donations, CEZ Group has long been guided by the motto "We help where we operate". For the regions in the immediate vicinity of our generating and distribution facilities and other plants, we want to be a reliable and good neighbor that contributes to improving the quality of everyday life of the local residents and local communities. Through direct financial donations, we contribute in particular to the development of local infrastructure. In 2023, almost 90% of direct financial donations from ČEZ, a. s., went into this area. We also support the fields of education (schools, science, youth care), culture, sports, and the environment. A portion of direct financial donations also reaches people in need and people with specific needs.

CEZ Group is also one of the few companies to support a wide range of nonprofit organizations, including contributions to cover their operating expenses and their own professional development. In doing so, it contributes to the cultivation and professionalization of the entire nonprofit sector in Czechia. We also play an important role in supporting community and social life even in the smallest of municipalities.

CEZ Group is gradually meeting its ambitious goals set in its long-term strategy Vision 2030 – Clean Energy for Tomorrow. In the area of social relations, one of the publicly stated goals is to continue to be a good corporate citizen that develops good relationships with communities. A thoughtful and strategic donor program makes a significant contribution to this goal.

At the same time, it is one of the ways in which CEZ Group helps Czechia meet the global UN Sustainable Development Goals (SDGs). These include Goal 3 (Good health and well-being – we support local hospitals, social and health care facilities, sports and leisure clubs), Goal 4 (Quality education – we support nurseries, primary and secondary schools, colleges, local libraries, cultural facilities and social and cultural events), Goal 8 (Decent work and economic growth – we support skills and retraining programs, sheltered workshops), Goal 10 (Reduced inequalities – we support the inclusion of people with disabilities into mainstream life, reduction of educational gaps for children from disadvantaged families), Goal 11 (Sustainable cities and communities – we support the introduction of energy saving measures in public buildings, better transport, modernization of public lighting), Goal 13 (Climate action – we support, for example, tree planting, landscape water retention projects and other climate change mitigation activities), and Goal 15 (Life on land – we support environmental associations and organizations, various events and activities to improve the environment, etc.). In 2023, Czechia placed 8th out of 166 evaluated countries in the Sustainable Development Report, published by the Sustainable Development Solutions Network (SDSN) every year.

ČEZ Foundation

The ČEZ Foundation, as one of the earliest and largest corporate foundations, has provided help throughout Czechia for 21 years. For municipalities, hospitals, schools and nursery schools, as well as nonprofit organizations and other entities, the ČEZ Foundation has been a vital partner in their operations and development. Every year it makes calls for grant applications to respond to society's current needs and make people's lives better. A total of 1,725 projects with a total value of CZK 270.97 million were supported through the ČEZ Foundation in 2023. Information about all supported projects is published in ČEZ Foundation annual reports every year. The non-financial evaluation of companies in terms of ESG (Environment, Social, Governance) criteria emphasizes, among other things, the development of community relations, which the ČEZ Foundation has been taking care of through its donor program for two decades.

Since its launch in 2015, the EPP – Help with Movement mobile app has already gained over 670,000 users from the public. It is these users who have control over where the ČEZ Foundation's support will be directed. In 2023, the Foundation supported 384 local projects with over CZK 31 million thanks to the mobile app's supporters.

ČEZ also actively involves its employees in donation activities. Two employee fundraisers were held in 2023. The first took place in February, when Turkey and Syria were hit by a strong earthquake. Employees of Akenerji, a joint venture with CEZ Group, were also severely affected. Employee donations were doubled by the ČEZ Foundation to CZK 2.76 million and handed over to 72 colleagues in Turkey through ADRA. The traditional autumn fundraising campaign, Fulfilling Wishes, reached a record-high number of registered wishes and amount donated. ČEZ employees collected CZK 4.7 million for 131 people in difficult life situations, such as those with various types of disabilities, incurable illnesses, physical or mental handicaps. The ČEZ Foundation doubled the amount raised by employees to a total of CZK 9.4 million.

In 2023, the ČEZ Foundation's Board of Trustees approved an increase in the maximum contribution for the Employee Grants procedure, aimed at supporting employees who are involved in nonprofit organizations in their free time. Employees can now receive up to CZK 50,000 (formerly CZK 30,000) for projects concerning support for public benefit activities focusing on children and young people, health, social care, people with disabilities, science and research, education, culture, amateur sport, and the environment (e.g., sports clubs, volunteer fire brigades, hobby groups, etc.). This step further strengthens local community development and also develops employee engagement, which is an integral part of the social factor in pursuing ESG criteria.

CEZ Group's 2023 Annual Financial Report includes a link to the website <https://www.cez.cz/cs/o-cez/udrzitelnost-a-etika/energie-pro-budoucnost/byt-dobrym-partnerem/podporujeme-darcovske-partnerstvi/> dary on page 130. The web page shows a list of all beneficiaries of donations made by the Company in 2023, including donation purposes. The list does not show the donation amounts. This is to prevent the discrimination of beneficiaries that apply for donations or subsidies from other donors and institutions.

Proposed terms for donations in 2025:

- The total amount of funds that the Company can use to give donations in 2025 will be CZK 220 million. This fund amount includes the value of any non-monetary donations provided.
- We estimate that approximately CZK 90 to 110 million of that amount will be transferred to the ČEZ Foundation's account in 2025 in connection with projects undertaken through the ČEZ Foundation.
- In connection with the operation, construction and renewal of ČEZ's generating facilities and distribution grids, we anticipate that, in order to maintain a favorable relationship with the regions concerned, or for ad-hoc projects where the need is greatest, a portion of the approved volume of funds of approx. CZK 110 to 130 million will be provided to selected entities directly by ČEZ, a. s., not through the ČEZ Foundation.