

# Responsible in the Flow of Change

responsibly  
helpfully  
judiciously  
in detail  
transparently

We have the determination, the team, the clear vision, and most importantly the energy to meet the objectives defined in the strategic VISION 2030. Input energy and patient work brings results. We supply energy to our customers safely, we develop new technologies, we build new energy resources, we invest in the development of new products and services and introduce innovations. The measures implemented contribute to a sustainable growth in the value of CEZ Group. We look into the future with optimism, which is a fundamental prerequisite for securing the Clean Energy of Tomorrow.

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# Statutory Declaration

To the best of our knowledge, the Sustainability Report gives an accurate and fair overview of the non-financial data for 2023, sustainable business strategy, and targets set for the future development of CEZ Group.

Prague, April 22<sup>nd</sup>, 2024

**Daniel Beneš**

Chairman of the Board of Directors  
ČEZ, a. s.

**Michaela Chaloupková**

Member of the Board of Directors  
ČEZ, a. s.  
Chief Sustainability Officer  
CEZ Group



# 1. Foreword

## 1.1. Statement of the CEO

GRI 2–22

Dear readers,

I am pleased to present to you the Sustainability Report of CEZ Group for the year 2023, which marks its eighth edition. This will also be the last time we publish it as a standalone document; starting from next year, in accordance with new legislation, it will be an integral part of the Annual Financial Report. This change reflects how rapidly sustainability indicators have become equally significant as financial ones. In the following text, I would like to introduce to you the most important events and achievements we have accomplished in the ESG in the year 2023.

Although there was a significant stabilization of commodity prices during the year 2023 compared to the extreme year of 2022, the price of electricity continued to remain at significantly higher levels than those we were accustomed to before the crisis. Its amount has been significantly shaped by the cost of carbon allowances, which are the main economic instrument of the European Union's climate ambitions. Therefore, one of the key activities we are focusing on is the gradual reduction of all emissions. In line with the declared public commitments of the CEZ Group within our strategic VISION 2030—Clean Energy of Tomorrow, we aim to end production in coal-fired power plants and transform our production portfolio to emission-free. In heating locations, we will cease coal usage by 2030, and coal-fired power plant operations will be terminated no later than 2033. However, this is likely to occur sooner considering the development of market conditions.

The production of gradually decommissioned coal sources will be taken over primarily by existing and new nuclear and renewable sources. In 2023, the Temelín and Dukovany nuclear power plants generated 30.4 TWh of electricity (surpassing the 30 TWh threshold for the eighth time in history), representing more than half of the total consumption of the Czech Republic last year. The public tender for the construction of a new block in Dukovany has reached its final stage: offers for the construction of a new nuclear source in Dukovany were received on October 31, 2023, from three bidders (French company EDF, South Korean company KHNP, and American-Canadian company Westinghouse). In 2023, preliminary selection of additional sites for the placement of small modular reactors also took place, specifically at the existing coal locations of Tušimice and Dětmarovice. By 2030, we aim to add a total of 6,000 MW of renewable, primarily photovoltaic, sources. Last year, we succeeded in obtaining investment support totaling over CZK 3 billion for projects with a total installed capacity of 728 MWp.

We monitor the results of our decarbonization activities through the reduction of emission intensity. In 2023, the emission intensity of the CEZ Group reached a level of 0.27 t CO<sub>2</sub>e/MWh, representing a year-on-year decrease of 8% despite the ongoing energy crisis. All our medium-term targets in coal production reduction, including the ambition to reduce emission intensity to below 0.26 t CO<sub>2</sub>e/MWh by 2025, remain valid. Our commitments to achieve climate neutrality by 2040 have been validated by the global expert initiative SBTi. ČEZ, a. s., became the first Czech company to receive confirmation that its intention is sufficiently ambitious and is in line with the sub-1.5°C scenario.

We are also helping others with decarbonization. ČEZ Distribuce connected a record 52,109 photovoltaic power plants with an installed capacity of 605.5 MW to the grid last year. The majority of these were rooftop installations on family homes. In 2023, ČEZ Prodej, which focuses on the household segment, and ČEZ ESCO, which focuses on corporate installations, built rooftop photovoltaic power plants with a total capacity of 53 MWp. This represented a 75% increase in capacity compared to 2022.

Similar importance is devoted to social aspects as to environmental ones. Last year, ČEZ, a. s., once again became Employer of the Year in the category of large companies with over 5,000 employees. Participating companies are evaluated based on a special methodology by PricewaterhouseCoopers Czech Republic, which examines a total of 14 indicators. ČEZ, a. s., also defended its first place in the TOP Employers survey, where Czech university students vote. ČEZ, a. s., has been the most sought-after employer from the perspective of young people for several years in a row.

In the past year, ČEZ Prodej further engaged in supporting energy savings for its customers. It launched an extensive program called ČEZ Akademie focusing on providing expert advice in a clear and accessible manner. Online activities were also supplemented with events directly in regions for customers who prefer personal contact. As a result, the company became the most trusted supplier in the Czech Republic for the eighth time in 2023.

As part of our sustainable development strategy, we are also committed to proper governance and management of the company. We enforce a zero-tolerance policy towards corruption and ensure that all our operations are conducted ethically and transparently. At the end of 2023, we successfully completed the second supervisory audit and thus defended our international certification of the anti-corruption management system according to the ISO 37001:2016 standard. The safety and satisfaction of our employees are also a priority for us. In 2023, we joined the Women's Empowerment Principles initiative to support gender equality in employment, in the market, and in communities, and became one of the first signatories of the Charter against Domestic Violence. Along with other companies, we commit to helping victims among our own employees. Last year, we also supported the establishment of employee groups.

Thanks to significant progress in fulfilling our environmental, social, and governance commitments, we have achieved our goal of being among the top 20% of companies in ESG ratings. We have also succeeded in several prestigious international sustainability competitions. For example, we won the Responsible Business Awards 2023 competition organized by Reuters in the Reporting and Transparency category. The expert jury particularly appreciated the online data library that clearly maps nearly 1,800 ESG indicators, which is publicly accessible.

We know that the journey to sustainable business never ends. Therefore, we regularly update our ESG program and define new ESG initiatives. In 2024, we will focus on implementing new European standards for sustainable development reporting, more thoroughly mapping our supply chain, defining new stakeholder engagement management, refining climate risk management, and focusing on biodiversity. We will continue to collaborate with our customers, suppliers, communities, and other stakeholders to understand their needs and expectations and continuously incorporate their feedback into the CEZ Group sustainability strategy.

This report was prepared based on information available as of April 15, 2024.

**Daniel Beneš**

Chairman of the Board of Directors  
and CEO of ČEZ, a. s.





## 1.2. Statement of the CSO

Dear readers,

I am pleased to present to you the Sustainability Report of the CEZ Group for the year 2023. Sustainable development and corporate responsibility are the foundation of our current corporate strategy specified within the VISION 2030—Clean Energy of Tomorrow framework. We demonstrate the development and progress of the CEZ Group in the field of sustainability across all three ESG areas: environmental, social, and corporate governance. The main events of the year have already been summarized by the CEO in the introductory chapter, so I will focus mainly on outlining the standards and procedures for preparing the entire report.

The Sustainability Report of the CEZ Group for the year 2023 is issued in accordance with the Directive 2014/95/EU of the European Parliament and of the Council on non-financial reporting and its implementation into Czech legislation through an amendment to the Accounting Act. It presents non-financial data of the CEZ Group from January 1, 2023, to December 31, 2023. The Sustainability Report is a consolidated report of non-financial information for the CEZ Group, where the list of fully consolidated companies corresponds to the list provided on page 103 of the Annual Financial Report of the CEZ Group for the year 2023.

The Sustainability Report is prepared in accordance with globally recognized reporting frameworks to meet the highest standards of transparency. We use the fundamental version of the Global Reporting Initiative (GRI) 2021 standards, Sustainability Accounting Standards Board (SASB) standards for energy companies and electricity producers, and metrics and disclosed information from the World Economic Forum (WEF). For a significant portion of Scope 1, we report greenhouse gas (GHG) emissions in line with independently verified emissions under the EU Emissions Trading System (EU ETS). For the remaining part of Scope 1, Scope 2, and Scope 3, we use the GHG Protocol.

We also support all 17 UN Sustainable Development Goals (SDGs), but we have selected 6 of them for more detailed focus: SDGs 5, 7, 8, 10, 13, and 16. Although some references to the SDGs are provided throughout the report, and an SDGs index is included, we have published a separate SDGs report with more detailed information.

We report key performance indicators defined by the EU Taxonomy for Sustainable Activities. While last year's report included sustainable activities with contribution to climate goal, this year we disclose sustainable activities and their taxonomy-alignment from perspective of all six environmental goals.

This report is prepared in Czech and English. In case of discrepancies, the Czech version prevails. All financial data is presented in Czech koruna (CZK).

Bureau Veritas (BV) audited the following three key performance indicators:

- GHG emissions in Scope 1
- GHG emissions in Scope 2
- GHG emissions in Scope 3

Deloitte audited 16 selected key performance indicators based on GRI standards:

- Employees (by gender, type of employment)
- New employees and employees who terminated their employment
- Occupational Health and Safety (OHS) coverage rate in the organization
- Percentage of employees undergoing regular performance appraisal and career development assessment
- Complaints related to customer privacy breaches and data loss
- Cases of discrimination and corrective actions taken
- Occupational accidents (number of fatal accidents, number of work-related accidents)
- Employee qualification enhancement programs and transition assistance programs to other positions
- Diversity of management boards and employees (by gender, by age)
- Average number of training hours per employee per year
- Energy consumption within the organization (consumption of fuels from non-renewable/renewable sources; sold energy)
- Water consumption (focusing on surface water)
- Water discharge (focusing on surface water)
- NO<sub>x</sub>, SO<sub>x</sub>, and particulate matter emissions
- Generated waste
- Significant spills

The scope of audited operations includes the entire CEZ Group, including companies operating abroad.

The statement by the independent auditor BUREAU VERITAS CERTIFICATION CZ is provided on page 183 of this report, and the statement by the independent auditor Deloitte is on page 188 of this report. We are committed to adhering to the highest standards of transparency, accuracy, and accountability.

The report has additional sustainability and ethics dedicated web pages. The latest data and supporting documents can be found in our publicly available and free document library and in the interactive data tool. The interactive data tool provides hundreds of indicators and allows for examining historical trends. It has also been tested for digital accessibility to ensure easy access for users with disabilities.

I firmly believe that this report and our website are evidence of our utmost commitment to transparency and full disclosure of information. I also hope that presenting our sustainability journey will be a pleasant experience for you.

**Michaela Chaloupková**

Member of the Board of Directors ČEZ, a. s.,  
Chief of the Administration Division  
and Chief Sustainability Officer

	<p><b>Climate-neutral by 2040</b> CEZ Group's plans to achieve climate neutrality by 2040 have been validated by the globally recognized expert initiative SBTi in line with the Paris Agreement to limit the increase of global warming to no more than 1.5°C.</p>		<p><b>Record year for photovoltaic power plant installations</b> ČEZ Distribuce connected a record 52,109 photovoltaic power plants with an installed capacity of 605.5 MW to the grid last year.</p>
<p><b>The largest operator of charging stations in the Czech Republic</b> We are the largest operator of charging stations in the Czech Republic with 660 public charging stations with a total capacity of almost 50 MW. In 2023, we have built more than 145 charging stations for electric vehicles.</p>		<p><b>Strengthening the long-term energy security of the Czech Republic</b> In cooperation with the Czech government, CEZ Group has secured capacity in the newly built LNG terminal in Stade (Germany) and gained a long-term annual capacity of 2 billion cubic meters.</p>	
	<p><b>CZK 499 million in donations</b> CEZ Group, together with the CEZ Foundation, is one of the largest corporate donors in the Czech Republic. In 2023, financial donations from CEZ Group companies totaled CZK 499 million.</p>		<p><b>Joining TNFD</b> CEZ Group was the first in the Czech Republic to join the assessment of the impact of its business on the environment, landscape, ecosystems and biodiversity in accordance with the recommendations and assessment criteria of the Task Force on Nature-related Financial Disclosures (TNFD).</p>
<p><b>TOP Employers 2023</b> For the fourth time in a row, CEZ Group ranked first in 3 categories: in the Energy, Gas and Petrochemical category, in the Technician category and in the Clear Choice category.</p>		<p><b>Loan linked to ESG rating</b> CEZ Group has closed its loan tied to an ESG rating at the end of 2023.</p>	
	<p><b>Environmental Finance Company Awards 2023</b> CEZ Group won in the categories Best Sustainability Reporting in EMEA and Sustainability Leader of the Year 2023.</p>		<p><b>Joining the Women's Empowerment Principles (WEP)</b> CEZ Group became a signatory to the UN's Global Women's Empowerment Principles (WEPs) initiative, which supports companies in creating equal opportunities and empowering women.</p>

# 2. Introduction

## 2.1. CEZ Group Business Environment

### 2.1.1. CEZ Group's Mission and Vision

CEZ Group's mission is to provide safe, reliable, and positive energy to its customers and society. CEZ Group's vision is to bring innovations for addressing energy needs and help improve the quality of life.

Our accelerated strategy VISION 2030—Clean Energy of Tomorrow defines strategic objectives by 2030 in line with the EU's decarbonization vision. Our strategy sets specific ambitions in social responsibility and sustainable development to maximize shareholder value.

### 2.1.2. Strategic VISION 2030—Clean Energy of Tomorrow

The main strategic priorities of our accelerated strategy—VISION 2030 Clean Energy of Tomorrow are:

- I. Transform our generation portfolio to a low-emission one and achieve climate neutrality by 2040;
- II. Provide the most cost-effective energy solutions and the best customer experience in the market;
- III. Develop CEZ Group responsibly and sustainably following ESG principles.

The basic premise is to continuously adjust the structure and operations of CEZ Group to meet the demands of investors, creditors, employees, and communities and to maximize the growth of shareholder value.

The main strategic objectives and commitments defined under the individual strategic priorities, including the ESG targets, are:

#### I. Transform our generation portfolio to a low-emission one and achieve climate neutrality by 2040

Our comprehensive objective is to transform our generation portfolio to a low-emission one in line with the Paris Agreement, reduce emission intensity by more than 50% by 2030, and achieve climate neutrality by 2040.

##### I.1 Nuclear facilities:

- We will safely increase generation from existing nuclear sources to over 32 TWh and achieve a 60-year lifetime for nuclear units.
- We are ready to build a new nuclear unit at Dukovany.
- We will prepare the construction of small modular reactors (SMRs) with a total capacity of 3,000 MW with the aim of starting operation of the pilot project by the end of 2032.

##### I.2 Renewables:

- We will build 6 GW of renewables by 2030, of which 1.5 GW by 2025.
- We will increase installed capacity for electricity storage by at least 300 MWe by 2030.

##### I.3 Traditional facilities:

- We will decarbonize the heating industry and convert our coal sites to new activities after shifting away from coal.
- We will build new gas-fired capacities that are ready to burn hydrogen.
- We will reduce the share of electricity generated from coal to 25% by 2025 and 12.5% by 2030.

#### II. Provide the most cost-effective energy solutions and the best customer experience in the market

##### II.1 Distribution:

- We will invest in smart grids and decentralization to further develop a stable and digital distribution grid, including the development of fiber optic networks.

##### II.2 Sales—Retail:

- We will digitize 100% of key customer processes by 2025.
- We will maintain the highest Net Promoter Score (NPS) of the major national electricity suppliers and grow our customer base by increasing service quality.
- We will offer a product portfolio that enables residential customers to achieve energy savings and reduce emissions.

##### II.3 Sales—energy services and public electromobility:

- We will develop our role as a decarbonization leader—enabling effective emission reductions and delivering energy savings to our clients in industry, municipalities, and government in line with the EU target of achieving 39–40% energy savings.
- We will build the infrastructure for electromobility: we will quadruple the charging capacity to 70 MW by 2025, and we will operate at least 800 charging stations by 2025.

##### II.4 New segments:

- We will expand our activities into battery production, electromobility, and hydrogen generation.

### III. Develop CEZ Group responsibly and sustainably following ESG principles

CEZ Group's comprehensive goal in responsible and sustainable development was to be among the top 20% of companies in ESG rating by 2023.

#### Selected targets in the environmental area:

- We will reduce greenhouse gas emissions in line with the Paris Agreement "well below 2 °C" from 0.38 tCO<sub>2</sub>e/MWh in 2019 to 0.26 tCO<sub>2</sub>e/MWh in 2025 and 0.16 tCO<sub>2</sub>e/MWh in 2030.
- We will reduce the SO<sub>2</sub> emissions from 21 kt in 2019 to 6.5 kt by 2025 and 3 kt by 2030.
- We will reduce the NO<sub>x</sub> emissions from 23 kt in 2019 to 13 kt by 2025 and 7 kt by 2030.

#### Selected objectives in social relations:

- We will continue to be a responsible corporate citizen, cultivating good relationships with communities.
- We will maintain our position as the most attractive employer for future talent and current employees.
- We will ensure a just transition for all employees affected by the coal exit through retraining, reskilling, or compensation.
- We will maintain the highest Net Promoter Score (NPS) among major electricity suppliers.
- We will digitize all key customer processes by 2025.

#### Selected objectives in corporate governance:

- We will achieve 30% female representation in management.
- We will increase the frequency of employee training in the Code of Conduct and train at least 95% of employees each year from 2022 on.

### 2.1.3. Fulfilment of the VISION 2030

SDG7, SDG 13

CEZ Group recognizes the need to address climate change. It is the primary reason for a transition from an energy sector dominated by fossil fuels to one based on emission-free energy sources. A transformation of the energy sector offers opportunities for sustainable economic development, energy security, improved health, job creation, and other societal benefits. Renewable and nuclear power generation is only one part of the energy transition. Another key factor is the application of technologies to improve energy efficiency.

#### Strategic Priority I. of VISION 2030 in the field of nuclear facilities is implemented through:

- The use of nuclear power plants as part of a stable and climate neutral generation portfolio. CEZ Group is taking measures to increase their efficiency to ensure stable and reliable operation.
- Accelerating preparations for the construction of small modular nuclear reactors ("SMRs").

#### Strategic Priority I. of VISION 2030 in the field of renewables is implemented through:

- Increasing the capacity of existing and building new emission-free renewable energy sources (RES), especially photovoltaic power plants. New installations will be built on sites of existing conventional power plants, brownfields, former mine dumps, built-up areas, and low-quality land.
- Tapping into the interest in emission-free electricity generation from renewable sources directly at consumption points. We build self-managing smart distribution networks; we support digitalization and automation of energy solutions; we reduce energy loss and improve energy efficiency.

#### Strategic Priority I. of VISION 2030 in the field of traditional facilities is implemented through:

- Efficient management of existing coal-fired power plants located near coal basins and the transformation of the heating industry. CEZ Group plans to reduce the operation of selected coal-fired power plants, and no new coal-fired power plants will be built. In the heating sector, CEZ Group plans to phase out coal by 2030.
- Modernization of CEZ Group hydroelectric power plants has been an essential part of maintaining a stable source of power and stability management of the grid.
- Preparations for the construction of high efficiency combined cycle gas turbine (CCGT) plants and new biomass boilers for maintaining heating services. In the future, the use of other low-emission technologies such as biomass boilers, gas engines, heat pumps or Waste to Energy facility is also expected.
- Use of modern on-line diagnostics systems contributes to improved operational safety, optimized maintenance costs, and effective lifetime management.

#### Strategic Priority II. of VISION 2030 in the field of distribution is implemented through:

- Implementation Frequency Reserve Restoration (FRR) service and other support services to stabilize the distribution system.
- Transformation of distribution networks into smart automated networks.
- Development of fibre optic infrastructure.
- Involvement of electric vehicles in advanced grid management and smart charging.

#### Strategic Priority II. of VISION 2030 in the field of sales—retail is implemented through:

- Ensuring paperless customer service and extensive digitalization wherever possible, further reducing CO<sub>2</sub> emissions.
- Offers for household that enable them to achieve energy savings and reduce emissions.

### Strategic Priority II of VISION 2030 in the field of sales—energy services and public electromobility is implemented through:

- Services and products offered primarily to businesses and the public sector (e.g. Smart City Concept, Emission-free electricity, Photovoltaics for 1 CZK, assistance with investment grants) by CEZ ESCO and its subsidiaries, which reduce customers' carbon footprint and improve energy efficiency.
- Building infrastructure (charging stations) for electromobility and cooperate both within the private sector (e.g. within the e-mobility Platform we provide and open access to our physical charging infrastructure to other e-mobility providers (EMPs) on a non-discriminatory basis), as well as the state administration (e.g. we are a signatory to the Memorandum of Cooperation on the Development of Electromobility in the Czech Republic) on the product that is easy to use and allows the end user to travel sustainably and comfortably.

### Strategic Priority II. of VISION 2030 in the field of new segments is implemented through:

- Preparation of a pilot project to operate hydrogen buses, including the construction of a filling station and an electrolyser for the production of green hydrogen.
- Project preparation a lithium ore mining at the Cínovec site.

### Examples of Implemented Measures

Activity	Strategic priority
The tender for the contractor for the construction of a new nuclear power plant at the Dukovany site is in its final stage, and we have received three bids. The Government of the Czech Republic has decided that the two bidders for the contract for the new nuclear unit at Dukovany (the French company EDF and the South Korean company KHNP) will be invited to submit lower-priced bid and at the same time to submit binding bids for three other nuclear units at existing nuclear sites in the Czech Republic.	I.1
Small modular reactors (SMRs) development: documentation for the EIA notification and for the application for the SMR ETE location permit was prepared. Preliminary Feasibility Study and Business Plan for Tušimice and Dětmarovice sites prepared and list of potential strategic technology partners for SMR construction narrowed down.	I.1
For the eighth time in history, the Czech nuclear power plants produced more than 30 TWh of emission-free electricity in 2023, despite demanding shutdowns and modernizations associated with the planned operation of at least sixty years. They have thus achieved their annual target.	I.1
We signed an agreement with the American company Westinghouse, which will also supply nuclear fuel for the Dukovany nuclear power plant from 2024. This will give us greater independence in the supply of fuel for our nuclear power plants.	I.1
We have selected a supplier of packaging sets (containers) for the storage of spent fuel for the Temelín nuclear power plant. ŠKODA JS will continue the current contract from 2015. The new containers will also enable long-term storage of fuel from new suppliers.	I.1
In 2023, the hot pipeline from Temelín started supplying heat to České Budějovice. The expected annual supply is 750 TJ, which corresponds to a reduction of 80,000 tonnes of CO <sub>2</sub> emissions compared to coal-fired generation.	I.1 and I.3
A wind park in Aschères-le-Marché, France, was commissioned in 2023. Four wind turbines have a total capacity of 12 MW.	I.2
As part of the transformation of the heating industry, we are preparing new biomass and gas sources across the country and we have concluded a contract for the construction of Waste to Energy facility in Mělník power plant site.	I.3
We secured capacity in the newly built LNG terminal in Stade (Germany) from 2027. The contract with ČEZ, a. s., is for 15 years (with an option for a further 10 years) and covers ¼ of the Czech Republic's consumption.	I.3
We continue to modernize our substations in line with our target of 80% remote metering by 2030. By the end of 2023, 25% of substations were remotely metered.	II.1
We continue to develop fibre-optic networks and to meet the target of operating 11,000 km of them by 2030. At the end of 2023, 711 km of new fiber optic routes have been built in the territory of ČEZ Distribuce (6,034 km in total).	II.1
Annual targets for the digitalization of ČEZ Distribuce's customer processes were achieved (e.g. 30% reduction in response time to customer requests, increase in the share of online communication with customers, including the introduction of certified electronic signatures for contracts and communication with customers via data mailboxes).	II.1
The EV charging network uses 100% sustainable energy.	I.2 and II.3
Distribution system operator ČEZ Distribuce will spend CZK 16.6 billion in 2023 on network modernization through the implementation of metering, control and management systems for distribution hubs and loops.	II.1
The "MŮJ ČEZ" website was used by approximately 1.4 million customers by the end of 2023. Our significantly improved online application for households "MŮJ ČEZ" has already been downloaded by 300,000 customers.	II.2
Nearly 4,000 photovoltaic power plants with a total installed capacity of 28.2 MWp have been installed in the retail sector in the Czech Republic.	II.2
ČEZ Prodej's Customer Satisfaction Index (CX) reaches 85% and ČEZ Prodej is one of the leaders among comparable energy suppliers in the NPS.	II.2
CEZ Group built more than 145 charging stations for electric vehicles in the Czech Republic in 2023. CEZ Group operated 660 charging stations (over 1,800 charging points) with a total capacity of almost 50 MW at the end of 2023.	II.3
CEZ Group has signed a memorandum of understanding to launch the first phase of a pilot project to operate 10 hydrogen buses in the Central Bohemia region. A filling station for 100% green hydrogen, the first in the Czech Republic, will also be built there. Electricity for hydrogen production will be supplied by the CEZ Group's hydropower plants.	II.3 a II.4
In 2023, ČEZ ESCO completed the decarbonisation strategy for its subsidiary EP Rožnov.	II.3
In 2023, 3 Energy Performance Contracting (EPC) projects were implemented, saving 2,416.1 t CO <sub>2</sub> .	II.3
Construction of the largest rooftop photovoltaic power plant in the Czech Republic for the Prague Congress Centre. The installation of 2,080 solar modules saves more than CZK 5.5 million annually and contributes to the production of clean energy.	II.3
Modernization of one of the largest hospitals in the Czech Republic – Thomayer Hospital in Prague. The largest energy-saving project in the Czech Republic will save the hospital up to CZK 7 million annually and cut CO <sub>2</sub> emissions by 2,500 t.	II.3
Our futurego recharging service is fully interconnected with other providers in the Czech Republic, and recharging is also provided at partner stations in Austria, Germany and Slovakia.	II.3
From 2023, ČEZ ESCO in cooperation with Škoda X produce and supply clients with batteries for the energy sector from end-of-life electric vehicle batteries.	II.4

## 2.1.4. Specific Objectives of the VISION 2030

Target	Fulfilment of VISION in 2023
CEZ Group's comprehensive goal in responsible and sustainable development is to be among the top 20% in ESG rating by 2023.	Sustainalytics' rating improved from high to medium risk. MSCI rating maintained at the same level as in 2022. According to the rating aggregator CSRHub, CEZ Group achieved a position corresponding to the 84th percentile.
We will reduce greenhouse gas emissions in line with the Paris Agreement well below 2°C from 0.38 t CO <sub>2</sub> e/MWh in 2019 to 0.26 t CO <sub>2</sub> e/MWh in 2025 and 0.16 t CO <sub>2</sub> e/MWh in 2030.	The 2030 target has been validated by SBTi in 2022. The emission intensity decreased by 8% compared to the previous year to 0.27 t CO <sub>2</sub> e/MWh. Fulfilment of items I.1, I.2, I.3
We will achieve climate neutrality by 2040.	Target announced in 2022 and has been validated by SBTi in 2023. Fulfilment of items I.1, I.2, I.3
We will reduce the SO <sub>2</sub> emissions from 21 kt in 2019 to 6.5 kt by 2025 and 3 kt by 2030.	SO <sub>2</sub> emissions decreased to 5 381 t. Fulfilment of items I.1, I.2, I.3
We will reduce the NO <sub>x</sub> emissions from 23 kt in 2019 to 13 kt by 2025 and 7 kt by 2030.	NO <sub>x</sub> emissions decreased to 11 619 t. Fulfilment of items I.1, I.2, I.3
We will continue to be a responsible corporate citizen, cultivating good relationships with communities.	In 2023, CEZ Group companies donated a total of CZK 499 million. Employees of CEZ Group spent 7,620 hours volunteering.
We will maintain our position as the most attractive employer for future talent and current employees.	In 2023, the ČEZ, a. s., took first place in the Sodexo Employer of the Year competition.
We will ensure a just transition for all employees affected by the coal exit through retraining, reskilling, or compensation.	The transfer of employees from the Dvůr Králové Heating Plant to the Poříčí Power Plant finished, 10 employees took a retraining course as part of the job change.
We will maintain the highest Net Promoter Score (NPS) among major electricity suppliers.	NPS score is 11 in 2023. ČEZ Prodej is one of the leaders among comparable energy suppliers in NPS.
We will digitize all key customer processes by 2025.	The new mobile application "MŮJ ČEZ" will be launched.
We will achieve 30% female representation in management.	In 2023, 12% of women worked in managerial positions in CEZ Group.
We will increase the frequency of employee training in the Code of Conduct and train at least 95% of employees each year from 2022 on.	In 2023, 98.17 % of employees of ČEZ, a. s., and integrated subsidiaries were trained.



## 2.2. Stakeholder Engagement and Materiality Matrix

GRI 2–29, 3–1, 3–2 / SDG 17

### 2.2.1. Stakeholder Engagement

The relationships of CEZ Group with its stakeholders are governed by our Community Relations Policy. The policy covers all business activities to ensure a proper stakeholder engagement. CEZ Group wants to maintain long-term, stable, and strong stakeholder relationships built on trust, recognition of commitments and legitimate interests, and open communication.

Stakeholder engagement plays a key role in achieving our Vision 2030—Clean Energy of Tomorrow. It allows us to understand the different perspectives and opinions of these stakeholders and to identify relevant topics and aspects that may be essential in shaping our strategy and business model.

To ensure a meaningful conversation with our stakeholders, we are committed to the following:

- benefiting the communities in which we operate and creating shared sustainable social value,
- assessing and embracing the legitimate interests of the stakeholders with whom we cooperate,
- building trust with stakeholders to maintain long-term, stable, and strong relationships, and
- embracing stakeholder diversity.

We believe that working closely with our stakeholders promotes transparency and inclusiveness. CEZ Group regularly communicates its strategy, the progress it has made, and its impact on the environment and stakeholders such as our employees, customers and communities. Dialogue with stakeholders ultimately increases accountability and strengthens the commitments that CEZ Group set under VISION 2030.

Stakeholder engagement is one of the most important principles of sustainability reporting and an integral part of GRI 2021 reporting.

### 2.2.1.1. Stakeholder Groups

Identifying stakeholders is an essential step towards successful stakeholder engagement. CEZ Group recognizes 13 groups of stakeholders that have been identified within the value chain of our business. They are listed below in alphabetical order:

- Certification bodies
- Customers
- Educational institutions and research facilities
- Employees
- Insurance companies and banks
- Local governments, local communities, and the public
- Media
- Non-profit organizations
- Professional unions and associations
- Public and regulatory authorities
- Shareholders and investors
- Suppliers and contractors
- Trade unions

### 2.2.1.2. Principles of Stakeholder Engagement

The Community Relations Policy also outlines seven principles of stakeholder engagement:

- **Accountability:** We act responsibly and build relationships based on ethics, integrity, sustainable development, and respect for human rights and communities affected by CEZ Group business activities.
- **Transparency:** We act transparently in our relationships and financial and non-financial communications, sharing truthful, relevant, complete, transparent, and useful information.
- **Active perception:** We train our employees to listen actively, promote two-way and effective communication, and engage in direct, smooth, constructive, diverse, inclusive, and cross-cultural dialogue.
- **Participation and engagement:** We encourage stakeholder participation and engagement in all CEZ Group business activities, supporting voluntary consultation processes or similar avenues of information exchange, particularly in the planning, construction, operation, and decommissioning of CEZ Group power projects.
- **Consensus:** We strive to reach consensus with stakeholders, especially local communities and populations, considering their views and expectations.
- **Cooperation:** We encourage cooperation with stakeholders to contribute to the CEZ Group goals and values and to the achievement of the Sustainable Development Goals.
- **Continuous improvement:** We continuously strive for improvement and regularly review our stakeholder engagement mechanisms to ensure that we respond to stakeholder needs most effectively.

## 2.2.2. Materiality Assessment

In order to obtain the broadest possible range of information and to find out the views and priorities of our stakeholders, we try to reflect their communication preferences within our dialogue, engaging through different communication channels.

Based on the analysis of the identified inputs and information for 2023, it was confirmed that environmental protection, including climate change and decarbonization, remain the main important themes. Among the social issues, the main topics are social dialogue, CEZ Group's role as a responsible employer, including the protection of human rights and employees' health, support for local communities, and also customer support and communication. Transparent communication and disclosure of information related to CEZ Group's sustainability activities is also one of the priorities of the addressed stakeholders.

Stakeholder Groups	Form of engagement	Main ESG topics discussed for 2023
Customers	Surveys	Product and service pricing, environmental risk management, community support, stable and secure electricity and heat supply, ESG and supply chain, decarbonization
Shareholders and investors	Questionnaires	Decarbonization (SBTi validation, coal exit, climate neutrality), sustainability bonds, ESG strategy
Trade unions	Meetings	Social dialogue, collective bargaining, remuneration
Local governments, local communities, and the public	Surveys	Pricing of products and services, support to local communities, reclamation, diversification
Insurance companies and banks	Questionnaires	ESG strategy, ESG risk management including climate risks, decarbonization (coal exit, SBTi validation)
Media	Media outputs	ESG strategy and targets, EU legislation, non-financial reporting, ESG rating
Educational institutions and research facilities	Participation and project support	Modernization in the energy sector, international cooperation, innovation and development
Non-profit organizations	Surveys	Supporting local communities, pricing of products and services
Suppliers and contractors	Questionnaires	Respect for human rights in the value chain, environmental issues
Certification bodies	Audits, controls	Topics covered in ISO (and other) certifications
Professional unions and associations	Meetings, conferences, etc.	Dialogue across all topics related to sustainability
Public and regulatory authorities	Meetings, conferences, etc.	Dialogue across all topics related to sustainability
Employees	Surveys, trainings, meetings, intranet, etc.	Working conditions (social dialogue, collective bargaining, remuneration)

Through an ongoing dialogue with all stakeholders, CEZ Group strives to uphold its reputation as a responsible corporate citizen in all of its territories of operation.

As part of continuous improvement, CEZ Group is currently reviewing its stakeholder engagement mechanisms and developing a plan to continue engaging stakeholders in the coming years and to build and monitor specific steps to incorporate the feedback received. In this way, all stakeholder priorities will be systematically assessed as part of the sustainability strategy.

### 2.2.3. Materiality Matrix

An important step in the preparation of our sustainability report is to review the most important environmental, social and governance issues that are of interest to our stakeholders and have the greatest impact not only on the environment, people and society, but also on our business.

For the purposes of this year's report, we conducted a formal impact materiality assessment in line with the GRI 2021 standard to ensure that we continue to consider a wide range of perspectives and focus our attention and efforts on relevant topics and areas.

As part of this process, we have reviewed topics and issues that are of relative importance to our environmental, social, governance and economic priorities, and their impacts (positive and negative) on both our business and our stakeholders. We used the following internal processes to identify and assess sustainability priorities within our business and topics for our report:

- Through ad-hoc research, we conducted an assessment of relevant topics and trends across our sectors using peer-reviewed publications, sustainability reporting standards, rating agencies' recommendations and other sources, including analyses of sustainability strategies of peer companies.
- We have taken into account applicable regulations and other mandatory requirements and best practices in the energy sector.
- We have estimated our impacts and their importance within our value chain.
- We have benchmarked and reviewed previously identified priority sustainability themes, including the data supporting them.
- We evaluated and prioritized topics considering a range of perspectives through workshops and knowledge sharing with various internal and external experts.
- We have taken into account the views of our main affected stakeholders through the analysis of our on-going dialogue.

Based on our analysis, we have identified and confirmed the following topics that are most relevant to our business because they have a significant impact on the environment, society and/or Group value:

### Environmental protection

- Climate change
  - Climate change adaptation
  - Climate change mitigation (efforts to limit global average temperature rise, greenhouse gas emissions, e.g., smart cities, energy transformation)
- Energy (energy consumption and production, energy efficiency, clean technologies)
- Pollution (emissions and pollution prevention)
  - Air
  - Water
  - Soil
- Water (water withdrawal and consumption)
- Biodiversity and ecosystems (including reclamation)
- Resource use and circular economy
  - Resource inputs, including resource use (use of materials, products, equipment)
  - Outflow of resources related to products and services (compliance with circular economy principles)

### Own workforce

- Working conditions and safe operations (including responsible employer)
- Diversity and equal opportunities for all (including training and skills development)
- Investments in the company (responsible employer, retraining opportunities for employees affected by coal exit)

### Affected communities

- Economic, social and cultural rights of communities (cooperation with local communities)

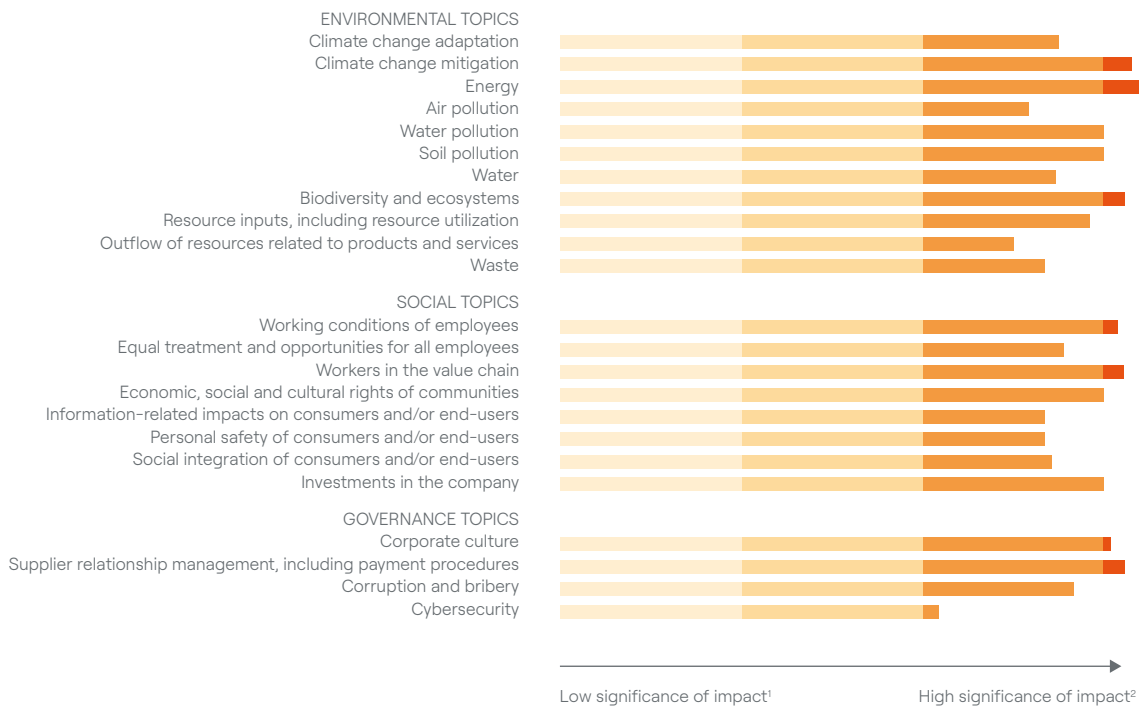
### Consumers and end users

- Responsible business
  - Information-related impacts on consumers and/or end-users (e.g., privacy, access to truthful and transparent information)
  - Personal safety of consumers and/or end-users (e.g., access to products and services)

### Business conduct

- Supply chain (including workers in the value chain and supplier relationship management, including payment procedures)
- Corporate culture (including ethics and transparency)
- Cybersecurity

**Fig. 1: Representation of the Significance of Impacts within the Given Topics\***



<sup>1</sup> Low significance of impact = a negligible impact on the environment or people that is easily remediable or very unlikely.

<sup>2</sup> High significance of impact = a severe impact on the environment or people that is difficult to remedy, has long-term consequences and is highly probable.

\* This is a graphical representation based on the average of the impact assessment by individual departments in CEZ Group in 2023.

These topics are closely related to our business model and therefore need to be included in the CEZ Group's strategy and objectives.

We focus on providing information on our positive and negative impacts on the economy, environment and people. Financial materiality and economic value creation for shareholders is core perspective of our Annual financial reports and used in selected chapters such as EU Taxonomy KPI disclosure.

In 2024, CEZ Group will continue its ESG initiative to engage stakeholders and adapt materiality assessments to ensure compliance with the double materiality principle required by the European Sustainability Reporting Standards (ESRS).





# responsibly

CEZ Group has defined short-term and long-term strategic goals covering key areas of environmental impacts in the strategy VISION 2030—Clean Energy of Tomorrow. The most important of these goals, achieving climate neutrality in line with the Paris Agreement to limit global warming to 1.5°C, has been validated by the SBTi.

We will shut down coal-fired power plants, ensuring a just transition for all affected sites and workers.



# 3

# Environmental >

CEZ Group's long-term strategic goals include reducing environmental impact, achieving global climate goals, protecting biodiversity, and meeting all emission and environmental requirements set by legislation and regulatory authorities. Assessment of relevant environmental impacts is an integral part of the operational processes of CEZ Group companies. As part of this commitment, we assess potential impacts on all components of the environment in our area of operation and are taking measures toward preventing and mitigating adverse effects.



	<p>CEZ Group has received validation from the globally recognized expert initiative SBTi of its long-term goals to achieve climate neutrality by 2040, which are in line with the Paris Agreement to limit global warming to 1.5 °C.</p>		<p>CEZ Group was the first in the Czech Republic to join the assessment of the impact of its business on the environment, landscape, ecosystems and biodiversity in accordance with the recommendations and assessment criteria of the Task Force on Nature-related Financial Disclosures (TNFD).</p>
<p>CEZ Group's emission intensity from electricity and heat production decreased by 8% year-on-year.</p>		<p>Annual Polluting Emissions decreased: PM by 12%, SO<sub>2</sub> by 15%, NO<sub>x</sub> by 10%, and Hg by 20%.</p>	
	<p>In 2023, CEZ Group realized 67.3% of its investments (CAPEX) in sustainable activities that comply with the EU taxonomy.</p>		<p>We are the biggest operator of charging stations in the Czech Republic with 660 public charging stations with a total capacity of almost 50 MW. In 2023, we have built more than 145 charging stations for electric vehicles.</p>
<p>In 2023, CZK 10.6 million was spent on bird protection and 3,693 existing support points of high-voltage power lines were equipped with protective elements.</p>		<p>Nearly 4,000 photovoltaic power plants with a total installed capacity of 28.2 MWp have been installed in the retail sector in the Czech Republic.</p>	
	<p>We started the implementation of 7 new photovoltaic projects in the Czech Republic and succeeded in obtaining investment support totaling over CZK 3 billion for projects with a total installed capacity of 728 MWp.</p>		<p>We have received a zoning permit for a new nuclear power plant at the Dukovany site and prepared documentation for the EIA notification and for the application for a permit to locate the SMR at the Temelín site. We have also prepared a preliminary feasibility study for the construction of SMRs at the Tušimice and Dětmarovice sites.</p>

## 3.1. Environmental Protection Policy and Management Systems

In CEZ Group the Board of Directors is responsible for Environmental Safety and Protection Policy and Energy Policy. Within these policies Environmental Management System according to ISO 14001 and Energy Management System according to ISO 50001 are the basis for environmental protection.

The Environmental Management System (EMS) focuses on setting, monitoring and improving all activities that affect environmental quality, human health and safety. Within EMS, CEZ Group identifies environmental risks, creates conditions for their prevention and elimination, and reports on the environmental performance and impacts of its activities. These processes are audited as part of regular internal and external audits. Stakeholders are also taken into account in the EMS and their needs and expectations are assessed and solved. All employees receive regular environmental training every two years.

Most of our fossil fuel-fired power plants and thermal power plants have an EMS in place (see Section 3.1.1) – 99.97% of the installed electrical capacity in 2023. The EMS is in place at all coal-fired thermal power plants and at both nuclear power plants. At the same time, the EMS is in place at 97% of all CEZ Group's energy sources, and certification of the renewable energy segment is being prepared for 2024.

### 3.1.1. Environmental Management System

GRI 103 / SDG9, SDG12

CEZ Group considers environmental protection as an integral part of its management system. CEZ Group's Environmental Management System (EMS) follows the requirements of the management system standard ISO 14001. Within EMS, CEZ Group identifies environmental risks, creates conditions for their prevention and elimination, and reports on the environmental performance and impacts of its activities.

The system of environmental management applies in the following CEZ Group locations:

- Hydroelectric power plants: Lipno I, Lipno II, Hněvkovice, Kořensko, Orlík, Kamýk, Slapy, Štěchovice, Vrané, Dalešice, Mohelno, Dlouhé stráně
- Nuclear power plants: Dukovany, Temelín
- Conventional power plants and heating plants: Dvůr Králové, Trmice, Vítkovice, Ledvice, Tušimice, Prunéřov, Hodonín, Poříčí, Dětmárovice, Mělník, Skawina, Chorzów
- Combined cycle gas turbine power plant: Počerady
- Cogeneration units and heat management: ČEZ Energo
- Non-production sites: AirPlus, AZ KLIMA, AZ KLIMA SK, Centrum výzkumu Řež, ČEZ Distribuce, ČEZ Energetické produkty, ČEZ ENERGOSERVIS, Domat Control System, e-Dome, ELIMER, ENESA, EP Rožnov, ESCO Servis, HA.EM OSTRAVA, High-tech Clima, Hormen, KART, MARTIA, Metrolog Sp., PRODECO, SD – Kolejová doprava, SPRAVBYTKOMFORT, ŠKODA JS, ŠKODA PRAHA, ÚJV Řež, Ústav aplikované mechaniky Brno, ČEZ Energetické služby, PV Design and Build, Salleko, MD projekt, Belectric France, Belectric GmbH, Belectric Solar.

Within each production site, environmental conditions are assessed and verified in relation to:

- emissions of pollutants and air quality,
- greenhouse gas emissions,
- availability of natural resources,
- biodiversity,
- impact on the rock environment and soils, existence of old environmental burdens,
- waste and hazardous substances management,
- water consumption and the impact of operations on surface and groundwater quality and water availability,
- prevention of serious accidents caused by selected hazardous substances or mixtures,
- radiation protection, in relevant cases.



The EMS includes a continually updated register of legal requirements that CEZ Group implements in its management documentation. Obligations established by applicable legislation, permits, and management documentation are monitored, and they are subject to annual internal audits at all locations. Likewise, external audits by an independent certification authority are performed. Registers of environmental aspects are kept for each site, and their significance in terms of environmental impacts are determined for each facility. EMS also includes monitoring of emissions and the evaluation of operational risks. Relevant environmental indicators are monitored in accordance with legal requirements and legitimate stakeholder requests. The scope and methods of monitoring and measurement are included in work documentation and methodologies.

Environmental performance is assessed in the environmental profile, which is established for all generation facilities, and which contains an evaluation of measurable indicators monitored in individual environmental areas. The following environmental performance indicators are identified for electricity and heat supply and generation:

- air emissions production,
- amount of surface and groundwater withdrawn,
- amount of drinking water withdrawn,
- amount of water for circulation and flow-through cooling,
- wastewater production,
- amount of waste produced,
- amount of sorted recoverable waste,
- Coal Combustion Residuals (CCR) production,
- amount of recycled CCRs,
- amount of CCRs disposed of as waste.

Annually, as part of the EMS review, the Board of Directors is informed about the environmental profile of the generation portfolio; we assess both environmental performance indicators listed above, and environmental targets achieved. CEZ Group tracks both absolute quantities and particular quantities relative to the volume of electricity and heat generated. Monitoring and measurement records and environmental impact records are also subject to review as part of internal and external audits.

CEZ Group informs its stakeholders about the environmental performance and results of monitored environmental indicators in Annual Reports and Sustainability Reports. Additional information is publicly available through integrated permit assessment reports (IPPC) and the Integrated Pollution Register (IRZ). In EU countries, the results are available in the E-PRTR (European Pollutant Release and Transfer Register) at European Industrial Emissions Portal (EIEP). The results of measurements and monitoring are transmitted to the public administration via the Information System for the Fulfilment of Reporting Obligations (ISPOP).

CEZ Group has set up control systems to ensure the release of hazardous substances at its workplaces, which are regularly checked. Emergency plans are created in case of possible spills. Workplaces are equipped with means for dealing with emergency situations. Monitoring of the possible presence of harmful substances in the underground water and rock environment of the production sites is carried out. Regular EMS audits check compliance with regulations and environmental protection objectives.

### 3.1.2. Energy Management System

Since 2015, the Energy Management System (EnMS) has been a key tool for energy savings in CEZ Group. EnMS fully aligns with the Environmental Management System, and together they help fulfill our environmental policy. In particular, EnMS aims to:

- improve energy efficiency,
- optimize operations,
- reduce greenhouse gas emissions.

EnMS follows the ISO 50001:2018 standard and is set up at most of our production sites. Alternatively, regular audits are carried out. Regular internal and external EnMS audits check that energy management requirements are met. Every year, the EnMS – its conditions and targets – is subject to a second review by the management and in case of a significant change (e.g. new technologies and inputs), the EnMS conditions or targets are reviewed.

We have targets and action plans for energy savings at sites with EnMS and regularly monitor energy flows critical to overall energy efficiency. We review our energy consumption annually and evaluate progress against energy targets and action plans. In 2023, while CEZ Group's total energy consumption decreased by 5% compared to 2022, the energy intensity ratio also decreased by 3%.

Employees at sites with an implemented EnMS receive training (in person or online) at least once every two years. Employees learn about energy consumption indicators in office buildings and different technologies, including energy efficiency indicators, and find out how to approach them responsibly. Our suppliers performing site-specific activities also attend EnMS training. In their case, the training primarily focuses on becoming familiar with energy management requirements.

As part of the EnMS, audits are also carried out in power and heating plants in which biomass/biomass fuels are burned in accordance with the requirements of Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (RED II directive) to verify if such biomass fulfils sustainability requirements, including audits of biomass fuel suppliers.

## 3.2. Greenhouse Gas Emissions

GRI 103, 305-1, 305-2, 305-3; SASB IF-EU-110a.1, IF-EU-110a.2 / SDG13

The 2015 Paris Agreement on climate change represents a commitment to limit global warming to well below 2 °C above pre-industrial levels and to pursue efforts to limit the increase to no more than 1.5°C. In CEZ Group we fully support the commitment of the United Nations' Paris Agreement on climate change. In 2021, we strengthened our commitment to becoming a climate-neutral company by incorporating our sustainability strategy into the corporate strategy and creating a unified accelerated strategy VISION 2030—Clean Energy of Tomorrow. In May 2022, we moved forward our goal to be climate neutral by a decade to 2040. This decision was motivated by three drivers: (1) the annual review of VISION 2030—Clean Energy of Tomorrow, (2) the launch of the REPowerEU plan, and (3) the proposal of the European Commission to set stricter goals within the Fit for 55 package. In 2023, SBTi confirmed that the decarbonization strategy of the CEZ Group is sufficiently ambitious and in line with the Paris Agreement to limit the increase to no more than 1.5°C.

In CEZ Group, the Board of Directors of ČEZ, a. s., is responsible for the Safety and Environmental Protection Policy and the Energy Policy. Within the policies, our environmental protection is based on the Environmental Management System according to ISO 14001 and the Energy Management System according to ISO 50001.

CEZ Group reports its GHG emissions using the methodology of Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard and 2006 IPCC Guidelines for National Greenhouse Gas Inventories. In the methodology, emissions are defined in three scopes: Scope 1, 2, and 3. We report Scope 1 and Scope 2 emissions fully, whereas in Scope 3, we report only categories relevant to CEZ Group. CEZ Group's GHG inventory is given by financial control: this includes all companies in which ČEZ, a. s., has a financial interest of more than 50% or controls the company. In 2021, the sustainability strategy targets were set and the year 2019 was set as base year to maintain trend tracking over the three-year reporting horizon.

GHG emissions are measured directly in production (continuous monitoring) or calculated using emission factors (EF) — their sources are listed in the chart below. Non-CO<sub>2</sub> GHGs are converted to CO<sub>2</sub> equivalents using GWP coefficients according to the IPCC Sixth<sup>1</sup> Assessment Report for a 100-year-time horizon. All GHGs covered by Kyoto Protocol are included (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC, SF<sub>6</sub>, excluding NF<sub>3</sub>, which is not used within CEZ Group). Since 2021, we have obtained external audit of Scope 1 and Scope 2 GHG emissions, and since 2022, the Scope 3 categories relevant to CEZ Group have also been audited.

### 3.2.1. Scope 1

GRI 305-1; SASB IF-EU-110a.1

Scope 1 GHG emissions come from the burning of fossil fuels to generate electricity and heat (CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O), emergency power unit (diesel generators), fuels for vehicles we own or operate (CO<sub>2</sub>), fugitive coal mining emissions (CH<sub>4</sub>), biomass burning (CH<sub>4</sub> and N<sub>2</sub>O), waste disposal site (CH<sub>4</sub>) and minor leaks from cooling, air conditioning equipment and high-voltage switches (HFC, PFC, and SF<sub>6</sub>). Scope 1 emissions are currently the most significant in the utility sector. Nevertheless, their importance will decrease with the transition to low emission energy sources. A total of 96.25% of CO<sub>2</sub> emissions from our energy production in 2023 were within the sphere of emission allowances used in the EU ETS. In 2022, we slightly change the scope of reporting greenhouse gas emissions within Scope 1, when direct CO<sub>2</sub> emissions from burning biomass fuels and emissions from R22 refrigerant leaks are reported in separate categories. Accordingly, we have changed the general overview of GHG emissions included in Scope 1 for previous years.

<sup>1</sup> Fourth, as required by Regulation (EU)

**Scope 1 Emissions (in tCO<sub>2</sub>e)**

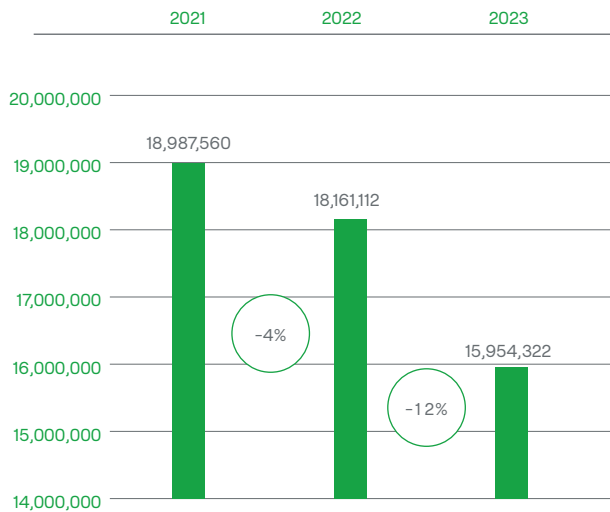
		2021	2022	2023	Source of emission factor
Fuels from facility operations	t CO <sub>2</sub>	18,702,178	17,851,569	15,648,472	Laboratory analysis, NIR CZ <sup>1</sup>
Emissions from non-generation diesel generators	t CO <sub>2</sub> e	224	106	163	NIR CZ <sup>1</sup>
CH <sub>4</sub> source emissions	t CO <sub>2</sub> e	80,913	75,885	72,641	IPCC <sup>2</sup>
N <sub>2</sub> O source emissions	t CO <sub>2</sub> e	119,693	156,730	157,612	IPCC <sup>2</sup>
Fugitive CH <sub>4</sub> emissions from coal mining	t CO <sub>2</sub> e	26,700	15,564	12,608	Laboratory analysis
Fugitive CH <sub>4</sub> emissions from landfill	t CO <sub>2</sub> e	1	13	20	IPCC <sup>2</sup>
HFC, PFC and CH <sub>4</sub> apart from facility operations	t CO <sub>2</sub> e	1,403	2,028	1,548	IPCC <sup>2</sup>
SF <sub>6</sub>	t CO <sub>2</sub> e	1,835	5,220	3,616	IPCC <sup>2</sup>
Emissions from transport	t CO <sub>2</sub> e	54,613	53,997	57,642	EC <sup>3</sup>
<b>Total</b>	<b>t CO<sub>2</sub>e</b>	<b>18,987,560</b>	<b>18,161,112</b>	<b>15,954,322</b>	
Biomass from facility operations	t CO <sub>2</sub> e	1,293,425	1,063,632	1,029,623	Laboratory analysis, NIR CZ <sup>1</sup>

<sup>1</sup> National Greenhouse Gas Inventory Report of the Czech Republic

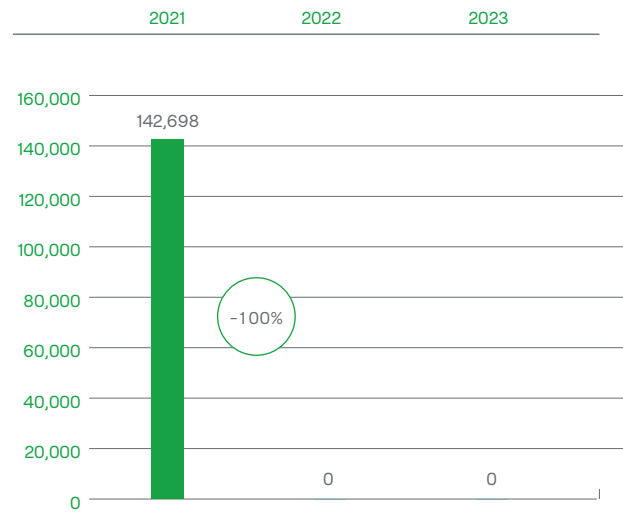
<sup>2</sup> IPCC Guidelines for National Greenhouse Gas Inventories

<sup>3</sup> ČSN EN 16258:2012

**Scope 1 Emissions (in t CO<sub>2</sub>e)**



**Scope 2 Emissions (in t CO<sub>2</sub>e)**



**3.2.2. Scope 2**

GRI 305-2

Within this group of indirect emissions, emissions from purchased energy that is consumed in the CEZ Group are reported. These are the (calculated) direct emissions of the energy producer. In most of the countries in which the CEZ Group operates, the purchased energy is resold and therefore falls under Scope 3. In the case of the purchase of steam, heat or cold, these are zero items or negligible quantities, which

are insignificant compared to electricity, and emissions of these types of purchased energy are not reported. Within this category of indirect emissions, only indirect emissions from purchased and consumed electricity are reported according to the location-based methodology. The year-on-year reduction in 2022 occurred due to the sale of CEZ Group's distribution assets in Bulgaria.

**Scope 2 Emissions (in thousands of tons of CO<sub>2</sub>e)**

		2021	2022	2023	Source of EF
Total	t CO <sub>2</sub> e	14,698	0	0	Carbon Footprint <sup>1</sup>

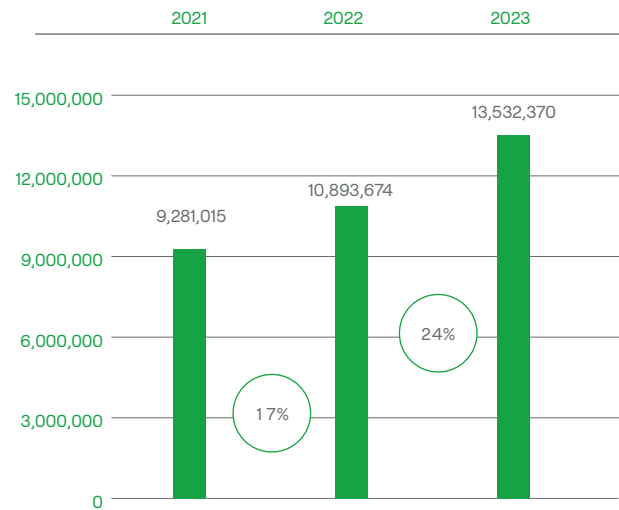
<sup>1</sup> www.carbonfootprint.com/docs/2023\_02\_emissions\_factors\_sources\_for\_2022\_electricity\_v10.pdf – EF only for 2022

### 3.2.3. Scope 3

GRI 305-3; SASB IF-EU-110a.2

Scope 3 includes all indirect greenhouse gas emissions resulting from the activities of CEZ Group, which are not included in Scope 1 and Scope 2. The GHG Protocol divides Scope 3 GHG emissions into 15 categories that cover indirect emissions in the value chain from upstream and downstream activities. In 2023, all fifteen categories were reviewed, of which those that contribute at least 1% to the total Scope 3 emissions were identified as significant. Category 1, which was already reported in previous years, is also reported in this year.

#### Scope 3 Emissions (in t CO<sub>2</sub>e)



#### Scope 3 Emissions (in t CO<sub>2</sub>e)

		2021	2022	2023	Source of EF
Category 1 – Purchased goods and services	t CO <sub>2</sub> e	40,428	29,977	48,450 <sup>14</sup>	GEMIS <sup>1</sup> , Winnipeg <sup>2</sup> , Incopa <sup>3</sup> , EPA <sup>4</sup> , Society of chemistry <sup>5</sup>
Category 2 – Capital goods – NEW	t CO <sub>2</sub> e	N/A	N/A	228,947	EPA <sup>6</sup>
Category 3 – Fuel- and energy-related activities	t CO <sub>2</sub> e	1,265,085	539,640	2 910,437 <sup>15</sup>	GEMIS <sup>1</sup> a EC <sup>7</sup> , AIB <sup>8</sup> , Carbonfootprint <sup>9</sup> , North sea <sup>10</sup>
Category 9 – Downstream transportation and distribution – NEW	t CO <sub>2</sub> e	N/A	N/A	213,930	Transport tool <sup>11</sup>
Category 10 – Processing of sold products (coal combustion products) – NEW	t CO <sub>2</sub> e	N/A	N/A	344,188	GEMIS <sup>1</sup> , EPD <sup>12</sup>
Category 11 – Use of sold products <sup>16</sup>	t CO <sub>2</sub> e	7,975,502	9,896,774	9,338,407	IPCC <sup>13</sup>
Category 15 – Investments	t CO <sub>2</sub> e	N/A	427,283	448,012	Akenerji
<b>Total</b>	<b>t CO<sub>2</sub>e</b>	<b>9,281,015</b>	<b>10,893,674</b>	<b>13,532,370</b>	

<sup>1</sup> GEMIS: <https://iinas.org/downloads/gemis-downloads/>

<sup>2</sup> Winnipeg: [https://legacy.winnipeg.ca/finance/findata/matmgt/documents/2012/682-2012/682-2012\\_Appendix\\_H-WSTP\\_South\\_End\\_Plant\\_Process\\_Selection\\_Report/PSR\\_rev%20final.pdf](https://legacy.winnipeg.ca/finance/findata/matmgt/documents/2012/682-2012/682-2012_Appendix_H-WSTP_South_End_Plant_Process_Selection_Report/PSR_rev%20final.pdf)

<sup>3</sup> Incopa: [https://www.incopa.org/wp-content/uploads/2019/02/INCOPA\\_LCA\\_Executive\\_Summary\\_web.pdf](https://www.incopa.org/wp-content/uploads/2019/02/INCOPA_LCA_Executive_Summary_web.pdf)

<sup>4</sup> EPA SEFA: [https://cfpub.epa.gov/si/si\\_public\\_record\\_report.cfm?Lab=NRMRL&dirEntryId=335071&subject=Air%20Research&showCriteria=0&searchAll=Air%20and%20Energy&actType=Product&TIMSType=PUBLISHED+REPORT&sortBy=revisionDate](https://cfpub.epa.gov/si/si_public_record_report.cfm?Lab=NRMRL&dirEntryId=335071&subject=Air%20Research&showCriteria=0&searchAll=Air%20and%20Energy&actType=Product&TIMSType=PUBLISHED+REPORT&sortBy=revisionDate)

<sup>5</sup> The Royal Society of Chemistry: <https://www.rsc.org/suppdata/c8/gc/c8gc00868j/c8gc00868j1.pdf>

<sup>6</sup> EPA: [https://cfpub.epa.gov/si/si\\_public\\_record\\_report.cfm?Lab=CESER&dirEntryId=349324](https://cfpub.epa.gov/si/si_public_record_report.cfm?Lab=CESER&dirEntryId=349324)

<sup>7</sup> EC: [https://joint-research-centre.ec.europa.eu/welcome-jec-website\\_en](https://joint-research-centre.ec.europa.eu/welcome-jec-website_en)

<sup>8</sup> AIB: <https://www.aib-net.org/facts/european-residual-mix>

<sup>9</sup> Carbonfootprint: [https://www.carbonfootprint.com/docs/2023\\_02\\_emissions\\_factors\\_sources\\_for\\_2022\\_electricity\\_v10.pdf](https://www.carbonfootprint.com/docs/2023_02_emissions_factors_sources_for_2022_electricity_v10.pdf)

<sup>10</sup> The North Sea Transition authority: <https://www.nstauthority.co.uk/the-move-to-net-zero/net-zero-benchmarking-and-analysis/natural-gas-carbon-footprint-analysis/>

<sup>11</sup> GHG Protocol Transport Tool: <https://ghgprotocol.org/calculation-tools-and-guidance>

<sup>12</sup> EPD Český cement: <https://www.cenia.cz/wp-content/uploads/2019/05/EPD-SVC-2018-11-01.pdf>

<sup>13</sup> IPCC Guidelines for National Greenhouse Gas Inventories: [https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2\\_Volume2/V2\\_2\\_Ch2\\_Stationary\\_Combustion.pdf](https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_2_Ch2_Stationary_Combustion.pdf)

<sup>14</sup> Based on the 2023 recalculation, emissions from the purchase of raw materials for production – urea, ammonia, ammonia water, limestone and lime – are now included in this category, in addition to emissions from the production of adipic acid and other chemicals purchased in quantities greater than 100 tonnes per year.

<sup>15</sup> Based on the 2023 recalculation, emissions related to fuel transport, distribution losses of purchased electricity and emissions related to LNG purchases are now accounted for. Calculation of emissions related to nuclear fuel production and transport is in preparation. (EF from AIB and Carbonfootprint only available for 2022 so far)

<sup>16</sup> Based on the 2023 recalculation, the category has been recalculated assuming no GHG emissions from electricity sold to other users

### 3.2.4. Emission Intensity Reduction

GRI 103, 305-4, 305-5; SASB IF-EU-110a.3

In 2023, with an overall reduction in electricity and heat generation compared to 2022, we have reduced our emissions intensity by 8%; coal generation is down nearly 14% from the previous year, natural gas generation is down 18% due to gas supply constraints, and renewables have seen more than a 10% increase in hydro and more than 30% increase in wind. Generation from nuclear remained almost flat, with a decrease of less than 2%.

Our climate targets are aligned with the Science Based Targets initiative (SBTi). The SBTi validated our near-term target for 2030 in May 2022. In September 2023, the validation of the short-term goal for 2033 and the long-term goal for 2040, which is also the year the CEZ Group will achieve net zero, was completed.

We regularly monitor our progress towards these targets and create new initiatives in response to new legislation, stakeholders, and markets demands to be a leader in the energy transition. Together with other European energy groups, we registered our commitments to reduce greenhouse gas emissions under the Non-State Actor Zone for Climate Action (NAZCA), formed before the Paris Climate Conference in 2015.

### 3.2.5. Avoided Emissions

GRI 305-5

Avoided emissions are defined as GHG emissions that are not emitted due to the generation of electricity or heat from non-emitting sources (nuclear or renewable) instead of fossil fuel sources or using biomass. The use of non-emitting sources prevents the generation of greenhouse gas emissions that would otherwise be emitted by the mix of the existing portfolio of CEZ Group combustion sources. The calculation of the avoided emissions is based on the conversion of the amount of electricity generated by non-fossil or zero-emission sources into the emission parameters of fossil sources, i.e., the amount of electricity from each category of non-fossil sources is multiplied by the emission factor for CEZ Group coal-fired power plants in a given year. By using non-fossil sources for electricity and heat generation, the following amounts of GHG emissions were avoided in CEZ Group.

#### Avoided emissions (in t CO<sub>2</sub>e)

	2021	2022	2023
Nuclear sources	24,630,558	24,760,477	25,383,391
Renewable energy sources	2,605,076	2,014,019	2,390,472
Biomass	718,944	614,645	598,206

The comparison of these values with the GHG emissions reported in Scope 1 shows that the use of non-fossil and non-emitting energy sources prevents the generation of more GHG emissions than the fossil-fired generation of electricity and heat emits.

#### Emission Intensity (in t CO<sub>2</sub>e/MWh)



Emission intensity	2021	2022	2023	
CO <sub>2</sub> e per generated electricity and heat	t CO <sub>2</sub> e/MWh	0.29	0.29	0.27

### 3.2.6. Ozone-Depleting Substances

GRI 305-6

#### Ozone-Depleting Substances

	2021	2022	2023	
Emissions	t CO <sub>2</sub> e	5.27	0	0
Production, import, export	t CFC-11eq	0	0	0

Ozone-depleting substances (ODS) are chemicals that damage the ozone layer in the stratosphere. CEZ Group does not produce, import, or export these compounds. We avoid using ODS whenever possible; minor emissions from ODS come from leaks in cooling and air-conditioning equipment still used in CEZ Group. From 2022 onwards, emissions of these substances are counted under CO<sub>2</sub>e in Scope 1.

## 3.3. Pollution

### 3.3.1. Emissions of Pollutants

GRI 103, 305–7; SASB IF–EU–120a.1 / SDG3, SDG12

We closely monitor emissions to air from our sources according to current regulations for emission and air quality monitoring and the EMS system. Emissions are continuously measured in large combustion plants; in medium combustion plants (up to 50MW), periodic measurements are performed in line with legislation, or, if not available, emissions are calculated using emission factors. CEZ Group reduces the air pollutants using innovative technologies following best available techniques (BAT):

- SO<sub>2</sub> emissions are reduced using limestone technologies: In large facilities, wet limestone washing of flue gas is used; in small facilities, a semi-dry method with absorption in the lime slurry is used. Emissions are further reduced by replacing fossil fuels with biomass in combustion units.

- NO<sub>x</sub> emissions are reduced by primary measures in combustion processes or by reduction techniques with ammonia water or urea.
- Particulate matter (PM) emissions are reduced in our facilities by electrostatic precipitators or fabric filters; their efficiency is over 99%.
- Since 2020, we have been installing technologies to capture mercury (Hg) in all our coal-fired power plants<sup>2</sup>. Since August 2021, we have been continuously monitoring mercury emissions in large combustion plants.

Between 2019 and 2023, we have reduced SO<sub>2</sub> emissions by 74%, NO<sub>x</sub> emissions by 50%, and we are well on track to reach our target VISION 2030. The use of BAT technologies has led to a 65% reduction in particulate matter emissions in the same period.

#### Emissions and Specific Emissions of Air Pollutants

		2021	2022	2023
Particulate matter (PM)	t	823	635	558
Particulate matter per electricity and heat generated	kg/MWh	0.013	0.010	0.009
Sulfur dioxide (SO <sub>2</sub> )	t	7,812	6,323	5,381
Sulfur dioxide per electricity and heat generated	kg/MWh	0.121	0.102	0.091
Nitrogen oxides (NO <sub>x</sub> )	t	14,306	12,964	11,619
Nitrogen oxides per electricity and heat generated	kg/MWh	0.222	0.209	0.196
Mercury (Hg) <sup>1</sup>	t	1.110	0.706	0.562
Lead (Pb) <sup>2</sup>	t	0.896	1.177	0.609
Volatile organic compounds (VOC) <sup>2,3</sup>	t	17	25	22
Persistent organic pollutants (POPs) <sup>2,3</sup>	kg		32	13

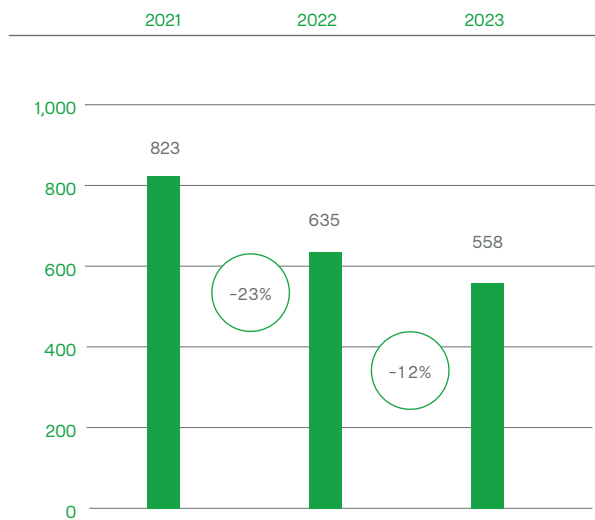
<sup>1</sup> Continuously measured since 2021, previously one-off measurements

<sup>2</sup> Determined by one-off measurements

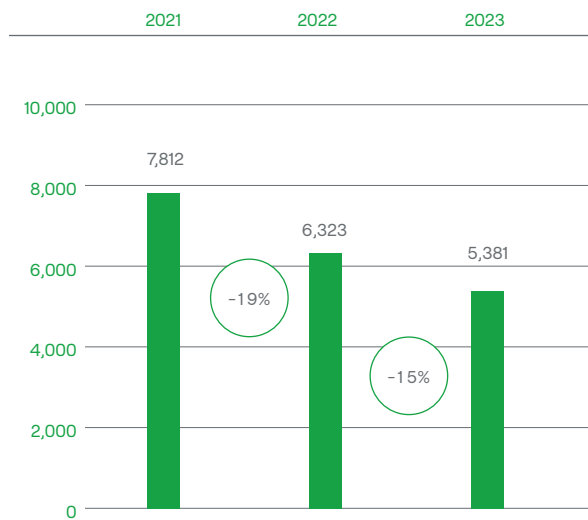
<sup>3</sup> Newly reported pollutants

<sup>2</sup> Production sites that will stop heat production by 2030 are exempt from the installation.

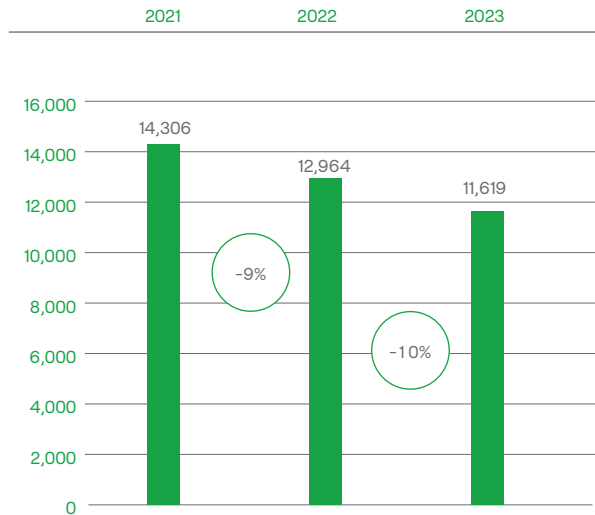
**PM Emissions (in t)**



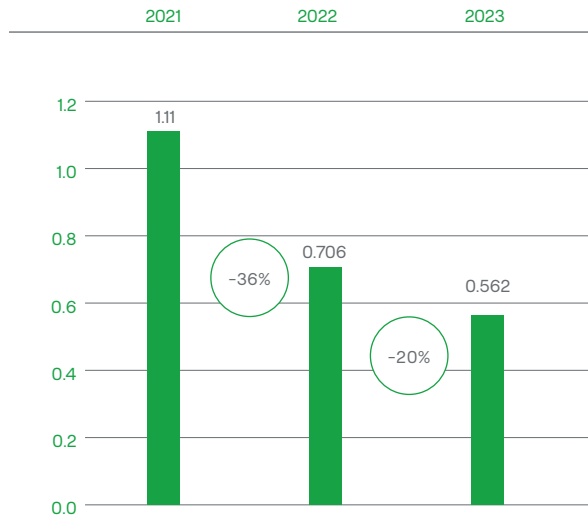
**SO<sub>2</sub> Emissions (in t)**



**NO<sub>x</sub> Emissions (in t)**



**Hg Emissions (in t)**



All of the monitored air pollutants emissions were reduced in 2023 compared to 2022. The amount of PM was reduced by 12%, SO<sub>2</sub> by 15%, NO<sub>x</sub> by 10% and mercury by 20%.

We monitor pollutants and take measures to prevent their emissions from open-cast coal mines. We take both active and passive measures to reduce particulate emissions. Active measures include scraping or fogging equipment, mine speed restrictions, soil stabilizers and process innovations. Passive measures include terrain protection bunds, forest belts and isolation walls around mines. We pay particular attention to the prevention of fires in our mining operations. Sites prone to spontaneous combustion are treated with heavy machinery to prevent the oxidation of coal-bearing areas and the development of fires. By agreement, we provide regular cleaning of roads and areas for the inhabitants of the villages near the mines.

**3.3.1.1. Air Pollution Monitoring**

SDG11

Beyond the scope of legal obligations, CEZ Group has provided accredited monitoring of air quality near large combustion facilities since 1994, which measures pollution with NO<sub>x</sub>, SO<sub>2</sub>, and particulate matter of different sizes (PM<sub>10</sub> and PM<sub>2.5</sub>). The data are delivered to the Czech Hydrometeorological Institute, which publishes them in the information system on air quality in Czechia. The results of air pollution monitoring are published on the CEZ Group website.

An independent accredited laboratory also monitors air and noise pollution in municipalities affected by the operations of CEZ Group's lignite mines. Monitoring stations in these locations provide a continual measurement of particulate matter, especially PM<sub>10</sub>. The results of the measurements are shared with the affected municipalities and governmental agencies.

### 3.3.2. Wastewater Management

GRI 306-3:2016

The residual heat is transferred to the cooling water and then to the aquatic environment by means of once-through cooling systems or cooling towers. The effluent from the once-through cooling systems, which uses approximately 70% of the total water withdrawn, represents the majority of the effluent discharged. We handle discharged water so that it does not change the conditions in watercourses that are important for the life and development of biotic communities.

Water other than from once-through cooling systems or drainage water, is treated to meet all requirements set by the water authorities before discharge to surface water. Further, water is monitored for pollutants at the outlets; selected pollutants are monitored continuously. We regularly report the results of the monitoring to relevant authorities and river basin managers.

Wastewater streams can be contaminated with a variety of water pollutants; the main parameters monitored for water pollution from CEZ Group's large combustion plants include pH, temperature, TSS (insoluble solids), petroleum hydrocarbons and RAS (dissolved inorganic salts). For E-PRTR monitoring, the following parameters are monitored: N (total), P (total), As, Cd, Cr, Cu, Hg, Ni, Pb, Zn, halogenated organic compounds (AOX), PAHs, TOC, chloride (as total Cl) and fluoride (as total F).

The importance of each parameter depends on the quality of the raw water, the specific plant configuration and the processes used.

The only recorded incidents with leakage of hazardous substances to the environment were oil spills from distribution transformers in 2023. These are most often caused by transformer leaks or weather events (trees falling into the lines and the transformer being knocked to the ground). We try to prevent these situations:

- Regular bi-annual transformer leakage checks, with transformers replaced if oil drops (leaks) are detected.
- Trimming and felling of trees that are in the protection zone of the lines or at risk of falling on the lines.
- In areas at risk in terms of water protection, transformers with a sealed vessel are preferred.

The oil spill occurred when a tree fell on a power line, leakage approximately 100 litres of transformer oil into a local watercourse. It was not possible to remediate the water pollution due to the inaccessibility of the distribution transformer station during flood state. The pollution was washed away by the floods. A subsequent assessment of the incident by a hydrogeologist concluded that the spill did not affect the quality of either surface or ground water. No fish or other organisms are known to have died as a result of the accident during the flood.

A technical fault caused a leak of about 200 litres of heating oil at the heating plant in Dvůr Králové nad Labem. The oil leaked into the plant's sewer system and into the municipal sewer system, where it was captured. No environmental impact was found. A fine of CZK 75,000 was imposed by the supervisory authority. Based on the evaluation of the fault, corrective measures were taken, which, in addition to eliminating the fault and cleaning the sewerage system, included checking the condition of the distribution system and installing an oil detection system for early warning of fuel oil leaks.

Following oil spills at the Mělník power plant in previous years, an early warning system for oil leaks was installed, thereby reducing the risk of possible contamination of surface water (the Labe River).

### 3.3.3. Soil Pollution

GRI 306-3:2016

In connection with the operation of the distribution system, a total of 1,035 litres of oils from distribution transformers leaked into the soil, mostly in connection with falling trees into power lines, technical defects or traffic accidents with damage to transformer masts. In all cases, immediate measures were taken through the Integrated Rescue System, or subsequent remediation measures were carried out by an external professional company.

### 3.3.4. Prevention of Serious Accidents

For all production sites, we have a protocol declaring that the limits of hazardous chemicals specified in the Directive 2012/18/EU of the European Parliament and of the Council on the control of major-accident hazards involving dangerous substances have not been exceeded.



## 3.4. Water Resource

GRI 103, 303-1, 303-2; 303-3, 303-4, 303-5

SASB IF-EU-140a.1, IF-EU-140a.2, IF-EU-140a.3 / SDG6

Responsible water management and water conservation is essential for natural ecosystems and local communities as well as for our society. Water management is governed by the Environmental Safety and Protection Policy, which includes an Environmental Management System in accordance with ISO 14001:2015. Within the framework of EMS in water management, as in other areas of environmental protection, we identify environmental risks and create conditions for their prevention and elimination.

Large combustion plants require significant amounts of water for the production of process water and technological water, cooling, power generation, wastewater treatment and hygiene purposes. The largest volumes of water within CEZ Group are utilised in the operation of coal, CCGT and nuclear power plants. Energy potential of water is utilized for electricity generation in hydroelectric power plants. During the operation of energy sources, the needs of other water users are respected – to ensure sufficient flows of streams for recreation and sports, for flooding floodplain forests and other functions of watercourses and ecosystems linked to them. The impacts of operations of the production units are determined by the scope of valid permits for water abstraction and wastewater discharges issued by the local government.

The permit conditions are set out using a combined approach based on:

- indicators reflecting water status,
- environmental quality standards, taking into account the specification of the best available techniques,

considering the use of surface water affected by wastewater (e.g., for bathing or drinking water production) so that the abstraction or discharge of wastewater does not have a negative impact on water conditions.

In the case of surface water withdrawals, we participate in the management of watercourses by paying fees to river basin managers for the water withdrawn.

Great consideration is given to water retention in the landscape in order to stabilize the level of groundwater and to the use of nature-based solutions. Examples include numerous polders in the areas of reclamation or the retention tanks at the Dukovany nuclear power plant, where the groundwater level is recharged from rainwater, which slowly percolates into the groundwater reservoirs.

In 2023, all surface water and groundwater abstraction permit conditions as well as wastewater and mine water discharge conditions were met.

Reports on compliance with the conditions of the integrated permits are published regularly through the relevant authorities. CEZ Group reports data relevant to abstraction, accumulation (storage) and discharge. This Sustainability Report also includes office buildings in which water management is represented only by drinking water consumption and wastewater quantities, which are mainly transferred to third parties. The quantity of water consumed and discharged from production facilities is measured by meters whose accuracy is tested according to metrological rules. The quality of water is determined by analyses of water samples taken and analysed by accredited bodies or a certificated bodies in line with good laboratory practice relating to analytical testing of relevant parameters and to sampling of the required type of wastewater.

### 3.4.1. Water Consumption

Water is used responsibly to minimize the impacts on its quality and quantity in all areas of operations. Before use, water is chemically and mechanically treated to reduce its possible contamination and to ensure the required water quality necessary for the utilization in a power plant operation. After use, a part of the used water is recycled in the plants to minimize the amount of surface water withdrawn. Groundwater is used in minimal quantities at CEZ Group. It is used for the production of drinking water, or in cases where the use of surface water is not suitable.

Water consumption per generated electricity and heat stays is maintained at 1.40 m<sup>3</sup>/MWh.

Total amount of discharged water including flow for once-through cooling systems decreased from 7.91 m<sup>3</sup>/MWh to 5.65 m<sup>3</sup>/MWh. The volume of discharged wastewater excluding once-through cooling systems increased from 0.71 m<sup>3</sup>/MWh to 0.74 m<sup>3</sup>/MWh.

We reuse wastewater when possible. In 2023, the volume of wastewater reused in power plant operations was 7.5% of process water consumption. Wastewater from the nuclear plant Temelín is reutilized in the hydroelectric power plant Kořensko, II, where 2,098.56 MWh was produced in 2023.

Several production units are located in water-scarce areas as defined by Aqueduct – Water Risk Atlas. Water consumption in these areas is related to the operation of biogas plants, office buildings and photovoltaic power plants. In water-scarce areas, were taken from suppliers 2.98 thousand m<sup>3</sup>, which represents only a fraction of 416,869 thousand m<sup>3</sup> of total water withdrawal.

Surface water is an indispensable resource in the generation of electricity for CEZ Group facilities and an indispensable cooling medium. Around three-quarters of the total surface water withdrawn is used for once-through cooling systems. The water used in this way is returned to the watercourses immediately downstream of the abstraction point.

Water from the cooling systems is also used to power water turbines when leaving power plants. Examples include hydroelectric power plants Mělník and Kořensko II. Another example of harnessing the potential of water to generate electricity is the use of the wastewater discharge turbines in Ledvice and Prunéřov.

Withdrawals of surface water for CEZ Group's operations do not significantly impact the water volume of the watercourses involved. Maximum surface water withdrawal of plants with circulation cooling ranges from 0.02 to 8.3% of the natural flow capacity, and we can evaluate the withdrawal impacts as negligible or low. A greater impact on the flow is represented by the maximum withdrawal of surface water for the Dukovany nuclear power plant in the amount of 30.22% of the natural flow in the last year. The surface water withdrawal is carried out from the Dalešice water reservoir on the Jihlava river, which is also a recipient of wastewater. This reservoir is also used as a pumped storage hydro power plant.

In 2023, only about 29% of withdrawn surface water was used for technological purposes. There is no identified impact of surface water withdrawal on biodiversity in protected areas and on the presence of specially protected plant and animal species.

### 3.4.2. Water Storage

Production sources withdraw surface and ground water and generally maintain small buffer reserves of both raw water and treated surface water for their own use – these are in the order of thousands of m<sup>3</sup> at the most.

A specific case of water storage/reservoir storage is the reservoirs of pumped storage hydroelectric plants. A permanent water supply reserved for energy storage in times of surplus is maintained at the volume displayed in the following table.

Reservoir	Water storage ths. m <sup>3</sup> (MI)	Location
Homole	427	49°50'25.99"N, 14°25'04.05"E
Dalešice	16,150	49°08'21.32"N, 16°06'25.62"E
Dlouhé stráně	2,720	50°04'54.98"N, 17°10'22.72"E

The retention of surface water and its storage in the reservoirs can generally be considered as an anthropogenic factor affecting water status and ecosystems by changing the morphology of watercourse channels. Simultaneously, however, reservoirs fulfil other essential complementary functions serving local communities. In order to protect against the effects of the increasingly significant climate change, reservoirs are used to buffer flood waves and to ensure minimum sanitary flows as laid down in the operational schedules approved by the local authorities. In times of drought, they provide the basic living conditions for aquatic flora and fauna in water ecosystems. Some reservoirs are used not only by the local communities for various sporting activities, including fishing, but also for shipping transportation.

Wastewater is recycled with the aim to reduce the consumption of surface water. CEZ Group reuses wastewater from cooling tower blowdown, sand filter and gypsum washing, seepage water, and drainage water if the quality of the wastewater is sufficient for new use. Rainwater is captured where possible. In 2023, we achieved to reuse wastewater and rainwater in a volume equivalent to approximately 7.5% of the total amount of surface water abstracted for technological purposes.

#### Water Withdrawn, Discharged and Consumed

		2021	2022	2023
Total amount of water withdrawn	ths. m <sup>3</sup>	525,431	578,996	416,869
Water withdrawn per electricity and heat generated	m <sup>3</sup> /MWh	8.15	9.32	7.05
Total amount of water discharged	ths. m <sup>3</sup>	443,277	491,821	334,126
Amount of water discharged per electricity and heat generated	m <sup>3</sup> /MWh	6.88	7.91	5.65
Total water consumption	ths. m <sup>3</sup>	82,154	87,178	82,743
Water consumption per electricity and heat generated	m <sup>3</sup> /MWh	1.27	1.40	1.40

Note: The volume of water discharged does not include the volume of mine water discharged (7,519 thousand m<sup>3</sup>), which is considered to be groundwater, surface water and rainwater.

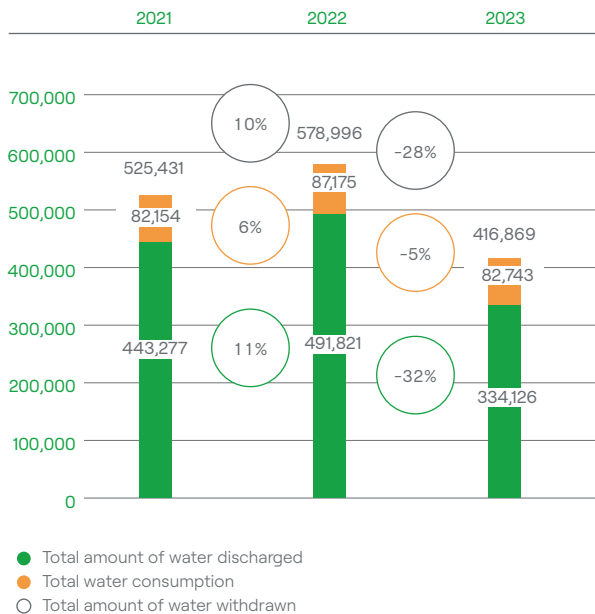
The significant decrease in the values of the parameters water withdrawn and water discharged per electricity and heat generated is due to the decrease in production at the once-through power plants (Mělník and Skawina power plants) in connection with lower production, mainly of electricity, and partly also to the commissioning of the new cooling tower at the Hodonín power plant. Water consumption for the once-through cooling system decreased by 35% compared to the previous year.

### 3.4.3. Wastewater Management

Wastewater in the CEZ Group mainly consists of water from once-through cooling systems and other technological water incl. water from circulating cooling and a small volume of sewage wastewater. Before its release into a watercourse, industrial wastewater is treated, and its quality and amount are monitored. Sewage wastewater is discharged into municipal sewage systems managed by water and sewage management companies, or it is treated in a company water treatment plant and returned to a watercourse. Wastewater that is or could be contaminated with oil is discharged through oil separators. Wastewater from once-through cooling systems, rainfall, drainage, and other similar outlets which do not necessitate treatment are discharged directly to a watercourse. Neither priority nor priority hazardous substances as defined in the Water Framework Directive are discharged from CEZ Group facilities.

Wastewater discharges are subject to conditions set by relevant authorities. Groundwater protection requires that wastewater from electricity generation is only discharged into surface watercourses. Wastewater from once-through cooling systems represents most of the volume of wastewater discharged, and conditions for its discharge are carefully maintained to ensure the safety of life and development of aqua biotic ecosystems. CEZ Group carries out regular monitoring of discharged wastewater at all outlets. For some indicators, continuous monitoring is implemented. Our goal is to monitor the quality of wastewater and to respond promptly to any risk of quality deterioration. We regularly report the results of monitoring to relevant authorities.

Water Withdrawn, Discharged and Consumed (in thous. m<sup>3</sup>)



## 3.5. Biodiversity and Ecosystems

GRI 103, 304–2 / SDG15

CEZ Group is aware of the importance of environmental protection and conservation and support of biodiversity and ecosystems. The requirements of environmental management and sustainability in all stages of the life cycle of our activities are integral to the processes and activities of the company. CEZ Group uses safe and proven technologies with the aim of minimizing negative impacts of the Group's activities, products, and services on the environment. CEZ Group requires suppliers and contractors to take the same approach to safety and environmental protection. We established these requirements in the CEZ Group supplier obligations outlined in the Commitment to Ethical Conduct, section 8: Environmental protection and sustainable development. CEZ Group's dedication to the protection of the environment and associated responsibilities are presented in the document Safety and Environmental Protection Policy.

As part of the EIA process, impact assessments are carried out for new production and changes to existing production that could have a negative impact on the environment. EIA documentation includes mitigation measures to avoid, minimise or compensate for negative impacts on biodiversity and ecosystems.

Ongoing monitoring is carried out both in the context of valid operating permits and in the context of corporate social responsibility (air monitoring near main emission sources). The results are reported to both the state administration and local authorities.

### 3.5.1. Protection and Restoration of Biodiversity

CEZ Group Board of Directors has accepted the responsibility to protect biodiversity (see the Policy Matrix on pages 81). The primary challenge in promoting biodiversity in our industry is the reduction of the burning of fossil fuels and lignite mining and the recultivation of affected areas. In CEZ Group's strategy VISION 2030—Clean Energy of Tomorrow, decarbonization is among our core environmental targets: the share of coal-fired electricity generation is set to drop to 12.5% by 2030.

CEZ Group's biodiversity strategy includes this decarbonization target for reducing GHG emissions, reduction of pollutants, and reduction of lignite mining, as basic measures of protection and restoration of biodiversity. The strategy also involves restoration of areas affected by mining, where the biodiversity of natural habitats is promoted in the reclamation process. All investment interventions and changes in the operation of facilities that could impact biodiversity are subject to environmental impact assessments (EIA). In addition, biological monitoring is carried out before project implementation to provide a detailed mapping of the occurrence of all plant and animal species, especially protected ones. In case of their occurrence, environmental experts then relocate them to suitable habitats, for example, in reclaimed areas.

Some of CEZ Group's sites are historically located near or within specially protected areas, in protected landscape areas, nature reserves, and in proximity to natural monuments. Some operations are located directly in nature protection areas of European importance or Bird Areas NATURA 2000. Any activities and operations at these sites with high biodiversity are subject to conditions and obligations set to protect species by competent nature conservation authorities.

An important part of CEZ Group's biodiversity activities is the fight against invasive alien species. Invasive species are among the main negative factors threatening the existing biodiversity of native ecosystems.

The zebra mussel (*Dreissena polymorpha*) is an invasive alien species of mussel which has gradually colonized much of Europe's aquatic environment. Like other invasive alien species, zebra mussel does not have a predator in the local environment of such a magnitude that it would reduce its population by natural means. Overpopulation causes technical problems in hydropower plants and other technical installations that use raw river water. In connection with the long-term monitoring, early prediction and reduction of zebra mussel infestation in the reservoirs of hydroelectric power plants, we have prepared a preventive biological monitoring in 2023 with the aim of determining the current state of biological contamination of the cooling circuit and other water systems of the Ledvice thermal power plant fed by the river Elbe. The monitoring focuses on the penetration of mussel eggs from external water sources and the development of mussel contamination throughout the year.

### 3.5.2. Bird Protection

CEZ Group focuses on protecting birds from electrocution and preventing injuries and deaths of birds caused by their landing on power lines. Most commonly, plastic protectors are placed over insulators. Another method of bird protection is the installation of bracket structures to prevent the electrocution of birds landing on power lines. The bracket structures are equipped with bars for safe perching. This type of protection is used in the reconstruction or construction of new high-voltage lines.

In the distribution network of ČEZ Distribuce, 3,693 support points of high-voltage power lines were equipped with protective elements in 2023. ČEZ Distribuce owns and manages about 475,000 high-voltage support points, of which 71% are now safe for birds. In 2023, CZK 10.6 million were spent on bird protection.

ČEZ Distribuce also monitors stork nests located on the distribution network installations. Every year are evidenced cases of storks building their nests on support points of low-voltage lines. The nests are removed and transferred to safer places in collaboration with regional authorities and the Czech Society for Ornithology. The support point is then fitted with a barrier to prevent the stork from returning. If nest removal is not possible, the wires around the nest are insulated to prevent storks' injury or death by electrocution.

At the initiative of the Nature Conservation Agency of the Czech Republic (NCA CR), an inspection of hollow concrete power line poles was conducted by ČEZ Distribuce. The covering of the poles was checked and repaired to protect the critically endangered little owl (*Athene noctua* or owl of Minerva). The inspection of the columns was recommended by the NCA CR in areas critical for the nesting of the little owl. It is a highly endangered species, and its protection is a priority for species conservation, given the current critical status of its population in Central Europe.

In 2023, the success story of support for the nesting of the peregrine falcon (*Falco peregrinus*) continued at CEZ Group sites. A total of 16 chicks were raised in the boxes, which were installed on properties owned by members of the CEZ Group. Since 2011, when the first falcon nesting box in Czechia was placed on the cooling tower of the Tušimice power plant, at least 163 chicks have been raised on high-rise power plant structures, chimneys, and cooling towers.

### 3.5.3. Protected Animal and Plant Species

In order to protect the environment and promote biodiversity, CEZ Group monitors species listed on the IUCN Red List of Threatened Species or otherwise protected, which live in their natural habitats in areas affected by operations.

IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by CEZ Group operations.

	Total Number	Class
Critically endangered	32	Aves, Insecta, Plantae
Endangered	48	Aves, Insecta, Amphibia, Mollusca, Plantae
Vulnerable	91	Aves, Insecta, Amphibia, Reptilia, Mollusca, Crustacea, Rotifera, Fish, Mammalia, Plantae
Near threatened	96	Aves, Insecta, Amphibia, Reptilia, Mollusca, Arachnids, Mammalia, Plantae
Least concern	165	Aves, Insecta, Mammalia, Fish, Plantae

By conducting biological surveys in our localities, various species of animals and plants have been detected, and, in some cases, assessed as protected species. These species are often tied to specific conditions of a particular locality. CEZ Group tries to protect and support these particular areas to promote the existence of rare biotopes and the protected species of animals and plants associated with them.

An important area, where monitoring and protection of endangered plants and animal species is carried out, is the former Tušimice ash deposit area. The presence of endangered species of butterflies, birds, reptiles, and plants (*Hipparchia semele*, *Sylvia nisoria*, *Lacerta viridis*, *Helichrysum arenarium*) is a subject of protection in this area. The aim of protection is to stabilize and strengthen the populations of threatened species and to maintain or increase the potential of the area for permanently occurring species on the Red List of Threatened Species of the Czech Republic. As this is a valued area for many reasons, in 2022 a contract was prepared between ČEZ, a. s., and the Regional Authority of the Ústí nad Labem Region for the protection of the area under Act No. 114/1992 Coll., on Nature and Landscape Protection. The contractual commitment ensures the elimination of invasive plant species, controlled mowing and grazing by sheep and goats in order to maintain optimal conditions for the redshank population and, last but not least, the monitoring and evaluation of individual indicators of the protected area.

Within the Ledvice power plant, a suitable area has been created for the rescue of the critically endangered common bream (*Carassius carassius*). This species used to be abundant in village ponds, dead ends and pools along rivers, often the only species in stagnant, oxygen-deficient water and the last species in a silted-up pond or pool. However, it is now being outcompeted by an invasive species, the silver bream (*Carassius auratus*). In the four years since it was last cleaned, the retention basin of the power station's process water treatment plant has been progressively prepared to provide suitable conditions for the breeding of silver bream. In cooperation with the Fishing Association in Duchcov, genetically pure individuals suitable for breeding were secured in the vicinity of the Ledvice power plant and in the ponds around Duchcov, i.e. not affected by cross-breeding with invasive species. In order to assess the health of the population and its growth, regular control catches are carried out. Based on expert advice, a suitable time for harvesting and returning the bream to its natural habitat will be determined.

CEZ Group also cooperates with the irrigation system administrator Lesy ČR and, by diverting surface water through the area of the Hodonín power plant, it contributes to the protection of the unique and irreplaceable biotope of alluvial forests in the Czech Republic threatened by previous complex water management measures. In addition, the diverted surface water subsidizes the Podluží spring, a source of drinking water for the local community.

During biological surveys at CEZ Group localities, the presence of some protected species of animals was detected, such as the *Bombus lapidarius*, *Cicindela campestris*, *Hyles euphorbiae*, *Iphiclides podalirius*, and *Oriolus oriolus*. In the case of plants, an example is the site of the Temelín nuclear power plant, where some species of plants included in the Red List of Threatened Species of the Czech Republic were detected. The detected species are found within the grounds of the power plant, demonstrably due to the impact of construction work in the past. Soil manipulation and subsequent recultivation created areas with sparse vegetation cover or wet places where these plants thrive (mainly due to a low competitive pressure from the surroundings). These include *Filago arvensis*, *Centaurium erythraea* and *Vulpia myuros*.

Activities in localities always take into account conservation requirements of protected species of animals and plants.

### 3.5.4. Mine Reclamation

Technical and biological reclamation of areas affected by mining operations of CEZ Group continued in 2023. Restoration of landscape and establishment of ecological stability are essential for minimizing and eliminating of environmental impacts of lignite open-cast mining. The key objectives of reclamation are the creation of a new landscape with the restoration of all critical functions in the reclaimed areas and their integration into the surrounding landscape. Individual reclamation projects are prepared in accordance with the Comprehensive Remediation and Reclamation Plan.

The main activity of Severočeské doly is the mining of mineral resources, i.e., activities taking place below the surface. CEZ Group does not operate any other extensive subsurface activity. Biodiversity support is one of the main management priorities of Severočeské doly, as an important tool for nature and landscape conservation. Biodiversity protection and enhancement are subject to conditions set out in the mining permits under the Opening, Preparation, and Extraction Plans governing lignite mining in the Bílina and Nástup Tušimice mines. Protective measures are also introduced in the towns and villages affected by mining, such as creating noise barriers, walls, and forest belts that reduce adverse effects of mining activities.

In 2023, Severočeské doly completed landscape reclamation on an area of 119.48 ha and started new reclamation on an area of 50.91 ha. No land acquisitions for mining were made in Bílina mines and in Nástup Tušimice mines in 2023. Before the quarrying process, biological monitoring of the acquired lands is carried out. Its purpose is to map the occurrence of specially protected animal and plant species, which will be relocated to biotopes created in reclaimed areas. In the case of their occurrence, a transfer is made to the gradually emerging replacement biotopes created on reclaimed areas.

The reclamation process is regularly inspected by our employees of the Reclamation Department. Representatives of the state administration and representatives of the municipalities and towns in whose districts the reclamation works are carried out are also present on inspection day.

#### Summary Table of Individual Types of Reclamation (in ha), Including Percentages

Types and Areas of Reclaimed Land	In progress		Completed		Combined Severočeské doly	%
	Nástup Tušimice mines	Bílina mines	Nástup Tušimice mines	Bílina mines		
Reclaimed land total	711.68	675.49	2,668.66	3,676.68	7,732.51	100
Farmland	174.43	150.93	1,522.57	1,338.52	3,186.45	41.21
Forest	507.36	402.50	937.95	1,706.44	3,554.25	45.96
Water	4.09	18.13	54.13	160.12	236.47	3.06
Other	25.80	103.93	154.01	471.60	755.34	9.77

In the territory of interest of Severočeské doly the following significant landscape elements were accepted by the nature protection authority:

Succession area Pokrok on the Pokrok tip – with an area of 3.6 ha, a technically non-reclaimed area left for natural regeneration in order to strengthen the ecological functions of the landscape.

Succession areas on the Radovesická tip with an area of 54.3 ha, with the preservation of habitat diversity in the form of elevations and depressions as a characteristic remnant after the hopper's filling of the tip. The resulting varied fragmentation of the micro-relief created a whole range of different ecotypes for settlement by different plant and animal species.

Jarmila's successful area on the Radovesické tip – with an area of 12.4 ha, exceptional terrain fragmentation and gradation of floors, which together create a very attractive natural habitat for wildlife and bird nesting. The location is also a popular refuge for insects.

Successive areas on the Merkur tip with an area of 32.4 ha, with the preservation of the ruggedness of the terrain, which are nesting grounds for a number of endangered bird species, other endangered species hunt or gather food here. From a botanical point of view, it is also advisable to leave the site in its current state without recultivation.

The mentioned areas are part of the category "completed" and "other" reclaimed land.

### 3.5.5. Ensuring Ecosystem Functions on Watercourses

Adherence to permits, cooperation with state water protection authorities and state entities entrusted with the management of basins and streams leads to optimal handling and management of water, which will ensure maximum provision of ecosystem functions, preservation and prosperity of the water ecosystems.

### 3.5.6. Other Activities in the Field of Biodiversity and Education

The CEZ Foundation announces the grant program "Stromy" (Trees) twice a year, in spring and autumn. This grant procedure is aimed at improving the environment by supporting tree planting. In the grant procedure, the planting of tree species is supported primarily in an urbanized environment or in its immediate vicinity, which will lead to the adaptation and mitigation of the effects of climate change at the local level. This is mainly about the planting or restoration of trees near public buildings, linear trees, in publicly accessible gardens, parks, trees along watercourses and semi-trailer reservoirs, draws, orchards, green barriers against wind and dust, alleys, rows of trees and other natural or cultural valuable locations. The planting includes native species of trees with local origin and their varieties for the habitat. In 2023, we supported 138 applications in the amount of CZK 13,329,463. Since 2011, 803 projects have been supported for 84.5 million CZK. In total, we helped plant 127,047 trees.

The CEZ Foundation is a long-standing partner of Safari Park Dvůr Králové and financially supports a project that contributes to the rescue of endangered species of rhinoceros. Over the past seven years, we have contributed a total of CZK 8 million.

As part of corporate volunteering, it is also possible to support companies in the field of ecology and the environment education. The planting of trees in the deforested and drying area of Heraltice in Vysočina is already a traditional event for employees of nuclear power plant Dukovany. In 2023, 1,480 new trees were planted. The goal of this volunteer event is the creation of mixed stands with the representation of a wide range of tree species fulfilling the expected functions of the forest. In 2023, employees of CEZ Group further supported with their work for example the Prague ZOO or the Prague Botanical Garden.

More information about company volunteering is in chapter 4.1.1.4 Corporate Volunteering.



## 3.6. Resource Use and Circular Economy

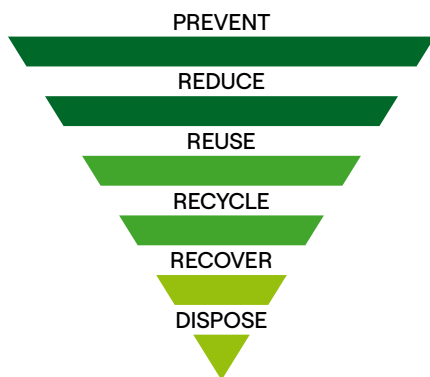
### 3.6.1. Waste and Natural Resources

GRI 103, 306-1, 306-2; SASB IF-EU-150a.1 / SDG12

CEZ Group is aware of the growing importance of waste management and protection of finite natural resources throughout all its operations. Thus, waste is seen as a resource, and principles of circular economy are applied throughout all steps of waste management.

Waste management is based on the Environmental Management System (EMS), which establishes a hierarchy of waste management methods from prevention, preparation for reuse, recycling, and energy recovery to disposal. Waste management is provided by professionally qualified personnel. Specific projects are introduced to reflect our policy and waste prevention.

**Fig. 2: Waste Hierarchy Model**



Circular economy is a sustainable model of production and consumption that extends the lifecycle value optimization of resources and products, reducing waste to a minimum. We have introduced the principles of circular economy into CEZ Group corporate culture, strategy, and processes of our business activities. The Board of Directors of ČEZ, a. s., is responsible for waste management and circular economy through the Environmental Protection and Safety Policy.

The waste management hierarchy is followed in all our activities. Waste is delivered to licensed waste treatment facilities. In 2023, 58% of waste was reused or recycled, and 34% was disposed, of which 28% of waste was sent to a landfill, 8% of waste, predominantly iron scrap from demolitions, remained stored and was handed over for further utilization in the following year.

The more than twofold increase in waste production is related to the demolition of four blocks of the Prunéřov coal power plant. As coal power plants are phased out of operation, technologies are dismantled and obsolete buildings are demolished, resulting in a significant amount of waste. Prior to demolition, we conduct waste screening aimed at identifying reusable equipment / materials and hazardous waste. We manage the demolition to maximize waste utilization. Most of our waste consists of construction and demolition waste originating from the demolition of obsolete structures, and sludges from wastewater treatment, waste metals and municipal waste. Most of our waste consists of construction and demolition waste originating from the demolition of obsolete structures, and sludges from wastewater treatment, waste metals, and municipal waste.

ČEZ Recycling, a subsidiary of ČEZ, a. s., applies the principles of circular economy when taking back discarded photovoltaic panels. This will include batteries in the near future. In 2023, ČEZ Recycling took back 2,368 photovoltaic panels, which is 40,251 tons.

Coal combustion products, and incineration and desulphurization products (4,566,554 t) are subjected to regular testing and certification as part of waste prevention; 99.7% are further used as these products, thus avoiding waste generation. End-of-life products in amount 316 tons were sorted and sent for recycling under the take-back scheme (batteries, accumulators, tires, fluorescent lamps, discarded electrical equipment), thereby prevented from becoming waste.

Data on waste and waste management are reported in accordance with Directive 98/2008 of the European Parliament and of the Council and Commission Decision 2014/955/EU on the list of wastes by waste catalogue numbers and recovery/disposal codes, based on weighing by weight at the time of transfer of waste to the recovery/disposal facility. Data are based on company-wide data collection and waste management data from the companies to which the waste was transferred. The data do not include wastewater or mass from mining that is used for remediation and reclamation works. The GRI 306: Waste 2020 standard has been used for data reporting.



**GRI 306-3**

Waste generated (t)	2021	2022	2023
Non-hazardous waste	59,235	47,738	119,822
Hazardous waste	2,994	1,733	8,695
Radioactive waste	337	428	238
Total waste generated	62,566	49,889	128,755

**GRI 306-4**

Hazardous waste diverted from disposal (t)	2021	2021 On-site	2021 Off-site	2022	2022 On-site	2022 Off-site	2023	2023 On-site	2023 Off-site
Preparation for reuse	188	0	188	1	0	1	9	0	9
Recycling	584	0	584	271	178	93	352	0	352
Other recovery options	603	0	603	65	0	65	289	0	289
Total hazardous waste diverted from disposal	1,375	0	1,375	337	178	159	650	0	650

Non-hazardous waste diverted from disposal (t)	2021	2021 On-site	2021 Off-site	2022	2022 On-site	2022 Off-site	2023	2023 On-site	2023 Off-site
Preparation for reuse	17,378	0	17,378	6,128	0	6,128	14,829	0	14,829
Recycling	14,532	0	14,532	17,152	0	17,152	58,080	0	58,080
Composting	20,556	17,005	3,551	15,727	14,882	845	846	0	846
Other recovery options	12,019	7,360	4,659	9,783	9,159	624	269	0	269
Total non-hazardous waste diverted from disposal	64,485	24,365	40,120	48,790	24,041	24,749	74,023	0	74,023
Total waste diverted from disposal	65,860	24,365	41,495	49,127	24,219	24,908	74,673	0	74,673

**GRI 306-5**

Hazardous waste directed to disposal (t)	2021	2021 On-site	2021 Off-site	2022	2022 On-site	2022 Off-site	2023	2023 On-site	2023 Off-site
Recovery including energy	154	0	154	296	0	296	88	0	88
Incineration	26	0	26	36	0	36	48	0	48
Landfill	589	0	589	193	0	193	6,706	0	6,706
Other disposal options	849	0	849	1,051	0	1,051	1,203	0	1,203
Total hazardous waste directed to disposal	1,618	0	1,618	1,576	0	1,576	8,045	0	8,045

Non-hazardous waste directed to disposal (t)	2021	2021 On-site	2021 Off-site	2022	2022 On-site	2022 Off-site	2023	2023 On-site	2023 Off-site
Recovery including energy	95	0	95	76	0	76	496	0	496
Incineration	14	0	14	117	0	117	62	0	62
Landfill	10,636	4,683	5,954	16,638	1,498	15,140	29,526	1,150	28,376
Other disposal options	8,708	4,188	4,520	6,587	3,316	3,271	6,012	2,584	3,428
Total non-hazardous waste directed to disposal	19,453	8,871	10,583	23,418	4,814	18,604	36,096	3,734	32,362
Total waste directed to disposal	21,071	8,871	12,201	24,994	4,814	20,180	44,141	3,734	40,407

Note: The onsite category also includes radioactive waste in the Dukovany repository of 238 tonnes in 2023.

**Waste Produced per Electricity and Heat Generated (kg/MWh)**

	2021	2022	2023
Total weight of non-hazardous waste	0.92	0.77	2.02
Total weight of hazardous waste	0.05	0.03	0.15

In connection with the demolition of the Prunéřov 1 coal power plant, the production of other and hazardous waste increased significantly in 2023 per MWh of electricity and heat. Nearly 80 thousand tons of waste were produced during the demolition. Besides the waste generated from the demolition, the production of waste remained at the level of the previous year. Hazardous waste accounted for approximately 6.8% of all waste in 2023. The increase in hazardous waste production is again related to the demolition of the coal power plant, mainly waste contaminated with petroleum products.

**The Main Waste Streams which Represent the Majority Shares in Other and Hazardous Wastes from the Main Production Activities:**

Waste streams	Waste composition	Waste production in 2023 (t)	Annex III of the Basel convention
Other waste/Construction and demolition waste	Insulation, construction timber, waste plastics, mineral fiber, bricks, concrete, reinforced concrete from demolition and reconstruction of buildings, including excavated soil from construction work.	20,045	N/A
Hazardous waste/ Construction and demolition waste	Contaminated waste from demolition sites, waste containing asbestos	6,423	HP 14 HP 3 HP 7
Other waste /Waste from power stations and other combustion plants that is certified under the product scheme	According to Regulation (EC) No. 1272/2008 of the European Parliament and of the Council, fly ash is not classified as a dangerous substance. The substance consists of glassy/amorphous material and mineral phases. Its chemical composition is preferably analyzed as elemental and is given as the mass fraction of each equivalent oxide, e.g., SiO <sub>2</sub> , Al <sub>2</sub> O <sub>3</sub> , Fe <sub>2</sub> O <sub>3</sub> , CaO.	15,725	N/A
Other waste/Waste metals (including their alloys)	The composition depends on the material used in the technology. These are mainly iron and steel, clay, copper, cables, etc.	58,561	N/A
Other waste/Sewage treatment plant waste and sewage sludge	Sludge is a suspension of solid and colloid particles of organic and inorganic substances in water. Sludge contains organic substances, nitrogen and phosphorus compounds, heavy metals (Zn, Pb, Cu, Cr, Ni, Cd, Hg, As) in concentrations of 1 to 1000 mg/kg dry weight; organic substances, inorganic compounds based on Si, Al, Ca, Mg, etc.	2,157	N/A
Hazardous waste/Engine, gear and lubricating waste oils and oil separator waste	Waste oils classified into individual categories in terms of their use for regeneration, reprocessing or energy recovery.	118	HP 3

Our employees sort the generated waste in order to separate usable components. Waste is collected in appropriate collection bins, the number and location of which is continuously optimized according to actual needs. In addition to the usable components of municipal waste – paper, plastics, glass, bio-waste – we also hand over used oil, metal materials and other usable waste for recycling. The system includes the take-back of electrical and electronic equipment and batteries. Electrical waste is handled by sheltered workshops employing the physically disabled.

In order to prevent waste generation in CEZ Group, we regenerate transformer oils. In 2022, the amount of regenerated transformer oil for reuse was 452 tons.

In connection with the disposal of unneeded assets and inventories at individual sites, disposal committees are established to maximize the use of unneeded assets and inventories within CEZ Group or to sell them externally so that the equipment can be used throughout its life cycle.

**3.6.1.1. Radioactive Waste (RAW)**

We manage radioactive waste at nuclear power plants in compliance with Act No. 263/2016 Coll., Atomic Energy Act.

Liquid RAW (radioactive concentrate) from the Dukovany and Temelín nuclear power plants is immobilized in bitumen into a form complying with waste acceptance criteria for disposal. The main process equipment is a film rotor evaporator where the concentrate is mixed with bitumen and water is evaporated. The resulting product is filled into 200-liter drums. Solid waste is compacted or incinerated, melted and supercompacted abroad.

In 2023, there were 29 tracked domestic shipments of radioactive waste from the Temelín nuclear power plant to the Dukovany nuclear power plant site. There was also one international road transport of radioactive waste from Temelín to JAVYS EBO to reduce the by high pressure compaction, and one return transport of radioactive waste after treatment by high pressure compaction from JAVYS EBO to Dukovany. In addition, 5 international shipments of radioactive waste were carried out from Dukovany to the Studsvik Sweden AB incinerator for the purpose of reducing their volume by incineration.

**3.6.1.2. Coal Combustion Residuals (CCRs)**

We manage the technological processes of coal and biomass combustion with the aim of utilizing combustion products including fly ash, slag, and desulfurization products (FGD gypsum), in the construction industry. Our target was to reuse at least 98% of the coal combustion residuals by the end of 2023. 83.1% of the CCRs were used for landscaping and terrain shaping, and 16.6% of CCRs were sold for other uses in the construction industry. We sold a total of 402,435 tons of energy gypsum to produce plasterboards and cement. The total of 99.95% of CCRs were utilized or handed over for utilization, both in the certified products regime and in the waste regime.

### 3.6.1.3. Waste to Energy (WtE)

The utilization of waste following the circular economy principles brings new opportunities in the energy sector. CEZ Group has the technical, technological, and personal know-how to make the most of these opportunities to help improve the environment and replace primary sources (especially coal).

A project of facility for energy recovery of waste in the Energotrans area (Mělník power plant) is being prepared. The objective of the facility is to thermally utilize residual non-recyclable waste to generate heat and electricity, thus replacing up to 3,000 wagons of coal per year. As such, the WtE facility is an important component of circular economy in our industry. The assumption is the commencement of operations at the turn of 2027 and 2028.

### 3.6.2. Resources Used/Materials

GRI 301-1

In CEZ Group, various fuels, such as natural gas, coal, lignite, uranium, and biomass fuels are used to produce electricity, heating and cooling. We prefer locally sourced coal, biomass and materials for flue gas cleaning. In 2023, 31% of fuel for energy production was black or brown thermal coal. In our two nuclear power plants, we used 81 tons of nuclear fuel to produce 30.41 TWh of emission-free electricity. Nuclear resources produced the largest amount of energy in CEZ Group.

Sorbents and reagents for flue gas cleaning at CEZ Group's coal-fired power plants in Czechia are delivered under long-term purchase contracts. Sorbent deliveries amounted to 697,000 tons in 2023.

#### Resources Used in the Production Processes by Weight/Volume/Energy Content

Non-renewable materials – fuels	Total amount (kt, gas (mil. m <sup>3</sup> ))			Energy (PJ)		
	2021	2022	2023	2021	2022	2023
Hard coal	1,864	1,744	1,298	36	33	26
Lignite	12,434	12,469	11,340	143	143	131
Natural gas	696	541	477	24	19	17
Diesel, light fuel oil	3.07	2.63	3.72	0.13	0.11	0.14
Heavy fuel oil	2.36	2.94	1.74	0.10	0.13	0.07
Uranium	0.07	0.07	0.08	289	287	317

Renewable materials – fuels	Total amount (kt, gas (mil. m <sup>3</sup> ))			Energy (PJ)		
	2021	2022	2023	2021	2022	2023
Liquid biofuels	1,115	912	896	12.4	10.4	9.9
Solid biofuels	0.23	0	0	0.008	0	0
Biogas	1.13	0	18	0.039	0	0.4

Non-renewable materials – other	2021	2022	2023
	Limestone (kt)	720	757
Lime (kt)	41	28	34
Urea (kt)	1.1	0.03	0.005
Ammonia water	0.5	1.5	2.05
Adipic acid (kt) - NEW	N/A	N/A	0.19

When selecting and using materials and resources, we respect the requirements or prohibitions on their use according to specific European regulations and directives (e.g., REACH Regulation, Regulation on Persistent Organic Pollutants, Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment, or Regulation on f-gases). In the case of substances for which a ban is being preliminarily discussed in connection with the preparation of new legislation, we analyze the situation and seek alternatives (currently for silicone sealants and lubricants, PFAS).

### 3.6.3. Energy Consumption and Reduction of Energy Intensity

GRI 103, 302-1, 302-3; SASB IF-EU-000.D / SDG7

Energy consumption within CEZ Group includes all energy consumption, including primary energy (chemically bound in fuels) used to produce noble forms of energy (electricity and district heat).

#### The Total Energy Consumption<sup>3</sup> Corresponds to the Difference Between the Energy Input and the Energy Output:

A) ENERGY INPUT	B) ENERGY OUTPUT
+ energy consumption from non-renewable (fossil) fuels (coal, natural gas, liquid fuels)	- sale of energy (electricity, heating, cooling, process steam)
+ energy consumption from renewable fuels (biomass, biogas, liquid biofuels)	
+ heat produced in steam generators from nuclear fuel	
+ energy production from non-fuel sources (wind, water, photovoltaics)	
+ purchase of energy (electricity, heat) for own consumption	

The most significant item of total energy consumption is the energy chemically bound in fuels used to generate electricity and heating. In addition, the total energy consumption includes own consumption of electricity for electricity production, consumption of electricity for heat supply for heating purposes, consumption of electricity for other purposes (buildings, lighting, etc.), own consumption and losses of process heat, and own consumption of district heating (heating, hot water, etc.).

The energy intensity indicator for electricity and heating production in CEZ Group is expressed as the ratio of energy consumed from renewable fuels, non-renewable fuels (including nuclear fuel) to energy sold (electricity, heat, cold, process steam).

#### Energy Balance

Energy balance (energy consumption from fuel per energy supplied)	Unit	2021	2022	2023
A) Energy consumption in fuel for electricity and heat production	TJ	535,991	523,519	495,341
o/w non-renewable fuels	TJ	523,583	513,851	486,165
o/w renewable fuels	TJ	12,408	9,668	9,176
B) Energy generated from nonfuel	TJ	7,351	6,936	6,366
C) Energy supplied	TJ	199,166	194,061	188,910
o/w electricity	TJ	172,773	170,543	161,103
o/w heating	TJ	26,393	23,412	27,793
o/w cooling*	TJ	N/A	53	14
o/w steam*	TJ	N/A	0	0
Total energy consumption, including primary energy for electricity and heat production (A+B-C)	TJ	344,176	336,393	312,796
Energy intensity indicator (A/C)		2.691	2.698	2.622

\* Indicator reported since 2022.

#### Resource Share of the Energy Mix in 2023 (%)

Nuclear	59.1
Hydro	4.6
Photovoltaic	0.3
Wind	0.7
Coal	30.0
Natural gas	3.9
Biomass	1.4
Biogas	0.0

Our energy-saving commitments, which are described in the CEZ Group Energy Policy and approved by the Board of Directors, set the framework for energy management and efficiency. Fulfilling these commitments will also help us achieve our target to reduce our GHG emission intensity.

In line with the Czech National Energy Efficiency Action Plan, we implement energy efficiency initiatives with our customers. We install modern technologies, smart products, and systems that intelligently manage energy consumption.

We also raise customer awareness of energy savings through information campaigns.

Major energy-saving projects we implemented for our customers in 2023 are listed below:

- high-efficiency cogeneration of electricity and heat,
- heat pumps in residential buildings,
- energy services with guaranteed financial savings,
- energy-efficient lighting in non-residential buildings,
- energy-efficient outdoor lighting in industrial premises.

In the next few years, we will focus primarily on digital transformation and decentralized energy generation. We see digitalization as a driver for lower energy consumption, and we have set a target to cover 80% of consumption with smart meters by 2030.

<sup>3</sup> Fuel consumption in energy units (usually in TJ) is determined by as the product of the quantity of individual fuels (kg, t, m<sup>3</sup>) determined by verified meters and the calorific value of fuels determined by laboratory analysis of fuels in accredited laboratories or declared by the supplier (natural gas or liquid fuels).



An aerial photograph of a village with numerous houses featuring red-tiled roofs. The houses are clustered together, with some larger, multi-story buildings. The surrounding area is lush green, with fields and trees. A road winds through the village, and a fence is visible in the upper left. The overall scene is bright and sunny, suggesting a clear day.

# helpfully

CEZ Group is committed to respecting and adhering to human rights in all its operations and business activities. Our goal is to be a responsible corporate citizen and a good neighbor who actively and consistently participates in the support and development of community life. In practice, we promote equal opportunities, fair treatment, open communication, diversity, work flexibility, including work-life balance.



	<p>In cooperation with the Czech government, CEZ Group has secured capacity in the newly built LNG terminal in Stade (Germany) and gained a long-term annual capacity of 2 billion cubic meters.</p>		<p>CEZ Group operates nine information centers offering a wide range of excursions and interactive activities. The turnout in 2023 was more than 281,000 visitors.</p>
<p>ČEZ Distribuce connected a record 52,109 photovoltaic power plants with an installed capacity of 605.5 MW to the grid last year.</p>		<p>CEZ Group, together with the CEZ Foundation, is one of the largest corporate donors in the Czech Republic. In 2023, financial donations from CEZ Group companies totaled CZK 499 million.</p>	
	<p>In 2023, CEZ Group was named the most trusted supplier among all energy suppliers in the Czech Republic for the eighth time in a row.</p>		<p>CEZ Group was awarded TOP Responsible Large Company 2023.</p>
<p>CEZ Group was awarded TOP Employer 2023 for the fourth time in a row.</p>		<p>In 2023, 3,775 new employees joined CEZ Group.</p>	
	<p>In 2023, we served the majority of customers digitally in all segments, with the share of digital customer interactions exceeding 62%. The use of the mobile application and distribution portal was growing significantly.</p>		<p>More than 300,000 customers have already downloaded our updated mobile application, MŮJ ČEZ.</p>



## 4.1. Community Relations

GRI 3-3, 203-1, 203-2, 413-1, 413-2 / SDG 17

### 4.1.1. Corporate Citizenship

CEZ Group recognizes its social, environmental, and financial responsibilities linked to its operations and business activities in the European market. Our goal is to be a responsible corporate citizen and a good neighbor who is actively and consistently involved in the support and development of community life. CEZ Group supports projects in various areas, including (but not limited to) social care, education, culture, sports, environmental protection, improvement of local infrastructure, and healthcare. We have a significant economic (direct and indirect) impact on the development of local communities and regions in Czechia. We are a major employer and create employment opportunities in the supply chain.

#### 4.1.1.1. Community Relations

We monitor the social and environmental impacts of our activities in the localities where we operate. We disclose the impacts of our activities in accordance with applicable legislation. We communicate our social impacts transparently with local stakeholders in all areas of our business. In the locations where we operate, we establish working groups with local stakeholders from all areas to discuss the impacts of our activities. To communicate with communities, we have a publicly available Community Relations Policy, the implementation of which is the responsibility of the Director of Public Affairs of CEZ Group, who reports directly to the CEO. It is based on the following principles: community relations are part of responsible business; we consider community relations as a tool for obtaining feedback; we strive for mutually beneficial coexistence of communities with CEZ Group in the territory on the basis of open communication; we deal with communities in a transparent manner; communities have a set of communication channels with guaranteed response times.

#### 4.1.1.2. Communication

CEZ Group promotes transparent and open communication about its current activities and operations, the state of the distribution grid, and investments with an impact on local communities. Throughout the year, meetings are organized between CEZ Group representatives and members of local governments, NGOs, municipalities, and local communities to provide comprehensive information and to deal with issues from community grievance mechanisms.

CEZ Group management also regularly communicates with employees and informs them about the activities, developments, and direction of the company. Employees have access to information online, in newsletters, via online interviews with company management, in the company magazine, and through other channels.

CEZ Group management also openly communicates with trade unions about their intentions, the Group's financial results, and other matters concerning the employees. Major CEZ Group companies have collective agreements, which regulate relations between employees and the employer.

#### 4.1.1.3. Donations

CEZ Group, together with CEZ Foundation, is one of the largest corporate donors in Czechia. Their comprehensive approach to donation activities is regularly recognized by an independent jury (TOP Responsible Company, Donors Forum ranking). In 2023, financial donations by CEZ Group companies reached a total of CZK 499.0 million, of which CZK 358.8 million were donated to CEZ Foundation, and CZK 140.2 million were donated directly. In addition to direct financial donations, CEZ Group supports municipalities, local communities, and non-profit organizations through non-financial contributions.

Employees are also involved in corporate donation. Two employee fundraisers were held in 2023.

In February, an extraordinary collection was held to help the victims of the devastating earthquake in Turkey and Syria. Employees contributed CZK 1.4 million, which the CEZ Foundation doubled to CZK 2.75 million and increased by CZK 8,000 unspent from previous years. The CEZ Foundation also released CZK 1 million to ADRA immediately after the earthquake in an accelerated approval procedure, which was used to help people on the ground – supplying blankets, sleeping bags, winter clothing, food, drinking water and providing alternative temporary accommodation.

Employees donated a record CZK 4.7 million in the traditional autumn fundraising campaign Fulfilling Wishes – Thinking of Others, which focused on helping 131 children and adults whose fate had not favoured them. The CEZ Foundation doubled this amount to CZK 9.4 million and increased it by CZK 45,816 unspent from the previous year. A special feature of this fundraiser is that the recipients are nominated by the employees themselves.



In 2023, the Fulfilling Wishes campaign was held for the seventeenth time and the total amount raised in the campaign and special collections since its inception exceeded CZK 82 million.

The CEZ Foundation also provides long-term support to CEZ Group employees who are involved in local community organizations and activities that address local needs: each employee can apply for up to CZK 50,000 every two years for the organization in which they volunteer. In 2023, the CEZ Foundation supported 207 organizations nominated by employees under the Employee Grants, i.e., twice as many as the previous year, and distributed CZK 10,014,838 among them. Since 2013, 1,240 projects have been supported with an amount exceeding CZK 40 million.

CEZ Foundation also runs a popular mobile app called EPP – Help by Movement, which works at the same time as a sports tracker and a charity app. The general public is motivated to be physically active (the options include activities for all age groups and for the handicapped) and is also directly involved in the choice of projects which should be financially supported. In more than eight years of the app's existence, it has gained over 653,000 users. Thanks to their sports activities, the CEZ Foundation was able to distribute CZK 31.5 million among 384 non-profit organizations in 2023.

#### 4.1.1.4. Corporate Volunteering

The corporate volunteering program Time for a Good Cause is announced annually in all regions of Czechia. The collective agreement guarantees that each employee can use two workdays of paid leave to volunteer. In the 16 years since the launch of the volunteering program, over 9,600 employees participated in 1,345 events. Volunteering activities can be carried out both individually and in a larger group. The company also supports team building in the form of a volunteering activity. All non-profit organizations involved in the volunteering program have the opportunity to get a contribution from CEZ Group to cover the expenses of providing working tools and refreshments for the volunteers.

#### Overview of Areas Supported in the Volunteering Program in 2023 with Respective Numbers of Volunteers

Ecology, animals, environment	595
Social and health	182
Regional and community development, cultural heritage	156
Children and the youth	43
Elderly	25
Education and research	16

In 2023, employees donated a total of 7,620 hours to corporate volunteering.

#### 4.1.1.5. Charitable Activities

Various events and activities have a long-standing presence in CEZ Group's philanthropic endeavors. These include employee grants, breakfasts, and sheltered workshop markets organized for employees, and recycling of clothes and mobile phones to support the employment of people with disabilities.

Breakfast for employees, Easter and Christmas markets include the sale of products and refreshments from social enterprises employing people with disabilities and from sheltered workshops. In 2023, employees contributed more than CZK 1.3 million to these events.

Since 2017, a charity collection of clothes, shoes, and accessories called Wardrobe Draft is regularly organized by CEZ Group at several locations in its operations in Czechia. In 2023, employees donated record nearly 3,214 kg of clothing and footwear which was then distributed to regional charities and clothes banks. In total, over 14,440 kg of clothing has been collected since 2017. In May 2023, employees in Prague were able to participate in a new SWAP event for clothing and household items, which also included an educational lecture on the circular economy and responsible shopping called How to Consume Smartly.

In November 2023, ČEZ, a. s., donated 127 working laptops to Ukrainian schools in Kherson, Cherkasy, Chernihiv, and Chernivtsi regions, which were accumulated as part of regular equipment replacement. All laptops have been thoroughly checked and can serve well for several more years. The laptops were received at the Embassy by the Ukrainian Chargé d'affaires Vitaliy Usatyy and will be delivered to the schools by representatives of the Aid for Ukraine Foundation.

Employees in Prague newly joined the Czech Day Against Cancer collection, where they could support the fight against cancer by buying a yellow marigold flower.

Employees at the Temelín and Dukovany power plants have once again joined the Three Kings Collection, the financial proceeds of which go to people in difficult life situations.

We support medical facilities – two utility vehicles were donated by ČEZ Distribuce to the Thomayer University Hospital. ÚJV Řež provide conference center space for events organized by local communities and municipalities and also organizes public education and cultural events for the public.

Since 2019, employees in Prague can donate blood directly at the workplace. We cooperate with the outreach team of the Central Military Hospital and carry out 3–4 blood donation dates per year. As of 2019, Central Military Hospital medics have already taken over 230 litres of blood.

#### 4.1.1.6. Information Centers

CEZ Group operates nine information centers offering a wide range of excursions and interactive activities. The turnout in 2023 was more than 281,000 visitors. One of the most exciting parts of the excursions is always a close-up view of power plant technologies. Therefore, in addition to the standard offer, we also prepare special tours of our facilities, which are normally inaccessible, for those interested in energy. This year, these include, for example, the hydroelectric power plants Lipno, Les Království or Střekov. In addition to these, visitors could also take part in the very popular holiday tours of the grounds of our Temelín and Dukovany nuclear power plants.

However, nuclear power plants can be seen up close by anyone who visits our "nuclear" information centres. There, we use virtual reality goggles to transport visitors to the most guarded areas in the Czech Republic, including directly to the reactor – ReakTour. Nearly 90,000 people have tried this experience in the infocentres and thousands more at themed fairs and conferences.

In addition to various thematic events such as night tours or children's day, we repeated our summer campaign for children called "A trip like a painting", which, in addition to fun and education, also brought an attractive prize for children: an EDUCational notebook with information about nuclear energy.

Thanks to their high popularity, our online excursions called Virtually at the Power Plant continued in 2023 as well. The tours are available free of charge via MS Teams. The target group consists mainly of schools that take them as a supplement to science subjects, but the general public can also apply. The project has already started in 2020 at a time of pandemic restrictions. The popularity of the project has exceeded initial expectations – by December 2023, more than 120,000 pupils and secondary school students had participated, so ČEZ, a. s., continues to offer it to schools. Participants will take a virtual tour of Czech nuclear power plants and the internal structures of hydro, wind, and photovoltaic power plants, and can also learn more about electricity distribution. In 2023, a new excursion focusing on the Dlouhé stráně hydroelectric power plant has been added to the program and further extensions to the popular project are already in the pipeline.

#### 4.1.1.7. Awards

In 2023, CEZ Group companies were awarded for sustainable business, social responsibility and employee management in the following selected competitions in the Czech Republic and abroad:

##### Czech awards:

- ESG rating 2023 (in the category Large Company): 1<sup>st</sup> place for the parent company ČEZ, a. s. (the award is given by the Association of social responsibility, which compiles the ranking in cooperation with the Prague University of Economics and Business).
- TOP Responsible Company 2023 (in the category Reporting): 1<sup>st</sup> place for the parent company ČEZ, a. s. (awarded by the Business for Society platform).

- TOP Responsible Company 2023 (in the category Large Company): inclusion of the parent company ČEZ, a. s., among the leaders (awarded by the Business for Society platform).
- TOP Responsible Company 2023 (in the category Innovation project): 3<sup>rd</sup> place for the parent company ČEZ, a. s. (awarded by the Business for Society platform).
- TOP Responsible Company 2023 (in the category Diversity and Inclusion project): special jury award for the parent company ČEZ, a. s. (awarded by the Business for Society platform).
- National Quality Award of the Czech Republic 2023: 2<sup>nd</sup> place for ČEZ, a. s. (Nuclear Power Division), in the category Private Sector (awarded by the Quality Council of the Czech Republic).
- Sustainability Ranking 2023 (in the category Strategy): 2<sup>nd</sup> place for the parent company ČEZ, a. s. (awarded by the Confederation of Industry of the Czech Republic and Týdeník Ekonom).
- Sustainability star 2023 (in the category Sustainable Projects of the Year): 2<sup>nd</sup> place for the parent company ČEZ, a. s. (awarded by the Scientific Council and the organizers of the Czech & Slovak Sustainability Summit 2023).
- Nordic Chamber of Commerce Diversity Awards 2023 – the Diversity and Inclusion Unit's We Count on You project won.
- TOP Employers 2023 – a survey conducted among university students. For the fourth time in a row, CEZ Group ranked 1<sup>st</sup> in 3 categories: in the Energy, Gas and Petrochemical category, in the Technician category and in the Clear Choice category.
- Sodexo Employer of the Year 2023 (in the category Large Company with more than 5 thousand employees): 1<sup>st</sup> place for the parent company ČEZ, a. s.
- Sodexo Employer of the Year 2023 (in the category Large Company with up to 5 thousand employees): 5<sup>th</sup> place for the subsidiary ČEZ Distribuce, a. s.
- Most Trustworthy Energy Supplier 2023 in the Most Trustworthy Brands CZ Award (the company holds the title since 2016).
- Donors Summit 2023 organized by the Donor Forum: 2<sup>nd</sup> place for CEZ Foundation in the category Annual Report.
- Czech Top 100 2023 organized by Comenius: 1<sup>st</sup> place for ČEZ, a. s.
- Health Promoting Enterprise (award for companies promoting health at the workplace and caring for the health of their employees above and beyond the law, awarded by the National Institute of Public Health).
- Internet Effectiveness Award 2023: 2<sup>nd</sup> place for the parent company ČEZ, a. s. (the Data Library project).
- Czech Republic of the Future 2023: 1<sup>st</sup> place in 2 categories: CEO of the Year and HR Director of the Year.

**International awards:**

- Reuters Responsible Business Awards 2023 (in the category Reporting and Transparency): victory for the parent company ČEZ, a. s. (awarded by Reuters).
- Environmental Finance Company Awards 2023 (in the category Best Sustainability Reporting in EMEA): 1<sup>st</sup> place for the parent company ČEZ, a. s. (awarded by the professional portal Environmental Finance).
- Environmental Finance Company Awards 2023 (in the category Sustainability Leader of the Year): 1<sup>st</sup> place for the parent company ČEZ, a. s. (awarded by the professional portal Environmental Finance).
- Women in Governance, Risk and Compliance Awards 2023 (in the category Chief Sustainability Officer of the year): victory for the parent company ČEZ, a. s. (awarded by the GRC World Forum).

**4.1.2. Human Rights**

GRI 2-27, 3-3, 406-1, 408-1, 409-1, 411-1

CEZ Group is committed to respecting and upholding human rights in all its operations and business activities. CEZ Group adheres to all relevant legal requirements and obligations and strictly prohibits any form of malpractice, corporal punishment, discrimination, human trafficking, slavery, forced labor, and child labor within its operations. CEZ Group's commitment to corporate responsibility and ethical conduct reflects the national legislation, EU regulations, international treaties, and regulatory rules currently in force and effect. In addition, the recommendations, and practices of professional organizations, including best practices, are incorporated into corporate culture and behavior.

The same respect for human rights is required in the supply chain – CEZ Group suppliers are obliged to maintain the same level of integrity as CEZ Group requires of its own companies and employees, including in relation to third parties. CEZ Group suppliers are required to sign and abide by the Commitment to Ethical Conduct, which includes principles of behavior regarding human rights, labor practices, protection of people and the environment, anti-corruption, and money laundering. CEZ Group reserves the right to monitor and verify that the suppliers follow the rules stipulated in the Commitment mentioned above. To this end, CEZ Group performs audits in its supply chain as part of its compliance management system.

CEZ Group views its human rights due diligence system as an ongoing process aimed at identifying and managing the risks and impacts associated with all phases of its operations (planning, construction, operation, maintenance, and decommissioning of electricity and energy facilities), considering the geographic and social context and characteristics of its supply chain.

CEZ Group participates in the UN Global Compact initiative and follows and respects the Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child, and the core conventions of the International Labour Organisation (ILO). First information on CEZ Group's progress under the UN Global Compact will be presented in 2024.

Historically, Czechia has never been a colonial power and has never conquered or settled in areas inhabited by indigenous peoples. While no official definition of the term indigenous exists, CEZ Group recognizes the United Nations approach, which is based on the fundamental criterion of self-identification. This approach also considers several other factors, such as a strong link to territories and surrounding natural resources; distinct social, economic, or political system; distinct language, culture, and beliefs; and non-dominance in society. Because CEZ Group does not operate in territories with indigenous population, it does not have an Indigenous Peoples Policy. However, CEZ Group recognizes the rights of autochthonous ethnicities, such as Kaszubi, Mazurzy, and Silesians.

Any violation of human rights can and should be reported through a publicly available whistleblowing hotline. For more details on whistleblowing, see Section 5.4.1.9.

## 4.2. CEZ Foundation

### SDG 17

The CEZ Foundation was established in 2002 as one of the first corporate foundations in the Czech Republic. The Foundation operates throughout the country and has made 17,045 contributions totaling almost CZK 3.6 billion.

In 2023, the CEZ Foundation supported 1,725 public benefit projects with CZK 270.97 million in programs that responded to the current needs of society. These included regular grant programs, extraordinary assistance to people affected by the devastating earthquakes in Turkey and Syria, and other activities.

## 4.3. Human Capital

### SDG 8

#### 4.3.1. Responsible Employer

GRI 2-7, 2-30, 3-3, 401-1, 401-2, 401-3, 405-1, G4-EU15

The energy sector has always been dependent on a highly qualified workforce. Given the current ESG impacts, the entire energy industry is undergoing an unprecedented transformation that underscores the need for human capital development and talent management. Without competent and committed employees, we cannot provide a stable and secure supply and innovative solutions to our customers. Our employees are paramount to our success.

To fulfil our vision, we create working conditions that foster employee loyalty and high satisfaction and attract suitable candidates with the right skills. In practice, we promote equal opportunities, stimulate fair treatment and open communication, encourage diversity, offer workplace flexibility, and in some cases enable a better work-life balance. We apply the basic principles of CEZ Group's social policy both in Czechia and abroad. To demonstrate our commitment, we have embedded our approach into the collective agreements, policies (e.g., Diversity & Inclusion Policy), and internal guidelines. For example, in CEZ Group we signed collective agreements valid until 2027, which is quite exceptional given the country (in the Czech Republic) and energy sector standard. In this way, we provide employees with long-term reassurance about their rights, remuneration, and benefits.

The implementation of our ESG strategy requires us to address the implications for employees affected by coal exit. We continue to prepare for the phase-out and associated closure or transformation of our coal production sites, which will have a number of social impacts. We have made a public commitment to provide reassignment, requalification, retraining or compensation to all employees affected by coal exit.

Since 2021, we have managed a parity task force from the HR level that regularly addresses the impact of coal operations closures on employees. This platform brings together management and employee representatives, such as union presidents from the affected sites. The employer and employee representatives discuss concrete plans for the future of employees affected by the coal phase-out based on these priorities:

- to maintain the necessary employment in the affected localities until their closure,
- to employ existing staff in the jobs created by the transformation of the sites, both during construction and during subsequent operation,
- to employ existing employees on the CEZ Group's internal labor market,
- provide a superior social programme for redundant employees.

To meet these priorities, we apply the following:

- measures are set out in the collective agreement (above-standard severance pay),
- specific motivational elements (bonuses, target bonuses),
- retraining of employees,
- specific tools in the recruitment and selection process (applications supporting the internal labor market and internal career days, mobility support),
- outplacement program,
- cooperation with institutions in the region.

As part of our efforts to advance corporate responsibility and remain an employer of choice, we also support the employment of people with disabilities and parents returning from parental leave. In addition, we actively work with the needs of employees in different age groups. In line with European law (GDPR), we do not record employees' race and ethnicity. Ultimately, we want to create an inclusive environment where every employee can develop their full potential and grow professionally.

We provide competitive remuneration with respect to gender neutrality and the principle of equal pay for equal or equivalent work. Depending on the performance of the company, team, and individuals, we adjust salaries accordingly each year. Moreover, we offer our employees a wide range of financial and non-financial benefits and incentives related to:

- welfare (e.g., 37.5-hour workweek, 1 week of vacation in addition to the legal limit, life insurance, pension scheme, loans and leases, meal allowance, life anniversary reward),
- healthcare (e.g., sick days, above-standard health examinations, health days, online healthcare service),
- mental health care (psychological helpline, webinars, individual consultations, psychological first aid, coaching, mentoring),
- social care (e.g., retirement severance pay, increased severance pay, social assistance in cases of emergency),
- other care (e.g., benefits contribution account, childcare, summer day camps, employee events, pay for retraining, pensioners' clubs).

In addition to mandatory social security levies, most CEZ Group companies contribute to voluntary programs of supplementary pension schemes of their employees (this obligation is usually part of collective agreements). The condition for the employer's contribution (usually 3% of the employee's assessment base for pension insurance and social security; the maximum contribution is limited) is a minimum regular contribution from the employee's own resources. Over 60% of CEZ Group employees participate in voluntary programs of supplementary pension schemes.

We see the use of AI in learning and development as a challenge. We are dedicated to educating employees in this area, while testing specific uses in the context of feedback analysis and other learning content.

At the end of 2023, ČEZ, a. s., was awarded the "Strength" classification in knowledge management, specifically for the Expert Technical Group tool, by the World Association of Nuclear Operators (WANO) as part of a Corporate Peer Review Mission. This award confirms CEZ Group's long-term focus on knowledge management, the systematic management and development of employees' knowledge and skills.

CEZ Group has confirmed its reputation as the most desirable employer not only among university students, but also high school and grammar school students. For the fourth time in a row, CEZ Group became the absolute winner of the TOP Employers survey completed by almost 12,000 young people. In addition to the prestigious award, the company dominated two additional categories.

CEZ Group also succeeded in the Sodexo Employer of the Year 2023 competition, which uses PwC methodology focused on human resources indicators. CEZ Group won the main prize in the category of large companies (over 5,000 employees) in Czechia and regionally in Prague. CEZ Group also took third place in the most desired company category among students in Prague.

CEZ Group also regularly verifies the employer's attractiveness and the level of corporate culture through feedback from its current employees. The employee survey was conducted in 2023 by an external survey agency Ipsos. In the basic metrics of employee engagement and the level of recommendation of ČEZ, a. s., as an employer, we are significantly above the average market values and the values of a sample of large companies (over 500 employees) in the Czech Republic.

In the Employee Satisfaction Survey, we measure the value of the Engagement Index, which takes into account the level of satisfaction within 3 basic areas:

- Loyalty, reflecting the pride in working for the company, the plan to stay in the company and the willingness to recommend the company (i.e., Net Promoter Score, which in 2023 had a value of 28 with a response rate of 67%).
- Consistency, reflecting support for the company's strategy and plans and appreciation of the corporate culture.
- Enthusiasm, reflecting the overall job satisfaction, motivation to work and a sense of fulfillment.

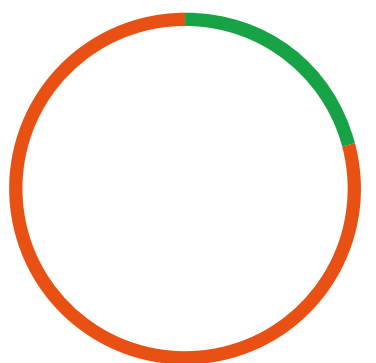
The Engagement Index is an average of the percentage of employee satisfaction in these 3 areas. We track the development of the Index over time and compare it with other companies and the current market situation. This enables us to detect any shortcomings early on and to react to them adequately or to consciously reinforce our strengths.

**Diversity of Employees**

		2021	2022	2023		
Headcount		28,043	28,727	30,552		
By gender	Women	5,751	6,049	6,452		
	Men	22,292	22,678	24,100		
By region	Czechia	22,729	23,929	24,910		
	Germany	3,862	3,171	3,853		
	Poland	873	890	888		
	Other countries	579	737	901		
By age	18–29 years	3,920	3,511	3,692		
	30–49 years	13,375	13,932	14,635		
	50 years and over	10,748	11,284	12,225		
By education	Primary	1,273	1,240	1,646		
	Secondary	18,843	19,068	20,003		
	University	7,927	8,419	8,903		
By employment contract	Fixed term	Women	899	861	938	
		Men	1,959	1,729	2,095	
	Indefinite term	Women	4,834	5,188	5,507	
		Men	20,203	20,949	22,012	
	N/A*	148	N/A	N/A		
By employment contract	Fixed term	Czechia	2,022	2,298	2,653	
		Abroad	Total	833	292	380
			Germany	N/A	169	188
			Poland	N/A	82	118
			Other countries	N/A	41	74
	Indefinite period	Czechia	20,696	21,631	22,257	
		Abroad	Total	4,344	4,506	5,262
			Germany	N/A	3,002	3,665
			Poland	N/A	808	770
			Other countries	N/A	696	827
N/A*	148	N/A	N/A			
By employment type	Full-time	Women	5,343	5,633	5,935	
		Men	21,811	22,329	23,643	
	Part-time	Women	388	432	501	
		Men	353	333	473	
	N/A*	148	N/A	N/A		
By employment type†	Full-time	Czechia	N/A	23,558	24,473	
		Germany	N/A	2,833	3,385	
		Poland	N/A	875	874	
		Other countries	N/A	696	846	
	Part-time	Czechia	N/A	371	437	
		Germany	N/A	338	468	
		Poland	N/A	15	15	
		Other countries	N/A	41*	55	

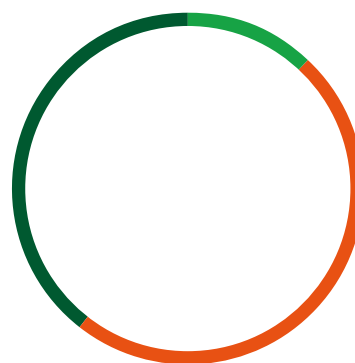
\* N/A = Persons receiving pension in Elevion GmbH, En.plus GmbH, and Hermos AG.

**Diversity of Employees by gender (%)**



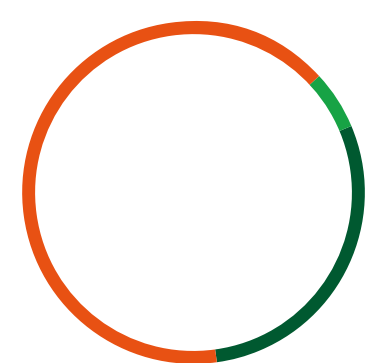
● Women	21
● Men	79

**Diversity of Employees by age (%)**



● 18–29 years	12
● 30–49 years	48
● 50 years and over	40

**Diversity of Employees by education (%)**



● Primary	5.4
● Secondary	65.5
● University	29.1

**Diversity of Governing Bodies**

		2021	2022	2023
Total number		556	525	531
By gender	Women	68	79	77
	Men	488	446	454
By age	18–29 years	2	0	3
	30–49 years	285	261	252
	50 years and over	269	264	276

**Diversity of Managerial Positions**

		2021	2022	2023
Total number		3,038	4,066	4,231
By gender	Women	410	488	523
	Men	2,628	3,578	3,708
By age	18–29 years	N/A	136	154
	30–49 years	N/A	2,157	2,203
	50 years and over	N/A	1,773	1,874

Note: All employees who have at least 1 subordinate are considered managers.

In 2023, 3,775 new colleagues joined CEZ Group, of which about 25% were women. In Czechia, the interest in working for the parent company ČEZ, a. s., grew for the fifth consecutive year. In total, 578 new employees were hired by ČEZ, a. s., of which about one third were employees under 29 years of age.

**New Employee Hires**

		2021	2022	2023	
Total number		2,935	2,889	3,775	
By gender	Women	846	800	940	
	Men	2,089	2,089	2,835	
By age	18–29 years	1,138	973	1,230	
	30–49 years	1,336	1,366	1,893	
	50 years and over	461	550	652	
By region	Czechia	1,991	2,198	2,735	
	Abroad	Total	944	691	1,040
		Germany	N/A	364	656
		Poland	N/A	127	117
		Other countries	N/A	200	267

**Employee Turnover**

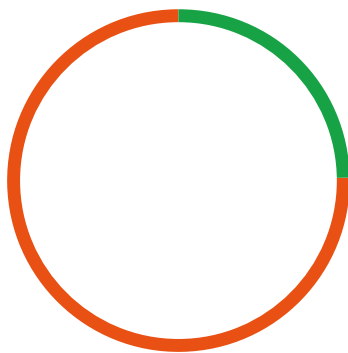
		2021	2022	2023	
Total number		2,883	2,748	2,850	
By gender	Women	721	739	707	
	Men	2,162	2,009	2,143	
By age	18–29 years	647	579	653	
	30–49 years	1,122	1,103	1,209	
	50 years and over	1,114	1,066	1,008	
By region	Czechia	1,939	2,172	2,025	
	Abroad	Total	944	576	825
		Germany	N/A	347	576
		Poland	N/A	110	120
		Other countries	N/A	119	129

**Parental Leave**

		2021	2022	2023
Employees on parental leave	Women	602	573	568
	Men	30	25	24
Employees who returned after parental leave	Women	75	106	124
	Men	24	37	33

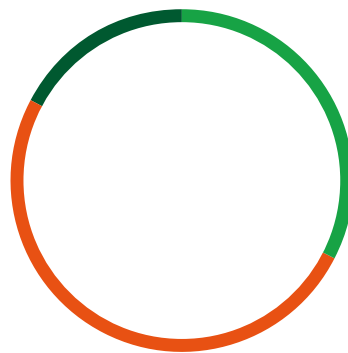


**New Employees Hires by Gender (%)**



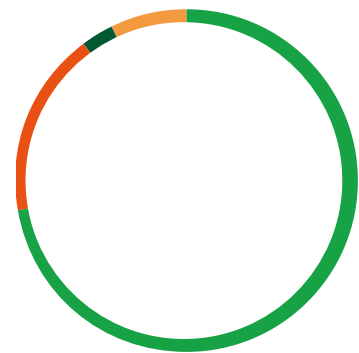
● Women	24.9
● Men	75.1

**New Employees Hires by Age (%)**



● 18-29 years	32.6
● 30-49 years	50.2
● 50 years and over	17.2

**New Employees Hires by Region (%)**



● Czechia	72.4
● Germany	17.4
● Poland	3.1
● Other countries	7.1

Persons with disabilities accounted for approximately 2% of CEZ Group employees in 2023, and their total number reached 583.

In Czechia, some companies with more than 25 employees failed to meet the legal requirement to employ persons with disabilities (at least 4% of the total workforce). However, these companies complied with their duty by:

- purchasing products and services from companies employing persons with disabilities or self-employed persons with disabilities (total compensation from selected subsidiaries of CZK 105.3 million)
- paying a levy to the state budget (total levy of CZK 10.9 million)

**Persons with Disabilities**

		2021	2022	2023
Total number		557	569	583
By gender	Women	N/A	124	129
	Men	N/A	445	454
By age	18-29 years	N/A	21	14
	30-49 years	N/A	180	180
	50 years and over	N/A	368	389

CEZ Group fully respects and upholds fundamental labor rights, such as freedom of assembly and right to collective bargaining, which are guaranteed by our Code of Conduct, international treaties, and Czech Law. We are proud to have outstanding relationships with dozens of trade unions active across CEZ Group. The management communicates with them openly and continuously about its intentions and results. Union representation within large companies of CEZ Group in Czechia is around 33%, and over 50% in Poland. In 2023, there were 57 trade unions in selected CEZ Group companies and the collective bargaining agreements covered 24,716 (81%) of our employees. The management of some CEZ Group companies regularly participates in meetings with trade unions. More information on trade union relations in CEZ Group is available in the CEZ Group 2023 Annual Financial Report.

The European Works Council (EWC) has been operating in CEZ Group since 2007. In 2023, the CEZ EWC members were elected for its fifth term of office. At the same time, the number of members increased year-on-year by 1 representative from Romania, which was already represented in the CEZ EWC once. At the end of 2023, the EWC had a total of 22 members, with 14 members from the Czech Republic, 2 from Poland, 4 from Germany, 1 from Slovakia and 1 from Romania. In the same year, two meetings of the CEZ EWC were held in Prague. The subject of the meetings was mainly related to strategy, economic results, operations on foreign markets, as well as conventional energy, the development of renewable sources and new nuclear sources in the Czech Republic.

Our recruitment strategy relies heavily on personal contact and the transfer of experience directly from our industry experts. This approach mainly targets pupils and students from primary schools to universities. To maintain our competitive advantage and to benefit from the experience of our colleagues, we have created a database of educational podcasts and videos available on the CEZ Group Virtual World website. Together with the svetenergie.cz web portal, Facebook, Instagram and LinkedIn profiles, and other channels, we create an online space for active contact with students and job seekers.

### 4.3.2. Employee Training and Development

GRI 3-3, 404-1, 404-2, 404-3, ESRS G1-3

Training and development are seen in our companies as an investment in the future. The key factor in CEZ Group's success has always been the professional performance of our employees. Training and development contribute to the permanent and systematic development of employees of CEZ Group companies, which is necessary for the long-term safe and effective performance of their current and potential work activities, and boost of productivity. Training and development are defined as one of the essential tools to systematically develop corporate culture.

The expected work behavior of employees, management and strategic management is defined in internal management documentation. Policies and procedures are defined by the work documentation. Training and development are provided to our full and part-time employees.

The continuous evolution of the business determines the need for new technical and expert knowledge and skills. In this context, the central pillars of our training and development strategy are:

- mandatory trainings – legal requirements for employee training and professional expertise for every position,
- programs that promote a culture of knowledge and experience-sharing to ensure safety, employee productivity boost, and intergenerational renewal in the long-term,
- reskilling programs, aimed at acquiring new skills to fill positions or roles different from previous ones,
- upskilling initiatives to optimize performance to meet new requirements,
- lifelong learning to ensure constant updating and competitiveness of our employees and to achieve principles of being a learning organization.

Our training and development strategy includes strategic objectives, needs analysis, evaluation, and progress/performance monitoring (to increase productivity). We use these inputs to analyze development needs to support the setting of optimal training and development priorities:

- Strategic targets and priorities (VISION 2030—Clean Energy of Tomorrow) for CEZ Group and subsidiaries,
- Employee engagement survey results,
- Results of regular evaluation of employees' performance,
- Legal requirements,
- The business unit's needs,
- Development diagnostics results.

We have established a systematic approach to meet legal requirements for employee training and professional expertise, with safety as our top priority. Every employee has an individual mandatory training plan for the given position.

Besides mandatory legal training, we offer a wide range of optional activities that employees can use for their professional and personal development. Employee training and development is available in three categories: for managers, for teams, and for individuals. Our goal is to cover every part of the talent management process.

Based on the results of employee evaluation or development diagnostics, employees pursue their individual development goals and plans. In individual cases, employees can study when they need to expand their knowledge (e.g., an MBA degree) or upgrade skills for their future position or career path (e.g., secondary school, university).

Mandatory training for all CEZ Group employees includes topics linked to:

- legal requirements (e.g., occupational safety, fire protection, information and cyber security, GDPR),
- ISO certification (e.g., environmental protection, energy management),
- internal directives (e.g., Code of Conduct, anti-corruption).
- new hires receive initial mandatory training on their first day of employment and then, like existing employees, periodically after 12–36 months, depending on their workplace conditions. Subsequently, employees receive additional mandatory training depending on the qualification requirements for the specific position and activities the employee performs. Examples of such training include working at heights, working with electrical equipment or welding.

As regards optional training, the development system consists of the following programs:

- personal – aimed at personal and professional skills,
- customized – one-off or long-term; for teams or individuals,
- corporate – for selected employee groups, e.g., talents, successors, women, graduates,
- leadership – aimed at managers to develop a desirable corporate culture.

As part of the on-boarding adaptation process, new employees participate in a one-day training course called Welcome to CEZ Group. Participants learn essential information about basic processes and become better acquainted with CEZ Group's strategy and its operation. New employees then follow an adaptation plan defined by their manager, which focuses on the training needed for their job (e.g., job-specific training, soft or hard skills).

New managers participate in the New Manager program, which consists of at least two courses focused on strategic management and the labor legal minimum and training of key management competencies.

In the case of leadership programs, we pay particular attention to managers starting in a new position. We support managers in their new roles and increase awareness of their rights and responsibilities following the career change. In line with our long-term commitment to have 30% of women in management positions, we promote specific programs focused on women's leadership development.

Other strategically important development activities include:

- retraining and reskilling of employees affected by coal exit,
- diversity and inclusion topics and work-life balance,
- graduate and trainee programs.

#### Employees Receiving Regular Performance and Career Development Reviews (%)

		2021	2022	2023
By gender	Women	100	81	79
	Men	100	73	64
By employee category	Managers	100	88	73
	Rank-and-file	100	71	67

When planning employee training and development, we mostly apply the 70:20:10 model. We strive to provide learning content in a form that matches preferred learning styles while following one of the main trends – making it available here and now or anytime and anywhere.

Model	Form of training/development	Activities
70	On-the-job training	<ul style="list-style-type: none"> <li>completing more challenging tasks</li> <li>participation in projects</li> <li>learning from mistakes</li> <li>deputizing/rotation</li> </ul>
20	Self-development	<ul style="list-style-type: none"> <li>evaluation interview/working with feedback</li> <li>sharing solutions to difficult tasks with others</li> <li>collaboration</li> <li>coaching/mentoring</li> </ul>
10	Formal education	<ul style="list-style-type: none"> <li>face-to-face courses/e-courses</li> <li>workshops</li> <li>seminars/conferences</li> <li>literature</li> </ul>

#### Training Hours and Expenditures per Year

Training hours per year	2021	2022	2023
Total number	879,870	1,208,721	1,326,866
Average hours of training per employee	31.4	42.1	43.4

Training expenditures	2021	2022	2023
Total expenditures (in mil. CZK)	111.2	169.3	264.2
Average expenditures per employee (in CZK)	3,965	5,894	8,648

Evaluation of training and development and measurement of effectiveness is part of our standard. Training activities include structured requests for feedback, which is conducted after training events to monitor and evaluate the effectiveness, success and the need for potential improvement. Other tools we use for evaluating the effectiveness of education include managerial feedback (the manager evaluates effectiveness of selected courses completed by subordinates), 360° feedback, development centers, evaluation of individual development plans and diagnostics in the case of long-term development programs, and regular retrospective evaluation workshops with management. Based on feedback, we adjust or supplement the offer of educational activities and prepare the content of follow-up activities.

For several years now, we have had a stable ratio of about one-fifth of employees eligible to retire within ten years. Given the nature of the energy industry, we know that ten years is not a long time, especially for technical positions. Therefore, we need to manage the generational turnover of staff carefully with an emphasis on knowledge management – talent programs, succession planning, communities of practice, etc.

Through the knowledge management system, we ensure that important expertise and experience are retained. By creating opportunities for effective sharing of knowledge, experience and best practices, and by creating knowledge bases (such as handbooks and knowledge portals), we strive to manage generational change smoothly.

In the last four years, we have significantly increased the number of professional communities. A key element underpinning the work of these expert groups is the professional recognition of the staff involved in the work of the communities. The expert communities address our key specialist topics. These activities deepen our professional relationships with suppliers, regulators, other operators, schools and experts. An important part of this is sharing lessons learned and actions taken in areas specific to our work. At the end of 2023, during the Corporate Peer Review mission carried out by WANO (World Association of Nuclear Operators), the company received the "Strength" classification issued for this strategy in the area of knowledge management.

#### 4.3.2.1. New Learning Management System (LMS)

Under the internal Profik brand, we have successfully implemented the SuccessFactors LMS, which has replaced several outdated systems. This centralization has streamlined our educational processes and enabled:

- Uniform training for the wider public, including suppliers,
- Consistency and quality assurance.,
- New tools and digitalization: using technology for effective and engaging training.

Our next goal is to expand the SuccessFactors system with additional modules, expand our training and development capabilities, and stay ahead of the curve in using technology to develop our employees.

#### 4.3.3. Security Personnel Trained in Human Rights Policies or Procedures

GRI 410-1

Workers providing physical security at CEZ Group premises and facilities (on the basis of contracts concluded under CEZ Group responsibility) receive several mandatory training courses (periodically recurring) in ESG and human rights, which are documented. A code of conduct of companies providing physical security is included in the documentation of physical security at CEZ Group premises. Contracted security services have designated ESG contact points or have established IMS/ ESG Compliance Coordinators.

The training of security personnel providing physical security for CEZ Group facilities (including both nuclear power plants) is carried out on several levels. The general part of the training on ethical conduct is included in the initial e-learning training and explains to the workers, among other things, where to find all the necessary information, including contacts to reach in case of need.

At nuclear power plants, security workers undergo the IMAGE training module, which primarily focuses on ethical and professional conduct during checks carried out as part of the physical security. The mandatory training emphasizes the elimination of any discriminatory behavior and the use of force in the performance of security services. All security guards at nuclear power plants undergo the training once a year.

Verification of compliance with ethical conduct by personnel providing physical security for CEZ Group facilities is subject to a compliance audit.

#### 4.3.4. Training of Suppliers and Contractors

The scope of our training programs also includes training of suppliers/sub-suppliers and contractors/subcontractors. The system of such training is described in the management documentation (e.g., rules of conduct), which sets out the basic requirements for the performance of contractors' activities at the sites of our nuclear, conventional and hydroelectric power plants, or at selected non-production sites.

Employees in our supply chain receive training focused on safety issues at our production sites and selected non-production sites (e.g., health and safety, fire protection environmental management system, emergency preparedness, physical protection, nuclear safety). Their training in information and cyber security is equally important.

The trainings are mainly conducted in the form of attendance and in the area of training for entry into the controlled zone we use the blended form (i.e., the e-learning course is a condition for participation in the follow-up attendance part).

All the training courses end with a final test. Psychodiagnosis is also a prerequisite for performing certain activities or entering certain zones (e.g., nuclear power plants).

Employees of contractors and subcontractors must receive training once a year at nuclear power plants and once every two years at conventional power plants and offsite sites.

At nuclear power plants, we train 100% of contractors' and subcontractors' employees who enter the guarded area, and at conventional power plants, we train contractors' and subcontractors' managers and supervisors (at off-site sites, only supervisors), who are then required to train all other employees before they start their activities.

Employees involved in non-destructive testing and welding are an important part of the system for ensuring the safety and reliability of nuclear installations in the Czech Republic. In order to improve the quality of human performance in the implementation of special processes, a Training and Implementation Centre has been built at the Temelín NPP site with the main task of providing training and skills testing for lower (welders) and higher welding personnel (welding engineers/technologists) and personnel performing non-destructive inspections for the Temelín and Dukovany sites.

In 2023, there was a major change that made educational content more widely available to suppliers. A new learning management system – LMS Profik – was deployed. Thanks to this system, our suppliers can access educational content from the internet and will see a greater proportion of e-learning courses in the next period, especially in mandatory topics.

We see occupational safety training for employees of suppliers and subcontractors as a key element for improving safety at CEZ Group workplaces.

#### 4.3.5. Requalification

In VISION 2030—Clean Energy of Tomorrow, we pledged to be a responsible employer. The implementation of our ESG strategy requires us to address the implications for employees affected by coal exit. We will provide reassignment, retraining, reskilling or compensation to all employees impacted by coal exit.

##### 4.3.5.1. Transition, Retraining, Reskilling, Compensation GRI 404–2

In line with our strategy VISION 2030—Clean Energy of Tomorrow, we will phase out coal gradually. In the past period, we have noticed a number of significant influences on the energy market, which are significantly reflected in the concept of operation of individual locations and the stability of their validity. The changing environment places high demands on the flexibility of the HR tools and measures applied.

As a result of the ongoing military conflict in Ukraine, the activities to meet the objectives of VISION 2030—Clean Energy of Tomorrow have significantly intensified in the area of renewable energy development – the construction of 1.5 GW of RES by 2025 and 6 GW of RES by 2030.

Organizational entities across segments are involved in meeting the objective of preparing and implementing renewable energy sources. Cross-segment integration enhances the professional quality of project preparation from the development phase (opportunities research and project preparation until the building permits are granted) to the operation and maintenance phase.

The renewable projects development is provided by ČEZ Obnovitelné zdroje. The following implementation phase (i.e., detailed design, construction, and commissioning) is the responsibility of the Unit Renewable & Conventional Power Management. The actual operation and maintenance of the newly constructed renewable energy sources will be provided by the newly established Renewable Sources Unit in Technical Department of Renewable & Conventional Power Division. The fulfilment of the set objectives will gradually require increased staff capacities in all participating units.

As of October 1, 2022, the Renewable and Traditional Energy Division established the Renewable Sources business unit. The establishment was necessary due to the unit's indispensable role, especially in the technical specification of projects, building the RES operational control room and setting up the maintenance of the newly constructed RES.

The organizational unit consists of approximately 100 positions across the territory of the Czech Republic, which will be filled gradually. It will be staffed by, among others, existing employees from coal sites with high potential, able to draw on their previous work experience and committed to learning new skills.

We continue to prepare for the phasing-out and related closure or transformation of our coal-fired production sites, which will have a number of social impacts. We are publicly committed to providing reassignment, retraining, reskilling, or compensation to all employees affected by coal exit.

In 2023, we focused our attention on two locations in particular. The next termination of coal operation concerns the Dvůr Králové nad Labem Heating Plant, namely after the end of the 2023/2024 heating season, or as of June 30, 2024. The site will continue to supply heat to its customers thanks to the new sources being completed (2 gas boilers and 1 biomass boiler). The new organizational structure from July 1st, 2024, assumes 22 jobs out of the original 41 positions. The move away from coal has been known in the locality for a long time, and since 2015 measures have been gradually activated to minimize the impact on employees.

Transfers of employees to vacant positions in the Poříčí Power Plant were implemented. We are able to maintain employment until the date of the final change of operators thanks to individual motivational interviews with employees entitled to an old-age pension, coverage of the needs of the operation by former employees on the basis of an agreement to complete a job, training for senior employees to manage the process of change and maintaining motivation associated with meetings with the management of the organizational unit. We pay attention to each employee individually, we have mapped their future professional plans and expectations. In 2023, we provided a professional course program for employees, which was used by 10 employees. As a result of these measures, only 4 employees will leave for the external labor market. They will be subject to the possibility of retraining according to the collective agreement and above-standard severance pay.

The Dětmarovice Power Plant is planned to shut down the operation of coal-fired units after the end of the 2024/2025 heating season. Even in Dětmarovice, employment is maintained at the necessary capacities, mainly thanks to cooperation with the Labour Office, coverage by former employees and elements of financial motivation. We have been cooperating with the Moravskoslezský pakt zaměstnanosti (the employment pact) for a long time in the locality. The interconnected platform of major employers in the Moravian-Silesian Region aims to find the intersection of job vacancies and vacant employees according to the description of professions. Also in Dětmarovice, we have implemented training for senior employees on how to manage the process of change and maintain the necessary motivation among employees. Great emphasis is placed on open and well-timed communication with employees in the locality.

As part of the ASTRA project (transformation of the heating industry in the CEZ Group), the HR stream, we are looking for ways to maximize synergy in ensuring the operation of original and new sources with the aim of maximizing the employment of employees from coal-fired operations.

We will also provide a program of professional courses at the Dětmarovice Power Plant. In 2023, we focused on submitting the course offer to employees and then collecting requirements. We pay attention to each employee individually, we have mapped their future professional plans and expectations. We expect to implement the professional courses with the support of the Just Transition Operational Programme 2021–2027 Education in Companies, which will allow us to receive support of up to 50% of eligible costs. We have also involved our subsidiaries ČEZ Energetické produkty, s.r.o. and MARTIA, a. s. in the offer of educational activities.

We have prepared a Business Transformation Plan for the Dětmarovice location. The closure of coal plants puts nearly 200 jobs at risk. Even after the decommissioning of the coal-fired units, CEZ Group will continue to supply heat to the Bohumín and Orlová areas and electricity to the grid in a new configuration supporting the fulfillment of climate goals. New low-emission heating sources will be built and subsequently operated in the locality by ČEZ Teplárenská, a. s. The construction of new renewable sources with an installed capacity of approximately 1,000 MWp is planned in the territory of North Moravia.

From January 2025 at the latest, a new law on cyber security should come into effect, transposing the European NIS2 Directive into Czech legislation. Jobs can be created across Czech Group locations. By the end of 2030, 108 jobs at ČEZ Distribuce, a. s. are to undergo a generational change, and from 2024 onwards, the company will implement a smart metering project that will bring more new jobs. The total number of vacancies or newly created jobs within the CEZ Group by 2030 in the Moravian-Silesian Region is also about 200.

Our goal is to ensure that the penetration of employees in endangered jobs and occupied positions is as large as possible. The basic assumption that supports this goal is that employees will acquire new qualifications. A total of 113 employees have signed up for the professional course programme at the Dětmarovice Power Plant. Some of the most in-demand courses include:

- Group C driver
- One-Year Course in Electrical Engineering
- Gas Equipment Inspection Technician
- Risk Management Specialist
- Information and cyber security specialist
- Electrical Equipment Inspection Technician

Extended qualification of employees from coal localities will strengthen their competitiveness on the internal and external labor market.

Subsequently, we will also introduce other HR tools to maximize the employment of employees in the internal labor market. We expect to actively work with interested candidates.

Depending on the nature of the organizational change, we discuss and inform the trade union representatives of the details of the changes and the time required to implement them. When deciding on contract termination, we consider the employee's performance, qualifications, and retraining opportunities. Finally, we also offer outplacement services (e.g., workshops, individual follow-up consultations, Helpline) to help affected employees find new jobs.

Upon termination of employment for organizational reasons, we proceed fully in accordance with the collective agreement. We provide severance pay of up to ten times the average monthly earnings depending on the length of employment. In this respect, we go well beyond the severance pay specified in the Labor Code. In the case of termination agreements, we increase the severance pay according to the number of months remaining until the employee becomes eligible for a retirement pension. When both severance payments are combined, we compensate up to 19 times the employee's average monthly earnings.

All affected employees may apply for a retraining course in accordance with the applicable collective agreement. The objective is to encourage new career paths for employees. This way, employees broaden or deepen their professional qualifications and skills needed to find a new job in the labor market, with the costs of up to CZK 40,000 covered by the employer. Employees must apply for retraining before termination of employment. If the retraining occurs during employment, the employee may take time off work with wage compensation equal to average earnings.

### 4.3.6. Cooperation with Schools

We systematically support technical education to address long-term recruitment requirements and generational change. We work closely with schools and universities, partner with them and organize various events (e.g., student programmes, internships) for pupils, students and teachers. In order to support the strategic recruitment of specialized staff for nuclear operations, close cooperation was established with the Secondary Vocational School in Hněvkovice, where the apprenticeship course of welding and piping for nuclear power was opened. For students at technical universities we organize a two-week internship at the Summer University, during which they get to know in detail the operation of a nuclear power plant. We also encourage women to participate, who will make up 15% of the participants in 2023.

At the same time, we also think about primary and secondary school pupils. Since 2015, we have been organizing the Know Why competition for them. Based on the idea of kids teaching kids, we give them the opportunity to showcase physics in practice through short videos, and the top scorers win valuable prizes for themselves and their schools.

Since 2022, we organize a Green Energy Tour for students of partner high schools twice a year, aimed at providing a detailed introduction to CEZ Group's emission-free resources in the Czech Republic.

We also organize the following regular events for high school and college students:

- Nuclear Diploma
- Distribution Diploma
- Energy Diploma
- ESCO Diploma
- A chance for a technician
- CEZ Experience

We operate an educational web portal, World of Energy, which serves as a source of information about energy for children from kindergarten to university students and teachers.

Early recruitment and training of new colleagues are in some cases critical to successfully managing generational change. For example, the training of nuclear power plant operators takes more than two years after the employee is hired. In recent years, the most valuable source of new operators has been recent university graduates, who account for over 80% of all new operators.

#### Employees Eligible to Retire in the Next 10 Years

		2021	2022	2023	
Total number		6,304	6,513	7,184	
By job position	Managers	749	797	875	
	Rank-and-file	5,555	5,716	6,309	
By region*	Czechia	5,581	5,766	6,059	
	Abroad	Total	723	747	1,125
		Germany	N/A	201	766
		Poland	N/A	242	243
		Other countries	N/A	104	116

\* Detailed breakdown for abroad reported for the first time in 2023.

### 4.3.7. Health and Safety

#### 4.3.7.1. Occupational Health and Safety Management System

GRI 3-3, 403-1, 403-2, 403-8; SASB IF-EU-320a.1

All CEZ Group companies have implemented an occupational health and safety management system based on the requirements of national legislation in this area. Selected companies, based on the number of employees, their classification according to the category of work (the impact of work and the working environment on the health of employees) and the severity of the evaluated occupational health and safety risks, have implemented and certified a management system according to ISO 45001, or the national Safe Enterprise program (the certificate is issued by the State Labour Inspection Office on the basis of an audit) or are under the comprehensive supervision of the State Mining Administration. The Dukovany Nuclear Power Plant is a holder of the Safe Enterprise certificate. The certificate was not issued to the Temelín Nuclear Power Plant despite meeting the requirements of the Regional Labour Inspectorate review of the OHS management system in 2023, due to the legitimate reason of the ongoing investigation of the fatal accident at work of two employees dated May 26<sup>th</sup>, 2023.

The OHS management system is implemented in CEZ Group companies in accordance with:

- national legislation including regulations for mining activities
- the ISO 45001 standard or
- the Safe Enterprise national program (follows the ISO 45001 standard, the principles set out in the National Manual for the Implementation of OHS Management System and the ILO OSH-2001 manual, and also meets the requirements of the EU Strategic Framework on OHS)

The Safe Enterprise program was announced by the State Labour Inspection Office, which also carries out screening and issues certificates for companies that have demonstrated compliance with the requirements of this program as part of the audit.

In CEZ Group, OHS is among the five basic principles (see Section 5.4.1.1) and therefore has a major role in the overall company management.



Every year, safety is one of CEZ Group's strategic priorities. The main principles and priorities in the area of security are:

- To continuously implement the Safety and Environmental Protection Policy.
- To meet the requirements of increasing the safety of nuclear power plant operation.
- To increase the safety of the non-nuclear area of CEZ Group's activities in the long term.
- Implement measures resulting from the selected Safety Theme of the Year for individual divisions of ČEZ, a. s., and CEZ Group companies. \*)

\*) The chosen Security Theme of the Year builds on key performance indicators and priorities and is based on a regular security risk assessment.

Health and safety indicator is part of our annual performance indicators. The frequency of employee accidents at work (including fatalities) is included in our management KPIs.

The general objectives and principles announced by the Board of Directors of ČEZ, a. s., as the Safety and Environmental Protection Policy, which the company uses in its management, are as follows:

- We put safety, protection of life and health above other interests.
- We consider safety and environmental protection to be an integral part of our management system.
- Safety and environmental protection are an integral part of the mindset, behavior and work habits of all employees and suppliers.
- In our activities, we place great emphasis on environmental protection, including pollution prevention.
- Compliance with mandatory obligations is a natural part of our activities.
- We constantly improve our environmental management and occupational health and safety management systems.
- We require the same approach to safety and environmental protection from our suppliers.

The Policy is the key document of the Occupational Health and Safety (OHS) Management System and Environmental Management System and is supplemented by related internal documents.

Safety Topic of the Year is annually declared in accordance with the Group's rules and objectives. Individual CEZ Group companies announce their Safety Topic of the Year which is linked to their key performance indicators and priorities and is based on their safety risk assessment.

Every year, we prepare a report on the state of safety, which is presented to the Board of Directors. Based on the report, we implement measures and projects to improve the safety at CEZ Group.

We continuously review our safety weaknesses and strengths, revise emergency plans, and train emergency teams, employees, and other concerned parties. We ensure compliance with relevant legislation: designated departments carry out annual internal audits and risk analyses of the OHS system and regularly communicate safety performance indicators to stakeholders. Based on the audit findings, changes in legislation, and periodic risk assessments, we take preventive measures and update safety guidelines and procedures. We also improve working standards.

We consider an OHS management system to be implemented if it meets the requirements of national legislation.

#### **Coverage of employees covered by the OHS management system:**

We report the data on behalf of employees and on the basis of information provided by CEZ Group companies.

No employees were excluded in the reporting.

Changes in the portfolio of companies belonging to the consolidated unit of the CEZ Group affect year-on-year deviations in the overall coverage of the OHS management system and at the same time the system audited or certified by an external party.

We consider an OHS management system to be an established system that meets the requirements of national legislation. **The number of employees covered by the OHS management system** is therefore the same as the total number of employees, because all CEZ Group companies have implemented an OHS system in accordance with the legal and other regulations in force in the Czech Republic or according to national legislation at the place of business.

**The coverage of the OHS management system, which has been subjected to an internal audit**, in the Czech Republic is based primarily on the so-called "Occupational Health and Safety Management System" safety inspections, which are given by legislative requirements (especially Section 108 of the Labor Code), i.e., all CEZ Group employees operating in the Czech Republic are subject to the OHS management system. In the case of CEZ Group companies operating outside the Czech Republic, the assessment of the coverage of the OHS management system depends on the relevant national legislation.

This coverage can be supplemented by internal audits within the certified system by a third party, but there is also a part of companies that are subject to so-called independent internal evaluation (internal audit, evaluation by the management system department in the CEZ Group, independent audits within the corporate structure, etc.).



The number of employees covered by an OHS management system that has been audited or certified by an external party includes the following standards:

- ISO 45001, certification by accredited certification bodies
- Safe Enterprise 2017 national program, certificate is issued by the State Labor Inspection Office following an audit
- National Legislation in the Field of Mining Activities

In 2023, we achieved the following employee coverage through the OHS management system:

#### Number of Employees Covered by an Audited or Certified OH&S Management System

of which the number of employees covered by the OHS management system	31,023 100%
of which the number of employees covered by the OHS management system that has been internally audited	27,038 87,2%
of which the number of employees covered by an OHS management system that has been audited or certified by an external party	21,624 69,7%

The increase in coverage of employees covered by the OHS management system is a result of the clarification of the interpretation of the requirements of the GRI and SASB standards.

The increase in coverage of employees covered by the OHS management system, which has been subjected to an internal audit, is a result of the clarification of the interpretation of the requirements of the GRI and SASB standards.

The increase in the coverage of employees covered by the OHS management system, which has been audited or certified by an external party, is a consequence of the inclusion of employees from the field of mining activities, which is regularly evaluated in the field of OHS by the Czech Mining Authority (CMA).

We keep a register of OHS risks and continuously evaluate all potential dangers. To identify potential hazards, we use all possible sources of information, including consultations with employees. In the case of work accidents, we perform an ad-hoc OHS risk analysis and put the findings into practice. Risks are identified by professionally competent persons with legally required qualifications.

Individual workplaces are classified into categories that reflect the overall strain level (according to national legislation, factors that affect the quality of working conditions in terms of health are assessed). Working with ionizing radiation is one kind of strain.

According to the Company's Work Rules and other regulations, an employee is entitled to refuse to perform work that he or she reasonably believes poses an immediate and serious threat to his or her life or health, or the life or health of other human persons; such a refusal cannot be considered as a failure on the part of the employee to fulfil his obligations. At the same time, they are obliged to comply with legal regulations relating to the work performed by them, in particular regulations to ensure occupational health and safety, the requirements and principles of nuclear safety and radiation protection (primarily employees ensuring activities in the processes of the company's nuclear activities) and other legal regulations, technical standards, regulations on fire protection, property protection, environmental protection and internal regulations of the employer, with which they have been duly acquainted.

We do not punish for unintentional mistakes and have a blame free culture policy, but we restrict activities and impose penalties for intentional violations.

Investigating events and non-conformities, together with a culture of non-blame, supports the prevention of undesirable actions and ensures the conditions for the safe and efficient performance of our processes and activities.

Identification of OHS events stems from:

- (1) notifications from employees or other persons located in CEZ Group facilities or in the vicinity of CEZ Group installations or facilities,
- (2) information about events obtained through dispatch control, or
- (3) monitoring of technological parameters.

As part of incident management, we have established a procedure for reporting injuries and created tools for unified record keeping. When necessary, the parties involved are informed through an emergency notification. Following national legislation, in specified cases injuries are reported to the Police and the Labor Inspection Office.

Once a work-related incident has been reported, we must establish the cause, circumstances, and other aspects of the incident. Representatives of trade unions are invited without undue delay to help investigate the incident. In addition, other experts (inspection technicians, forensic experts, other managers, etc.) are invited to help investigate and clarify the cause of the incident.

To determine compensation for damages, we must assess the degree of incident fault of the person affected. We proceed in accordance with the Labour Code. The record of assessment and investigation is part of the documents submitted to the insurance company which insured the employer against liability.

We identify and monitor near misses. In 2023, an intensive information campaign and the development of new functions of the information system for easier recording of near misses were launched. The aim of the campaign was to remind employees to think about dangerous situations, know how to prevent them, and share this information with others through their reporting to their manager or through established applications.

A guide through the entire campaign are comics that end with a lesson. During the campaign, educational articles, regular analyses of near misses/injuries, interviews with experts in the field of occupational health and safety were published. As part of the campaign, it is constantly reminded that occupational safety rules do not only apply at work, but it is also right to follow them in private activities.

So far, the 2023 campaign has covered 6 topics in the form of an article and a complementary comic. These printed comics are also displayed at CEZ Group offices. In 2024, the second part of the campaign about near misses will take place, again in the range of six articles and six related comics.

The campaign had an average of 2,500 views per article and comic. The absolute number of near-misses records has increased by 22%, there has been an increase in interest in consultations with representatives of the evaluation department and the development of the management system, and the records are the subject of further expert discussions between safety managers and professionally qualified persons.

With internal communication, it is pre-negotiated that another campaign will be launched around mid-2024, on the topic of alcohol consumption and substance abuse. The issue will be communicated both in the context of labor law and from a personal or family perspective.

#### 4.3.7.2. Occupational Health and Safety

GRI 403-3, 403-4, 403-5, 403-6

In terms of OHS training, new employees complete a mandatory induction training on their first day at work, existing employees every 2 years, and managers every 3 years. During the training, employees learn about the OHS management system, the duties of employees and the employer, other conditions for ensuring OHS and practical examples of accidents resulting in work-related injuries. All employees are trained in first aid.

In the case of suppliers' workers, our OHS training follows the training that must be legally provided by their employer. In nuclear power plants, suppliers' workers are trained in OHS prior to being allowed to enter the nuclear power plant or being appointed to the role of work supervisor/preparer. To extend entry to the facility or appointment to the role of work supervisor, they are periodically trained once a year. During the training, they learn about the specifics of working in nuclear power plants, expected behavior, OHS workplace conditions, and the work management system. In conventional and hydroelectric power plants, suppliers' workers are trained for the role of responsible persons and work managers before starting work and every two years thereafter.

The OHS training rules and the training framework are defined in the training programs by the OHS experts. Training courses are delivered by internal employees with the appropriate expertise (e.g., they are professionally qualified in OHS). For non-Czech speakers, we ensure that the training is interpreted or available in different language versions. Both internal and contractor employees receive OSH training free of charge during working hours.

We collect feedback from the training regarding its content, the applicability of the acquired knowledge in practice, the performance of the lecturer and the organization of the training, and we then work with the outputs as part of a continuous improvement process.

Every employee receives occupational medical examination, the extent and frequency of which depends on the nature of work and legal requirements. We use a network of contracted providers of occupational health services throughout Czechia. The quality of services is set out in the contract. We monitor and evaluate the quality of services based on feedback from employees. For key providers, we have been successful in improving the quality of services. The occupational medical examinations result in a doctor's report containing a decision on the employee's fitness or unfitness for work, which the employer is legally compelled to determine. We do not collect confidential information about the employee's health condition.

Employees working in shifts are enrolled in the Premium Health Care Program. As part of the program, they undergo above-standard medical examinations focused on the prevention of diseases of civilization, and at the same time they receive a health care allowance in the form of an additional contribution to the Cafeteria benefit account intended for their health care (spas, wellness, vacations, sports activities, or can be used for the purchase of medicine, etc.). The employer bears the full cost of this program. Employees receive the results of the above-standard medical examinations exclusively for their own use. In the case of special medical examinations within this program, only the employee receives the results of the examinations, and exclusively for his or her own needs. As part of the evaluation of the effectiveness of the program, we receive an annual report from the providers in the form of statistics, without the personal data of the employees. The security of personal data when handing over to a doctor takes place in a special secure zone on the side of the medical facility where the data is entered. Sensitive data after a medical examination is not communicated to us as an employer at all.

Employees may need vaccinations due to increased risks arising from their work activities, e.g., against tick-borne encephalitis, rabies, and hepatitis. All employees are also offered vaccination against seasonal influenza. All vaccinations are voluntary and free of charge for employees. The company covers the cost and, where possible, provides on-site vaccinations. Employees can receive medical examinations and vaccinations during their working hours. To schedule a medical examination quickly, employees can use an online form on the intranet.

Employees can use a special hotline for information about covid-19. They can also contact an anonymous psychological helpline that was set up during the first covid wave in 2020 and remains in operation. Online presentations on health promotion, first aid, mental wellbeing, anti-stress techniques, and healthy lifestyle are available on the intranet.

Health Days are very popular events among the employees. They take place both face-to-face and online and are organized in cooperation with the health insurance company – Oborová zdravotní pojišťovna as part of prevention programs. During Health Days, we offer employees birthmark checks, physiotherapy consultations, massages by blind masseurs, eyesight tests, body composition measurements, and other health-related services. We also provide webinars on healthy nutrition and lifestyle.

For CEZ Group employees and their family members, we offer unlimited free access to health care via [www.ulekare.cz](http://www.ulekare.cz), which provides an online medical counseling service and doctor appointments. This service is accessible via the website or in a mobile app.

All employees can take two days of paid sick leave per year, 65% of the salary is paid.

With the exception of mandatory statutory medical examinations, all other services for employees are voluntary. Of course, the decision whether an employee will take advantage of the employer's offer has no impact on the employee's further career or any advantage/disadvantage in the performance of work activities and the performance of work tasks.

Worker participation, consultation, and communication on occupational health and safety is ensured through monitoring, measurement, and evaluation processes. Employees evaluate or are evaluated, provide feedback, contribute to the improvement of processes or activities, or confirm they are competent to achieve specified results.

The most used methods are:

- monitoring (reporting)
- measurement (controls)
- self-evaluation
- benchmarking
- internal independent evaluation
- external evaluation

These activities result in outputs called non-conformance or suggestions for improvement. Employees and suppliers can make suggestions on OHS issues via the Staff Inquiry Box or during OHS training.

Trade unions are involved in the discussion of OHS topics, relevant internal documents of CEZ Group companies relating to OHS, and they participate in debates on OHS issues and workplace incident investigations. Trade unions also participate in regular OHS inspections at all CEZ Group workplaces. The inspections are performed by inspection committees composed of employees of CEZ Group companies at their respective workplaces or facilities. The inspection results are presented to the facility management and discussed with an appointed trade union representative.

#### 4.3.7.3. Work-related Injuries and Ill Health

GRI 403-9, 403-10; SASB IF-EU-320a.1

We monitor relevant indicators and rates of work-related injuries. Based on the results, we update the methodology for recording workplace accidents of employees and workers who are not employees but whose work and/or workplace is controlled by the organization, i.e., mainly suppliers (hereinafter referred to as workers who are not employees) to improve OHS.

In case of work-related injuries, the OHS Department conducts an on-site investigation. Upon completion of the investigation, corrective actions are taken, and their effectiveness is subsequently monitored.

To enable better comparisons, we introduced the reporting of the Lost Time Injury Frequency Rate (LTIFR). We issued an internal methodology for data collection and reporting of this parameter including software support and held workshops for data collection and reporting staff.

We monitor workplaces and activities with a high incidence or high risk of specific injuries and illnesses. Primarily, we focus on positions with risk factors related to vibration, noise, radiation, and dust.

In 2023, we recorded the following statistics for work-related injuries:

#### Work-related Injuries

		2021	2022	2023
Hours worked <sup>1</sup>	Employees	44,940,976	44,601,279	49,620,534
Fatalities	Employees	number	1	0
		rate <sup>1</sup>	0.02	0.00
High-consequence injuries <sup>3</sup>	Workers who are not employees	number	1	0
		rate <sup>1</sup>	N/A	0.16
Reported injuries	Employees <sup>4</sup>	number	N/A	580
		rate <sup>1</sup>	N/A	13.00
Injuries with absences of 1 day or more <sup>2</sup>	Workers who are not employees	number	25	60
		rate <sup>1</sup> , (LTIFR)	2.89	3.00
Injuries with absences of more than 3 calendar days	Employees	number	130	130
				199

<sup>1</sup> Frequency calculated per 1,000,000 hours worked.

<sup>2</sup> We have been monitoring the indicator since 2022. The indicator for 2021 was calculated on a pilot basis based on the number of reported injuries with an absence of more than 3 days.

<sup>3</sup> In 2021, work injuries with absences longer than 3 calendar days were monitored.

<sup>4</sup> The increase in the number of injuries with an absence of 1 day or more and thus also in the frequency (LTIFR) was due to the specification of the definitions of reporting for CEZ Group's foreign companies.

In 2023, CEZ Group experienced three fatal injuries to employees and one fatal injury to a supplier. These included work on the construction of a photovoltaic power plant, work on the construction of a hot water pipeline and work on the reconstruction of substation equipment. All accidents were duly investigated and clarified by the company concerned and appropriate measures were taken. The effectiveness of the measures taken will then be verified. The increase in the number of fatal accidents at work compared to previous years resonates very strongly in CEZ Group, and the above-mentioned measures from the affected companies are communicated to all relevant CEZ Group companies as a prevention against the recurrence of similar injuries in the future.

#### Main Types of Work-related Injuries

	2021	2022	2023
Employees	Electricity, fall on a flat surface, leg and arm injuries, tripping, slipping	Leg/arm injuries, bruises, lacerations, cuts, sprains, falls, electricity, tripping, burns	Fall on a flat surface, from a height, into a depth, falling through the cracks, material, loads, objects (falling, bumping, flying away, impacting, crushing)
Workers who are not employees	Electricity, sprained ankle, laceration on head, falls	Leg/arm injuries, bruises, cuts, sprains, electricity, falls	Fall on a flat surface, from a height, into a depth, falling through, electricity

The most common sources of injuries (risks) include:

- Fall on a flat surface, from a height, into a depth, fall through the cracks – 41%
- Material, loads, objects (falling, bumping, flying away, impacting, crushing) – 18%
- Instrument, tool – 10%
- Electricity – 10%

#### Work-related Ill Health

		2021	2022	2023
Fatalities because of ill health	Employees	0	0	0
	Workers who are not employees	0	0	0
Reported cases of ill health	Employees	0	0	7
	Workers who are not employees	0	0	1

#### 4.3.7.4. Nuclear Safety and Emergency Preparedness

GRI G4-DMA; SASB IF-EU-540a.1, IF-EU-540a.2

We operate two nuclear power plants, Dukovany and Temelín, which are the basis of our generation portfolio. Since nuclear safety is one of the most strictly regulated and internationally monitored areas, we:

- keep track of the environmental and human health impacts of nuclear operations
- handle radioactive waste safely using the latest technologies in its treatment and processing
- improve our safety systems and implement best practices and recommendations of nuclear authorities

Both nuclear power plants meet international requirements for safe operation and are subject to periodic safety reviews and regular international reviews by the nuclear authorities.

Both nuclear power plants are holders of the Safe Enterprise certificate, issued by the State Labor Inspection Office following an audit. In the case of the Temelín Nuclear Power Plant, the verification of compliance with the implemented OHS management system Safe Enterprise ČEZ, a. s. – Temelín Nuclear Power Plant was interrupted due to an extraordinary event on 26 May 2023, which resulted in fatal accidents at work for two employees of ČEZ, a. s.

In terms of emergency preparedness, nuclear power plants follow the Internal Emergency Plan for Nuclear Power Plants approved by the State Office for Nuclear Safety (SONS). Additionally, both nuclear power plants adhere to the External Emergency Plan for the Emergency Planning Zone, drafted by the regional Fire Rescue Service (FRS) in cooperation with the power plants and other organizations.

Each nuclear power plant has its own Emergency Control Center, which includes an Emergency Response Team and a Technical Support Center to ensure round-the-clock technical stand-by in the event of an emergency.

We test emergency preparedness annually using unannounced exercises, and we apply various exercise scenarios such as technology failure, radiation accident, and environmental accident. We engage all persons present on the premises during the exercises, including suppliers and their workers. We cooperate with public authorities (SONS, Czech Fire Rescue Service, regional and municipal authorities) and international organizations during the exercises.

Regarding fire protection, each plant has its own Corporate Fire Brigade unit (CFB), which is part of the Czech Integrated Rescue System. If necessary, CFB units may operate off-site under the regional emergency plan. The most important focus of CFBs is prevention.

As part of nuclear safety, we monitor the impact of nuclear operations on the environment and human health. Long-term environmental monitoring programs for nuclear power plants have confirmed that we operate without negative environmental impacts.

We also apply the ALARA (As Low As Reasonably Achievable) principle, which means that exposure or radioactive contamination of employees should be kept as low as possible. The value of the collective effective dose is consistently below the median of the World Association of Nuclear Operators.

Every two years, CEZ Group provides the population in nuclear power plant zones with basic information on what to do in the event of a radiation accident. For example, this information and instructions are part of a practical desk calendar distributed free of charge.

#### Firefighter Callouts from Nuclear Power Plants in Cooperation with the Integrated Rescue System

	2021	2022	2023
Total number	77	84	121

#### Fires at Nuclear Power Plants

	2021	2022	2023
Total number	0	0	1

#### 4.3.7.5. Crisis Communication

In crisis communications, the management proceeds according to applicable legislation, crisis commutation plans, and emergency plans. In CEZ Group, the main crisis communication roles are assigned to the Communication and Marketing Department and the Fire Protection and Crisis Preparedness Department.

The Communication and Marketing Department ensures:

- contact with the media
- internal communication
- communication with local and public authorities and external bodies of the Integrated Rescue System (Czech Fire Rescue Service, Czech Police, Medical Rescue Services)

The Head of the Communication and Marketing Department is a member of the CEZ Crisis Management Board (CMB) and regularly reports to CMB.

In the case of an incident at a nuclear facility, the nuclear power plant emergency committee (NPPEC) is activated, including its designated spokesperson, who handles communication between CEZ Group and external crisis management units. Before the activation of NPPEC, the shift engineer is responsible for early warning of the population in emergency planning zones and informing local authorities and state administration bodies. Upon its activation, NPPEC takes over and carries out these activities.

Communication of nuclear emergencies follows:

- Crisis Management Directive
- Crisis Communication Guidelines
- Emergency Response Instructions

All means of nuclear crisis communication (e.g., guidelines, instructions, plans, databases) are subject to regular quarterly reviews, and technologies used are tested continuously, at least once a week.

We distribute an emergency manual to residents of emergency planning zones of nuclear power plants. We want to ensure that residents have basic information in case of emergencies.

The Distribution Grid Emergency Handbook provides more details related to our crisis management. The Handbook serves as a guide for Emergency Response Teams and municipalities. The Handbook also includes the necessary crisis hotlines, information on our emergency procedures, and tips on how to prepare for and what to do in case of an outage. The public version of the Handbook is available on our website. Before planned outages and during distribution network emergencies, we inform our stakeholders through various communication channels (e.g., spokespersons, websites, hotlines, the online portal [bezstavky.cz](http://bezstavky.cz), SMS/email notification service). We see digitalization as an important aspect of crisis communication and informing the public about planned outages.

**4.3.7.6. Conventional Power Plants Safety**

All our power and heating plants from the Renewable and Conventional Energy Division (i.e., coal, gas, hydro) have an emergency plan required by law. In the emergency plan, the plant’s preparedness for accidents and emergencies is described. The emergency plan is followed by an Emergency Preparedness Plan (EPP), which sets out the procedures for communicating and dealing with an emergency in a specific location.

Pursuant to the Fire Protection Act, the Renewable and Conventional Energy Division has established a corporate fire brigade unit (CFB), which operates at stations in designated plants. The CFB unit is a part of the Integrated Rescue System (IRS) of Czechia. The CFB unit’s organization, competence, and ability to act are organized, methodically managed, and controlled by the Czech Fire Rescue Service (FRS).

The CFB unit training takes place in accordance with legal requirements. The professional competence of all employees assigned to the CFB unit is assessed every five years by the Commission of the Ministry of Internal Affairs of the FRS.

All power and heating plants conduct at least one emergency exercise each year to review the safety procedures in the EPP and the activities of the Emergency Response Team (ERT) and power and heating plant personnel. Further, emergency exercises test the cooperation with external entities (e.g., the FRS, Czech Police, Medical Rescue Services, and relevant state and municipal authorities). The situations simulated in the emergency exercises include fire, explosions, presence of toxic or flammable gases, technological malfunctions, the rescue of people, leakage of hazardous substances, and breach of physical security.

Every two years, conventional power and heating plant employees take an e-learning course on emergency preparedness, while ERT members receive regular in-class training every year.

**Firefighter Callouts from Conventional Power and Heating Plants in Cooperation with the Integrated Rescue System**

	2021	2022	2023
Total number	18	22	2

Note: Data include power and heating plants from the Renewable and Conventional Energy Division of CEZ, a. s.

**Fires at Conventional Power and Heating Plants**

	2021	2022	2023
Total number	1	4	2

Note: Data include power and heating plants from the Renewable and Conventional Energy Division of CEZ, a. s.

## 4.4. Customer Orientation

GRI 103, 416-2, 2-25

### 4.4.1. Approach to Customers

CEZ Group serves customers responsibly and provides comprehensive energy advice and services that can be customized to customers' needs. We offer energy solutions to various individuals and institutions: residential customers, industrial companies, small and medium-sized businesses, municipalities, public and private organizations, hospitals, schools, sports arenas, and companies managing buildings and premises of all types. Our energy solutions reduce energy consumption and improve our customers' quality of life by using advanced technology for electricity and heat generation, lighting comfort, and mobility.

CEZ Group actively participates in discussions on the transformation of the energy market and helps to find the best possible solutions for customers. CEZ Group supports stricter legislation, and we help customers fight unfair practices. We evaluate all our sales and marketing practices on the market to meet the highest standards, and we have been perceived as the most trustworthy brand on the market for many years. In 2023, ČEZ Prodej won the Most Trusted Brand ranking in the energy supplier category for the eighth time. We have also set benchmarks for ensuring that contracts and terms and conditions are as transparent and fair to customers as possible. Our commercial and contractual conditions are transparent and unambiguous. Our employees receive regular training to offer solutions to our customers while maintaining the highest level of service.

CEZ Group invests billions of Czech crowns into distribution system facilities to ensure a safe and reliable electricity supply. In case of an emergency, new advanced elements allow us to locate the point of failure faster and restore supply sooner. The reliability of the electricity supply and the speed of its restoration in case of failure are key indicators of our customers' satisfaction.

In mid-2021, ČEZ Distribuce launched the Cooperating Partners program, which establishes cooperation between inspection technicians and energy companies. The program aims to help customers simplify and speed up the entire administration of inspection reports and reduce the error rate in these reports. Inspection technicians have access to the Distribution Portal to verify the technical data of the point of consumption and can confirm inspection reports online. The interest in the program is significant; ČEZ Distribuce currently cooperates with more than 830 inspection technicians.

#### 4.4.1.1. Access to Basic Services and Programmes for Vulnerable Customers

GRI G4-EU4, G4-EU12; SASB IF-EU-000.C, IF-EU-240a.1, IF-EU-240a.2, IF-EU-240a.3, IF-EU-240a.4 / SDG 7, SDG 10

ČEZ Distribuce is the largest electricity distribution system operator in Czechia. It operates on approximately two thirds of the country's territory, inhabited by about 61.5% of the population (population density of about 127 persons/km<sup>2</sup>). The following table shows the length of above ground and underground lines of the distribution system.

##### Above and Underground Lines (km)

	2021	2022	2023
Length of above and underground lines	167,628	168,533	169,665
o/w high voltage	10,002	9,998	10,020
o/w medium-voltage	51,295	51,462	51,590
o/w low voltage	106,331	107,073	108,055

##### Number of Requests for Connection

	2021	2022	2023
Requests for connection to energy supply	144,688	130,478	108,020
Requests for connection of power generation plants and micro-generators	16,191	70,212	63,069

The massive boost of renewable energy sources and especially photovoltaics brings along greater demands on the capacity of the network and related investments. As of December 31, 2023, ČEZ Distribuce registers requests for connection of generation plants with a capacity of approximately 19.8 GW, of which 68% is already met by signed Future Connection Agreements.

We see the following as important areas for further development with the potential to connect new customers:

- industrial areas around motorways
- urban zones
- areas planned for the construction of an e-car battery factory
- popular tourist locations



To develop the distribution system and ensure access to basic services, we also cooperate with state and local governments. Responsibility for the cooperation lies with a specialized department of ČEZ Distribuce, Public Sector Care, consisting of 11 representatives. In total, there are 4,063 municipalities in the distribution territory of ČEZ Distribuce, and each representative of the specialized department attends on average 130 meetings per year with representatives of state and local governments.

As a result of the deregulated EU electricity market, ČEZ Distribuce disconnects and reconnects customers based on requests from the energy selling companies. The disconnection and reconnection of customers is governed by the applicable legislation and the General Terms and Conditions:

- Decree No. 540/2005 Coll., Decree on the quality of electricity supply and related services in the electricity sector

Disconnection is a measure of last resort; prior, the customer is contacted repeatedly, and possible alternative solutions are suggested (e.g., payment plans).

Indicator	Unit	2021	2022	2023
Average retail electric rate for:	CZK/kWh (excl. VAT)			
(1) residential		1.98	3.02	4.45
(2) commercial		1.82	2.99	4.13
(3) industrial customers		N/A	N/A	4.12
Typical monthly electric bill for residential customers for:	CZK (excl. VAT)			
(1) 500 kWh		2,650	3,550	4,430
(2) 1 000 kWh		3,760	5,070	7,000
of electricity delivered per month				
Number of residential customer electric disconnections for non-payment	Number	7,282	4,231	4,768
of which disconnections:	Number			
(1) 0–2 days		1,300	1,384	2,036
(2) 3–7 days		1,766	1,503	1,255
(3) 8–30 days		2,426	982	1,141
(4) 31–365 days		1,790	362	336
(5) more than 1 year		0	0	0
Percentage of residential customers reconnected within 30 days, ČEZ Distribuce	%	75	91	93

Based on VISION 2030—Clean Energy of Tomorrow, we aim to provide the best energy solutions and the highest quality customer experience. In our business, we do not forget vulnerable customers, such as people with disabilities and the elderly.

Our product portfolio offers a new electricity and gas tariff for people with disabilities. This tariff comes with a lower price and it even enables priority check-in at customer care centers and on the hotline. To sign up for this product, the customer must present a Disabled Person's Pass, either their own or the person with whom they share a household at the given supply point. In 2023, we negotiated over 1,500 contracts for electricity and almost 500 contracts for gas with this product people with disabilities. As of January 26 2024, the product has been arranged at more than 10,000 electricity supply points and almost 3,000 gas supply points. The customer can switch to this product at any time, even during fixation.

In March 2021, we launched a special hotline facilitating communication for the elderly and the hearing impaired.

In case customers run into problems with their energy payments, they can use payment schedules. We provide them without interest and the customer can arrange a payment schedule online, from the comfort of their home. In 2023, 42,864 customers took advantage of the repayment schedule. 45% of them took advantage of the option to arrange a repayment plan online.

Last year, we launched educational program the ČEZ Akademie. The goal of the ČEZ Akademie is to help our customers and the general public realize energy savings and actively manage their energy consumption. Counselling takes place in the form of educational videos, articles on the Internet and social networks. An integral part of the event are roadshows, where we meet customers in person and solve their questions, energy situation and consumption. According to the research, 705,000 people (customers and non-customers of ČEZ Prodej) used the ČEZ Akademie. In total, we have made 39 educational videos and published 47 articles. The ČEZ Akademie continues this year as well.

Another activity is the online portal [www.setrim.cz](http://www.setrim.cz). It has been in operation since 2022. Each user can find out which measures are most suitable for them according to the defined household parameters. Each measure provides users with information about its annual financial effect. This portal reached almost 600 thousand visits during 2023.

Technologies in the field of photovoltaics and heat pumps represent a significant help in saving energy. We provide our customers with advice in this area and prepare turnkey solutions for their needs. In 2023, we installed a total of 3,953 photovoltaic power plants and 800 heat pumps.

In 2023, ČEZ Prodej successfully implemented legislative changes with an impact on customers' energy options, especially in the area of sharing the electricity produced within an apartment building. During the year, the company's employees were involved in discussions about the transformation of the energy market that awaits the market in the near future, as well as discussions about the need for a special approach to vulnerable customers.

The company remains active in consumer protection against unfair practices in the energy market. Efforts were mainly applied to uncovering illegal practices on the market and cultivating the market. ČEZ Prodej informs about such practices on a dedicated website ([www.cez.cz/cs/hedejte-se](http://www.cez.cz/cs/hedejte-se)), where consumers can find advice how to defend themselves.

ČEZ Prodej has a Code of Ethics, which defines transparent and fair conditions for dealing with customers, employees and business partners. Employees are trained in these principles and conditions. The Code is based on the model code of ethics of the Energy Regulatory Office and defines a set of rules and procedures for ethical and professional conduct. The aim is to increase the awareness and protection of employees and customers and to increase the level of services provided.

#### 4.4.1.2. Complaints and Customer Satisfaction

Within ČEZ Prodej customer complaints and claims are dealt with by the Complaints and Special Activities Department. All claims and grievances are objectively investigated, and a written statement is sent to the customer. If deficiencies are found, corrective measures are ensured. Regular meetings of resolvers of claims and grievances with the owners of individual processes take place in order to uncover the root causes of complaints and reduce their number. At all levels of management, there is regular reporting of the complaint and grievance resolution process, including monitoring of repeated claims, and there is a regular customer satisfaction (CX) survey with complaint handling.

At ČEZ Distribuce we regularly look for opportunities to improve the customer experience, not only on the basis of the results of complaints. The Quality of Service and Claims Department, which connects complaint solvers and process methodologies, makes it possible to apply customer suggestions and their dissatisfaction to processes in a very short time and thus improve satisfaction faster. This is also helped by regularly conducted customer satisfaction surveys on selected processes. Owners of each customer journey also identify vulnerabilities that customers may be in and address them.

During 2023, among other things, ČEZ Distribuce regularly offers its customers to perform a self-reading for electricity consumption billing and then report it. At the same time, we encourage customers in various life situations (e.g. change of supplier, change of regulated price) to report their reading. This change is widely welcomed by customers because they have their consumption under control and at the same time it will help them to optimize it, look for opportunities for energy-saving measures and keep an eye on their energy. In addition to digital forms of communication, the EMA voice assistant is also available for customers, which is used by customers reporting self-reading by phone. If the customer does not use this option, the measurement data is determined in an alternative way, by estimation. If the customer subsequently reports the reading in the form of a measurement complaint, we will comply with the consumption correction. Up to 35% of these complaints are resolved within 1 working day so that the electricity supplier can subsequently correct the invoice. Even when dealing with complaints, we show the customer that we care about them.

Customer satisfaction is measured regularly for most customer processes and also for individual channels (customer centers, call centers, MŮJ ČEZ). In the case of negative feedback, measures (process adjustments) are also taken to reduce customer dissatisfaction and thus prevent possible complaints.

#### 4.4.1.3. Implementation of Government Measures to Reduce Impact of High Energy Prices on Customers

In 2023, as part of government measures, a cap on energy prices was introduced, i.e. a price for end customers of CZK 5,000 excluding VAT on electricity and CZK 2,500 excluding VAT on natural gas. Due to the stabilization of prices on the stock exchange, ČEZ Prodej prepared a unique offer for customers with prices fixed above the government ceiling in June. It allowed customers who had their prices fixed above the level of the government-set ceiling for a longer period, and would thus pay high prices from 1 January 2024, to switch to a cheaper product. Customers have been repeatedly contacted through various channels and this option has been actively offered to them. In total, about 120,000 customers out of a total of 155,000 took advantage of the fixation under the government cap by the end of 2023. As of 1 January 2024, the remaining customers who did not take advantage of this option were capped at the price of the government footprint, i.e. CZK 5,000 excluding VAT for electricity and CZK 2,500 excluding VAT for natural gas, so that they would not pay high prices for the commodity component of energy.

#### 4.4.2. Net Promoter Score

CEZ Group has focused on a good relationship with its customers in a long-term. The pro-customer orientation is reflected in VISION 2030—Clean Energy of Tomorrow, where CEZ Group sets the goal to maintain the highest Net Promoter Score among large energy suppliers.

One of the foundations of the relationship with customers is the credibility of the company, which CEZ Group places great emphasis on. In 2023, CEZ Group was named the most trusted supplier among all energy suppliers in the Czech Republic for the eighth time in a row. In the survey, 4,000 respondents evaluated 700 brands in various areas and categories.

##### 4.4.2.1. Customer Experience (CX)

We measure customer experience using the CX parameter that is based on CSAT (customer satisfaction score) and CES (customer effort score) methodology. It is a composite indicator that includes satisfaction with the handling of the request, satisfaction with the staff, and the effort required to handle the request. Only the best mark is counted on a 5-point-scale from very satisfied to very unsatisfied. We want to keep the CX parameter above 85% in the long term. Of the three components of the indicator, we focus the most on minimizing the effort that the customer has to make to resolve his request. The goal is to make resolving requests as easy as possible for customers.

#### 4.4.3. Digitalization

SDG 9

Strategic priorities of CEZ Group include continuous modernization and digitalization of distribution network and digitalization of key customer services. The priorities were announced in VISION 2030—Clean Energy of Tomorrow, and the transformation of the distribution network includes three targets for 2030:

- the use of smart meters (the goal is 80% of power consumption to be covered by smart meters). The smart meter rollout on low-voltage smart meters rollout will commence in 2024. We will cover all customers with consumption over 6 MWh by July 2027.
- remotely measured transformer stations (the goal is 80% of transformer stations to be measured remotely). 25% of stations have been covered by 2023.
- installation of optic fiber networks (the goal is 11,000 km). At present, 6,034 km have been installed.

Our goals were based on and are assessed by benchmarking with other European peer distribution companies.

The aim of the digital transformation of the distribution network is the development of a smart automated grid with increased reliability. The development of the smart grid includes verification projects focused on metering, communication, network automation, and improvements in operational safety and supply reliability. Successfully verified concepts will become a part of implementation projects across the distribution grid. Our first priority is efficient network management and subsequent cost reduction, that is why we implement advanced analytical tools with superdata from intelligent network elements. The new smart grid will enable new connections of decentralized generation. It will also allow the utilization of the capacity of fiber optic networks for telecommunication services.

The second strategic priority is the transformation and digitalization of key customer services. The aim is to streamline processes and, above all, services for customers and partners. By 2025, we want 100% of key customer processes to be online and the share of digital customer interactions to reach 80%. Major projects are planned – transition to SAP 4HANA and connection to the Energy Data Center, which will enable the development of electricity sharing, support for active customers and new business models in the field of aggregation. The ambition of these projects is the application of new procedures and modern IT services supporting the achievement of the company's ambitious goals.

Our company invests systemically into digitalization and automation. We focus on new digital channels and simplify customer journeys. An example is the implementation of a mobile application. We regularly evaluate customer experience against benchmarks and focus on monitoring digital interaction with customers. In 2023, we serve the majority of customers digitally in all segments, with the share of digital customer interactions exceeding 62%. The use of the mobile application and distribution portal is growing significantly.

ČEZ Prodej is also digitizing internal and customer processes.

In 2023, the number of customers with an online account exceeded the 60% mark. The proportion of selected customer requests resolved online reached 40%. In June, we successfully launched a new mobile application, Můj ČEZ, which is already used by 300,000 of our customers. We have deployed new features online, such as product change and prolongation, interactive electricity and gas billing, and the improved ČEZ Heating Service. We focus on digitization and redesign of acquisition processes. We are expanding the possibilities of online management of non-commodity services and technologies in the portal and application.

#### 4.4.4. Ombudsman

CEZ Group established the Office of the Ombudsman in October 2009 as one of the first energy companies in Europe and the first one in Czechia. The ombudsman reports directly to the Board of Directors and is completely independent of CEZ Group subsidiaries. The ombudsman's tasks include investigations of customer claims, assessments of customer suggestions for improvement of services provided by CEZ Group, and proposals of systemic changes to individual CEZ Group companies. As an independent body, the ombudsman also considers each case based on the customer's individual circumstances and potential hardship. Since the establishment of the ombudsman office, 10,317 claims have been processed.

The ombudsman investigates suggestions from customers who are not satisfied with the settlement of their complaint or claim previously filed with one of the CEZ Group companies. This incentive may concern, for example, invoicing of electricity or gas consumption, invoicing of mobile or financial services, metering of electricity consumption, services provided, distribution equipment, quality of electricity supplied, behavior and attitude of employees, etc. These individual activities are provided by CEZ Group companies or their suppliers.

In the event that the matter was not first dealt with as a complaint or claim within the standard procedures of CEZ Group companies, the ombudsman does not investigate such submissions. He/ she forwards them to the relevant company in whose competence the case belongs and informs the submitter of such a step.

The ombudsman investigates the submission independently of the previous conclusions and consistently maintains neutrality towards customers on the one hand and CEZ Group companies on the other. As a matter of principle, the investigation of submissions is based on indisputable facts relating to the given case, protocols, records, contractual relations, legal provisions, documentation of CEZ Group companies, and related circumstances.

The ombudsman submits proposals for systemic measures to the affected CEZ Group companies that should improve the activities of the companies in relation to their customers. Proposals are submitted on an ongoing basis and the relevant companies inform the CEZ Group Ombudsman about their acceptance or non-acceptance.

More information about the ombudsman, including annual reports, can be found on the following website: <https://www.cez.cz/cs/o-cez/odpovedna-firma/energie-pro-budoucnost/prinaset-uzitecna-reseni-zakaznikum/ombudsman>

In 2023, the CEZ Group ombudsman received 815 notifications from customers: 804 submissions and 11 suggestions for improvement. The ombudsman assessed 46 complaints as legitimate. In 28 cases, the customers' claims were recognized as legitimate by concerned companies from CEZ Group. In 18 cases, the ombudsman applied a specific approach for the customer's benefit, namely exercising the right to apply for an exception in the case of a customer in a difficult life situation even if the claim is not justified. In October 2024, it will be 15 years since ČEZ, a. s., was the first in the Czech Republic to introduce the institution of the Office of the ombudsman.





# judiciously

CEZ Group adheres to strict ethical standards, which include responsible behavior toward employees, society, and the environment. A commitment to responsible behavior is key for us. We believe that providing equal opportunities and promoting diversity and inclusion are natural ways to do innovative and sustainable business. We treat all employees equally, regardless of position, when it comes to their rights and dignity.

# 5

# Governance >



	<p>CEZ Group has fulfilled its commitment to be among the top 20% of energy companies in the ESG rating for 2023.</p>		<p>CEZ Group became a signatory to the UN's Global Women's Empowerment Principles (WEPs) initiative. As a member of this initiative, CEZ Group is committed to strengthening diversity, equal opportunities and fair treatment of women in accordance with the principles set by the United Nations.</p>
<p>CEZ Group is the first in the Czech Republic to close a loan tied to an ESG rating.</p>		<p>CEZ Group received offers from bidders for the construction of a new nuclear power plant in Dukovany.</p>	
	<p>CEZ Group had zero incidents of corruption and bribery.</p>		<p>CEZ Group received a special jury award from Business for Society, the largest platform for sustainable business in the Czech Republic, for the category Diversity and Inclusion.</p>
<p>CEZ Group received the Health Promoting Enterprise award from the National Institute of Public Health (an award for companies promoting health at the workplace and caring for the health of their employees above and beyond the law).</p>		<p>ČEZ, a. s., carried out more than 1,000 compliance checks of suppliers and business partners in 2023. Due diligence is a mandatory part of procurement, acquisitions, and also divestment processes for potentially high-risk business cases.</p>	
	<p>CEZ Group succeeded in the international Environmental Finance Company Awards 2023, in the category Best Sustainability Reporting in EMEA and Sustainability Leader of the Year 2023.</p>		<p>CEZ Group was the first company in the Czech Republic to win in the international competition Reuters – Responsible Business Awards 2023 in the Reporting and Transparency category for its Interactive Data Library.</p>



## 5.1. CEZ Group Corporate Governance

### 5.1.1. Governance Bodies

GRI 2-14, 2-16 / SDG 16

ČEZ, a. s., uses a two-tier system of governance: the Supervisory Board is a body that supervises the exercise of the powers of the Board of Directors, who are responsible for the management of the company. The following chart describes the flow of information among the governance bodies.



**Fig. 3: Flow of Information among the Governance Bodies**

The Supervisory Board periodically reviews performance of the Board of Directors and approves remuneration based on evaluation of KPIs, including environmental and climate-related KPIs. Each Member of the Board of Directors has a specific KPI linked to ESG incorporated among the top 5 KPIs, which are assessed annually. The Supervisory Board also sets and evaluates performance indicators related to the variable remuneration of the Members of the Board of Directors. Thus, the Supervisory Board also fulfills its role of the Remuneration Committee.

The Board of Directors shares joint responsibility for sustainability matters and oversees the area of ESG including climate-related issues. The Board of Directors of ČEZ, a. s., approves CEZ Group's Sustainability Strategy as well as CEZ Group's Sustainability Report. On a monthly basis, the Chief Executive Officer (CEO) and the Chairman of the Board of Directors informs the Supervisory Board about ESG agenda, which includes climate-related risks. The Board of Directors and Board committees are informed specifically about climate-related risks at least quarterly, and the Board of Directors is informed periodically about the environmental profile of the generation portfolio.

Annually, as part of the Environmental Management System review, the Board of Directors is informed about the environmental profile of the generation portfolio. We assess both environmental performance indicators and environmental targets achieved. CEZ Group tracks both absolute quantities and quantities relative to the volume of electricity and heat generated. Monitoring and measurement records and environmental and climate impact records are also subject to review as part of internal and external audits and reported to the Audit Committee.

CEZ Group reports EU taxonomy key performance indicators in line with Taxonomy Regulation 2020/852 and associated delegated acts. We report the eligibility and alignment of economic activities and major investments contributing to climate change mitigation goal. We report Operating Revenues, CAPEX<sub>t</sub> and OPEX<sub>t</sub> KPIs.

ČEZ, a.s., governance bodies are described in detail in the CEZ Group 2023 Annual Financial Report (pp. 31–54).

**5.1.1.1. Independence of Governance Bodies**

Company Shares of ČEZ, a. s., adhere to the Best Practice 2021 of the Warsaw Stock Exchange (GPW), which defines the principles of corporate governance for GPW-listed companies. According to Article 2.3., the Supervisory Board is deemed independent if at least two members of the Supervisory Board meet the independence criteria and have no real and significant relationships with shareholders holding at least 5% of the total votes in the company.

All members of the Supervisory Board sign an Affidavit on compliance listing the criteria for independence of a member of the Supervisory Board. The content of the Affidavit is in line with Commission Recommendation 2005/162/EC of February 15, 2005. They either confirm their complete independence or indicate why they cannot be deemed independent. As of December 31, 2023, six out of eleven members of the Supervisory Board were independent, including Radim Jirout, the Chairman of the Supervisory Board. Four members were not independent because they were employees of ČEZ, a. s. One member was an employee of the majority shareholder. The Supervisory Board submits a report to the annual Shareholders' Meeting, which includes information on their independence.

For the current composition of the Supervisory Board, see our website, CEZ Group Corporate Governance | Sustainability in CEZ Group.

**5.1.2. Sustainability Governance and ESG Management**

GRI 2–9, 2–12, 2–13, 2–17, 2–18, 2–19, 2–20

CEZ Group is committed to transparent and effective sustainability and ESG governance. The ESG Office is led by the Chief Sustainability Officer (CSO), Michaela Chaloupková, member of the Board of Directors and Chief of the Administration Division. The CSO and the CEO Daniel Beneš are both sustainability leaders in CEZ Group. ESG Office is responsible for everyday sustainability agenda, non-financial reporting, coordination of ESG initiatives, and management of ESG working groups.

**ESG Management Uses the Centralized–coordination–decentralized–Implementation Model.**



**Fig. 4: ESG Management Model**

At the end of October 2023, an organizational change took place whereby the ESG Office moved from the CEO Division to the Administration Division. In addition to this transfer, in 2024 the management of ESG in CEZ Group will be revised and individual committees and management documentation will be updated.

**5.1.2.1. ESG Strategic Steering Committee (SSC)**

The SSC is the highest level of ESG management. The rights and responsibilities of the SSC are set out in the ESG Strategic Steering Committee Charter. The SSC determines CEZ Group's sustainability strategy and monitors the progress of ESG initiatives and working groups. The SSC also monitors the fulfilment of targets set in VISION 2030—Clean Energy of Tomorrow. The ESG Sponsor and the Chairman of the SSC is the CEO and Chairman of the Board of Directors, Daniel Beneš. The ESG Executive Sponsor and the Vice-Chairwoman of the SSC is the CSO, Michaela Chaloupková, member of the Board of Directors and Chief of the Administration Division. Other members of the SSC are the members of the Board of Directors, the Strategy Director, the Communication and Marketing Director, the Legal Affairs Director, and the Audit and Compliance Director.

### 5.1.2.2. ESG Executive Steering Committee (ESC)

The ESC is the managerial and operational level of governance and coordination of the ESG agenda. The Chairwoman of the ESC is the CSO, Michaela Chaloupková, member of the Board of Directors and Chief of the Administration Division. Its members are representatives of all Divisions and key departments in terms of ESG management.

### 5.1.2.3. ESG Initiatives

ESG Initiatives are projects led by teams managed within one division to implement ESG objectives approved by the SSC across CEZ Group. The ESG Initiatives are headed by managers appointed by the Initiative sponsors.

### 5.1.2.4. ESG Working Groups

ESG Working Groups are cross-divisional management teams that implement ESG objectives approved by the SSC across CEZ Group. The ESG Working Groups are headed by leaders appointed by the Chairperson of the ESC.

### 5.1.2.5. ESG Education

CEZ Group is committed to the highest quality of sustainable management. Each member of the Board of Directors, the CSO, and other top management have received ESG-related certifications. The programs are offered by higher education institutions in the United States of America and Czechia:

- Berkeley Law: ESG: Navigating the Board’s Role
- Berkeley Law: Sustainable Capitalism & ESG
- Diligent Institute: Diligent Climate Leadership Certification
- Prague University of Economics and Business: Academy of Corporate Sustainability Management

### 5.1.2.6. Policy Matrix

CEZ Group developed a policy matrix to strengthen the managerial responsibility for ESG issues. The matrix illustrates both board-level oversight and executive managerial responsibility for each area. Responsibilities are linked to designated positions regardless of the individuals holding them. Currently, we are systematically reviewing all policies under the Policy Matrix ESG Initiative, which will expand the matrix with specific measures and targets.

#### Board Level Oversight

Sustainable strategy oversight	Pillar oversight	Policy	Policy oversight
CEO	E Chief of Renewable and Traditional Energy Division	Emissions & Waste	Chief of the Renewable and Traditional Energy Division, Chief of the Nuclear Energy Division
		Water Stress & Water Use	Chief of the Renewable and Traditional Energy Division, Chief of the Nuclear Energy Division
		Climate-Related Issues	Chief of the Renewable and Traditional Energy Division, Chief of the Nuclear Energy Division, CEO
		Climate-Related Issues: Suppliers	Chief of the Renewable and Traditional Energy Division, Chief of the Administration Division*
		Environmental Risks	Chief of the Finance Division
		Biodiversity	Chief of the Renewable and Traditional Energy Division
		Site Closure	Chief of the Sales and Strategy Division
		Renewable Energy	Chief of the Renewable and Traditional Energy Division
	S Chief of the Administration Division	Community Engagement	CEO
		Health & Safety	CEO
		Human Capital	Chief of the Administration Division
		Human Rights	Chief of the Administration Division
		Diversity	Chief of the Administration Division
		Customer Engagement	Chief of the Sales and Strategy Division
		Purchasing Practices	Chief of the Administration Division*
	G CEO	Public Engagement (lobbying)	CEO
		Remuneration, Clawback & Malus	Chief of the Administration Division
		Business Ethics	CEO
		Whistleblower	CEO
		Bribery and Anti-Corruption	CEO, Chief of the Administration Division*
Anti-Corruption: Suppliers		Chief of the Administration Division*	
Anti-Money Laundering		Chief of the Finance Division	
Cybersecurity	CEO		
Business Travel	Chief of the Administration Division		

\* The policy falls under the responsibility of the CEO of ČEZ, a. s., but it is supervised by the Director of the Administration Division.

## Managerial Oversight

Policy	Division	Manager	Coordination (ESG Office)	ESG oversight		
Emissions & Waste	Renewable and Traditional Energy	Head of Generation and Operation	ESG specialist for environmental			
	Nuclear Energy	Head of Safety				
Water Stress & Water Use	Renewable and Traditional Energy	Head of Generation and Operation				
	Nuclear Energy	Head of Safety				
Climate-Related Issues	Renewable and Traditional Energy	Head of Generation and Operation				
	Nuclear Energy	Head of Safety				
Climate-Related Issues: Suppliers	Renewable and Traditional Energy	Head of Technical Management				
	CEO	Head of Procurement for Generation				
Environmental Risks	Finance	Head of Risk Management				
Biodiversity	Renewable and Traditional Energy	Chairman of the BoD of Severočeské doly				
Site Closure	Sales and Strategy	Strategy Director				
Renewable Energy	Renewable and Traditional Energy	CEO of ČEZ Obnovitelné zdroje				
Community Engagement	CEO	Head of Public Affairs			ESG specialist for social	CSO
Health & Safety	CEO	Head of Management System				
Human Capital	Administration	Head of HR				
Human Rights	Administration	Head of HR				
Diversity	Administration	Manager of Diversity and Inclusion				
Customer Engagement	Sales and Strategy	CEO ČEZ Prodej	ESG specialist for governance			
Purchasing Practices	CEO	Head of Procurement				
Public Engagement (lobbying)	CEO	Head of Public Affairs				
Remuneration, Clawback & Malus	Administration	Head of HR				
	CEO	Head of Audit and Compliance				
Business Ethics	CEO	Head of Audit and Compliance				
Whistleblower	CEO	Head of Audit and Compliance				
Bribery and Anti-Corruption	CEO	Head of Procurement for Generation				
	CEO	Head of Procurement				
	CEO	Head of Audit and Compliance				
Anti-Corruption: Suppliers	CEO	Head of Procurement for Generation				
	CEO	Head of Procurement				
Anti-Money Laundering	Finance	Head of Accounting				
Cybersecurity	CEO	Head of CEZ Group Security				
Business Travel	Administration	Head of HR				

### 5.1.2.7. Remuneration Policy

The Remuneration Policy clearly and transparently defines all fixed and variable remuneration components of the Board of Directors and Supervisory Board members. Remuneration is based on the Say-on-Pay principle: shareholders can comment on the remuneration policy through voting at the Shareholders' Meeting. The Remuneration Policy specifies any bonuses, other benefits, maluses, a clawback provision, conditions for office termination, severance pay, and a non-competition clause. It also defines key financial and non-financial performance indicators. Each year, the Board of Directors submits a public Remuneration Report of ČEZ, a. s., to the Shareholders' Meeting for approval.

The Supervisory Board defines and evaluates performance indicators related to any variable component of remuneration of members of the Board of Directors. Each Member of the Board of Directors has a specific KPI linked to ESG incorporated among the top 5 KPIs, which are assessed annually. All Board members individually have a unified ESG task with a weight of at least 15% for 2023. This task requires reaching a target level of international ESG rating of ČEZ, a. s., fulfilling our public commitments, implementing ESG initiatives, and taking measures in line with the accelerated strategy of VISION 2030. Thus, the Supervisory Board also fulfills its role of the Remuneration Committee.

## 5.2. Climate Risk Management and TCFD

GRI 3–3, 201–2; SASB IF–EU–110a.3 / SDG 13

CEZ Group recognizes that climate change poses serious risks to business and society. We are committed to mitigating and adapting to climate change. To operate sustainably, ethically and transparently, we must address climate-related risks and opportunities as part of our strategy.

In accordance with the TCFD, we apply the principle of double materiality to climate risks – we monitor (1) the impact of climate-related physical risks (i.e., floods, fires, earthquakes, landslides, lightning strikes, storms, and tornados) on our facilities; and (2) the effects of our business on the environment and the climate. The effects are categorized as follows:

- Critical: material and irreversible impact on the environment and climate
- High: material impact with a long-term return to the original state
- Medium: impact with a mid-term return to the original state
- Low: immaterial impact with a low-cost short-term return to the original state

We recognize that climate-related risks are overarching, as they can trigger other types of risks (reputational, operational, financial). They can also jeopardize stakeholder relationships. We monitor the development of legislation, initiatives and trends and minimize transition risks.

In the spring of 2023, we published the first stand-alone TCFD report, available here, based on the TCFD recommendations and following the recommended structure.

### 5.2.1. Transition Risks

#### Legal and Political Risk

CEZ Group operates emission sources and is subject to legal and regulatory risks. CEZ Group has been reducing this risk for a long time and already has a significant share of emission-free sources in its generation portfolio, and this share will continue to increase with the development of new renewable sources. At the CEZ Group level, our emission-free generation capacities allow us to offset the negative impact of carbon prices on operating coal-fired power plants by linking the price of the allowance to the market price of electricity. Long-term price risk is expected to decrease around 2035 following the successful implementation of the strategy VISION 2030—Clean Energy of Tomorrow. From a political and legal perspective, coal assets are also at higher risk of direct regulatory intervention (e.g., ordered decommissioning) and may be associated with potential reputational risk. These risks are actively managed and mitigated: future coal decommissioning and replacement of existing coal-fired locations with renewable or low-carbon assets are already included in the CEZ Group's VISION 2030—Clean Energy of Tomorrow strategy.

#### Technological risks

For CEZ Group, technological risk is associated with the transition to low-carbon technologies. Its potential impact is considered to be moderate, due to the already planned phase-out of coal-fired sources and the preparation of new gas-fired projects for the future transition to low-carbon fuels. CEZ Group invests significantly in technologies that are considered neutral or environmentally positive according to the EU taxonomy. This means renewable energy, smart grids and nuclear energy. In 2023, the share of sustainable investments reached 67.3%. Investments in coal mining and coal energy accounted for only 12.9% of total investments in 2023 and are only maintenance investments to ensure operations until the shutdown of these facilities.

#### Market risks

Short-term factors affecting electricity prices and volumes include onshore and offshore wind conditions, temperature, emissions allowance prices, fuel prices, economic developments and the import and export situation. These define the potential risks associated with the market. Market risks are assessed as part of CEZ Group's enterprise-wide risk assessment process.

## Reputational risks

To manage and mitigate reputational risk, CEZ Group actively discloses corporate ESG data and increases the quality and scope of non-financial reporting. The CEZ Group is regularly assessed by selected corporate rating providers and communicates openly and transparently with internal and external stakeholders. Decarbonization ambitions have been validated in line with SBTi for both short and long term targets.

## Financial representation of transition risks for 2023

In 2023, the impairment testing of the carrying value of assets resulted in an impairment of approximately CZK 5 billion of tangible and intangible fixed assets at the coal mines due to changes in market assumptions (notably a decline in the clean spread and a reduction in the price of natural gas) leading to a reduction in expected demand for lignite. The projection and impairment test takes into account the expected life of the asset until 2030.

The book value of the emission rights for own use (emission allowances) used for settlement with the EU ETS registry was CZK 20.1 billion (CZK 9.55 billion in 2022). This corresponds to 7.9% of the Group's operating costs in 2023.

The impact of financial risks related to the price of emission allowances and other aspects can be found in CEZ Group's Annual Financial Report 2023 – notes to the consolidated financial statement.

## 5.2.2. Physical Risks

In line with best practice, we use scenario analysis and state-of-the-art climate modelling results based on the science and available scientific consensus on climate change. We review the latest scientific evidence and evaluate climate scenarios to build our strategic resilience in the short, middle, and long terms.

In 2022, CEZ Group analyzed the most important energy facilities in the CEZ Group covering 98% of Scope 1 and 2 emissions under 3 variant climate change scenarios RCP2.6–RCP8.5, based on the main types of physical risks. The assessment was carried out by CEZ Group with S&P Global and was based on global climate models. Based on this assessment, CEZ Group found that there are no significant differences in risk assessment across emission scenarios until the 2050 horizon.

### Assessment of Climate Physical Risks according to Scenarios RCP2.6/RCP4.5/RCP8.5

Scenario:	Cumulative impact of climate risks on CEZ Group		
	RCP2.6	RCP4.5	RCP8.5
Total risk*	52/100	53/100	49/100
Total risk without cold waves	30/100	32/100	29/100

\* Risks assessed: water stress, floods, heat waves, cold waves, hurricane, forest fires, sea level rise. Water stress, heat waves were identified as significant risks.

Based on this knowledge and experience, we used a detailed assessment of more than 1,000 CEZ Group sites against the RCP4.5 scenario (a probable and realistic climate scenario with an average warming of 2.5–3°C by 2100) for the 2023 analysis.

CEZ Group carried out this assessment in cooperation with the CRIF platform across economic activities to cover the entire portfolio of companies and the range of business activities in the CEZ Group<sup>4</sup>. The assessment included 17 types of physical risks, both acute and chronic, and thus fully integrated the expectations of the EU taxonomy vulnerability assessment. Only flood risk is a significant risk assessed.

### Synthetic Climate Risk Assessment of CEZ Group Locations according to RCP4.5

Categories of locations	Synthetic risk	Chronic risks	Acute risks
No risk/low risk	90.3%	99.8%	88.2%
At risk*	9.7%	0.2%	11.9%
Managed risk	9.5%		
Unmanaged risk	0.2%		

\* ESRS defines the categories of gross risk (category At risk, before considering adaptation actions), net risk (category Unmanaged risk) within climate risks.

We consider floods, as well as windstorms, heat waves and cold waves, to be significant in terms of exposure to climate-related physical risks in the 2022 and 2023 assessments. Based on regional climate modeling, exposure assessments, the context of the affected operations, the type of business activities, and the risk management processes at the locations, the net climate risk (unmanaged risk after consideration of adaptation actions) for CEZ Group is low.

At the level of the specific generation technology, the specific risks are at worst medium, in the case of deviations in generation that are standardly managed within operational risks (related, for example, to the variation of hydrological conditions to the operation of hydroelectric power plants). Based on the results of the modelling, the nuclear power plants are not subject to significant climate risks and are designed and managed to ensure the highest possible level of protection and their resilience is strengthened in accordance with best practices. Where flood risk is identified on selected grid elements, resilience enhancement and extension of flood plans are implemented.

In the context of the requirements under the CSRD–ESRS and the financial expression of potential climate risk, we present for 2023 the estimated metric – revenue for companies and activities that are included in the "At Risk" and "Unmanaged Risk" categories.

### Share of Revenues Affected by Potential Climate Risk in 2023

Categories	% of CEZ Group sales
At risk	3.8%
Unmanaged risk*	1.7%

\* Note: The category "Unmanaged risk" includes activities for which insufficient information was provided in the 2023 assessment. They are included here as a precaution.

<sup>4</sup> 65 registered categories of economic activities across 31 NACE categories



### 5.2.3. TCFD and Climate-related Milestones

#### 2021

- CEZ Group adopts accelerated decarbonization strategy VISION 2030—Clean Energy of Tomorrow and makes ESG an integral part of everyday business.
- CEZ Group sets ambitious targets to increase our renewable energy capacity.
- CEZ Group assigns responsibility for climate-related risks at the Board and executive levels.
- CEZ Group becomes an official TCFD supporter in November.
- The coal site Energotrans III (500 MW) in Mělník closes its production.

#### 2022

- CEZ Group issues first sustainability-linked bonds with commitment to reach GHG emission intensity target 0.26 tCO<sub>2</sub>e/MWh in 2025.
- The SBTi validates our near-term 2030 target in line with well below 2°C.
- The Sustainability Report includes a dedicated chapter for climate-related disclosures aligned with the TCFD.
- CEZ Group issues a statement of eligibility of its activities according to the EU taxonomy.
- CEZ Group and the Ministry of the Environment sign a Memorandum on Cooperation in Climate Protection, the Energy Sector, and Certain Related Areas.
- CEZ Group commits to net-zero climate neutrality by 2040 and submits this target for the SBTi validation. Validation date is set for June 2023.

#### 2023

- CEZ Group publishes a detailed stand-alone TCFD Report and has assessed the risks of the most important power plants according to alternative emission scenarios.
- CEZ Group launches an ESG Climate-related Risk Management Initiative to develop this agenda further.
- CEZ Group issues a statement of compliance of its activities according to the EU taxonomy.
- In autumn 2023, CEZ Group received validation of the decarbonization targets for 2033 and 2040 (achieving climate neutrality) from SBTi.
- CEZ Group completed the demolition of the Pruněřov coal site.

#### 2024

- CEZ Group assessed a portfolio of more than 1,000 locations under the RCP4.5 scenario and the 2040 horizon.

## 5.3. Diversity and Equal Opportunity

GRI 3–3, 405–1 / SDG 5, SDG 10

In CEZ Group, we perceive diversity as a principle that enables people to fulfil their potential irrespective of individual differences. We believe that providing equal opportunities and promoting diversity and inclusion is a natural way of doing business innovatively and sustainably. We treat all employees equally in dignity and rights, regardless of position. We reject discrimination of any kind. All our actions and activities are regularly monitored, evaluated, and transparently communicated. The Diversity and Inclusion department is dedicated to raising awareness of diversity and inclusive environments, stereotypes, prejudices, or work–life balance in different life situations (e.g., parenthood, informal care...) and what we can offer employees in given situations.

CEZ Group has had a long history of promoting diversity. In 2014, we were one of the first signatories of the European Diversity Charter in Czechia. Following the Diversity Charter, we are committed to maintaining a workplace environment open to all, irrespective of their gender, race, skin color, nationality, ethnicity, religion, disability, age, sexual orientation, gender identity, political affiliation, cultural background, or trade union membership.

We are also actively committed to implementing Sustainable Development Goal 5, which aims to achieve gender equality and empower all women and girls. We support equal opportunities for women and their full and effective participation in decision–making at all levels of private and public life.

In May 2021, the Board of Directors approved CEZ Group's strategy VISION 2030—Clean Energy of Tomorrow. The strategy reflects our ESG ambitions and goals: regarding diversity, we have set a long–term goal of achieving a 30% share of women in management.

Subsequently, the Board of Directors of ČEZ, a. s., adopted a Diversity and Inclusion Policy, binding for all CEZ Group companies. The policy declares a culture of diversity, inclusion, respect, trust, equal opportunities, and workplace dignity. The policy outlines a comprehensive approach to the company's diversity goals. It integrates diversity and inclusion into the company's activities, encompassing recruitment, management and remuneration, development of employee potential, different types of flexible working and work–life balance. The policy protects vulnerable groups of employees and provides them with opportunities. It includes measures to improve employment conditions for employees over 50, employees with disabilities, parents of young children, LGBTQ+, and informal caregivers.

The Diversity and Inclusion policy has been also reflected in collective agreements with trade unions. One of the outcomes is the adjustment of the rights of registered partners to the level of married couples above and beyond the scope of Czech law, promoting equality of LGBTQ+ at the workplace. Registered partners are now able to take paid or unpaid leave in the same cases as spouses. Another practical outcome focuses on employees with disabilities. Their personal benefits account is increased by CZK 3,000, and they can take up to two days of paid leave to claim their PWD (person with a disability) status. The collective agreement also includes the principle of non–discrimination and equal pay.

In 2023, we collaborated with Society E, an organization that focuses on the topic of living with epilepsy. We offered employees an educational webinar on epilepsy in the work environment and a first aid presentation course. We also offer an online information brochure "Even with epilepsy it is possible".

We were among the top–ranked companies in the Equal Opportunity competition – employer of the year 2023. This competition evaluates the working conditions that companies provide for employees with disabilities.

We offer employees from ČEZ, a. s., who have retired, the benefit of joining Senior Clubs. Employees of selected subsidiaries can benefit from the CEZ Group Seniors Endowment Fund. Its purpose is to support and improve the quality of life of retired employees of CEZ Group companies, such as organizing cultural events or gatherings for seniors.

During the year 2023, we ran a series of educational webinars for employees on the topic of informal care. As part of this year-long project, employees were able to obtain information regarding informal caregiving and discuss their experience as informal caregivers. At the same time, we prepared a practical guide for these employees, the Informal Care Guide, which summarized all relevant information. We also organized in the form of a questionnaire an anonymous survey to find out more about their needs. We will gradually implement the results of the survey. In the collective agreement, we offer all employees more days off in the event of the death of a family member above and beyond the scope of the Czech Labour Code.

By joining the Pride Business Forum Memorandum 2017+ in April 2022, we are committed to creating an open environment for LGBTQ+ employees. In 2023, we continued to raise awareness among our employees through the projection of the documentary *The Law of Love* on the unequal status of same-sex marriage followed by a discussion with Pride Business Forum representatives or a webinar on adolescent sexuality and gender identity. We invited our employees to events as part of the Prague Pride 2023 human rights festival and offered them tickets to the Fun and Run charity run, an event against homophobia, transphobia and biphobia. We also offer a free-of-charge counselling center S Barvou Ven specializing in consultancy in sexual orientation, gender identity and coming-out. We were given the 2023 LGBTQ+ Friendly Employer Award in the Big Step Forward category for our significant progress, particularly in the areas of internal policies and equal benefits adopted in our collective bargaining agreement.

In 2023, the CEZ Foundation financially supported the LGBTQ+ Community Center operated by the non-profit organization Prague Pride as a place of acceptance and support for all who need it, regardless of age, orientation, or identity.

In May, as part of the European Diversity Month, under the theme of Building Bridges, we traditionally prepared lectures, workshops, discussions, meetings, and events for our employees in both face-to-face and online environments to show how diversity and an inclusive work environment can have a significant positive impact on each of us.

We continuously update specialized interactive guidelines summarizing all relevant information fostering an inclusive workplace (Guide to flexible forms of work, Guide for parents including information on the fact that employees on maternity leave under the Czech Labour Code can take up to 28 weeks of paid leave, 2 weeks of paternity leave and parental leave up to the age of 3), guidelines for employees taking maternity and parental leave and summary information for managers of employees whose subordinate is taking maternity or parental leave). We communicate the topics of diversity and inclusion and the support given to our employees on our specially thematic internal website. We actively promote diversity and inclusive workplace through our living library Energy of Stories – sharing testimonials of our D&I Ambassadors. We have revised our rules for enabling remote working and its approval in order to strengthen face-to-face interaction in the workplace, but also to allow work flexibility under specified conditions.

In 2023, our activities to promote diversity and inclusion included various plans and public commitments. We launched online diversity and inclusion awareness training for all employees of ČEZ, a. s., and selected subsidiaries. In 2023, employees of ČEZ, a. s., and selected subsidiaries spent 5,324 hours on diversity and inclusion training.

We continue to support our employees in establishing Employee Resource Groups (ERGs). The aim of the ERGs is to represent common interests in support of various areas of diversity in the CEZ Group. In 2023, Employee Resource groups were established to support LGBTQ+ employees and employees with disabilities. We currently register an incentive to establish an Employee Resource Group bringing together parents and informal carers.

We support organizations focusing on gender equality, supporting women in society and LGBTQ+ people (e.g., OPIM, Business for Society, Pride Business Forum Foundation). We also actively participate in events organized by these organizations, engage in public discussions, and share good practice.

Through the CEZ Foundation, we support charitable organizations promoting racial and ethnic equality and assistance in excluded localities (e.g., People in Need, Adra).

In 2022, we became a signatory to the UN Global Compact, which aims to develop and promote adequate methods in the business community and to share new experience in the areas of human rights, labor, and the environment.

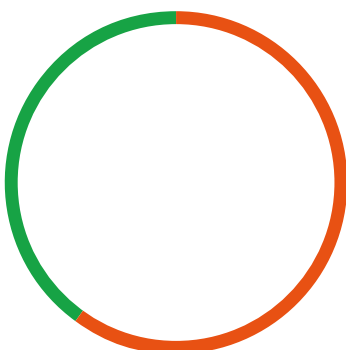
### 5.3.1. Women in Leadership Positions

The energy industry has a long history of being predominantly male. Achieving gender equity thus requires a strong and proactive effort. This includes focusing on inclusive corporate culture, recruitment practices and processes, career development, leadership training, mentoring, retention and engagement efforts, and compensation parity. CEZ Group supports women at work and their career advancement in multiple ways.

In VISION 2030—Clean Energy of Tomorrow, we have set a long-term goal of achieving a 30% share of women in management. In line with our principle of equal opportunity, gender-neutral job advertising is implemented, and the principle of balanced gender representation is incorporated into the recruitment process. Whenever practically applicable, both men and women are represented and balanced equally during recruitment on both sides: in the candidates’ pool for a position and the evaluation committee in all rounds of the selection procedure. We aim to encourage women to start a career in the energy industry. Having a balanced gender representation in the recruitment process gives a fair chance to all suitable candidates. At our company, we value diversity and equal opportunities for all employees. Through our recruitment campaigns and other supporting initiatives, we strive to highlight that women in the energy industry are a normal and natural part of our teams. In 2023, we launched a recruitment campaign aimed at bringing women into the energy sector. In the recruitment campaign, we present success stories of our female colleagues working in various positions and projects. In this way, we want to motivate and inspire other women who are interested in a career in the energy sector, while promoting an inclusive and respectful work environment.

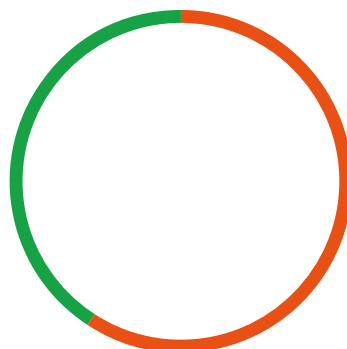
The proportion of women among job applicants at CEZ Group has increased year-on-year.

Reaction 2022 (ČEZ, a. s., and selected subsidiaries, %)



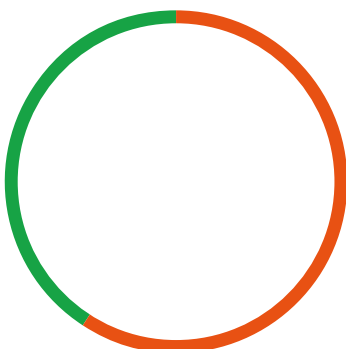
● Women	39.8
● Men	60.2

Reaction 2023 (ČEZ, a. s., and selected subsidiaries, %)



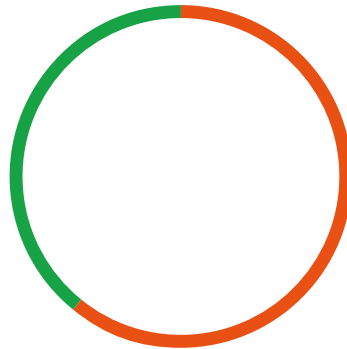
● Women	40.8
● Men	59.2

Advancing to the 1<sup>st</sup> round (interview) 2022 (ČEZ, a. s., and selected subsidiaries, %)



● Women	37.0
● Men	63.0

Advancing to the 1<sup>st</sup> round (interview) 2023 (ČEZ, a. s., and selected subsidiaries, %)



● Women	38.9
● Men	61.1

We offer flexible working hours, company kindergartens, and day camps for children.

We also care about our employees—parents who take care of children. For employees caring for children, we have organized a series of educational webinars focusing on their role as parents, seminars on information and cyber security for children on the internet, and guiding children towards financial literacy. As part of our family benefits, we provide a discount on babysitting or housekeeping services.

We pay special attention to employees who are on maternity or parental leave. We have revised our approach to these employees—parents of young children as part of the Counting on You project. This project has three main pillars:

1. Communication and digitalization – we have created manuals focused on parenting and work flexibility and made the company intranet and work e-mail available to employees on maternity and parental leave.
2. Development and education – we hold regular development webinars and lectures, and parents have the opportunity to attend an Induction day when they return to work, where they learn the latest key information about CEZ Group's strategy and projects. As a novelty in 2023, we offered our returning parents the opportunity to participate in the Parents' Academy adaptation program, a series of development activities to facilitate a smooth and effective return to work.
3. Working conditions – the principle that the wage of employees returning from maternity or parental leave is set in accordance with the equal pay rules was added to the internal regulations. We received a special award from the academic jury in the project category Top Responsible Company in Diversity for the project Counting on You. The project also impressed the expert jury in competition with 17 other participants and won the Diversity Award 2023 announced by the Nordic Chamber of Commerce at the end of October 2023.

CEZ Group implements a number of programs for women aimed at developing their managerial skills. Women in Focus is a development program for women in management positions that focuses on their personal and professional growth. The program is based on workshops with inspiring mentors and role models and enables women to share their experience with each other. In 2023, a program for women from CEZ Group who have the skills, ambition, and energy to lead people was implemented – Women Hub. The goal of the Women Network initiative is to gradually connect female managers at all management levels in CEZ Group. It is an opportunity for networking, inspiration, support, and mutual sharing. All development activities for women, which aim to support and promote opportunities for professional growth, are under the purview of Michaela Chaloupková, a member of the Board of Directors, CSO and Director of the Administration Division.

To support women in our organization, we have set up the Women Power communication platform. This platform is intended for all women at CEZ Group who want to be inspired by contributions with the common theme of women's position in society and equal opportunities for women and men.

One of our female experts from the Temelín nuclear power plant has been selected for the prestigious International Atomic Energy Agency's "The Lise Meitner Programme" among the thirteen best from around the world. The program aims to strengthen the role of women in the nuclear power industry, improve their communication and management skills, exchange professional experience and establish new contacts.

We continue our commitment to equality for all and in September 2023 we became a signatory to the UN's Global Women's Empowerment Principles (WEPs) initiative, which supports companies in creating equal opportunities and empowering women. In doing so, we have made a public commitment to strengthen diversity, equal opportunity and fair treatment of women and men in accordance with the principles set out by the United Nations. We are partners with Business & Professional Women CR, an ambassador of the WEPs initiative. This is a natural continuation of our activities in this area based on the international Diversity Charter.

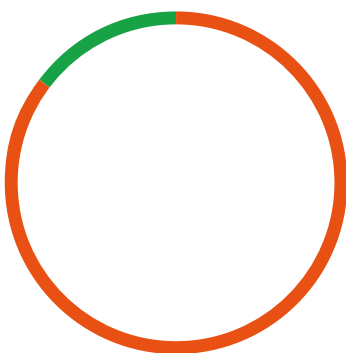
Our female employees are involved in the Czech part of the global professional women's organization Women in Nuclear, which brings together women working in the nuclear field and wherever nuclear energy and ionizing radiation are used for peaceful purposes or are interested in these fields. The purpose of their activities is to contribute to objective public awareness of nuclear energy and the use of ionizing radiation, as well as to deepen their own knowledge and experience in various nuclear fields.

In December 2023, we became a signatory to the Charter against Domestic Violence. Domestic violence has serious impacts on the mental and physical health of victims, their human dignity and often directly threatens their lives. Research confirm that it also disrupts victims' working lives and can negatively affect attendance, performance, and relationships at work, potentially leading to loss of employment. Together with other companies, we have joined as one of the first signatories, committing to adhere to the established standards to provide maximum assistance to the victims, to create a safe environment, to mitigate the negative impact of violence on working life and, last but not least, to offer effective assistance to the victim.

Through the CEZ Foundation, we support non-profit organizations offering help to victims of domestic violence, who are mainly women (e.g. ROSA, PROFEM).

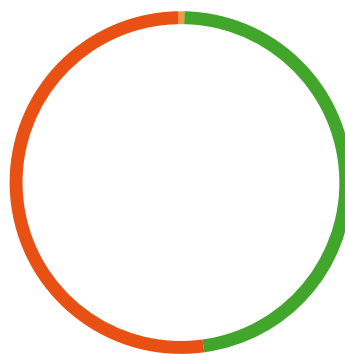
In 2023, the CEZ Foundation financially supported Beat Sexism, a non-profit organization dedicated to preventing sexism and sexualized violence in society.

**Diversity of Governing Bodies by Gender (%)**



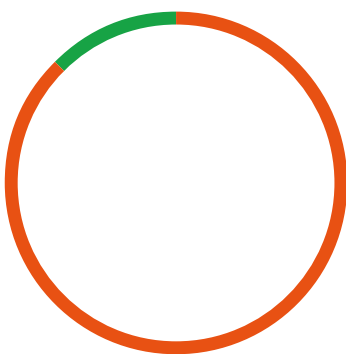
● Women	14.50
● Men	85.50

**Diversity of Governing Bodies by Age (%)**



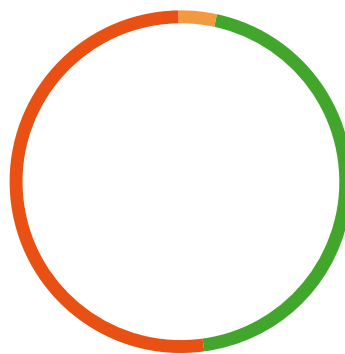
● 18-29 years	0.60
● 30-49 years	47.50
● 50 years and over	52.00

**Diversity of Managerial Positions by Gender (%)**



● Women	12.40
● Men	87.60

**Diversity of Managerial Positions by Age (%)**



● 18-29 years	3.60
● 30-49 years	44.30
● 50 years and over	52.10

**5.3.2. Gender Pay Gap**

GRI 405-2

In CEZ Group, we understand that fair wage and competitive compensation is essential for attracting and retaining talented people. Our key objective is to recognize and encourage high performance, professional development, and behavior that match our strategy and values. We determine remuneration respecting non-discrimination, objective and gender-neutral criteria. We respect and strive to comply with the principle of equal pay and equal working conditions for equal or equivalent work.

The principles of equal pay form an integral part of the Diversity and Inclusion Policy, and they were incorporated into collective agreements and internal documentation concerning reward practice. In 2022, a new rule was introduced, ensuring that the salary of employees returning from parental leave is in accordance with the principles of equal pay.

The company received certification by the Ministry of Labor and Social Affairs for its participation in the project 22% to Equality. In the project, an analysis of fair remuneration was conducted by LOGIB – an international analytical tool for equal pay of men and women.

### 5.3.2.1. The Ratio between Women's and Men's Incomes

In 2023, the total income of women in CEZ Group was 83%<sup>5</sup> of the total income of men. The income ratio is based on the average annual gross income of men and women, including all variable components and bonuses. In the case of part-time and shorter hours worked during the year, income is converted to full-time and full-year equivalents.

### 5.3.2.2. Gender Pay Gap in Different Job Positions

In 2023, the total income of women in managerial positions in CEZ Group was 91%<sup>5</sup> of the total income of men. In other (non-managerial) positions, the total income of women was 85%<sup>5</sup> of the total income of men. A managerial position is a position in which an employee has direct subordinates and is authorized to assign work tasks, organize, direct and control their work.

### 5.3.2.3. Availability of Bonuses for All Employees Regardless of Position

The conditions and criteria for determining bonuses for employees are set out in the Collective Bargaining Agreements or internal regulations of CEZ Group companies. Bonuses are set for employees based on collective and individual performance indicators. Employees are also participating in the company's economic result through the performance indicator (EBITDA). Its fulfilment affects the bonuses of all employees<sup>5</sup>.

<sup>5</sup> Applies to integrated companies of the CEZ Group, which are ČEZ, a. s.; ČEZ Distribuce, a. s.; ČEZ ESCO, a. s.; ČEZ Prodej, a. s.; ČEZ ICT, a. s.; Telco Pro Services, a. s.; Elektrárna Dukovany II, a. s.; Elektrárna Temelín II, a. s.; Elevion Group, o.z.; Energotrans, a. s.; ČEZ Obnovitelné zdroje, s.r.o.



## 5.4. Business Conduct

SDG 8, SDG 16

### 5.4.1. Code of Conduct and Ethics in CEZ Group

GRI 2-23, 2-24, 2-27, 3-3, 205-1, 205-2, 409-1

We are aware of our role in society and the responsibility this role inevitably entails. Management of CEZ Group emphasizes ethical principles in all employee and supply chain conduct. Through sound business ethics and relations, we build trust with both shareholders and stakeholders.

#### 5.4.1.1. Group Values

CEZ Group's values are the basis of the corporate culture on which we have grown over the years. The values represent shared beliefs and desired conduct expected of all our employees. Embedded in key governing policies, these values are naturally integrated into the company. As a result, the values positively influence the internal atmosphere, external perception, customer satisfaction, and business results of CEZ Group.

The following principles represent our corporate values:

- Safety
- Performance
- Innovation
- Expertise
- Collaboration

We encourage employees to put the principles at the forefront of their daily working lives. In doing so, employees create synergies inherent to CEZ Group and help implement our strategy and vision. Accordingly, we set the right values and principles to develop an appropriate work environment and build a strong team.

#### 5.4.1.2. CEZ Group Code of Conduct

CEZ Group management promotes ethical values in all business activities and conduct. Management clearly states its objective in two primary documents: the Code of Conduct Policy (Code of Conduct) and the Compliance Management System Policy.

The Code of Conduct sets forth ethical rules for employees and members of CEZ Group's statutory bodies. The Compliance Management System Policy sets out the responsibilities, conditions, and tools for ensuring compliance with legal obligations and ethical standards in CEZ Group. Details of practical measures (e.g., training, prevention of conflicts of interest, whistleblowing, investigations) are part of the subsequent internal guidelines.

The Board of Directors of ČEZ, a. s., accepts full responsibility for compliance with the adopted ethical standards. This responsibility includes, among other things, the creation of appropriate conditions, adequate resources, effective governance structures, and control mechanisms.

First published in 2015, the Code of Conduct exists in two publicly available versions. The basic version, the Decalogue, summarizes the most important principles regarding stakeholder relations. The unabridged version, the Alphabet, supplements the Decalogue with rules for observing the Code of Conduct. Both documents undergo regular reviews to reflect legislative demands and best practices.

The Code of Conduct is binding for all employees. New employees must review the Code upon hiring. Since 2022, subsequent training takes place annually (previously once every two years), with a target of at least 95% of staff participating. In 2023, 98.17% of employees of CEZ Group companies, whose training is provided by the Human Resources Development Department of ČEZ, a. s., received training on the Code of Conduct.

### 5.4.1.3. Compliance Management System

Approved in 2019, the Compliance Management System (CMS) Policy covers the topics of corporate ethics, bribery and corruption prevention, criminal risks, competition rules, etc. Given its broad scope, the CMS Policy creates a unified and effective tool for managing risks of non-compliance and rules of conduct. One of the fundamental pillars of our CMS is the regular and continuous risk assessment of compliance-related risks, both across CEZ Group's business functions and the main businesses. The current CMS built on the CMS Policy is designed in accordance with legislative requirements and meets the best practices embedded in the following international compliance standards:

- ISO 37001:2016 – Anti-Corruption Management System
- ISO 37301:2021 – Compliance Management Systems

To assist in the practical management of CMS objectives, the Board of Directors established as its advisory body the Corporate Compliance Committee. Having a delegated authority over corporate compliance, the Committee evaluates current and potential compliance risks and assesses their impacts and management. In addition, the Committee regularly reports to the Board of Directors on its activities, main events, performance, and the results of CMS, which the Board approves.

Our CMS undergoes a regular independent external evaluation. The latest Deloitte's findings concluded that the CMS was at the level of ISO standard 37301:2021 – Compliance management systems – Requirements with guidance for use. Moreover, the audit company confirmed that CMS included vital compliance elements – prevention, detection, and response.

### 5.4.1.4. Suppliers and Business Partners

Our ethical rules include cooperation with suppliers and business partners. The rules translate specific requirements into the Commitment to Ethical Conduct (Supplier Code of Conduct), which forms a part of contracts with suppliers and is publicly available on the company's website. We monitor compliance with the rules set out in the Commitment to Ethical Conduct through compliance checks. Naturally, a breach of the rules may lead to the termination of the business relationship.

To reduce the risk of corruption, conflicts of interest and non-compliance with international sanction laws and regulations, regular due diligence of business partners plays a key role in the third-party verification system. Due diligence is a mandatory part of procurement, acquisitions, and also divestment processes for potentially high-risk business cases. In 2023, due diligence in the form of various types of compliance reviews involved more than 1,000 counterparties.

In addition to ethical rules, we take account of the supplier's overall responsible approach and sustainability activities. The aim is to support the suppliers in strengthening responsible behavior towards the environment and governance.

The Company ČEZ, a.s., has no overdue liabilities as of December 31, 2023. Payments are in accordance with the general terms and conditions and model contracts. The standard payment term is 30 days from receiving the invoice. The length of the payment term follows / is based on the Civil Code.

At the same time, ČEZ, a. s., is not involved in any legal proceedings where ČEZ, a. s., has been sued for late payment.

### 5.4.1.5. Anti-bribery and Anti-corruption

GRI 3-3, 205-3

We promote zero tolerance for bribery, corruption and fraud. Since 2021, our anti-bribery management system (ABMS) has been certified according to ISO 37001:2016 – Anti-bribery management systems in the Procurement and Compliance departments. We were the first company listed on the Prague Stock Exchange and the first energy company in Central Europe to meet the international standard.

In 2023, we successfully completed the second surveillance audit as part of the certification. It was reconfirmed that ČEZ, a. s., has set up and maintains a comprehensive and effective ABMS in accordance with the requirements of this standard.

The ISO certification is another step in our efforts to contribute to an ethical and transparent environment. Certification crowns the long-term development of a robust compliance management system based on zero tolerance for corruption. Furthermore, the internationally recognized certificate provides all stakeholders with a guarantee that we continuously take systemic measures to uphold ethical and lawful conduct. For example, we use the four-eyes principle, segregation of roles and duties, limits on the value of gifts, third-party due diligence, a ban on facilitating payments, and rules for negotiating brokerage contracts.

No confirmed case of bribery or corruption was registered in CEZ Group in 2023.

### 5.4.1.6. Political Engagement

GRI 3-3, 415-1

CEZ Group upholds the highest standards of transparency and fully abides by its Code of Conduct. We maintain a strictly apolitical position: we do not engage in public politics, do not exert any political influence, do not provide any political contributions, and do not support any political parties, political events, and initiatives with political agenda. We do not provide any gifts, donations, or financial contributions to political parties, political movements, or political organizations, foundations or associations. We do not provide any financial contributions to organizations or persons in situations that might lead to a conflict of interest or an unfair gain or advantage.

CEZ Group promotes its interests in the European Union through the Public Affairs Office in Brussels, which has two employees. We are registered in the EU Transparency Register as ČEZ 429600710582-32. We abide by the rules of lobbying – a standard means of advocacy in a democratic legal environment. All our actions are duly recorded with the relevant documents in relation to the EU institutions as required by the rules of the register. The records can be found on the relevant union registry website.

Oversight of the lobbying is the responsibility of the Director of Public Affairs, who reports directly to the CEO. In the Czech Republic, she monitors the draft legislation on lobbying so that the company fulfils all its obligations under the law when it is adopted. The Director of Public Affairs has never worked in public administration.

We communicate our vision and policies transparently and openly. We apply our attitudes to legislative drafts primarily within the associations of which we are a member. These include the Confederation of Industry of the Czech Republic and the Czech Chamber of Commerce and Eurelectric and NuclearEurope in Brussels.

We consider regulatory, legislative, and public administration bodies as our stakeholders. Our cooperation with authorities is based on correctness, transparency, and mutual respect. Any civic or political engagement of our employees must not harm CEZ Group's reputation. Our employees must refrain from any conflicts of interest or activities that conflict with their work and activities performed for CEZ Group.

We require our suppliers to abide by the legally binding Commitment to Ethical Standards, which among others prohibits bribery and corruption and demands the highest possible level of propriety and transparency when dealing with public authorities.

Information about beneficial owners and control structure can be found in CEZ Group 2023 Annual Financial Report.

#### 5.4.1.7. Discrimination and Human Rights

GRI 3-3, 406-1, 408-1, 409-1

Direct or indirect discrimination and harassment have no place in our corporate culture. The non-discrimination principles are set out in the Code of Conduct and the Ethical Conduct Policy. Practical anti-discrimination measures, procedures, and guidelines are in place to ensure compliance with these principles. The principles aim to create a culture of cooperation based on diversity, mutual respect, and protection of vulnerable groups. If employees suspect or know of illegal or unethical conduct in violation of the CEZ Group Code of Conduct, they can report it through the Whistleblowing Hotline without fear of any sanctions. The Whistleblowing Hotline is part of the internal Whistleblowing System and it is a tool available to employees and third parties to report illegal or unethical conduct in violation of the CEZ Group Code of Conduct that has occurred or may occur. The Hotline is available 24 hours a day, 7 days a week. Submitting a notification through the Whistleblowing Hotline ensures that whistleblowers are protected from retaliation in accordance with the relevant legislation.

We strongly advocate diversity, equal opportunities, and a respectful working environment. We strongly promote diversity, equal opportunities and a respectful working environment. This stance is confirmed in the Diversity and Inclusion Policy adopted by the Board of Directors of ČEZ, a. s., in 2021. We create desirable conditions for employees to develop their full potential and career growth. When it comes to new hires, education, expertise, qualifications, and skills are the deciding factors for hiring a candidate.

Employees can use the Whistleblowing Hotline in the case of unethical or illegal conduct in violation of the Code of Conduct. In 2023, 7 cases of harassment and discrimination were reported. All cases were reviewed and none of the cases were confirmed.

We have respect for human rights and clearly declare our stance in the Code of Conduct as a UN Global Compact participant, we duly subscribe to its principles related to the rejection of forced or compulsory labor and the prohibition of child labor.

As an employer, we strive to maintain social peace. We recognize the importance of the right to freedom of association and collective bargaining, occupational health and safety, and fair and satisfactory working conditions. Therefore, we monitor employee satisfaction and meet their needs. At the same time, where possible, we only work with suppliers who also subscribe to these principles.

#### 5.4.1.8. Training and Communication

GRI 205-2

Training and communication are two key elements of our CMS, designed to ensure that all our employees are aware of and comply with the principles and rules set out by our internal policies. Training on ethics (Code of Conduct) and anti-bribery rules is mandatory for all employees during on-boarding and at least once a year. The 45-minute training session on preventing corruption and conflicts of interest reflects the complexity of this topic. In addition, individuals in relevant positions are regularly trained in policies and procedures to address other topics, e.g., anti-money laundering, competition rules, whistleblowing and regulatory compliance.

In addition, the Audit and Compliance Department communicates compliance-related issues in the company magazine and on the intranet, based on an annual communication plan. The Audit and Compliance Department uses these communication channels to promote awareness, prevent unethical conduct, introduce key compliance topics, and explain their importance to the entire CEZ Group.

#### 5.4.1.9. Whistleblowing Hotline

GRI 2-25, 2-26

The CEZ Group Whistleblowing Hotline is one of many detection mechanisms we have put in place to reduce the risk of unethical or illegal conduct.

The CEZ Group Whistleblowing Hotline is an effective channel available to employees and third parties for reporting complaints or notifications of illegal conduct or conduct that is in violation of the CEZ Group Code of Conduct or other internal and external regulations. The CEZ Group Whistleblowing Hotline is designed to ensure the anonymity of the whistleblower and to protect him/her from sanctions or discrimination. In addition, in 2023, selected CEZ Group companies have established an internal whistleblowing system that fully complies with the requirements of Act No. 171/2023 Coll. on Whistleblower Protection. The CEZ Group Whistleblowing Hotline is available 24/7 through various channels which are described in our Code of Conduct, on the Internet and on our intranet. Complaints or notifications can be made through CEZ Group corporate website, on the intranet, by e-mail, or by telephone.

Upon receipt of a complaint or notification through the Hotline, the Audit and Compliance Department carries out an objective and independent investigation. Based on the relevant findings, we take corrective action. The Audit and Compliance Department reviews dozens of notifications each year.

In addition, employees learn about the issues related to Whistleblowing Hotline of CEZ Group during mandatory training (initial and regular), in articles on the intranet, and in the company newsletter.

#### 5.4.1.10. Anti-competitive Behavior

GRI 206-1

Competition creates a healthy economic environment and promotes sustainable growth. Being the largest energy group in Czechia, compliance with the rules of competition protection (pursuant to the Act on the Protection of Competition No. 143/2001 Coll. and Articles 101-109 of the Treaty on the Functioning of the European Union) is central to our business conduct. Therefore, preventing violations of these rules is a priority on the CMS agenda.

In practice, all employees must behave properly in business relations and safeguard the company's reputation as a fair market player. Employees must not only avoid anti-competitive behavior but also prevent it. This also refers to compliance with the unbundling rules. To act appropriately, employees learn about this topic and requirements in ethics training and through internal communication channels.

The Competition Compliance Unit of the Legal Services Department of ČEZ, a. s., provides regular training for responsible employees focusing on specific risks of anti-competitive behavior of CEZ Group companies and consultancy on a continuously growing number of relevant business plans in terms of compliance with competition law. The Unit has also prepared a competition compliance e-learning module for a broad group of employees involved in relevant transactions which was implemented in 2023 and completed by more than 2,000 CEZ Group employees.

In 2023, no illicit anti-competitive behavior or other violation of the rules of competition protection occurred on the part of CEZ Group. One competition law litigation is currently pending between a CEZ Group company (Severočeské doly) and the Office for the Protection of Competition.

CEZ Group contracts are subject to mandatory legal review aimed, among other things, at compliance with the rules of competition protection (e.g., prohibition of bid rigging). Any findings lead to adequate measures.

#### 5.4.1.11. Audits and Precautionary Approach

GRI 2-23, 3-3

Regular and systematic internal audits and compliance checks are performed to verify compliance with all the above-specified rules. They assure the governing bodies that the management and control systems are operational and that significant risks are covered. Internal audits are performed by the Internal Audit Department of ČEZ, a. s., whose independence and efficiency come under the scrutiny of the Audit Committee of ČEZ, a. s.

The Internal Audit Department of ČEZ, a. s., regularly undergoes a comprehensive external quality assessment to evaluate compliance with international internal auditing standards and the Code of Ethics for internal auditors issued by the Institute of Internal Auditors. The assessment repeatedly confirms full compliance of our internal audit activities with the standards and the Code of Ethics and the high efficiency of the Internal Audit Department of ČEZ, a. s.

The Internal Audit Department of ČEZ, a. s., systematically checks all key processes, segments, and risks of CEZ Group. The Board of Directors and the Audit Committee regularly receive a summary of the audit results and corrective actions taken.

In 2023, 35 audit investigations were performed: 10 in ČEZ, a. s., and 25 in its subsidiaries (including 4 audits of foreign holdings).

In addition to internal audits, we apply a precautionary approach. We do not pursue activities with uncertain or potentially hazardous effects. We take a precautionary approach at four levels:

- verification of selected information provided by a new employee/applicant (pre-employment screening)
- business entity screening before a potential acquisition of a company (due diligence)
- vetting suppliers before entering a contractual relationship
- compliance audit of selected suppliers during the business relationship

## 5.4.2. Sustainable Supply Chain

Sustainability can no longer be just a private matter for individual companies. More than ever, sustainability must become a focal point for the whole value chain. Taking care of inputs needs to receive the same attention as taking care of impacts of internal processes and outputs. Having responsibility for a critical infrastructure, we focus intensely on maintaining a highly reliable and sustainable supply chain. CEZ Group has focused on evolving its policies and processes to ensure responsible procurement and purchasing, with particular attention to higher-risk aspects of the supply chain. We see the supply chain as a very important topic and, through our group-wide supply chain initiative, we strive to have the same quality of ESG data and information for the supply chain as for our own operations in the future.

### 5.4.2.1. Procurement and Selection Criteria

GRI 2-6, 3-3, 308-1, 414-1

Every year, we hold thousands of tenders for investment and maintenance projects, technical engineering works, supply materials and spare parts. From the procurement perspective, we categorize suppliers into four main groups: fuel, capital expenditure, services, and materials.

Our procurement and tendering processes are mainly centralized. The Purchasing Department takes care of the processes and provides related services in full for 23 CEZ Group companies.

Depending on their nature, tenders are either public (subject to Act No. 134/2016 Coll. on Public Procurement, as amended) or non-public (subject to internal policies). Tenders follow applicable law and internal directives. Implementing tenders transparently while ensuring impartiality, efficiency, and optimal contract conditions is the main goal of purchasing departments.

According to Act No. 134/2016 Coll., on Public Procurement, as amended, we inform about public tenders in the Public Procurement Bulletin and the National Electronic Tool (NEN), which are online tools enabling an unrestricted access of suppliers to information about tenders. Once the procurement process ends, we publish the result of the public tender there. As regards non-public tenders, we directly invite suppliers based on pre-defined rules. Afterwards, the whole process runs through an online CEZ Group electronic communication.

As part of the tender, we review many parameters (e.g., financial stability, ISO credentials, participant's business in high-risk countries, and the effects of international sanctions) including reputational risks, risks related to law violations, and others. We enter into relationships only with suppliers willing to honor obligations specified in the Commitment to Ethical Conduct, i.e., the Supplier Code of Conduct. Depending on the nature and purpose of the procurement, we consider the principles of social and environmental responsibility and benefits of innovation when setting conditions, evaluating tenders, and selecting suppliers.

We take a responsible approach to the procurement process and, where possible, impose various social requirements on suppliers. The most common aspects are:

- employment opportunities (e.g., education support, gaining experience and upskilling)
- social inclusion (e.g., support for social enterprises, employment of vulnerable groups)
- decent working conditions (e.g., equal pay, work-life balance, health and safety conditions at work, valid employment contracts)
- local sourcing (e.g., support for SMEs, meeting financial commitments on time)
- ethical purchasing (e.g., Fair Trade products, evaluation of offers not only according to the lowest price, fair relations in the supply chain)

For certain social aspects (e.g., illegal work), the supplier is contractually obliged to exercise due diligence and take all measures to prevent such cases, including with its subcontractors.

Some of our procurements are awarded under the reserved procurement regime. In these cases, only contractors employing at least 50% of their workforce with disabilities in sheltered workplaces may submit bids.

At the same time, we take a responsible approach to public tenders in terms of environmental protection, sustainable development, the life cycle of supplies, and the impacts on biodiversity. Good examples are the use of recycled packaging, green cleaning requirements, reduced energy consumption, and other environmentally friendly solutions. For relevant public tenders, we require bidders to provide a certificate of compliance with environmental criteria.

In the case of selected public tenders, the requirements of responsible procurement are directly reflected in the evaluation of the tenderers' bids. In all cases, these supplier requirements are always included in the framework agreements or business contracts. The agreed terms and conditions entitle us to monitor compliance with the requirements of responsible procurement and to terminate the framework agreement or contract if we find that the supplier has not complied with them.

The same applies to difficult and complex tenders for nuclear power plants. In these cases, the selection criteria are subject to specific technical, legal, security, and environmental requirements (e.g., uranium mining and processing).

If third parties feel that a tender lacks transparency and equal treatment, they can submit a complaint either to the tender organizer, via the Whistleblowing Hotline, or Office for the Protection of Competition as an independent authority in case of public tenders.

Due to the importance of purchase-related activities for CEZ Group's operations, the Internal Audit Department of ČEZ, a. s., focuses on them in its regular audits. The audits examine both the functionality of the purchasing processes and efficiency of the control mechanisms, emphasizing, among other things, anti-corruption measures. These audits review purchases for ČEZ, a. s., as well as purchases of the CEZ Group companies to which the Purchasing Department of ČEZ, a. s., provides its services as well as purchases that the CEZ Group companies conduct on their own.

Our supply chains consist of both external companies and CEZ Group subsidiaries. In accordance with legal regulations, we have a long-term preference for local suppliers (mainly from Czechia or Europe) and keep supply chains as short as possible for several reasons: communication, environmental impact, security, local economic development, and costs.

#### 5.4.2.2. Verification Process

GRI 2-6, 308-2, 414-2

Material business cases in CEZ Group require third-party compliance checks. These compliance checks help us to identify risk factors in potential business partners and suppliers early on and mitigate the Group's risk of becoming involved in unwanted business relations, reputational damage, financial loss or criminal liability.

In practice, we use three types of internally conducted compliance checks, which differ in their scopes. These compliance checks, which are the responsibility of the Compliance Department, are based on the information from publicly available sources (e.g., commercial databases, sanction lists, the Internet). Compliance checks result in a third-party risk rating and, if necessary, proposals for further action. Depending on the type of compliance check, the outcome is valid for 6 or 12 months. More than 1000 reviews take place annually.

For potentially high-risk business cases, a third-party due diligence is carried out by external experts.

Our suppliers and business partners are required to maintain the same level of business ethics and integrity that we ask of our own companies and their employees. Our standard supplier contracts include a commitment that suppliers will abide by the ethical rules and principles set out in the Commitment to Ethical Conduct (Supplier Code of Conduct). We reserve the right to monitor compliance with the Commitment by requesting information, particularly using a questionnaire and conducting on-site inspections.

We express our expectations to suppliers and identify priorities for supplier approach to sustainable development. We reserve the right to verify the fulfillment of contract conditions at any time, and suppliers must provide necessary cooperation. We actively exercise this right and perform audits either remotely (i.e., questionnaires, substantiated evidence) or onsite. We apply seven auditing principles of ISO 19011 (Guidelines for Auditing Management Systems).

We monitor supplier activities in terms of environmental protection and social aspects. All our sites with an ISO 14001 certification (Environmental Management System – EMS) maintain registers of supplier environmental factors. When conducting EMS inspections, we check these aspects primarily. In 2023, we did not identify any suppliers whose activities had significant adverse out-of-compliance environmental or social impacts. At ČEZ Distribuce, 14 non-conformities were recorded for 10 suppliers, but none of them was identified as significant.

**Supply Chain Impacts (suppliers with significant actual or potential adverse impacts)**

		2021	2022	2023
Environmental	Number of suppliers	2	0	0
	Nature of impacts	Water discharge above authorized limits	N/A	N/A
Social	Number of suppliers	0	0	0
	Nature of impacts	N/A	N/A	N/A

From verification perspective, suppliers of nuclear power plants represent a specific category. Suppliers need to factor in the requirements of the Atomic Energy Act No. 263/2016 Coll., and the decrees of the State Office for Nuclear Safety. Suppliers of nuclear safety-relevant items and services undergo initial and repeated audits, and we continuously monitor the quality of their work.

Suppliers' human resources management is also subject to verification in line with the Atomic Energy Act. As per the Act, suppliers must carry out their activities using their own qualified and experienced staff. Moreover, only supplier personnel with confidential security clearance can enter nuclear power plant vital zones. Therefore, suppliers must pay attention to staff turnover, which helps us manage quality control and safety performance.

We concentrate on key human resources issues during suppliers' audits and during the actual onsite activities by suppliers' workers. We actively communicate our concerns at regular meetings with suppliers, clarifying our requirements and expectations and agreeing on remediation actions where warranted.

**5.4.3. Tax Governance**

GRI 3-3, 207-1, 207-2, 207-3, 207-4

We strive to be a responsible and trustworthy corporate citizen. Cultivating good community relationships is the basis for a long-term sustainable development. Responsible and transparent tax governance is a way to honor our commitments to society.

The principles that we follow are summarized here:

- We ensure compliance with tax regulations in every country where we operate, paying all taxes due within reasonable interpretations of applicable laws.
- We understand that the taxes that we pay in each country of operation contribute to sustainable public expenditure, strengthen our position of a responsible corporate citizen, and create social value for all our stakeholders.
- Our relationship with tax authorities is based on mutual respect, cooperation, and professionalism. We manage tax risks in line with the structure and location of our activities within the management of CEZ Group's business risks.
- We do not use artificial or unclear structures to reduce taxes, and we do not conduct transactions solely to erode the tax basis.
- We do not transfer profits to tax havens.
- We follow best practice within each jurisdiction, considering our specific needs and circumstances.

**5.4.3.1. Approach to Tax**

CEZ Group is a multinational corporation comprised of over 200 entities operating in many countries, primarily in Central Europe. Despite the differences in tax laws of individual countries, CEZ Group's tax principles and management closely follow the underlying rules of the Code of Conduct: ethics, integrity, responsibility, and transparency.

The CEZ Group's approach to tax management is embedded in internal policies and guidelines, which describe a general framework and details of responsibilities related to tax agenda.

Domiciled in Czechia, CEZ Group does not apply a consolidated corporate income tax because Czech tax laws disallow consolidated tax returns. From a tax perspective, CEZ Group companies are separate entities and independent taxpayers. Hence, the companies pay taxes locally according to valid legislation in each country of operation. The overview of total income tax paid forms a part of the consolidated Annual Financial Report, which is independently audited and is publicly available on our website.



The main responsibility for tax governance and strategy lies with Chief Financial Officer (CFO), who is also a member of the Board of Directors and the Head of the Finance Division. The CFO consequently delegates tax daily operational authority to the Tax Department. The domain of the Tax Department is especially tax administration, tax advisory and opinions, preparation of tax returns, and tax assessment of contracts. Analyses and reports of the Tax Department to the Board of Directors lend support to business investment decisions. The Supervisory Board and the Audit Committee check whether the Board of Directors exercised its powers in compliance with legislation, principles, and good practices. In 2022, the tax area was reviewed by the CEZ Group internal audit which expressed no reservations in its final statement. The processes in the Tax Department are also reviewed annually by the Risk Management Department.

The Tax Department's agenda also includes communication with tax authorities. Typically, Czech companies come under the Tax Authority according to their place of operation. Due to its size, ČEZ, a. s., comes under the Specialized Tax Authority, which handles tax matters of large companies.

#### 5.4.3.2. Tax Integrity, Transfer-pricing, and Grievance Mechanism

CEZ Group fully meets tax standards and regulations in all conduct and countries where it operates. CEZ Group's tax governance and risk management are subject to internal processes and aligned with a responsible, credible, and sustainable approach. CEZ Group does not adopt any tax mechanisms or business structures to alleviate its tax burden deliberately, nor does it participate, directly or indirectly, in tax avoidance schemes or use of tax havens. Taxation issues are not the primary driver of the Group's business decisions.

Internal transfer pricing guidelines stipulate tasks, responsibilities, and procedures for transfer pricing in CEZ Group. Applying an arm's length principle, the Group transfer pricing fulfills the market standard, local tax legislation, and the concepts of the OECD Guidelines.

To mitigate transfer pricing risks and avoid disputes, CEZ Group employs an advance pricing agreement (APA) for the companies situated in Czechia. APA represents a formal agreement with tax authorities to determine and use transfer prices with related parties for a certain period.

The Whistleblowing Hotline serves as a tool for raising concerns or suspicions about illicit tax conduct. The Hotline offers various means to submit a concern (via Intranet/Internet, email, or phone) and ensures whistleblowers' anonymity to protect them from retaliation. The Audit and Compliance Department investigates all reports independently and takes remedial measures.

#### 5.4.3.3. Tax and Other Payments

In 2023, the CEZ Group's current corporate income tax amounted to CZK 45.8 billion, of which CZK 45.4 billion in Czechia and CZK 0.4 billion abroad, of which CZK 29 million in Slovakia, CZK 80 million in Germany, CZK 20 million in Netherlands, CZK 164 million in Poland, CZK 54 million in Hungary, CZK 9 million in Romania, CZK 15 million in Israel, CZK 39 million in Malta, CZK 1 million in the United Kingdom.

ČEZ, a. s., regularly ranks among the largest corporate income taxpayers in Czechia. The Czech corporate income tax rate enacted for 2023 was 19%.

In the wake of the energy crisis in Europe in 2022, nation states took special measures to reduce the impact of high commodity prices on end customers. In Czechia, windfall taxes were introduced: a levy on surplus revenues from generation from December 2022 to the end of 2023 and a levy on unexpected profits, which amounts to additional 60% above the normal income tax on the portion of profits gained in excess of the average profits earned by CEZ Group in 2018–2021.

For 2023, CEZ Group paid over CZK 43.8 billion to the Czech state due to the windfall taxes and levies. In addition, the regular corporate income tax, which is 19%, amounted to CZK 24.8 billion in 2023, including balance due on advanced tax payments for 2022.

In total, CEZ Group paid more than CZK 120 billion to the Czech state in dividends, income taxes, and levies on revenues from generation. Total government budget revenues of Czechia in 2023 were calculated at CZK 1,914 billion, i.e., CEZ Group companies paid more than 6% of all revenues to the state budget.

Every year, CEZ Group companies rank among the best tax entities based on the amount of corporate income tax paid, as per announcement by the Financial Administration. In 2023, ČEZ, a. s., was ranked 3rd, having paid corporate income tax of CZK 2,732 million. ČEZ Distribuce was in the 14th place, having paid corporate income tax of CZK 1,371 million.

Apart from the corporate income tax, ČEZ, a. s., also declared CZK 2.348 billion in health and social insurance (5.86% increase year-on-year) as a mandatory contribution of the company to health and social systems organized by the Czech government. In addition, ČEZ, a. s., collected CZK 1.025 million in employment taxes (36.14% increase year-on-year). ČEZ, a. s., collects employment taxes from employees on behalf of the Czech government.

CEZ Group provides a wide range of extra welfare benefits, including nontaxable contributions to employee pension savings and life insurance. In 2023, ČEZ, a. s., contributed CZK 99.2 million to employee pension savings and life insurance (4.3% increase year-on-year).

At the end of 2023, no legal tax disputes concerning CEZ Group were pending.

#### 5.4.4. Cyber Security and Information Privacy GRI 3-3, 418-1

Information security is one of the major aspects of our operations. We go to great lengths to meet the highest security standards and manage the risks involved.

##### 5.4.4.1. Data Protection Officer

In CEZ Group, we pay special attention to processing and protecting personal data and respecting the privacy of our employees, customers, and business partners. Therefore, we duly reflect the provisions of the relevant personal data protection legislation in our internal directives, namely:

- Regulation (EU) 2016/679 of the European Parliament and the Council (GDPR)
- Personal Data Processing Act No. 110/2019 Coll.

We constantly monitor and adjust processes and measures to adapt to the current legislative developments and interpretative trends, mainly those of the courts, supervisory authorities, and the European Data Protection Board. Specifically, this means that we consistently ensure that the processing of personal data is always lawful, fair, and as transparent as possible towards the data subjects concerned. We only collect, store, and process personal data for a strictly necessary period of time, in limited quantities, in accordance with a clearly defined purpose, and on the basis of a predefined legal title. The data subjects are always duly informed of the processing method, of their rights, and of the principles and measures for the protection of personal data before and at any time during the processing of personal data.

Given CEZ Group's strategic goal to digitize 100% of key customer processes by 2025, we see compliance with strict data protection standards as an imperative. Pursuant to Article 37 of the GDPR, CEZ Group has appointed a Data Protection Officer (DPO) who provides services to the members of the concern of CEZ Group and other selected companies. In 2023, the DPO provided its services for 26 companies in total.

The Data Protection Officer is an independent monitoring and advisory body. The DPO serves as a contact point for personal data subjects who are in contact with CEZ Group companies. The personal data subjects are mainly employees, customers, and business partners. Data subjects send requests to the DPO to exercise their rights electronically, by mail, or via data mailbox.

In 2023, data subjects submitted 819 requests to exercise rights, of which 159 were rejected for lack of merit, and 25 were subsequently found not to be an exercise of rights within the scope of the GDPR and were forwarded to the relevant administrators for resolution.

Other tasks of the DPO and his office are, in particular:

- to protect the rights and interests of data subjects
- to monitor compliance of personal data processing with the GDPR
- to cooperate with specialized departments of the concern members in dealing with security incidents and personal data breaches

The DPO's duties also include communicating with supervisory authorities and raising employee awareness of personal data processing, e.g., through training, e-learning, or newsletters. All employees undergo e-learning training every two years. In 2023, the DPO organized a total of 13 extended L2 training sessions for data processing and data protection specialists, attended by almost 500 employees. The trainings were conducted both in a present form and remotely via the Teams application. The DPO, in cooperation with the Protection of Categorized Information Department, also organized a two-day workshop and a one-day training session in 2023 for designated persons of all 26 companies for which the DPO provides services, focusing on topical issues such as artificial intelligence and cyberspace. The DPO, in cooperation with the Categorized Information Protection Department, published a total of 6 editions of the newsletter in 2023. In addition, the DPO organizes a monthly meeting of the Data Protection Expert Working Group. The DPO also provides weekly press monitoring to the data processing and data protection specialists to inform them about new developments in the relevant area.

In 2021, the DPO reported to the supervisory authority one case of a completed serial external attack on our call centers to gain access to customers' online accounts, which was investigated by law enforcement agencies during 2022 and closed in February 2023, with a total of 7 persons being charged with the offence of unauthorized access to a computer system and information carrier under section 230(2) of the Criminal Code, with a penalty of up to three years.

In performing his activities, the DPO reported a total of 12 personal data breaches in 2023 within the scope of Article 33 of the GDPR, 8 of which involved a single breach affecting 8 CEZ Group companies. In the same year, the DPO received a total of 2 complaints from the supervisory authority. One complaint related to the unauthorized transfer of personal data to a third party. The second complaint was related to an unsolicited commercial communication. The DPO ensured that corrective actions were always implemented within the specified deadline. In none of these cases did the supervisory authority initiate an inspection. No financial penalties were incurred by CEZ Group companies in 2023 in connection with possible personal data protection breaches.

Beyond the scope of his duties, the DPO is a member of important associations active in the field of law and personal data protection. In particular, the Association for Personal Data Protection, the Association of Industry and Transport, and the Union of Corporate Lawyers, where he exchanges experience and information, deepening his professional knowledge and creating important partnerships.

#### 5.4.4.2. Cyber Security

SASB IF-EU-550a.1

CEZ Group takes the security of its information assets very seriously. We are a leader in important infrastructure, and it is crucial that we protect ourselves from any potential dangers. Therefore, in 2017 the Board of Directors approved an Information and Cyber Security Policy, setting goals to achieve the objective. The policy is publicly available on the website of ČEZ, a. s. The Chief Security Officer is responsible for compliance with the policy.

We manage critical information infrastructure and information systems of essential services in line with the Cyber Security Act No. 181/2014 Coll. We check compliance with the Act annually by an internal audit. We also responsibly secure the computer systems used for nuclear safety management pursuant to the Atomic Act No. 263/2016 Coll. We consider compliance with legislative requirements with an emphasis on risk management principles, enhanced protection of systems, and promotion of cyber security culture to be priorities of our cyber security strategy. During 2023, we have not experienced any incidents of non-compliance with cyber security standards or regulations.

In 2023, important developments in cyber security included: (1) We continue to increase the capacity and competence of our Integrated Security Operations Center. (2) International inspectors reviewed our nuclear power plants, including the cybersecurity process. (3) In the field of cybersecurity, a 24/7 on-call process has been initiated at both our nuclear power plants. (4) As part of the improvement of information and cyber security processes, as in the previous year, an exercise on the topic of the bringing in mobile devices was carried out in cooperation with supervisory authorities, suppliers and central departments. (5) We worked intensively on changes related to the new European legislation NIS2 and the upcoming new law on cyber security.

#### Security Operations Center (SOC)

The team of the Integrated Security Operations Center (iSOC) looks after CEZ Group physical safety, information security, and cyber security. The iSOC works hard to detect any potential threats or incidents and prevent them. We also work closely with national security forces like the National Cyber and Information Security Agency, Military Intelligence, and the Czech Police. Our efforts are paying off – by reducing the risk of threats and eliminating attacks, we prevent economic losses. In 2024, we plan to expand by establishing a corporate Computer Security Incident Response Team (CSIRT), which will help us deal with major cyber threats. Our goal is to become listed in the Forum of Incident Response and Security Teams to demonstrate our commitments to cyber security.

#### ISO/IEC 27001

In September 2023, our nuclear power plants went through an annual check-up called an audit of the information security management system. As per the EN ISO/IEC 27001:2017 standard, the audit assessed the setup of our computer systems, compliance with laws and regulations, and information security awareness among employees. The audit valued highly that nuclear facilities only allow contractors to maintain and configure security control systems using exclusively the nuclear operator's computers.

We passed the audit successfully and retained our international certification which is valid until October 2024. This makes us one of the first nuclear power plants in the world to get this certification. You can see our certificate on the company website.

## NIS2

At the end of 2022, the EU Directive NIS2 on measures to ensure a high common level of network and information systems security came into force. This directive significantly expands the range of obliged entities and the scope of cybersecurity obligations for existing regulated companies in EU member states. The directive also increases penalties for breaches (2% of worldwide turnover or EUR 10 million). The legislative process of the new Cyber Security Act is currently underway. This law should transpose the requirements of the NIS 2 Directive.

Requirements of the new Cyber Security Act should expand the number of obliged entities within CEZ Group: about 47 CEZ Group companies in Czechia and many others abroad will comply with the requirements of the transposition laws of the relevant countries within the EU in which CEZ Group companies operate. To meet these requirements, we launched a program for NIS2 implementation in CEZ Group. This program will help all our companies understand how to follow the new rules and make sure they are safe from cyber threats.

The program includes a deeper review of the CEZ Group's cyber strategy taking into account new cyber regulatory requirements and current cyber threats. The results of key phases and risks of the program are regularly presented to the Members of the Board of Directors.

## ISMS in CEZ Group

CEZ Group wants to make sure that our information and technology systems are safe from cyber-attacks. We follow laws, international standards, and recommendations to keep our products and services reliable for customers and partners. Four important aspects apply to all CEZ Group employees and service providers: training people who work with technology, managing and developing systems, managing risks well, and using good security measures.

We take information and cyber security seriously by following a plan-do-check-act principle. Our goal is to balance the cost of protecting assets with their worth. To do this, we made an Information and Cyber Security Action Plan that addresses all aspects related to information security in a comprehensive way throughout our organization. By following this plan, we can keep our business secure while reducing risks from potential threats or breaches. The plan indicates yearly targets based on five considerations: current level of safety of ICT (Information and Communication Technologies)/ICS (Industrial Control System); business requirements; regulation compliance; audit assessment regarding regulation compliance; industry best-practices used by peers.

## Vulnerability management and security testing

We regularly test our ICT/OT assets to make sure there are no weak spots in the system. If we find any issues, we remove them by patching or modifying the application source code. Before making changes to our live systems, we always test them in a separate environment first. Our application development follows strict rules based on Secure Software Development Life Cycle principles.

The Information and Cybersecurity User's Manual is an essential document for all CEZ Group employees. It contains principles of information and computer systems safety, outlines rules for users and their application in daily work. The manual explains complicated cybersecurity issues and translates them into real-life situations.

Every year, we prepare a report summarizing the security of our company and any risks identified by audits or other checks. The report includes details about compliance with industry standards and is submitted to the CEZ Group Protection Committee for further discussion.

CEZ Group has set up the CEZ Group Protection Committee that advises the CEO of ČEZ, a. s. This committee discusses the following topics in particular: (1) how to protect CEZ Group; (2) what threats there are and how to deal with them; (3) which security measures are most important and when they should be done; (4) which big projects need special attention; (5) important documents (plans, reports, etc.); (6) why it is important to follow security rules; (7) whether everything works well based on regular checks; and (8) analyses of security incidents and proposals for corrective measures.

The committee has three main objectives: (1) carrying out tasks related to information and cyber security; (2) sharing knowledge about current updates in information and cyber security in CEZ Group; and (3) determining how best to conduct information and cyber security practices within CEZ Group.

The committee chooses experts to form groups focused on specific protection-related topics. An expert working group on cyber security was established to address issues related to cyber security. The group's main goals are: (1) identifying and assessing risks associated with information; (2) managing current levels of information and cyber security measures within CEZ Group; and (3) making recommendations for improving information and cyber security in accordance with recognized standards (such as the Cyber Security Act or ISO 27002).

The Chief Security Officer keeps the CEO informed about information and cyber security in CEZ Group. The Chief Security Officer prepares a report with current information once a year or during emergencies. The Chief Security Officer also creates plans for maintenance of safety from cyber-attacks. The Director of Audit and Compliance is responsible for an independent assessment of information and cyber security in ČEZ, a. s., and other companies in CEZ Group, and reporting to the Board of Directors.

### Security awareness/phishing

We try to strengthen our online protection and pay attention to potential security risks. In 2023, we had 2,938 incidents related to information or cyber security – a significant increase (11%) compared to the previous year caused by the application of new Data Loss Prevention rules. We also ensure that cyber is an integral part of our investment projects. It is essential for our employees to understand safe internet use, and training sessions are provided every two years. Our goal is to train employees to spot suspicious and malicious emails and use phones and websites without any risk. To test their attention, we sometimes send fake phishing emails. In 2023, about 16,000 employees received these emails with an average 6% click-through rate. There was less than 0,5% of high-risk users after the tests were completed. The Cyber Security Department continues to send out fake phishing emails and also provides special training sessions for certain groups of employees such as purchasing specialists, security managers, and top managers in CEZ Group companies. The Security Awareness Development Plan defines the content and target groups of online safety training required by information and cyber security regulations.

#### The Security Awareness Development Plan

Level	Content	Target group
1	Basic of information and cyber security	All CEZ Group employees
2	Advanced basics of information and cyber security	CEZ Group employees using technological management information systems CEZ Group employees providing service to critical information infrastructure elements
3	Expert cyber security training	Administrators of technological management information systems Employees in the role of responsible professional engineers or responsible project engineers Persons in roles of security officers, including members of cyber security management committees
4	Expert cyber security training	Information and cybersecurity department staff Internal trainers
5	Security – information and cyber security	Contractor employees performing activities at nuclear power plants in the role of work leaders Contractors performing activities at nuclear power plants
6	Online testing and training – phishing	All CEZ Group employees

Some of our employees are experts who belong to Information Systems Audit and Control Association (ISACA) or ISACA Czech Republic Chapter (CRC). This group is a part of an international organization that helps professionals with managing, auditing, controlling, and securing information systems. The local chapter has over 300 members from different parts of business and government administration.

### Security of supplier relationships

We ensure that CEZ Group's requirements for information and cyber security are met when we outsource deliveries. We take security very seriously and make sure all third-party suppliers follow our strict security rules. In case of a breach, we handle the situation accordingly in all seriousness. Fostering good relationships with our suppliers helps to maintain security in all processes. In our business, we follow legal requirements of Act No. 181/2014 Coll., Section 3 (c), (d), (f) & (g) and Cybersecurity Ordinance Section 8 – Supplier Management obligations on third party/supplier cybersecurity management.

We follow several important documents when selecting suppliers. These documents include contracts for ensuring information and cyber security, instructions for suppliers, and a questionnaire to assess risks involved in working with a supplier. The questionnaire is applicable for contracts related to Act No. 181/2014 Coll., on cyber security. A cyber security contract must include four criteria: First, we need to know what security requirements are necessary for standard systems and technologies. Second, we list the requirements for maintenance contracts from both suppliers and service providers. Third, we need to know what kind of security requirements consultants or advisors should meet. Finally, if deliveries fall under Act No. 181/2014 Coll., then there are specific security requirements that must be met.

## 5.5. Asset Management

GRI 3-3

Asset lifecycle management is a key element in ensuring safe and reliable operations at our production and distribution sites. In practice, this means that we are consistent in all activities related to the asset lifecycle, i.e., from the acquisition of assets through their operation to their decommissioning and disposal. This is based on techno-economic studies, risk analyses, asset maintenance, cost optimization, and supply chain capacity. The purpose of asset management at CEZ Group is not only the sustainable and efficient use of operating resources, but also their renewal and the development of long-term value.

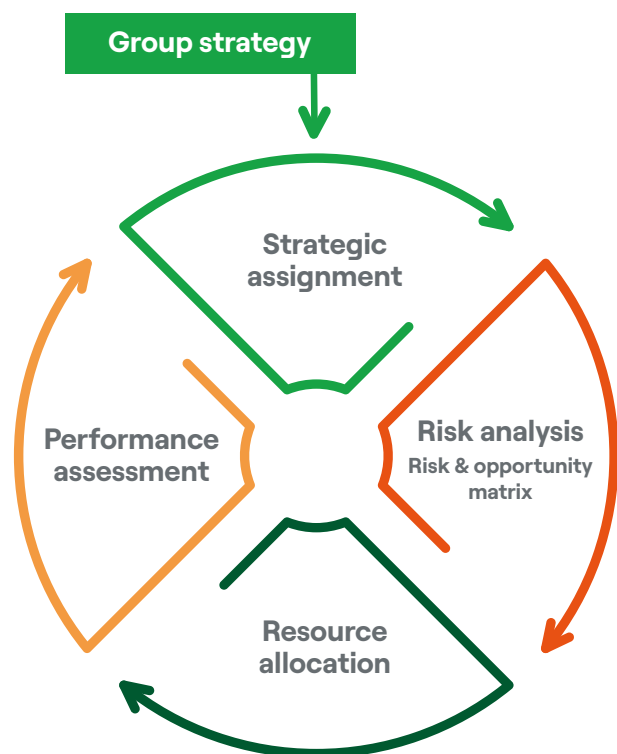
### 5.5.1. Renewable and Conventional Energy

The basic pillar for asset lifecycle management in the Renewable and Traditional Energy Division is CEZ Group's strategy, VISION 2030—Clean Energy of Tomorrow, which aims to:

- reduce coal-fired power generation: we will reduce the share of coal-fired electricity generation to 25% by 2025 and 12.5% by 2030,
- increase production from clean sources: we will build 6 GW of renewables by 2030

According to this strategy, further objectives and plans are developed into site concepts (strategic site assignments). The individual site concepts are based on the main risks and opportunities of the sites, the condition of key equipment, consideration of the availability of main inputs (fuel, water, etc.), personnel resources, legislation, and CEZ Group commitments and technical know-how. The site concepts divide specific sub-tasks and KPIs (key performance indicators) into annual and medium-term planning periods (5 years), including resource allocation, setting technical and economic indicators, priority setting, and assigning responsibility for task performance. We use the Design-To-Value methodology for the preparation of major projects. In general, the process fulfilling the PDCA (Plan-Do-Check-Act) cycle can be summarized as follows:

**Fig. 5: PDCA cycle – Asset Management – Renewable and Conventional energy**



An advisory body, the Resource Portfolio Management Commission, assists with the implementation of the site concepts. In particular, the Commission discusses:

- implementation of the long-term site concepts and the related medium-term plans
- annual site plans and evaluation of their ongoing execution
- the status of projects in the medium term, evaluation of deviations and proposals for corrective measures
- the main risks and opportunities associated with asset management arising from external and internal incentives
- the length and nature of planned outages and relevant recommendations

CEZ Group's asset and risk management system for Renewable and Traditional Energy is conceptually based on ISO 55000 and ISO 31000 standards.

From a risk management perspective, unified principles are set for all areas of the asset lifecycle. We have a continuous process of early identification of risks in place, their recording, expert determination of the size of risks including proposals for their mitigation (reduction, acceptance, monitoring, escalation, etc.).

The identification of risks focuses especially on:

- compliance with the Safety and Environmental Policy
- acceptability of operational risks to the public and the environment
- reliable and efficient generation of power and heat
- the development of renewable energy sources
- meeting CEZ Group's ESG objectives, including taxonomy
- business continuity management risks

All risks and opportunities are recorded in the Risk and Opportunity Register, which is used in the development of site concepts and subsequent annual and medium-term plans. If necessary, the risk overview is the basis for escalation to the management of ČEZ, a. s. Risk management is also reflected in the scope of routine maintenance and categorization of equipment, evaluation of specific activities, approach to spare parts management, and application of technical standards. Similarly, the identification of opportunities and their subsequent development is approached.

The asset and risk management system must consider a series of factors in terms of meeting the VISION 2030—Clean Energy of Tomorrow objectives and preparing site concepts. In the context of reducing coal-fired power generation, it is primarily a matter of appropriate timing, both in terms of achieving climate targets and ensuring security of energy supply in Czechia. This goes hand in hand with the replacement of coal-fired sources with emission-free (primarily photovoltaic), and low-emission (gas-fired) sources, the conversion of plant sites to new activities and the development of new systems and technologies (such as flexible sources, electricity storage, hydrogen technologies or heat storage).

The process of coal extraction is also tightly linked to the site concepts. Severočeské doly, part of CEZ Group, plans mining and subsequent reclamation within the operating horizon of its coal assets.

In the heating sector, we are preparing for the transition to low-emission heating from an asset and risk management perspective. In practice, this will mainly mean highly efficient combined heat and power units using biomass, municipal waste and natural gas, but also accumulation, electrode boilers and heat pumps.

Currently, we have in a high stage of development projects for the transformation of the heating sector in the localities of Mělník (Energotrans, a.s.), Dětmarovice, Prunéřov-Tušimice and Trmice. The transformation of the Dvůr Králové nad Labem heating plant is before completion (deadline spring 2024). In the next phase, the transformation will continue in Ledvice, Poříčí and Hodonín.

We evaluate all projects according to the requirements of the EU taxonomy, a new area of legislation that sets criteria for selected economic activities, which when met can be classified as "sustainable" and their corresponding financial indicators can be reported in the company's performance.

A practical example of asset management and the transformation to emission-free generation is the Prunéřov I power plant, which was shut down in 2020 after 53 years of operation. The demolition of the decommissioned power plant, which started in 2022, was completed by the end of 2023. The result is a cleaned-up area for further commercial use. In general, when decommissioning, we prefer the maximum possible use of dismantled components, both within and outside CEZ Group, and recycling of recoverable raw materials.

The key issue, reflected in the CEZ Group's strategy, VISION 2030—Clean Energy of Tomorrow, is the fulfilment of ESG ambitions through 9 initiatives, where the initiative called "training and retraining" aims to prepare plans for sites affected by the coal exit, including measures in relation to employees. For this purpose, a "Parity Working Group for Coal-Exit Sites" was established, where the employer presented in 2022 a concept for a differentiated approach to the employees of each affected site, which includes 4 main priorities:

- maintain the necessary employment at the affected locations until their closure,
- employ existing staff in jobs created by the transformation of the sites, both during construction and in subsequent operations,
- employ existing employees within the CEZ Group's internal labor market,
- provide an above-standard social compensation program for redundant employees.

Detailed information related to the human resources area is provided in the Human Resources Data section.



We are also involved in Europe-wide activities related to the transition to low-emission and zero-emission energy production. We are members of the vgbe organization (formerly VGB), which includes the Future Energy System program, which comprises technical groups focusing on future technologies, PV, biomethane and hydrogen. We participated in the project Re-purposing Coal Power Plants during Energy Transition, which mapped more than 70% of the total installed capacity of coal-fired power plants in Europe, assessed the state of their assets and infrastructure and identified sustainable technologies suitable for the transformation of coal sites. As part of a subsequent working group, we plan to participate in a project called Roadmap for the restructuring of Coal Regions in Transition, aimed at developing an action plan for coal regions and sectors to overcome the negative impacts of coal exit and to achieve the EU's decarbonization and transition objectives.

In terms of continuous professional development in the field of energy asset management and risk assessment, we have a system in place to obtain the necessary and up-to-date information. These include membership in various technical working groups (vgbe, EPRI – Electric Power Research Institute, and IERE – International Electric Research Exchange), participation in conferences and educational events, cooperation between the professional departments of CEZ Group, and other.

### 5.5.2. Nuclear Energy

The CEZ Group's strategy, VISION 2030—Clean Energy of Tomorrow, is fundamentally reflected in the life cycle management of our nuclear assets. In the strategy, we commit to:

- safely increasing generation from existing nuclear sources to over 32 TWh and achieving at least 60-year lifetime for nuclear units
- building a new nuclear unit at Dukovany
- preparing for the construction of small modular reactors (SMRs) with a total capacity of over 3,000 MW, with the aim of implementing the first modular reactor by 2032

The guiding principle is to manage assets and risks with safety and reliability in mind and to ensure that everything is done in accordance with the internal Nuclear Power Plant Safety Policy.

CEZ Group's strategic visions for nuclear power are further reflected in long-term site concepts and medium-term site plans. With the help of site concepts, we determine the way nuclear power plants are operated, set expectations over the horizon (and beyond) of expected operation and during asset decommissioning, and look at the potential for further site development. The main input for the development of the concepts is the risk and opportunity register of the site, the condition of important facilities, the restrictive conditions (water, discharges, etc.), and the applicable legislative framework.

Key areas of asset lifecycle management in our nuclear operations include:

- setting rules for the care of nuclear power plant equipment to ensure a high level of reliability
- planning for the long-term economically sustainable use of nuclear power plants
- securing the finances necessary for the long-term economically sustainable, safe, and reliable operation of nuclear power plants
- monitoring the situation, searching for causes, performing analyses, and continuous improvement

The entire asset management process is summarized in the following diagram of the annual PDCA cycle (Plan-Do-Check-Act):

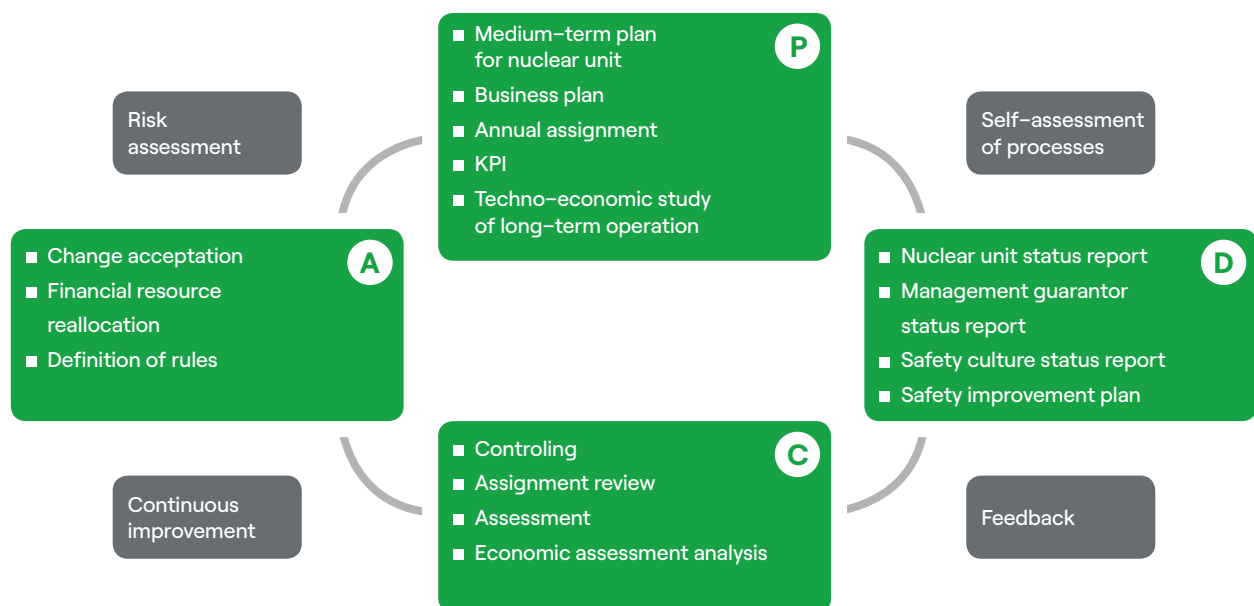


Fig. 6: PDCA Cycle – Asset Management – Nuclear Energy

As part of asset care, we improve maintenance processes in cooperation with internal departments and suppliers. Regular meetings are held to evaluate activities (ongoing and planned) and improve processes. Part of the process includes monitoring foreign nuclear operators and comparing their maintenance approaches. The aim is to ensure stable and high-quality maintenance of assets to secure high reliability in the long term.

When planning the economically sustainable use of nuclear power plants, we fulfill our role and proceed with due care and diligence. We coordinate activities in the operation of production facilities and look for and assess the potential for site utilization. To support good decision-making, we use techno-economic tools that provide a comprehensive view of the situation and search for optimal solutions, because the cheapest way does not always mean the best way.

Optimal and efficient allocation of resources is one of the basic premises for continuous improvement of safety and reliability in nuclear operations. The goal of long-term economically sustainable, safe, and reliable operation is thus reflected in realistic business plans and annual budgets. Economic management tools such as NPV (Net Present Value) are an integral part of management decision-making.

Asset lifecycle management places demanding requirements on our suppliers. We only work with suppliers who meet the rigorous requirements for the supply of materials, products, and services for nuclear power plants. To qualify for supply to nuclear power plants, a supplier must pass the relevant audit. All audit records are part of the qualified supplier database.

Thanks to employees with extensive experience in various fields from outside CEZ Group, we manage to maintain a high level of know-how in asset and risk management. We are mindful of the need for early transfer of knowledge and experience, and we reflect this in our staff training and development requirements, including basic staff training.

### 5.5.3. Distribution System

As the largest distribution system operator in Czechia, we have long been committed to the safe and reliable operation of the distribution system. The distribution system operated by our company ČEZ Distribuce includes power lines and stations covering high, medium, and low-voltage levels. In total, we supply and manage nearly 3.8 million consumption points.

According to the Energy Act (Act No. 458/2000 Coll.), one of the basic obligations of the distribution system operator is to plan the renewal and development of the distribution system. In addition to the traditional development, the distribution system needs to be transformed for what is now-called New Energy (PV and wind power plants, e-mobility, etc.), which is fully reflected in the CEZ Group's strategy, VISION 2030—Clean Energy of Tomorrow and especially in this particular commitment:

- invest in smart grids and decentralization to further develop a stable and digital distribution grid

In managing ČEZ Distribuce assets, we follow a systematic approach and coordinate activities and procedures in order to achieve optimal performance, assess the associated risks and costs over the asset life cycle, and achieve the highest possible efficiency.

The investment plan, which is approved by the management of ČEZ Distribuce, is the underlying basis for planning the renewal and development of distribution system assets. The investment plan is built upon the company's strategy, which focuses on:

- asset renewal (according to key parameters – condition, age, failure rate, extent, safety, etc.)
- asset development enabling the connection of decentralized renewable energy sources, including smart technology deployment

The investment plan is broken down into the mid-term plan in detail (by region, type of asset, etc.) and implemented step by step.

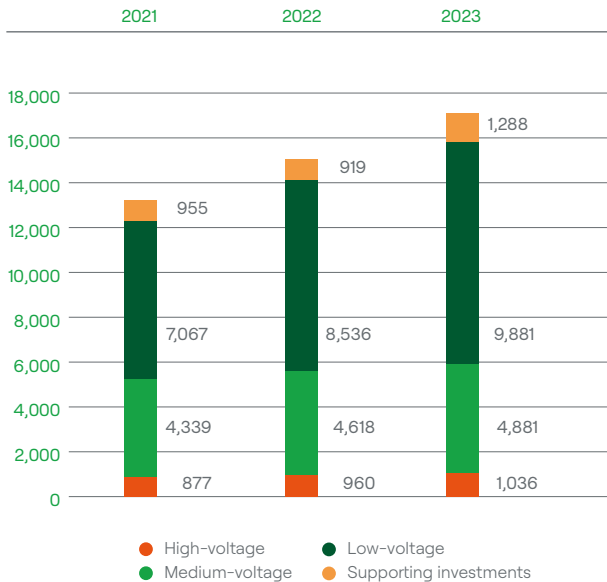
Asset renewal is based on the requirements of the expert departments. The internal tool FMEA is used to manage and assess the condition and importance of the assets. At the same time, we started the implementation and testing of the new AMS system, based on the Maximo application, which will replace the FIMEA tool during 2024. Evaluation includes criteria such as supply interruptions and continuity of supply, voltage quality, distribution losses, OPEX (maintenance, malfunctions), connection capacity, asset condition, reinforcement of the distribution system due to decentralized generation, and risk elimination.

We invest in asset development based on strategic decisions preceded by thorough condition analyses including calculation studies. We have deployed a new application, Grizzly, for grid performance calculations, replacing the Bizon software previously used. The new application is more powerful and provides a better user experience. In the calculations, we consider scenarios for the development of electricity consumption and generation. As a result, the analyses comprehensively assess future conditions and possible scenarios for the development of the distribution system.

Smart technologies are a separate group of development investments. These include the installation of remote intelligent control elements, elements for U/Q management, fiber optic infrastructure, etc.

The following chart shows the amount of investments (in millions of CZK) in the renewal, construction, and development of the distribution system in the last 3 years.

**Investments (mil. CZK)**



Investments in years	2021	2022	2023
High-voltage	877	960	1,036
Medium-voltage	4,339	4,618	4,881
Low-voltage	7,067	8,536	9,881
Supporting	955	919	1,288
<b>Total in millions of CZK</b>	<b>13,238</b>	<b>15,033</b>	<b>17,086</b>

We are aware that environmental trends and related legislation have an impact on our distribution system asset management. For example, in the past, Directive 2009/125/EC and the subsequent European Commission Regulation 548/2014 set out the eco-design requirements for transformers. Since 2015, ČEZ Distribuce has only purchased transformers (approximately 2,200 per year) that comply with the mentioned regulation. We are currently monitoring and preparing for the introduction of the EU directive to ban the use of SF6 gas, which is environmentally harmful. We have participated in a Europe-wide questionnaire study, which has led the European Commission to propose a regulation to phase out the use of SF6 in electrical equipment (the vote took place on January 16, 2024 with a positive result and will take effect as at March 11, 2024). For this reason, we are taking steps to prepare early tenders for SF6-free technology standards and are monitoring the market situation. In the technical specifications for the respective tenders, we have included information on whether the bidder can also provide an alternative to SF6, and in the framework agreements we reserve the right to change the contract performance.





# in detail

We report eligibility and compliance with the EU taxonomy for economic activities and significant investments with a contribution to climate change mitigation. Our goal is to provide comprehensive information on our significant economic activities, including a higher level of detail for ineligible activities where we go beyond legislative requirements.

6

# EU Taxonomy KPI Report

## 6.1. General Principles

CEZ Group reports key indicators of the EU taxonomy in accordance with EU Regulation 2020/852 the so-called Taxonomy Regulation and related delegated acts. For fiscal year 2023, we report eligibility and alignment of our economic activities in relation to all six environmental objectives. CEZ Group business activities in the energy sector and energy services are primarily focused on a substantial contribution to mitigation, and CEZ Group does not carry out significant economic activities aimed at adaptation (CCA).

In accordance with the requirements, CEZ Group also reports identified economic activities in relation to the other four environmental objectives for which the classification of activities was created in 2023: Water Protection (WTR), Pollution prevention and control (PPC), Transition to circular economy (CE), and Biodiversity and Ecosystem Protection (BIO).

## 6.2. Contextual Information – Methodology and Implementation in CEZ Group

CEZ Group has established an internal ESG reporting, and assessment process led by the ESG Reporting Office. CEZ operates an internal reporting solution for collecting taxonomy-relevant data. This allows us controlled collection, quality control, standardization, and assessment of compliance with EU taxonomy requirements at the level of subsidiary and economic activity. The process of assessment was performed by data collection for each business activity within fully consolidated subsidiaries of CEZ Group.

CEZ Group discloses eligibility and alignment of own economic activities in line with legal requirements. For assessment, the existing technical screening criteria as of December 31st, 2023 are applied, meaning all six environmental goals and alignment criteria are covered. Impact of new goals and activities within classification is low, as CEZ Group perform economic activities mainly within utility sector and energy services.

Our approach follows the principles of materiality and transparency. We aim to provide comprehensive information about all relevant business operations including noneligible activities, going beyond disclosures requirement. CEZ Group KPI disclosures include material activities. Nonmaterial activities with low impact on KPI are grouped under category – Energy Services and Other Activities. Each activity included in our report (material or nonmaterial) has been assessed against EU taxonomy technical screening criteria. That includes new activities eligible since 2023. CEZ Group performed alignment screening and discloses both eligibility and alignment for new activities. CEZ Group thus comply with disclosure requirement one year prior to legal obligation.

Technical screening criteria consist of Substantial Contribution Criteria for one environmental objective (mainly climate change mitigation objective) and Do No Significant Harm criteria for other five environmental objectives. The alignment is assessed on the level of a single economic activity or projects of a given company. The climate risks and social safeguards have group-level importance across activities and are assessed on CEZ Group level.

Given the level of uncertainty in some definitions and interpretations of each screening criterion, our assessment is based on the best-effort-basis. The final assessment is based on current understanding of the criteria. Our understanding is based on in-house ESG and operational expertise and is complemented by consultations with regulatory authorities, approaches by green bond SPOs, and with sectoral guidelines issued in last years.

If more activities are present and reported by subsidiaries, we report each financial value for a single activity based on business lines, technology, or projects. In some instances, CEZ Group uses pro rata coefficients based on objective operational and technological data. No values are double counted, and quality control is performed against audited company financial values and accounts.

KPI disclosure uses only Group data without the use of any external services or third-party estimates. The taxonomy disclosure follows financial account using international accounting standards (IFRS) in Consolidated Financial Statements in the Annual Report, which are assessed by an independent auditor.



## 6.3. EU Taxonomy Eligible Activities

When preparing the report, CEZ Group assessed the relevant economic activities according to the classification of activities and their significance to operating income or investments. Based on this assessment, CEZ Group implemented the following eligible activities in 2023.

Activity code	Activity	Activity code	Activity
CCM_1_2	Afforestation	CCM_5_9	Material recovery and Treatment of nonhazardous waste (incl. byproducts)
CCM_3_5	Manufacturing of energy efficiency equipment for buildings	CCM_6_2	Freight rail transport
CCM_4_1	Construction and electricity generation from photovoltaics	CCM_6_5	Transport by motorbikes, passenger cars, light commercial vehicles
CCM_4_3	Construction and electricity generation from wind power	CCM_6_6	Freight transport by road
CCM_4_5	Construction and electricity generation from hydroenergy	CCM_6_15	Infrastructure for lowcarbon road transport – public charging infrastructure
CCM_4_9	Electricity transmission and distribution	CCM_7_1/CIR_3_1	Construction of new buildings
CCM_4_10	Electricity storage	CCM_7_2/CIR_3_2	Building renovation (complex renovations)
CCM_4_11	Thermal energy storage	CCM_7_3	Installation/maintenance/repair of energy efficiency equipment
CCM_4_15	District heating/cooling	CCM_7_4	Installation/maintenance/repair of charging points in buildings
CCM_4_20	Construction and cogeneration from biomass/biogas	CCM_7_5	Installation/maintenance/repair of equipment for measurement, control and regulation of energy performance
CCM_4_24	Construction and heat generation or cogeneration from biomass/biogas	CCM_7_6	Installation/maintenance/repair of renewable technologies
CCM_4_27	Construction and operation of new nuclear facility	CCM_7_7	Ownership and acquisition of buildings
CCM_4_28	Operation and lifetime extension of existing nuclear facility	CCM_8_1	Data processing, hosting, related activities
CCM_4_29	Electricity generation from natural gas	CCM_8_2	Data-driven solutions for GHG emissions reductions
CCM_4_30	Cogeneration from natural gas	CCM_9_1	Close to market research, development and innovation
CCM_4_31	Heat generation from natural gas	CCM_9_3	Professional services for energy performance of buildings
CCM_5_1/ WTR_2_1	Construction, extension and operation of water supply infrastructure / Water supply	PPC_2_4	Remediation of sites and mines
CCM_5_3/ WTR_2_2	Construction and extension, renewal and modernisation of waste water treatment infrastructure / Urban Waste water treatment	CIR_3_3	Demolition of buildings

## 6.4. Technical Screening of Economic Activities in Year 2023

### 6.4.1. Renewable Energy

#### Photovoltaic power plants – CCM\_4\_1 Wind power – CCM\_4\_3

Aligned

Development and operation of power plants in Czechia, Germany, France, Italy, Austria, and Israel.

Technology complies with threshold 100 g CO<sub>2</sub>e/kWh by default.

Projects and locations use measures such as ISO 14000, consider feasibility of circularity aspects of components on project level (such as durability or long lifespan of component). All projects ensure end-of-life waste management in line with applicable EU legislation.

All projects comply with EIA regulation incl. biodiversity assessments whenever required.

#### Hydropower – CCM\_4\_5

Aligned

Operation of existing power plant in Czechia. (Including pumped hydropower under CCM\_4\_10).

Hydropower technology comply with threshold 100 g CO<sub>2</sub>e/kWh by default according to current scientific consensus. All CEZ hydropower plants has power density higher than 5 MW/m<sup>2</sup> based on installed capacity and average reservoir area (on facility and/or cascade level).

All plants are operated under valid licenses and permits from water authority (River Basin Management authority) and implement all defined and required measures for water protection, improving good water potential and biodiversity protection. Required measures are derived from Water framework directive and CEZ Group considers such legal compliance as alignment under DNSH. For hydropower locations build or modernized under applicable EIA regulation, legal compliance is ensured, and compensatory measures were implemented.

#### Biomass plants<sup>6</sup> CCM\_4\_20, CCM\_4\_24

Aligned\*

Cogeneration and heating plants on biomass and biogas in Czechia, Slovakia, or Italy.

Used biomass is certified or considered sustainable in line with RED II Regulation (biomass sourcing and fossil fuel savings comparator). In the case of small biomass units in Slovakia, which do not have a legal obligation to certify according to RED II, biomass from local sources with a short transport distance is considered sustainable in accordance with the approach for assessing emission savings according to the Directive.

As eligible and aligned, we consider only operations using biomass-only fuel. I.e., without co-combustion of other fuels during regular operational regime (especially fossil-fuels).

Operation of plants is under valid permits, in line with water authority requirements, valid pollution emission limits and compliant with air quality plans.

All facilities follow the EIA assessment requirement, if an assessment was required. Or by a similar valid permit procedure for the given site, if the EIA was not legislatively anchored or required at the time of construction.

<sup>6</sup> Activities under codes 4.8, 4.20, 4.24 are bundled together due to their technological nature and predominantly the same screening requirements.

## 6.4.2. Transitional Energy – Natural Gas and Nuclear

### Nuclear energy – CCM\_4\_27, CCM\_4\_28

Aligned

Generation facilities in Dukovany (EDU) and Temelin (ETE) and preparatory phase for construction of additional units EDU II and ETE II.

Nuclear energy activity has two broad sets of requirements for national and project-level compliance. Czech Republic has a comprehensive set of requirements to comply with, for operation and modification of existing nuclear facilities as well as for construction of new nuclear facilities. CEZ Group performed detailed analysis for each criterion and cooperated with national authorities for clarification of interpretation.

National set of requirements is met by regulation Act 263/2016, Coll., which refers to all of the relevant Euratom and EU regulations. The Czechia has currently no open infringement case in nuclear area. Czechia has valid Concept of Radioactive Waste and Spent Nuclear Fuel Management (Government Resolution No 597/2019) which ensures compliance with EU and international requirements considering management of radioactive waste.

ČEZ, a. s. generates financial reserve for decommissioning of nuclear installations (so-called escrow account). Contributions are determined by Ministry of Industry and Trade Decree 250/2020 Coll. and annual control of adequacy is performed by SURAO. ČEZ, a. s. bears all costs associated with radioactive waste management and provide funds to the so-called nuclear account (administered by the Ministry of Finance). CEZ Group reports annually the values of accumulated reserves in the CEZ Group Annual Report.

ČEZ, a. s. has valid radioactive waste management plan, which includes requirements for minimizing the amount of waste disposed into the radioactive waste repository. ČEZ, a. s. operates the radioactive waste storage facility at the Dukovany NPP which is owned by national authority SURAO. Dukovany storage facility is intended for the disposal of low- and intermediate-level waste. Transboundary shipment of radioactive material is permitted to other Euroatom country for the purpose of reprocessing before storage in SURAO facilities.

SURAO assessed in year 2022 feasibility to operate permanent underground repository by year 2050 in accordance with Taxonomy requirements. With conclusion of technically feasible test operation by year 2050. Based on this assessment the Government Resolution No 24/2023 delegated to SURAO responsibility to update the Concept of Radioactive Waste and Spent Nuclear Fuel Management in line with Taxonomy requirements by end of 2024. CEZ Group thus assess the compliance with this taxonomy criterion as reasonable and sufficient.

CEZ Group complies with the criterion of a maximum of 100 gCO<sub>2e</sub>/kWh of energy produced. The JRC Study on nuclear power for the purpose of EU taxonomy declares that the facilities comfortably reach the threshold even in the next 50 years. This is consistent with the conclusions in the IPPC (2014) and UNECE (2022) assessments. For our nuclear facilities, we consider the results of the Czech-Polish study from the University of Science and Technology in Ostrava (2017) and the study of the University of Chemistry and Technology and the UJV Řež (2020). Latter assessed nuclear electricity generation in Czechia (CEZ Group facilities) by full LCA perspective in accordance with EU PEF 2.0 methodology. Nuclear generation is assessed as well below the taxonomy threshold.

Site suitability and resilience against natural hazards and climate risks and meteorological events is regularly assessed within update of Operational Safety Reports of ETE and EDU. Assessments follows requirements set out in the Decree 378/2016 Coll., IAEA SSR-1, WENRA Safety Reference Levels. In past Fukushima Stress tests were performed on both nuclear sites. Based on the assessments the nuclear sites implemented Action Plans to minimize impact of Extreme Natural Hazards, where adopted measures follow "Defence in Depth" principle.

At present, all reactors in operation are licensed to operate indefinitely. CEZ expects to operate units for at least 60 years thus with expected useful lifetime of operation beyond the year 2040. It will be achieved by the application of requirements related to ageing management, by performing periodic safety reviews (PSRs) every 10 years, and by meeting requirements set by national authority (SUJB) for increasing the safety of the facility.

New nuclear facilities will be notified in accordance with Art. 41. Euroatom Treaty following applicable EU Regulation No 2587/1999. EDU II financing scheme between ČEZ, a. s. and Czech Republic is in the process of notification by European Commission.

Both the EDU and ETE NPP facilities use the best available technology in accordance with Euroatom requirements to prevent accidents, to mitigate and prevent their consequences. Facilities follow the best available techniques based on IAEA Safety requirements (Design and Operation) and are subject to periodic OSART inspections. As well as they follow WENRA Safety Reference levels for Existing reactors 2020 and are subject to inspections under Topical Peer Review of ENSREG. Accident tolerant fuel as such is not yet available on a commercial basis and future licensing process is required for each specific nuclear fuel modification separately. Based on current interpretation across European regulatory authorities and operators, existing nuclear fuels comply with safety requirements understood as best available techniques. CEZ Group actively supports development in this area as our subsidiary, nuclear research facility at Řež, is collaborating on program INCA NEA-FIDES II testing ATF concepts on research reactor.

Facilities ETE and EDU have all required permits and comply with applicable limits set by competent water authority, incl. water management limits, limit of water radioactivity and temperature limit, if relevant. Both sites use efficient cooling towers and do not use once-through cooling. ETE and EDU has safety backup diesel aggregates which serve as backup sources and comply with medium combustion plant emission limits and has valid permits.

For modifications of nuclear facilities, Environmental Impact Assessment is always provided to permitting authority. Full EIA procedure (scoping) and biodiversity screening are always performed based on decision of competent environmental authority. New reactor in ETE (ETE II) site has currently valid EIA assessment and conclusions since year 2013. New development in EDU site (EDU II) has currently valid EIA conclusions by year 2019. Environmental monitoring is implemented and annually reviewed. With radiation monitoring conducted by national laboratory for radiation control.

### Natural gas<sup>7</sup> – CCM\_4\_29, CCM\_4\_30, CCM\_4\_31

Aligned\*

Activity includes electricity generation, heat generation for district heating and cogeneration units. Activity is performed in Czechia, Slovakia, Italy, and Germany.

All units operated in 2023 and projects already implemented do not meet at least some of the taxonomy requirements for these transitionally sustainable sources. Therefore, the operation is not compliant with the EU taxonomy and is classified as eligible only.

New investment projects in gas sources within the current transformation plans of CEZ Group's coal-fired sites (in 2023 the location of Energotrans a.s.) are in accordance with the EU taxonomy based on the project-level assessment. Capital expenditures in the preparation of these specific projects are reported under the sustainable CAPEX.

Aligned projects are CCGT source of EGT PPC 1 / PPC 2 / PPC 3 and the heating source EGT GB (gas boiler) in the already existing location of the Mělník power plant. The planned issuance of building permits for these projects is in 2025–2027. Commissioning in 2028–2030.

CEZ Group implements a portfolio approach to the identification and transformation of locations, where coal assets within the Czechia are replaced. As part of the transition CEZ Group (Renewable and Conventional Energy Division) have defined a transition trajectory for each strategic gas project to ensure the decommissioning of coal-fired sources with the same or higher production capacity within the CEZ Group's coal assets property portfolio. This transition takes place within a maximum of +/- 3 years between the commissioning and shutdown of the original coal-fired source. (The new source EGT PPC 1 + EGT GB thus replaces the installed capacity of the decommissioned source EDE B2 + B3).

The EGT PPC projects meet the requirements for high-efficiency cogeneration and the EGT GB is located for connection to an efficient heat supply system. The emission intensities of these projects are always below the limit of 270 g/kWh of direct emissions per unit of energy produced. The upcoming projects meet the requirement to reduce the emission intensity by at least -55% (assessed against the capacity to be replaced). CEZ Group will assess an alternative variant of a cost-effective and technically feasible option of renewable energy sources within integrated permit procedure. That ensure stakeholder involvement and engagement.

All gas projects are technologically prepared for the use of hydrogen of at least 10% from the commissioning of the source and are planned with the prospect of switching from gas to hydrogen by the end of 2035. The projects have methane leakage monitoring and will minimize methane emissions.

CEZ Group also assessed all operated assets according to the DNSH criteria, i.e. in the areas of water protection, pollution prevention and control, and biodiversity protection. All our operations meet the defined DNSH requirements for this activity.

The "Aligned \*" mean partial alignment of the activity (see disclosure table for alignment/eligibility values).

<sup>7</sup> Activities under codes 4.29, 4.30, 4.31 are in disclosure bundled together due to their similar nature of technology and predominantly same requirements. During screening CEZ Group use proper set of conditions defined by relevant delegated act.

### 6.4.3. Infrastructure Activities

#### Electricity distribution – CCM\_4\_9

Aligned\*

Distribution grid operation, distribution services and installation of equipment for energy grid in regions of Czechia and Slovakia.

All grids operated are connected into European interconnected grid and installed equipment is aligned with defined requirements. Circularity during waste management is ensured through EMS system in line with ISO 14000, with aim for material recovery at the end-of-life of equipment. No PCBs are in use. Distribution companies ensure high level of protection through health and safety programme incl. safety for work in heights and prevention of electromagnetic radiation on workers safety in line with European and national legislation. EIA procedure and biodiversity screening are performed based on decision of competent environmental authority. Most of the developments are assessed with no impact on biodiversity. Moreover CEZ Distribuce, a. s. further perform successful biodiversity program. CAPEX for new connections linked to gas projects are excluded and assessed as not aligned with EU taxonomy, only eligible.

#### District heating – CCM\_4\_15

Aligned\*

Local heating supplies in Czechia and Slovakia.

Activity is aligned with taxonomy requirements for supplies in efficient heating systems. All operators are compliant with conditions defined by water authority. During renovations and renewal of infrastructure, only energy efficient and ecodesign compliant equipment is used. Operators have all necessary valid permits and authorization for heating supply and infrastructure operation.

### 6.4.4. Energy Services and Other Eligible Activities

#### Installation of energy efficiency equipment – CCM\_7\_3

Aligned\*

Installation services in Czechia, Slovakia, Germany, Austria, Romania and Poland. Incl. manufacturing of energy efficient equipment and lightning installed (3.5).

Activity is assessed as aligned in case of highly energy efficient equipment or lightning sources (LED). Business lines using lower energy efficiency equipment are considered as eligible, not aligned.

Performed activity consist of equipment and technology installation which is compliant with ecodesign requirements. No construction works are generally performed by companies. Companies are compliant with existing regulation on asbestos handling and regulated substances with no breach of law during reported period was identified.

Energy efficiency equipment, sensors and LED manufacturing is performed under environmental management system and waste management program. And is considered as aligned.

#### Installation of renewable energy technologies – CCM\_7\_6

Aligned\*

Installation of on-site heat pumps and rooftop photovoltaics in Czechia, Germany, Netherlands, France, UK and Israel.

Activity complies with list of taxonomy-aligned product categories and is assessed as aligned. The activity is assessed as sustainable if there is enough evidence for evaluation.

#### Other energy services and e-mobility

Aligned\*

Activities are performed as part of broad ESCO business segment in Czechia, Poland, Slovakia, Germany, and Italy.

CCM\_7\_4 Installation of charging stations in buildings and parking lots is included in list of aligned products.

CCM\_7\_5 Installed devices enable smart metering, regulation and automation of energy performance. Devices comply with list of aligned products.

CCM\_9\_3 ESCO services and energy management services comply with list of aligned products and services.

CCM\_6\_5 Purchase and operation of group e-mobility and hybrid vehicles, which are aligned with zero tail-pipe emissions or 50g/km threshold. All vehicles comply with EU and national waste legislation and consider sufficient energy label of tires in their respective vehicle categories.

CCM\_6\_15 Construction and installation of charging stations as part of publicly accessible infrastructure complies with requirements as well. Projects comply with project-level requirements for construction waste management, set by permitting authority. Contractual agreements are put in place to ensure priority of waste material recovery in line with waste hierarchy and waste legislation. All subcontractors are holders of EMS ICO 45001 and comply with environmental requirements such as biodegradability for coolants used in components of charging stations. All equipment is disposed in line with WEEE legislation and recycled in line with EU requirements. All stations are part of existing road infrastructure and are not linked to new development of line infrastructure.

CCM\_7\_2 Existing activities in building renovations have positive impact on energy savings, but projects do not meet the screening criteria. Activity is assessed as eligible, not aligned.

**Other nonmaterial activities**

Aligned\*

Category includes eligible nonmaterial business lines within scope of EU taxonomy.

The monitored and disclosed categories include the following activities according to the EU taxonomy code list:

CCM\_1\_2, CCM\_5\_1/WTR\_2\_1, CCM\_5\_3/WTR\_2\_2, CCM\_6\_2, CCM\_6\_6, CCM\_7\_1/CIR\_3\_1, CCM\_7\_7, CCM\_8\_1, CCM\_8\_2, CCM\_9\_1, CCM\_4\_10, CCM\_4\_11, CCM\_5\_9, PPC\_2\_4, CIR\_3\_3

As aligned are assessed only these selected business lines:

WTR\_2\_1 We consider the operation of water supply systems to be sustainable with a very low operational loss of drinking water volume and according to the benchmarking of water supply and sewerage systems. Individually measured consumption at the customer's premises is introduced, hygiene standards are met (no substances on the watchlist) and deliveries have valid permits. The plants have valid permits for operation and water management and without the requirement for an EIA.

WTR\_2\_2 The operation, renewal and construction of sewerage systems and municipal wastewater treatment plants is considered sustainable if they comply with the applicable limits determined by the size of the wastewater treatment plant on the basis of the integrated permit issued.

CCM\_4\_10 and CCM\_4\_11 Electricity storage (battery storage) and thermal energy (hot water storage) projects are considered sustainable activities with regard to the stated TSC criteria.

CCM\_5\_9 Material recovery of waste in the event that more than 50% of the material recovery of the weight of the waste has been achieved.

CCM\_7\_7 Ownership and management of own buildings build before 31.12.2020 with EPC A certificate or buildings with lower consumption than TOP 15% of commercial buildings<sup>8</sup> in Czechia accompanied by mandatory building energy audit. Buildings with higher consumption are only eligible.

CCM\_9\_1 Research and development projects of research centers were evaluated as eligible and aligned if they met the technological maturity of the project, their contribution to the reduction of greenhouse gas emissions or a significant impact on the applicable requirements of a substantial contribution of the activities in the EU taxonomy classification. An overview of the main focus of research activities is provided in the CEZ Group Annual Financial Report 2023. In the case of OPEX for research and innovation activities directly associated with the company's main reported economic activity, the innovation activity takes over the result of its alignment.

CCM\_8\_2 Selected ICT solutions and software systems developed and deployed for optimization and management of renewable resources, distribution networks or energy management were evaluated as meeting sustainability criteria.

Other nonmaterial activities were assessed as eligible only (afforestation, rail and road freight transport, construction and demolition of buildings, data centre services).

Sustainable \*: indicates compliance with the Taxonomy only for a part of the activity carried out (see the statement of the given indicator).

### 6.4.5. DNSH Adaptation

The DNSH criterion for adaptation to physical climate risks is broadly applicable to all group activities and is significant on group-level. In 2022, we assessed the vulnerability of our significant sites in variant scenarios in line with the Financial Stability Board's recommendations for climate risk management (TCFD). More TCFD Report 2022.

In 2023, CEZ Group conducted a detailed climate risk assessment for more than 1000 individual locations across CEZ Group's sectors and economic activities. The assessment was carried out by CEZ Group's ESG Reporting Department using a regional climate risk model and scoring of all risks defined in Annex A to Climate Change Adaptation against the RCP4.5 scenario. In addition, CEZ Group assessed the impact of climate change in variant scenarios on the production of photovoltaic and wind power plants in existing locations and at installation companies within the CEZ Group. This effect on the average reduction in production in the assessed horizon 2023–2040 is considered negligible or low in terms of business impact.

Based on these assessments, CEZ Group does not report any high-risk site under direct management control in terms of a detailed assessment according to climate scenario RCP4.5. Whenever an increased risk of exposure to a specific manifestation of climate change was identified in selected locations we assessed the risk management approach and materiality of the impact on the given economic activity. In most of these affected significant locations, operational risk management takes place, which takes into account natural hazards and climate development. The most of impacted subsidiaries have set up a process for mitigating the known risk, or have directly implemented partial adaptation activities to mitigate significant risks (net risk) in recent years. In the case of nuclear power plants, a robust assessment and implementation of risk reduction measures is carried out according to the requirements of the regulator and international safety standards (for more information, see the chapter Technical screening – Transitional energy CCM\_4\_28).

CEZ Group's risk management also includes sustainability and physical climate-related risks in several subcategories. The negative impacts of extreme temperatures, droughts and floods are part of the managed operational risks. Long-term changes in average temperatures have an impact on the future market price of energy and are part of managed financial risks. The variability and change of wind weather further affect estimates and plans within the managed volumetric risks related to electricity generation from wind farms. All these risks are monitored, evaluated and regularly reviewed. 97% of the total production capacity has a certified EMS system (ISO 14001), which also includes the management of environmental risks, including climatic risks. For more information see chapter on climate risk management and TCFD.

<sup>8</sup> CEZ Group used reference value for TOP15% used by the Czech Green Building Council. (Antonin J., 2019).

### 6.4.6. Social Safeguards

CEZ Group ensures full compliance with the minimum social safeguards and conducts its business in accordance with human rights and ethical principles. The CEZ Group use the fundamental international conventions (ILO, UN) and fully complies with international conventions and declarations for human and labor rights and takes them into full consideration when developing ethical commitments and rules.

CEZ Group has established a Code of Ethics for Employees and a Code of Ethics for Suppliers. The Code of Ethics for Employees is binding on all employees and its knowledge is verified and enforced through regular mandatory employee training. The obligation to comply with the Supplier Code of Ethics is enforced contractually through the Commitment to Ethical Conduct and the General Terms and Conditions of ČEZ, a. s. Compliance with the rules and obligations arising from the Code of Ethics is monitored through internal audits and compliance checks. The ultimate remedy for a breach of the Supplier Code of Conduct is termination of the business relationship with the supplier concerned.

CEZ Group has a compliance management system (CMS) in place that is designed in accordance with legislative requirements and international compliance standards, in particular ISO 37001:2016 Anti-Corruption Management System and ISO 37301:2021 Compliance Management System. CEZ Group's Compliance Management System undergoes regular external assessments and includes all necessary elements of prevention, detection, and response, which are generally considered to be an essential part of compliance programs.

The CEZ Group is not in any open controversy in relation to social and human rights. We conduct our business in accordance with human rights and ethical principles. In line with good practice presented by Sustainable Finance platform (advisory body of European Commission) we complement our assessment with following independent sources:

CEZ Group has not received any complaint and does not have an open case with the National Contact Point for the OECD Guidelines for Multinational Enterprises (Ministry of Industry and Trade of the Czech Republic).	No complaint
CEZ Group has not been accused of human rights violations by the Business and Human Rights Resource Centre (BHRRR), nor has it received a request to comment on an open case with controversy.	No accusation No request to comment
CEZ Group is not and has not been convicted of human and labor rights violations during reported year. (See GRI 205-1, 206-1, 406-1, 407-1, 408-1, 409-1, 413-2, 414-2, 2-27).	No breach of law

## 6.5. KPI Turnover

EU Taxonomy KPI Report		2023		Substantial contribution						DNSH					Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) turnover in year N-1		Category			
		Turnover	Proportion of turnover, year N	Climate change – mitigation (CCM)	Climate change – adaptation (CCA)	Water (WTR)	Pollution prevention (PPC)	Circular economy (CE)	Biodiversity (BIO)	Climate change – mitigation (CCM)	Climate change – adaptation (CCA)	Water (WTR)	Pollution prevention (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	2022	%	Enabling	Transitional
Economic activities	Code	Bill. CZK	%	Y; N; N/EL						Y/N					Bill. CZK	%	E	T		
<b>A TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																				
A.1.1	Generation – renewable energy sources	16.8	4.9													8.8	3.0			
	Generation – hydropower	CCM4.5.	8.8	2.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y			Y	Y	5.5	1.9		
	Generation – photovoltaic energy	CCM4.1.	6.2	1.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y		Y		Y	Y	1.7	0.6		
	Other renewables (Wind and biomass)	CCM4.3; 4.20	1.8	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	1.6	0.6		
A.1.2	Generation – transitional sources	28.6	8.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL							33.5	11.6		T	
	Generation – existing nuclear sources	CCM4.28	28.7	8.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	33.5	11.6	T	
A.1.3	Electricity and heat distribution	39.4	11.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL							38.9	13.5			
	Electricity distribution	CCM4.9.	35.8	10.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y		Y		Y	Y	36.0	12.5	E	
	District heating	CCM4.15.	3.6	1.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y		Y	Y	2.8	1.0		
A.1.4	Energy services and other activities	7.7	2.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL							16.0	5.5			
	Installation of energy efficiency equipment	CCM7.3.; 3.5	1.6	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	8.0	2.8	E	
	Installation of renewable technologies	CCM7.6.	2.5	0.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y					Y	5.7	2.0	E	
	Other ESCO services and e-mobility	CCM*	3.0	0.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	1.9	0.6	E*	T*
	Other activities	*	0.5	0.2	Y	N/EL	Y	N	N	N/EL	Y	Y	Y	Y	Y	Y	0.4	0.1	E*	T*
	Construction, extension and operation of water collection, treatment and supply systems / Water supply	CCM_5_1/ WTR_2_1	0.04	0.0	N	N/EL	Y	N/EL	N/EL	N/EL	Y	Y		Y	Y		0.2	0.1		
	Construction, operation of waste water collection and treatment / Urban wastewater treatment	CCM_5_3/ WTR_2_2	0.03	0.0	N	N/EL	Y	N/EL	N/EL	N/EL	Y	Y		Y	Y		0.0	0.0		
A.1	Turnover of environmentally sustainable activities (Taxonomy-aligned)	92.5	27.1	27.1%	0%*	0.02%	0%	0%	0%		Y	Y	Y	Y	Y	Y	97.1	33.7		
	Of which enabling	43.0	12.6	12.6%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	51.8	17.9	E	
	Of which transitional	28.8	8.5	8.5%							Y	Y	Y	Y	Y	Y	33.5	11.6	T	
A.2	Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	EL; N/EL																		
	Generation – natural gas sources	CCM4.29–4.31	5.0	1.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL							9.3	3.2	T	
	Other renewables (Wind and biomass)	CCM4.3; 4.20	0.3	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.2	0.1		
	District heating	CCM4.15.	0.5	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.3	0.1		
	Installation of energy efficiency equipment	CCM7.3.; 3.5	7.7	2.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL							1.4	0.5		
	Other ESCO services and e-mobility	CCM* + CCM7.6	0.2	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL							1.3	0.5		
	Other activities	*	0.8	0.2	EL	N/EL	EL	EL	EL	N/EL							0.5	0.2		
	Construction, extension and operation of water collection, treatment and supply systems / Water supply	CCM_5_1/ WTR_2_1	0.3	0.1	EL	N/EL	EL	N/EL	N/EL	N/EL							0.0	0.0		
	Construction, operation of waste water collection and treatment / Urban wastewater treatment	CCM_5_3/ WTR_2_2	0.0	0.0	EL	N/EL	EL	N/EL	N/EL	N/EL							0.0	0.0		
A.2	Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	14.4	4.2	4.2%	0%*	0.1%	0%	0%	0%								13.0	4.5		
A	Turnover of Taxonomy-eligible activities	106.9	31.4																	
<b>B TAXONOMY-NONELIGIBLE ACTIVITIES</b>																				
B.1	Noneligible neutral activities	191.8	56.3																	
B.2	Noneligible emission activities	41.9	12.3																	
	Coal mining	7.3	2.2																	
	Generation – coal sources	34.5	10.1																	
A+B	TOTAL	340.6	100.0																	

\* Activities with nonmaterial impact on KPI are grouped under one general category. Description is in chapter "Technical screening of economic activities in year 2023". This grouping has influence on values under Enabling (E) and Transitional (T) categories.

\*\* CCA is not disclosed by CEZ Group as all economic activities have primary focus on CCM.

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.



Proportion of turnover/ total turnover	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	27.13%	31.4%
CCA	-	-
WTR	0.02%	0.1%
CE	-	-
PPC	-	-
BIO	-	-

CEZ Group defines KPI Turnover as total operating revenues in line with IFRS. Denominator is based on audited result of operating revenues (Note 24) from Consolidated Financial Statements in line with IFRS (Annual report). Revenues are based on accounting items of Sales of electricity, heat and gas, Sales of services and other revenues and Other operating income. A detailed description of the items can be found in the notes to the Consolidated Financial Statements for 2023 (item 24). Operational revenues from electricity generation by technology include revenues linked to generation and provided ancillary services, without trading operations.

The nonmaterial activities listed in Chapter 6.4 Eligible activities under the EU Taxonomy, which do not have a significant impact on the KPI, are grouped into the category Other ESCO services and electromobility and the category other activities. A list of such grouped activities is given in Chapter 6.5.4 Energy services and other eligible activities.

## 6.5.1. KPI Turnover – Additional Information

The share of CEZ Group's revenues in accordance with the EU taxonomy is 2715% (-6.5 p.p.). These are mainly revenues from electricity distribution and production from nuclear energy. Other important activities include the construction and operation of photovoltaic power plants, the installation of energy-saving equipment, the installation of photovoltaics and heat pumps in buildings, hydropower and heat distribution and supply.

Activities that are eligible but do not meet all the requirements under the taxonomy include, in particular, the area of natural gas energy production, where existing installations do not meet the defined criteria. Furthermore, the installation of technologies and energy-efficient equipment, especially in the German market, where the choice of specific devices is primarily subject to the client's choice and where compliance with the taxonomy criteria could not be demonstrated in 2023.

The main factors influencing CEZ Group's performance and operating revenues in 2023 are listed in the 2023 Annual Financial Report. The dominant influence on the results of the KPIs according to the taxonomy was the continuing significant increase in sales in the sales segment, related to the sale of electricity and gas to customers. This reduced the impact of other segments and activities in the taxonomic indicator of operating revenue. Revenues from electricity distribution remained at the level of 2022. Revenues from the construction and operation of photovoltaic and wind power plants increased, while revenues from production at CEZ Group's nuclear power plants declined due to levy on generation revenues above price caps.

### Turnover by Main Categories

Bill. CZK	2023			2022		
	Aligned	Eligible, not aligned	Noneligible	Aligned	Eligible, not aligned	Noneligible
Generation – renewable energy sources	16.8	0.3	-	8.8	0.2	-
Generation – transitional sources	28.6	5.0	-	33.5	9.3	-
Electricity and heat distribution	39.4	0.5	-	38.9	0.4	-
Energy services and other activities	7.7	8.7	-	16.0	3.3	-
Noneligible neutral activities	-	-	191.8	-	-	141.4
Noneligible emission activities	-	-	41.9	-	-	36.9
%						
Generation – renewable energy sources	4.9	0.1	-	3.0	0.1	-
Generation – transitional sources	8.4	1.5	-	11.6	3.2	-
Electricity and heat distribution	11.6	0.1	-	13.5	0.2	-
Energy services and other activities	2.2	2.5	-	5.5	1.1	-
Noneligible neutral activities	-	-	56.3	-	-	49.0
Noneligible emission activities	-	-	12.3	-	-	12.8

6.6. KPI CAPEX<sub>t</sub>

EU Taxonomy KPI Report		2023		Substantial contribution						DNSH				Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) CAPEX <sub>t</sub> in year N-1		Category				
Economic activities	Code	CAPEX <sub>t</sub> Bill. CZK	Proportion of turnover, year N %	Climate change – mitigation (CCM) Y; N; N/EL	Climate change – adaptation (CCA)	Water (WTR)	Pollution prevention (PPC)	Circular economy (CE)	Biodiversity (BIO)	Climate change – mitigation (CCM)	Climate change – adaptation (CCA)	Water (WTR)	Pollution prevention (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	2022 Bill. CZK	%	Enabling E	Transitional T
<b>A TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																				
A.1.1	Generation – renewable energy sources	3.8	9.5														1.7	5.0		
	Generation – hydropower	CCM 4.5.	0.4	1.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y		Y	Y	0.2	0.6		
	Generation – photovoltaic energy	CCM4.1.	1.9	4.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y		Y	Y	Y	0.4	1.1		
	Other renewables (Wind and biomass)	CCM4.3; 4.20	1.5	3.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	1.1	3.3		
A.1.2	Generation – transitional sources	4.7	11.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL								4.1	12.2		T
	Generation – existing nuclear sources	CCM4.28	4.0	10.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	3.7	11.0		T
	Generation – new nuclear sources	CCM4.27	0.6	1.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	0.4	1.2		
	Generation – natural gas sources	CCM4.29-4.31	0.1	0.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	-	0.0		
A.1.3	Electricity and heat distribution	16.9	42.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL								15.7	46.7		
	Electricity distribution	CCM4.9.	16.8	42.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y		Y		Y	14.8	44.0		E
	District heating	CCM4.15.	0.1	0.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y		Y	0.9	2.8		
A.1.4	Energy services and other activities	1.3	3.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL								0.5	1.4		
	Installation of energy efficiency equipment	CCM7.3.; 3.5	0.3	0.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	0.2	0.5		E
	Installation of renewable technologies	CCM7.6.	0.1	0.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y				Y	0.1	0.3		E
	Other ESCO services and e-mobility	CCM*	0.5	1.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	0.2	0.5		E*
	Other activities	*	0.4	1.1	Y	N/EL	Y	N	N	N/EL		Y	Y	Y	Y	Y	0.0	0.1		E*
	Construction, operation of waste water collection and treatment / Urban wastewater treatment	CCM_5_3/ WTR_2_2	0.1	0.3	N	N/EL	Y	N/EL	N/EL	N/EL		Y	Y		Y	Y	0	0.0		
A.1	CAPEX <sub>t</sub> of environmentally sustainable activities (Taxonomy-aligned)	26.7	67.3	67.0%	0%**	0.3%	0%	0%	0%			Y	Y	Y	Y	Y	21.9	65.3		
	Of which enabling	17.6	44.3	44.3%	0%	0%	0%	0%	0%			Y	Y	Y	Y	Y	15.2	45		E
	Of which transitional	4.9	12.4	12.4%								Y	Y	Y	Y	Y	4.1	12		T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																				
	Generation – natural gas sources	CCM4.29-4.31	0.7	1.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.4	3.2		T
	District heating	CCM4.15.	0.1	0.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.1	0.1		
	Installation of energy efficiency equipment	CCM7.3.; 3.5	0.5	1.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL							-	0.5		
	Other ESCO services and e-mobility	CCM* + CCM7.6	0.4	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.6	0.5		
	Other activities	*	0.6	1.4	EL	N/EL	EL	EL	EL	N/EL							1.1	0.2		
	Construction, extension and operation of water collection, treatment and supply systems / Water supply	CCM_5_1/ WTR_2_1	0.0	0.0	EL	N/EL	EL	N/EL	N/EL	N/EL							0.0	0		
A.2	CAPEX <sub>t</sub> of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	2.3	5.8	5.7%	0%**	0.0%	0%	0%	0%								2.3	6.7		
A	CAPEX <sub>t</sub> of Taxonomy-eligible activities	29.0	73.1																	
<b>B TAXONOMY-NONELIGIBLE ACTIVITIES</b>																				
B.1	Noneligible neutral activities	5.6	14.0																	
B.2	Noneligible emission activities	5.1	12.9																	
	Coal mining	2.7	6.7																	
	Generation – coal sources	2.5	6.2																	
A+B	TOTAL	39.6	100.0																	

\* Activities with nonmaterial impact on KPI are grouped under one general category. Description is in chapter "Technical screening of economic activities in year 2023". This grouping has influence on values under Enabling (E) and Transitional (T) categories.

\*\* CCA is not disclosed by CEZ Group as all economic activities have primary focus on CCM.

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Proportion CAPEX <sub>t</sub> / TOTAL CAPEX <sub>t</sub>	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	67.0%	72.8%
CCA	-	-
WTR	0.3%	0.3%
CE	-	-
PPC	-	-
BIO	-	-

The nonmaterial activities listed in Chapter 6.4 Eligible activities under the EU Taxonomy, which do not have a significant impact on the KPI, are grouped into the category Other ESCO services and electromobility and the category Other activities. A list of such combined activities is given in Chapter 6.5.4 Energy services and other eligible activities.

The CAPEX<sub>t</sub> KPI includes both capital expenditures (CAPEX) reported in the ČEZ Group Annual Financial Report for 2023 as the acquisition of long-term tangible assets (excluding expenditures for the purchase of nuclear fuel) and as the acquisition of long-term intangible assets, and financial investments reported in the CEZ Group Annual Financial Report for the year 2023 as expenses for the acquisition of subsidiaries, joint ventures and associated enterprises, excluding purchased funds. Capital expenditures include additions to property, plants, equipment, and intangibles, regardless of whether it is a cash expense. It includes, in accordance with accounting standards, further capitalized interests, unfinished assets and advances provided on fixed assets.

#### CAPEX<sub>t</sub> – KPI items specification

	Bill. CZK	
	2023	2022
CAPEX – acquisition of tangible fixed assets*	43.5	32.6
Elimination of Nuclear fuel procurement*	-8.7	-3.1
CAPEX – acquisition of intangible fixed assets*	2.3	2.2
Financial investments**	2.6	1.9
CAPEX <sub>t</sub>	39.6	33.6

\* Acquisition value of tangible fixed assets incl. the value of the acquisition of nuclear fuel and the value of the acquisition of intangible fixed assets is calculated in the CEZ Group Annual Financial Report for 2023 – block 3 CEZ Group Business – business and management segments, in the CEZ Group Investments chapter.

\*\* Acquisition value of subsidiaries, joint ventures and associates, net of purchased funds is defined by Consolidated Cashflow statement – note 8 within Consolidated Financial statements of CEZ Group as of December 31, 2023.

#### CAPEX<sub>t</sub> by Main Categories

Bill. CZK	2023			2022		
	Aligned	Eligible, not aligned	Noneligible	Aligned	Eligible, not aligned	Noneligible
Generation – renewable energy sources	3.8	-	-	1.7	-	-
Generation – transitional sources	4.7	0.7	-	4.1	0.4	-
Electricity and heat distribution	16.9	0.1	-	15.7	0.1	-
Energy services and other activities	1.3	1.4	-	0.5	1.6	-
Noneligible neutral activities	-	-	5.6	-	-	4.3
Noneligible emission activities	-	-	5.1	-	-	5.1
%						
Generation – renewable energy sources	9.5	-	-	5.0	-	-
Generation – transitional sources	11.9	1.8	-	12.2	1.3	-
Electricity and heat distribution	42.6	0.4	-	46.7	0.5	-
Energy services and other activities	3.3	3.6	-	1.4	4.9	-
Noneligible neutral activities	-	-	14.0	-	-	12.9
Noneligible emission activities	-	-	12.9	-	-	15.1

### 6.6.1. KPI CAPEX<sub>t</sub> – Additional Information

The structure of CEZ Group's sustainable investments is focused primarily on the modernization and renewal of the electricity network and distribution (CZK +2 billion). Investments in transitional sustainable activities included mainly investments in the operation of nuclear facilities in existing locations, investments in the construction of photovoltaic power plants (CZK +1.5 billion) and preparatory investments in the transformation of the coal-fired site in Mělník into steam-gas power and heat sources.

	2023		2022	
	Bill. CZK	%	Bill. CZK	%
Taxonomy-aligned CAPEX <sub>t</sub>	26.7	67.3	21.9	65.3
a) CAPEX <sub>t</sub> as part of aligned business activity	25.6	64.6	20.4	60.8
b) CAPEX <sub>t</sub> as part of CAPEX plan defined by delegated act 2021/2178	-	-	-	-
c) CAPEX <sub>t</sub> as purchase of aligned product or services	1.1	2.7	1.5	4.5

Taxonomy-aligned investments are mainly linked to a) performed business activity. We define purchase of taxonomy aligned output – option c) as standalone investments not linked to regular business activities of company. Such investments are linked to activities 7.2, 7.6 on own properties or similar. Those investments are small as CAPEX<sub>t</sub> is predominantly oriented to existing business lines.

Investments under category (b) do not exist in the CEZ Group. The investment plan within the meaning of Regulation 2021/2178 requires a high level of detail and disaggregation according to the individual activity categories of the EU taxonomy. This approach is not implemented by CEZ Group.

In line with CEZ Group's decarbonization ambitions, the current investment plan for 2024–2028 is focused on areas in which we expect to achieve 82% taxonomy compliance (CAPEX<sub>t</sub>). The most important categories are investments in renewable energy sources and investments in the distribution system. Of which, 21% of the investments will be directed to transitional sustainable activities of nuclear and gas energy projects. ČEZ, a. s., is preparing new gas projects and strives for full compliance with the technical criteria of the EU taxonomy. These projects are now in the preparation phases and are being prepared to replace a large part of the planned decommissioned coal generation capacity. These projects are hydrogen-ready and will make it possible to significantly reduce the intensity of greenhouse gas emissions compared to current sources. At the same time, CEZ Group plan to spend only about 3% of our investments on activities that are related to the category of noneligible – emission activities (coal related).

In the Article 8 disclosure, CEZ Group shall report proceedings from issued green bonds and similar financial instruments used for specific sustainable activities according to the EU taxonomy. Company shall adjust the KPI disclosures if such funding occurred to avoid risk of double counting for financial market participants. During year 2023 CEZ have closed 2 loans linked to ESG ratings, which are out of scope of requirement. Previously CEZ have issued the first sustainability-linked bond in 2022. The proceedings are not used to finance specific activities under the EU taxonomy but serve the general purpose. Such products are not a products defined by disclosure regulation 2021/2178. For this reason, CEZ Group does not report adjusted KPI values and make any additional adjustments to the disclosed KPI turnover and KPI CAPEX<sub>t</sub>.

6.7. KPI OPEX<sub>t</sub>

EU Taxonomy KPI Report	2023		Substantial contribution							DNSH					Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) OPEX <sub>t</sub> in year N-1		Category					
	Code	Bill. CZK	%	Proportion of turnover, year N	Climate change – mitigation (CCM)	Climate change – adaptation (CCA)	Water (WTR)	Pollution prevention (PPC)	Circular economy (CE)	Biodiversity (BIO)	Climate change – mitigation (CCM)	Climate change – adaptation (CCA)	Water (WTR)	Pollution prevention (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	2022	%	Enabling	Transitional	
																						OPEX <sub>t</sub>
<b>A</b>	<b>TAXONOMY-ELIGIBLE ACTIVITIES</b>																					
<b>A.1</b>	<b>Environmentally sustainable activities (Taxonomy-aligned)</b>																					
A.1.1	Generation – renewable energy sources		0.5	3.5														0.5	4			
	CCM 4.5.	0.2	1.3	A	N/EL	N/EL	N/EL	N/EL	N/EL		A	A			A	A		0.2	2			
	CCM4.1.	0.1	0.9	A	N/EL	N/EL	N/EL	N/EL	N/EL		A		A		A	A		0.1	1			
	CCM4.3; 4.20	0.2	1.3	A	N/EL	N/EL	N/EL	N/EL	N/EL		A	A	A	A	A	A		0.2	2			
A.1.2	Generation – transitional sources		4.5	31.1	A	N/EL	N/EL	N/EL	N/EL									3.5	32		T	
	CCM4.28	4.5	31.1	A	N/EL	N/EL	N/EL	N/EL	N/EL		A	A	A	A	A	A		3.5	32		T	
A.1.3	Electricity and heat distribution		1.3	8.7	A	N/EL	N/EL	N/EL	N/EL									1.4	13			
	CCM4.9.	1.2	8.5	A	N/EL	N/EL	N/EL	N/EL	N/EL		A		A		A	A		1.3	12	E		
	CCM4.15.	0.0	0.1	A	N/EL	N/EL	N/EL	N/EL	N/EL		A	A	A		A	A		0.1	1			
A.1.4	Energy services and other activities		0.4	2.6	A	N/EL	N/EL	N/EL	N/EL									0.4	4			
	CCM7.3; 3.5	0.0	0.0	A	N/EL	N/EL	N/EL	N/EL	N/EL		A	A	A	A		A		0.1	1	E		
	CCM7.6.	0.0	0.1	A	N/EL	N/EL	N/EL	N/EL	N/EL		A					A		0.1	1			
	CCM*	0.2	1.2	A	N/EL	N/EL	N/EL	N/EL	N/EL		A	A	A	A	A	A		0.0	0	E*	T*	
	*	0.2	1.3	A	N/EL	A	N	N	N/EL		A	A	A	A	A	A		0.2	2	E*	T*	
	CCM_5_1/ WTR_2_1	0.0	0.0	N	N/EL	A	N/EL	N/EL	N/EL		A	A		A	A	A		0.0	0.0			
	CCM_5_3/ WTR_2_2	0.0	0.0	N	N/EL	A	N/EL	N/EL	N/EL		A	A		A	A	A		0.0	0.0			
A.1	OPEX <sub>t</sub> of environmentally sustainable activities (Taxonomy-aligned)		6.6	45.9	45.9%	0%**	0.01%	0%	0%	0%		A	A	A	A	A	A	5.8	52.6			
	Of which enabling		1.4	9.6	9.6%	0%	0%	0%	0%		A	A	A	A	A	A	A	1.7	15.3	E		
	Of which transitional		4.7	32.3	32.3%						A	A	A	A	A	A	A	3.5	31.6		T	
<b>A.2</b>	<b>Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
	EL; N/EL																					
	CCM4.29–4.31	0.2	1.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.2	2		T	
	CCM4.3; 4.20	0.0	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0	0			
	CCM4.15.	0.1	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.01	0			
	CCM7.3; 3.5	0.1	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0	0			
	*	0.0	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.2	2			
	*	2.2	15.0	EL	N/EL	EL	EL	EL	N/EL									0.5	4			
	CIR_3_3	1.5	10.1	N/EL	N/EL	N/EL	N/EL	EL	N/EL									-	-			
A.2	OPEX <sub>t</sub> of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		2.6	17.9	7.8%	0%**	0%	0%	10.1%	0%								0.8	7.6			
<b>A</b>	OPEX <sub>t</sub> of Taxonomy-eligible activities		9.2	63.9																		
<b>B</b>	<b>TAXONOMY-NONELIGIBLE ACTIVITIES</b>																					
B.1	Noneligible neutral activities		0.6	4.2																		
B.2	Noneligible emission activities		4.6	31.9																		
	Coal mining		1.3	9.0																		
	Generation – coal sources		3.3	22.9																		
<b>A+B</b>	<b>TOTAL</b>		14.5	100.0																		

\* Activities with nonmaterial impact on KPI are grouped under one general category. Description is in chapter "Technical screening of economic activities in year 2023". This grouping has influence on values under Enabling (E) and Transitional (T) categories.

\*\* CCA is not disclosed by CEZ Group as all economic activities have primary focus on CCM.

Y- Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Proportion OPEX <sub>t</sub> / TOTAL OPEX <sub>t</sub>	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	45.9%	53.7%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	10.1%
BIO	-	-

Nonmaterial activities listed in Chapter 6.4 Eligible activities according to the EU taxonomy, which do not have a significant impact on the OPEX<sub>t</sub>, are grouped into the category Other ESCO services and electromobility and the category Other activities. A list of such combined activities is given in Chapter 6.5.4 Energy services and other eligible activities.

KPI OPEX<sub>t</sub> include the selected operating expenses in CEZ Group, in line with narrow KPI definition requirement by Taxonomy Disclosures regulation. KPI OPEX<sub>t</sub> is based on standardized accounts of Equipment Care (maintenance and repair) and company values for RnD operational expenses which are linked to performed business activities (see Annual Financial Report CEZ Group 2023 – chapter Research, Development and Innovation).

CEZ Group does not include other operating expense accounts, because in the CEZ Group environment, they always include types of expenses outside the KPI definition under the Reporting Regulation. The calculation of KPI values is based on the internal economic category "Equipment Care" and are presented in the total value without eliminations. Due to the different definition, it is not fully comparable with any of the reported items in the annual report or financial statements. Currently CEZ Group does not take into account direct wage maintenance expenses due to significant uncertainty and company judgement for their identification across Group.

#### OPEX<sub>t</sub> by Main Categories

Bill. CZK	2023			2022		
	Aligned	Eligible, not aligned	Noneligible	Aligned	Eligible, not aligned	Noneligible
Generation – renewable energy sources	0.5	0.0	-	0.5	-	-
Generation – transitional sources	4.5	0.2	-	3.5	0.2	-
Electricity and heat distribution	1.3	0.1	-	1.4	0.0	-
Energy services and other activities	0.4	2.3	-	0.4	0.6	-
Noneligible neutral activities	-	-	0.6	-	-	0.5
Noneligible emission activities	-	-	4.6	-	-	3.9
<b>%</b>						
Generation – renewable energy sources	3.5	0.3	-	4.2	-	-
Generation – transitional sources	31.1	1.3	-	31.6	1.6	-
Electricity and heat distribution	8.7	0.6	-	13.0	0.1	-
Energy services and other activities	2.6	15.7	-	3.8	5.8	-
Noneligible neutral activities	-	-	4.2	-	-	4.7
Noneligible emission activities	-	-	31.9	-	-	35.1

#### 6.7.1. KPI OPEX<sub>t</sub> – Additional Information

Taxonomy-aligned activities have share of 45.9% KPI OPEX<sub>t</sub>. The result is predominantly based on maintenance and repair expenses in aligned nuclear facilities and electricity distribution infrastructure.

In the case of eligible expenditure, due to expansion of classified activities in 2023, new demolition activity is reported. Demolition works cover the demolition of coal-energy production sites, in accordance with their transition plans. This activity is associated with a significant amount of operating expenses (10.1%), and CEZ Group plans to carry out this activity in accordance with the circular criteria according to the taxonomy.

	2023		2022	
	Bill. CZK	%	Bill. CZK	%
KPI OPEX <sub>t</sub>	14.5	100	11.1	100
OPEX – Equipment care	13.3	92	10.1	91
OPEX – Research and development – operational expenses	1.2	8	1.0	9

	2023		2022	
	Bill. CZK	%	Bill. CZK	%
Taxonomy-Aligned OPEX <sub>t</sub>	6.6	46	5.8	53
Equipment Care	6.2	43	5.3	48
Research and development	0.5	3	0.6	5

## 6.8. Noneligible Activities

The noneligible category includes both activities with environmental impact and activities without any environmental impacts, thus outside the scope of taxonomy. For that reason, we separate noneligible activities in two categories – neutral and emission activities.

The largest share of noneligible revenues is represented by neutral activities. Those activities themselves have low or no impact on environment and are outside of the scope of Taxonomy in principle. Those activities are trading and selling commodities (electricity, gas), distribution of natural gas, manufacturing of components and servicing for energy technologies, ICT and telecommunication services, facility management and other services.

As noneligible neutral activity we assess the operation of research nuclear reactors of CV Řež, s.r.o. as they are not included in EU taxonomy classification. The research reactor LVR-15 is used for production of radioisotopes, realization of irradiation experiments, neutron activation analysis and realization of measurements on neutron beams. The LR-0 research reactor is used for neutron physics measurements of various core configurations. The reactors are not used to produce electrical or thermal energy and are part of the Czech International Centre of Research Reactors. The reactors are licensed for operation by State Office for Nuclear safety. Nevertheless, the activity has specific nature of operation which is not included in current activity definition in Delegated Acts. Based on that, we assess those facilities as noneligible from taxonomy perspective.

Category of Noneligible emission activities include coal mining activities and generation of electricity and heat from coal sources. Emission activities are activities considered as noneligible with direct impact on environment.

### Noneligible emission activities (%)

	2023	2022
Turnover	12.3	12.8
CAPEX <sub>t</sub>	12.9	15.1
OPEX <sub>t</sub>	31.9	35.1

CEZ Group performed 12.3% (-0.7 p.p.) of revenues from such activities. CAPEX<sub>t</sub> has been 12.9% (-2.2 p.p.) and OPEX decreased by 3.2 p.p due to reclassification of eligible demolition activity.

Capex for coal energy is oriented towards modernization, maintenance and ecologization of their operation. Those investments are necessary for energy security and adequate heat supply until low-emission and zero-emission sources will be in operation. Capex in mining activities is oriented towards retrofitting and modernization of mining and processing technology in line with development plans for current mining locations. OPEX in noneligible activities is connected to repair and maintenance of coal power plants and maintenance of mining equipment. The share of noneligible emission activities will gradually decline in line with planned coal phase-out in line with CEZ Group decarbonization commitments and goals validated by SBTi.



## 6.9. Additional Disclosure according to Annex 12 of Regulation 2021/2178

In accordance with the obligation to disclose exposures to activities related to nuclear and gas energy CEZ Group provide statement below that contains information according to the templates on exposure to these activities. We have chosen compressed report over individual templates as this allows for at least the same or better readability and clarity of the information provided. The categories of existing nuclear facilities and gas-fired generation are reported separately due to their relevance in relation to the KPIs. The other categories are less significant to the Group KPI and are thus bundled by technology (rows 1+2 and 5+6 in tables). All activities have 100% contribution to mitigation (CCM) and 0% to adaptation (CCA). Disclosure according to Annex 12 templates is available in Annex 7.7.

row	Template 1: Exposure to nuclear and natural gas activities	Code	Revenues	CAPEX <sub>t</sub>	OPEX <sub>t</sub>
1, 2	Generation – new nuclear sources and RnD	4.26 + 4.27	NO	YES	NO
3	Generation existing nuclear sources	4.28	YES	YES	YES
4	Generation – electricity from natural gas	4.29	YES	YES	YES
5, 6	Generation – heat and cogeneration from natural gas	4.30 + 4.31	YES	YES	YES

Template number								2	
row	Taxonomy-aligned activities	Code	Revenues		Climate change – mitigation CAPEX <sub>t</sub>		OPEX <sub>t</sub>		
			Bill. CZK	%	Bill. CZK	%	Mld. Kč	%	
1, 2	Generation – new nuclear sources and RnD	4.26 + 4.27	0.0	0.0	0.6	1.6	0.0	0.0	
3	Generation existing nuclear sources	4.28	28.7	8.4	4.0	10.0	4.5	31.1	
4	Generation – electricity from natural gas	4.29	0.0	0.0	0.1	0.3	0.0	0.0	
5, 6	Generation – heat and cogeneration from natural gas	4.30 + 4.31	0.0	0.0	0.0	0.0	0.0	0.0	
7	OTHER ALIGNED ACTIVITIES (A.1.1;A1.3;A.1.4)	-	63.8	18.7	22.0	55.4	2.1	14.8	
8	TOTAL KPI (denominator)		340.6	100.0	39.6	100.0	14.5	100.0	

Template number				3		4		5	
row	Revenues	Code	Aligned		Climate change – mitigation Eligible, not aligned		Noneligible		
			Bill. CZK	%	Bill. CZK	%	Mld. Kč	%	
1, 2	Generation – new nuclear sources and RnD	4.26 + 4.27	0.0	0.0	0.0	0.0	-	0.0	
3	Generation existing nuclear sources	4.28	28.7	31.0	0.0	0.0	0.2	0.1	
4	Generation – electricity from natural gas	4.29	0.0	0.0	3.2	22.2	-	0.0	
5, 6	Generation – heat and cogeneration from natural gas	4.30 + 4.31	0.0	0.0	1.8	12.7	-	0.0	
7	OTHER ACTIVITIES not referred above in rows 1–6	-	63.8	69.0	9.4	65.1	233.5	99.9	
8	KPI TOTAL of given category		92.5	100.0	14.4	100.0	233.7	100.0	

row	Template number	Code	3		4		5	
	CAPEX <sub>t</sub>		Climate change – mitigation					
			Aligned	Eligible, not aligned		Noneligible		
			Bill. CZK	%	Bill. CZK	%	Mld. Kč	%
1, 2	Generation – new nuclear sources and RnD	4.26 + 4.27	0.6	2.3	0.0	0.0	–	0.0
3	Generation existing nuclear sources	4.28	4.0	14.9	0.0	0.0	0.0	0.0
4	Generation – electricity from natural gas	4.29	0.1	0.4	0.2	6.7	0.0	0.0
5, 6	Generation – heat and cogeneration from natural gas	4.30 + 4.31	0.0	0.0	0.5	23.6	0.0	0.0
7	OTHER ACTIVITIES not referred above in rows 1–6	–	22.0	82.3	1.6	69.7	10.7	100.0
8	KPI TOTAL of given category		26.7	100.0	2.3	100.0	10.7	100.0

row	Template number	Code	3		4		5	
	OPEX <sub>t</sub>		Climate change – mitigation					
			Aligned	Eligible, not aligned		Noneligible		
			Bill. CZK	%	Bill. CZK	%	Mld. Kč	%
1, 2	Generation – new nuclear sources and RnD	4.26 + 4.27	0.0	0.0	0.0	0.0	0.0	0.0
3	Generation existing nuclear sources	4.28	4.5	67.8	0.0	0.0	0.2	3.9
4	Generation – electricity from natural gas	4.29	0.0	0.0	0.05	1.9	0.0	0.0
5, 6	Generation – heat and cogeneration from natural gas	4.30 + 4.31	0.0	0.0	0.2	7.5	0.0	0.0
7	OTHER ACTIVITIES not referred above in rows 1–6	–	2.1	32.2	1.0	37.5	5.0	96.1
8	KPI TOTAL of given category		6.6	100.0	2.6	100.0	5.2	100.0

# transparently

The transformation of the energy sector offers opportunities for sustainable development, energy security, improved health, job creation and other societal benefits. CEZ Group actively supports projects in various areas, including (but not limited to) education, culture, sports, environmental protection, improving local infrastructure, and health care.



7.1.	Selected Indicators	131
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## 7.1. Selected Indicators

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Headcount employees	Persons	30,552	28,727	28,043	2-7			SDG 8.5 SDG 10.3	
Employees by gender – women	Persons	6,452	6,049	5,751	2-7		Diversity and inclusion	SDG 8.5 SDG 10.3	
Employees by gender – men	Persons	24,100	22,678	22,929	2-7		Diversity and inclusion	SDG 8.5 SDG 10.3	
Employees by gender – women	%	21.1	21.1	20.5	405-1		Diversity and inclusion	SDG 8.5 SDG 10.3	
Employees by gender – men	%	78.9	78.9	79.5	405-1		Diversity and inclusion	SDG 8.5 SDG 10.3	
Employees by region – Czechia	Persons	24,910	23 929	22,729	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – Germany	Persons	3,853	3,171	3,862	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – Poland	Persons	888	890	,873	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – other countriesa)	Persons	901	737	579	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – Czechia	%	81.5	83.3	81.1	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – Germany	%	12.6	11.0	13.8	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – Poland	%	2.9	3.1	3.1	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by region – other countriesa)	%	2.9	2.6	2.1	2-7		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by age: ≤29 years	Persons	3,692	3,511	3,920	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by age: 30 –49 years	Persons	14,635	13 932	13,375	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by age: ≥50 years	Persons	12,225	11 284	10,748	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by age: ≤29 years	%	12.1	12.2	14.0	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by age: 30 –49 years	%	47.9	48.5	47.7	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by age: ≥50 years	%	40.0	39.3	38.3	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by education – primary	Persons	1,646	1,240	1,273	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by education – secondary	Persons	20,003	19 068	18,843	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by education – university	Persons	8,903	8,419	7,927	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by education – primary	%	5.4	4.3	4.3	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by education – secondary	%	65.5	66.4	67.2	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Employees by education – university	%	29.1	29.3	28.3	405-1		Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by gender – women	Persons	77	79	68	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by gender – men	Persons	456	446	488	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by gender – women	%	14.5	15.0	12.2	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Diversity of governance bodies by gender – men	%	85.5	85.0	87.8	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by age: ≤29 years	Persons	3	0	2	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by age: 30 –49 years	Persons	252	261	285	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by age: ≥50 years	Persons	278	264	269	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by age: ≤29 years	%	0.6	0	0.4	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by age: 30 –49 years	%	47.5	49.7	51.3	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Diversity of governance bodies by age: ≥50 years	%	51.9	50.3	48.4	405-1		Governance body composition, Diversity and inclusion	SDG 5.1 SDG 8.5 SDG 10.3	
Energy consumption within the organization	TJ	312,796	336,393	344,176	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Energy consumption in fuel for electricity and heat production – non-renewable fuels	TJ	486,165	513,851	523,583	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Energy consumption in fuel for electricity and heat production – renewable fuels	TJ	9,176	9,668	12,408	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Renewable energy from non-fuel sources	TJ	6,366	6,936	7,351	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Sold energy	TJ	188,910	194,061	199,166	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Sold energy – electricity	TJ	161,103	170,543	172,773	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Sold energy – heat	TJ	27,793	23,465	26,393	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Sold energy – cooling	TJ	14	53	N/A	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Sold energy – steam	TJ	0	0	N/A	302-1			SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	
Energy intensity	-	2.62	2.70	2.69	302-3			SDG 7.3 SDG 8.4 SDG 12.2	
Total water withdrawal	ML	416,869	578,996	525,431	303-3	IF-EU –140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Surface water (total)	ML	412,612	574,591	521,149	303-3	IF-EU –140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Freshwater (≤ 1000 mg/L Total Dissolved Solids)	ML	412,612	574,591	521,149	303-3	IF-EU –140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Other water (> 1000 mg/L Total Dissolved Solids)	ML	N/A	N/A	N/A	303-3	IF-EU –140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Groundwater (total)	ML	508	511	459	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Freshwater (≤ 1000 mg/L Total Dissolved Solids)	ML	508	511	459	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Other water (> 1000 mg/L Total Dissolved Solids)	ML	N/A	N/A	N/A	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Produced water (total)	ML	N/A	N/A	N/A	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Freshwater (≤ 1000 mg/L Total Dissolved Solids)	ML	N/A	N/A	N/A	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Other water (> 1000 mg/L Total Dissolved Solids)	ML	N/A	N/A	N/A	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Total third-party water withdrawal	ML	3,749	3,895	3,824	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Freshwater (≤ 1000 mg/L Total Dissolved Solids)	ML	3,749	3,895	3,824	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Freshwater (≤ 1000 mg/L Total Dissolved Solids) of which in water stress areas*	ML	3	5	0	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Other water (> 1000 mg/L Total Dissolved Solids)	ML	N/A	N/A	N/A	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Total water withdrawal in water stressed areas	ML	3.0	4.5	0.0	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Total water withdrawal in water stressed areas	%	0	0	0	303-3	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 14.1	
Total water discharge	ML	334,126	491,821	443,277	303-4			SDG 6.3 SDG 6.4 SDG 14.1	
Surface water	ML	332,204	489,491	440,495	303-4			SDG 6.3 SDG 6.4 SDG 14.1	
Groundwater	ML	1	0.4	0.4	303-4			SDG 6.3 SDG 6.4 SDG 14.1	
Third-party water (total) of which in water stress areas*	ML	1,920	2,330	2,782	303-4				
Third-party water sent for use to other organisations	ML	488	618	847	303-4			SDG 6.3 SDG 6.4 SDG 14.1	



Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Water discharge: Freshwater (≤ 1000 mg/L Total Dissolved Solids) of which in water stress areas"	ML	333,016	490,667	442,568	303-4			SDG 6.3 SDG 6.4 SDG 14.1	
- Water discharge in water stress areas: Freshwater (≤ 1000 mg/L Total Dissolved Solids)	ML	2	4	0.0	303-4				
Water discharge: Other water (> 1000 mg/L Total Dissolved Solids)	ML	1,110	1,155	709	303-4			SDG 6.3 SDG 6.4 SDG 14.1	
Water discharge by level of treatment: No treatment of which in water stress areas"	ML	319,437	477,876	426,800	303-4			SDG 3.9 SDG 6.3 SDG 6.4 SDG 14.1	
- Water discharge by level of treatment in water stress areas: No treatment	ML	2	4	0	303-4				
Water discharge by level of treatment: After treatment	ML	14,688	13,945	16,477	303-4			SDG 3.9 SDG 6.3 SDG 6.4 SDG 14.1	
Total water consumption	ML	82,743	87,178	82,154	303-5	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2	
Total water consumption in areas with water stress	ML	1.2	0.7	0.0	303-5	IF-EU -140a.1	Water consumption and withdrawal in water-stressed areas	SDG 6.3 SDG 6.4 SDG 6.5 SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2	
Water withdrawn per electricity and heat generated	m <sup>3</sup> /MWh	7.05	9.32	8.15				SDG 6.3 SDG 6.4 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2	
Water discharged per electricity and heat generated	m <sup>3</sup> /MWh	5.65	7.91	6.88				SDG 6.3 SDG 6.4 SDG 14.1	
Water consumption per electricity and heat generated	m <sup>3</sup> /MWh	1.40	1.40	1.27				SDG 6.3 SDG 6.4 SDG 6.5 SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2	
Scope 1 emissions under EU ETS	%	96.25	97	97	305-1	IF-EU -110a.1		SGD 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3	
Scope 1 emissions	tCO <sub>2</sub> e	15,954,322	18,161,112	19,987,560 <sup>1)</sup>	305-1	IF-EU -110a.1	GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 1 emissions – Czechia	tCO <sub>2</sub> e	14,169,842	15,801,938	16,612,443	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 1 emissions – Slovakia	tCO <sub>2</sub> e	27,174	27,260	31,919	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Scope 1 emissions – Poland	tCO <sub>2</sub> e	1,727,697	2,326,278	2,337,647	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 1 emissions – Romania	tCO <sub>2</sub> e	720	292	260	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 1 emissions – Other countriesb)	tCO <sub>2</sub> e	28,890	5,343	5,290	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions	tCO <sub>2</sub> e	15,648,472	17,851,569	18,702,178	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Czechia	tCO <sub>2</sub> e	13,945,933	15,557,544	16,373,673	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Slovakia	tCO <sub>2</sub> e	25,481	25,672	30,633	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Poland	tCO <sub>2</sub> e	1,657,219	2,268,333	2,297,862	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Romania	tCO <sub>2</sub> e	7	11	10	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Other countriesb)	tCO <sub>2</sub> e	19,833	9	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions	tCO <sub>2</sub> e	72,641	75,885	80,913 <sup>1)</sup>	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Fossil fuels emissions – Czechia	tCO <sub>2</sub> e	72,053	75 362	80,477	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Slovakia	tCO <sub>2</sub> e	130	135	145	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Poland	tCO <sub>2</sub> e	317	273	286	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Romania	tCO <sub>2</sub> e	0	0	6	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Other countriesb)	tCO <sub>2</sub> e	141	116	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
N <sub>2</sub> O source emissions	tCO <sub>2</sub> e	157,612	156,730	119,693 <sup>1)</sup>	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
N <sub>2</sub> O source emissions – Czechia	tCO <sub>2</sub> e	87,206	98,845	80,567	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
N <sub>2</sub> O source emissions – Slovakia	tCO <sub>2</sub> e	802	832	900	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
N <sub>2</sub> O source emissions – Poland	tCO <sub>2</sub> e	68,756	56,377	38,175	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
N <sub>2</sub> O source emissions – Romania	tCO <sub>2</sub> e	0	0	51	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
N <sub>2</sub> O source emissions – Other countriesb)	tCO <sub>2</sub> e	849	677	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from coal mining	tCO <sub>2</sub> e	12,608	15,564	26,700	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from coal mining – Czechia	tCO <sub>2</sub> e	12,608	15,564	26,700	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from coal mining – Slovakia	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from coal mining – Poland	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from coal mining – Romania	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from coal mining – Other countriesb)	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions	tCO <sub>2</sub> e	57,642	53,997	54,613	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Czechia	tCO <sub>2</sub> e	46,787	47,359	47,683	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Slovakia	tCO <sub>2</sub> e	749	590	176	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Fossil fuels emissions – Poland	tCO <sub>2</sub> e	1,377	1,225	1,271	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Romania	tCO <sub>2</sub> e	713	281	193	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fossil fuels emissions – Other countries <sup>b)</sup>	tCO <sub>2</sub> e	8,016	4,542	5,290	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations	tCO <sub>2</sub> e	1,548	2,028	1,403 <sup>1)</sup>	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations emissions of ozone – depleting substances (ODS) – leakages	tCO <sub>2</sub> e	0	0	6	305-1			SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations – Czechia	tCO <sub>2</sub> e	1,521	1,958	1,349	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations – Slovakia	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations – Poland	tCO <sub>2</sub> e	27	70	54	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations – Romania	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
HFC, PFC and CH <sub>4</sub> apart from facility operations – Other countries <sup>b)</sup>	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
SF <sub>6</sub>	tCO <sub>2</sub> e	3,616	5,220	1,835 <sup>1)</sup>	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
SF <sub>6</sub> – Czechia	tCO <sub>2</sub> e	3,616	5,220	1,835	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
SF <sub>6</sub> – Slovakia	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
SF <sub>6</sub> – Poland	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
SF <sub>6</sub> – Romania	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
SF <sub>6</sub> – Other countries <sup>b)</sup>	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Emissions from non-generation diesel generators	tCO <sub>2</sub> e	163	106	224	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Emissions from non-generation diesel generators – Czechia	tCO <sub>2</sub> e	98	74	159	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Emissions from non-generation diesel generators – Slovakia	tCO <sub>2</sub> e	13	32	65	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Emissions from non-generation diesel generators – Poland	tCO <sub>2</sub> e	1	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Emissions from non-generation diesel generators – Romania	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Emissions from non-generation diesel generators – Other countriesb)	tCO <sub>2</sub> e	51	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from landfill	tCO <sub>2</sub> e	20	13	1 <sup>1)</sup>	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from landfill – Czechia	tCO <sub>2</sub> e	20	13	1	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from landfill – Slovakia	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from landfill – Poland	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from landfill – Romania	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Fugitive CH <sub>4</sub> emissions from landfill – Other countriesb)	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Biomass emissions	tCO <sub>2</sub> e	1,029,623	1,063,632	1,293,425	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Biomass emissions – Czechia	tCO <sub>2</sub> e	643,164	651,536	844,972	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	



Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Biomass emissions – Slovakia	tCO <sub>2</sub> e	35,891	37,340	39,665	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Biomass emissions – Poland	tCO <sub>2</sub> e	328,451	355,396	408,788	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Biomass emissions – Romania	tCO <sub>2</sub> e	0	0	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Biomass emissions – Other countriesb)	tCO <sub>2</sub> e	22,115	19,361	0	305-1		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 2 emissions	tCO <sub>2</sub> e	0	0	142,698	305-2		GHG emissions	SDG 3.9 SDG 12.4 SDG 13.1 SDG 14.3 SDG 15.2	
Scope 3 emissions	tCO <sub>2</sub> e	13,532,370	12,262,775	10,517,240 <sup>1)</sup>	305-3		GHG emissions	SDG 3.9 SDG 12.4 SDG 13.1 SDG 14.3 SDG 15.2	
Scope 3 emissions – Category 1 – Purchased goods and services	tCO <sub>2</sub> e	48,450	29,977	40,428	305-3		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 3 emise – Category 2 – Capital goods	tCO <sub>2</sub> e	228,947	N/A	N/A	305-3		GHG emise	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 3 emissions – Category 3 – Fuel and energy related activities	tCO <sub>2</sub> e	2,910,437	539,640	1,265,085 <sup>1)</sup>	305-3		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 3 emise – Category 9 – Downstream transportation and distribution	tCO <sub>2</sub> e	213,930	N/A	N/A	305-3		GHG emise	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 3 emise – Category 10 – Processing of sold products	tCO <sub>2</sub> e	344,188	N/A	N/A	305-3		GHG emise	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	

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Scope 3 emissions – Category 11 – Use of sold products	tCO <sub>2</sub> e	9,896,774	7,975,502	9,211,727 <sup>1)</sup>	305–3		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Scope 3 emissions – Category 15 – Investments	tCO <sub>2</sub> e	448,012	427,283	N/A	305–3		GHG emissions	SDG 3.9 SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3 SDG 14.3 SDG 15.2	
Emission intensity	tCO <sub>2</sub> e/ MWh	0.27	0.29	0.29	305–4			SDG 13.1 SDG 14.3 SDG 15.2	
Particulate matter (PM) emissions	t	558	635	823	305–7		Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
PM per electricity and heat generated	kg/MWh	0.009	0.010	0.013				SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
PM10 emissions	t	431	499	649		IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
PM10 emissions, percentage in or near areas of dense population	%	97	97.4	97.8		IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Sulfur dioxide (SO <sub>2</sub> ) emissions	t	5,381	6,323	7,812				SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
SO <sub>2</sub> per electricity and heat generated	kg/MWh	0	0.102	0.121				SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Sulfur oxides SO <sub>x</sub> (SO <sub>2</sub> and SO <sub>3</sub> ) emissions	t	5,537	6,475	7,920	305–7	IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Sulfur oxides SO <sub>x</sub> (SO <sub>2</sub> and SO <sub>3</sub> ) emissions, percentage in or near areas of dense population	%	98	98.9	99.4 <sup>2)</sup>	305–7	IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Nitrogen oxides (NO <sub>x</sub> ) emissions (excluding N <sub>2</sub> O)	t	11,619	12,964	14,306	305–7	IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Nitrogen oxides (NO <sub>x</sub> ) emissions (excluding N <sub>2</sub> O), –percentage or near areas of dense population	%	98.0	98.0	98.3 <sup>2)</sup>	305–7	IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
NO <sub>x</sub> per electricity and heat generated	kg/MWh	0.196	0.209	0.222				SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Lead (Pb) emissions	t	0.61	1.18	0.90	305–7	IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Lead (Pb) emissions, percentage in or near areas of dense population	%	98.9	96.7	98.7 <sup>2)</sup>		IF-EU –120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Mercury (Hg) emissions	t	0.56	0.71	1.11	305-7	IF-EU -120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Mercury (Hg) emissions, percentage in or near areas of dense population	%	99.4	99.1	99.5 <sup>2)</sup>		IF-EU -120a.1	Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Volatile organic compounds (VOC) – NEW	t	22	25	N/A	305-7		Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Persistent organic pollutants (POPs) – NEW	kg	13	32	N/A	305-7		Air pollution	SDG 3.9 SDG 11.6 SDG 12.4 SDG 14.3 SDG 15.2	
Weight of generated waste	t	128,755	49,899	62,566	306-3			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of generated waste – non – hazardous	t	119,822	47,738	59,235	306-3			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of generated waste – hazardous	t	8,695	1,733	2,994	306-3			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of generated waste – radioactive waste	t	238	428	337	306-3			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste diverted from disposal	t	74,673	49,127	65,860	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste diverted from disposal – non –hazardous	t	74,023	48,790	64,485	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste diverted from disposal – hazardous waste	t	650	337	1,375	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste diverted from disposal – Preparation for reuse	t	14,829	6,128	17,378	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste diverted from disposal – Recycling	t	58,080	17,152	14,532	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste diverted from disposal – Composting	t	846	15,727	20,556	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste diverted from disposal – Other recovery options	t	269	9,783	12,019	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste diverted from disposal – Preparation for reuse	t	9	1	188	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste diverted from disposal – Recycling	t	352	271	584	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Hazardous waste diverted from disposal – Other recovery options	t	289	65	603	306-4			SDG 3.9 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste directed to disposal	t	44,141	24,994	21,071	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste directed to disposal – non –hazardous	t	36,096	23,418	19,453	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste directed to disposal – hazardous	t	8,045	1,576	1,618	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Weight of waste directed to disposal – radioactive waste	t	238	428	337	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste directed to disposal – Recovery incl. Energy	t	496	76	95	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste directed to disposal – Incineration	t	62	117	14	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste directed to disposal – Landfill	t	29,526	16,638	10,636	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste directed to disposal – Other disposal options	t	6,012	6,587	8,708	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste directed to disposal – Recovery incl. Energy	t	88	296	154	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste directed to disposal – Incineration	t	48	36	26	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste directed to disposal – Landfill	t	6,706	193	589	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste directed to disposal – Other disposal options	t	1,203	1,051	849	306-5			SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Non –hazardous waste produced per electricity and heat generated	kg/MWh	2.02	0.77	0.92				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Hazardous waste produced per electricity and heat generated	kg/MWh	0.15	0.03	0.05				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Waste produced by waste streams – NEW – Waste from power stations and other combustion plants that is not recoverable	t	15,725	9,092	N/A				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Waste produced by waste streams – NEW – Waste metals (including their alloys)	t	58,561	7,686	N/A				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Waste produced by waste streams – NEW – Construction and demolition waste	t	20,045	5,066	N/A				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Waste produced by waste streams – NEW – Sewage treatment plant waste and sewage sludge	t	2,157	4,611	N/A				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Waste produced by waste streams – NEW – Engine, gear and lubricating waste oils and oil separator waste (hazardous waste stream)	t	118	481 <sup>1)</sup>	N/A				SDG 3.9 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5 SDG 15.1	
Significant spills	Number	12	14	25 <sup>2)</sup>	306–3: 2016			SDG 3.9 SDG 6.6 SDG 12.4 SDG 15.1	
Significant spills into water	L	0	30	78	306–3: 2016			SDG 3.9 SDG 6.6 SDG 12.4 SDG 15.1	
Significant spills into soil	L	12	227	799 <sup>2)</sup>	306–3: 2016			SDG 3.9 SDG 6.6 SDG 12.4 SDG 15.1	
Fatalities (employees)	Number	3	0	1	403–9	IF-EU –320a.1	Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Fatalities (employees) <sup>3)</sup>	Rate	0.06	0.00	0.02	403–9	IF-EU –320a.1	Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
High –consequence work –related injuries (employees) – NEW	Number	13	7	N/A	403–9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
High –consequence work –related injuries (employees) <sup>3)</sup>	Rate	0.26	0.16	N/A	403–9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Recordable work –related injuries (employees)	Number	771	580 <sup>3)</sup>	N/A	403–9			SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Recordable work –related injuries (employees) <sup>3)</sup>	Rate	14.83	13.00	N/A	403–9			SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Work –related injuries with absence of one day or more (employees) – NEW	Number	257	134	N/A	403–9			SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Lost Time Injury Frequency Rate (LTIFR) (employees) <sup>3)</sup>	Rate	5.18	3.00 <sup>4)</sup>	2.89 <sup>4)</sup>	403–9	IF-EU –320a.1	Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Work –related injuries resulting in more than 3 days away from work (employees)	Number	199	130	130	403–9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Hours worked (employees)	Number	49,620,534	44,601,279	44,940,976	403–9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Main types of work –related injuries	–	Kap. 4.3.7.3	Section 4.3.6.3	Section 4.3.5.4	403–9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	p. 68

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG	Page.
Fatalities (suppliers)	Number	1	0	1	403-9	IF-EU -320a.1	Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
High -consequence work -related injuries (suppliers) - NEW	Number	7	5	N/A	403-9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Reported work -related injuries (suppliers)	Number	103	60	25	403-9		Health and safety	SDG 3.6 SDG 8.7 SDG 8.8 SDG 16.1	
Average hours of training per year per employee	Hrs	43.4	42.1	31.4	404-1		Training provided	SDG 4.3 SDG 4.4 SDG 4.5 SDG 5.1 SDG 8.2 SDG 8.5 SDG 10.3	
Absolute hours of training per year	Hrs	1,326,866	1,208,721	879,870	404-1			SDG 4.3 SDG 4.4 SDG 4.5 SDG 5.1 SDG 8.2 SDG 8.5 SDG 10.3	

<sup>a)</sup> More details on other countries can be found in the relevant CEZ Group Annual Report.

<sup>b)</sup> Other countries include: Bulgaria, France, Germany, Austria, Hungary, Serbia, Netherlands, Italy.

<sup>c)</sup> Rate calculated per 1,000,000 hours worked.

<sup>1)</sup> Data recalculated and corrected using GWP coefficients from the IPCC Sixth Assessment Report for a 100-year time horizon.

<sup>2)</sup> Data corrected.

<sup>3)</sup> In 2020 and 2021 only data for work-related injuries resulting in more than 3 days away from work were collected.

<sup>4)</sup> In 2021, the indicator was calculated on a pilot basis as number of reported work-related injuries resulting in more than 3 days away from work. From 2022 onwards, the indicator will be calculated on the basis of reported work-related injuries with an absence of 1 day or more.

<sup>5)</sup> Indicator includes ČEZ, a. s., and selected subsidiaries.

## 7.2. Other Indicators

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Name of the organisation	-	Section 2.1	Section 2.1 AFR p. 164	Section 2.1 AR p. 166	102-1			
Activities, brands, products and services	-	Section 2.1.	Section 2.1 AFR p. 2	Section 2.1 AR p. 2	102-2			
Location of headquarters	-	AFR p. 372	AFR p. 164	Section 2.1 AR p. 166	102-3			
Locations of operations	-	AFR p. 72	AFR p. 2	Section 2.1 AR p. 2	102-4			
Ownership and legal form	-	AFR p. 372	AFR p. 164	Section 2.1 AR p. 166	102-5			
Markets served	-	Section 2.1.	Section 2.1 AFR p. 2	Section 2.1 AR p. 2	102-6			
Scale of organisation	-	AFR p. 12	AFR p. 12	Section 2.1 AR p. 2	102-7			
Fixed contract by gender women	Persons	938	861	899 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Fixed contract by gender – men	Persons	2,095	1,729	1,959 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Indefinite contract by gender – women	Persons	5,507	5 188	4,834 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Indefinite contract by gender – men	Persons	22,012	20,949	20,203 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Fixed contract by region – Czechia	Persons	2,653	2,298	2,022 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Fixed contract by region – Abroad	Persons	380	292	833 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Fixed contract abroad – Germany	Persons	188	169	N/A	2-7			SDG 8.5 SDG 10.3
Fixed contract abroad – Poland	Persons	118	82	N/A	2-7			SDG 8.5 SDG 10.3
Fixed contract abroad – Other countries <sup>a)</sup>	Persons	74	41	N/A	2-7			SDG 8.5 SDG 10.3
Indefinite contract by region Czechia	Persons	22 257	21 631	20 696 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Indefinite contract by region – Abroad	Persons	5 262	4 506	4 344 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Indefinite contract abroad – Germany	Persons	3 665	3 002	N/A	2-7			SDG 8.5 SDG 10.3
Indefinite contract abroad – Poland	Persons	770	808	N/A	2-7			SDG 8.5 SDG 10.3
Indefinite contract abroad – Other countries <sup>a)</sup>	Persons	827	696	N/A	2-7			SDG 8.5 SDG 10.3
Full time by gender – women	Persons	5,935	5,633	5,343 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Full time by gender – men	Persons	23,643	22,329	21,811 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Part time by gender – women	Persons	501	432	388 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Part time by gender – men	Persons	473	333	353 <sup>1)</sup>	2-7			SDG 8.5 SDG 10.3
Full time by region – Czechia	Persons	24,473	23,558	N/A	2-7			SDG 8.5 SDG 10.3
Full time by region – Germany	Persons	3,385	2,833	N/A	2-7			SDG 8.5 SDG 10.3
Full time by region – Poland	Persons	874	875	N/A	2-7			SDG 8.5 SDG 10.3
Full time by region – Other countries <sup>a)</sup>	Persons	846	696	N/A	2-7			SDG 8.5 SDG 10.3
Part time – Czechia	Persons	437	371	N/A	2-7			SDG 8.5 SDG 10.3
Part time – Germany	Persons	468	338	N/A	2-7			SDG 8.5 SDG 10.3
Part time – Poland	Persons	14	15	N/A	2-7			SDG 8.5 SDG 10.3
Part time – Other countries <sup>a)</sup>	Persons	55	41	N/A	2-7			SDG 8.5 SDG 10.3
Non-guaranteed hours employees by gender – women	Persons	736	776	N/A	2-7			SDG 8.5 SDG 10.3
Non-guaranteed hours employees by gender – men	Persons	1,038	1,159	N/A	2-7			SDG 8.5 SDG 10.3
Non-guaranteed hours employees by region – Czechia	Persons	1,646	1,830	N/A	2-7			SDG 8.5 SDG 10.3
Non-guaranteed hours employees by region – Abroad	Persons	128	105	N/A	2-7			SDG 8.5 SDG 10.3



Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Workers who are not employees (headcount at end of the reporting period)	Persons	8,337	6,854	N/A	2-8			SDG 8.5 SDG 10.3
Workers who are not employees (most common types of workers)	- self-employed/contractors (agreement to perform work or to complete a job)/suppliers' workers/apprentices/interns		self-employed/contractors (agreement to perform work or to complete a job)/suppliers' workers/apprentices/interns	N/A	2-8			SDG 8.5 SDG 10.3
Workers who are not employees (type of work performed)	- mining services, construction works, installations, repair and maintenance, administrative works, customer services, IT services		mining services, construction works, installations, repair and maintenance, administrative works, customer services, IT services	N/A	2-8			SDG 8.5 SDG 10.3
Diversity of managerial positions by gender – women	Persons	523	488	410				SDG 5.1
Diversity of managerial positions by gender – men	Persons	3,708	3,578	2 628				SDG 5.1
Diversity of managerial positions by gender – women	%	12.4	12.0	13.5				SDG 5.1
Diversity of managerial positions by gender – men	%	87.6	88.0	86.5				SDG 5.1
Diversity of managerial positions by age: ≤29 years	Persons	154	136	68				SDG 5.1
Diversity of managerial positions by age: 30–49 years	Persons	2,203	2,157	1 690				SDG 5.1
Diversity of managerial positions by age: ≥50 years	Persons	1,874	1,773	1 280				SDG 5.1
Diversity of managerial positions by age: ≤29 years	%	3.6	3.3	2.2				SDG 5.1
Diversity of managerial positions by age: 30–49 years	%	52.1	53.1	55.6				SDG 5.1
Diversity of managerial positions by age: ≥50 years	%	44.3	43.6	42.1				SDG 5.1
Supply chain	-	Section 5.4.2	Section 5.4.2	Section 5.4.2	102-9			
Significant changes to the organization and its supply chain	-	Section 5.4.2 AFR pr. 160–161	Section 5.4.2 AR p. 154	Section 5.4.2	102-10			
Precautionary Principle or approach	-	Section 5.4.1.11	Section 5.4.1.11	Section 5.4.1.10	102-11			
External initiatives	-	External initiatives	External initiatives	Link to web	102-12			
Membership associations	-	Membership associations	Membership associations	Link to web	102-13			
Statement from senior decision-maker	-	Section 1.1	Section 1.1	Section 1.1	102-14			
Key impacts, risks, and opportunities	-	Section 1.1, 2.1	Section 1.1, 2.1 AFR p. 24–25, 58–59	Section 1.1, 2.1 AR p. 26	102-15		Integrating risk and opportunity into business process	
Values, principles, standards, and norms of behavior	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	102-16			SDG 16.3
Mechanism for advice and concerns about ethics	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	102-17		Protected ethics advice and reporting mechanisms	SDG 16.3
Governance structure	-	Section 5.1	Section 5.1	Section 5.1	102-18			
Consulting stakeholders on economic, environmental, and social topics	-	Section 2.2	Section 2.2	Section 2.2	102-21		Material issues impacting stakeholders	SDG 16.7
Composition of the highest governance body and its committees	-	AFR p. 30–51	AFR p. 30–56	AR p. 32–53	102-22		Governance body composition	SDG 5.5 SDG 16.7
Independent members of the Supervisory Board <sup>b)</sup>	Persons	6 out of 11	6 out of 11	6 out of 12	2-9			
Independent members of the Supervisory Board <sup>b)</sup>	%	55	55	50	2-9			
Role of highest governance body in setting purpose, values, and strategy	-	Section 5.1	Section 5.1	Section 5.1	102-26		Setting purpose	
Annual total compensation ratio <sup>c)</sup>	Ratio	38.8	46	48.3	102-38		Wage level (%), Pay gap (%)	
Annual total compensation percentage increase ratio <sup>c)</sup>	Ratio	0.19	0.20	0.00	2-21			
Collective bargaining agreements <sup>d)</sup>	%	81	78	100	102-41			SDG 8.8
List of stakeholder groups	-	Section 2.2	Section 2.2	Section 2.2	102-40			
Identifying and selecting stakeholders	-	Section 2.2	Section 2.2	Section 2.2	102-42			

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Approach to stakeholder engagement	-	Section 2.2	Section 2.2	Section 2.2	102-43		Material issues impacting stakeholders	
Entities included in the consolidated financial statements	-	AFR p. 103-105	AFR p. 103-105	AR p. 74-76	102-45			
Defining report content and topic boundaries	-	Section 2.2	Section 2.2	Section 2.1	102-46			
List of material topics	-	Section 2.2	Section 2.2	Section 2.2	102-47		Material issues impacting stakeholders	
Changes in reporting	-	AFR p. 158-161	AFR p. 160-161	AR p. 154	102-49			
Reporting period	-	1.1.2023-31.12.2023	January 1, 2022, to December 31, 2022	January 1, 2021, to December 31, 2021	102-50			
Reporting cycle	-	Yearly	Yearly	Yearly	102-52			
Publication date of the report	-	April 30, 2024	May 31, 2023	June 30, 2022	2-3			
Contact point for questions regarding the report	-	esg@cez.cz	esg@cez.cz	esg@cez.cz	102-53			
Claims of reporting in accordance with the GRI Standards	-	Section 7	Section 8	Section 6	102-54			
GRI content index	-	Section 7	Section 8	Section 6	102-55			
External assurance	-	Section 1.2.	Section 1.2 and 7	p. 98	102-56			
Management Approach GRI 201	-	Section 4.3.1, 5.2 AFR p. 16, 106, 112, 128, 136	Section 4.3.1, 5.2 AFR p. 16, 106, 112, 128, 136	Section 5.2	103-1, 103-2, 103-3			
Direct economic value generated and distributed	CZK	AFR p. 106, 136, 217, 285, 286, 290, 291	AFR p. 106, 136, 217, 285, 286, 290, 291	AR p. 77, 83, 128, 217, 287	201-1		Economic contribution, Total tax paid, Additional tax remitted	SDG 8.1 SDG 8.2 SDG 9.1 SDG 9.4 SDG 9.5
Financial implications and other risks and opportunities due to climate change	-	Section 5.2	Section 5.2	Section 5.2	201-2			SDG 13.1
TCFD implementation	-	Section 5.2	Section 5.2	Section 5.2			TCFD implementation	SDG 13.1
Defined benefit plan obligations and other retirement plans	-	Section 4.3.1	Section 4.3.1	Section 5.4.3.3	201-3			
Financial assistance received from government	CZK	AFR p. 16 and 128	AFR p. 16 and 128	AR p. 122	201-4		Economic contribution	
Financial investment contribution	CZK	AFR p. 16-18 and 112-113	AFR p. 16-18 and 112-113	AR p. 14-17, 83			Financial investment contribution	
Total R&D expenses	mil. CZK	1 199,00	982,10	952,40			Total R&D expenses	SDG 9.5
Management Approach GRI 202	-	Section 4.3.1	Section 4.3.1	Section 4.3.1	103-1, 103-2, 103-3			
Ratios of standard entry level wage by gender compared to local minimum wage <sup>9)</sup> - women	Ratio	Section 4.1	2.16	2.18	202-1		Wage level	SDG 1.2 SDG 5.1 SDG 8.5
Ratios of standard entry level wage by gender compared to local minimum wage <sup>9)</sup> - men	Ratio	2.36	2.29	2.32	202-1		Wage level	SDG 1.2 SDG 5.1 SDG 8.5
Management Approach GRI 203	-	Section 4.1	Section 4.1	Section 4.1	103-1, 103-2, 103-3			
Infrastructure investments and services supported	-	Section 2.1, 4.1, a 4.4.1.1	Section 3.5, 4.1 and 4.4.1.1	Section 4.1	203-1		Infrastructure investments and services supported	SDG 9.1 SDG 9.4 SDG 11.2
Significant indirect economic impacts	-	Section 2.1, 4.1, a 4.4.1.1	Section 3.5, 4.1 and 4.4.1.1	Section 4.1	203-2		Significant indirect economic impacts	SDG 1.2 SDG 1.4 SDG 3.8 SDG 5.4 SDG 8.2 SDG 8.3 SDG 8.5
Management Approach GRI 205	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	103-1, 103-2, 103-3			
Operations assessed for risks related to corruption	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	205-1			SDG 16.5
Communication and training about anti-corruption policies and procedures	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	205-2		Anti-corruption	SDG 16.5
Communication about anti-corruption policies and procedures to governance body members - Czechia	Persons	294	227	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to governance body members - Abroad	Persons	58	86	N/A	205-2			SDG 16.5

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Communication about anti-corruption policies and procedures to governance body members – Czechia	%	84.4	65.0	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to governance body members – Abroad	%	31.4	48.9	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – Czechia	Persons	22,683	22,394	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – Abroad	Persons	1,850	640	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – Czechia	%	79.9	93.6	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – Abroad	%	23.2	13.3	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – managers	Persons	3,315	2,849	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – other employees	Persons	20,512	20,185	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – managers	%	92.5	70.1	N/A	205-2			SDG 16.5
Communication about anti-corruption policies and procedures to employees – other employees	%	84.8	81.8	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to governance body members – Czechia	Persons	106	175	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to governance body members – Abroad	Persons	12	61	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to governance body members – Czechia	%	66.7	50.1	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to governance body members – Abroad	%	6.5	34.7	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – Czechia	Persons	21,745	21,213	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – Abroad	Persons	281	233	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – Czechia	%	77.1	88.6	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – Abroad	%	4.2	4.9	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – managers	Persons	2,586	2,657	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – other employees	Persons	19,440	18,789	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – managers	%	84.8	65.3	N/A	205-2			SDG 16.5
Training about anti-corruption policies and procedures to employees – other employees	%	77.1	76.2	N/A	205-2			SDG 16.5
Confirmed incidents of corruption and actions taken	Number	0	0	0	205-3		Anti-corruption	SDG 16.5
Management Approach GRI 206	-	Section 5.4.1.10	Section 5.4.1.10	Section 5.4.1.9	103-1, 103-2, 103-3			
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Number	1	1	1	206-1			SDG 16.3
Management Approach GRI 207	-	Section 5.4.3	Section 5.4.3	Section 5.4.3	103-1, 103-2, 103-3			
Approach to tax	-	Section 5.4.3	Section 5.4.3	Section 5.4.3	207-1			SDG 1.1 SDG 1.3 SDG 10.4 SDG 17.1 SDG 17.3

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Tax governance, control, and risk management	-	Section 5.4.3	Section 5.4.3	Section 5.4.3	207-2			SDG 1.1 SDG 1.3 SDG 10.4 SDG 17.1 SDG 17.3
Stakeholder engagement and management of concerns related to tax	-	Section 5.4.3	Section 5.4.3	Section 5.4.3	207-3			SDG 1.1 SDG 1.3 SDG 10.4 SDG 17.1 SDG 17.3
Tax country-by-country reporting(1) Czechia	bil. CZK	45.4	20.0	5.2	207-4		Total tax paid by country for significant locations	SDG 1.1 SDG 1.3 SDG 10.4 SDG 17.1 SDG 17.3
Tax country-by-country reporting(2) Abroad	bil. CZK	0.4	0.2	0.2	207-4		Total tax paid by country for significant locations	SDG 1.1 SDG 1.3 SDG 10.4 SDG 17.1 SDG 17.3
Management Approach GRI 301	-	Section 3.6.2	Section 3.2.3	N/A	103-1, 103-2, 103-3			
Non-reable materials: Fuels (Total amount) – Hard coal	kt, mil. m <sup>3</sup> (gas)	1,298	1,744	1 864	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Total amount) – Lignite	kt, mil. m <sup>3</sup> (gas)	11,340	12,469	12 434	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Total amount) – Natural gas	kt, mil. m <sup>3</sup> (gas)	477	541	696	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Total amount) – Diesel, light fuel oil	kt, mil. m <sup>3</sup> (gas)	3.72	2.63	3.07	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Total amount) – Heavy fuel oil	kt, mil. m <sup>3</sup> (gas)	1.74	2.94	2.36	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Total amount) – Uranium	kt, mil. m <sup>3</sup> (gas)	0.08	0.07	0.07	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Energy) – Hard coal	PJ	26	33	36	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Energy) – Lignite	PJ	131	143	143	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Energy) – Natural gas	PJ	17	19	24	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Energy) – Diesel, light fuel oil	PJ	0.14	0.11	0.13	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Energy) – Heavy fuel oil	PJ	0.07	0.13	0.10	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Fuels (Energy) – Uranium	PJ	317	287	289.00	301-1			SDG 8.4 SDG 12.2
Reable materials: Fuels (Total amount) – Solid biofuels	kt, mil. m <sup>3</sup> (gas)	896	912	1 115	301-1			SDG 8.4 SDG 12.2
Reable materials: Fuels (Total amount) – Liquid biofuels	kt, mil. m <sup>3</sup> (gas)	0.00	0.00	0.23	301-1			SDG 8.4 SDG 12.2
Reable materials: Fuels (Total amount) – Biogas	kt, mil. m <sup>3</sup> (gas)	18.00	0.00	1.13	301-1			SDG 8.4 SDG 12.2
Reable materials: Fuels (Energy) – Solid biofuels	PJ	9.90	10.4	12.4	301-1			SDG 8.4 SDG 12.2
Reable materials: Fuels (Energy) – Liquid biofuels	PJ	0.00	0.00	0.01	301-1			SDG 8.4 SDG 12.2
Reable materials: Fuels (Energy) – Biogas	PJ	0.40	0	0.04	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Other – Limestone	kt	661	757	720	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Other – Lime	kt	34	28	41	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Other – Urea	kt	0.01	0.03	1.08	301-1			SDG 8.4 SDG 12.2
Non-reable materials: Other – Ammonia water	kt	2.05	1.5	0.50	301-1			SDG 8.4 SDG 12.2
Management Approach GRI 302	-	Section 3.6.3	Section 3.5.7	Section 3.5.7	103-1, 103-2, 103-3			
Total electricity generated, percentage by major energy source	GWh	46 269	54 302	56 008 <sup>2)</sup>		IF-EU-000.D		
Total electricity generated, percentage by major energy source, percentage in regulated markets	%	0	0	0		IF-EU-000.D		
Total electricity generated, percentage by major energy source – nuclear	%	59.1	57.1	54.9		IF-EU-000.D		SDG 7.2
Total electricity generated, percentage by major energy source – hydro	%	4.6	3.9	4.5		IF-EU-000.D		SDG 7.2
Total electricity generated, percentage by major energy source – photovoltaic	%	0.3	0.3	0.2		IF-EU-000.D		SDG 7.2
Total electricity generated, percentage by major energy source – wind	%	0.7	0.5	1.1		IF-EU-000.D		SDG 7.2

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Total electricity generated, percentage by major energy source – coal	%	30.0	32.3	32.1		IF-EU-000.D		SDG 7.2
Total electricity generated, percentage by major energy source – natural gas	%	3.9	4.5	5.6		IF-EU-000.D		SDG 7.2
Total electricity generated, percentage by major energy source – biomass	%	1.4	1.4	1.6		IF-EU-000.D		SDG 7.2
Total electricity generated, percentage by major energy source – biogas	%	0	0	0		IF-EU-000.D		SDG 7.2
Total wholesale electricity purchased	GWh	73 564	132 898	223 066 <sup>2)</sup>		IF-EU-000.E		
Management Approach GRI 303	–	Section 3.4	Section 3.3.1	Section 3.3.1	103–1, 103–2, 103–3			
Interactions with water as a shared resource	–	Section 3.4	Section 3.3.1	Section 3.3.1	303–1			SDG 6.3 SDG 6.A SDG 6.B SDG 12.4
Management of water discharge related impacts	–	Section 3.4	Section 3.3.1	Section 3.3.1	303–2			SDG 6.3 SDG 13.1
Water storage by reservoir – Homole	ML	427	427	N/A	303–5			SDG 6.3 SDG 13.1
Water storage by reservoir – Dalešice	ML	16,150	16,150	N/A	303–5			SDG 6.3 SDG 13.1
Water storage by reservoir – Dlouhé stráně	ML	2,720	2,720	N/A	303–5			SDG 6.3 SDG 13.1
Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Number	0	2	0		IF-EU-140a.2		SDG 3.9 SDG 6.3 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2 SDG 12.4 SDG 12.5
Description of water management risks and discussion of strategies and practices to mitigate those risks	–	Section 3.3.2	Section 3.3.1	Section 3.3.1		IF-EU-140a.3		SDG 3.9 SDG 6.3 SDG 6.5 SDG 9.2 SDG 9.4 SDG 12.2 SDG 12.4 SDG 12.5
Management Approach GRI 304	–	Section 3.5	Section 3.3.2	Section 3.3.2	103–1, 103–2, 103–3			
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	–	Section 7	Section 8	Section 6.3	304–1		Land use and ecological sensitivity	SDG 6.6 SDG 15.1 SDG 15.5
Significant impacts of activities, products and services on biodiversity	–	Section 3.5, 7	Section 3.3.2, Section 8	Severočeské doly, Section 3.3.2	304–2			SDG 6.6 SDG 15.1 SDG 15.5
Habitats protected or restored	–	Section 7	Section 8	Section 6.3	304–3			SDG 6.6 SDG 15.1 SDG 15.5
IUCN Red List species and national conservation list species with habitats in areas affected by operations	–	Section 3.5, 7	Section 8	N/A	304–4			SDG 6.6 SDG 14.2 SDG 15.1 SDG 15.5
Management Approach GRI 305	–	Section 3.2	Section 3.1	Section 3.1	103–1, 103–2, 103–3			
Discussion of long-term and short-term strategy or plan to manage: Scope 1 emissions, emissions reduction targets analysis of performance against those targets	–	Section 3.2, 5.2	Section 3.1, 5.2	Section 3.1, 5.2		IF-EU-110a.3		SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3
Avoided emissions	tCO <sub>2</sub> e	28,372,069	27,389,141	27,954,578	305–5			SDG 13.1 SDG 14.3 SDG 15.2
Avoided emissions – nuclear sources	tCO <sub>2</sub> e	25,383,391	24,760,477	24,630,558	305–5			SDG 13.1 SDG 14.3 SDG 15.2
Avoided emissions – reable energy sources	tCO <sub>2</sub> e	2,390,472	2,014,019	2,605,076	305–5			SDG 13.1 SDG 14.3 SDG 15.2
Avoided emissions – biomass	tCO <sub>2</sub> e	598,206	614,645	718,944,00	305–5			SDG 13.1 SDG 14.3 SDG 15.2
Emissions associated with power deliveries (B2B and B2C)	tCO <sub>2</sub> e	5,799,423	5,755,474	7,672,109 <sup>3)</sup>		IF-EU-110a.2		SDG 7.B SDG 8.4 SDG 9.2 SDG 9.4 SDG 12.2 SDG 13.3

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Emissions of ozone-depleting substances (ODS) – production, imports and exports	t CFC-11e	0	0	0	305-6			SDG 3.9 SDG 12.4
Management Approach GRI 306	-	Section 3.6.1	Section 3.2.4	Section 3.2.2	103-1, 103-2, 103-3			
Waste generation and significant waste-related impacts	-	Section 3.6.1	Section 3.2.4	Section 3.2.2	306-1			SDG 3.9 SDG 6.3 SDG 6.6 SDG 11.6 SDG 12.4 SDG 12.5
Management of significant waste related impacts	-	Section 3.6.1	Section 3.2.4	Section 3.2.2	306-2			SDG 3.9 SDG 6.3 SDG 8.4 SDG 11.6 SDG 12.4 SDG 12.5
Amount of coal combustion residuals (CCR) generated	kt	4,567	5,099	5,048		IF-EU-150a.1		SDG 9.2 SDG 9.4 SDG 12.2 SDG 12.5
CCR recycled	%	99.70	99.86	99.60		IF-EU-150a.1		SDG 9.2 SDG 9.4 SDG 12.2 SDG 12.5
CCR impoundments	Number	0	0	0		IF-EU-150a.2		SDG 9.2 SDG 9.4 SDG 12.2 SDG 12.5
Management Approach GRI 308	-	Section 5.4.2	Section 5.4.2	Section 5.4.2.1	103-1, 103-2, 103-3			
suppliers that were screened using environmental criteria	-	Section 5.4.2.1	Section 5.4.2.1	Section 5.4.2.1	308-1			
Negative environmental impacts in the supply chain and actions taken	Number	0	0	2	308-2			
Management Approach GRI 401	-	Section 4.3.1	Section 4.3.1	Section 4.3.1	103-1, 103-2, 103-3			
employee hires	Persons	3,775	2,889	2,935	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by age: ≤29 years	Persons	1,230	973	1,138	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by age: 30-49 years	Persons	1,893	1,366	1,336	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by age: ≥50 years	Persons	652	550	46	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by age: ≤29 years	%	33.3	27.7	29.0	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by age: 30-49 years	%	12.9	9.8	10.0	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by age: ≥50 years	%	5.3	4.9	4.3	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by gender – women	Persons	940	800	846	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by gender – men	Persons	2,835	2,089	2,089	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by gender – women	%	14.6	13.2	14.7	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by gender – men	%	11.8	9.2	9.4	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by region – Czechia	Persons	2,735	2,198	1,991	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Employee hires by region – Abroad	Persons	1,040	691	944	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by region – Czechia	%	11.0	9.2	8.8	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee hires by region – Abroad	%	18.4	14.4	18	401-1		Absolute number and rate of employment	SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover	Persons	2,850	2,748	2,883	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by age: ≤29 years	Persons	633	579	647	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by age: 30–49 years	Persons	1,209	1,103	1,122	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by age: ≥50 years	Persons	1,008	1,066	1,114	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by age: ≤29 years	%	17.1	16.5	16.5	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by age: 30–49 years	%	8.3	7.9	8.4	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by age: ≥50 years	%	8.2	9.4	10.4	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by gender – women	Persons	707	739	721	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by gender – men	Persons	2,143	2,009	2,162	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by gender – women	%	11.0	12.2	12.5	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by gender – men	%	8.9	8.9	9.7	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by region – Czechia	Persons	2,025	2,172	1,939	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by region – Abroad	Persons	825	576	944	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by region – Czechia	%	8.1	9.1	8.5	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Employee turnover by region – Abroad	%	14.6	12	12.8 <sup>2)</sup>	401-1			SDG 5.1 SDG 8.5 SDG 8.6 SDG 10.3
Benefits provided to full-time employees that are not provided to temporary or part-time employees	–	Section 4.3.1	Section 4.3.1	Section 4.3.1	401-2			SDG 3.2 SDG 5.4 SDG 8.5
Entitlement to parental leave	–	Pursuant to Czech law, all employees are entitled to parental leave. Abroad, CEZ Group companies comply with local law.	Pursuant to Czech law, all employees are entitled to parental leave. Abroad, CEZ Group companies comply with local law.	Pursuant to Czech law, all employees are entitled to parental leave. Abroad, CEZ Group companies comply with local law.	401-3			SDG 5.1 SDG 5.4 SDG 8.5
Entitlement to parental leave by gender – women	Persons	1 184	614	N/A	401-3			SDG 5.4 SDG 8.5



Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Entitlement to parental leave by gender – men	Persons	4,639	1,524	N/A	401-3			SDG 5.4 SDG 8.5
Parental leave by gender – women	Persons	568	573	602	401-3			SDG 5.4 SDG 8.5
Parental leave by gender – men	Persons	24	25	30	401-3			SDG 5.4 SDG 8.5
Return to work after parental leave by gender – women	Persons	124	106	75	401-3			SDG 5.4 SDG 8.5
Return to work after parental leave by gender – men	Persons	33	37	24	401-3			SDG 5.4 SDG 8.5
Employees who returned to work after parental leave and were still employed 12 months after the return to work by gender <sup>9)</sup> – women	Persons	140	109	N/A	401-3			SDG 5.4 SDG 8.5
Employees who returned to work after parental leave and were still employed 12 months after the return to work by gender <sup>9)</sup> – men	Persons	212	42	N/A	401-3			SDG 5.4 SDG 8.5
Eligibility to retire in the next 10 years Total	Persons	37,603	6,513	6,304	G4-EU15			
Eligibility to retire in the next 10 years by region – Czechia	Persons	6,059	5,766	5,581	G4-EU15			
Eligibility to retire in the next 10 years by region – Abroad	Persons	1,125	747	723	G4-EU15			
Eligibility to retire in the next 10 years by region – Czechia	%	19.9	20.1	19.9	G4-EU15			
Eligibility to retire in the next 10 years by region – Abroad	%	3.7	2.6	2.6	G4-EU15			
Eligibility to retire in the next 10 years by employee category – managers	Persons	875	797	749	G4-EU15			
Eligibility to retire in the next 10 years by employee category – other employees	Persons	6,309	5,716	5,555	G4-EU15			
Eligibility to retire in the next 10 years by employee category – managers	%	2.9	2.8	2.7	G4-EU15			
Eligibility to retire in the next 10 years by employee category – other employees	%	20.7	19.9	19.8	G4-EU15			
Management Approach GRI 402	-	Section 4.3.1	AFR p. 141 Section 4.3.1	Section 4.3.1	103-1, 103-2, 103-3			
Minimum notice periods regarding operational changes	Days	30	30	30	402-1			SDG 8.8
Management Approach GRI 403	-	Section 4.3.7	Section 4.3.6	Section 4.3.5	103-1, 103-2, 103-3			
Occupational health and safety management system	-	Section 4.3.7.1	Section 4.3.6.1	Yes. Specified in collective agreements	403-1			SDG 8.8
Hazard identification, risk assessment, and incident investigation	-	Section 4.3.7.1	Section 4.3.6.1	Specification and imple- mentation of controls, hazard identification– findings (non- conformities), nonconformity handling throu- gh corrective action. Regular internal audit checks.	403-2			SDG 8.8
Occupational health services	-	Section 4.3.7.2	Section 4.3.6.2	Section 4.3.5	403-3			SDG 8.8
Worker participation, consultation, and communication on occupational health and safety	-	Section 4.3.7.2	Section 4.3.6.2	Section 4.3.5	403-4			SDG 8.8 SDG 16.7
Worker training on occupational health and safety	-	Section 4.3.7.2	Section 4.3.6.2	Section 4.3.5	403-5			SDG 8.8
Promotion of worker health	-	Section 4.3.7.2	Section 4.3.6.2	Section 4.3.5	403-6	Health and safety		SDG 3.3 SDG 3.5 SDG 3.7 SDG 3.8
Workers covered by an occupational health and safety management system <sup>9)</sup>	Persons	31,023	28,039	27,816	403-8			SDG 8.8
Workers covered by an occupational health and safety management system <sup>9)</sup>	%	100.0	97.6	99.9	403-8			SDG 8.8
Workers covered by an occupational health and safety management system (internally audited) <sup>9)</sup>	Persons	27,038	23,096	24,863	403-8			SDG 8.8
Workers covered by an occupational health and safety management system (internally audited) <sup>9)</sup>	%	87.2	80.4	89.2	403-8			SDG 8.8

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Workers covered by an occupational health and safety management system (externally audited or certified) <sup>10)</sup>	Persons	21,624	16,312	20,060	403-8			SDG 8.8
Workers covered by an occupational health and safety management system (externally audited or certified) <sup>10)</sup>	%	69.7	56.8	72.0	403-8			SDG 8.8
Work-related fatalities as a result of ill health – employees	Number	0	0	0	403-10		Well-Being (%)	SDG 3.3 SDG 3.4 SDG 3.9 SDG 8.8 SDG 16.1
Work-related fatalities as a result of ill health – suppliers	Number	0	0	0	403-10		Well-Being (%)	SDG 3.3 SDG 3.4 SDG 3.9 SDG 8.8 SDG 16.1
Work-related ill health – employees	Number	7	0	0	403-10		Well-Being (%)	SDG 3.3 SDG 3.4 SDG 3.9 SDG 8.8 SDG 16.1
Work-related ill health – suppliers	Number	1	0	0	403-10		Well-Being (%)	SDG 3.3 SDG 3.4 SDG 3.9 SDG 8.8 SDG 16.1
Management Approach GRI 404	–	Section 4.3.5	Section 4.3.2, 4.3.5	Section 4.3.2	103-1, 103-2, 103-3			
Programs for upgrading employee skills and transition assistance programs	–	Section 4.3.5	Section 4.3.5	Section 4.3.4	404-2			SDG 8.2 SDG 8.5
Percentage of employees receiving regular performance and career development reviews by gender <sup>1)</sup> – women	%	79	81	100	404-3			SDG 5.1 SDG 8.5 SDG 10.3
Percentage of employees receiving regular performance and career development reviews by gender <sup>1)</sup> – men	%	64	73	100	404-3			SDG 5.1 SDG 8.5 SDG 10.3
Percentage of employees receiving regular performance and career development reviews by employee category <sup>1)</sup> – managers	%	73	88	100	404-3			SDG 5.1 SDG 8.5 SDG 10.3
Percentage of employees receiving regular performance and career development reviews by employee category <sup>1)</sup> – other employees	%	67	71	100	404-3			SDG 5.1 SDG 8.5 SDG 10.3
Average costs of training per year per employee	CZK	8,648	5,894	3,965			Training provided	
Total expenditures on employee training	mil. CZK	266.0	169.3	111.2				
Management Approach GRI 405	–	Section 4.3.1. 5.3	Section 4.3.1. 5.3	Section 5.3	103-1, 103-2, 103-3			
Vulnerable groups (employees with disabilities)	Persons	583	569	557	405-1		Diversity and inclusion	SDG 5.1 SDG 5.5
Vulnerable groups (employees with disabilities)	%	1.91	2.0	2.0	405-1		Diversity and inclusion	SDG 5.1 SDG 5.5
Vulnerable groups (employees with disabilities) by gender – women	Persons	129	124	N/A				SDG 5.1 SDG 5.5
Vulnerable groups (employees with disabilities) by gender – men	Persons	454	445	N/A				SDG 5.1 SDG 5.5
Vulnerable groups (employees with disabilities) by age: ≤29 years	Persons	14	21	N/A				SDG 5.1 SDG 5.5
Vulnerable groups (employees with disabilities) by age: 30–49 years	Persons	180	180	N/A				SDG 5.1 SDG 5.5
Vulnerable groups (employees with disabilities) by age: ≥50 years	Persons	389	368	N/A				SDG 5.1 SDG 5.5
Ratio of basic salary of women to men – management	Ratio	0.91	0.90	0.88 <sup>2)</sup>	405-2		Pay equality, Pay gap (%)	SDG 5.1 SDG 8.5 SDG 10.3
Ratio of basic salary of women to men – other employees	Ratio	0.94	0.94	N/A	405-2		Pay equality, Pay gap (%)	SDG 5.1 SDG 8.5 SDG 10.3
Ratio of remuneration of women to men – management	Ratio	0.91	0.90	0.9 <sup>2)</sup>	405-2		Pay equality, Pay gap (%)	SDG 5.1 SDG 8.5 SDG 10.3
Ratio of remuneration of women to men – other employees	Ratio	0.89	0.90	N/A	405-2		Pay equality, Pay gap (%)	SDG 5.1 SDG 8.5 SDG 10.3
Employee compensation <sup>1)</sup>	CZK	Corporate governance I CEZ Group	Corporate governance I CEZ Group	Remuneration Report for the Accounting Period of 2021 I CEZ Group			Remuneration	SDG 5.1 SDG 8.5 SDG 10.3

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Employees reporting directly to a governance body or a governance body member by gender – women	Number	141	163	111				SDG 8.5 SDG 10.3
Employees reporting directly to a governance body or a governance body member by gender – men	Number	549	523	555				SDG 8.5 SDG 10.3
Management Approach GRI 406	-	Section 5.3 a 5.4.1.7	Section 5.3 and 5.4.1.7	Section 5.4.1.6	103-1, 103-2, 103-3			
Incidents of discrimination and corrective actions taken	Number	0	0	0	406-1		Discrimination and Harassment	SDG 5.1 SDG 8.8
Management Approach GRI 407	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	103-1, 103-2, 103-3			
Reported cases of discrimination	Number	7	N/A	N/A	406-1		Diskriminace a obtěžování	SDG 5.1 SDG 8.8
Reported cases of discrimination reviewed by the company	Number	7	N/A	N/A	406-1		Diskriminace a obtěžování	SDG 5.1 SDG 8.8
Reported cases of discrimination that have been reviewed by the company and are no longer under investigation	Number	7	N/A	N/A	406-1		Diskriminace a obtěžování	SDG 5.1 SDG 8.8
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Number	0	0	0	407-1		Freedom of Association and Collective Bargaining at Risk	SDG 8.8
Management Approach GRI 408	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	103-1, 103-2, 103-3			
Operations and suppliers at significant risk for incidents of child labor	Number	1	0	0	408-1		Risk for incidents of child, forced or compulsory labour	SDG 5.2 SDG 8.7 SDG 16.2
Management Approach GRI 409	-	Section 5.4.1	Section 5.4.1	Section 5.4.1	103-1, 103-2, 103-3			
Operations and suppliers at significant risk for incidents of forced or compulsory labor – operations	Number	1	0	0	409-1		Risk for incidents of child, forced or compulsory labour	SDG 5.2 SDG 8.7
Operations and suppliers at significant risk for incidents of forced or compulsory labor – suppliers	Number	0	1	0	409-1		Risk for incidents of child, forced or compulsory labour	SDG 5.2 SDG 8.7
Management Approach GRI 413	-	Section 4.1	Section 4.1	Section 4.1	103-1, 103-2, 103-3			
Operations with local community engagement, impact assessments, and development programs	-	Section 4.1	Section 3.3, 4.1	Section 4.1	413-1			SDG 1.4
Operations with significant actual and potential negative impacts on local communities	-	Section 4.1	Section 3.3, 4.1	Section 4.1	413-2			SDG 1.4
Management Approach GRI 414	-	Section 5.4.2	Section 5.4.2	Section 5.4.2.1	103-1, 103-2, 103-3			
suppliers that were screened using social criteria	-	Section 5.4.2.1	Section 5.4.2.1	Section 5.4.2.1	414-1			SDG 5.2 SDG 8.8 SDG 16.1
Negative social impacts in the supply chain and actions taken	Number	0	0	0	414-2			SDG 5.2 SDG 8.8 SDG 16.1
Management Approach GRI 415	-	Section 5.4.1.6	Section 5.4.1.6	The parent company ČEZ, a. s., does not make any political contributions.	103-1, 103-2, 103-3			
Political contributions	-	We do not make any political contributions.	We do not make any political contributions.	The parent company ČEZ, a. s., does not make any political contributions.	415-1		Alignment of strategy and policies to lobbying	SDG 16.5
Management Approach GRI 416	-	Section 4.4	Section 4.4	Section 4.4	103-1, 103-2, 103-3			
Incidents of non-compliance concerning the health and safety impacts of products and services	Number	0	0	0	416-2			SDG 16.3
Management Approach GRI 418	-	Section 5.4.4	Section 5.4.4	Section 5.4.4	103-1, 103-2, 103-3			
Complaints from regulatory bodies and third parties	Number	12	3	0	418-1			SDG 16.1 SDG 16.3
Total number of identified leaks, thefts, or losses of customer data	Number	5	3	0	418-1			SDG 16.1 SDG 16.3

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Number of residential, industrial, institutional, and commercial customer accounts	Million	3.80	3.80	3.80	G4-EU3			
Number of customers served – residential	Number	2,503,357	2,523,977	2,461,119 <sup>4)</sup>		IF-EU-000.A		
Number of customers served – commercial	Number	311,894	300,693	272,025 <sup>4)</sup>		IF-EU-000.A		
Number of customers served – industrial	Number	9,726	10,052	7,186 <sup>4)</sup>		IF-EU-000.A		
Total electricity delivered to: (1) residential (2) commercial (3) industrial (4) all other retail customers (5) wholesale customers	–	AFR p. 100	AFR p. 97	AR p. 85		IF-EU-000.B		
Length of above and underground lines <sup>5)</sup>	km	169,664	168,533	167,628	G4-EU4	IF-EU-000.C		
Length of above and underground lines – high-voltage	km	10,019	9,998	10,002	G4-EU4			
Length of above and underground lines – medium-voltage	km	51,590	51,462	51,295	G4-EU4			
Length of above and underground lines – low-voltage	km	108,055	107,073	106,331	G4-EU4			
Distribution technical losses <sup>6)</sup> – ČEZ Distribuce	%	3.50	3.50	3.60	G4-EU12			
Distribution non-technical losses <sup>6)</sup> – ČEZ Distribuce	%	0.30	0.30	0.30	G4-EU12			
Number of people physically or economically displaced and compensation, broken down by type of project	Persons	0	0	0	G4-EU22			
Average retail electric rate for residential customers	CZK/kWh	4.45	3.02	1.98		IF-EU-240a.1		SDG 7.1 SDG 9.1 SDG 11.1
Average retail electric rate for commercial customers	CZK/kWh	4.13	2.99	1.82		IF-EU-240a.1		SDG 7.1 SDG 9.1 SDG 11.1
Average retail electric rate for industrial customers	CZK/kWh	4,12	N/A	N/A		IF-EU-240a.1		SDG 7.1 SDG 9.1 SDG 11.1
Typical monthly electric bill for residential customers for: 500 kWh of electricity delivered per month	CZK	4,430	3,550	2,650		IF-EU-240a.2		SDG 7.1 SDG 9.1 SDG 11.1
Typical monthly electric bill for residential customers for: 1,000 kWh of electricity delivered per month	CZK	7,000	5,070	3,760		IF-EU-240a.2		SDG 7.1 SDG 9.1 SDG 11.1
Number of residential customer electric disconnections for non-payment	Number	4,768	4,231	7,282	G4-EU27	IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Number of residential customer electric disconnections for non-payment of which disconnections 0–2 days	Number	2,036	1,384	1,300	G4-EU27	IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Number of residential customer electric disconnections for non-payment of which disconnections 3–7 days	Number	1,255	1,503	1,766	G4-EU27	IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Number of residential customer electric disconnections for non-payment of which disconnections 8–30 days	Number	1,141	982	2,426	G4-EU27	IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Number of residential customer electric disconnections for non-payment of which disconnections 31–365 days	Number	336	362	1,790	G4-EU27	IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Number of residential customer electric disconnections for non-payment of which disconnections more than 1 year	Number	0	0	–	G4-EU27	IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Percentage of residential customers reconnected within 30 days, ČEZ Distribuce	%	93	91	75		IF-EU-240a.3		SDG 7.1 SDG 9.1 SDG 11.1
Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	–	Section 4.4.1	Section 4.4.1	Section 4.4.1.1		IF-EU-240a.4		SDG 7.1 SDG 9.1 SDG 11.1
System Average Interruption Frequency Index (SAIFI) – incl. calamities and blackouts – ČEZ Distribuce	Number	3.20	2.69	2.65	G4-EU28	IF-EU-550a.2		SDG 1.5 SDG 13.1
System Average Interruption Frequency Index (SAIFI) – excl. calamities and blackouts – ČEZ Distribuce	Number	2.26	1.88	1.85	G4-EU28	IF-EU-550a.2		SDG 1.5 SDG 13.1

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
System Average Interruption Duration Index (SAIDI) – incl. calamities and blackouts – ČEZ Distribuce	Minutes	298.83	307.47	327.57	G4-EU29	IF-EU-550a.2		SDG 1.5 SDG 13.1
System Average Interruption Duration Index (SAIDI) – excl. calamities and blackouts – ČEZ Distribuce	Minutes	205.45	207.85	214.45	G4-EU29	IF-EU-550a.2		SDG 1.5 SDG 13.1
Customer Average Interruption Duration Index (CAIDI) – incl. calamities and blackouts (ČEZ Distribuce)	Minutes	93.47	114.42	123.80		IF-EU-550a.2		SDG 1.5 SDG 13.1
Customer Average Interruption Duration Index (CAIDI) – excl. calamities and blackouts (ČEZ Distribuce)	Minutes	91.06	110.35	115.87		IF-EU-550a.2		SDG 1.5 SDG 13.1
Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples	Number	0	0	0	G4-MM6			SDG 1.4
Number and percentage of operations—mines—with closure plans	–	Bílina Mines and Nástup Tušimice Mines – closure of coal mining by 2038 in accordance with the recommendation of the Coal Commission	Bílina Mines and Nástup Tušimice Mines – closure of coal mining by 2038 in accordance with the recommendation of the Coal Commission	Bílina Mines and Nástup Tušimice Mines – closure of coal mining by 2038 in accordance with the recommendation of the Coal Commission	G4-MM10			SDG 15.5
Percentage of electric load served by smart grid technology	%	85	85	85		IF-EU-420a.2		SDG 7.1 SDG 8.4 SDG 9.1 SDG 9.2 SDG 9.4 SDG 11.2 SDG 11.B SDG 12.1 SDG 12.2
Description of efforts to manage nuclear safety and emergency preparedness	–	Section 4.3.7.4	Section 4.3.6.4	Section 4.3.5.2		IF-EU-540a.2		SDG 6.3 SDG 6.6 SDG 11.5 SDG 12.4
Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Number	0	0	0		IF-EU-550a.1		SDG 1.5 SDG 13.1
Firefighter callouts from nuclear power plants in cooperation with the Integrated Rescue System	Number	121	84	77				
Fires at nuclear power plants	Number	1	0	0				
Firefighter callouts from conventional power and heating plants in cooperation with the Integrated Rescue System	Number	21	22	18				
Fires at conventional power and heating plants	Number	2	4	1				
Requests for connection to energy supply (ČEZ Distribuce)	Number	108,020	130,478	144,688				
Requests for connection of power generation plants and micro-generators (ČEZ Distribuce)	Number	63,069	70,212	16,191				
Non-compliance with laws and regulations – number of instances	Number	4	1	AR p. 140	2-27			SDG 16.3
Non-compliance with laws and regulations of which instances for which sanctions were incurred fines	Number	1	0	AR p. 140	2-27			SDG 16.3
Non-compliance with laws and regulations of which instances for which sanctions were incurred non-monetary sanctions	Number	0	0	AR p. 140	2-27			SDG 16.3
Non-compliance with laws and regulations – fines paid	Number	4	2	N/A	2-27			SDG 16.3
Non-compliance with laws and regulations of which fines paid for instances that occurred – in the current period	Number	0	0	N/A	2-27			SDG 16.3
Non-compliance with laws and regulations of which fines paid for instances that occurred – in the previous periods	Number	4	2	N/A	2-27			SDG 16.3
Monetary value of fines paid	CZK	5,890,903	1,150,000	N/A <sup>9)</sup>	2-27			SDG 16.3
Monetary value of fines paid of which for instances that occurred – in the current period	CZK	0	0	N/A	2-27			SDG 16.3
Monetary value of fines paid of which for instances that occurred – in the previous periods	CZK	5,890,903	1,150,000	N/A	2-27			SDG 16.3

Parameter	Unit	2023	2022	2021	GRI	SASB	WEF	SDG
Security personnel trained in human rights policies or procedures	–	Section 4.3.3	Section 4.3.3	N/A	410-1			SDG 16.1
Incidents of violations involving rights of indigenous peoples	Number	0	0	N/A	411-1			SDG 1.4 SDG 11.4 SDG 15.6 SDG 16.6
Proportion of spending on local suppliers	%	99	92	N/A	204-1			SDG 8.3

<sup>a)</sup> For more details on other countries, see the relevant CEZ Group Annual Report.

<sup>b)</sup> All members of the Supervisory Board of ČEZ, a. s., sign an Affidavit of Independence of a Member of the Supervisory Board, the content of which is in line with Commission Recommendation 2005/162/EC of February 15, 2005. In the Affidavit, the members either confirm their complete independence or indicate why they cannot be deemed independent. The difference in the total number of Supervisory Board members between 2021 and 2022 is due to 1 vacant position at the end of 2022.

<sup>c)</sup> The data include ČEZ, a. s., and subsidiaries for which ČEZ, a. s., processes wages and remuneration.

<sup>d)</sup> As of 2022, a standardized methodology used for reporting the coverage of employees by collective bargaining agreements.

<sup>e)</sup> 1) The data include ČEZ, a. s., and subsidiaries for which ČEZ, a. s., processes wages and remuneration. 2) The amount of the minimum wage for each year is set by the Czech Government.

<sup>f)</sup> In addition, data include employees who took an additional parental leave within the 12 months after they had returned to work from the previous parental leave.

<sup>g)</sup> As of 2021, a standardized methodology used for reporting the coverage of employees by occupational health and safety management system.

<sup>h)</sup> Valid standards for certification: ISO 45001:2018, certification by accredited certification bodies, National Safe Enterprise Programme 2017 (certificate issued by the State Labor Inspection Office based on an audit).

<sup>i)</sup> As of 2022, a standardized methodology used for reporting employees receiving regular performance and career development reviews.

<sup>j)</sup> 1) The data include ČEZ, a. s., and subsidiaries for which ČEZ, a. s., processes wages and remuneration. 2) Total remuneration does not include the profit share component paid in the Trading Department, which is fully dependent on the business results achieved by individual employees in this department. The calculation of the profit share component is uniform for all Trading employees and the parameters entering into the calculation are gender neutral.

<sup>k)</sup> The data include employees of ČEZ, a. s.

<sup>l)</sup> Data include employees of ČEZ, a. s., workers who are not employees but whose work is managed by the company are not included due to incomplete data

<sup>1)</sup> For 148 employees, details on their contracts and types of employment are not available, see Section 4.3.1 for more details.

<sup>2)</sup> Data corrected.

<sup>3)</sup> Data recalculated and corrected using GWP coefficients from the IPCC Sixth Assessment Report for a 100-year time horizon.

<sup>4)</sup> Figures include end customers in Czechia and Hungary as of 31 December 2021. In other countries, electricity sales to end customers were discontinued or the customer portfolio was sold during 2021.

<sup>5)</sup> CEZ Razpredelenie Bulgaria follows guidelines published by the Bulgarian regulatory authority (Energy Water and Regulatory Commission), which do not provide for separate records.

<sup>6)</sup> Until 2021, the indicator was reported under GRI 2016, disclosures 307-1 and 419-1 (i.e., total monetary value of fines). From 2022, the indicator is reported under GRI 2021, disclosure 2-27 as fines paid during the reporting period. Due to differences in the versions of the GRI standard, data up to 2021 can be found in previous CEZ Group Sustainability Reports and CEZ Group Annual Reports.

## 7.3. Biodiversity Indicators

GRI standards – disclosures

## BIODIVERSITY

Site of biodiversity importance

Detail

Comment

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

304-1	Geographic location	Centrum výzkumu Řež s.r.o., UJV Řež, a.s.	50.1775539N, 14.3584331E	The rocky cliffs on the right bank of the Vltava River cover an area of over 24 ha. There are thermophilic communities of rock steppes on rock outcrops in the Vltava canyon wall. One of the largest continuous outcrops of spilites can be found here.
	Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		NNR Větrušická rokle (50 m), NP Dolní Povltaví (at the location)	
	Size of operational site		3,14 km <sup>2</sup>	
	Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
	Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		National Nature Reserve (NNR) Větrušická rokle, Nature Park (NP) Dolní Povltaví	
	Geographic location	AZ KLIMA a.s.	48.8538069N, 16.6983253E	The plant of AZ KLIMA is located in the Pálava Protected Landscape Area, characteristic for its valuable biotopes of species-rich rock, sod and meadow steppes, forest steppes, thermophilous oak forests and debris forests developed on the limestone hills of the Pavlov Hills. The area of PLA was declared a bird area in 2004. The subject of protection are the populations of e.g., the White Stork, the Swift and the Sea Eagle. In the territory of the protected landscape area there is a Nature Reserve Milovická stráž (about 480 m from the plant). It is a valuable forest, woodland and forest-steppe phytocenosis with the occurrence of rare species.
	Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		PLA Pálava, Bird area (at the location), NR Milovická stráž (ca 480 m)	
	Size of operational site		0,00039 km <sup>2</sup>	
	Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
	Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Protected Landscape Area (PLA) Pálava, Nature Reserve (NR) Milovická stráž, Bird Area	
	Geographic location	Škoda JS, a.s.	49.8027894N, 13.3951944E	The subject of protection of Nature Monument Doubí is a remnant of a pine oak woodland consisting also of two-hundred-year-old oaks and a sandstone concretion. The area is important in terms of the occurrence of some insect species associated with old deciduous forests.
	Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		PP Doubí (150 m)	
	Size of operational site		0,335 km <sup>2</sup>	
	Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
	Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Nature Monumet Doubí	
	Geographic location	ČEZ, a. s. – Elektrárna Dětmarovice	49.9074650N, 18.4644908E	The power plant Dětmarovice is located in close proximity to the Nivy Olše – Věřňovice Nature Monument. It is an area of the Olše river floodplain with former meanders and a preserved river terrace, with developed mainly linear accompanying vegetation and soft meadow in places of former meanders. There are also remnants of pond dykes with stands of old trees. The area is the habitat of the rare brown stink bug and also of the yellow-bellied marten. The area is classified as a site of European importance within the European NATURA 2000 network. The subject of protection of the Heřmanský Stav – Odra – Poolšs bird area are the populations of the Lesser Spotted Sandpiper, the Common Tern and the Blue Warbler. The aim of the protection is to preserve and restore the ecosystems important for these bird species in their natural range and to ensure conditions for maintaining the populations of these species in a favourable conservation status.
	Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		in close proximity	
	Size of operational site		0,4 km <sup>2</sup>	
	Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
	Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Nature Monument Niva Olše – Věřňovice, Bird Area Heřmanský stav–Odra–Poolšs, NATURA 2000	
	Geographic location	ČEZ, a. s. – Repository of the Hodonín Power Plant	48.8475000N, 17.1200000E	The site is part of the Special Area of Conservation – Hodonínská Doubrava. The object of protection are forest stands consisting of oak woodland, oak-hawthorn woodland, ash and alder meadows and rare/ endangered species of plants and animals. Examples of plants include: amethyst fescue, sand cavi, scented foxglove, iris. Animals include, for example: black bat, common pipistrelle, common hornbill. The soil environment is made up of woolly sands.
	Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		at the location	
	Size of operational site		0,266 km <sup>2</sup>	
	Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
	Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Special Area of Conservation (SAC) according to 92/43/EHS	



BIODIVERSITY	Site of biodiversity importance	Detail	Comment
Geographic location	Severočeské doly a.s. - Nástup Tušimice Mines	50.4166744N, 13.3648244E	The northern boundary of the Tušimice mining area is located ca 860 m from the Černovice site of European importance. It is a well-preserved island of original oak woodland in an otherwise intensively used landscape and a refugium of the xylophagous insect – the common hornworm. At a distance of 456 m from the north-eastern boundary of the Tušimice is the Special Area of Conservation Pražská pole. The site is a valuable area with habitats close to nature that have evolved naturally in connection with the presence of waterlogged areas and shallow water bodies. A number of endangered species of organisms (the great crested newt, the common pipit, and the clear-spotted dragonfly) occur here. The slopes and upper parts of the Střezovská rokle are covered with thermophilous trees and shrubs, while the bottom of the ravine with its periodic watercourse is covered with wetland plants. A number of ruderal and cultivated plants occur here (e.g., yellow iris, two-leaved cattail, two-leaved sedge, bitter earthwort). Černovice Natural Monument – preserved original oak woodland with a scrubby edge and a relatively poor herbaceous understorey. The subject of protection is the local population of the common hornbill.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		SAC and NM Černovice (860 m), SAC Pražská pole (456 m), NM Střezovská rokle (940 m)	
Size of operational site		24 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Special Area of Conservation (SAC) according to 92/43/EHS, Natural Monument (NM) Černovice, Natural Monument Střezovská rokle	
Geographic location	ČEZ Energetické služby, s.r.o. - 13,5MW Heating plant EH Mohelnice	49.7793717N, 16.9308672E	The Litovelské Pomoraví Protected Landscape Area and Special Area of Conservation (SAC) according to 92/43/EHS is 753 m away. It is a unique example of a natural alluvial landscape in the otherwise mostly intensively farmed Upper Moravian Valley. It includes floodplain forests, alluvial meadows and, due to the arondation of the borders, a necessary part of arable land. The area is also rich zoologically, with many protected and critically endangered species. Part of the boundary follows the boundaries of the Litovelské Pomoraví Protected Landscape Area, in the north-eastern and south-western part it includes larger or smaller sections outside the Protected Landscape Area. The subject of protection are the European beaver, great crested newt, horned lark, fire-bellied curlew, blue marsh harrier, black bat, black-backed fire-bat, thin-billed curlew and river otter.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		Litovelské Pomoraví (753 m)	
Size of operational site		0,000736 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Special Area of Conservation (SAC) according to 92/43/EHS, Protected Landscape Area (PLA) Litovelské Pomoraví, Bird area	
Geographic location	ČEZ Obnovitelné zdroje, s.r.o. - Photovoltaic power plant Ralsko	in close proximity: 50.5806847, 14.7943194 50.6016053, 14.8890033 50.5762581, 14.8462844 50.6090408, 14.8864364 50.6086647, 14.8818739 ca 570 m from the Protected landscape area: 50.6410644, 14.7258558	The Ralsko I South photovoltaic power plant is located in close proximity to the Kokořín - Macha Region Protected Landscape Area. The area is unique in its geomorphology – flat basins with numerous ponds and peat bogs, blocky sandstones, neovolcanic hills, rock towns and canyon-like valleys, the naturally meandering course of the Ploučnice River and the valleys of the Liběchovka and Pšovka streams. There are also specially protected animals (e.g., the ash crane, the sea eagle) and plants (e.g., the Bohemian ringwort and the Bohemian penguin – endemic species).
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		in close proximity	
Size of operational site		1.234 km <sup>2</sup> (area of the power plant)	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Protected Landscape Area Kokořínsko - Máchův kraj	
Geographic location	ČEZ Obnovitelné zdroje, s.r.o. - Hydroelectric power plant Černé jezero	49.1919400N, 13.2073403E	The Černé jezero is located in the Šumava Protected Landscape Area, which is also a designated bird area. The subject of protection of the bird area are the populations of, for example: the wood crane, the capercaillie, the fieldfare, and the black stork. The Brčálnícké mokřady is located about 400 m from the Černé jezero and is situated in the valley of the upper reaches of the Úhlava river. The reason for the protection is the dynamic and spontaneously evolving herbaceous and woody plant communities.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		PLA Šumava (at the location), Bird area (at the location), NR Brčálnícké mokřady (ca 400 m)	
Size of operational site		0,002 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation)		Protected Landscape Area (PLA) Šumava, Bird Area, Nature Reserve (NR) Brčálnícké mokřady	

## BIODIVERSITY

	Site of biodiversity importance	Detail	Comment
Geographic location	ČEZ Obnovitelné zdroje, s.r.o. – Hydroelectric power plant Práčov	49.8768100N, 15.8143675E	The Práčov hydroelectric power station is located in the Železné hory Protected Landscape Area, which is characterised by abrupt transitions between different types of landscape. The dominant feature is a fault ridge stretching from Saxony. The Strádovské Peklo Nature Reserve is located in close proximity to the power plant. It is a complex of natural debris forests with endangered species of plants and animals.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		PLA Železné hory (at the location), NR Strádovské Peklo (in proximity)	
Size of operational site		0,004 km <sup>2</sup> (the built-up area of the power plant building with courtyard)	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Protected Landscape Area (PLA) Železné hory, Nature Reserve (NR) Strádovské Peklo	
Geographic location	ČEZ Obnovitelné zdroje, s.r.o. – Hydroelectric power plant Střekov	50.6384647N, 14.0463122E	The České Středohoří Protected Landscape Area is located at the site of the Střekov power plant. The České Středohoří PLA, which extends along both banks of the lower part of the Czech Labe river, is one of the richest areas in the Czech Republic in terms of plant and animal species.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		at the location	
Size of operational site		0,009 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Protected Landscape Area České středohoří	
Geographic location	ČEZ Obnovitelné zdroje, s.r.o. – Hydroelectric power plant Vydra	49.1055433N, 13.4931219E	Hydroelectric power plant Vydra is located in the Šumava Protected Landscape Area, which is also a designated bird area. The populations of species such as: the ruffed grouse, black stork, black-backed shrike and white-tailed ptarmigan are the object of protection of this area. The Šumava National Park is home to moors, peat bogs and karst lakes, which are home to dozens of endangered species of plants and animals (e.g., the lynx, the red grouse, the three-toed woodpecker, the mountain blackbird and the rosy tit). There are also endemic plants (Ornate salamander, Bohemian gentian, black bellflower, peat sedge) and animals (Šumava shrikebill Oreonebria castanea sumavica).
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		at the location	
Size of operational site		0,004 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Protected Landscape Area Šumava, National Park Šumava, Bird area	
Geographic location	ČEZ Obnovitelné zdroje, s.r.o. – Hydroelectric power plant Čeňkova pila	49.1097456N, 13.4925286E	Hydroelectric power plant Čeňkova pila is located in the Šumava Protected Landscape Area, which is also a designated bird area. The populations of species such as: the ruffed grouse, black stork, black-backed shrike and white-tailed ptarmigan are the object of protection of this area. The Šumava National Park is home to moors, peat bogs and karst lakes, which are home to dozens of endangered species of plants and animals (e.g., the lynx, the red grouse, the three-toed woodpecker, the mountain blackbird and the rosy tit). There are also endemic plants (Ornate salamander, Bohemian gentian, black bellflower, peat sedge) and animals (Šumava shrikebill Oreonebria castanea sumavica).
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		at the location	
Size of operational site		0,0002 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Protected Landscape Area Šumava, National Park Šumava, Bird area	
Geographic location	ČEZ, a. s. – Hydroelectric power plant Lipno II	48.6262486N, 14.3044675E	The Lipno II hydroelectric power plant is located in close proximity to the Vyšebrodsko Nature Park. It is an area with a cooler climate, its altitude ranges from 535 m above sea level to 1038 m above sea level (foothill to mountain area). Most of the area is made up of spruce forests, with the exception of beech forests in the natural monuments Medvědí hora and Uhlířský vrch and part of the oak forests around Vyšší Brod. There are three small-area protected areas in the area of this nature park and the Čertova stěna-Luč National Nature Reserve is situated on its northern border.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		Vyšebrodsko (ca 50m)	
Size of operational site		0,003154 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Nature Park (NP) Vyšebrodsko	
Geographic location	ČEZ, a. s. – Hydroelectric power plant Mohelno	49.1026164N, 16.1807689E	The Mohelno hydroelectric power plant is connected to the Mohelenská hadcová step NNR, which is characterized by natural forest vegetation, which mainly consists of communities of debris forests and sagebrush thermophilous oak forests, communities of narrow-leaved dry grasslands and subpannonian rock grasslands, crevice vegetation of rocks and ravines and rock vegetation. Rare and endangered plant species growing in the area include the snakeweed, while animals include the common gopher and the costivale.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas		in close proximity	
Size of operational site		0,012992 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		National Nature Reserve Mohelenská hadcová step	

**BIODIVERSITY**

**Site of biodiversity importance**

**Detail**

**Comment**

Geographic location	ČEZ, a. s. - Hydroelectric power plant Dlouhá Stráně	50.0854433N, 17.1798000E at the location	The Jeseníky Protected Landscape Area is situated in the north-eastern part of the Czech Republic, in the area where the Dlouhá stráně hydroelectric power station is located. The main object of protection of the Jeseníky is the complex of subalpine biotopes of the highest positions of the Jeseníky Mountains and preserved mountain spruce forests and peat bogs. There are protected species of animals and plants here, even endemic species can be found here (for example, the mountain plover from the fauna and the Jeseník bell from the flora). The Jeseníky bird area covers more than 70% of the Jeseníky PLA and was declared for the protection of the fieldfare and the wood crane.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas			
Size of operational site		0,289718 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Protected Landscape Area Jeseníky, Bird area Jeseníky	
Geographic location	ČEZ, a. s. - Hydroelectric power plant Slapy	49.8243481N, 14.4341489E at the location	The site of the power plant is located in the Střed Čech Nature Park along the Vltava and Sázava rivers. There are a total of 4 small protected areas (Teletínský lom, Medník, Kobylí draha and Zvolská homole) in the area of the Park.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas			
Size of operational site		0,077476 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Nature Park Střed Čech	
Geographic location	ČEZ, a. s. - Hydroelectric power plant Štěchovice I a II and ČEZ Obnovitelné zdroje, s.r.o. - FVE Štěchovice	49.8460092N, 14.4208572E at the location	The site of the power plant is located in the Střed Čech Nature Park along the Vltava and Sázava rivers. There are a total of 4 small protected areas (Teletínský lom, Medník, Kobylí draha and Zvolská homole) in the area of the Park.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas			
Size of operational site		0,227464 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Nature Park Střed Čech	
Geographic location	ČEZ, a. s. - Hydroelectric power plant Vrané	49.9376889N, 14.3756533E Nature Park Střed Čech (ca 550 m)	The site of the power plant is located in the Střed Čech Nature Park along the Vltava and Sázava rivers. There are a total of 4 small protected areas (Teletínský lom, Medník, Kobylí draha and Zvolská homole) in the area of the Park.
Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas			
Size of operational site		0,009985 km <sup>2</sup>	
Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem)		terrestrial ecosystem	
Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).		Přírodní park Střed Čech	
<b>Significant impacts of activities, products, and services on biodiversity</b>			
304-2	Report the nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:	Severočeské doly a.s.	Severočeské doly completed landscape reclamation in 2023 on an area of 119.48 ha and started new reclamation on an area of 50.91 ha. No new land acquisitions for mining were made on the Bílina mines or the Nástup Tušimice mines.
	Construction or use of manufacturing plants, mines, and transport infrastructure		-
	Introduction of substances that do not naturally occur in the habitat from point and non-point sources		-
	Introduction of invasive species, pests, and pathogens		-
	Reduction of species		-
	Habitat conversion	Severočeské doly a.s.	Habitats reduced by the loss of land due to the progress of mining activities are continuously replaced by newly created habitats as part of the reclamation of land affected by mining.
	Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level)		-
	Report significant direct and indirect positive and negative impacts with reference to the following:	Severočeské doly a.s.	Land acquisition Land removal Landscape transformation New landscape New habitats New water habitats
	Species affected		-
	Extent of areas impacted		-
	Duration of impacts		-
	Reversibility or irreversibility of the impacts		-

GRI standards – disclosures	BIODIVERSITY	Site of biodiversity importance	Detail	Comment
304-3	Habitats protected or restored			
	Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals.	Repository of the Hodonin Power Plant (EHO)	0,266 ha	In progress
		Habitat restoration as part of Severočeské dolů reclamation	6 345,34	Approved by the relevant national authority
	Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures.	Protection is provided in the framework of standard cooperation with the relevant authorities and institutions. In 2023, a contract was concluded between ČEZ, a.s. and the Regional Authority of the Ústí nad Labem Region for the establishment of a protected area on the former Tušimice tailings impoundment in accordance with Act No. 114/1992 Coll., on Nature and Landscape Protection.		
Status of each area based on its condition at the close of the reporting period.	Severočeské dolů a.s.	Completed 6 345.34 ha of reclamation, including 2 861.09 ha of agricultural land reclamation, 2 644.39 ha of forestry reclamation, 214.25 ha of water areas and 625.61 ha of other areas, including, for example, successive areas.		
IUCN Red List species and national conservation list species with habitats in areas affected by operations				
304-4	Critically endangered	Total number		32 Aves, Insecta, Plantae
	Endangered	Total number		48 Aves, Insecta, Amphibia, Mollusca, Plantae
	Vulnerable	Total number		91 Aves, Insecta, Amphibia, Reptilia, Mollusca, Crustacea, Rotifera, Fish, Mammalia, Plantae
	Near threatened	Total number		96 Aves, Insecta, Amphibia, Reptilia, Mollusca, Arachnids, Mammalia, Plantae
	Least concern	Total number		165 Aves, Insecta, Mammalia, Fish, Plantae

## 7.4. WEF Index

Pillar	Theme	Metric	Location 2023	
Governance	Governing purpose	Setting purpose	pp. 80-83, 147	
		Quality of governing body	pp. 80-83, 147, 151, 158, AFR pp. 30, 31	
	Stakeholder engagement	Remuneration – NEW	pp. 83, 91, 92, 158 Remuneration report	
		Material issues impacting stakeholders	pp. 18-20	
	Ethical behaviour	Anti-corruption	pp. 93-94, 150, 151	
		Protected ethics advice and reporting mechanisms	pp. 93-94	
		Alignment of strategy and policies to lobbying – NEW	pp. 93-94	
	Risk and opportunity oversight	Integrating risk and opportunity into business process	pp. 83-84	
	Planet	Climate change	GHG emissions	pp. 26-31, 134-143
			TCFD implementation	pp. 83-85
Paris-aligned GHG emissions targets – NEW			pp. 26-29	
Nature loss		Land use and ecological sensitivity	p. 32	
Freshwater availability		Water consumption and withdrawal in water-stressed areas	pp. 33-35, 133-135	
Air pollution		Air pollution – NEW	pp. 30-32, 136-143	
People	Dignity and equality	Diversity and inclusion (%)	pp. 90-96, 131-132, 148-149, 154-156	
		Pay equality (%)	pp. 86-90, 158	
		Wage level (%)	pp. 83, 158	
		Risk for incidents of child, forced or compulsory labour	pp. 51, 60, 158	
		Pay gap (%) – NEW	pp. 83, 158	
		Discrimination and Harassment – NEW	pp. 86-90, 94, 158	
		Freedom of Association and Collective Bargaining at Risk (%) – NEW	pp. 53, 158	
	Health and well-being	Health and safety (%)	pp. 63-70, 146, 157	
		Well-Being (%) – NEW	p. 66	
	Skills for the future	Training provided (#, CZK)	pp. 58-60, 148	
Prosperity	Employment and wealth generation	Absolute number and rate of employment	pp. 53-58, 131	
		Economic contribution	p. 150	
		Significant indirect economic impacts	pp. 48-50, 150	
	Wealth creation and employment	Financial investment contribution	AFR pp. 16-18, 112-113	
	Innovation of better products and services	Total R&D expenses (CZK)	p. 150	
	Community and social vitality	Total tax paid	pp. 98-100	
Additional tax remitted		pp. 98-100		
Total and additional tax breakdown by country for significant locations		pp. 98-100		

## 7.5. GRI Index

Statement of use	CEZ Group has reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	-

GRI standar/ other source	Disclosure	Location 2023	Requirement(s) omitted	Omission Reason	Explanation
<b>General disclosures</b>					
General Disclosures 2021	2-1 Organizational details	AFR pp. 72, 164			
	2-2 Entities included in the organization's sustainability reporting	AFR (pp. 103-105) pp. 130			
	2-3 Reporting period, frequency and contact point	p. 149			
	2-4 Restatements of information	pp. 28, 51, 67, 145, 157			
	2-5 External assurance	pp. 10-11, 183-190			
	2-6 Activities, value chain and other business relationships	pp. 13-14, 96-98 AFR (pp. 2, 72-89, 160-161)			
	2-7 Employees	pp. 53-70, 131, 147 AFR (p. 132)			
	2-8 Workers who are not employees	p. 147			
	2-9 Governance structure and composition	pp. 79-82 AFR (pp. 30-51)			
	2-10 Nomination and selection of the highest governance body	AFR (pp. 32, 40) Articles of Association of ČEZ, a. s. (pp. 24, 27-28) Diversity and Inclusion Policy			
	2-11 Chair of the highest governance body	AFR (pp. 32, 54) (2-11-b) No person with executive authority has any conflict of interest in connection with their role at ČEZ, a. s.			
	2-12 Role of the highest governance body in overseeing the management of impacts	pp. 79-82			
	2-13 Delegation of responsibility for managing impacts	pp. 79-82			
	2-14 Role of the highest governance body in sustainability reporting	pp. 5, 79-80			
	2-15 Conflicts of interest	pp. 92-95 AFR (pp. 32-35, 42-43, 63) (2-15-b) No person with executive authority has any conflict of interest in connection with their role at ČEZ, a. s.			
	2-16 Communication of critical concerns	pp. 69-70, 79-80			
	2-17 Collective knowledge of the highest governance body	pp. 80-82			
	2-18 Evaluation of the performance of the highest governance body	pp. 80-82 Remuneration Policy			
	2-19 Remuneration policies	pp. 80-82 Remuneration Policy			
	2-20 Process to determine remuneration	pp. 80-82 Remuneration Policy			
	2-21 Annual total compensation ratio	p. 148			
	2-22 Statement on sustainable development strategy	pp. 7-16			
	2-23 Policy commitments	pp. 51, 81-82, 92-98 Code of Conduct Safety and Environmental Protection Policy Energy Policy Commitment to Ethical Conduct			
	2-24 Embedding policy commitments	pp. 80-82, 92-96			
	2-25 Processes to remediate negative impacts	pp. 17, 48-49, 95, 99 AFR (pp. 61-62) Community Relations Policy			
	2-26 Mechanisms for seeking advice and raising concerns	p. 95 AFR (pp. 61-62)			
	2-27 Compliance with laws and regulations	pp. 25, 54, 92-96, 159			
	2-28 Membership associations	CEZ Group ESG website			
	2-29 Approach to stakeholder engagement	pp. 17-20			

GRI standar/ other source	Disclosure	Location 2023	Requirement(s) omitted	Omission Reason	Explanation
	2-30 Collective bargaining agreements	pp. 53-57, 147 AFR (pp. 135)	(2-30-b) For employees not covered by a collective bargaining agreement, the working conditions and terms of employment are similar to those agreed in the CEZ Group.		
<b>MATERIAL TOPICS</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	pp. 13-20			
	3-2 List of material topics	pp. 13-20			
<b>Environmental protection, Land restoration</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 36-39			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	pp. 161-164			
	304-2 Significant impacts of activities, products and services on biodiversity	pp. 36-39, 164			
	304-3 Habitats protected or restored	p. 165			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	pp. 36-39, 165			
<b>Emissions</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 26-29			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	pp. 26-27, 134-140			
	305-2 Energy indirect (Scope 2) GHG emissions	pp. 27, 141			
	305-3 Other indirect (Scope 3) GHG emissions	pp. 28, 141-142			
	305-4 GHG emissions intensity	pp. 29, 142			
	305-5 Reduction of GHG emissions	pp. 29, 152			
	305-6 Emissions of ozone-depleting substances (ODS)	pp. 29, 152			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	pp. 30-31, 142-143			
<b>Safe operations</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 60, 63-70, 100-103			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	pp. 63-66, 155			
	403-2 Hazard identification, risk assessment, and incident investigation	pp. 63-66, 155			
	403-3 Occupational health services	pp. 66-67, 155			
	403-4 Worker participation, consultation, and communication on occupational health and safety	pp. 66-67, 155			
	403-5 Worker training on occupational health and safety	pp. 66-67, 156			
	403-6 Promotion of worker health	pp. 66-67, 156			
	403-8 Workers covered by an occupational health and safety management system	pp. 63-66, 156			
	403-9 Work-related injuries	pp. 67, 145-146			
	403-10 Work-related ill health	pp. 67, 156			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer	pp. 100-103, 158			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	pp. 60, 160			
G4 Sector Disclosure - Electric Utilities	G4-DMA Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration	p. 69			
<b>Responsible employer</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 53-60, 61-62			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	pp. 53-57, 153-154			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	pp. 53-57, 154			
	401-3 Parental leave	pp. 53-57, 154-155			



GRI standar/ other source	Disclosure	Location 2023	Requirement(s) omitted	Omission Reason	Explanation
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	pp. 57-60, 146			
	404-2 Programs for upgrading employee skills and transition assistance	pp. 57-60, 61-62, 156			
	404-3 Percentage of employees receiving regular performance and career development reviews	pp. 57-60, 156			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p. 157			
G4 Sector Disclosure - Electric Utilities	EU15 Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	pp. 53-57, 155			
<b>Sustainable water use</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 33-35			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	pp. 33-35, 152			
	303-2 Management of water discharge-related impacts	pp. 33-35, 152			
	303-3 Water withdrawal	pp. 33-35, 132-133			
	303-4 Water discharge	pp. 33-35, 133-134			
	303-5 Water consumption	pp. 33-35, 134			
<b>Energy efficiency, Clean technologies and energy transformation, Smart cities, Research and development</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 44			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	pp. 44, 132			
	302-3 Energy intensity	pp. 44, 132			
GRI 201: Economic Performance 2016	201-4 Financial assistance received from government	pp. 44, 149			
SASB End-Use Efficiency & Demand	IF-EU-420a.2 Percentage of electric load served by smart grid technology	p. 159			
SASB Electricity Generated	IF-EU-000.D Total electricity generated, percentage by major energy source, percentage in regulated markets	pp. 44, 151-152			
<b>Responsible business</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 51, 92-99			
GRI 207: Tax 2019	207-1 Approach to tax	pp. 98-100, 150			
	207-2 Tax governance, control, and risk management	pp. 98-100, 151			
	207-3 Stakeholder engagement and management of concerns related to tax	pp. 98-100, 151			
	207-4 Country-by-country reporting	pp. 98-100, 151			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	pp. 51, 92-94, 157			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	pp. 51, 92-94, 157			
GRI 415: Public Policy 2016	415-1 Political contributions	pp. 92-94, 157			
<b>Ethics and transparency</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 92-96			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	pp. 93, 149			
	205-2 Communication and training about anti-corruption policies and procedures	pp. 93, 149-150			
	205-3 Confirmed incidents of corruption and actions taken	pp. 93, 95, 151			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	pp. 95, 150			
<b>Cooperation with local communities</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 30-32, 48-51			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	pp. 30-32, 48-51, 157			
	413-2 Operations with significant actual and potential negative impacts on local communities	pp. 30-32, 48-51, 157			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	pp. 48-51, 149			
	203-2 Significant indirect economic impacts	pp. 48-51, 149			

GRI standar/ other source	Disclosure	Location 2023	Requirement(s) omitted	Omission Reason	Explanation
<b>Circular economy</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 40-43			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	pp. 43, 151			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	pp. 40, 153			
	306-2 Management of significant waste-related impacts	pp. 40, 153			
	306-3 Waste generated	pp. 41, 143			
	306-4 Waste diverted from disposal	pp. 41, 143			
	306-5 Waste directed to disposal	pp. 41, 144			
GRI 306: Effluents and Waste 2016	306-3 Significant spills	pp. 32, 143, 145			
<b>Supply chain</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 58-67, 92-96			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	pp. 96-97, 153			
	308-2 Negative environmental impacts in the supply chain and actions taken	pp. 97-98, 153			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	pp. 96-97, 157			
	414-2 Negative social impacts in the supply chain and actions taken	pp. 97-98, 157			
<b>Diversity and equal opportunity</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 48-51, 53-60, 83-85, 86-91, 92-103			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	pp. 53-57, 86-91, 131-132, 156			
	405-2 Ratio of basic salary and remuneration of women to men	pp. 90-91, 156			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	pp. 86-91, 94, 157			

## 7.6. SASB Index

Code	Topic	Accounting metric	Unit	Location
IF-EU-110a.1	Greenhouse Gas Emissions & Energy Resource Plannin	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Metric tons (t) CO <sub>2</sub> -e, Percentage (%)	pp. 26-27
IF-EU-110a.2		Greenhouse gas (GHG) emissions associated with power deliveries	Metric tons (t) CO <sub>2</sub> -e	p. 152
IF-EU-110a.3		Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	pp. 26-29, 152
IF-EU-110a.4		(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	Number, Percentage (%)	N/A
IF-EU-120a.1	Air Quality	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Metric tons (t), Percentage (%)	pp. 30-31, 142-143
IF-EU-140a.1	Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	pp. 132-133
IF-EU-140a.2		Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Number	pp. 33, 152
IF-EU-140a.3		Description of water management risks and discussion of strategies and practices to mitigate those risks	-	pp. 33-35, 152
IF-EU-150a.1	Coal Ash Management	Amount of coal combustion residuals (CCR) generated, percentage recycled	Metric tons (t), Percentage (%)	p. 153
IF-EU-150a.2		Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Number	p. 153
IF-EU-240a.1	Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Rate	p. 158
IF-EU-240a.2		Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Reporting currency	p. 158
IF-EU-240a.3		Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Number, Percentage (%)	p. 158
IF-EU-240a.4		Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	-	p. 158
IF-EU-320a.1	Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Rate	p. 145
IF-EU-420a.1	End-Use Efficiency & Demand	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Percentage (%)	N/A
IF-EU-420a.2		Percentage of electric load served by smart grid technology	Percentage (%) by megawatt hours (MWh)	p. 159
IF-EU-420a.3		Customer electricity savings from efficiency measures, by market	Megawatt hours (MWh)	N/A
IF-EU-540a.1	Nuclear Safety & Emergency Management	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Number	p. 69
IF-EU-540a.2		Description of efforts to manage nuclear safety and emergency preparedness	-	p. 159
IF-EU-550a.1	Grid Resilienc	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Number	p. 159
IF-EU-550a.2		(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Minutes, Number	p. 159
IF-EU-000.A	Activity Metrics	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Number	p. 158
IF-EU-000.B		Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Megawatt hours (MWh)	p. 158
IF-EU-000.C		Length of transmission and distribution lines	Kilometers (km)	p. 158
IF-EU-000.D		Total electricity generated, percentage by major energy source, percentage in regulated markets	Megawatt hours (MWh), Percentage (%)	p. 151-152
IF-EU-000.E		Total wholesale electricity purchased	Megawatt hours (MWh)	p. 152

## 7.7. EU Taxonomy – Annex 12 templates

### Template 1 Nuclear and Fossil Gas Related Activities

KPI row		Turnover	CAPEX <sub>t</sub>	OPEX <sub>t</sub>
	Nuclear energy related activities			
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO	YES	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO	YES	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES	YES	YES
	Fossil gas related activities			
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES	YES	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	YES	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES	YES	YES

### Turnover Template 2 Taxonomy-aligned Economic Activities (denominator)

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	–	0.0	–	0.0	–	–
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-0.0	0.0	-0.0	0.0	–	–
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	28.7	8.4	28.7	8.4	–	–
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	–	0.0	–	0.0	–	–
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	–	0.0	–	0.0	–	–
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	–	0.0	–	0.0	–	–
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	63.8	18.7	63.8	18.7	–	–
8	Total applicable KPI	340.6		340.6			

**CAPEX, Template 2 Taxonomy-aligned Economic Activities (denominator)**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	0	0	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.6	2	0.6	2	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4.0	10	4.0	10	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.1	0	0.1	0	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0	0.0	0	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0	0	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22.0	55	22.0	55	-	-
8	Total applicable KPI	39.6		39.6			

**OPEX, Template 2 Taxonomy-aligned Economic Activities (denominator)**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0	0	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0.0	0	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4.5	31	4.5	31	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0	0	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0.0	0	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0.0	0	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2.1	15	2.1	15	-	-
8	Total applicable KPI	14.5		14.5			

**Turnover Template 3 Taxonomy-aligned Economic Activities (numerator)**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	0	0	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-0.0	0	0.0	0	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	28.7	31	28.7	31	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	0	0	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	0.0	0	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	0.0	0	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	63.8	69	63.8	69	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	92.5	100	92.5	100		

**CAPEX Template 3 Taxonomy-aligned Economic Activities (numerator)**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	0	0	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.6	2	0.6	2	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	4.0	15	4.0	15	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.1	0	0.1	0	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	0.0	0	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.0	0	0.0	0	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	22.0	82	22.0	82	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	26.7	100	26.7	100		

**OPEX<sub>1</sub> Template 3 Taxonomy-aligned Economic Activities (numerator)**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	-	0	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	-	0	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	4.5	68	4.5	68	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	-	0	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	-	0	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0	-	0	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	2.1	32	2.1	32	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	6.6	100	6.6	100		

**Turnover Template 4 Taxonomy-eligible but not Taxonomy-aligned Economic Activities**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.2	22	3.2	22	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.7	12	1.7	12	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.2	1	0.2	1	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	9.4	65	9.4	65	-	-
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	14.4	100	14.4	100		



**CAPEX<sub>t</sub> Template 4 Taxonomy-eligible but not Taxonomy-aligned Economic Activities**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.2	7	0.2	7	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.4	18	0.4	18	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.1	6	0.1	6	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1.6	70	1.6	70	-	-
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	2.3	100	2.3	100	-	-

**OPEX<sub>t</sub> Template 4 Taxonomy-eligible but not Taxonomy-aligned Economic Activities**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	2	0.0	2	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.1	4	0.1	4	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	1	0.0	1	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1.0	37	1.0	37	-	-
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	2.6	100	2.6	100	-	-

**Turnover Template 5 Taxonomy Non-eligible Economic Activities**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.2	0	0.2	0	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	233.5	100	233.5	100	-	-
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	233.7	100	233.7	100	-	-

**CAPEX Template 5 Taxonomy Non-eligible Economic Activities**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	-	0	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	10.7	100	10.7	100	-	-
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	10.7	100	10.7	100	-	-

**OPEX<sub>x</sub> Template 5 Taxonomy Non-eligible Economic Activities**

row	Economic activities	Amount and proportion (in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Bill. CZK	%	Bill. CZK	%	Bill. CZK	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0	0	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0.0	0	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.2	4	0.2	4	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0	0	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0.0	0	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0	0.0	0	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	5.0	96	5.0	96	-	-
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	5.2	100	5.2	100		

# Abbreviations

Abbreviation	Meaning
AI	Artificial intelligence
ALARA	As Low As Reasonably Achievable
ATF	Accident tolerant fuel
B2B	Business-to-Business
B2C	Business-to-Customer
BAT	Best available techniques
BHRRC	Business and Human Rights Resource Centre
BIO	Biodiversity and Ecosystem Protection
BV	Bureau Veritas
CAIDI	Customer Average Interruption Duration Index
CAPEX	Capital expenditures
CCA	Climate change adaptation
CCM	Climate change mitigation
CCR	Coal Combustion Residuals
CE	Circular Economy
CEO	Chief Executive Officer
CES	Customer effort score
CFB	Corporate Fire Brigade unit
CFO	Chief Financial Officer
CMB	Crisis Management Board
CMS	Compliance management system
CO <sub>2</sub>	Carbon dioxide
CRC	Czech Republic Chapter
CSAT	Customer satisfaction score
CSIRT	Computer Security Incident Response Team
CSO	Chief Sustainability Officer
CSRD	Corporate Sustainability Reporting Directive
CX	Customer Experience
ČBÚ	Czech Mining Authority
DNSH	Do no significant harm
DPO	Data protection officer
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EC	European Communities
EDE B2+B3	Site Dětmarovice, unit 2 and unit 3
EDF	Électricité de France
EDU	Dukovany power plant
EF	Emission factors
EGT GB	Site Mělník, gas boiler
EGT PPC	Site Mělník, steam-gas cycle
EIA	Environmental Impact Assessment
EIEP	European Industrial Emissions Portal
EMEA	Europe, Middle East, and Africa
EMPs	E-mobility providers
EMS	Environmental management systems
EnMS	Energy Management System
ENSREG	The European Nuclear Safety Regulators Group
EPA	Environmental Protection Agency
EPC	Energy Performance Contracting
EPP	Emergency Preparedness Plan
EPRI	Electric Power Research Institute
E-PRTR	European Pollutant Release and Transfer Register
ERGs	Employee Resource Groups
ESC	Executive Steering Committee
ESG	The impact of the company on the environment, society and the way it is run, on the basis of which the "sustainability" or "responsibility" of the company can be expressed in numbers
ESRS	European Sustainability Reporting Standards
ETE	Temelín power plant
EU	European Union
EU Directive NIS2	Directive on measures to ensure a high common level of cybersecurity in the EU
EU ETS	The EU Emissions Trading System
EWC	European Works Council
FIMEA	The internal tool is used to manage and assess the condition and importance of the assets
FRR	Frequency Reserve Restoration
FRS	Fire Rescue Service

Abbreviation	Meaning
GDPR	General Data Protection Regulation
Gemis	Global Emission Model for Integrated Systems
GHG	Greenhouse Gas
GPW	Warsaw Stock Exchange
GRI	Global Reporting Initiative Standards
GWP	Global warming potential
HFC	Hydrofluorocarbons
HR	Human resources
CH <sub>4</sub>	Methane
IAEA	International Atomic Energy Agency
IAEA SSR-1	International Atomic Energy Agency, Specific Safety Requirement 1
ICS	Industrial Control System
ICT	Information and Communication Technologies
IERE	International Electric Research Exchange
IFRS	International accounting standards
IKB	Information and Cyber Security
ILO	International Labor Organisation
ILO	International Labour Organisation
IPCC	The Intergovernmental Panel on Climate Change
IRS	Integrated Rescue System
IRZ	Integrated Pollution Register
ISACA	Information Systems Audit and Control Association
ISMS	Information Security Management System
ISO	ISO certification is a seal of approval from a third party body that a company runs to one of the international standards developed and published by the International Organization for Standardization (ISO)
ISOC	Integrated Security Operations Center
ISPOP	Information System for the Fulfillment of Reporting Obligations
IUCN	International Union for Conservation of Nature
KHNP	Korea Hydro & Nuclear Power
KPI	Key Performance Indicators
LED	Light Emitting Diode
LGBTQ+	LGBTI+ community (lesbian, gay, bisexual, transgender and intersex persons) based on sexual orientation and/or gender identity
LMS	Learning Management System
LNG	Liquefied natural gas
LOGIB	International analytical tool for equal pay of men and women
LRAM	Lost revenue adjustment mechanism
LTIFR	Lost Time Injury Frequency Rate
MBA	Master of Business Administration
MSCI	Morgan Stanley Capital International
N <sub>2</sub> O	Nitrous oxide
NAZCA	Non-State Actor Zone for Climate Action
NCA CR	Nature Conservation Agency of the Czech Republic
NEN	National Electronic Tool
NF <sub>3</sub>	Nitrogen trifluoride
NIR CZ	National Greenhouse Gas Inventory Report of the Czech Republic
NMFR	Near miss frequency rate
NO <sub>x</sub>	Nitrogen Oxides
NPP	Nuclear power plant
NPS	Net Promoter Score
NPV	Net Present Value
NRC	Nuclear Regulatory Commission
NUKIB	National Office for Cyber and Information Security
ODS	Ozone-depleting substances
OECD	The Organization for Economic Cooperation and Development
OHS	Occupational Health and Safety
OPEX	Operational expenditure
OSART	Operational Safety Review Team (IAEA)
PCB	Polychlorinated biphenyls
PDCA	Plan-do-check-act
PFAS	Perfluoroalkyl and Polyfluoroalkyl Substances
PFC	Perfluorocarbons
PLA	Protected Landscape Area
PM	Particulate matter
PM <sub>10</sub>	Particulate matter 10 µm or less in diameter
PM <sub>2.5</sub>	Particulate matter 2,5 µm or less in diameter
POPs	Persistent organic pollutants
PPC	Pollution prevention and control

Abbreviation	Meaning
R&D	Research and development
R22	Refrigerant, Chlorodifluoromethane
RAW	Radioactive waste
RCP2.6	Representative Concentration Pathway for GHG, radiative forcing increases by 2.6 W/m <sup>2</sup> in 2100 compared to 1750
RCP4.5	Representative Concentration Pathway for GHG, radiative forcing increases by 4.5 W/m <sup>2</sup> in 2100 compared to 1750
RCP8.5	Representative Concentration Pathway for GHG, radiative forcing increases by 8.5 W/m <sup>2</sup> in 2100 compared to 1750
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RED II	Directive (EU) 2018/2001
RES	Renewable energy sources
RPS	Renewable portfolio standards
S&P Global	S&P Global Inc.
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SASB	Sustainability Accounting Standards Board
SBTi	The Science Based Targets initiative
SDGs	Sustainable Development Goals
SF6	Sulfur hexafluoride
SMR	Small modular reactors
SO <sub>2</sub>	Sulfur dioxide
SOC	Security Operations Center
SONS	State Office for Nuclear Safety
SO <sub>x</sub>	Sulfur oxides
SSC	Strategic Steering Committee
SURAO	Radioactive Waste Repository Authority
TCFD	Task Force for Climate-related Financial Disclosures
TRIR	Total recordable incident rate
ÚJV	Institute of Nuclear Research
UN	United nations
UNECE	United Nations Economic Commission for Europe
VOC	Volatile organic compounds
WANO	World Association of Nuclear Operators
WEEE	Waste of Electrical and Electronic Equipment
WEF	The World Economic Forum metrics
WENRA	Western European Nuclear Regulators Association
WEPs	Women's Empowerment Principles
WtE	Waste to Energy
WTR	Water Protection
WtE	Waste to Energy

# Independent Auditors' Reports





BUREAU VERITAS CERTIFICATION CZ, s.r.o.  
Accredited for GHG verification by ČIA

## **BUREAU VERITAS CERTIFICATION CZ**

### **Certification of Company Carbon Footprint**

#### **Verification Report Organization (not accredited)**

**ČEZ, a. s.**

BUREAU VERITAS CERTIFICATION CZ, s.r.o. (BVCR) does not accept responsibility or compensate any person for loss, damage, or expense incurred by relying on the information or advice contained in this document, or otherwise provided, unless such person has signed a contract with BVCR for the provision of information or advice, in which case any liability and obligations are governed exclusively by the general terms and conditions agreed upon in the respective contract.

### Overall Summary of the CCF Verification Findings for the Organization's Management

The CCF verification team conducted a process-based audit to verify the CCF focusing on significant aspects/risks and objectives required by the system standard. The methods of CCF verification included interviews, observations, activity sampling, and review of documented information.

The CCF verification was carried out in accordance with the CCF verification plan, which is part of the CCF verification documentation.

The CCF verifier concluded that the organization has established and maintains its CCF management system in accordance with the requirements of the system standard and demonstrated the ability of the system to meet product and service requirements within the scope of activities and in alignment with its policy and objectives.

The CCF verification confirms that:

- the documentation of the CCF management system demonstrates compliance with the requirements of the system standard and provides an adequate structure to support the implementation and maintenance of the management system,
- the organization has demonstrated effective implementation, maintenance, and improvement of its management system,
- the organization has established and monitors appropriate key performance objectives and target values, and monitors progress towards their achievement,
- the internal CCF verification program has been fully implemented and demonstrates its effectiveness as a tool for maintaining and improving the management system,
- the organization's management system review is conducted in accordance with the planned arrangement, and the outputs from the review lead to continuous improvement of the system's effectiveness,
- during the CCF verification, the management system demonstrated overall compliance with the requirements of the system standard.

<b>Number of identified nonconformities</b>		<b>MAJOR</b>	0	<b>MINOR</b>	0
<b>Is a follow-up visit required?</b>	no	<b>Planned date</b>	N/A	<b>Number of planned days</b>	N/A
<b>Date of visit</b>		<b>Beginning</b>	N/A	<b>End</b>	N/A
<b>Notes to follow-up visit:</b>					
N/A					

## 1 Information about CCF verification

<b>Standards with criteria for CCF verification</b>	ČSN EN ISO 14 064-1:2019			
<b>CCF verification targets</b>	<p>The objectives of the CCF verification were:</p> <ul style="list-style-type: none"> <li>• To confirm the alignment of the CCF system with the requirements of ISO 14064-1 standard.</li> <li>• To assess the alignment of the CCF system with the Corporate Standard - GHG Protocol requirements.</li> <li>• To evaluate the alignment of data collection and processing according to the GHG Protocol standard and the calculation levels of GHG performed based on methodologies for Scope 1, Scope 2, and Scope 3.</li> <li>• To confirm alignment between the client's system documentation and the system standard.</li> <li>• To confirm alignment between the client's system documentation and the activities conducted.</li> <li>• To confirm alignment of the organization's activities with relevant legal requirements and other standards.</li> <li>• To confirm the correctness of the emission factors used.</li> <li>• To verify the effectiveness of the conducted activities.</li> </ul>			
<b>Date, when verification plan was sent</b>	12/3/2024			
<b>Key employees of the organization, who were interviewed</b>	See summary of CCF Verification for individual standards in the final section of the report.			
<b>CCF verification sites</b>	<p><b>Headquarters and companies visited:</b></p> <p>ČEZ, a. s.  Duhová 2/1444  Praha 4, 140 53  Czech Republic  ICO: 45274649</p> <p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. PRODECO, Důlní 437, Mostecké předměstí, 418 01 Bílina – auditor JTI- 15. 03. 2024</li> <li>2. REVITRANS, Důlní 429, 418 01 Bílina – auditor JTI – 22. 03. 2024</li> <li>3. AZ KLIMA. Areál SLATINA, Tuřanka 115, 627 00 SLATINA – auditor JDR – 12. 03. 2024</li> <li>4. ÚJV Řež u Prahy, Hlavní 130, 250 68 Husinec – Řež – auditor JKL – 18. 03. 2024</li> </ol>			
<b>CCF verification type</b>	Not-accredited CCF verification according to GHG Protocol			
	Verification of the quantity of inventoried CO <sub>2</sub> e emissions			
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<b>Initial date of CCF verification</b>	4/3/2024		<b>End date</b>	25/3/2024

## 2 Information about the CCF (Company Carbon Footprint) verification team

<b>Team leader (+shortcut)</b>	1	Jana Klosová (JKL)				
<b>Member of the team (+shortcut)</b>	2	Jiří Timofejev (JTI)	3	Jiří Dryák (JDR)	4	N/A
	5	N/A	6	N/A	7	N/A

### 3 CCF (Company Carbon Footprint) Statement

#### Assessment and scope of the CCF statement

Criteria for verification according to client requirements and standards, by which the correctness and relevance of the process and resulting calculations of the inventory of CO<sub>2</sub>e emissions within the ČEZ Group, as presented in the List of Legal Entities, have been fulfilled.

The company has a very well-developed volume of documentation in place, setting out the principles of data collection and information gathering. Relevant employees responsible for data collection and partial calculations have been properly trained. The level of documentation, its user accessibility, and awareness were confirmed at randomly selected facilities.

Within the ČEZ Group, a management system has been established and is supervised by the certification body in accordance with the requirements of ČSN EN ISO 14001:2016 and ČSN EN ISO 50001:2019. Under the EMS certificate, 98% of the total production capacity is covered. Overall, 16 facilities within the ČEZ Group are subject to the EU ETS system, and the resulting CO<sub>2</sub> emissions values were verified in 2023 by authorized certification body BUREAU VERITAS CERTIFICATION CZ, s.r.o.

The company's management has issued, approved, and presents its commitment through the Safety and Environmental Protection Policy and the Energy Policy, which have a direct strategic impact on emission source management and control. They also commit to:

- Long-term fulfillment of ambitious strategic goals in line with the entire context
- Integration of systems into business activities and processes
- Necessary available resources
- Achieving strategic objectives
- Supporting continuous improvement

The company uses the GHG Protocol documentation, Direct GHG emissions (Scope 1), Energy indirect GHG emissions (Scope 2), and Other indirect GHG emissions (Scope 3) and a volume of internal documentation covered by the Departmental Instruction for Determining and Reporting Greenhouse Gas Emissions in CEZ Group and Data Collection Questionnaires.

After verifying all evidence materials and checking the implementation level in randomly selected companies, the verification team assessed that a reasonable level of assurance was provided for assessing the conformity of data collection and processing according to the GHG Protocol and emission calculation levels expressed in CO<sub>2</sub>e quantities, conducted according to methodologies for Scope 1, Scope 2, and Scope 3 within the requirements of ČSN EN ISO 14064-1:2019.

The reliability risks of the presented data were assessed, evaluated based on cooperation, open communication, and high competence of the involved staff, as risks minimized to the highest possible level.

The actual verification of presented emissions was conducted in accordance with the plan.

The verification team confirmed that the organization has implemented and maintains its GHG / CCF inventory system in accordance with the standard requirements and the established methodology (Departmental Instruction for Determining and Reporting Greenhouse Gas Emissions in CEZ Group). During the verification process, no nonconformities or material inaccuracies were identified. Based on the submitted documents and communication with responsible employees of the verified entity, sufficient reliability and accuracy of the presented data can be confirmed:


- In terms of emissions produced,
- As well as in the area of selected and used emission factors for calculating emission quantities in CO<sub>2</sub>e tons.

Ověření vykazování emisí skleníkových plynů dle GHG Protocol a ČSN EN 14064-1:2019 za rok 2023.  
Výroba a dodávka elektrické a tepelné energie a další činnosti s výrobou těchto druhů energií souvisejících, uplatňovaných ve všech lokalitách, které jsou v majetku společnosti ČEZ, a. s.

Pro období:  
01/2023 – 12/2023


s výsledkem : SCOPE 1: 15 954 322 t CO2e SCOPE 2: 0 t CO2e SCOPE 3: 13 532 370 t CO2e Emisní intenzita (z emisí SCOPE 1 a SCOPE 2) vztážená k výrobě elektřiny a tepla: 0,27 t CO2e/MWh
Verification of reporting greenhouse gas emissions according to the GHG Protocol and ČSN EN 14064-1:2019 for the year 2023. Production and supply of electrical and thermal energy and other activities related to the production of these types of energy, applied in all locations owned by ČEZ, a. s. For the period: 01/2023 – 12/2023 with the result: SCOPE 1: 15 954 322 t CO2e SCOPE 2: 0 t CO2e SCOPE 3: 13 532 370 t CO2e Emission intensity (from SCOPE 1 and SCOPE 2 emissions) related to electricity and heat production: 0.27 t CO2e/MWh

<b>Accreditation, language, number of certificates, number of attachments (i.e., list of sites, details about welding)</b>	Not-accredited according ISO 14064-1	Not-accredited according ISO 14064-1				
	ČIA	ČIA				
	czech	english				
	1	1				

<b>Organization representative</b>	Name: Taťána Krydlová	Function: MÚ EMS a IP OZE a KE	Signature:  t	Date: 25/3/2024
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The organization representative confirms by its signature the scope of certification, accreditation, languages of certificates, number of certificates, and, if applicable, the correctness of addresses stated in the attachment to this report. Part of the documentation from the CCF verification is the credential of the representative, if this person is different from the director or chairman of the board.

<b>The report was prepared by</b>	Jana Klosová 	<b>Date of report finalization</b>	25/3/2024
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<b>Signature</b>	Jana Klosová 	<b>Date</b>	25/3/2024
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<b>Verification report divider CCF</b>	ČEZ, a. s. BUREAU VERITAS CERTIFICATION CZ, s. r.o. ----
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<b>Organization representative</b>	Name: Taťána Krydlová	Function: MÚ EMS a IP OZE a KE	Signature:	Date: 25/3/2024
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The organization representative confirms by its signature the scope of certification, accreditation, languages of certificates, number of certificates, and, if applicable, the correctness of addresses stated in the attachment to this report. Part of the documentation from the CCF verification is the credential of the representative, if this person is different from the director or chairman of the board.



Deloitte Audit s.r.o.  
Churchill I  
Italská 2581/67  
120 00 Prague 2 – Vinohrady  
Czech Republic

Tel: +420 246 042 500  
DeloitteCZ@deloitteCE.com  
www.deloitte.cz

Registered by the Municipal  
Court in Prague, Section C,  
File 24349  
ID. No.: 49620592  
Tax ID. No.: CZ49620592

## Independent Auditor's Limited Assurance Report on Selected Indicators Presented in the Sustainability Report of ČEZ, a. s., for the Year Ended 31 December 2023

### To the Board of Directors and the Supervisory Board of ČEZ, a. s.

#### Subject Matter and Criteria

We have been engaged by the management of ČEZ, a. s., (the "Company") to obtain a limited assurance as to whether any matters have come to our attention that cause us to believe that the disclosures of selected non-financial key performance indicators in the Company's Sustainability Report for the year ended 31 December 2023 (the "Sustainability Report") have not been prepared, in all material aspects, in accordance with the reporting criteria.

The selected key performance indicators subject to limited assurance procedures have been prepared on the basis of the Global Reporting Initiative Sustainability Reporting Guidelines issued by the Global Sustainability Standards Board ("GRI Standards") comprise:

- GRI 2-7 Employees (by gender, by employment contract)
- GRI 302-1 Energy consumption within the organization (fuel consumption from non-renewable, renewable sources, energy sold)
- GRI 303-3 Water withdrawal
- GRI 303-4 Water discharge
- GRI 305-7 NOx, SOx, PM
- GRI 306-3 Significant spills
- GRI 306-3 Waste generated
- GRI 401-1 Average hours of training per year per employee
- GRI 403-8 Workers covered by an occupational health and safety management system.
- GRI 403-9 Work-related injuries
- GRI 404-1 Average hours of training per year per employee
- GRI 404-2 Programs for upgrading employee skills and transition assistance programs
- GRI 404-3 Percentage of employees receiving regular performance and career development reviews
- GRI 405-1 Diversity of governance bodies and employees
- GRI 406-1 Incidents of discrimination and corrective actions taken
- GRI 418-1 Customer privacy

Other than described in this report, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Sustainability Report, and accordingly, we do not express a conclusion on any other information included in the Sustainability Report.

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## 1 Responsibility of the Board of Directors of the Company

The Board of Directors of the Company is responsible for the preparation of the Sustainability Report in accordance with the GRI Standards, the accuracy and completeness of information contained in the report and for the selection of disclosures to be verified.

This responsibility includes the selection and application of appropriate methods for preparing the report, maintaining adequate records, making assumptions and estimates that are relevant to individual non-financial disclosures. The Board of Directors of the Company is further responsible for the design, implementation and maintenance of such internal control as it has determined as necessary to enable the preparation of the Sustainability Report that is free from misstatement, whether due to fraud or error.

## 2 Our Independence and Quality Control

In performing the engagement, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

Our firm applies International Standard on Quality Management 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## 3 Our Responsibility

Our responsibility is to express a limited assurance conclusion as to whether the selected key performance indicators in the Sustainability Report have been prepared, in all material aspects, in accordance with the GRI Standards.

We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements 3000 (Revised): "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IASB). In accordance with this standard, we have planned and performed our engagement to obtain limited assurance regarding the subject matter of the engagement.

This standard requires us to plan and perform the engagement in a way that enables us to obtain limited assurance that nothing has come to our attention that causes us to believe that the selected key performance indicators have not been prepared, in any material aspect, in accordance with the GRI Standards.

The procedures performed under the limited assurance engagement are different in nature and limited in scope both in terms of risk assessment procedures, including an understanding of internal control, and in terms of the procedures performed in response to the risks assessed compared to the reasonable assurance engagement. As a result, the level of assurance obtained through an assurance service providing limited assurance is significantly lower than the level of assurance that could be obtained through an assurance service providing reasonable assurance.



The procedures we performed were based on our professional judgement, our assessment of the risk of material misstatement of the selected key performance indicators due to intentional actions or misstatements, and included interviews, observations of the processes performed, examination of documents, analytical procedures, assessments of the appropriateness of calculation methods and reporting policies and reconciling with underlying records.

As part of our limited assurance, we have performed the following procedures with respect to the Subject Matter:

- Conducted interviews with selected key personnel of the Company and subsidiaries and at the selected sites to obtain an understanding of the control environment, information systems and processes and methods relevant to data collection, calculation of the selected key performance indicators and EU taxonomy disclosures under review. However, we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Reconciled the disclosed information with underlying documents and data.
- Obtained an understanding of the key structures, systems, processes, procedures and internal controls relating to the collation, aggregation, validation and reporting of data for the selected key performance indicators under review through inquiries, analytical procedures, observation and other applicable evidence-gathering procedures on a sample basis.
- Conducted site visits at selected locations to test the application of the Company's reporting procedures and tested the accuracy, completeness of non-financial information.
- Assessed the disclosure and presentation of the Subject Matter in the Sustainability Report.

We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our limited assurance conclusion.

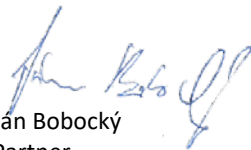
#### Inherent limitations

The process the Company adopts to define, gather, and report data on its non-financial performance is not subject to the formal processes adopted for financial reporting. Therefore, data of this nature are subject to variations in definitions, collection, and reporting methodology with no consistent, accepted standard. This may result in non-comparable information between organizations and from year to year within the organization as methodologies develop. The accuracy and completeness of the information disclosed in the Sustainability Report is subject to inherent limitations given its nature and the methods for determining, calculating, or estimating such information.

#### **4 Conclusion**

Based on the work, nothing has come to our attention that causes us to believe that the selected key performance indicators in the scope of our work for the year ended 31 December 2023 have not been prepared, in all material aspects, in accordance with the Global Reporting Initiative Sustainability Reporting Guidelines.

In Praha on 22 April 2024



Ján Bobocký  
Partner  
Deloitte Audit, s.r.o.

# Identification of ČEZ, a. s.

## ČEZ, a. s.

Duhová 2/1444  
140 53 Praha 4  
Czechia

Registered in the Commercial Register maintained by the  
Municipal Court in Prague, Section B, File 1581

Established: 1992

Legal form: Joint-stock company

Company reg. No.: 452 74 649

LEI: 529900S5R9YHJHYKKG94

Banking details: KB Praha 1, acc. No. 71504011/0100

Phone: +420 211 041 111

Data box ID: yqkcds6

Internet: [www.cez.cz](http://www.cez.cz)

E-mail: [cez@cez.cz](mailto:cez@cez.cz)

Closing date of the Sustainability Report: April 15, 2024