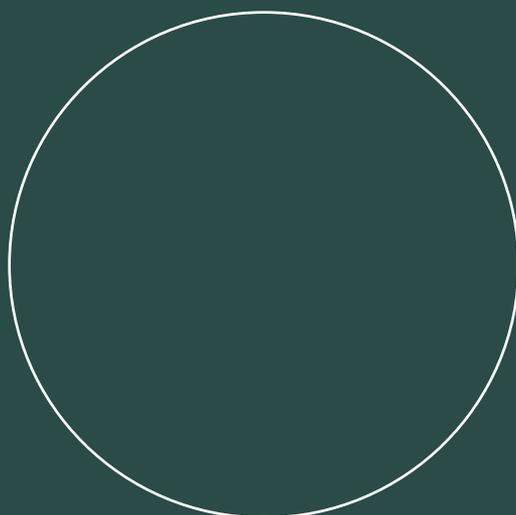


**CEZ GROUP
2021 ANNUAL REPORT
I. ACTIVITY REPORT**



**CLEAN
ENERGY OF
TOMORROW.....**



Clean



Energy of

Tomorrow



We are committed to low-emission generation and carbon neutrality, delivering the most cost-effective energy solutions and the best customer experience on the market.

And we do it **ENERGETICALLY**

CEZ Group's Profile

CEZ Group is a stable energy group, one of the largest economic entities in Czechia and Central Europe, employing more than 28,000 people. In its activities, CEZ Group emphasizes the implementation of global climate goals, decarbonization, and the impact of business activities on the environment in general. The core value is generated from emission-free electricity generation, distribution, and sales.

The largest shareholder of the parent company ČEZ is the Czech Republic with a nearly 70% stake in the company's stated capital. ČEZ shares are traded on the Prague and Warsaw stock exchanges and included in the PX and WIG-CEE exchange indices. As at December 31, 2021, the market capitalization of ČEZ was CZK 444 billion, and during its existence, ČEZ paid CZK 343 billion in dividends to shareholders.

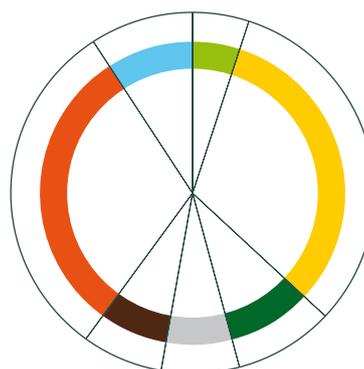
CEZ Group Is a Vertically Integrated Energy Corporation

Our main business activity is the generation, distribution, trade, and sale of electricity and heat. Other important activities include commodity trading, trading and sale of natural gas, mining, and especially the provision of complex energy services, which belong to the dynamically growing business areas together with electromobility.

CEZ Group's total operating revenues amounted to CZK 227.8 billion in 2021. The importance of individual activities for the total value for shareholders indicates their share in EBITDA:

The Share of CEZ Group's Main Activities in EBITDA 2021

	%
GENERATION—Trading	5
GENERATION—Nuclear Sources	32
GENERATION—Renewable Sources	9
GENERATION—Emission Sources	7
MINING	7
DISTRIBUTION	31
SALES	9
Total	100



In Czechia, CEZ Group companies generate and distribute electricity and heat, sell electricity, gas, and energy services, trade in commodities, provide telecommunications services, and are engaged in mining. They focus on innovation and investing in clean-tech companies.

They are active abroad in energy services and in the generation, trading, and sale of electricity and heat, and in gas sales and commodities trading. Outside Czechia, CEZ Group operates mainly in Germany, Poland, and Slovakia, as well as in France and Italy.

CEZ Group's Vision and Corporate Responsibility

CEZ Group's long-term vision is to bring innovations for addressing energy needs and help improve the quality of life. In the area of generation, CEZ Group's strategy emphasizes the transformation of its generation portfolio to a low-emission one and the achievement of carbon neutrality. As part of the accelerated VISION 2030—Clean Energy of Tomorrow strategy, CEZ Group has committed to ending coal-fired heat generation by 2030, to substantially reducing coal-fired power generation, and to be completely carbon neutral by 2050. In line with its ambitious carbon-free targets, it envisages building 6,000 MW of new renewable energy sources by 2030 and is preparing a tender for the construction of at least one new nuclear unit in cooperation with the Czech state.

In distribution and sales, the ongoing objective is to provide the most advantageous energy solutions and the best customer experience on the market. CEZ Group is therefore investing significantly in the modernization and digitalization of distribution networks and building its position as a reliable leading supplier of energy and comprehensive energy services, helping to decarbonize industry in Czechia and Central Europe.

CEZ Group's business activities are governed by strict ethical standards that include responsible behavior toward employees, society, and the environment. As part of its business activities, it adheres to the principles of sustainable development with an emphasis on the area of ESG (Environmental, Social, Governance), which is an integral part of its management. CEZ Group supports energy efficiency, promotes new technologies, creates an environment for professional growth of employees and equal opportunities, and focuses on investments in modern technologies, science, and research. Donations are an integral part of social responsibility: since 2002, the ČEZ Foundation has been one of the largest corporate foundations in Czechia.

The corporate culture emphasizes safety, continuous improvement of internal efficiency, and encouragement of innovation to increase CEZ Group's value.

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This document created in PDF (Portable Document Format) is an unofficial version of the 2021 Annual Report of ČEZ, a. s. The content of the document corresponds to the official 2021 Annual Report of ČEZ, a. s., prepared in accordance with the current regulation governing the uniform electronic format for reporting (ESEF) in the xHTML format. Compared to the official Annual Report, it does not contain machine-readable XBRL tags in the consolidated financial statements and is supplemented with graphic elements, photographs, and front pages.

In the event of differences in content, the official version of the Annual Report shall always take precedence over this document. The official 2021 Annual Report of ČEZ, a. s., prepared in accordance with the applicable ESEF regulation and Czech legislation, is available here: www.cez.cz/vz-2021.

Statutory Declaration by Persons Responsible for the CEZ Group 2021 Annual Report

Statutory Declaration

To the best of our knowledge, the consolidated Annual Report gives a true and fair view of the financial position, business activities, and financial results of the issuer and its consolidated group for the past financial year, and the prospects for the future development of the financial position, business activities, and financial results.

Prague, March 14, 2022

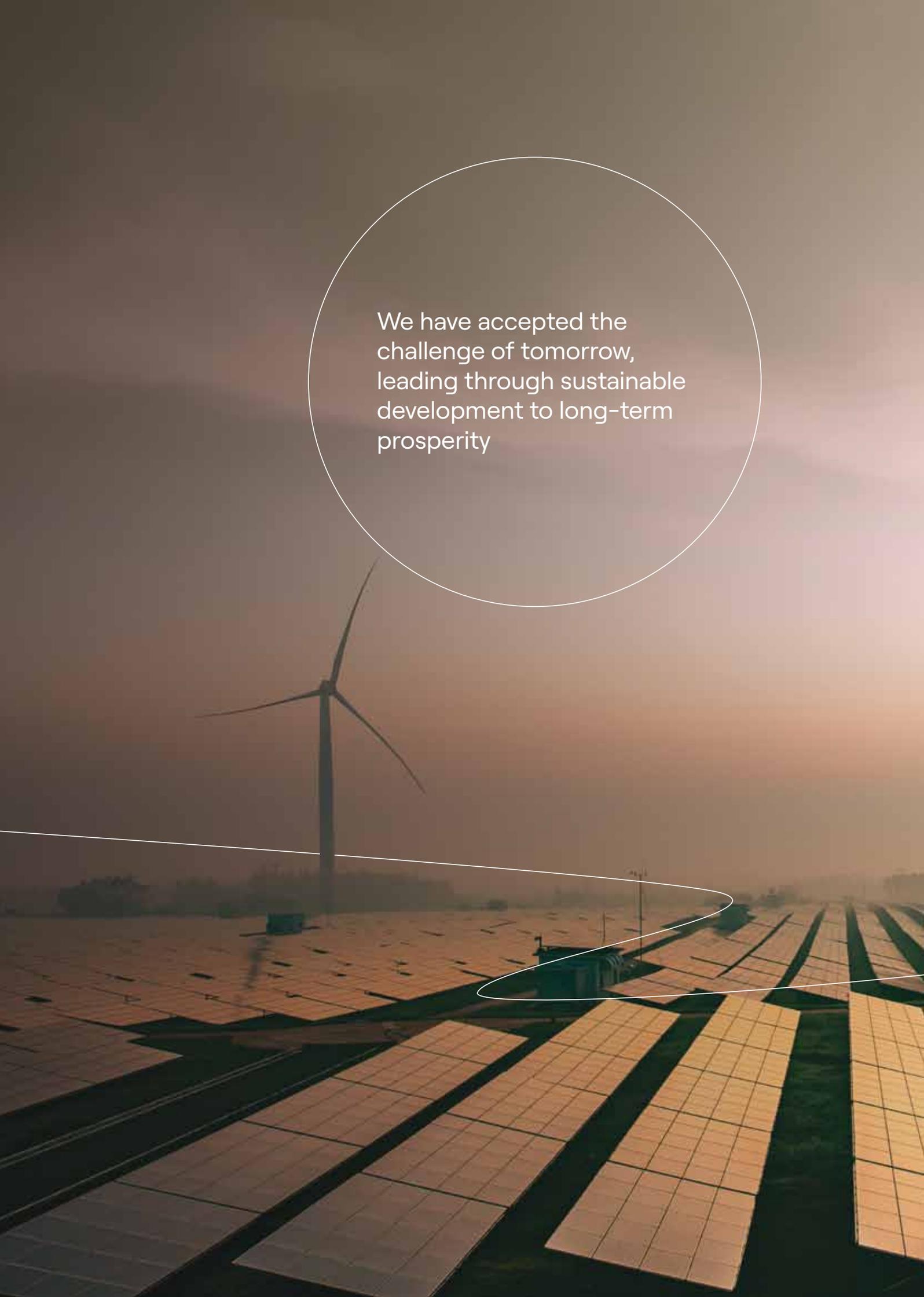
Daniel Beneš

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

Martin Novák

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

The consolidated Annual Report has been assessed by the independent auditor Ernst & Young Audit, s.r.o. The relevant independent auditor's reports are set out on pages 294 and 358, respectively.

A photograph of a solar farm with a wind turbine in the background, overlaid with a white circle containing text. The scene is captured during a golden hour, with a warm, hazy sky. The solar panels are arranged in neat rows, and the wind turbine stands prominently in the mid-ground. A white circle is superimposed on the upper half of the image, containing the text: "We have accepted the challenge of tomorrow, leading through sustainable development to long-term prosperity".

We have accepted the challenge of tomorrow, leading through sustainable development to long-term prosperity





1. Company Introduction and Highlights

Introduction by the Chief Executive Officer

Dear shareholders,

Looking back on 2021, the year cannot be called anything other than turbulent. We have faced several waves of the COVID-19 epidemic and, in the second half of the year, Europe experienced a price crisis due to a combination of many factors with wholesale energy prices soaring to all-time highs. Electricity prices for supply in 2022 more than quadrupled over the year 2021, the main reason being the extremely rising cost of generating electricity from carbon-based sources. CO₂ emission allowance prices for supply in 2022 increased by almost 150% during 2021, mainly due to the strengthening of the European Union's decarbonization ambitions, and gas prices for supply in 2022 increased by almost 400%, mainly due to tight gas supply on world markets following COVID-19 and uncertainty of supply from Russia. In this situation, a number of energy suppliers have gone out of business. However, CEZ Group lived up to its reputation and remained a trustworthy and reliable partner even in these times.

The year 2021 confirmed the relevance of our long-term strategy aimed at developing emission-free generating facilities and providing quality and reliable services. The value of CEZ shareholders' assets almost doubled in the past year. The market capitalization increased from CZK 276 billion to CZK 444 billion during 2021. In addition, we paid our shareholders the second highest dividend in the Company's history at CZK 52 per share. The total return to shareholders for the year, i.e., the change in share value plus the dividend paid in the year, was over 70% and was the highest among all European energy companies included in the STOXX Europe 600 Utilities stock index.

Decarbonization has been the number one issue in the energy sector for many years. The drive to reduce CO₂ emissions has become a truly global objective in 2021. The European Commission has further specified the parameters of the European Green Deal and backed the ambitious targets for CO₂ reduction, renewable energy sources construction, and increased energy efficiency with further regulatory interventions and measures. In particular, it defined the reallocation of significant financial resources of European countries to support the achievement of climate goals and established a way of classifying the sustainability of different types of generating facilities within the framework of what we call taxonomy. ČEZ, as the largest generator and supplier of electricity in Czechia and a major producer in the region, has long been committed to decarbonization and intends to play a leading role in the overall transformation of the region's energy sector.

In 2021, we have therefore decided to make our long-standing strategy of transitioning to carbon neutrality more tangible and to significantly accelerate the overall reduction of emissions. In the accelerated VISION 2030—Clean Energy of Tomorrow strategy CEZ Group commits to fulfilling precise targets and public commitments in three ESG sustainability areas: Environmental, Social, and Governance. We have the ambition to become one of the top-ranked energy companies in Europe in ESG, and we estimate the implementation of the updated strategy to contribute to a 40% increase in EBITDA by 2030, beyond the impact of market electricity prices.

Accelerated decarbonization is a key ambition of the updated strategy. This means, in particular, an earlier phase-out of coal-fired generation and a major conversion of the generation portfolio to low carbon. We intend to reduce the share of coal-fired generation in total electricity generation to 25% by 2025 and to 12.5% by 2030. By 2030, we will completely phase out coal-fired heat generation. Coal-fired power generation in Czechia is likely to be phased out by 2033 at the latest, given the government's priorities, while current market conditions indicate that CEZ Group's coal-fired facilities will operate until 2030 at the latest. In line with these commitments, we shut down one of the largest coal-fired units in Czechia, the Energotrans 3 power plant with an installed capacity of 500 MW, in 2021. CEZ Group's emission intensity in electricity and heat generation reached 0.29 t CO₂e/MWh in 2021, thus decreasing by 13% year-on-year. Emissions of pollutants SO₂ and NO_x from electricity generation decreased by 45% and 26% year-on-year, respectively. CEZ Group is therefore meeting its emission reduction commitments in line with the Paris Agreement targets. In the area of emission-free sources development, we have the ambition to add a total of 6 GW of installed capacity of renewable primary photovoltaic sources by 2030, approximately 1.5 GW of which by 2025. By continuing to optimize the operation of the Temelín and Dukovany power plants, we aim to gradually increase emission-free nuclear generation above 32 TWh while maintaining maximum stability and operational safety. In 2021, our nuclear power plants reached the second highest generation in their history – 30.7 TWh.

Given our emphasis on social aspects, we are committed to providing all employees affected by the phase out of coal with the opportunity to transfer to another position, retraining, or compensation. We want to remain among the most attractive employers in Czechia. Our goal is to provide good working conditions for women and to increase their share in management positions. We intend to be the most reliable supplier of energy commodities and services in the region and to develop professional company management. In 2021, we obtained the prestigious ISO 37001:2016 anti-corruption certification. ČEZ is the first company listed on the Prague Stock Exchange and the first energy company in Central Europe to boast compliance with this international standard.

I am pleased that we were able to meet our initial earnings expectations even in the year of 2021. CEZ Group generated an operating profit before depreciation, interest, and tax of CZK 63.2 billion, significantly exceeding our initial estimate by more than CZK 3 billion. This was despite the fact that the Romanian and Bulgarian assets were sold earlier, so their operations took a shorter time to be consolidated. The proceeds from this successful sale contributed to debt reduction, higher dividends for shareholders and will be used for development investments in line with the updated strategy. We managed to increase EBITDA from existing assets by CZK 2.7 billion year-on-year, not only due to the reliable operation of the entire generation portfolio, but also due to exceptional additional gains from commodity trading, where we took advantage of the increased volatility in foreign commodity markets.

CEZ Group also demonstrated its strength and stability during the liquidity crisis at the end of 2021 resulting from the extreme increase in commodity prices and the consequent need to supply cash in the amount of hundreds of EUR millions per day as collateral for its sales contracts on exchanges. All the largest electricity generators in Europe faced a similar situation, especially those with significant volumes of pre-sold electricity. Unlike several major foreign energy companies, ČEZ did not have to apply for state guarantees and managed the situation within the framework of a prudent financial policy and risk management tools. ČEZ's overall debt adequacy and financial stability are also appreciated by rating agencies, which confirmed the Company's high ratings during the year.

The record increase in energy prices on wholesale markets caused existential problems for alternative suppliers in Czechia, who did not have enough purchased electricity and gas for their customers and were forced to announce their closure. Almost one million customers were transferred to the locally competent suppliers of last resort in accordance with the legislation and were forced to start paying current market prices for energy supplies, which were many times higher. Our subsidiary ČEZ Prodej, as one of the suppliers of last resort, had to immediately take care of electricity supplies for more than 370,000 clients. It is worth emphasizing that the existing customers of ČEZ Prodej and ČEZ ESCO benefit from a serious approach and a responsible hedging strategy, thanks to which the increase in market prices of commodities is reflected in the end price of customers with a delay and eliminates extreme price fluctuations.

CEZ Group has also demonstrated its reliability and trustworthiness in dealing with the impacts of COVID-19 and all related state and multinational measures. ČEZ is an entity of the state's critical infrastructure and is aware of its responsibility to ensure trouble-free electricity and heat supply. Therefore, based on the experience of previous years, we have taken a very conservative approach in 2021 and have often been more stringent than others in implementing protective and preventive measures. For example, we were the first to introduce precautionary employee testing at the very beginning of the year and then maintained it throughout the year in some operations. This ensured that all generation and distribution sites ran smoothly throughout 2021. I am proud of our employees who were able to achieve excellent availability of generating facilities in these conditions preventing even higher electricity price increases for end-use customers, and who were able to contribute to an excellent result in all business segments.

Preparations for the new nuclear power plant in Dukovany continued in 2021. We received the approval of the State Office for Nuclear Safety for the siting of two nuclear units at the location for a maximum capacity of $2 \times 1,200$ MW and submitted an application for a zoning permit. Only three bidders who have met the Czech government's safety requirements remain among the candidates for completion.

Finally, I must mention the conflict in Ukraine, which escalated just before this Annual Report was approved. CEZ Group has taken security measures as a critical Czech infrastructure entity and is intensively assessing the potential impact of the conflict, including the ensuing sanctions imposed on the Russian Federation, which may negatively affect the European energy industry, including CEZ Group's operations.

Let me assure you that CEZ Group will do everything in its power to build on an extremely successful 2021 even in these difficult conditions. I am confident that we will be able to contribute to further increasing the Company value for our shareholders, to maximizing customer satisfaction, and to meeting the other goals of VISION 2030—Clean Energy of Tomorrow.

Daniel Beneš

Chairman of the Board of Directors and
Chief Executive Officer, ČEZ, a. s.

Overview of Selected Indicators

Selected CEZ Group Indicators

	Unit	2017	2018	2019	2020	2021	2021/2020 Index (%)
Installed capacity	GW	14.9	14.8	14.6	12.9	11.8	91.5
Electricity generated (gross)	TWh	62.9	63.1	64.6	60.9	56.0	91.9
Of which: Emission-free ¹⁾	%	51.2	53.0	52.9	56.1	60.7	108.2
Electricity sold ²⁾	TWh	37.0	37.6	35.2	33.3	26.8	80.7
Heat sold ²⁾	TJ thousands	23.7	23.2	24.1	24.6	26.4	107.1
Gas sold ²⁾	TWh	9.9	9.6	9.8	9.3	7.3	77.8
Workforce headcount as at December 31	thousands persons	29.8	31.4	32.4	32.6	28.0	86.1
Of which: Women	thousands persons	6.4	6.8	7.0	7.0	5.8	82.2
Operating revenues	CZK billions	205.1	184.5	206.2	213.7	227.8	106.6
Of which: Sales of electricity, heat, gas, and coal	CZK billions	122.7	121.5 ³⁾	130.4	138.0	157.5	114.1
Sales of services and other sales	CZK billions	76.3	59.9	71.4	71.5	67.3	94.2
EBITDA	CZK billions	53.9	49.5	60.2	64.8	63.2	97.6
Of which: Emission-free ¹⁾	%	N/A	N/A	N/A	85.5	85.9	x
Net income	CZK billions	19.0	10.5	14.5	5.5	9.9	181.2
Adjusted net income ⁴⁾	CZK billions	20.7	13.1	18.9	22.8	22.3	x
Dividend per share ⁵⁾	CZK/share	33.0	33.0	24.0	34.0	52.0	152.9
Dividend payout ratio ⁶⁾	%	89.8	85.3	98.4	96.6	122.2	x
Net cash provided by operating activities	CZK billions	45.8	35.4	42.9	72.2	59.2	82.0
Capital expenditures (CAPEX) ⁷⁾	CZK billions	(29.1)	(26.4)	(29.8)	(31.2)	(32.5)	104.5
Assets	CZK billions	623.9	707.4	704.6	702.5	1,182.9	168.4
Net debt	CZK billions	136.1	151.3	161.2	143.5	110.7	77.2
Return on invested capital (ROIC) ⁸⁾	%	4.3	3.3	4.3	2.0	2.9	x
Return on equity (ROE), net ⁹⁾	%	7.4	4.3	5.9	2.2	5.0	x
Net debt / EBITDA	1	2.52	3.05	2.68	2.22	1.75	x

¹⁾ CO₂ emitting sources excluded.

²⁾ Sold to end-use customers (outside CEZ Group).

³⁾ The presentation method of the statements has been changed since 2018. Data for the previous period have been adjusted to be comparable with data for the current period.

⁴⁾ Adjusted net income = Net income (Income after Income Tax) adjusted for extraordinary effects not generally attributable to the ordinary activities of the business period.

⁵⁾ Awarded dividend per share before tax in the given year. The value expresses a shareholder's right to the payment of a share in a joint-stock company's profits corresponding to the holding of one share.

⁶⁾ Related to Adjusted net income.

⁷⁾ Additions to property, plant, and equipment and intangibles.

⁸⁾ ROIC = EBIT * (1 - Corporate income tax rate) / Average invested capital. Invested capital = Property, plant, and equipment, nuclear fuel, and construction work in progress + Noncurrent intangible assets + Net working capital. Net working capital = Current assets - Cash and cash equivalents - Current liabilities + Short-term loans + Current portion of long-term debt + Provisions within current liabilities.

⁹⁾ ROE = Net income / Average equity.

Selected Indicators of the Most Significant Regions of CEZ Group Presence

Indicator	Unit	Czechia		Germany		Poland		Slovakia		Assets Sold (Bulgaria and Romania)		Other Countries and Elimination between Countries	
		2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Operating revenues	CZK billions	155.1	186.4	14.0	15.1	9.2	8.1	3.8	1.1	36.5	16.8	(4.9)	0.3
EBITDA	CZK billions	56.4	58.9	0.8	1.2	0.9	0.5	–	0.1	6.9	2.6	(0.2)	(0.1)
Net income	CZK billions	20.7	12.3	(0.6)	(0.5)	(4.8)	(0.8)	(0.1)	–	(8.2)	0.4	(1.5)	(1.5)
Workforce headcount as at December 31	thousands persons	22.6	22.7	3.6	3.9	0.9	0.9	0.2	0.2	5.1	–	0.2	0.3

Credit Rating

In 2021 and in 2022, until the deadline of the Annual Report, the long-term ratings of ČEZ remained unchanged; they were only updated.

On June 7, 2021, the rating agency Standard & Poor's upgraded ČEZ's long-term rating to A- with a stable outlook.

On February 18, 2022, the rating agency Moody's updated the long-term rating of ČEZ, a. s., to the Baa1 level with a stable outlook.

Both credit rating agencies are included in the list of credit rating agencies pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council and Regulation (EU) No. 462/2013 of the European Parliament and of the Council. When selecting credit rating agencies, ČEZ complies with Article 8d of the above-mentioned Regulation.

Shares

As of December 31, 2021, shares of three CEZ Group companies were traded on public markets. Until July 27, 2021, CEZ Group included two more companies, CEZ Razpredelenie Bulgaria AD and CEZ Elektro Bulgaria AD, whose shares were publicly traded. After settling the sale of these Bulgarian companies, CEZ Group lost its stakes in them.

1. ČEZ, a. s.

As at December 31, 2021, the stated capital of ČEZ, a. s., totaled CZK 53,798,975,900. The Company's stated capital consisted of 537,989,759 shares with a nominal value of CZK 100. The ISIN is CZ0005112300.

Shares

Security	ISIN	Issue Date	Volume	Issued as	Form	Nominal Value	Market	Traded Since
Registered share	CZ0005112300	Feb 15, 1999	CZK 53.8 billion	Dematerialized	Bearer	CZK 100	PSE	Jun 22, 1993
							PSE Prime Market	Jan 25, 1994
							RM-System	Feb 23, 1999
							GPW	Oct 25, 2006

Structure of Shareholders—by Entity Type (%)

	Share in Stated Capital	Share in Voting Rights	Share in Stated Capital	Share in Voting Rights
	Dec 31, 2020		Dec 31, 2021	
Legal entities, total	87.44	87.38	86.34	86.31
Of which: Czechia	69.78	70.11	69.78	69.94
ČEZ, a. s.	0.47	-	0.23	-
Other legal entities	17.19	17.27	16.33	16.37
Private individuals, total	12.56	12.62	13.66	13.69

Source: Centrální depozitář cenných papírů, a.s. (Central Securities Depository).

ČEZ, a. s., Share Price in 2021 (CZK)



Stock-Related Indicators

	Unit	2020	2021	2021/2020 Index (%)
Net earnings per share—basic (EPS)	CZK/share	10.2	18.3	x
Dividend per share (gross) (DPS)	CZK/share	34.0	52.0	x
Dividends awarded	CZK billions	18.2	27.9	153.3
Share price—year's high	CZK	523.5	838.0	160.1
Share price—year's low	CZK	358.0	512.0	143.0
Share price—at year end (December 31)	CZK	515.0	827.0	160.6
ČEZ stock trading volume on the PSE	CZK billions	31.5	44.8	142.3
ČEZ stock as percentage of overall PSE trading volume	%	25.1	31.9	126.9
Number of registered shares (as at December 31)	Thousands	537,990	537,990	100.0
Number of treasury shares (as at December 31)	Thousands	2,516	1,258	50.0
Number of shares in circulation (as at December 31)	Thousands	535,474	536,731	100.2
Book value per share (BVPS)	CZK	436.8	300.1	68.7
Price to book value ratio (P/BV)	%	117.9	275.5	x
Total shareholder return (TSR)	%	7.8	70.7	x
Market capitalization (as at December 31)	CZK billions	275.8	443.9	161.0

Payment of Dividends to Shareholders

The Company's annual shareholders' meeting, held on June 28, 2021, decided to pay a dividend of CZK 52 per share to the Company shareholders. It was payable from August 2, 2021, and can be claimed until July 31, 2025.

CEZ Group's adjusted consolidated net profit for 2020 amounted to CZK 22.8 billion. From this base, an ordinary dividend component corresponding to 100% of the adjusted consolidated net profit for 2020 was determined. In addition, an extraordinary dividend component of CZK 5.2 billion was determined to reflect the contribution of the sale of Romanian assets to the total debt capacity of CEZ Group.

Entities that were shareholders of ČEZ at the record date, July 2, 2021, are entitled to the dividend. The dividend on treasury shares held by the Company at the record date was not paid out and was transferred to the retained earnings account. The dividend excluding the dividend attributable to equity shares was accounted for as a liability to shareholders of CZK 27.9 billion.

Dividend Policy

Since 2019, ČEZ has applied a dividend policy that anticipates paying out 80–100% of consolidated net income adjusted for extraordinary effects generally unrelated to ordinary financial performance in a given year. The dividend policy has been updated with effect from January 1, 2023. The payout ratio was adjusted to 60–80% of consolidated net income adjusted for extraordinary effects generally unrelated to ordinary financial performance in a given year.

ČEZ, a. s., Shareholder and Investor Relations

ČEZ has long been building relations with shareholders and other capital market participants by means of open and regular communication. It publishes quarterly communications on its financial performance and fulfillment of CEZ Group's strategic goals on dates that are announced in advance. It also informs of material events that might affect the share price on an ad hoc basis. A conference call was held in July 2021 during which senior management presented the updated strategy and new ESG targets. Approximately 60 participants joined the event. In accordance with good practice, ČEZ also maintains active dialog with capital market participants through personal meetings with analysts and representatives of institutional investors. Due to ongoing travel restrictions related to the COVID-19 pandemic, these meetings took place primarily in an online environment through video and phone calls in 2021 as well.

Rights and Obligations Attached to Shares

The rights and obligations attached to ČEZ, a. s., shares are governed by applicable law as set down in Section 210 et seq. of Act No. 89/2012 Sb., Civil Code, as amended, and Section 243 et seq. of Act No. 90/2012 Sb., Business Corporations Act, as amended. No special rights are attached to ČEZ, a. s., shares. Pursuant to Section 256(1) of the Business Corporations Act, shareholder rights attached to a share of stock are to participate, in compliance with the Act and the Company's bylaws, in company management and receive a portion of its profits and its liquidation surplus when wound up with liquidation. The right to participate in company management is exercised by shareholders by means of their right to attend and vote at a shareholders' meeting. Pursuant to Section 357(1) of the Business Corporations Act, a shareholder is entitled to request and receive an explanation of matters related to the Company or entities controlled by the Company at a shareholders' meeting if such an explanation is needed for reviewing the contents of matters on the shareholders' meeting agenda or for exercising the shareholder's rights at the shareholders' meeting. This does not apply if no answer needs be given under the law. Explanations may be provided as a summary response to multiple questions with similar contents. Explanations of matters regarding the current shareholders' meeting are provided by the Company to a shareholder right at the shareholders' meeting. If that is not possible due to the complexity of the explanation, the Company will provide the explanation to the shareholder within 15 days of the date on which the shareholders' meeting is held.

Qualified shareholders, as defined in Section 365(3) of the Business Corporations Act, are vested with some additional rights under the Act. For example, they may ask the Board of Directors to call a shareholders' meeting to debate matters proposed by them or to put an item specified by them on the shareholders' meeting agenda provided that statutory requirements are met and they may ask the Supervisory Board to review the exercise of the Board of Directors' powers concerning matters identified by them.

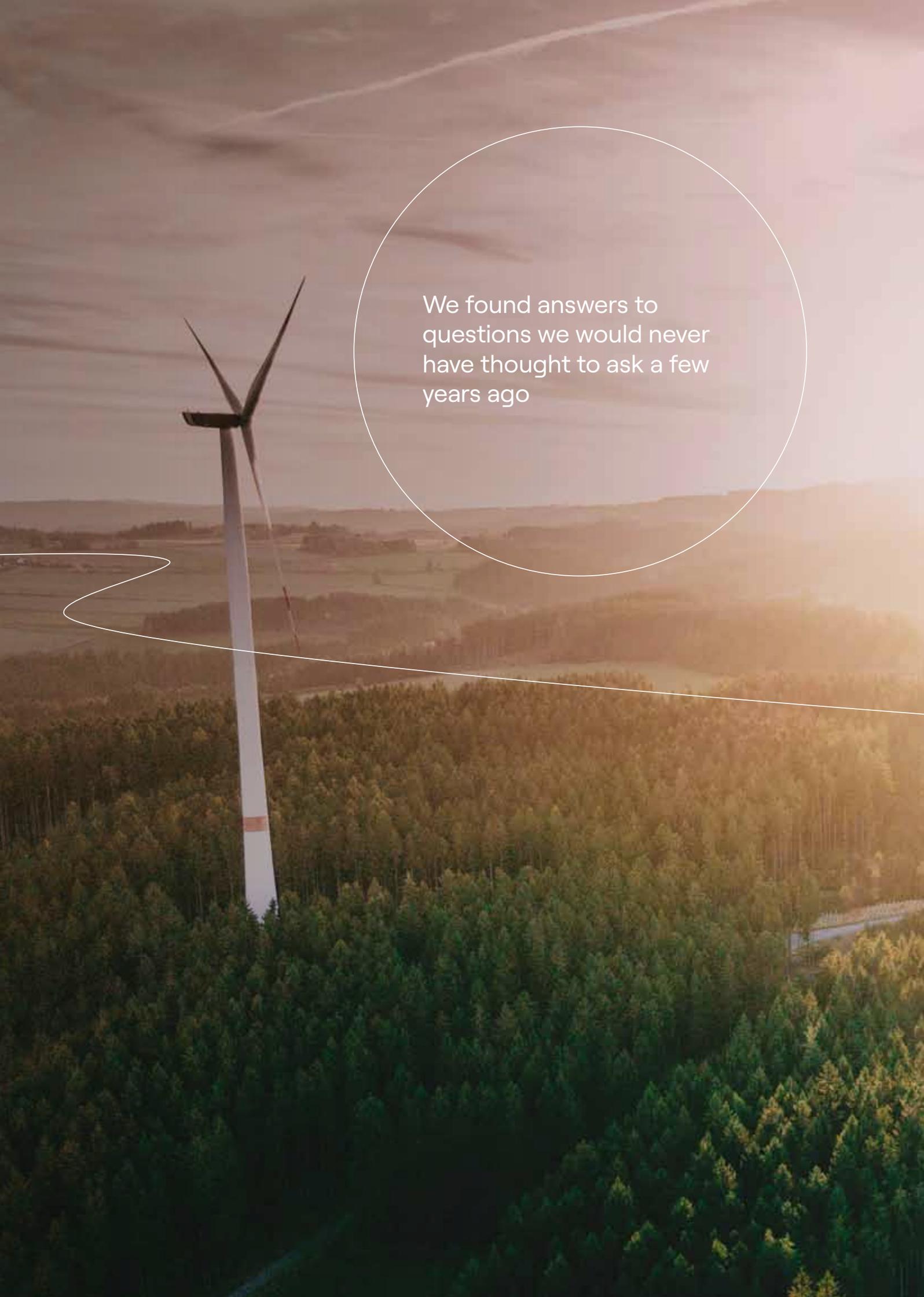
A shareholder's share in the Company's profit (dividend) is received on the basis of a shareholders' meeting decision on the distribution of profit. This means that a shareholder is entitled to a share of profit (dividend) in an amount approved to be distributed among shareholders by the shareholders' meeting.

2. ČEZ OZ uzavřený investiční fond a.s.

The Company's shares were admitted to trading on the Prague Stock Exchange's regulated market with effect from December 31, 2015, with ISIN CZ0008041787. An issue of 5,310,498 shares, that is, 15% of the total number of the company's shares, previously held by ČEZ, was admitted to trading. As of December 31, 2021, the joint-stock company ČEZ held almost 99.6% of the company; the other shareholder was ČEZ Obnovitelné zdroje. Shareholders outside CEZ Group held a 0.04% stake in the company's stated capital.

3. Akenerji Elektrik Üretim A.S.

The company's shares are traded freely on the stock exchange. A portion of shares representing a 25.3% stake in the company's stated capital has been freely traded on the Istanbul stock exchange since July 3, 2000. The ISIN is TRAAKENR91L9. The shares are not traded on any other public markets. ČEZ, a. s., held an almost 37.4% stake in the company's stated capital as at December 31, 2021.

A photograph of a wind turbine in a forest at sunset. The turbine is on the left, and the forest is in the foreground. The sky is a mix of orange and grey. A white circle is overlaid on the sky, containing text. A white line starts from the left edge and curves around the bottom of the circle.

We found answers to
questions we would never
have thought to ask a few
years ago



Selected Events

Selected Events of 2021

January

- The sale of Romanian assets related to the generation, distribution, and sale of electricity was approved by the Romanian state security council.
- The sale of Bulgarian assets was approved by the Bulgarian Commission for Energy and Water Regulation.

February

- ESCO joint venture was established in Slovakia with strong local partner SPP to develop decentralized energy and comprehensive energy services.

March

- The sale of 7 Romanian companies (distribution and sales companies and the Fântânele and Cogeaalac wind power plants, four small hydroelectric power plants, and a shared services center) was finalized on March 31; the company shares were handed over to the buyer Macquarie Infrastructure and Real Assets against payment of the full purchase price.
- The terms and conditions of support for the construction of renewable energy sources in Czechia from the Modernization Fund were specified.
- The State Office for Nuclear Safety (SÚJB) permit was obtained for the location of two new nuclear units at the Dukovany site and the authorization of the plant was issued in accordance with the Energy Act.
- The award of the arbitration tribunal in the international investment arbitration of ČEZ, a. s., against the Bulgarian state was issued, confirming the legitimacy of the arbitration within the current jurisdiction and moving the proceedings to the next phase, in which the merits of the dispute will be assessed.

April

- The overhaul of Units 21 and 22 of the Tušimice power plant was started, including the implementation of additional greening measures, enabling operation in accordance with the new BREF/BAT limits.
- CEZ Group's commodity customer portfolio in Slovakia was sold.
- The European Commission approved the first delegated act on the so-called taxonomy—defining the sustainability of economic activities; this document defines criteria for whether an economic activity contributes to the first two defined environmental objectives of the taxonomy—climate change mitigation and climate change adaptation.
- The European Commission's draft climate targets were specified, with a significant increase already for the current decade; a minimum 55% reduction in greenhouse gas emissions by 2030 compared to 1990 (the target is binding as of June 2021), a 40% share of renewables in total resource consumption and a minimum 39% increase in energy savings compared to 2007; this Fit for 55 package also includes the assumption of a significant reallocation of financial resources from European countries to support the achievement of these targets.

May

- Announced the CEZ Group's accelerated strategy, VISION 2030—Clean Energy of Tomorrow, based on the transformation of the generation portfolio to low-emission, achieving carbon neutrality by 2050, providing the most cost-effective energy solutions, the best customer experience in the market, and CEZ Group's deepening focus on social responsibility and decarbonization in accordance with the Paris Agreement.
- The largest ČEZ ESCO energy savings project in Slovakia was completed; the University Hospital with health center in Nové Zámky will save up to CZK 20 million annually in operating costs and reduce CO₂ emissions by 2,000 tons per year.
- A new information website, www.cezdistribuce.cz/cs/pro-vyrobce, was launched, offering clear information and instructions on how to proceed when applying to connect a generating facility or micro-source, with an emphasis on self-service channels.

June

- The annual shareholders' meeting of ČEZ, a. s., was held; among other things, a dividend of CZK 52 per share was approved.
- An invitation to participate in the safety assessment was sent to the bidders for the construction of the new nuclear power plant in Dukovany following confirmation of their interest and fulfillment of the conditions, the preliminary tender documentation was sent to all three bidders (approved by the Czech state).
- A new parking lot with a photovoltaic power plant was opened at the Dukovany Nuclear Power Plant; the roofed parking lot, the so-called carport, which will accommodate more than 320 cars of the plant's employees and contractors, consists of 2,600 photovoltaic panels and thanks to its power it will generate approximately 850 MWh of emission-free electricity per year, which will cover the year-round consumption of almost three hundred residential customers.
- ČEZ Prodej entered into a strategic partnership with Česká pošta to get closer to its end-use customers in the regions; the current network of 24 customer centers and other contact points of ČEZ Prodej will be gradually supplemented by 73 branches of Česká pošta in 2021 and 2022.

July

- The sale of the distribution and sales companies in Bulgaria was settled on July 27 against payment of the full purchase price of EUR 335 million, the shares of the companies were handed over to the buyer—Eurohold Bulgaria; the sale of the assets has no impact on the international investment arbitration against the Bulgarian state, which is ongoing and represents a potential additional revenue for ČEZ shareholders.

- A memorandum regarding the preparation of a project for a battery cell factory for electric vehicles (gigafactory) was concluded on July 27 between the Ministry of Industry of the Czech Republic and ČEZ, with the assumption of subsequent involvement of automotive industry representatives and battery manufacturers; the investment in the project with an annual generating capacity of 40 GWh is expected to be EUR 2 billion; 2,300 jobs should be created; within the contemplated investor consortium, ČEZ could act as a developer, which, among other things, will provide the necessary land and take care of energy supplies and energy services.
- On July 14, the European Commission presented a set of final proposals to revise and update the EU legislation and to introduce new initiatives, the so-called Fit for 55 package, to ensure that the EU's increased decarbonization and climate targets (in particular a 55% reduction in CO₂ emissions by 2030 compared to 1990) are met.

August

- The operation of the Energotrans 3 coal-fired power plant in Mělník was terminated on August 17, reducing ČEZ's installed capacity by 500 MW.

September

- On September 3, an agreement on the modernization of the control and monitoring systems of the Temelín NPP was concluded with Westinghouse; from the point of view of technical complexity, this is one of the most complex contracts in the history of Czechia, which will include a partial replacement of the Westinghouse system ensuring safe operation of the Temelín NPP for 20 years.
- On September 29, ČEZ obtained certification of the Anti-Corruption Management System according to ISO 37001:2016 for the activities of the Purchasing and Compliance department; obtaining this internationally recognized certification confirms the high level of anti-corruption measures at ČEZ and fulfills the commitment of the Company's management to develop the ethical dimension of CEZ Group's business according to international best practices.
- CEZ Group has officially joined the Science Based Targets initiative (SBTi) and committed to formulating scientifically verified climate targets to reduce emissions and achieve carbon neutrality.

October

- Following a significant rise in market prices for electricity and gas and the subsequent default of the sales company Bohemia Energy, electricity and gas supplies to almost 900 thousand end-use customers were taken over by the so-called suppliers of last resort; CEZ Group (through ČEZ Prodej) took over electricity supplies to more than 370 thousand of these end-use customers.
- The Dukovany and Temelín nuclear power plants were among the first nuclear power plants in the world to undergo an information and cyber security audit; in accordance with ISO/IEC 27001, they were awarded an international certificate confirming the high level of the Information Security Management System (ISMS).

November

- For the fifth time in a row, ČEZ has been awarded the Most Trusted Brand 2021 in the category of energy suppliers.

December

- An agreement was signed with Elte and Energie – stavební a báňská companies for the completion of the hot water pipeline from the Temelín Nuclear Power Plant to České Budějovice; heat supply from the hot water pipeline should start in 2023.
- The acquisition of 100% of the shares in the German company BELECTRIC GmbH and other European parts of the BELECTRIC Solar & Battery Group holding company was completed through Elevion Group B.V.; the group develops, designs, builds, and maintains photovoltaic power plants.
- The ČEZ Board of Directors adopted a policy on diversity and inclusion ("Diversity Policy"), which is binding for all CEZ Group companies.

Selected Events of 2022 until the Annual Report Closing Date

January

- At the turn of 2021 and 2022, the European Commission presented a proposal for a document (the so-called Supplementary Delegated Act) regulating the rules for sustainable financing (the so-called green taxonomy) in the field of nuclear energy and natural gas use; Czechia submitted comments on the proposal, according to which nuclear and gas-fired facilities would be temporarily recognized as sustainable if certain conditions are met.
- The Temelín Nuclear Power Plant achieved the highest monthly generation in its history with over 1.6 TWh, helped by reliable, trouble-free operation, plant upgrades, and favorable cold weather.
- Strong winds caused interruptions in electricity supply to 45,000 service points during one day (January 30), most of which were restored by the evening.
- CEZ Group joined the UN Global Compact initiative.

February

- The European Commission has specified the conditions under which nuclear and gas-fired facilities can be classified as sustainable under the green taxonomy; only new nuclear power plants with a construction permit issued by 2045 at the latest will be considered sustainable (the condition for inclusion is a functioning nuclear waste repository until 2050 and verification of selected investments in the facilities in question by the European Commission); only gas-fired facilities with a construction permit issued by 2030 will be considered sustainable; facilities with direct greenhouse gas emissions of max. 270 g CO₂e/kWh or a total of max. 550 kg CO₂e/installed kW over 20 years; with the condition that the new facility replaces another high emitting facility whose capacity is not exceeded by more than 15% and the obligation that the facility allows the transition to full use of renewable and/or low-carbon gaseous fuels by 2035 at the latest.
- On 24 February, Russian military forces entered the territory of Ukraine; CEZ Group has taken security measures as a critical Czech infrastructure entity and is intensively evaluating the potential impacts of the conflict, including the consequences of the ensuing economic sanctions imposed on the Russian Federation, which may negatively impact on the European energy industry, including CEZ Group's operations; in particular, impact on the availability and prices of natural gas, impact on the nuclear fuel market, and impact on the supply of goods and services in general.

March

- On March 14, 2022, the Company's Board of Directors approved a proposal for a dividend from the 2021 income in the amount of CZK 44 per share, which will be submitted to the annual shareholders' meeting; the proposal is based on the dividend policy in force, which defines the dividend payment in the amount derived from the consolidated net income adjusted for extraordinary effects for the previous year and also reflects the contribution of the sale of Bulgarian assets to CEZ Group's debt capacity.

Developments in Relevant Energy Markets

Electricity prices are normally based on the prices of energy commodities, mainly hard coal and gas, and the price of CO₂ emission allowances.

Wholesale **electricity prices** for 2022 in Germany were around EUR 50/MWh (Cal22) at the beginning of 2021. By July, they had gradually increased to around EUR 70/MWh, the main reason being the gradual increase in the emission allowance price. Natural gas prices have then increased significantly since the summer. This was a key reason why electricity prices increased to a record high of EUR 325/MWh on December 22. After a subsequent correction, they closed at EUR 220/MWh (Cal22).

The European **hard coal price** started at USD 70/t (Dec22) in 2021. Coal consumption increased above forecasts due to unexpectedly fast economic growth and adverse weather. Global producers failed to respond to the rising consumption, the market shortage occurred and coal prices increased. During the year, China's dominant import position was again reaffirmed, taking over 20% of the world coal market by volume. Throughout September, coal shortages in China contributed to the frequent power outages there. There was speculation of loosening China's ban on Australian coal imports, but it ultimately remained in place through 2021. Prices for imports to Europe have increased above USD 180/t. The Chinese government came up with a set of measures in October that resulted in increased generation from local mines and a subsequent decrease in local prices. Coal prices outside the Chinese market then started to decrease, ending the year around the USD 100/t mark in Europe (Cal22).

Natural gas prices increased steadily during 2021, surpassing historic highs. A very long winter led to increased withdrawals from storage. Below-average filled storage facilities and strong Asian competition for LNG purchases led to a gradual increase in prices already during the summer months. As winter approached, the possible commissioning of the Nord Stream 2 pipeline from Russia to Europe became a major issue. However, the pipeline has not yet been commissioned in 2021 or beyond due to the suspension of certification in Germany in connection with the escalation of the Ukraine crisis. European reservoirs remained below average before the winter, mainly due to insufficient gas supplies from Russia. By the end of the year, prices had increased to EUR 140/MWh (Cal22).

The emission allowance price was increasing steadily throughout 2021. The upward trend over the long term is driven by increasing decarbonization ambitions. In recent months, demand for extra allowances has been increasing due to expensive gas: generating electricity from coal is cheaper than from extremely expensive natural gas, but with 2–3 times higher emissions per unit of energy delivered. The announcement by the new German government to introduce a price floor of EUR 60/t also has an upward impact. The steep price increase to approx. EUR 90/t has triggered efforts by some countries to regulate the market. They were also unsuccessful as the hypothesis of market manipulation by speculators was not confirmed.

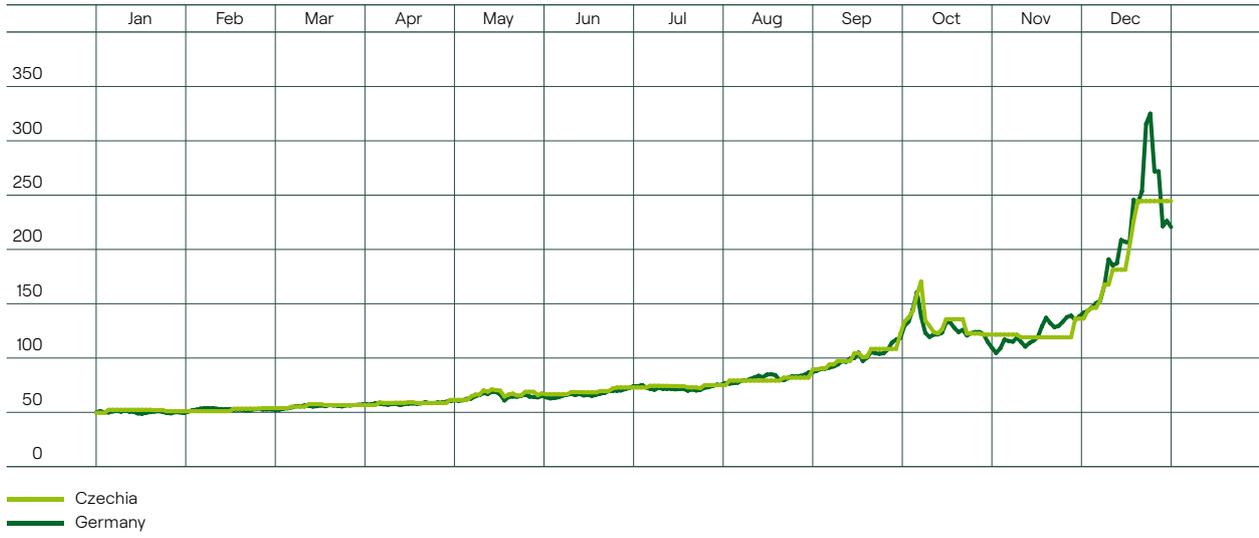
From autumn 2021 onwards, an increasing risk premium began to be reflected in the price of electricity. This mirrored the potentially extreme price scenarios in the escalation of relations between the US and Russia in the context of the Ukraine crisis.

Electricity and Emission Allowance Prices (Year-on-Year Comparison)

	Unit	December 31, 2020	December 31, 2021
Electricity price in Czechia (2022 baseload)	EUR/MWh	51.6	244.5
Electricity price in Germany (2022 baseload)	EUR/MWh	50.0	220.5
CO ₂ emission allowance price (EEX) (12/2022 supply)	EUR/t	32.9	80.7

Electricity

Wholesale Electricity Price in 2021 (EUR/MWh, Cal22 baseload, Baseload with Supply in 2022)



Emission Allowances

Emission Allowance Prices in 2021 (EUR/t, EUA Price with Supply in December 2022)



Determinants of the Electricity Sector's Future Development

The development of the energy sector will continue to be influenced mainly by the prices of hard coal, gas, and CO₂ emission allowances, and the overall impact of regulation and the EU's decarbonization targets will become increasingly important. As interest in coal fades, prices will gradually decrease as the world market is well supplied with coal for export. Continued high natural gas prices may delay this decrease.

Natural gas supplies will gradually stabilize in the world and in Europe and prices will gradually decrease to their levels prior to the outbreak of COVID-19 over the following years. Long-term geopolitical tensions are a risk factor for gas prices, as well as the global drive for a faster transition to a lower-emission energy mix, coupled with higher gas consumption.

Allowance prices will be determined in the long term by the expected scarcity of allowances and therefore the cost of saving CO₂. So far, most of this has been in the energy sector. CO₂ savings will also need to be implemented in industry as early as this decade. These are considerably more expensive than in the energy sector, which is why, for example, the European Commission's impact study on the EU ETS estimates prices in the range of EUR 50–85/t (in 2020 prices). In addition, projects based on the Carbon Contract for Difference may play a major role. These could lead to large allowance savings in the event of an EU-wide roll-out and thus affect the supply/demand balance in the EU ETS.

Policy decisions are crucial for the long-term development of the electricity sector. The European Union intends to become climate neutral by 2050. It wants to reduce greenhouse gas production by at least 55% by 2030 compared to 1990. This basic orientation was adopted in December 2019 at the summit of EU Prime Ministers and Presidents. Specific measures to achieve the objectives have been proposed by the European Commission in the Fit for 55 legislative package. Key points include:

- EU ETS emissions to be reduced by 61% by 2030 compared to 2005 (the current target is 43%).
- The withdrawal of surplus allowances into the Market Stability Reserve (MSR) to remain at the current level of 24%.
- A parallel ETS with zero free allocation is to be introduced for transport and buildings.
- 40% of all energy consumed in the EU is to come from renewable sources by 2030; accompanying analyses show that the share of RES in the electricity sector will increase to almost 65%.
- The share of RES in the heating sector is expected to increase at a rate of 1.1% per year.
- National energy savings are expected to reach 0.8% till 2023 and 1.5% from 2024.
- The Carbon Border Adjustment Mechanism (CBAM), also known as the "carbon tariff", is intended to level the playing field for industry inside and outside the EU; in the first phase it is likely to be applied mainly to commodities such as iron and steel, cement, fertilizers, aluminum, and electricity generation.
- Emissions from new cars to reach zero by 2035; this means a transition to electromobility, which will involve increased consumption of zero-emission electricity, and to hydrogen cars.

The proposed directives will be discussed and approved within two to three years.

Technological progress continues to have a major impact on the energy sector, and renewables are now a standard part of the energy mix. In the German auctions, guaranteed feed-in tariffs for photovoltaics have decreased to EUR 50/MWh and for onshore wind to EUR 60/MWh. The new German government coalition has set ambitious targets for 2030: 200 GW of photovoltaics and 30 GW of offshore wind.

Electrification with an emphasis on zero-emission electricity will make a major contribution to decarbonization. Hydrogen deployment is an option in areas that are difficult or impossible to electrify. The European Commission presented a draft hydrogen strategy in July 2020, targeting the production of 1 million tons of hydrogen from 6 GW electrolyzers by 2024, or 10 million tons of hydrogen from 40 GW electrolyzers by 2030. Many European countries have progressively introduced their own hydrogen strategies. Hydrogen and similar technologies are expected to follow the path of rapid development and cheaper technologies as in the case of photovoltaics or wind sources.

These factors will have several significant impacts on electricity prices and the energy sector around 2030:

- The increasing share of electricity from emission-free sources will lead to the price of allowances being much less reflected in the price of electricity than these days.
- The high capacities of RES and especially photovoltaics will cause a significant cannibalization of prices: in the hours when these sources generate, their average selling price of electricity will be much lower than the average annual price, but in hours with a lack of sunshine or wind, electricity prices will be very high.
- Electricity prices will be very volatile; flexibility from gas/hydrogen sources through energy storage (battery storage, hydrogen) to demand response will become a big issue.

Strategy

Europe's energy sector is undergoing a major transformation towards sustainable solutions. The European Commission has been continuously increasing and accelerating ambitious targets for faster decarbonization, renewable energy development, and increasing energy efficiency, while at the same time envisaging their massive financial support from national governments. The current objectives and specific instruments are set out in the European Green Deal and fundamentally affect the business environment not only in the energy sector.

Czechia is developing the European Commission's targets into a climate and energy plan with an increase in the share of generation from renewable sources. The discussion on updating the Czech State Energy Policy to take more account of the European Green Deal has been intensifying. The government's Coal Commission is working to specify Czechia's decarbonization strategy. Work is underway on the National Action Plan for Smart Grids and Electromobility. The strengthening of energy sector digitization is being prepared. Discussion continues on how to secure electricity supplies after the end of generation from coal facilities and on the construction of new nuclear units. In 2020, Czechia signed a framework and first implementation agreement with ČEZ and Elektrárna Dukovany II for the first stage of the construction of a new nuclear power plant in Dukovany.

The current business concept of CEZ Group, updated in 2019 at the Company's annual shareholders' meeting, and the CEZ Group's strategy based on it estimates these trends and aims to maximize the business opportunities associated with the modernization, digitalization, and decarbonization of the energy sector in the EU.

CEZ Group's Mission and Vision

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

The current strategy was defined in 2019 in line with the Company's updated business concept. In May 2021, as part of its accelerated strategy VISION 2030—Clean Energy of Tomorrow, CEZ Group defined strategic objectives for 2030 taking into account the EU's decarbonization vision and set specific ambitions in the area of social responsibility and sustainable development to maximize shareholder value.

Strategic Vision 2030 “Clean Energy of Tomorrow”

The main strategic priorities of the accelerated strategy—VISION 2030:

- 1) Transform our generation portfolio to a low-emission one and achieve carbon neutrality by 2050
- 2) Provide the most cost-effective energy solutions and the best customer experience in the market
- 3) Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles

The basic premise is to continuously adjust the structure of CEZ Group to meet the demands of investors, creditors, and employees, and to enable maximum increase in shareholder value.

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

I. Transform our generation portfolio to a low-emission one and achieve carbon neutrality

Comprehensive objective—to reduce emissions intensity by more than 50% by 2030 and achieve carbon neutrality by 2050.

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 for the construction of small modular reactors (SMRs) with a total capacity of over 1,000 MW after 2040.

Renewables:

- We will build a total of 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 MW_e by 2030.

Traditional facilities:

- We will decarbonize the thermal power sector and convert our coal sites to new activities after the shift away from coal.
- We will build new gas-fired capacities that are ready to also 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**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.

Sales—Retail:

- We will digitize 100% of key customer processes by 2025.
- We will maintain the highest Net Promoter Score (NPS) of the major 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.

Sales—ESCO:

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

New segments:

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

III. Develop CEZ Group in a responsible and sustainable manner in accordance with ESG principles

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

Selected objectives in the environmental area:

- We will reduce greenhouse gas emissions in line with the Paris Agreement "Well below 2 Degrees" by 2030 (from 0.38 t CO₂e/MWh in 2019 to 0.16 in 2030).
- We will reduce the SO₂ emissions from 21 kt in 2019 to 6.5 kt by 2025 and 3 kt by 2030.
- We will reduce the NO_x emissions from 23 kt in 2019 to 13 kt by 2025 and 7 kt by 2030.

Selected objectives in the area of social relations:

- We will continue to be decent corporate citizens, cultivating good relationships with communities.
- We will maintain our position of the most attractive employer for future talents and current employees.
- We will ensure a fair transition for all employees affected by shifting away from coal through retraining, reskilling, or compensation.
- We will maintain the highest Net Promoter Score (NPS) among the leading electricity suppliers.
- We will digitize all key customer processes by 2025.

Selected objectives in the area of corporate governance:

- We will achieve 30% female representation in management.
- We will increase the proportion of women in management in non-technical segments to 30% by 2025.
- We will increase the frequency of employee training concerning the Code of Ethics and train at least 95% of employees each year from 2022 on.

ESG and Sustainable Development Social Objectives

CEZ Group's strategy fully reflects the principles of ESG (Environmental, Social, Governance) and sustainability, i.e., emphasis on assessing and managing the environmental impact of business, on internal and external stakeholders and society-wide interests, and on responsible and ethical corporate governance. In accordance with GRI and other international standards, CEZ Group prepares the CEZ Group Sustainability Report every year.

ESG and a sustainable approach are an integral part of CEZ Group's management and corporate strategy. It is not a one-off compliance with new requirements, but a continuous adaptation of CEZ Group's strategy to all trends in the energy sector and approach to business as such. At the same time, it is not possible to separate the costs and investments for "meeting ESG requirements" from current costs and investments.

However, CEZ Group expects the largest share of costs in the area of the overall transformation of its generating portfolio towards a fully emission-free generation, where it has set very ambitious goals in terms of decarbonization and overall carbon neutrality. CEZ Group is ready for a major transformation of the energy sector, with a clear plan for the gradual decarbonization of its generating portfolio, it prepares massive development and construction of renewable and low-carbon sources, and the development of e-mobility, modern distribution networks and energy savings, and optimal energy solutions for end-use customers.

An increased focus on ESG topics and meeting global climate goals can also be expected in the context of the conclusions of the 26th UN Climate Change Conference in Glasgow in 2021. Meeting the EU's ambitious climate targets will not be easy and will be very costly for both citizens and the member states. However, for a commercial company like ČEZ, it represents primarily a significant business opportunity.

Approach to Climate Protection

Reducing the impact of energy on the environment and contributing to the fulfillment of global climate goals are long-term strategic goals of CEZ Group. CEZ Group has spent tens of billions of CZK on desulfurisation, denitrification, reduction of CO₂ emissions, and other environmental measures, and constantly takes steps ahead to meet all emission and environmental requirements set by legislation and regulatory bodies.

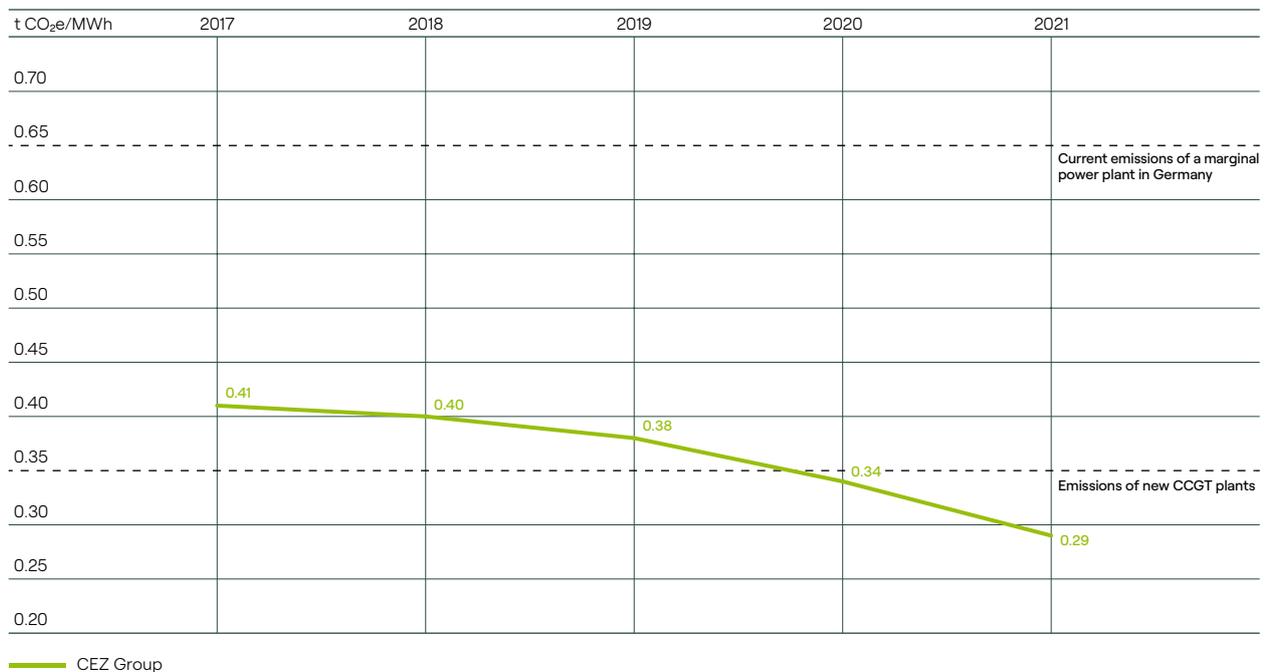
The main environmental priorities include decarbonization, i.e., reducing CO₂ emissions and SO₂ and NO_x emissions in electricity generation.

Decarbonization

CEZ Group has long been committed to the goals of reducing greenhouse gas emissions, and in 2015, it signed up to achieving carbon neutrality by 2050 in accordance with the conclusions of the Paris climate conference. The emission intensity of CEZ Group's greenhouse gases—expressed as CO₂ equivalent—decreased from 0.41 to 0.29 t CO₂e per MWh of electricity and heat generated between 2017 and 2021 as part of the decarbonization strategy. The CO₂e indicator corresponds to emissions as defined in Scope 1 of the GHG Protocol. In CEZ Group's terms, these are emissions related not only to the combustion of fossil fuels in electricity and heat generation, but also to CO₂ emissions from transport. In addition to direct CO₂ emissions, the CO₂ equivalent is also derived from CH₄ and N₂O emissions from biomass combustion, CH₄ emissions from coal mining, and HFC, PFC, and SF₆ emissions from air conditioning and other equipment.

In the future, CEZ Group intends to actively continue decarbonizing its portfolio and gradually shut down coal-fired power plants without jeopardizing its obligations to supply stable electricity and heat.

CEZ Group's CO₂e Emission Intensity of Generated Electricity and Heat in 2017–2021



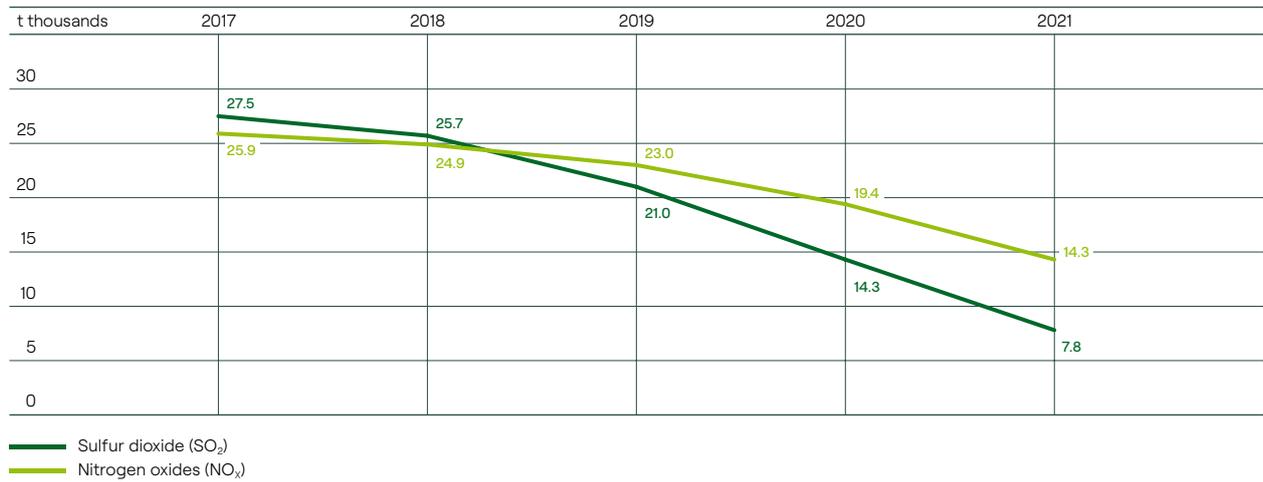
Note: The baseline indicator is expressed in t CO₂ equivalent, i.e., it includes emissions of other gases and corresponds to definition of Scope 1 (see the above text).

CEZ Group's CO₂ Emission Intensity per Electricity Generated

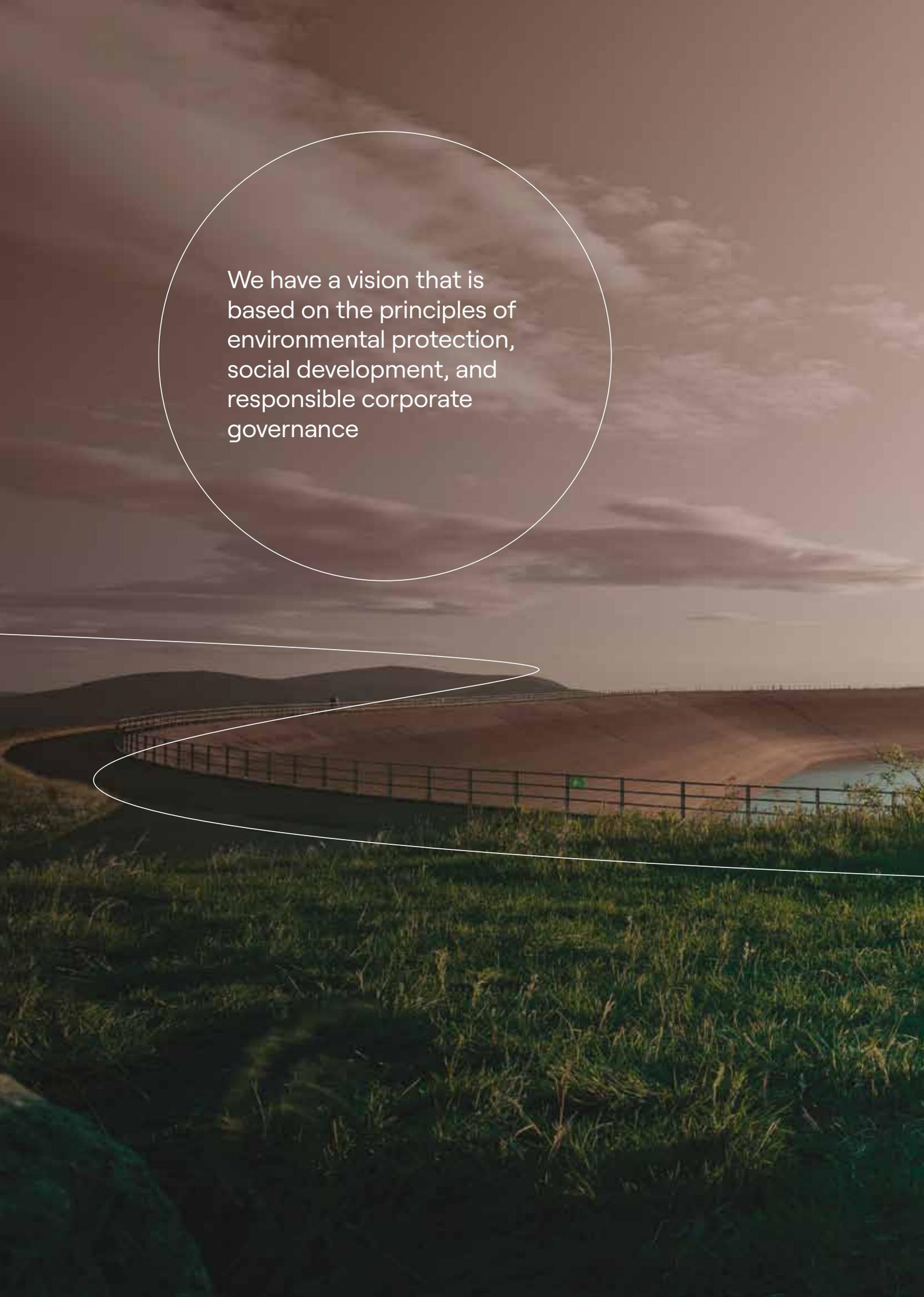
	Unit	2017	2018	2019	2020	2021	2021/2020 Index (%)
In t CO ₂	t CO ₂ /MWh _e	0.40	0.39	0.36	0.33	0.28	85.3

Reducing SO₂ and NO_x Emissions from Electricity and Heat Generation

SO₂ and NO_x Emissions to Air from Electricity and Heat Generation in 2017–2021



At the same time, CEZ Group is aware of its commitment to communities and regions adversely affected by the shutdown of coal-fired power plants or mining. The ČEZ Foundation already supports these regions through its projects.



We have a vision that is based on the principles of environmental protection, social development, and responsible corporate governance



2. Corporate Governance

Governance Bodies

(Standalone Section of the Annual Report pursuant to Section 118(4)(j) of Act No. 256/2004 Sb.)

ČEZ, a. s., is a joint-stock company that was incorporated in the Commercial Register on May 6, 1992. The scope of the Company's business activities is mainly electricity generation, generation and distribution of thermal energy, electricity trade, gas trade, and other activities. The Company is headquartered in Czechia at Duhová 2/1444, 140 53 Praha 4. The Company's website is located at www.cez.cz. The Company is subject to Act No. 90/2012 Sb., on Commercial Companies and Cooperatives (Business Corporations Act) as a whole.

The Company had the following governance bodies in 2021:

- Shareholders' meeting
- Supervisory Board
- Audit Committee
- Board of Directors

Shareholders' Meeting

The Company's supreme governance body is the shareholders' meeting, the sessions of which are held at least once in each accounting period, no later than six months after the last day of the previous accounting period.

The exclusive powers of the shareholders' meeting include, in particular, the following:

- Making decisions on amendments to the Company's bylaws
- Making decisions on changes to the Company's capital and on issues of convertible or priority bonds
- Electing and removing two-thirds of members of the Supervisory Board, approving contracts on service on the Supervisory Board and amendments thereto
- Approving annual or extraordinary financial statements, consolidated financial statements, where approval by the shareholders' meeting is stipulated by law, as well as interim financial statements; making decisions on the distribution of profits or other own resources or the settlement of a loss

- Making decisions on the provision of consideration within the meaning of Section 61 of the Business Corporations Act to members of the Supervisory Board and members of the Audit Committee
- Making decisions on filing an application for admission or withdrawal of the Company's shares and securities to or from trading on a European regulated market
- Making a decision on Company dissolution with liquidation, appointing and removing a receiver, approving the final report and proposal for the use of the liquidation balance
- Making a decision on Company transformation unless such a decision is not required by law
- Approving the assignment, pledge, or lease of an enterprise or such a part of property that would result in a substantial change to the Company's actual scope of business or activities
- Approving silent partnership agreements and other agreements establishing the right to a share in the Company's profits or other own resources
- Making decisions on the amount of funds for donations over a defined period
- Making decisions on changes to the class or form of shares and on changes in rights associated with a certain class of shares
- Excluding or restricting preferential rights to acquire convertible and/or priority bonds and to subscribe new shares
- Making decisions on stock mergers or splits
- Making decisions on the Company's business policy and changes thereto
- Discussing the Board of Directors' report on the Company's business activities, the Supervisory Board's report, and the Audit Committee's report on their activities
- Making decisions on the appointment of an auditor to conduct the statutory audit
- Electing and removing members of the Audit Committee and approving their service contracts
- Approving the remuneration policy and remuneration report
- Approving significant transactions under the Capital Market Business Act

Attendance at the Shareholders' Meeting

A person registered as a shareholder in the register of investment instruments (Central Securities Depository) has the right to participate in the shareholders' meeting. The record date for attendance at the shareholders' meeting is the seventh day preceding the date on which the shareholders' meeting is held. The shareholders' meeting is further attended by members of the Board of Directors, Supervisory Board, Audit Committee, and persons that can reasonably give their opinion on items of the agenda can also be invited, such as the Company's auditors and advisers, as well as individuals that make arrangements for the shareholders' meeting.

Procedure at the Shareholders' Meeting

The person presiding at the shareholders' meeting must make sure that all proposals and such counterproposals that were submitted in a due and timely manner are communicated to shareholders at the shareholders' meeting. They must also ensure that an explanation of matters provided for by law is given at shareholders' request.

At the shareholders' meeting, shareholders may vote, request and receive explanations in matters concerning the Company or its controlled entities, apply proposals and counterproposals, and file protests.

Each shareholders' meeting shall, as a general rule, last for a maximum of 10 hours from its opening, whereas this maximum duration shall not include the time when (i) the Board of Directors (or other elected body) submits its proposals, reports, or other communications to the shareholders' meeting; (ii) a break is announced in order to prepare responses to the submitted requests for clarification; and (iii) the procedure of the shareholders' meeting is interrupted due to a fact preventing the continuation of its proper course.

If during the shareholders' meeting it becomes clear that it is not possible to discuss all matters included in its agenda without exceeding this maximum duration, the Board of Directors is entitled (even repeatedly, or after exceeding this maximum duration) to propose to the shareholders' meeting either (i) suspending the discussion and postponing unresolved issues to another specified date, time, and place (but not later than the fifth working day after the commencing day of the shareholders' meeting), or (ii) postponing unresolved issues to the next shareholders' meeting pursuant to Section 409 of the Business Corporations Act. The Board of Directors is obliged to submit to the shareholders' meeting a draft of any of the above decisions whenever it receives the relevant initiative from the Chairman of the shareholders' meeting. If the shareholders' meeting fails to make any of the above decisions, the shareholders' meeting will continue even after exceeding this so-called maximum duration. Discussing the request for explanation takes place in two rounds, separately for each item on the shareholder's meeting agenda, or for several items on the agenda together.

Requests for explanation are preferred (but not mandatory) in written form. A shareholder is obliged to submit written submissions containing a request for explanation either before the beginning of the shareholders' meeting, delivering it to the Company, or at the shareholders' meeting via the information center. A shareholder is not entitled to read the written submission containing the request for explanation during their

oral address. A shareholder is obliged to deliver any extensive submissions with requests for explanations (containing more than 10 requests for explanations or clearly exceeding 4 standard pages of text) to the Company in writing at least two working days before the date of the shareholders' meeting.

A shareholder may also submit their request for explanation during their oral address, within the first or second round of request discussions, provided that they register in the relevant round in time and observe the other rules set for individual rounds during their address.

In the first round, each shareholder is entitled only to one address, whereas the address is limited in time (maximum 10 minutes), and they may submit a maximum of 5 requests for explanation during the address. In addition, they shall be entitled to add a justification of explanation orally to their requests for explanations submitted with their written submissions.

In the second round, the number of addresses of one shareholder is not limited, but the total time of all their addresses may not exceed 10 minutes. The second round ends with the submission of an explanation to all submitted requests for explanation, provided that no other shareholders are registered for their address.

The Chairman of the shareholders' meeting is entitled, based on a reasoned request from the shareholder(s), to decide after discussion with the Board of Directors that shareholders may speak for a certain time (usually no longer than 30 minutes) and submit brief requests for explanation (at this additional time provided, the number of requests for explanation per shareholder or the time limit for oral address per shareholder is not limited; however, the total duration of this additional time will be determined).

A representative (including a member of a statutory body) of several shareholders is considered to be one shareholder for the purposes of the above restrictions.

Explanations may be provided as a summary response to multiple requests for explanation with similar contents. If that is not possible due to the complexity of the explanation, the Company will provide the explanation to the shareholder within 15 days of the date on which the shareholders' meeting is held. An explanation is deemed to have been given to a shareholder even if the information was published on the Company's website no later than on the day preceding the day of the shareholders' meeting and is available to the shareholders at the place of the shareholders' meeting.

When voting, the proposal of the Board of Directors is first voted on, then the proposal of the Supervisory Board and then the proposals and counterproposals of shareholders in the order in which they were submitted (this does not apply if the item was included on the shareholders' meeting agenda on the basis of a request from shareholders referred to in Sec. 365 of the Business Corporations Act, where the proposal of the given shareholders is first voted on). Once a proposal has been approved, further proposals and counterproposals contrary to the approved proposal shall no longer be voted on.

If a shareholder intends to submit a proposal or counterproposal to the shareholders' meeting agenda, they are obliged to deliver it to the Company in writing no later than ten days before the date of the shareholders' meeting (this does not apply in the case of proposals and counterproposals for the election or removal of specific persons to/from a Company body).

Shareholders' Meeting Decision-Making

The shareholders' meeting constitutes a quorum if the present shareholders hold shares whose cumulative face value exceeds 30% of the Company's stated capital.

The shareholders' meeting makes decisions by a simple majority of the votes of the shareholders present, unless a different majority is required by law or the Company's bylaws. Each Company share with a face value of CZK 100 carries one vote. Matters that were not included in the published agenda of the shareholders' meeting may only be decided on in the presence and with the approval of all Company shareholders. The minutes of the shareholders' meeting together with notices of the shareholders' meeting and attendance lists, including submitted powers of attorney, are kept in the Company archives for the existence of the Company.

Shareholders' Meeting in 2021

An annual shareholders' meeting of ČEZ, a. s., was held on June 28, 2021, which:

- Heard the reports of the Company's bodies
- Heard information on CEZ Group's development plans for 2030 "VISION 2030—Clean Energy of Tomorrow"
- Approved the financial statements of ČEZ, a. s., the consolidated financial statements of CEZ Group, and the final financial statements of ČEZ Korporátní služby, s.r.o., which were prepared as of December 31, 2020
- Approved the distribution of the 2020 profit of ČEZ, a. s., amounting to CZK 21,076,986,263.84 and a portion of retained earnings amounting to CZK 6,898,481,204.16 as follows:
 - Share in profit to be distributed to shareholders (dividend) CZK 27,975,467,468
 - The dividend is CZK 52 per share before tax
- Appointed the auditing company Ernst & Young Audit, s.r.o., as auditor to perform the statutory audit for the accounting period of calendar years 2021 and 2022 and the auditing company Deloitte Audit s.r.o. to perform the statutory audit for the accounting period of calendar years 2023 and 2024
- Approved a 2022 donations budget of CZK 110 million
- Elected Tomáš Vyhnaněk and Jiří Pelák as members of the Audit Committee
- Approved the Report on Remuneration of ČEZ, a. s., for the financial year 2020 as submitted to the shareholders' meeting by the Company's Board of Directors

Supervisory Board

Supervisory Board Position and Powers

The Supervisory Board is the Company's control body supervising the exercising of the powers of the Board of Directors and the Company's activities. It presents the results of its activities to the shareholders' meeting.

In addition to other matters specified by law or the Company's bylaws, the Supervisory Board is competent in particular to:

- Check compliance with generally binding legal regulations, the Company's bylaws and shareholders' meeting resolutions
- Check how the Board of Directors executes ownership rights in legal entities that the Company has an ownership interest in
- Review annual, extraordinary, consolidated, and, where applicable, also interim financial statements, proposals for the distribution of profits or other own resources, or loss settlement, and the Related Parties Report, and present its comments to the shareholders' meeting
- Debate quarterly financial results, half-year reports, and other reports as applicable pursuant to the Capital Market Business Act, and annual reports pursuant to the Accounting Act
- Present its comments, recommendations, and proposals to the shareholders' meeting and the Board of Directors
- Elect and remove members of the Board of Directors
- Approve service contracts with members of the Board of Directors and consideration for members of the Board of Directors pursuant to Section 61 of the Business Corporations Act; however, the Supervisory Board is not entitled to make a decision on the provision of consideration if the performance of the member of the Board of Directors apparently contributed to the Company's unfavorable financial results
- Make decisions defining and assessing the performance of individual assignments of members of the Board of Directors
- Propose to the shareholders' meeting the appointment of an auditor to conduct the mandatory audit
- Establish an internal procedure enabling regular assessment of whether the conditions for exemption from the obligation to conclude, approve, and publish significant transactions under the Capital Market Business Act are met

The Supervisory Board grants its prior consent to the implementation of certain decisions by the Board of Directors. These include, in particular, decisions of the Board of Directors regarding:

- Acquisition, alienation, pledging, renting, lease, or free use of immovable and/or movable property (except for inventories according to Czech accounting standards and securities held for liquidity management) that are to be, or are, included in the Company's assets and whose book value exceeds CZK 500 million
- Implementation of the Company's capital expenditure project or the granting of the Company's consent to the implementation of a controlled Company's capital expenditure project if the value of the capital expenditure project is higher than CZK 500 million
- Operations with the Company's ownership interests in other legal entities in certain cases, for example, if the sum of the value of the interest alienated to a third party (that is, a party other than a controlled entity) and the net debt attributable to it ("enterprise value") exceeds CZK 500 million
- Provision of a monetary or nonmonetary supplement to create equity outside the share capital of an entity directly controlled by the Company or granting the Company's consent to the provision of a monetary or nonmonetary supplement by an entity controlled by the Company to create equity outside the share capital of an entity indirectly controlled by the Company, if the amount or value of the supplement exceeds CZK 500 million.
- Transfers and pledging of treasury stock
- Staffing of the supervisory boards of legal entities in whose capital ČEZ, a. s., has an interest higher than CZK 500 million or of those companies for which the Supervisory Board has reserved prior consent
- A draft contract with the auditor appointed by the shareholders' meeting to conduct the statutory audit
- Alienation of real property with market or appraisal price higher than CZK 100 million
- Granting of a loan (credit) to a third party (that is, a party other than a controlled entity) or the provision of security for a third party's liability that in each individual case exceeds CZK 200 million
- Acceptance of a long-term loan (credit) from a third party (that is, a party other than a controlled entity) for a period of more than one year and other similar long-term financial operations, except hedging operations in excess of CZK 500 million
- Issue of bonds other than those for which the consent of the shareholders' meeting is required
- Granting of Company stock options where the law permits the Board of Directors to do so
- Transformation of the Company, if the law allows the Board of Directors to decide so
- Making of a contract under which ČEZ, a. s., is to acquire or alienate assets whose value during one accounting period exceeds one-third of its equity as shown by the latest approved consolidated financial statements
- Enabling the conduct of due diligence (legal, financial, technical, and/or environmental audit)
- Conclusion of management contracts with Company division heads that are not members of the Board of Directors, and appointment of the chief executive officer
- Distribution of tender specifications to tenderers for public contracts pursuant to the Public Procurement Act if the anticipated value of the contract is greater than one-third of the Company's equity as shown by the last consolidated financial statements

Composition and Activities of the Supervisory Board

The Supervisory Board has 12 members. Two-thirds of members are elected and removed by the shareholders' meeting and one-third are elected and removed by Company employees. The Supervisory Board elects and removes its chairman and two vice-chairmen. The term of office of members of the Supervisory Board is four years and the members may be reelected. Unless the number of members of the Supervisory Board dropped by more than half, the Supervisory Board may appoint substitute members until the next shareholders' meeting in place of Supervisory Board members elected by the shareholders' meeting whose membership ended since the last shareholders' meeting. The term of office of a substitute Supervisory Board member is included in the total term of office of the member of the Supervisory Board.

Supervisory Board Decision-Making

The Supervisory Board constitutes a quorum if a majority of all its members, that is, at least 7 members, is present. Each member of the Supervisory Board has one vote when making decisions. The Supervisory Board makes decisions by a majority of the votes of all members unless the Company's bylaws stipulate otherwise. The Chairman of the Supervisory Board must always call a Supervisory Board meeting if a Supervisory Board member or the Board of Directors requests so or if shareholders defined in Section 365 of the Business Corporations Act request that the performance of the Board of Directors be reviewed pursuant to Section 370 of the Business Corporations Act. Such a request must be in writing and must include an urgent reason. A record is made of the course of each Supervisory Board meeting and the resolutions passed.

The participation of members of the Supervisory Board in meetings is usually personal, or in justified cases it is possible to use technical means (telephone conference, video conference). In necessary cases that allow no delay, it is possible to take a vote outside a meeting (by letter) in written form or using technical means. The resolution is adopted if at least two-thirds of all members took part in the vote and a majority of all members voted in favor of the resolution. The Supervisory Board may invite members of the Company's other bodies, Company employees, and/or other persons to its meetings. Supervisory Board meetings are held usually once a month. In 2021, 13 meetings were held: 11 regular meetings and 2 extraordinary meetings. 3 members were absent from 1 meeting, 2 members were absent from 1 meeting, and 1 member was absent from 1 meeting, none of which were the same person.

Supervisory Board Members

Otakar Hora

Chairman of the Supervisory Board since August 16, 2018, member of the Supervisory Board elected by the shareholders' meeting since June 23, 2018 (term ending June 23, 2022)

Graduate of the Economic Reporting and Audit program, University of Economics, Prague. He completed his research assistantship at the Department of Accounting of the University of Economics.

He gained managerial and professional experience in such positions as lecturer at the Department of Accounting, then deputy head of the Department of Management Accounting, and member of the Scientific Board of the Faculty of Finance and Accounting, University of Economics, Prague; Vice-President of the Czech Chamber of Auditors; partner at KPMG Česká republika Audit, s.r.o.; and partner in charge of the management of operations of KPMG group companies in Czechia.

Number of ČEZ shares as of December 31, 2021: 14,950.

- Standing Committee on the Construction of New Nuclear Power Plants in Czechia—committee member
- ABarent s. r. o.—Managing Director and company member
- České dráhy a.s.—Vice-Chairman of the Audit Committee
- ABAconcept s.r.o.—Managing Director and company member
- Severomoravské vodovody a kanalizace Ostrava a.s.—Chairman of the Audit Committee
- VODÁRNA PLZEŇ a.s.—Chairman of the Audit Committee
- SAZKA Group a.s.—Chairman of the Audit Committee
- DZD, v.o.s., in liquidation—company member, statutory representative and liquidator; liquidation terminated, company deleted from the Commercial Register
- Severomoravské vodovody a kanalizace Ostrava a.s.—Vice-Chairman of the Audit Committee

Roman Binder

Vice-Chairman of the Supervisory Board since February 24, 2022, substitute member of the Supervisory Board since February 24, 2022 (term ending at the next shareholders' meeting)

Graduate of the Faculty of Social Studies of Masaryk University in Brno, majoring in International Relations.

He gained his managerial and professional knowledge mainly in the positions of Senior Account Director of AMI Communications in the industry team, head of the Media Analysis Department of Czech Civic Democratic Party (ODS), and Deputy Minister of Finance.

He is not, and has not been in the past 5 years, a member of bodies outside CEZ Group or in associated and joint ventures of CEZ Group.

Zdeněk Černý

Vice-Chairman of the Supervisory Board since August 16, 2018, member of the Supervisory Board elected by the shareholders' meeting since June 27, 2014 (term ending June 28, 2022)

Graduate of the Faculty of Law, Charles University, Prague, and a Commercial Law MBA program, Ústav práva a právní vědy, o.p.s., Prague.

He gained managerial and professional experience in such positions as member of the Supervisory Board of UNIPETROL, a.s.; member and Chairman of the Supervisory Board of ČESKÁ RAFINÉRSKÁ, a.s.; Chairman of the ECHO Labor Union; and member of the Supervisory Board of CEZ Group's ČEZ Energetické služby, s.r.o.

Number of ČEZ shares as of December 31, 2021: 0.

- ECHO Labor Union—Chairman
- Property, Administrative, and Delimitation Union of Trade Unions (MSDU OS)—Vice-Chairman
- ČESKÁ RAFINÉRSKÁ, a.s.—Chairman of the Supervisory Board
- UNIPETROL, a.s. (now ORLEN Unipetrol a.s.)—Vice-Chairman of the Supervisory Board

Marta Ctiborová

Member of the Supervisory Board elected by the Company's employees since January 24, 2022 (term ending January 24, 2026)

Graduate of the Faculty of Operational Economics of the Czech University of Agriculture in Prague, majoring in economic policy and administration.

She gained her managerial and professional knowledge mainly in her trade union activities. In the past, she also acquired further experience as an editor of regional media, and subsequently as an internal communication officer at Mostecká uhelná společnost, a. s., and internal communication specialist at ČEZ, a. s. (Tušimice power plant). Now she is the fulltime Chairwoman of the Local Labor Organization of Power Engineers of the Tušimice and Pruněřov Power Plants.

Number of ČEZ shares as of December 31, 2021: 10.

- Czech Trade Union of Energy Workers—Chairwoman
- Association of Independent Trade Unions—member of the Board
- Hospodářská a sociální rada Ústeckého kraje, z.s.—member of the Board
- Local Labor Organization of Power Engineers of the Tušimice and Pruněřov Power Plants—Chairwoman

Vladimír Černý

Member of the Supervisory Board elected by the shareholders' meeting since July 2, 2020 (term ending July 2, 2024)

Graduate of mechanization and agriculture at the University of Agriculture in Brno and the Faculty of Law at the Bratislava University of Law in Bratislava, Slovakia.

He gained managerial and professional knowledge mainly as the Mayor of the Rouchovany municipality and as a member of the Board of Directors of the ČEZ Foundation.

Number of ČEZ shares as of December 31, 2021: 0.

- ENERGETICKÉ TŘEBÍČSKO (interest association of legal entities)—member of the governing body
- ČEZ Foundation— member of the Board of Directors
- Rouchovany Hunting Association—Association Chairman

Vladimír Kohout

Member of the Supervisory Board elected by the shareholders' meeting since June 3, 2016 (term ending July 2, 2024)

Graduate of the Brno University of Technology, Faculty of Electrical Engineering.

He gained managerial and professional experience in such positions as Technology and Investment Director at Teplárny Brno, a.s.; Economic Director and Vice-Chairman of the Board of Directors of Energetické strojířny Brno, a.s.; and Chairman of the Board of Directors and Statutory Director of Moravská energetická a.s. In CEZ Group he has worked as a heating plant technology operations manager; electrical operations manager; and director of the Brno branch of ČEZ—Jihomoravské elektrárny Brno, k.p., Brno.

Number of ČEZ shares as of December 31, 2021: 10,235.

- ESB Elektro, a.s.—Chairman of the Board of Directors
- ESB Rozvaděče, a.s.—member of the Board of Directors
- Moravská energetická a.s.—Chairman of the Board of Directors and sole shareholder
- Moravská energetická a.s.—Statutory Director

- Current membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures.
- Membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures ended in the past 5 years.

Radek Mucha

Member of the Supervisory Board elected by the Company's employees since January 24, 2022 (term ending January 24, 2026)

Graduated in Business Law at the Jan Amos Komenský University in Prague.

He gained his managerial and professional knowledge mainly in the positions of CEZ Group's Occupational Health and Safety coordinator, member of the CEZ Group's European Works Council, and member of the Supervisory Board (and its Personnel Committee) of ČEZ, a. s.

Number of ČEZ shares as of December 31, 2021: 0.

- CEZ European Works Council—member

František Novotný

Member of the Supervisory Board elected by the Company's employees since January 24, 2022 (term ending January 24, 2026)

He graduated from the grammar school in Třebíč and two-year post-secondary studies at the Secondary Vocational School of Fire Protection in Frýdek-Místek.

He gained his professional and managerial knowledge mainly as a miner and surveyor of microclimatic working conditions at OKD and as a firefighter, squad leader, shift commander, and operations officer of the Dukovany Nuclear Power Plant Fire Rescue Corps, and as Chairman of the Local Labor Organization of Energy Shift Workers at the Dukovany Power Plant.

Number of ČEZ shares as of December 31, 2021: 0.

- CEZ European Works Council—member

Karel Tyll

Member of the Supervisory Board elected by the shareholders' meeting since June 23, 2018 (term ending June 23, 2022)

Graduate of the University of Economics, Prague, majoring in finance with a minor in computer science.

He gained managerial and professional experience in such positions as Director of the State Budget department of the Czech Ministry of Finance and member of the Supervisory Board of Podpůrný a garanční rolnický a lesnický fond, a.s. (Agricultural and Forestry Subsidy and Guarantee Fund).

Number of ČEZ shares as of December 31, 2021: 530.

- Podpůrný a garanční rolnický a lesnický fond, a.s.—member of the Supervisory Board

František Vágner

Member of the Supervisory Board elected by the shareholders' meeting since June 3, 2016 (term ending July 2, 2024)

Graduate of the nuclear chemistry program at the Faculty of Nuclear Sciences and Physical Engineering, Czech Technical University, Prague.

He gained managerial and professional experience in such positions as Director, Managing Director, Chief Executive Officer, and Vice-Chairman and Chairman of the Board of Directors of ENVINET a.s. and Senior Adviser at NUVIA a.s. In CEZ Group he has worked as ČEZ's Head of Technical Support.

Number of ČEZ shares as of December 31, 2021: 0.

- MIFRE ENERGY s.r.o. (formerly Perálec 77, s.r.o.)—company member and Managing Director
- IFRE a.s.—Chairman of the Board of Directors and sole shareholder
- IFRE INDUSTRY a.s.—member of the Board of Directors
- P77 s.r.o.—company member and Managing Director
- BD ŘÍČANY s.r.o.—Managing Director
- Denní centrum Barevný svět, o.p.s.—member of the Board of Directors
- IFRE a.s.—Statutory Director
- TREBITSCH HOLDING SE—member of the Board of Directors

Jan Vaněček

Member of the Supervisory Board elected by the shareholders' meeting since June 27, 2019 (term ending June 27, 2023)

Graduate of the Faculty of Electrical Engineering, Czech Technical University, Prague, and the ACCA/FCCA—Chartered Certified Accountant international professional training program. He gained managerial and professional experience in such positions as Audit Senior at Arthur Andersen and Chief Financial Officer for the Czech Republic at U.S. energy company Cinergy.

Number of ČEZ shares as of December 31, 2021: 0.

- pinn partners s.r.o.—Managing Director and company member
- CP Praha s.r.o., in liquidation—Vice-Chairman of the Supervisory Board

- Current membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures.
- Membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures ended in the past 5 years.

Milan Wagner

Member of the Supervisory Board elected by the Company's employees since January 24, 2022 (term ending January 24, 2026)

Graduate of the Faculty of Mechanical Engineering at Jan Evangelista Purkyně University in Ústí nad Labem, majoring in Energy Engineering—Thermal Engineering.

He gained his managerial and professional knowledge mainly in the positions of measurement and control engineer, power equipment engineer, chairman of a trade union, and member of the Supervisory Board of the Trmice Heating Plant, member of the municipal council and Mayor of the Municipality of Zubrnice, and member of the CEZ Group European Works Council.

Number of ČEZ shares as of December 31, 2021: 0.

- CEZ Group European Works Council—member

Members of the Supervisory Board whose membership ended in 2021 or before the Annual Report closing date:

Jitka Čermáková

Member of the Supervisory Board from April 12, 2017, to January 23, 2022

Vladimír Hronek

Member of the Supervisory Board from September 30, 2010 to January 23, 2022

Lubomír Klosík

Member of the Supervisory Board from April 12, 2017, to January 23, 2022

Ondřej Landa

Vice-Chairman of the Supervisory Board from June 23, 2016, to January 16, 2022, member of the Supervisory Board from June 3, 2016, to January 16, 2022

Josef Suchánek

Member of the Supervisory Board from April 12, 2017, to January 23, 2022

Supervisory Board Committees

The Supervisory Board's powers include setting up committees to serve as advisory bodies in selected areas of expertise. Only Supervisory Board members may become committee members. Committee members are elected and removed by the Supervisory Board. The term of a member of a Supervisory Board committee ends at the latest on the date of termination of their membership of the Supervisory Board unless they are removed or resign from the committee on an earlier date. Each committee elects its Chairman and Vice-Chairman. There were no Supervisory Board committees operating at the Company in 2021. Their tasks were assumed by work groups, which work as currently needed by the Supervisory Board.

Audit Committee

Position and Powers of the Audit Committee

Without prejudice to the responsibilities of members of the Board of Directors and the Supervisory Board, the Audit Committee, in particular:

- Monitors the process of compiling financial statements and consolidated financial statements and presents recommendations to the Board of Directors and the Supervisory Board in order to ensure integrity of accounting and financial reporting systems
- Monitors the efficiency of internal controls and risk management systems
- Monitors the efficiency of internal audit and its functional independence
- Recommends an auditor to conduct a statutory audit to the Supervisory Board, duly justifying such a proposal
- Monitors the statutory audit process
- Assesses the independence of the auditor conducting a statutory audit and the provision of nonaudit services to the Company by the auditor
- Discusses with the auditor risks to the auditor's independence and safeguards applied by the auditor in order to mitigate such risks
- Gives its opinion on release from an obligation under a statutory audit contract or termination of a statutory audit contract
- Informs the Supervisory Board of the result of a statutory audit and its findings obtained monitoring the statutory audit process
- Informs the Supervisory Board of how a statutory audit contributed to ensuring integrity of accounting and financial reporting systems
- Approves the provision of other nonaudit services
- Exercises other powers pursuant to the Auditors Act or directly applicable EU legislation

The Audit Committee discusses reports on significant facts arising from the statutory audit on an ongoing basis. If it receives an additional audit report pursuant to applicable provisions of the Auditors Act, it debates it and submits it to the Board of Directors and the Supervisory Board without undue delay upon request.

The Audit Committee prepares an activity report once per year and provides it to the Public Audit Oversight Board. Members of the Audit Committee attend the Company's shareholders' meetings and are required to present the results of their activities to the shareholders' meeting.

Composition and Activities of the Audit Committee

The Audit Committee has 5 members, who are elected and removed by the shareholders' meeting from among the members of the Supervisory Board or third parties. Members of the Audit Committee may not be members of the Board of Directors nor Company proxies. A majority of members must be independent and professionally qualified as required by the applicable provisions of the Auditors Act. At least one member must be a person that is or was a statutory auditor or a person whose expertise and/or prior practice in accounting qualify them to duly perform the duties, taking into consideration the Company's line of business. This member must always be independent. The Audit Committee elects its chairman who must be independent pursuant to the applicable provisions of the Auditors Act, and its vice-chairman. The term of each member is four years. The business address of members of the Audit Committee is the Company's registered office address: Duhová 2/1444, 140 53 Praha 4.

Audit Committee Decision-Making

The Audit Committee constitutes a quorum if a majority of all its members is present. Each member has one vote when making decisions. The Audit Committee makes decisions by a majority of the votes of all its members. The participation of members of the Audit Committee in meetings is usually personal, or in justified cases it is possible to use technical means (telephone conference, video conference). In necessary cases that allow no delay, it is possible to take a vote outside a meeting (by letter) in written form or using technical means. The proposal for the Audit Committee's resolution must be sent to all its members. The resolution is adopted if at least two-thirds of all members took part in the vote and a majority of all members voted in favor of the resolution. The Audit Committee may invite members of the Company's other bodies, Company employees, and/or other persons to its meetings.

Audit Committee meetings are held as necessary. Six regular meetings were held in 2021. At 2 different meetings, 1 member was absent each time, a different person each time.

Members of the Audit Committee

Jan Vaněček

Chairman of the Audit Committee from September 25, 2015, to June 12, 2019, reelected on June 27, 2019, member of the Audit Committee from June 12, 2015, to June 12, 2019, reelected by the shareholders' meeting with effect since June 27, 2019 (term ending June 27, 2023)

For personal details, see his entry as a member of the Supervisory Board.

Otakar Hora

Vice-Chairman of the Audit Committee since September 27, 2016, member the Audit Committee elected by the shareholders' meeting since June 3, 2016 (term ending July 2, 2024)

For personal details, see his entry as Chairman of the Supervisory Board.

Andrea Lukášiková

Member of the Audit Committee elected by the shareholders' meeting since June 27, 2014 (term ending June 28, 2022)

Graduate of the Faculty of International Relations, University of Economics, Prague.

She gained managerial and professional experience in such positions as Head of Risk Management at Deloitte Audit s.r.o.; in the independent European Affairs department of the Chancellery of the Senate of the Parliament of the Czech Republic; and in financial management and accounting at Olife Corporation, a.s. She is currently the head of internal audit at Czech Television.

- Letiště Praha, a. s.—Vice-Chairwoman of the Audit Committee
- Český Aeroholding, a.s.—member of the Audit Committee (the company ceased to exist as a result of a merger by acquisition by Letiště Praha, a. s., as the acquiring company)
- Česká exportní banka, a.s.—member of the Audit Committee

Jiří Pelák

Member of the Audit Committee from June 21, 2017, to June 21, 2021, reelected by the shareholders' meeting with effect since June 28, 2021 (term ending June 28, 2025)

Graduate of the Faculty of Finance and Accounting, University of Economics, Prague, where he also earned his doctorate. He studied at the Copenhagen Business School in Denmark for six months and at St. Mark's International College in Australia for another six months.

He gained managerial and professional experience particularly in his positions in the Department of Financial Accounting and Audit, Faculty of Finance and Accounting, University of Economics, Prague; as an auditor and First Vice-President of the Czech Chamber of Auditors; and as a reporting specialist at Global Payments Europe, where he was in charge of subsidiary reporting management, consolidation, and reporting to the parent company. As an expert, he prepared a number of interpretations of the National Accounting Council, application clauses of the Czech Chamber of Auditors, and helped to translate International Financial Reporting Standards. He collaborated on the Czech Corporate Governance Code as a member of the advisory panel.

- AFC CENTER, spol.s r.o.—company member and Managing Director
- Chamber of Auditors of the Czech Republic—member of the Executive Board
- Hippokrates Endowment Fund—auditor
- ŠAKAL Kbely—školní atletický klub Albrechtická z. s. (School Athletic Club)—Vice-Chairman of the Executive Board
- Pražská plynárenská, a.s.—member of the Supervisory Board
- Pražská vodohospodářská společnost a.s.—member of the Supervisory Board
- PRISKO a.s.—Chairman of the Audit Committee
- Pražské vodovody a kanalizace, a.s.—member of the Supervisory Board
- ZOOT a.s.—member of the Audit Committee

Tomáš Vyhnánek

Member of the Audit Committee from June 21, 2017, to June 21, 2021, reelected by the shareholders' meeting with effect since June 28, 2021 (term ending June 28, 2025)

Graduate of the Faculty of Social Sciences, Charles University, Prague.

He gained managerial and professional experience in such positions as manager at Deloitte Advisory s.r.o.; manager at ČSOB Advisory, a.s.; and various positions at the Ministry of Finance of the Czech Republic (Director of the Central Harmonization Unit, Deputy Minister for Financial Management and Audit).

- České dráhy, a.s.—Chairman of the Audit Committee
- MERO ČR, a.s.—member of the Audit Committee

Remuneration of Supervisory Board Members and Audit Committee Members

The individual remuneration components of members of the Supervisory Board are described in the Remuneration Policy of ČEZ, a. s., approved by the Company's shareholders' meeting on June 29, 2020¹⁾, which is prepared in accordance with Section 121l of Act No. 256/2004 Sb., on capital market business, as amended. In accordance with Sec. 121o to 121q thereof, a Report on the Remuneration of ČEZ, a. s., for the accounting period of 2021 will be prepared, which will be submitted for approval to the Company's shareholders' meeting in 2022.

¹⁾ Available at www.cez.cz/cs/pro-investory/korporatni-zalezitosti/politika-odmenovani-92885.

- Current membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures.
- Membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures ended in the past 5 years.

Board of Directors

Position and Powers of the Board of Directors

The Board of Directors is a statutory body managing the Company's activities. It makes decisions on all Company matters unless they are reserved for the shareholders' meeting, the Supervisory Board, or another governance body by law or the Company's bylaws. It may delegate decisions on certain matters to individual members of the Board of Directors within the meaning of Section 156(2) of the Civil Code and to Company employees. Such delegation does not relieve members of the Board of Directors of their responsibility for overseeing how Company matters are managed. The Board of Directors obeys the principles and directions approved by the shareholders' meeting as long as they are in compliance with the law and the Company's bylaws.

The Board of Directors is competent, in particular, to:

- Take care of business management and proper bookkeeping
- Call a shareholders' meeting, make organizational arrangements for it, and present to it, in particular, the following:
 - Draft company business policies and draft amendments thereto, at least once every four years
 - Draft amendments to the bylaws
 - Proposals to increase/decrease the stated capital, and to issue convertible and/or priority bonds
 - Annual, extraordinary, consolidated, and/or interim financial statements, if they are required to be approved by the shareholders' meeting
 - Proposals for the distribution of profits and other own resources including the amount, manner, and date of payment of dividends, the amount of directors' fees, and allocations to reserves or the manner of settlement of Company losses
 - Report on Company's business activities
 - Proposal for Company dissolution
 - Summary explanatory report pursuant to Section 118(9) of the Capital Market Business Act
 - Remuneration policy and a report on remuneration pursuant to the Capital Market Business Act
 - Proposal for approving significant transactions under the Capital Market Business Act

- Implement resolutions of the shareholders' meeting
- Grant and revoke procuration
- Approve and amend the Signature Rules of ČEZ, a. s., and, with the consent of the labor organizations, the Work Rules of ČEZ, a. s.
- Approve, after consultation with labor organizations operating within the Company, the ČEZ, a. s., Election Rules for the election of Supervisory Board members elected by Company employees, and organize such elections
- Remove Company executives pursuant to Section 73 of the Labor Code
- Make service contracts with members of Company governing bodies on behalf of the Company

Composition and Activities of the Board of Directors

The Board of Directors has seven members, who are elected and removed by the Supervisory Board. The Board of Directors elects and removes its chairman and two vice-chairmen (currently only one position of vice-chairman is filled). The term of office of each member is four years and members may be reelected. The business address of members of the Board of Directors is the Company's registered office address: Duhová 2/1444, 140 53 Praha 4.

Board of Directors Decision-Making

The Board of Directors constitutes a quorum if a majority of all its members is present. Each member has one vote. The Board of Directors makes decisions by a majority of the votes of all its members. A record is made of the proceedings and the resolutions passed. In necessary cases that allow no delay, it is possible to take a vote outside a meeting (by letter). The proposal for the Board of Directors' resolution must be sent to all its members. The resolution is adopted if at least two-thirds of all members took part in the vote and a majority of all members voted in favor of the resolution. The Board of Directors may invite members of the Company's other bodies, Company employees, and/or other persons to its meetings. Board of Directors meetings are held at least once a month. In 2021, 39 meetings were held: 37 regular meetings and 2 extraordinary meetings.

Description of the Activities, Competence, and Decision-Making Powers of the Board of Directors

The office of member of the ČEZ Board of Directors involves the exercise of all rights and obligations that are associated with the office pursuant to applicable law, the Company's bylaws, and contracts on service on the Board of Directors. The specific tasks of a member of the Board of Directors may be determined by the Board of Directors.

In business management, the Board of Directors makes decisions on the following, in particular (depending on the amount of an transaction):

- Using funds from the legal reserve, unless otherwise provided by law
- Increasing the Company's capital in compliance with the Business Corporations Act and the Company's bylaws and, in that context, issuing Company shares as dematerialized bearer securities
- Draft purchase contracts concerning electricity, heat, natural gas, and greenhouse gas emission allowances; distribution, transmission, and ancillary services; commodity derivatives and commodity trade services
- Selected capital projects and implementation thereof
- Acceptance of selected long-term loan (credit) for a period of more than one year or other similar financial operations of the Company, except hedging operations
- Contents of annual reports pursuant to the Accounting Act and half-year and annual reports pursuant to the Capital Market Business Act
- The founding legal action in the establishment of another legal entity, acquisition, transfer, or cancellation of the Company's ownership interest in another legal entity
- Selected disposals or leases of real estate

The Board of Directors must seek the Supervisory Board's prior opinion to take some of its decisions, see information on the Supervisory Board.

The Board of Directors must submit certain matters to the Supervisory Board for review and seek the Supervisory Board's prior opinion. These are:

- Approval of and amendment to the ČEZ Organizational Rules
- Approval of rules for the creation and use of Company funds
- Draft annual capital and operating budgets
- Proposals for substantial changes in the Company's organizational structure
- Proposal for the Company's strategy or a substantial update thereto under the business policy approved by the shareholders' meeting
- Draft business plan of the Company
- Draft business policies (including amendments thereto) of controlled entities with stated capital in excess of CZK 500 million
- All proposals to be presented by the Board of Directors to the shareholders' meeting for decision or information; however, it is sufficient to just notify the Supervisory Board of proposals that the Board of Directors is required to present to the shareholders' meeting by law
- Contents of tender specifications pursuant to the Public Procurement Act if the estimated value of the contract is greater than one-third of the Company's equity as shown by the latest consolidated financial statements
- Remuneration policy and a report on remuneration pursuant to the Capital Market Business Act

No later than May 30 of the calendar year, the Board of Directors submits to the Supervisory Board for review the regular and consolidated financial statements, the proposal for profit distribution (including the method of payment and maturity of dividends), the proposed amount of royalties, the report on relations pursuant to Sec. 82 of the Business Corporations Act, as well as extraordinary and interim financial statements in cases where the obligation to prepare them arises from law.

Pursuant to the Company's bylaws, the Board of Directors must notify some of its decisions to the Supervisory Board. The Board of Directors may entrust its members with powers in a certain field of management and function in the Company's organizational structure. In such a case, the member of the Board of Directors is authorized, within the scope of the entrusted powers, to manage a certain Company division or unit. In conjunction with such authorization, the member of the Board of Directors is also entitled to use the title of the position so delegated (Chief Executive Officer, division head). When acting on behalf of the Company in legal matters, e.g., signing contracts, they always use the title "member/Vice-Chairman/Chairman of the Board of Directors".

Board of Directors—Members



Daniel Beneš
Chairman of the Board of Directors
Chief Executive Officer



Pavel Cyrani
Vice-Chairman of the Board of Directors
Chief of the Sales and Strategy Division



Martin Novák
Member of the Board of Directors
Chief of the Finance Division



Tomáš Pleskač
Member of the Board of Directors
Chief of the New Energy Division



Michaela Chaloupková
Member of the Board of Directors
Chief of the Administration Division



Jan Kalina
Member of the Board of Directors
Chief of the Renewable and
Traditional Energy Division



Bohdan Zronek
Member of the Board of Directors
Chief of the Nuclear Energy Division

Members of the Board of Directors

Daniel Beneš

Chairman of the Board of Directors since September 15, 2011, member of the Board of Directors since December 15, 2005 (term ending December 18, 2021), reelected for another term ending December 19, 2025

Graduate of the Technical University of Ostrava, Faculty of Mechanical Engineering, and the Brno International Business School Nottingham Trent University (MBA).

He gained managerial and professional experience in such positions as Procurement Director, Chief Administrative Officer, and Chief Operating Officer of ČEZ.

Number of ČEZ shares as of December 31, 2021: 30,000.

Number of ČEZ stock options as of December 31, 2021: 5,753.

Number of ČEZ stock options as of February 28, 2022: 0.

- Confederation of Industry of the Czech Republic—member of the Board of Directors and First Vice-President
- ČEZ Foundation—Chairman of the Board of Directors
- RELT Investments, a.s.—member of the Supervisory Board and sole shareholder
- Technical University of Ostrava—member of the Board of Directors

Pavel Cyrani

Vice-Chairman of the Board of Directors since January 1, 2020, member of the Board of Directors since October 20, 2011 (term ending October 22, 2023)

Graduate of the University of Economics, Prague, majoring in international trade, and the Kellogg School of Management in Evanston, Illinois (USA), where he was awarded an MBA in Finance.

He gained managerial and professional experience primarily at ČEZ, where he has served since 2006, first as Head of Planning & Controlling and Head of Asset Management and since 2011 as a member of the Board of Directors, Chief Strategy Officer, and then Chief Sales and Strategy Officer. Prior to joining ČEZ, he worked at McKinsey & Company.

Number of ČEZ shares as of December 31, 2021: 23,216.

Number of ČEZ stock options as of December 31, 2021: 11,671.

Number of ČEZ stock options as of February 28, 2022: 11,671.

Michaela Chaloupková

Member of the Board of Directors from October 20, 2011, to October 21, 2019, reelected with effect from January 1, 2020 (term ending January 1, 2024)

Graduate of the Faculty of Law, University of West Bohemia, Plzeň, and an Executive Master of Business Administration (MBA) program at the KATZ School of Business, University of Pittsburgh, specializing in the energy sector.

She gained managerial and professional experience, in particular, at Stratego Invest a.s. (later i-Tech Capital, a.s.), where she served as Head of Controlling and Vice-Chairwoman of the Board of Directors, as well as in managerial positions in Procurement and Human Resources at ČEZ.

Number of ČEZ shares as of December 31, 2021: 0.

Number of ČEZ stock options as of December 31, 2021: 5,671.

Number of ČEZ stock options as of February 28, 2022: 5,671.

- ČEZ Foundation—member of the Supervisory Board
- CEZ GROUP SENIORS Endowment Fund—Chairwoman of the Supervisory Board
- Revenium Endowment Fund—member of the Board of Directors
- University of West Bohemia in Plzeň—member of the Supervisory Board
- Odyssey, z.s.—member of the Board of Directors

Jan Kalina

Member of the Board of Directors since June 29, 2021 (term ending June 29, 2025)

Graduate of the Faculty of Electrical Engineering at the University of West Bohemia in Plzeň, majoring in Electrical Engineering.

He gained his managerial and professional knowledge mainly as Chairman of the Board of Directors of ČEPS, a.s., and in CEZ Group as a manager in the Purchasing and Asset Management departments of ČEZ, a. s., Managing Director and CEO of ČEZ Správa majetku (ČEZ Asset Management), member of the Board of Directors, CFO, and Commercial Director of Severočeské doly, Director A at CEZ RES International B.V., and Chairman of the Board of Directors and CEO of ČEZ Obnovitelné zdroje, s.r.o.

Number of ČEZ shares as of December 31, 2021: 0.

Number of ČEZ stock options as of December 31, 2021: 0.

Number of ČEZ stock options as of February 28, 2022: 0.

- ČEPS, a.s.—Chairman of the Board of Directors
- ČEPS Invest, a.s.—Chairman of the Supervisory Board
- Czech Association of Energy Sector Employers—Chairman of the Board of Directors

Martin Novák

Member of the Board of Directors since May 21, 2008 (term ending May 24, 2024), Vice-Chairman of the Board of Directors from October 20, 2011, to December 31, 2019

Graduate of the Faculty of International Relations, University of Economics, Prague, majoring in international trade and commercial law. In 2007, he completed an Executive Master of Business Administration (MBA) program at the KATZ School of Business, University of Pittsburgh, specializing in the energy sector.

He has been a member of the Czech Chamber of Tax Advisers since 1996.

He gained managerial and professional experience particularly during his almost ten-year career in the oil refining industry and fuel generation and distribution. He served as manager in ConocoPhillips' global headquarters in Houston, Texas, USA, as well as its London regional office. He also worked at ConocoPhillips Czech Republic s.r.o., where he served as Chief Financial Officer with responsibility for Central & Eastern Europe (in this position he also served as statutory representative for several regional branches of ConocoPhillips), and at ČEZ as Head of Accounting.

Number of ČEZ shares as of December 31, 2021: 20,000.

Number of ČEZ stock options as of December 31, 2021: 0.

Number of ČEZ stock options as of February 28, 2022: 0.

- Burza cenných papírů Praha, a.s. (Prague Stock Exchange)—member of the Supervisory Board

Tomáš Pleskač

Member of the Board of Directors since January 26, 2006 reelected with effect since January 30, 2022 (term ending January 30, 2026), Vice-Chairman of the Board of Directors from June 26, 2017, to December 31, 2019

Graduate of the Faculty of Business and Economics, University of Agriculture, Brno; MBA from Prague International Business School.

He gained managerial and professional experience in such positions as Chief Financial Officer for Severomoravská energetika, a. s., and Deputy Director for Finance for the Dukovany Nuclear Power Plant.

Number of ČEZ shares as of December 31, 2021: 8,000.

Number of ČEZ stock options as of December 31, 2021: 0.

Number of ČEZ stock options as of February 28, 2022: 0.

- Akcez Enerji A.S. (Turkey)—Vice-Chairman of the Board of Directors
- Akenerji Elektrik Üretim A.S. (Turkey)—Vice-Chairman of the Board of Directors

Bohdan Zronek

Member of the Board of Directors since May 18, 2017 reelected with effect from May 19, 2021 (term ending May 19, 2025)

Graduate of the Faculty of Electrical Engineering, Czech Technical University, Prague, and the InterLeader® 2012 development program.

He gained managerial and professional experience in various positions at the Temelín Nuclear Power Plant, where he took up a job after school. His latest positions were Chief Safety Officer at ČEZ, a. s., and Director of the Temelín Nuclear Power Plant. He is the Vice-Chairman of the Board of Management of the World Nuclear Association and President of the Nuclear Safety Advisory Committee of MVM (owner of operated power plant Paks).

Number of ČEZ shares as of December 31, 2021: 7,010.

Number of ČEZ stock options as of December 31, 2021: 0.

Number of ČEZ stock options as of February 28, 2022: 0.

- Radioactive Waste Repository Authority—Vice-Chairman of the Board

Working Commissions, Teams, and Committees of the Board of Directors

The Board of Directors may set up working commissions, teams, and committees for the purposes of its activities in compliance with the bylaws of ČEZ, a. s.

Board of Directors Committees

The Corporate Compliance Committee of ČEZ, a. s., was established as an advisory body to the Board of Directors. Its mission is to contribute to the expertise and efficiency of decision-making at ČEZ, a. s., within its defined purview. The Committee's tasks include, for example, evaluating current and potential compliance risks, assessing the level of compliance risk management at ČEZ, a. s., and CEZ Group, and assessing significant findings related to compliance incidents, events, or facts with a potential significant compliance impact.

The ESG Strategic Steering Committee was established by the Board of Directors to ensure the highest level of governance of the ESG agenda in ČEZ and CEZ Group. In particular, this Committee determines the overall direction and priorities of the ESG strategy, assesses the overall ESG performance of ČEZ and CEZ Group, oversees the achievement of the objectives and the overall progress of the ESG agenda, and has advisory, consultative, and informative functions in relation to the ČEZ Board of Directors and the statutory bodies of CEZ Group and CEZ Group companies.

Each member of the Board of Directors may set up working commissions, teams, and committees in their appointed area. Other members of the Board of Directors involved in the matters in question and relevant Company employees may participate in their work.

- Current membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures.
- Membership of governance bodies outside CEZ Group or at CEZ Group affiliates and/or joint ventures ended in the past 5 years.

Key committees in 2021 included the following:

- **Crisis Staff of ČEZ, a. s.**, which is an advisory body to the Chairman of the Board of Directors (Chief Executive Officer) designated to coordinate preparations for crisis situations, for resolving crisis situations, and implementing measures in the sense of Act No. 240/2000 Sb. (the Crisis Act). In 2020, the Expert Working Group—Coronavirus was established within the Crisis Staff, which was also intensively involved in preparing measures to minimize the transmission of COVID-19 at workplaces throughout CEZ Group in 2021.
- **ČEZ, a. s., Plant Safety Committee**, which, among other things, deals with matters concerning the safety of ČEZ, a. s., nuclear facilities, especially as regards compliance with integrated requirements for nuclear safety, radiation protection and technical safety, radiation situation monitoring, radiological emergency management, and security; it also debates matters concerning statutory and regulatory changes and their impact on nuclear safety management, the condition of onsite safety of nuclear facilities, safety culture, and allocation of resources to ensure an appropriate level of nuclear safety. The Committee is an advisory body to the Chairman of the Board of Directors (Chief Executive Officer).
- **CEZ Group Security Committee**, which, among other things, deals with CEZ Group security policies, strategies, and objectives, selected activities, threats, risks, analyses of security incidents, and proposed security requirements, corrective measures, and priorities or conditions for their implementation. The Committee is an advisory body to the Chairman of the Board of Directors (Chief Executive Officer).
- **Risk Committee**, which deals with matters concerning CEZ Group's risk management, in particular, adopts recommendations and opinions in the field of integrated risk management system, in the field of venture capital management, in the field of oversight of internal risk management, and in the field of monitoring of the overall impact of risks on CEZ Group's value. The Risk Committee is an advisory body to the member of the Board of Directors in charge of the Finance Division (Chief Financial Officer).
- **Nuclear Energy Division Safety Committee**, established to provide support for operational safety management at ČEZ's nuclear power plants. The Committee is an advisory body to the member of the Board of Directors in charge of the Nuclear Energy Division (Chief Nuclear Officer).
- **Strategic IT Committee**, created on account of the ever-growing importance of matters concerning information technology for the further growth of CEZ Group's business and the resulting requirements for CEZ Group IT coordination and direction. The Committee deals with the strategy and overall architecture of key IT platforms. The committee is an advisory body to the member of the Board of Directors in charge of the Finance Division (Chief Financial Officer).

Remuneration of Members of the Board of Directors

The individual remuneration components of members of the Board of Directors are described in the Remuneration Policy of ČEZ, a. s., approved by the Company's shareholders' meeting on June 29, 2020²⁾, which is prepared in accordance with Section 121l of Act No. 256/2004 Sb., on capital market business, as amended. In accordance with Sec. 121o to 121q thereof, the Report on the Remuneration of ČEZ, a. s., for the accounting period of 2021 will be prepared, which will be submitted for approval to the Company's shareholders' meeting in 2022.

²⁾ Available at www.cez.cz/cs/pro-investory/korporatni-zalezitosti/politika-odmenovani-92885.

Persons with Executive Authority

The persons with executive authority within the meaning of the applicable legislation at ČEZ are the members of the Board of Directors and the members of the Supervisory Board. Members of the Board of Directors are also authorized by a decision of the Board of Directors to manage individual divisions as their directors. Members of the Board of Directors may also be authorized by the Board of Directors to manage the matters of Czech and foreign companies within CEZ Group.

The Board of Directors may also delegate to a member of the Board of Directors the responsibility for Concern management, i.e., the exercise of the rights and duties of a managing entity with respect to controlled entities that are members of the CEZ Concern and that fall within the management competence of the relevant division head (member of the Board of Directors).

Description of the Delegated Powers of Board of Directors Members as at March 1, 2022

Daniel Beneš—Chief Executive Officer, Chairman of the Board of Directors in charge of the CEO Division

He is responsible for the fulfillment of tasks assigned by the Board of Directors in its resolutions and has the authority to take decisions on Company matters that are not reserved for the shareholders' meeting, the Supervisory Board, or another Company body, and are within the decision-making authority of the Board of Directors and were not expressly placed within the decision-making authority of individual members of the Board of Directors or the Board of Directors as a whole. He coordinates the activities of the individual division heads. He takes care of the management of CEO division departments, management activities concerning the system of management, communication and marketing, legal services, management of participating interests, mergers and acquisitions (M&A), corporate compliance, corporate governance, public affairs, CEZ Group security, independent nuclear oversight, ESG (Environmental—Social—Governance) sustainability, and activities related to the ombudsman function. His competence extends to procurement and sales (other than the procurement and sales of electricity, heat, certain process materials, and financial services) incorporated in the procurement function that Board of Directors member Michaela Chaloupková, Chief Administrative Officer, is in charge of. He manages the domestic electricity distribution subsidiary.

**Pavel Cyrani—Chief of the Sales and Strategy Division,
Vice-Chairman of the Board of Directors in charge of the
Sales and Strategy Division, Chief Executive Officer's Deputy
for Strategic Development**

He is responsible for strategy development and the creation and control of the implementation of CEZ Group's strategic plans and for coordinating the preparation of major strategic projects such as the construction of new nuclear units. He is in charge of commercial arrangements for CEZ Group's production position (sales of electricity, purchases of emission allowances, and purchases of gas) and of trading in electricity, gas, emission allowances, and other commodities in Czechia and abroad. He is responsible for the SALES segment, i.e., for the sale of electricity and gas and for the sale of complex energy services to end-use customers (households, small and large corporate customers and state administration), as well as for the development of the DISTRIBUTION segment. He manages subsidiaries' matters relating to sales of electricity, natural gas, and energy services to end-use customers. He is responsible for the management of foreign sales offices and also for the development of ČEZ Distribuce and ČEZ Teplárenská, companies providing electricity and heat distribution in Czechia.

**Martin Novák—Chief of the Finance Division,
member of the Board of Directors in charge of the Finance
Division, Chief Executive Officer's Deputy for Operations**

He is responsible for economic and financial management, controlling, financing, accounting, investor relations, risk management, tax agenda (except for employment tax), and ensures efficient organization and operation of support ICT services. He manages subsidiaries' matters relating to information technology and telecommunications services.

**Tomáš Pleskač—Chief of the New Energy Division,
member of the Board of Directors in charge of the New Energy
Division, Chief Executive Officer's Deputy for New Energy**

He is responsible for the development of new nuclear power plants, in particular for the preparation of the construction of new units of the Dukovany and Temelín nuclear power plants. He manages subsidiaries responsible for the preparation of new nuclear power plants in Czechia and Inven Capital, a company focused on investment opportunities in smart technologies and innovative business models.

**Michaela Chaloupková—Chief of the Administration Division,
member of the Board of Directors in charge of the
Administration Division**

She is responsible for managing HR development, non-technological asset management, and vehicle management. She is also in charge of the procurement function (procurement and sales, except for the procurement and sales of electricity, heat, certain process materials, and financial services), organized under the CEO division.

**Jan Kalina—Chief of the Renewable and Traditional Energy
Division, member of the Board of Directors in charge of the
Renewable and Traditional Energy Division**

He is responsible for the safe and efficient use, operation, and development of existing renewable (photovoltaic, wind, and hydroelectric) and emission (coal and gas) generation assets for electricity generation and assets for heat generation and distribution in Czechia and Poland. He manages subsidiaries providing electricity and heat generation from renewable and emission sources and related service activities. In addition, he manages subsidiaries in the field of coal mining, coal sales, and mining-related services.

**Bohdan Zronek—Chief of the Nuclear Energy Division,
member of the Board of Directors in charge of Nuclear Energy**

He is responsible for the safe and efficient operation and development of nuclear generating facilities, including ensuring the generation and distribution of heat for central heat supply from operating nuclear power plants. He manages subsidiaries providing service and support activities related to nuclear activities.

Supplementary Information on Persons with Executive Authority at ČEZ, a. s.

Convictions for Fraud-Related Crimes during the Past Five Years

No member of the Supervisory Board or Board of Directors has been convicted of a fraud-related crime.

Insolvency Proceedings, Receiverships, and/or Liquidations during the Past Five Years

Otakar Hora was a partner and statutory representative at DZD, v.o.s., in liquidation. He was the liquidator of this company from 2019. Liquidation ended on March 19, 2021 and the company was deleted from the Commercial Register.

Jan Vaněček was Vice-Chairman of the Supervisory Board of CP Praha s.r.o., in liquidation (the company was wound up by liquidation on August 16, 2016, based on a decision of the receiver of CP Praha s.r.o. exercising the powers of a shareholders' meeting, dated May 18, 2016).

Official Public Charges or Penalties by Statutory Governing Bodies or Regulatory Bodies (including Designated Professional Bodies) and/or Disqualification by Court from Service on the Administrative, Governing, or Supervisory Bodies of Any Issuer or Service in the Management or Performance of Activities of Any Issuer in at Least the Past Five Years

Pursuant to the provisions of Section 160(4)(a) of the Capital Market Business Act, a penalty of CZK 30,000 was imposed on Supervisory Board member Vladimír Kohout by Czech National Bank Decision No. 2021/60087/570 of June 14, 2021, for failure to report transactions in shares of ČEZ, a. s., within three working days. The penalty was paid in 2021.

Pursuant to the provisions of Section 160(4)(a) of the Capital Market Business Act, a penalty of CZK 15,000 was imposed on Supervisory Board member Karel Tyll by Czech National Bank Decision No. 2021/55153/570 of May 31, 2021, for failure to report transactions in shares of ČEZ, a. s., within three working days. The penalty was paid in 2021.

Information on Employment with the Issuer and/or Its Subsidiaries along with a Description of Benefits Received upon Termination of Employment

Members of the Supervisory Board elected from among employees are on long-term leave in order to act as chairmen of labor organizations. All Supervisory Board members elected from among employees have an employment contract with ČEZ, a. s., that does not include any extra benefits upon termination of employment beyond the scope of the Company's collective agreement or beyond statutory benefits. Employees under contract may receive pay in lieu of notice or severance pay under the terms in the amount set down in the Company's collective agreement when their employment is terminated.

Conflicts of Interest

No person with executive authority has any conflict of interest in connection with their role at ČEZ.

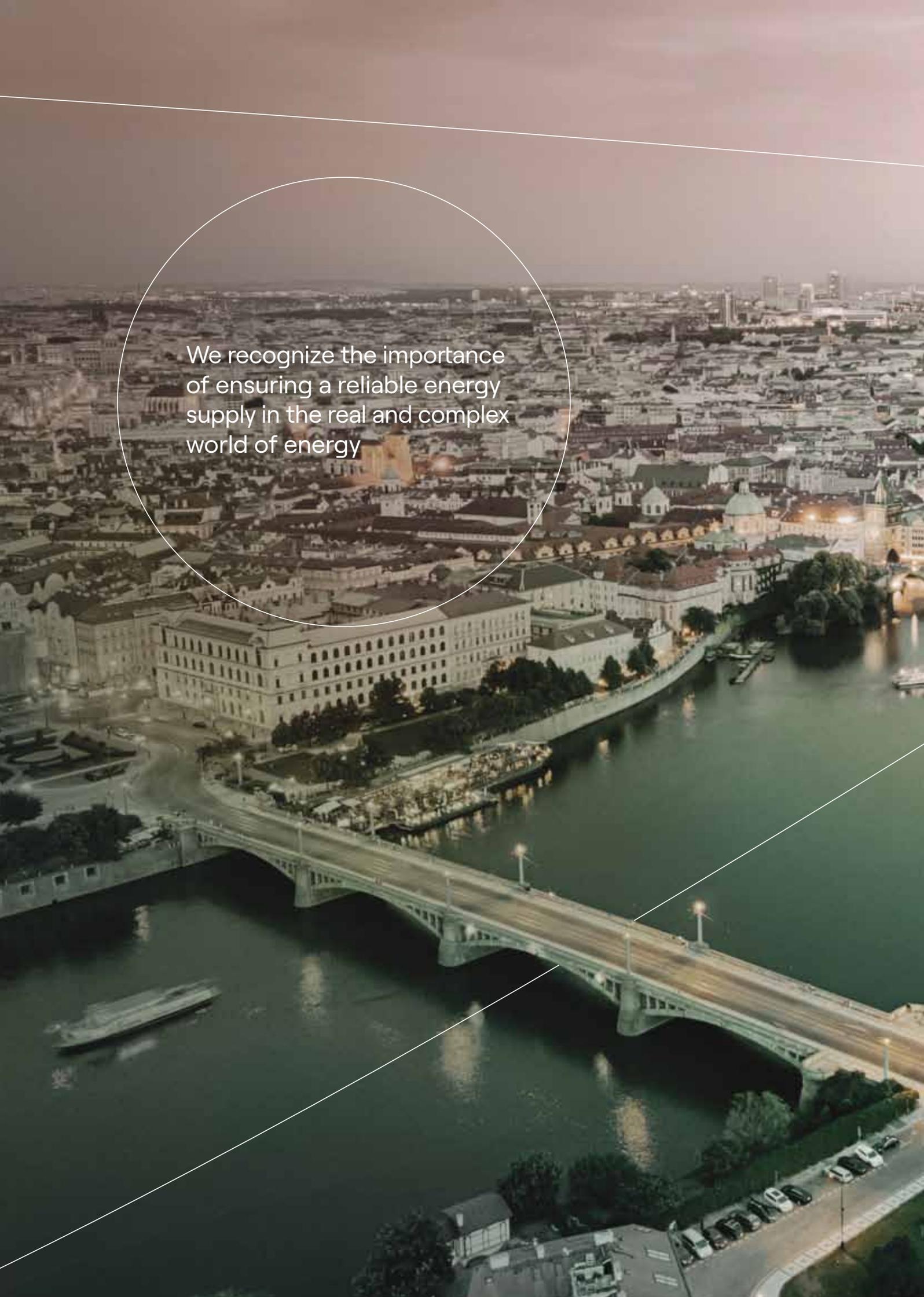
Agreements with Major Shareholders or Other Entities on Selection for a Current Position on the Supervisory Board or the Board of Directors

There is no prior agreement on the selection of a person with executive authority for their current position. Members of the Supervisory Board are elected and removed by the shareholders' meeting.

Agreement with the Issuer concerning Restrictions on Disposal of Its Securities

In accordance with the terms of the stock option plan, which was terminated on December 31, 2019, shares acquired under an option call granted during the stock option plan (regardless of the exercise date of the call) are no longer subject to a holding account obligation on the beneficiary's property account. Appreciation of the shares on a public market on the exercise date may not exceed 100% over the exercise price applicable to the option grant in question. Options may be exercised no earlier than two years and no later than by the middle of the fourth year after the grant date.

Members of the Company's bodies, as insiders, are governed by the relevant provisions of EU Regulation No. 596/2014 when trading in ČEZ shares.

An aerial photograph of a city at dusk or dawn. The city is densely packed with buildings, and a large river flows through it. A prominent bridge with multiple arches spans the river in the foreground. The sky is a soft, hazy mix of orange and grey. A large, thin white circle is superimposed on the left side of the image, containing the text. The overall mood is serene and urban.

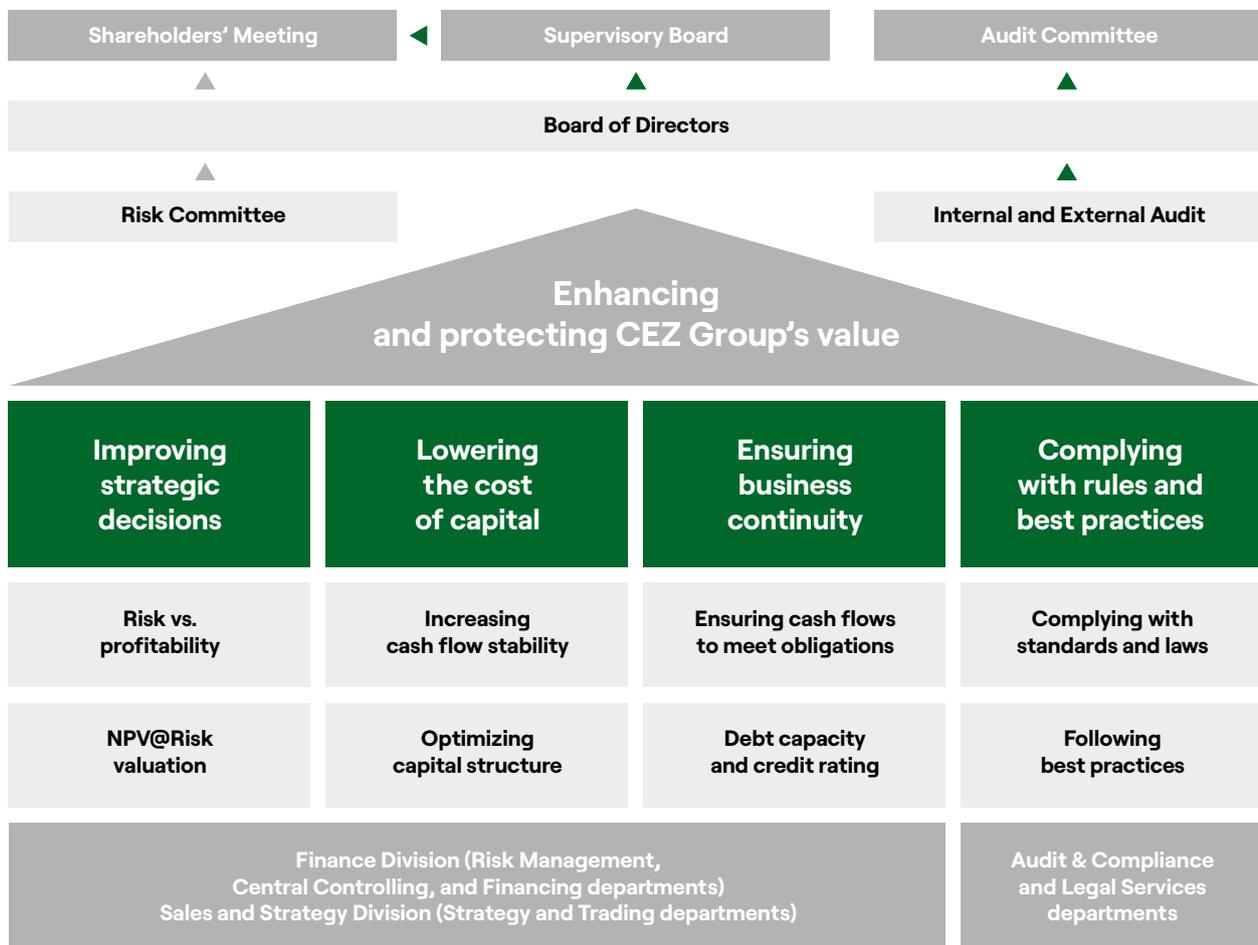
We recognize the importance
of ensuring a reliable energy
supply in the real and complex
world of energy



Risk Management, Internal Audit, and Compliance

Risk Management

A risk management system and a system of internal controls are developed continually at CEZ Group. The two areas are audited on an ongoing basis by Internal Audit, which also makes sure all processes are in compliance with best practices and internal and external regulations and standards. The principal risk management functions, objective, and manner of reporting at CEZ Group are illustrated by the following chart:



The aim of the risk management system is to protect the value of CEZ Group while taking on an acceptable level of risk. Centralized risk management is based on the perception of risk as measurable uncertainty (potential deviation between actual and planned developments), expressed in Czech crowns at a chosen uniform confidence level enabling various types of risk to be compared and priorities to be set accordingly. Centralized risk management relies on tools and models for managing and quantifying risks in one-year and medium-term time frames. Together with CEZ Group's budget, the ČEZ Board of Directors approves the Profit at Risk, an overall risk limit expressing CEZ Group's inclination to risk for a given year. The limit is allocated to individual risks and organizational units on an ongoing basis. Rules, responsibilities, and structure of limits for managing partial risks are discussed by the Risk Committee (an advisory body to the member of the Board of Directors responsible for risk management—Chief Financial Officer), which monitors the overall impact of risks on CEZ Group, including the utilization of CEZ Group's debt capacity. Risks having the form of specific threats and/or events are managed in a decentralized manner, with only the most significant of them being reported centrally, in a unified fashion, within the process of updating the CEZ Group business plan. Since 2021, CEZ Group has been using the Unified Group Risk Management scheme, which is a means of covering decentralized managed risk processes by introducing a single, centrally coordinated process for managing risks that are important for the Group across CEZ Group's process areas using an appropriate software tool.

The tools and processes used at CEZ Group allow:

- Measuring the objective susceptibility of internal resources to changes in market and credit risks, applying selected principles used in the banking sector
- Managing the degree of fixation of future cash flows, thereby minimizing the potential danger to CEZ Group's value
- Making decisions on acquisitions and investments in the context of real debt capacity
- Monitoring compliance with requirements stipulated by creditors and credit rating agencies for debt indicators in the medium term, thereby minimizing the risk of downgrading
- Updating the strategy in accordance with the anticipated financial capacity of CEZ Group

CEZ Group uses a unified system for categorizing risks according to their primary causes:

1. Market Risks

- Commodity risks to generation margin associated with the operation of power plants (managed through running sales of nuclear electricity or by fixing the gross margin of coal-fired power plants for the next 3–6 years in long-term electricity sales contracts and through operative management of the overall CO₂ position)
- Commodity risks resulting from trading in electricity, emission allowances, natural gas, hard coal, crude oil, and oil products (managed by setting financial limits on deviation from plans, position limits, and rules)
- Currency and interest rate risks hedged by maintaining well-balanced operating, investing, and financing cash flows denominated in foreign currencies and utilizing standard financial instruments in accordance with risk limits and rules for fixing generation revenues on a running basis within a five-year time frame
- Volume risk to generation at renewable sources abroad

2. Credit Risks

- Credit risks of CEZ Group's business and financing partners are managed through individual limits; due to the uncertainty of individual markets, conservative rules for entering into business transactions remain in place
- Credit risks of end-use customers for electricity and gas are managed through payment terms based on customer credibility

3. Operational Risks

- The risk of deviations from the plan in the output of nuclear and Czech coal-fired power plants is quantified and reported on a monthly basis and the long-term results are utilized for optimizing the scope of maintenance
- CEZ Group's significant operational risks are recorded, monitored, and managed under the Unified Group Significant Risk Management Scheme

4. Business Risks

- Strategic, regulatory, and legislative business risks are assessed on an ongoing basis and taken into account when updating acquisition and investment strategies in order to reflect changes in CEZ Group's debt and financial capacities
- CEZ Group also faces risks of new taxes and/or decisions by EU competition and regulatory bodies as well as political risks in all countries it operates in
- CEZ Group's significant business and strategic risks are recorded, monitored, and managed under the Unified Group Significant Risk Management Scheme

Insurance

A number of risks in CEZ Group companies are dealt with through an insurance program that is largely arranged by ČEZ.

ČEZ's most important kinds of insurance taken out in Czechia include:

- Nuclear plant third-party liability insurance pursuant to the Atomic Energy Act; there are separate insurance policies for the Dukovany Nuclear Power Plant and the Temelín Nuclear Power Plant; each policy is for the statutory limit of CZK 2 billion; the insurers are Česká pojišťovna, representing the Czech Nuclear Insurance Pool, and European Liability Insurance for the Nuclear Industry
- Liability insurance for nuclear material transports pursuant to the Atomic Energy Act; the insurance covers transports of nuclear fuel for both nuclear power plants to the statutory limit of CZK 300 million; the insurers are Česká pojišťovna, representing the Czech Nuclear Insurance Pool, and European Liability Insurance for the Nuclear Industry
- Property insurance for the nuclear power plants, covering damage arising from natural hazards and mechanical risks, including damage arising from a nuclear accident; the insurers are Česká pojišťovna, representing the Czech Nuclear Insurance Pool, and the European Mutual Association for Nuclear Insurance
- Property insurance for thermal and hydroelectric power plants providing coverage against natural hazards and mechanical risks
- General liability insurance that covers CEZ Group companies against financial losses that may result from damage inflicted on a third party due to a company's operations and/or defective product

Following on from CEZ Group's insurance program and applicable legislation, CEZ Group companies in Czechia and abroad have taken out insurance usual for their business segments, such as insurance against property and mechanical risks, insurance against interruption of operation, accounts receivable insurance, or erection all-risk insurance for major capital projects. Mandatory contractual insurance and insurance required by an issued license for the performance of an activity are maintained at all times.

Internal Audit

ČEZ's internal audit provides the Company's management and governance bodies with assurance that the internal management and control system is functional and all significant risks are managed adequately. As such, it helps achieve CEZ Group's goals and initiates improvement of activities and mitigation of business risk. The internal audit activity at ČEZ is performed by the audit and compliance department. The unit reports directly to the Company's Board of Directors. The unit's independence and efficiency are overseen by the ČEZ Audit Committee. All key processes and segments of CEZ Group, including abroad, are subject to internal audit supervision. The head of ČEZ's Audit and Compliance has direct access to and attends meetings of the Board of Directors and participates as a guest in meetings of the ČEZ Plant Safety Committee, Risk Committee, and CEZ Group Security Committee. The unit's independence and the compliance of its activities with the Standards of Professional Internal Audit Practice were verified by an external quality assessment in late 2021 according to the requirements of these standards. Internal audit plans are prepared on the basis of an assessment of the level of risk involved in individual processes, making use of suggestions made by CEZ Group managers and assessments of specific risks made by the Company's specialized functions (for example, cybersecurity, nuclear safety, compliance, and corruption risks) and integrating follow-up audits.

A total of 35 audits were conducted in 2021: 14 at ČEZ and 21 at subsidiaries and affiliates (including two audits at foreign shareholdings) where audits are conducted by ČEZ's internal audit function under a contract.

Audit outputs are reports documenting all objective findings and formulating corrective action where shortcomings are identified. The outputs are discussed with the managements of the audited entities, which subsequently take corrective action. Audit and Compliance department regularly reviews the corrective action taken, using follow-up audits where appropriate.

The results of auditing and corrective action taken are reported quarterly in summary form to the ČEZ Board of Directors and Audit Committee. In the event of serious findings or shortcomings the correction of which is beyond the audited entity's purview, resolutions on correction are adopted by the Board of Directors of ČEZ.

In 2021, ČEZ's internal audit passed an independent external quality assessment in accordance with the International Standards for Internal Auditing and the Code of Ethics issued by the International Institute of Internal Auditors (IIA). The result of the assessment shows that ČEZ's internal audit is fully compliant with these international standards and this Code of Ethics and is one of the most advanced internal audit departments in terms of maturity compared to comparable departments of European energy companies and companies included in the DAX 30 index.

Ethics and Compliance

The area of ethics and compliance forms an integral part of the management of CEZ Group companies. CEZ Group has implemented the Compliance Management System (CMS), which is an effective tool for managing the risks of breaching legal obligations, and ethical and internal code of conduct. The CEZ Group's Compliance Management System is designed in accordance with international compliance standards, in particular ISO 37001:2016—Anti-Corruption Management System and ISO 19600:2014 Compliance Management System. In 2021, ČEZ completed certification of its anti-corruption management system according to ISO 37001:2016—the first energy company in Central Europe to do so. The certificate was awarded to ČEZ by the German branch of the consulting company KPMG. The certificate confirms that ČEZ has set up a comprehensive anti-corruption system, including an anti-bribery policy, the basic principle of which is zero tolerance for any form of corrupt behavior, whether direct or through third parties.

The Board of Directors of ČEZ has clearly declared its commitment to building and developing CEZ Group's CMS based on transparent ethical principles. In order to enforce this commitment, it established the Corporate Compliance Committee as its advisory body, to which it has delegated operational management in the area of corporate compliance. The members of the committee are representatives of several professional departments within CEZ Group (the security department and the legal services) and its chairman is the Manager of the Audit and Compliance Department of ČEZ. The Committee evaluates current and potential compliance risks, assesses their impact, evaluates the level of their management, and regularly informs the Board of Directors about the results of its activities and about the main events, performance, and results of CEZ Group's CMS. The focus of compliance activities is regularly revised on the basis of a compliance risk analyses, which is also approved by the Board of Directors of ČEZ.

The commitment of the Company's management to promoting ethical principles in business activities and in the conduct of its employees and business partners is enshrined in two major CEZ Group documents. These are the Code of Ethics (Ethical Conduct Policy), which sets out the ethical rules of conduct for employees and members of CEZ Group's statutory bodies, and the Compliance Management System Policy, which sets out the responsibilities, conditions, and tools in the field of CEZ Group's compliance. The Code of Ethics is binding for all employees. Familiarity with the Code is verified by regular mandatory online training. All employees undergoing training must also actively declare their compliance with CEZ Group's ethical principles. Follow-up management documents specify procedures in individual areas, such as training, preventing conflicts of interest, verifying employees and business partners, giving and accepting gifts, ethics, and follow-up compliance investigations. Ethical rules are also defined for all CEZ Group suppliers in the Commitment to Ethical Conduct, which is part of the agreements concluded with suppliers and which is listed on the CEZ Group website. Compliance with these rules is regularly verified through internal audits and compliance checks, while compliance checks are also carried out on suppliers. Fields of conflict of interest, gifts, corruption prevention, etc. are regularly inspected in this manner. Strong emphasis is placed on education in the areas of ethics and compliance. All CEZ Group employees undergo regular training at least once every two years. Starting from 2022, this interval will be reduced to one year. Specialized training is also organized focused on specific topics (e.g., in the area of corruption prevention, all employees of the ČEZ Procurement Department are trained on an annual basis). CEZ Group's Ethics Hotline, available on the CEZ Group website, is an effective CMS tool not only for employees but also for business partners and the general public. It is designed to ensure the whistleblower anonymity, and their protection against sanctions or discrimination. Any information reported by its means is subsequently investigated internally and corrective action is taken based on the findings. Dozens of notifications are reviewed annually.

The entire compliance management system was independently externally assessed by Deloitte during 2021. The assessment concluded that the compliance function at CEZ Group meets the requirements defined in the ISO 37301:2021 Compliance Management Systems—Requirements with Guidance for Use and the methodology of the Supreme State Prosecutor's Office on the application of Section 8(5) of the Act on Criminal Liability of Legal Entities and Proceedings Against Them. It was also confirmed that compliance at CEZ Group includes appropriate elements of prevention, detection and response, which are generally considered to be an essential part of compliance programs.

Approach to Risks in Relation to Financial Reporting

Pursuant to the Accounting Act, ČEZ keeps its books in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Other CEZ Group companies, regardless of the accounting standard they use to prepare their individual financial statements, also report all data for CEZ Group's consolidation purposes according to IFRS. Unified accounting policies followed at ČEZ and selected subsidiaries are defined in the CEZ Group Accounting Standards in full compliance with generally applicable accounting standards. The standards are further supplemented with a set of auxiliary guidelines detailing specific areas of the accounting process. Consolidation rules and other general principles applicable to the preparation of CEZ Group consolidated financial statements are specified in the Rules of Consolidation.

As a rule, any accounting document in CEZ Group may only be entered into the books on the basis of approved supporting documents. Approval takes place primarily online, through the approval process in the enterprise information system. The scope of each approver's signatory authority is set forth in the relevant company's internal regulations.

In terms of organization, the accounting function is separated from the process of managing business partners, including the administration of bank accounts and payment of posted liabilities. This rules out any possibility of a single employee entering a business partner in the database, posting an amount payable to that partner, and issuing a payment order. Liabilities are paid only when approved by an employee authorized to carry out the business transaction and an employee authorized to confirm actual performance in accordance with the signature rules.

Only users with appropriate privileges have access to the accounting system. Access privileges for the system are granted by means of a software application and are subject to approval by a superior and a system administrator. Access privileges are granted according to each employee's position. Only employees of the relevant accounting department have privileges for active operations in the accounting system. All logins to the accounting system are logged in a database and can be searched retroactively. The accounting system allows identifying the user that created, changed, or reversed any accounting record. Taking an inventory of assets and liabilities is an integral part of the system of accounting controls. The inventory-taking process verifies whether all predictable risks and potential losses associated with the assets have been reflected in the accounts, whether the assets are properly protected and maintained, and whether records of assets and liabilities are true.

The accuracy of the accounts and financial statements is checked by the accounting unit on an ongoing basis. In addition, it is checked by an independent auditor, who audits individual and consolidated financial statements prepared on the reporting date, that is, December 31 of a given year. Selected accounting areas are also subjected to internal audits to verify whether the procedures used are in compliance with applicable law and the Company's internal regulations. Where discrepancies are found, corrective action is proposed immediately and taken as soon as possible.

The effectiveness of ČEZ's system of internal controls, the process of compiling ČEZ's individual financial statements and CEZ Group's consolidated financial statements, and the process of auditing financial statements are also reviewed by the Audit Committee, which conducts these activities as a Company governance body without prejudice to the responsibilities of members of the Board of Directors and the Supervisory Board.

Concern Management

ČEZ, a. s., as the managing entity, leads a concern, which also includes the following managed entities: AirPlus, Areál Třeboradice, AZ KLIMA, ČEZ Bohunice, ČEZ Distribuce, ČEZ Energetické produkty, ČEZ Energetické služby, ČEZ Energo, ČEZ ENERGOSERVIS, ČEZ ESCO, ČEZ ICT Services, ČEZ Obnovitelné zdroje, ČEZ Prodej, ČEZ Teplárenská, Elektrárna Dětmarovice, Elektrárna Dukovany II, Elektrárna Temelín II, Energetické centrum, Energotrans, ENESA, HA.EM OSTRAVA, in PROJEKT LOUNY ENGINEERING, KART, MARTIA, PRODECO, Revitrans, Severočeské doly, SD - Kolejová doprava, Telco Infrastructure, Telco Pro Services, TENAUR, and Ústav aplikované mechaniky Brno.

The companies AirPlus, spol. s r.o., AZ KLIMA a.s., ČEZ Energo, s.r.o., ENESA a.s., HA.EM OSTRAVA, s.r.o., in PROJEKT LOUNY ENGINEERING s.r.o., KART, spol. s r.o., Telco Infrastructure, s.r.o., TENAUR, s.r.o., and Ústav aplikované mechaniky Brno, s.r.o., became Concern members as of November 1, 2021.

In the period since the publication of the Annual Report 2020, Elektrárna Mělník III, a. s., ceased to be a member of the Concern and was dissolved on February 2, 2022 as a result of liquidation. ČEZ Distribuce and ČEZ Energetické služby (operates local distribution networks) are subjected to concern management in compliance with all requirements of unbundling rules resulting from the Energy Act and Directive 2019/944 of the European Parliament and of the Council.

The common interest of CEZ Concern members is promoting and fulfilling concern interests on a long-term basis through the application of unified concern management. As part of concern management, the managing entity may give binding instructions to managed entities. General and operating concern instruments may be issued to that end. General Concern instruments are shared CEZ Group documents and the managing entity's internal documents that are also intended for managed entities. Operating Concern instruments are concern instructions given on an ad hoc basis. Fundamental documents having concern-wide application are Concern Management Policies governing primarily areas and activities that should be subjected to concern management and follow concern interests.

Under concern management, binding instructions may be given to managed entities provided that the following conditions are met:

- The instruction is in line with declared Concern interests
- It is not unlawful to execute the instruction
- The execution of the instruction will not render the managed entity bankrupt
- Any detriment to the managed entity resulting from the execution of the instruction will be in the interest of the Concern
- The managed entity was or will be compensated within the Concern for any detriment resulting from the execution of the instruction with adequate consideration or other demonstrable benefit derived from membership in the Concern

Safety Management

Safety is CEZ Group's topmost priority. The manner of managing and ensuring the safety and security of generating facilities, environmental protection, and the protection of individuals and the public is defined in the Safety and Environmental Protection Policy. In 2021, it was revised to reflect contemporary trends in policy formulation and to reflect CEZ Group's current direction in the areas of safety and environmental protection, sustainable development, and social responsibility. The policy is linked to CEZ Group's strategic priorities and determines the long-term direction of CEZ Group to support and continuously improve performance in this area. It develops corporate principles, especially the Safety principle, based on a safety culture representing group and individual values, attitudes, competencies, and patterns of behavior that determine the commitment, style, and expertise of CEZ Group employees in the field of safety and environmental protection. This principle is presented to employees through internal communication tools and at regular training sessions.

CEZ Group implements the principle of continuous improvement within its management system. It is an interconnected evaluation system, which is followed by a sequence of activities for addressing the findings, followed by a comprehensive assessment of the management system's effectiveness and efficiency at all levels of management, with outputs implemented to increase performance.

One of the basic goals is to set and maintain a systemic approach to safety management to meet the legal requirements and other requirements based on international ISO standards for management systems in the areas of fire protection, emergency preparedness, health, and safety and environmental protection. Safety culture forms an integral part of corporate culture and is an indicator of behavior and compliance with safety standards and safety management in the company, where weaknesses are considered as starting points and opportunities for improvement.

The main principles and priorities in the field of safety are approved for each year by the Board of Directors of ČEZ in the document Regulations of the Board of Directors of ČEZ, a. s., on Annual Tasks.

Part of the main principles and priorities in the area of safety is the obligation for ČEZ, a. s., and CEZ Group companies to determine the Safety Topic of the Year, which builds on the key performance indicators and priorities and is based on regular safety risk assessments. At the same time, safety indicators are determined in a graded manner (number of fatal injuries of employees through the employer's fault, accident frequency, and other indicators).

The Company's management is presented with the Annual Report on the CEZ Group's State of Safety. In environmental protection, ČEZ proceeds in compliance with applicable law as well as Czechia's international commitments. CEZ Group's centrally managed internal regulations give priority to safety in all processes and activities.

In accordance with the declared concern interest "CEZ Group Uniform Governance System" management systems are introduced to support corporate governance at companies that are certified by accredited certification bodies or audited by relevant independent bodies, as appropriate, which is in line with stakeholder expectations. The certification of individual companies within CEZ Group supports transparency and communication toward the general public and other stakeholders. Management systems are a tool for systematically reducing the risks of environmental disasters and serious work-related injuries. For the area of occupational safety and health, a management system has been introduced according to the Safe Enterprise program, or according to the standard ČSN ISO 45001.

Safety of Operated Nuclear Power Plants

ČEZ's nuclear power plants were operated in compliance with applicable nuclear energy legislation in 2021, fulfilling the conditions of all valid licenses.

Nuclear Power Plant Safety Enhancement Plans were evaluated, updated, and implemented in relation to the Nuclear Safety Policy. The assessments and updates are carried out every April. The actions supporting the improvement of the nuclear power plant safety were implemented in 2021 on schedule while complying with all the government's COVID-19 pandemic measures. Dukovany and Temelín are among the first nuclear facilities in the world to undergo an information and cyber security audit. Based on the successful audit of the Information Security Management System (ISMS), ČEZ received a certificate issued in accordance with the relevant international ISO standard, which is valid until October 2024.

The nuclear power plants have passed the International Atomic Energy Agency's IPPAS international audit in the area of physical and digital attack. The audit objective was to assess the level of physical and cyber security assurance and to check compliance with international rules and recommendations. The detailed results of the audit are not public, however, they are available to state officials and selected representatives of the operator. In April, both nuclear power plants successfully passed the second and final part of the first periodic environmental audit, which was postponed from autumn 2020 due to COVID-19. The second periodic environmental audit was carried out in autumn 2021, also successful for both facilities. The facilities are due to renew their ecological certificate in the autumn of 2022 with a three-year validity.

In 2021, emergency exercises were conducted at both nuclear power plants, practicing the use of alternative and mobile means. Exercises and training were carried out according to approved scenarios, and the implementation of the exercises was part of the training days of the operation shifts.

Nuclear Power Plant Safety Indicators in 2021

Indicator	Number of Events	
	Dukovany NPP	Temelín NPP
INES 0 events	6	11
INES 1 events	1	0

Note: Status as of February 28, 2022.

Dukovany Nuclear Power Plant

In early 2021, the outage to refuel Unit 1 continued under stringent COVID-19 measures, including preventive antigen testing of employees and contractors. Shortly after its completion, an outage followed to refuel Unit 4 and then Unit 3. The end of the year saw the outage of Unit 2 (from November 19, 2021, to February 9, 2022), which was affected by stricter regulations and the reintroduction of antigen testing. The length of the Unit 2 outage was determined by the scope of the work, which included, among other things, a pilot steam generator cleaning.

During the outages, in addition to fuel replacement and regular maintenance, significant investment actions were carried out to improve the safety of the nuclear power plant (replacement of heterogeneous welded joints on the super emergency feed sleeves of the steam generators, optimization of the steam generator impulse insurance valve bodies, measurement of turbine blade oscillations, restoration of power supply to the Central Pumping Station in Jihlava to ensure long-term operation).

In the period from April 19, to May 7, 2021, the international WANO Peer Review took place at the Dukovany Nuclear Power Plant. A team of international experts defined 9 areas for improvement and also identified 3 good practices that will become examples for other nuclear power plants.

In May, the first planned radiation emergency management exercise took place. Due to the measures currently in force against the spread of COVID-19, the exercise was conducted without assembly and sheltering of personnel, only checking the availability of the members of the shelter and assembly teams.

As part of an investment project on the premises of the Dukovany Nuclear Power Plant in June, a supplier's employee was fatally injured by falling through the roof of an auxiliary warehouse located in the Unit 1 machine room without any fault on the part of ČEZ.

The loading machines of the generating units were upgraded in 2021. The modernization affected the machines, the rails on which the machines run, and other parts to ensure their reliability for the next 30 years. The loading machines play an important role in the reactor's fuel change.

Temelín Nuclear Power Plant

The outage for the Unit 1 refueling in the spring was conducted in a tightened "COVID mode", i.e., in full testing mode for employees and contractors. Key occupations were strictly separated into two teams, for which the COVID-19 testing frequency was shortened. In addition to refueling and regular checking of safety systems and the turbine, two separators (the equipment in the non-nuclear section that removes moisture from the steam and then heats it) were replaced; the benefit of the new separators is an extra MW_e increase in the output of Unit 1, with the environmental benefit of saving units of thousands of tons of carbon dioxide emissions annually. In addition, special equipment has been installed on the turbine to reduce vibration and the diagnostic system has been strengthened.

The outage for refueling Unit 2, planned for the beginning of July, started a week earlier, as a storm and strong winds caused the collapse of three poles of the extra-high voltage line connecting the Temelín Nuclear Power Plant with the Kočín substation. Due to the outage of the line outside the plant site, Unit 2 could not discharge electricity and the automatic systems shut it down. Safety was not affected.

Temelín Nuclear Power Plant meets international requirements for safe operation. This follows from the settlement of a request by the nuclear supervision for a Periodic Safety Review (PSR). The documentation alone took over 20,000 pages. The purpose of the assessment was to compare with international requirements and recommendations. These can be even more stringent and detailed than the requirements of Czech legislation.

In October, the international WANO FOLLOW-UP mission took place at the Temelín Nuclear Power Plant. A team of international experts verified the implementation of the corrective measures recommended during the mission in 2019. The mission outcomes are positive as key recommended corrective solutions have been implemented, e.g., in the areas of maintenance, work management, or operations.

ČEZ completed and submitted the application for the operating permit for Temelín Unit 2. The permit is subject to regular ten-year cycles, during which the power plant must demonstrate that it meets all conditions related to safe operation. The existing permit for Unit 2 expires on May 31, 2022, and therefore ČEZ has delivered the necessary documents to the authority in advance.

Cybersecurity

Since 2016, ČEZ has been the administrator of critical information infrastructure in the sense of Act No. 181/2014 Sb., on cybersecurity, and since 2019, the designation under the Act has been extended for ČEZ both in the critical information infrastructure (especially for electricity generation facilities), and in the field of basic services information systems (thermal energy generation facilities).

During 2021, cybersecurity was fully ensured in ČEZ in accordance with the requirements of the Cybersecurity Act and with an emphasis on protecting the key assets of CEZ Group companies. Training of employees of CEZ Group companies and suppliers in information and cybersecurity continues to be a priority. Compliance with specific security rules is required, which is supported by security tools as well as appropriate information and technological system configuration.

ČEZ opened the integrated Security Operations Center (iSOC) in 2021. This is an integrated security operations center overseeing the security status of CEZ Group, including oversight of information and cyber security. Its purpose is to identify security events, support the management of security incidents, and also act in the area of prevention.

In December 2021, ČEZ, like other obliged entities in Czechia under the Cybersecurity Act, implemented tasks according to the reactive measure issued by the National Cyber and Information Security Agency (NÚKIB) regarding the security vulnerability of the Apache Log4j software component.

ČEZ also duly permanently honors its obligations concerning computer security pursuant to Act No. 263/2016 Sb., Atomic Energy Act. The final inspection report of SÚJB conducted in May states that the Company complies with the requirements of the Act.

ČEZ successfully obtained certification of the information and cyber security management system in the nuclear power division according to ISO/IEC 27001 in October 2021.

A mission of the International Physical Protection Advisory Service (IPPAS) organized by the International Atomic Energy Agency (IAEA) took place in Czechia in November 2021 at the invitation of SÚJB. In both nuclear power plants, the mission examined, among other things, the security state of computer systems. In the final report, the audit team made a very positive assessment (good practice) and partial recommendations, which ČEZ will address responsibly in the coming period.

Supplier Competence (Audit) and Assessment

Suppliers of safety-relevant items and services are subject to initial and recurrent audits carried out by ČEZ as a license holder pursuant to Section 9 of Act No. 263/2016 Sb., Atomic Energy Act. Supplier audits examine the extent to which suppliers comply with applicable requirements in nuclear legislation. The quality of a supplier's work is monitored and assessed on an ongoing basis according to a specified assessment system and predefined parameters and criteria. There were 87 supplier audits conducted in 2021, including 41 audits conducted jointly with CEZ Group companies' principal contractors, and 4 cases of special quality audit. As part of a unified supplier assessment system for supplies related to safety-relevant items, 168 companies were assessed.

Corporate Governance Compliance

The Company's corporate governance is based on rules stipulated by applicable law, in particular the Business Corporations Act, Civil Code, Capital Market Business Act, and Corporate Criminal Liability Act. As an issuer of securities admitted to trading on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A., GPW), ČEZ is required to comply with the Code of Corporate Governance published for issuers by the Exchange in the form of the Best Practice for GPW Listed Companies 2021 (the "GPW Code"). The current text of the GPW Code in Polish and English can be found on the Warsaw Stock Exchange's website at: <https://www.gpw.pl/dobre-praktyki2021> and <https://www.gpw.pl/best-practice2021>.

ČEZ takes into account material rules of the GPW Code in its activities, considering the individual areas and topics governed by the Code to be important also to its shareholders. ČEZ's practices departed from the GPW Code in the following cases in 2021 (an explanation or reasoning for each departure or deviation is given):

- Section 1.4 of the GPW Code requires companies to publish information on their websites regarding their company strategy in order to ensure quality communication with stakeholders, and information on the ESG strategy should include, among other things, a presentation of the equal pay index (comparing women and men) and information on the measures taken to close any pay gaps from the above perspective. ► The Company has not yet published such specific data, but it will already be included in the 2021 Sustainability Report.
- Sections 2.1 and 2.2 of the GPW Code require companies to have a diversity policy in place, which is also applicable to the Board of Directors and the Supervisory Board, stating, in relation to the gender diversity requirement, that the participation of a gender-underrepresented group in each corporate body should be at least 30%. ► In May 2021, the Board of Directors approved CEZ Group's accelerated strategy VISION 2030—Clean Energy of Tomorrow. In the area of diversity, the Company has set a long-term goal of achieving a 30% representation of women in management and a 30% representation of women in management in the non-technological segments by 2025. Subsequently, the Company's Board of Directors adopted the Diversity and Inclusion Policy, which is binding for all CEZ Group companies, but its gender diversity targets are not formally declared for the Company's elected bodies. Decisions on the staffing of the Board of Directors are within the purview of the Supervisory Board and decisions on the staffing of the Audit Committee are within the purview of the shareholders' meeting, which exercise their will in these matters independently of the Company's internal documents and/or declarations. Likewise, decisions on the composition of two-thirds of the Supervisory Board are within the purview of the shareholders' meeting. In relation to the remaining one-third of Supervisory Board members that are elected by Company employees, the Election Rules applicable to the election of these Supervisory Board members place emphasis on providing equal opportunities and promoting diversity in respect to differences between people. In this context, the Election Rules emphasize that equal opportunity and diversity are the concern of the entire management, labor unions, and every individual at CEZ Group and the approach is also fully respected in relation to the elections of Supervisory Board members.
- Section 2.3 of the GPW Code states that at least two members of the Supervisory Board should be independent and have no significant relationships with shareholders holding at least 5% of the total votes. ► The Company has no means to ensure compliance with the Code requirement as two-thirds of the Supervisory Board members are elected by the shareholders' meeting (from candidates proposed by shareholders) and one-third of Supervisory Board members are elected by Company employees from among Company's employees in compliance with applicable law. However, notwithstanding the absence of such instruments on the part of the Company, this requirement of the Code is currently being met.

- Section 2.7 of the GPW Code requires that participation of the Board of Directors members in the bodies of another company (other than companies that are members of the same group—in our case CEZ Group) is subject to the approval of the Supervisory Board. ► Neither the bylaws nor the Company's internal regulations provide for such a condition; however, members of the Company's Board of Directors may not, in accordance with the relevant legislation, be members of the statutory body of a company with the same or similar scope of activity (unless it is a company that is a member of CEZ Group or a controlled company); moreover, members of the company's Board of Directors have a reporting obligation to the other Board of Directors members and to the Supervisory Board in the event of a potential conflict of interests with the Company's interests.
- Section 2.11 of the GPW Code sets out the requirements for the content of the Supervisory Board's report to be submitted to the Company's shareholders' meeting. ► The Supervisory Board Report meets the content requirements of the GPW Code, with the exception of:
 - Information on the extent of implementation of the diversity policy (for this, see information on compliance with Section 2.1 and 2.2 of the Code)

The Supervisory Board Report contains all the information required by law and all the content required by the GPW Code will be included in the Supervisory Board Report 2021.
- Section 3.8 of the GPW Code states that the person in charge of internal audit at the Company is to report to the Supervisory Board at least once a year on the effectiveness of the internal control system, risk management, and internal audit functions appropriate to the size of the Company; Section 3.9 of the Code includes a requirement that the Supervisory Board assess the effectiveness of these systems and functions at least once a year. ► ČEZ has the Audit Committee as an independent body of the Company that monitors, inter alia, the effectiveness of internal control, risk management systems, and the effectiveness of internal audit (Section 22.1(b) and (c) of the Company's bylaws). For this reason and in accordance with Czech law, the relevant reports are submitted directly to the Audit Committee, which independently evaluates the effectiveness of these systems and functions.
- According to Section 3.10 of the GPW Code, the internal audit function is to be assessed at least once every five years by an independent auditor appointed with the participation of the Audit Committee. ► In the Company, this independent assessment is carried out in accordance with the above requirement of the Code, however, the independent auditor is selected in accordance with the relevant legislation through a selection process in which the Audit Committee does not intervene.
- Section 4.1 of the GPW Code states that issuers should allow shareholders to participate in shareholders' meetings through the use of electronic means (electronic general meetings) where this is supported by shareholder expectations that have been communicated to the Company and provided that the Company can provide the technical security and infrastructure necessary to hold such meetings securely. ► The Company continuously evaluates the possibility and appropriateness of holding a shareholders' meeting using electronic means instead of a meeting in person. However, the Company does not currently consider such an option (also taking into account the large number of shareholders of the Company) to be sufficiently safe in view of the need to avoid any technical difficulties that could jeopardize the smooth conduct of the shareholders' meeting. Nor has the Company been presented with a clear and (in terms of the number of shareholders) material demand in this regard by the shareholders. The amendment to the bylaws effective since 2021 has enabled the Company to hold the shareholders' meeting in the form of voting by letter, i.e., by means of decision-making outside the meeting, in which technical means can already play an essential role. The possibility of holding the shareholders' meeting voting by letter is limited to cases where the holding of the shareholders' meeting by attendance is prevented or substantially impeded due to external circumstances. Management continues to see the option of meeting with shareholders by attendance, which facilitates direct interaction between management and shareholders, as beneficial.

- Pursuant to Section 4.3 of the GPW Code, issuers are required to ensure that the proceedings of the shareholders' meeting are broadcast to the public. ► The Company does not provide a public broadcast of its shareholders' meeting, because the Company's policy, which is in compliance with applicable law, is based on permitting its shareholders' meetings to be attended only by its shareholders (either in person or by proxy), individuals that can reasonably give their opinion on items on the shareholders' meeting agenda, such as the Company's auditors or advisers, and individuals that make arrangements for the shareholders' meeting. In order to be able to participate in the Company's shareholders' meeting, the ownership of one share of the Company (as of the record date for participation) is sufficient, and the Company does not consider this condition to be restrictive or discriminatory in any way.
- Section 4.4 of the GPW Code states that media representatives should be allowed to attend the shareholders' meeting.
 - Representatives of the media may attend the shareholders' meeting, but their attendance is conditional on them being shareholders of the Company (see commentary on Section 4.3 of the Code).
- Section 4.9 of the GPW Code contains a requirement that the candidates for new members of the Supervisory Board to be decided by the shareholders' meeting should be proposed to the shareholders' meeting at least three days before the meeting, including the publication of all related documents (relating to the presentation of the candidates) on the Company's website and, where applicable, should make a statement declaring their material relationship with the shareholder(s) holding at least 5% of the total votes in the Company. ► The Company's bylaws do not set a deadline for the submission of proposals for the election or removal of members of the Company's bodies elected by the shareholders' meeting (the Supervisory Board and the Audit Committee), which means that candidates for the election of members of these bodies may be submitted only at the shareholders' meeting itself. These candidates are then duly presented to the shareholders attending the shareholders' meeting.
- Sections 5.5 to 5.7 of the GPW Code contain certain requirements relating to potential related party transactions.
 - The requirement that the Supervisory Board grant its approval to making a significant contract between the Company, of the one part, and a shareholder having a share in voting rights of 5% or more or a related party, of the other part, is not regulated by the bylaws, but the Supervisory Board reviews the related parties report, which includes a list of the Company's contracts with related parties, including the majority shareholder. In addition, the relevant legal regulation (Section 121s et seq. of the CMUA) requires that a company may enter into any significant transaction with a so-called related party only with the

approval of the shareholders' meeting. The Company's bylaws then imply the principle that the Board of Directors is obliged to submit for discussion and request the previous opinion of the Supervisory Board, inter alia, for all proposals submitted by the Board of Directors to the shareholders' meeting for decision or information. In this way, both the approval of significant transactions with related parties by the Company's shareholders' meeting and their discussion by the Supervisory Board are ensured. The definition of a related party is regulated by the provision of Section 2(2)(d) of CMUA, which refers to Section 9 of International Accounting Standard IAS 24—Related Party Disclosures, annexed to Commission Regulation (EC) No. 1126/2008 of November 3, 2008. A significant transaction is a contract or agreement under which (a) the assets or acquisitions of the Company are disposed of, or (b) to increase the Company's debts, both in excess of 10% of the assets arising from the financial statements for the accounting period immediately preceding the accounting period in which the transaction is concluded. Transactions with the same related party concluded in the same accounting period are added together for these purposes.

Description of the Diversity Policy Applied to Company Governance Bodies [Article 118(4)(I) of the Capital Market Business Act]

In May 2021, the Board of Directors of ČEZ approved CEZ Group's accelerated strategy VISION 2030—Clean Energy of Tomorrow. In the area of diversity, the Company has set a long-term goal to achieve a 30% representation of women in management and a 30% representation of women in management in the non-technological segments by 2025. The Board of Directors adopted a Diversity and Inclusion Policy ("Diversity Policy") in December 2021, which is binding for all CEZ Group companies, but its gender diversity goals are not formally declared for the Company's elected bodies. Decisions on the staffing of the Board of Directors are within the purview of the Supervisory Board and decisions on the staffing of the Audit Committee are within the purview of the shareholders' meeting, which exercise their will in these matters independently of the Company's internal documents and/or declarations. Likewise, decisions on the composition of two-thirds of the Supervisory Board are within the purview of the shareholders' meeting. In relation to the remaining one-third of Supervisory Board members that are elected by Company employees, the Election Rules applicable to the election of these Supervisory Board members place emphasis on providing equal opportunities and promoting diversity in respect to differences between people. In this context, the Election Rules emphasize that equal opportunity and diversity are the concern of the entire management, labor unions, and every individual at CEZ Group and the approach is fully respected in relation to the elections of Supervisory Board members.

Summary Report pursuant to Section 118(9) of the Capital Market Business Act

This summary explanatory report pursuant to Section 118(9) of the Capital Market Business Act is based on the requirements laid down in Sections 118(5)(a) through (k) of said Act.

a) Information concerning the Structure of the Company's Equity

Equity Structure as of December 31, 2021

Equity	CZK
Stated capital	53,798,975,900
Treasury shares	(1,422,938,703)
Retained earnings and additional paid-in capital	64,051,858,562
Total equity	116,427,895,759

As at December 31, 2021, the stated capital of ČEZ, a. s., recorded in the Commercial Register totaled CZK 53,798,975,900. It consisted of 537,989,759 shares with a nominal value of CZK 100 each. The issue price of all shares had been paid up in full. All the shares had been issued as dematerialized bearer shares to trading on a European regulated market. The Company's stated capital is divided exclusively into common shares, with no special rights attached. All of the Company's shares have been admitted to trading on the Prague Stock Exchange in Czechia and the Warsaw Stock Exchange in Poland.

b) Information concerning Restrictions on the Transferability of Securities

The transferability of the Company's securities is not restricted.

c) Information on Significant Direct and Indirect Shares in the Company's Voting Rights

As at December 31, 2021, the following entities were registered by the Central Securities Depository as having a share of at least 1% in the stated capital of ČEZ, a. s.:

- Czechia, represented by the Ministry of Finance of the Czech Republic, holding a stake amounting in total to 69.78% of the stated capital, i.e., 69.94% of voting rights
- Clearstream Banking S.A., holding a share amounting to 2.10% of the stated capital, that is, 2.10% of voting rights
- Chase Nominees Limited, holding a share amounting to 1.72% of the stated capital, that is, 1.73% of voting rights
- A group of shareholders consisting of HAMA FIN RESOURCES LIMITED, J&T SECURITIES MANAGEMENT PLC, and Tinsel Enterprises Limited and Ing. Michal Šnobl, a natural person; at the above date, this group of shareholders acting in concert held a share amounting to 1.080% of the stated capital, i.e., 1.0825% of voting rights

On December 2, 2021, BlackRock, Inc., delivered a notice of its share in voting rights pursuant to Section 122(1) of the Capital Market Business Act. According to the notice, its share in voting rights is 1.11%.

The aforementioned entities had rights pursuant to the provisions of Section 365 et seq. of the Business Corporations Act as of December 31, 2021. The possibility that some of the aforementioned entities manage shares owned by third parties cannot be excluded.

After the above date, i.e., after December 31, 2021, Belviport Trading Limited filed a notice of voting interest on February 1, 2022, pursuant to Section 122(1) of the Capital Market Business Act. According to the notice, its share in voting rights is 1.00%.

d) Information on Owners of Securities with Special Rights, including Description of Such Rights

No special rights are attached to any of the Company's securities.

e) Information on Restrictions on Voting Rights

The voting right attached to the Company's shares is not restricted. Pursuant to Section 309(1) of the Business Corporations Act, the Company does not exercise voting rights attached to treasury shares. As at December 31, 2021, ČEZ held 1,258,349 treasury shares corresponding to 0.23% of its stated capital.

f) Information on Agreements between Shareholders That May Impede the Transferability of Shares or Voting Rights

ČEZ is not aware of any agreements between its shareholders that might result in impeded transferability of its shares or voting rights.

g) Information on Special Rules Specifying the Election and Removal of Members of the Statutory Governing Body and Amendment to the Company's Bylaws

Pursuant to the Company's bylaws, members of the Board of Directors are elected and removed by the Supervisory Board by a majority of the votes of all its members. Bylaws may be amended by a shareholders' meeting by a qualified, two-thirds majority of the votes of the shareholders present at the shareholders' meeting. No special rules specifying the election and removal of members of the statutory governing body and amendment to the Company's bylaws are applied.

h) Information on Special Authority of the Company's Statutory Governing Body

The Company's Board of Directors has no special powers.

i) Information on Significant Contracts Relating to Change in Control over the Company as a Result of a Takeover Bid

ČEZ has entered into significant contracts that will become effective, change, or expire if control over ČEZ changes as a result of a takeover bid. These are the 7th, 12th, 19th, 21st, 30th, 33rd, and 34th Eurobond issues; the 1st, 2nd, and 4th Namensschuldverschreibung issues; the 1st and 2nd US bond issues; the ČEZ, a. s., Promissory Note Issue Program and bilateral committed credit lines; loan agreements with the European Investment Bank for EUR 100 million made in 2011, EUR 100 million made in 2012, EUR 200 million made in 2014, EUR 330 million made in 2019, and EUR 300 million and EUR 100 million made in 2021. In these contracts, the counterparty would be entitled, but not required, to demand early repayment should there be a change in the controlling entity of ČEZ. However, the right to early repayment may be exercised only if either Standard & Poor's or Moody's publicly declares or notifies ČEZ in writing that it has downgraded ČEZ's existing credit rating due to, in full or in part, the change in controlling entity. Downgrading an existing credit rating is defined as any change from investment grade to noninvestment grade, any downgrade of original noninvestment grade, or nondetermination of investment grade if no rating is given at all. The above downgrading would have to take place in the period from the public disclosure of the step that could result in the change in controlling entity to 180 days after the announcement of the change in controlling entity.

The counterparty would not be allowed to exercise its right to early repayment if, following the actual change in the controlling entity, the credit rating agency reevaluated its position and restored ČEZ's investment grade or original noninvestment grade rating within the period defined above. The contractual provisions concerning a change in control over ČEZ should be seen in the context of ČEZ's credit ratings, which in 2021 were A- (with a stable outlook) by Standard & Poor's and Baa1 (with a stable outlook) by Moody's, that is, 4 and 3 grades, respectively, above the credit rating agencies' noninvestment-grade ratings. Said change-of-rating condition does not apply to the loan agreements with the European Investment Bank, worth EUR 1,130 million in total, under which the counterparty's right becomes effective as soon as control over ČEZ changes.

j) Information on Contracts Binding the Company in Relation to a Takeover Bid

ČEZ has not entered into any contracts with members of its Board of Directors or its employees in which the Company would undertake to provide performance in case their service or employment is terminated in relation to a takeover bid.

k) Information on Programs That Allow Acquiring the Company's Corporate Securities

ČEZ top managers' compensation included an incentive program that allowed them to acquire Company shares (a "stock option plan") until the end of 2019. Under the stock option plan applicable until December 31, 2019, members of the Board of Directors and selected managers were entitled to options on the Company's common stock under the terms and conditions set forth in their service contracts (for Board of Directors members) and stock option agreements (for selected managers). Under the stock option rules, members of the Board of Directors and selected managers received options on a certain number of Company shares every year as long as they remained in office. According to the rules of the stock option plan, the exercise price per share was determined as the weighted average of prices at which Company shares were traded on the regulated market in Czechia during one month before the annual grant date, and stock option beneficiaries may call on the Company to transfer shares up to the number corresponding to a given option grant, no earlier than two years and no later than by the middle of the fourth year after every option grant. The exercise of the stock option (in relation to allocating stock options to which the right arose until the termination of the stock option plan) is limited so that the appreciation of the Company's shares may not exceed 100% of the purchase price. In 2021, there were 18 individuals among employees and members of the Board of Directors who owned shares of stock obtained through the stock option plan. None of the individuals exercised their right to attend the shareholders' meeting of ČEZ as a Company shareholder. Dividend rights were exercised by 16 people. None of the above-mentioned 18 individuals exercised any other rights associated with their ownership of Company shares. According to information submitted to the Company for the purposes of preparing this report, no beneficiary of the stock option plan transferred any separately transferable right attached to their shares to any third party.

The stock option plan was terminated on December 31, 2019, based on the Supervisory Board's decision approving amendments to service contracts (in relation to members of the Board of Directors) and the Board of Directors' and Supervisory Board's decision to terminate the stock option plan in relation to the selected managers. The right to exercise the call for options granted until the end of 2019 has been maintained, with the following exception: all option grants provided to members of the Board of Directors and/or selected managers in 2019 were reduced proportionately so as to correspond to the number of shares determined according to the number of days remaining between the grant date and the end date of the stock option plan (that is, December 31, 2019).

Starting from January 1, 2020, the stock option plan was replaced with a new long-term performance-based bonus system for members of the Board of Directors and a new system of long-term performance-based bonus agreements/multiannual bonus agreements for selected managers. The new system of long-term performance-based bonus is not linked to the right to acquire shares.



We act so that one day
we will not be afraid to look
back on what we have done



3. CEZ Group Activities

CEZ Group's Financial Performance

As at December 31, 2021, the consolidated CEZ Group comprised a total of 208 companies, with 182 companies fully consolidated and 26 associates and joint ventures consolidated using the equity method.

Consolidated CEZ Group as at December 31, 2021

The companies of the consolidated accounting unit of CEZ Group are divided into four operating segments: GENERATION, MINING, DISTRIBUTION, and SALES.

GENERATION

ČEZ, a. s.
A.E. Wind S.A.
Areál Třeboradice, a.s.
Baltic Green Construction sp. z o.o.
Baltic Green II sp. z o.o.
Baltic Green III sp. z o.o.
Baltic Green VI sp. z o.o.
Baltic Green IX sp. z o.o.
BANDRA Mobiliengesellschaft mbH & Co. KG
CASANO Mobiliengesellschaft mbH & Co. KG
Centrum výzkumu Řež s.r.o.
CEZ Bulgarian Investments B.V.
CEZ Chorzów S.A.
CEZ Chorzów II sp. z o.o.
CEZ CI Limited
CEZ Deutschland GmbH
CEZ Erneuerbare Energien Beteiligungs GmbH
CEZ Erneuerbare Energien Beteiligungs II GmbH
CEZ Erneuerbare Energien Verwaltungs GmbH
CEZ Finance B.V.
CEZ France SAS
CEZ Holdings B.V.
CEZ Magyarország Kft. (CEZ Hungary Ltd.)
CEZ MH B.V.
CEZ Polska sp. z o.o.

CEZ Produkty Energetyczne Polska sp. z o.o.
 CEZ RES International B.V.
 CEZ Skawina S.A.
 CEZ Srbija d.o.o.
 CEZ Trade Romania S.R.L.
 CEZ Ukraine LLC
 CEZ Windparks Lee GmbH
 CEZ Windparks Luv GmbH
 CEZ Windparks Nordwind GmbH
 ČEZ Bohunice a.s.
 ČEZ Energetické produkty, s.r.o.
 ČEZ ENERGOSERVIS spol. s r.o.
 ČEZ ICT Services, a. s.
 ČEZ Obnovitelné zdroje, s.r.o.
 ČEZ OZ uzavřený investiční fond a.s.
 ČEZ Recyklace, s.r.o.
 ČEZ Teplárenská, a.s.
 Elektrárna Dětmarovice, a.s.
 Elektrárna Dukovany II, a. s.
 Elektrárna Mělník III, a. s. v likvidaci
 Elektrárna Temelín II, a. s.
 Energetické centrum s.r.o.
 Energotrans, a.s.
 ENVEZ, a. s.
 Ferme éolienne d'Allas-Nieul SAS
 Ferme Eolienne d'Andelaroche SAS
 Ferme éolienne de Feuillade et Souffrignac SAS
 Ferme éolienne de Genouillé SAS
 Ferme éolienne de la Petite Valade SAS
 Ferme Eolienne de la Piballe SAS
 Ferme Eolienne de Neuville-aux-Bois SAS
 Ferme éolienne de Nueil-sous-Faye SAS
 Ferme Eolienne de Saint-Laurent-de-Céris SAS
 Ferme éolienne de Saugon SAS
 Ferme Eolienne de Seigny SAS
 Ferme Eolienne de Thorigny SAS
 Ferme éolienne des Besses SAS
 Ferme Eolienne des Breuils SAS
 Ferme Eolienne des Grands Clos SAS
 Ferme éolienne du Blessonnier SAS
 Ferme Eolienne du Germancé SAS
 MARTIA a.s.
 OSC, a.s.
 ŠKODA PRAHA a.s.

ÚJV Řež, a. s.
 Ústav aplikované mechaniky Brno, s.r.o.
 Windpark Baben Erweiterung GmbH & Co. KG
 Windpark Badow GmbH & Co. KG
 Windpark Cheinitz-Zethlingen GmbH & Co. KG
 Windpark FOHREN-LINDEN GmbH & Co. KG
 Windpark Frauenmark III GmbH & Co. KG
 Windpark Gremersdorf GmbH & Co. KG
 Windpark Mengerlinghausen GmbH & Co. KG
 Windpark Naundorf GmbH & Co. KG
 Windpark Zagelsdorf GmbH & Co. KG

 AK-EL Kemah Elektrik Üretim A.S.*
 AKEL SUNGURLU ELEKTRİK ÜRETİM ANONİM ŞİRKETİ*
 Akenerji Dogal Gaz Ithalat Ihracat ve Toptan Ticaret A.S.*
 Akenerji Elektrik Enerjisi Ithalat Ihracat ve Toptan Ticaret A.S.*
 Akenerji Elektrik Üretim A.S.*
 GP JOULE PPX Verwaltungs-GmbH*
 GP JOULE PP1 GmbH & Co. KG*
 Green Wind Deutschland GmbH*
 Jadrová energetická spoločnosť Slovenska, a. s.*
 juwi Wind Germany 100 GmbH & Co. KG*
 Tepelné hospodářství města Ústí nad Labem s.r.o.*
 Windpark Bad Berleburg GmbH & Co. KG*
 Windpark Berka GmbH & Co. KG*
 Windpark Datteln GmbH & Co. KG*
 Windpark Moringen Nord GmbH & Co. KG*
 Windpark Nortorf GmbH & Co. KG*
 Windpark Prezelle GmbH & Co. KG*

MINING

PRODECO, a.s.
 Revitrans, a.s.
 SD - Kolejová doprava, a.s.
 Severočeské doly a.s.
 GEOMET s.r.o.*
 LOMY MOŘINA spol. s r.o.*

DISTRIBUTION

ČEZ Distribuce, a. s.
 Akcez Enerji Yatirimlari Sanayi ve Ticaret A.S.*
 Sakarya Elektrik Dagitim A.S.*

* Joint venture or associate

SALES

ADAPTIVITY s.r.o.	Hermos AG
AirPlus, spol. s r.o.	Hermos Gesellschaft für Steuer-, Meß- und Regeltechnik mbH
AxE AGRICOLTURA PER L'ENERGIA SOCIETA' AGRICOLA A R.L.	HERMOS International GmbH
AZ KLIMA a.s.	HERMOS SDN. BHD
AZ KLIMA SK, s.r.o.	Hermos Schaltanlagen GmbH
Belectric France S.A.R.L.	Hermos sp. z o.o.
BELECTRIC GmbH	Hermos Systems GmbH
Belectric Israel Ltd.	High-Tech Clima S.A.
Belectric Italia S.r.l.	HORMEN CE a.s.
Belectric Solar Ltd.	Hybridkraftwerk Culemeyerstraße Projekt GmbH
Budrio GFE 312 Società Agricola S.r.l.	IBP Ingenieure GmbH & Co. KG
CAPEXUS s.r.o.	IBP Verwaltungs GmbH
CAPEXUS SK s. r. o.	inewa S.r.l.
CERBEROS s.r.o.	inewa consulting S.r.l.
CEZ ESCO Bulgaria EOOD	INTERNEXT 2000, s.r.o.
CEZ ESCO II GmbH	Inven Capital, SICAV, a.s.
CEZ ESCO Romania S.A.	KART, spol. s r.o.
ČEZ Energetické služby, s.r.o.	Kofler Energies Energieeffizienz GmbH
ČEZ Energo, s.r.o.	Kofler Energies Ingenieurgesellschaft mbH
ČEZ ESCO, a.s.	Kofler Energies Systems GmbH
ČEZ LDS s.r.o.	Magnalink, a.s.
ČEZNET s.r.o.	Metrolog sp. z o.o.
ČEZ Prodej, a.s.	Moser & Partner Ingenieurbüro GmbH
D-I-E ELEKTRO AG	MWS GmbH
Domat Control System s.r.o.	M&P Real GmbH
EAB Elektroanlagenbau GmbH Rhein/Main	NEK Facility Management GmbH
E-City sp. z o.o.	OEM Energy sp. z o.o.
e-Dome a. s.	Optické sítě s.r.o.
Elektro-Decker GmbH	Peil und Partner Ingenieure GmbH
Elevion Deutschland Holding GmbH	PIPE SYSTEMS s.r.o.
Elevion GmbH	Rudolf Fritz GmbH
Elevion Group B.V.	SOCIETA' AGRICOLA DEF S.R.L.
Elevion Holding Italia Srl	Solární servis, s.r.o.
Elevion Österreich Holding GmbH	SPRAVBYTKOMFORT, a.s. Prešov
Energy Shift B.V.	SYNECO PROJECT S.r.l.
ENESA a.s.	SYNECOTEC Deutschland GmbH
En.plus GmbH	Syneco tec GmbH
EP Rožnov, a.s.	Telco Infrastructure, s.r.o.
EPIGON spol. s r.o.	Telco Pro Services, a. s.
ESCO Distribučné sústavy a.s.	TelNet Holding, s.r.o.
ESCO Servis, s. r. o.	TENAUR, s.r.o.
ESCO Slovensko, a. s.	VESER, s. r. o. "v likvidácii"
ETS Efficient Technical Solutions GmbH	ZOHD Groep B.V.
ETS Efficient Technical Solutions Shanghai Co. Ltd.	Zonnepanelen op het Dak B.V.
ETS Engineering Kft.	Zonnepanelen op het Dak Installaties B.V.
Euroklimat sp. z o.o.	
FDLnet.CZ, s.r.o.	Bytkomfort, s.r.o.*
Green energy capital, a.s.	Elevion Co-Investment GmbH & Co. KG*
GWE Verwaltungs GmbH	KLF-Distribúcia, s.r.o.*
GWE Wärme- und Energietechnik GmbH & Co. KG	Sakarya Elektrik Perakende Satis A.S.*
HA.EM OSTRAVA, s.r.o.	Sepaş Akıllı Çözümler A.Ş.*
HELIOS MB s.r.o.	

* Joint venture or associate

CEZ Group's Financial Results

Changes in Revenues, Expenses, and Income

CEZ Group Net Income Breakdown (CZK Billions)



Net income (after-tax income) in 2021 amounted to CZK 9.9 billion, which is a year-on-year increase of CZK 4.4 billion. Income increased mainly due to lower provisioning of property, plant, and equipment and intangible assets.

Operating revenues increased year-on-year by CZK 14.1 billion to CZK 227.8 billion, due to higher revenues from the sale of electricity, heat, gas, and coal (CZK +19.5 billion), especially revenues from the sale of electricity. Conversely, sales of services and other revenues decreased by CZK 4.2 billion. Other operating income decreased by CZK 1.2 billion.

The result from commodity derivative trading decreased by CZK 10.6 billion.

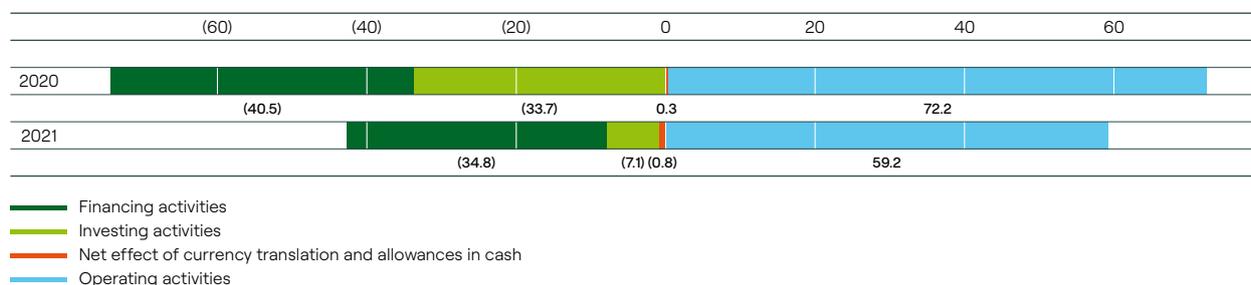
Operating expenses amounted to CZK 207.2 billion in 2021, almost unchanged year-on-year. The cost of energy, fuel, and emission allowances increased by CZK 7.6 billion year-on-year. Impairments for fixed assets, including impairment of goodwill, and impairments for receivables were CZK 9.4 billion lower year-on-year. Operating expenses increased by CZK 3.3 billion year-on-year for depreciation and amortization, mainly due to the deterioration of market and regulatory conditions for the long-term operation of coal-fired power plants in Czechia and a reduction in the expected lifetime. The cost of services decreased by CZK 1.1 billion and personnel costs decreased by CZK 0.3 billion.

Other income and expenses increased the net income by CZK 2.0 billion year-on-year. Due to the decrease in the total amount of debt, interest expense decreased (CZK +1.1 billion), while foreign exchange effects and the revaluation of financial derivatives (CZK +0.5 billion) and the revaluation of Inven Capital's assets (CZK +0.5 billion) also had a positive effect.

Income taxes increased by CZK 1.1 billion due to higher earnings before tax.

Cash Flows

CEZ Group Cash Flows (CZK Billions)



Net cash flow from operating activities decreased year-on-year by CZK 13.0 billion to CZK 59.2 billion. Income before tax adjusted for non-cash operations decreased (CZK -25.6 billion), of which profit before tax increased (CZK +5.5 billion) and adjustments for non-cash operations had a negative effect (CZK -31.1 billion), mainly due to the increase in the price of emission allowances and their revaluation to fair value. The change in working capital had an overall positive effect (CZK +11.1 billion). Interest paid decreased (CZK +1.2 billion) due to a reduction in bonds issued and bank loans. Income tax paid decreased slightly year-on-year (CZK +0.2 billion).

Changes in working capital were significantly influenced by the change in the stock of emission allowances (CZK +62.7 billion) and the change in trade receivables and payables (CZK -66.3 billion), mainly due to higher margin deposits on the energy exchange and with traders following the significant increase in commodity prices, especially electricity, in 2021 and the usual way of hedging the related credit risks. The change in receivables and payables from derivatives (CZK +9.7 billion) and the change in term deposits and debt securities contributed positively (CZK +4.6 billion), while the change in inventories of materials and fossil fuels had a negative impact (CZK -1.4 billion). Other items had a positive impact on working capital (CZK +1.8 billion).

Net cash flow from investing activities decreased by CZK 26.6 billion year-on-year to CZK -71 billion. The decrease was mainly due to the proceeds from the sale of subsidiaries, associates, and joint ventures (CZK +28.7 billion), mainly in connection with the sale of Romanian and Bulgarian assets. Loans granted decreased year-on-year (CZK +0.9 billion) and repayments of loans increased (CZK +0.1 billion). More cash funds were issued for the acquisition of subsidiaries, associates, and joint ventures in 2021 (CZK -1.7 billion). The change in restricted cash funds had negative effect (CZK -0.7 billion) and the acquisition of fixed assets including capitalized interest increased slightly (CZK -0.7 billion) mainly due to higher investment in tangible and intangible fixed assets.

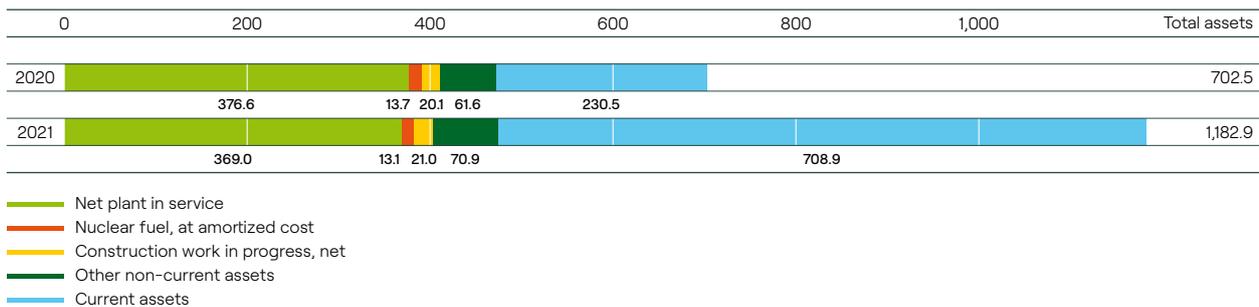
Net cash flow from financing activities decreased by CZK 5.7 billion year-on-year and amounted to CZK -34.8 billion. The change in the balance of loans and borrowings (CZK +13.0 billion) and the balance of purchases and sales of non-controlling interests (CZK +1.8 billion) contributed to the decrease, as the sale of ESCO Slovakia's non-controlling interest was made in 2021, while funds were spent on the purchase of non-controlling interests in 2020. Sales of treasury shares were higher in 2021 (CZK +0.6 billion). Dividends paid to the Company's shareholders increased (CZK -9.7 billion).

The net effect of currency translation and allowances in cash had a negative impact (CZK -1.1 billion).

Structure of Assets, Equity, and Liabilities

The value of CEZ Group's consolidated assets, equity, and liabilities increased by CZK 480.4 billion to CZK 1,182.9 billion in 2021.

Structure of CEZ Group Assets as at December 31 (CZK Billions)



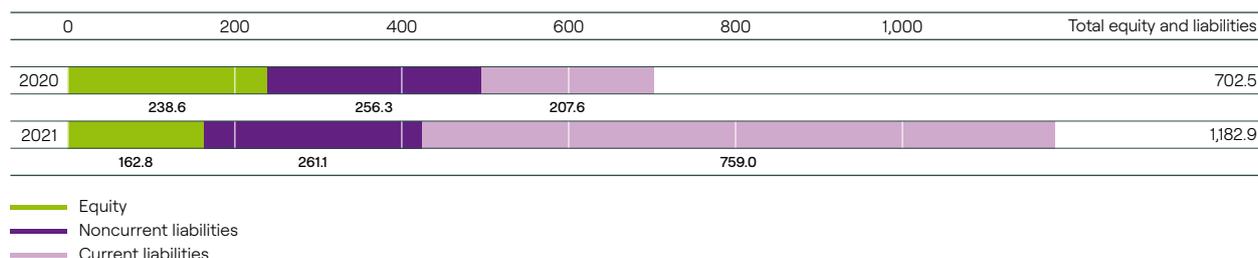
Non-current assets increased by CZK 2.1 billion to CZK 474.0 billion.

The value of net plant in service decreased (CZK -7.6 billion), while depreciation and amortization increased by CZK 36.2 billion and plant in service increased by CZK 28.5 billion. Construction work in progress, net, increased year-on-year (CZK +1.0 billion). Value of nuclear fuel decreased (CZK -0.6 billion).

The increase in other non-current assets (CZK +9.3 billion) was due to an increase in deferred tax assets (CZK +9.9 billion). Long-term receivables from derivative transactions (CZK +0.5 billion) and long-term receivables including receivables from the sale of non-current assets (CZK +0.4 billion) increased. In contrast, restricted financial assets decreased (CZK -0.6 billion) and intangible assets, net, decreased (CZK -0.6 billion). Investments in associates and joint ventures decreased (CZK -0.2 billion).

The value of current assets increased by CZK 478.4 billion to CZK 708.9 billion. The reason for the increase was a significant rise in the prices of electricity, gas, and emission allowances, which had a significant impact on the increase of short-term receivables from derivative transactions, including options (CZK +440.0 billion) and the increase of net trade receivables (CZK +73.8 billion), where receivables from margin deposits on the energy exchange and from commodity traders increased significantly. Cash and cash equivalents increased (CZK +20.6 billion). Inventories of materials increased (CZK +3.5 billion). Other current assets increased (CZK +4.8 billion), mainly contractual assets, and short-term debt and equity securities increased (CZK +0.8 billion). The sale of Romanian and Bulgarian assets was completed in 2021, which reduced assets classified as held for sale (CZK -40.4 billion). Short-term emission allowances (CZK -18.3 billion), short-term financial deposits (CZK -2.8 billion), and short-term receivables from the sale of subsidiaries decreased (CZK -2.0 billion), fossil fuel inventories (CZK -0.6 billion) and short-term loans were also lower (CZK -0.7 billion). Income tax receivable decreased (CZK -0.3 billion).

Structure of CEZ Group Equity and Liabilities as at December 31 (CZK Billions)



Equity decreased by CZK 75.7 billion to CZK 162.8 billion. Its decrease was mainly due to other comprehensive income in 2021 (CZK -55.2 billion) and dividends awarded to shareholders (CZK -27.9 billion). The sale of subsidiaries and non-controlling interests, including the option, also reduced equity (CZK -3.0 billion). As did dividends granted by subsidiaries to non-controlling interests (CZK -0.2 billion). By contrast, the net income generated in 2021 increased equity (CZK +9.9 billion), as did the sale of treasury shares (CZK +0.7 billion).

Long-term liabilities increased by CZK 4.8 billion to CZK 261.1 billion. The increase was mainly due to long-term liabilities from derivative transactions (CZK +25.2 billion) in connection with the significant increase in commodity prices. In 2021, a provision for demolition and dismantling of coal-fired power plants after decommissioning, while nuclear and other long-term provisions also increased (CZK +11.7 billion). By contrast, the volume of bonds issued (CZK -23.2 billion) and bank loans (CZK -2.6 billion) decreased. Deferred tax liabilities decreased year-on-year (CZK -6.5 billion), but other items of long-term liabilities increased (CZK +0.2 billion). Current liabilities increased by CZK 551.3 billion year-on-year to CZK 759.0 billion. As a result of the significant increase in electricity, gas, and allowance prices, short-term liabilities from derivative transactions including options (CZK +528.6 billion) and trade liabilities (CZK +12.7 billion) increased. There was a year-on-year increase in short-term bank loans (CZK +24.3 billion) and short-term provisions (CZK +4.6 billion). Other current liabilities increased (CZK +2.8 billion), especially contractual liabilities, and the income tax liability also increased (CZK +1.7 billion). Liabilities from the acquisition of subsidiaries and associates slightly increased (CZK +0.2 billion). By contrast, the short-term portion of long-term debt decreased (CZK -12.1 billion) and liabilities related to assets held for sale decreased (CZK -11.6 billion) due to the sale of Romanian and Bulgarian assets.

Comprehensive Income

Total comprehensive income, net of tax, decreased by CZK 47.0 billion to CZK -45.3 billion. Net income increased by CZK 4.4 billion year-on-year, while other comprehensive income decreased by CZK 51.4 billion.

Decrease in other comprehensive income was affected primarily by change in the fair value of cash flow hedging financial instruments (CZK -77.5 billion), which resulted from reduction in the fair value of sales contracts for electricity supplies in 2022-2026 in relation to increased market prices of electricity in 2021. The negative effect was due to differences from foreign exchange translation of subsidiaries, associates, joint ventures, and other companies (CZK -2.4 billion), and revaluation of debt and equity instruments (CZK -1.9 billion). Deferred tax charged to equity increased the comprehensive income (CZK +13.5 billion), as did the derecognition of cash flow hedges to financial results (CZK +8.6 billion) and the derecognition of foreign exchange translation differences related to assets sold in 2021 (CZK +8.2 billion).

Financial Results of CEZ Group Segments

Segments³⁾ and Their Contributions to CEZ Group's Financial Performance

	Operating Revenues (CZK billions)	EBITDA (CZK billions)	Net Income (CZK billions)	Workforce Headcount as of December 31 (Thous. persons)
GENERATION				
2020	110.5	35.1	8.3	11.0
2021	138.4	33.5	13.0	10.9
MINING				
2020	9.0	3.4	(2.2)	4.6
2021	10.1	4.5	(8.3)	4.4
DISTRIBUTION				
2020	45.2	21.5	4.4	9.2
2021	39.0	19.9	8.1	4.6
SALES				
2020	98.4	4.8	2.2	7.8
2021	93.7	5.4	4.1	8.2
Elimination between segments				
2020	(49.3)	-	(7.2)	-
2021	(53.3)	-	(7.0)	-
CEZ Group, total				
2020	213.7	64.8	5.5	32.6
2021	227.8	63.2	9.9	28.0

³⁾ As of January 1, 2021, there was a change in the structure of segments, and thus changes in the classification of some companies of the consolidation group into individual segments. The main reason for the merger of the two original generation segments was the fact that the development of renewables in CEZ Group will take place primarily within the existing companies operating mainly traditional power generation.

Note: The year-on-year comparison is affected by the sale of Romanian assets as of March 31, 2021, and Bulgarian assets as of July 27, 2021.

The GENERATION segment's net income increased by CZK 4.7 billion year-on-year. In Czechia, the segment's net income decreased by CZK 4.0 billion year-on-year, which was mainly due to an increase in total depreciation and amortization by CZK 5.7 billion, including the impact of accelerated depreciation of coal-fired power plants reflecting the deterioration of market and regulatory conditions for their long-term operation (CZK -3.8 billion) and the impact of provisioning for demolition and dismantling of coal-fired power plants in Czechia after their decommissioning (CZK -1.9 billion). By contrast, lower interest expenses (CZK +1.0 billion) due to a decrease in the total amount of debt and lower income tax (CZK +0.7 billion) had a positive effect. In Poland, the segment's net income increased by CZK 3.9 billion, mainly due to lower impairments for fixed assets (CZK +4.5 billion), adjusted by an increase in income tax (CZK -0.6 billion). In Romania, segment's net income increased by CZK 3.9 billion due to lower provisions for fixed assets (CZK +5.8 billion), while EBITDA decreased (CZK -1.7 billion) due to the sale of assets as of March 31, 2021.

The MINING segment's net income decreased by CZK 6.1 billion mainly due to higher impairment of fixed assets (CZK -8.4 billion) as a result of the probable early termination of coal mining and combustion in Czechia. Conversely, EBITDA increased (CZK +1.1 billion) due to higher coal sales; depreciation and amortization (CZK +0.7 billion) and income taxes (CZK +0.7 billion) decreased.

The net income of the DISTRIBUTION segment increased by CZK 3.7 billion, including CZK 4.4 billion in Romania due to lower fixed asset provisions (CZK +5.2 billion) and higher income taxes (CZK -0.7 billion). The net income of the Bulgarian distribution increased by CZK 0.1 billion due to lower provisions for fixed assets (CZK +1.0 billion) and a decrease in EBITDA (CZK -0.8 billion) due to the sale on July 27, 2021. Net income in Turkey decreased by CZK 0.8 billion mainly due to an increase in the provision for the Akcez loan guarantee mainly as a result of the depreciation of the Turkish currency. Net income in Czechia was unchanged year-on-year. Net income of the SALES segment increased by CZK 2.0 billion, of which by CZK 1.0 billion in Czechia due to an increase in EBITDA (CZK +0.4 billion) and the appreciation of Inven Capital's assets (CZK +0.5 billion). In Romania, net income increased by CZK 0.4 billion due to lower provisions for fixed assets (CZK +0.5 billion). In Germany, segment's net income increased by CZK 0.3 billion due to higher EBITDA (CZK +0.4 billion). In the other countries of the segment, net income increased by CZK 0.2 billion due to higher EBITDA.

Concerning other indicators of individual segments included in the table, comments are provided below on year-on-year changes in EBITDA (operating income before depreciation and amortization, impairment, and asset sales), which is the most frequently used indicator of operating performance of companies traded on global exchanges and is monitored by international analysts, creditors, investors, and shareholders.

In the largest segment, GENERATION, the indicator decreased by CZK 1.5 billion to CZK 33.5 billion. In Czechia, the indicator increased by CZK 0.6 billion. The current effects related to the 2021 and 2020 supplies led to an increase of CZK 4.4 billion, mainly due to the impact of market prices of electricity and emission allowances on generation, including the impact of hedging transactions and the effect of the exchange rate (CZK +3.9 billion), higher operational availability of nuclear facilities (CZK +0.8 billion), higher operational availability of existing emission sources (CZK +0.6 billion), and higher income from commodity trading (CZK +0.8 billion). Against these, the main factors were higher fixed operating expenses (CZK -1.0 billion) and higher nuclear provisioning due to growing inflation (CZK -0.5 billion). In Czechia, the indicator was negatively affected by two specific temporary effects (CZK -3.8 billion): on the one hand, the revaluation of emission allowance trades in connection with the hedging of 2022+ generation positions and time arbitrage (CZK -2.1 billion) and, on the other hand, the revaluation of hedging sales of electricity part of emission generation for 2022 (CZK -1.6 billion). In Poland, the indicator decreased by CZK 0.3 billion, mainly due to higher expenses for emission allowances. In Germany, the indicator decreased by CZK 0.1 billion due to lower wind power generation. In Romania, the indicator decreased by CZK 1.7 billion mainly due to the sale of assets on March 31, 2021.

In the MINING segment, the indicator amounted to CZK 4.5 billion, i.e., increased by CZK 1.1 billion year-on-year, most of which was attributable to higher sales related to higher coal supplies to CEZ Group (CZK +1.0 billion).

In the DISTRIBUTION segment, the indicator decreased by CZK 1.6 billion to CZK 19.9 billion, of which CZK 1.4 billion in Romania mainly due to the sale of assets as of March 31, 2021, and CZK 0.8 billion in Bulgaria due to the sale of assets as of July 27, 2021. By contrast, in Czechia, the indicator increased by CZK 0.5 billion, mainly due to higher gross margin from electricity distribution (CZK +0.5 billion) due to higher volumes of distributed electricity, lower losses, and lower expenses for the use of ČEPS networks due to higher decentralized generation; revenues from power supply and connection were also higher year-on-year (CZK +0.5 billion). Conversely, higher fixed operating costs had a negative impact (CZK -0.5 billion).

The SALES segment showed EBITDA of CZK 5.4 billion, i.e., CZK 0.6 billion more year-on-year. In Czechia, the indicator increased by CZK 0.4 billion as a result of higher electricity supply to residential customers (CZK +0.6 billion), but the margin on natural gas sales to residential customers was lower due to higher expense prices (CZK -0.4 billion). The increase in fixed operating expenses was related to servicing an increased number of customers due to turbulent commodity price developments and servicing new customers in the Supplier of Last Resort regime (CZK -0.3 billion). The increase in the indicator influenced by the margin on sales of commodities to corporate customers (CZK +0.3 billion) was due to the negative impact of COVID-19 in 2020. EBITDA was also slightly increased by higher sales of telecommunication companies and new acquisitions (CZK +0.1 billion). In Germany, the indicator increased by CZK 0.4 billion due to a recovery in growth after the negative impact of COVID-19 on the ESCO area in 2020. In Romania, the indicator decreased by CZK 0.2 billion due to the sale of assets as of March 31, 2021. In Bulgaria, the indicator decreased by CZK 0.1 billion due to the sale of assets on July 27, 2021. In other countries, the indicator increased by CZK 0.2 billion, mainly due to the contribution of the sale of the portfolio of customers consuming commodities in Slovakia as of April 1, 2021.

Solvency in 2021

Solvency of CEZ Group was good in 2021 and CEZ Group companies did not report any problems in paying their liabilities.

CEZ Group took advantage of the favorable liquidity development after the sale of the Romanian companies and in April and May, it repurchased and subsequently canceled bonds maturing in 2021 and 2022 in the total amount of approximately EUR 480 million. In November and December, CEZ Group signed loan agreements with the EIB for a total amount of EUR 400 million, which are expected to be drawn down during 2022.

As a result of extreme volatility on the commodity markets at the end of the year, CEZ Group's liquidity requirements increased significantly. CEZ Group continued to duly meet all its obligations in this period. To ensure access to cash, a substantial portion of the available committed credit facilities were drawn down before year-end, a significant portion of which was deposited in short-term bank deposits as of December 31, 2021.

During 2021, CZK 27.6 billion was paid in dividends for 2020 and another 0.1 billion was paid in dividends for previous years. The average maturity of CEZ Group's financial debt was more than 5.3 years at the end of 2021.

Economic and Financial Outlook for 2022

As of March 14, 2022, CEZ Group anticipated consolidated net profit adjusted for extraordinary effects for the full year 2022 in the amount of CZK 38 to 42 billion and consolidated EBITDA in the amount of CZK 85 to 89 billion.

The main positive year-on-year influences include higher realized electricity prices and increase ambitions in ESCO services. Conversely, the main negative factors were the sale of Romanian and Bulgarian assets and higher costs of emission allowances for generation.

The major causes of the year-on-year change in operating financial performance are listed below to indicate CEZ Group's expected financial position in 2022.

The GENERATION segment is expected to increase by CZK 22 to 35 billion year-on-year. Nuclear generation is expected to increase by CZK 15 to 20 billion year-on-year due to higher realized electricity prices. In the area of generation from renewables, an annual increase in the range of CZK +1.5 billion to CZK +2.5 billion is expected due to higher realized electricity prices. In the area of generation from emission sources, a year-on-year increase of CZK 5 to 10 billion is expected, with a positive effect mainly due to the effect of realized prices of electricity, emission allowances, and natural gas on gross margin, and a negative effect due to higher costs of maintenance of equipment. Trading is expected to decrease by CZK 1–3 billion year-on-year due to record profits from commodities trading in 2021. In 2021, the indicator was negatively impacted by two specific effects totaling CZK 3.8 billion. These were the revaluation of emission allowance trades related to hedging 2022+ generation positions and timing arbitrages, and the revaluation of hedging sales of electricity of the portion of 2022 emission generation that did not meet the own-use conditions due to supply uncertainty.

The MINING segment is estimated to decrease by CZK 1–2 billion year-on-year. The main reason for the expected decrease is lower coal sales outside the CEZ Group and higher fixed operating expenses, especially energy costs.

In the DISTRIBUTION segment, the year-on-year change is expected to be in the range of CZK -1.0 billion to CZK +0.5 billion, with the negative impact of adjustment factors and the positive impact of higher regulatory asset base (RAB) and depreciation and amortization.

In the SALES segment, a year-on-year increase of CZK 0.5 to 1.5 billion is expected in view of the growth ambitions in ESCO.

The reason for using the EBITDA and net income forecast interval for 2022 is mainly based on the following risks and opportunities: realized prices of generated electricity, availability of generating facilities, the cost of acquiring emission allowances and natural gas for generation, gains from commodity trading, and Russia's military attack on Ukraine and the impact of the ensuing sanctions.

Investments in the fixed assets of CEZ Group in 2022 are expected to amount to CZK 40 billion, mostly planned to be invested in generation and distribution assets in Czechia.

The net income of the parent company ČEZ, a. s., is estimated to be CZK 34 to 38 billion in 2022, with the year-on-year increase mainly due to significantly higher electricity realization prices.

CEZ Group's Investments

Investments in 2020 and 2021

Total Capital Expenditure (CZK Billions)

	2020	2021
Additions to property, plant, and equipment, including capitalized interest	31.6	32.2
Additions to property, plant, and equipment	29.5	30.6
Of which: Nuclear fuel procurement	3.0	3.1
Additions to intangibles	1.7	1.9
Additions to noncurrent financial assets	0.4	0.4
Change in balance of liabilities attributable to capital expenditure	0.0	(0.7)
Financial investments*	1.3	3.1
Total capital expenditures	32.9	35.3

* Acquisition of subsidiaries, associates, and joint ventures, net of cash acquired.

Additions to Property, Plant, and Equipment and Intangibles (CAPEX), by Type (CZK Millions)

	Czechia		Germany		Poland		France		Romania		Bulgaria		Other		Total	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
GENERATION	10,945	12,993	-	(12)	523	355	52	229	365	47	-	-	-	-	11,886	13,612
Of which: Nuclear fuel acquisition	2,979	3,058	-	-	-	-	-	-	-	-	-	-	-	-	2,979	3,058
MINING	3,307	2,724	-	-	-	-	-	-	-	-	-	-	-	-	3,307	2,724
DISTRIBUTION	12,376	13,405	-	-	-	-	-	-	1,405	407	1,088	606	-	-	14,869	14,419
SALES	941	1,294	262	439	72	42	-	-	2	-	1	-	90	233	1,369	2,008
Elimination	(272)	(217)	-	-	-	-	-	-	-	-	-	-	-	-	(272)	(217)
Total	27,297	30,199	263	427	595	396	52	229	1,771	455	1,090	606	90	233	31,159	32,546

Expected Investments in Fixed Assets in 2022–2026

Expected Investments in Acquisition of Fixed Assets (CAPEX) of CEZ Group, by Type (CZK Billions)

	2022	2023	2024	2025	2026
GENERATION	19.1	26.0	36.9	32.8	42.0
MINING	2.8	2.4	2.0	1.4	1.2
DISTRIBUTION	14.5	14.5	14.5	14.5	14.5
SALES	3.5	2.4	2.0	2.2	1.9
Total CAPEX	39.9	45.2	55.3	51.0	59.5

Note: The above figures do not include planned acquisitions of subsidiaries, associates, and joint ventures. Furthermore, as of 2025, they do not include investments of Elektrárna Dukovany II, a. s., where, in accordance with Act No. 367/2021 Sb., on measures for the transition of Czechia to low-carbon energy, it is assumed that the investments will be financed through repayable financial assistance of Elektrárna Dukovany II, a. s.

CEZ Group Balance, Generation, and Generating Facilities

Electricity

Electricity Procured and Sold (GWh)

	2020	2021	2021/2020 Index (%)
Electricity procured	54,902	50,353	91.7
Generation	60,946	55,989	91.9
In-house and other consumption, including pumping in pumped-storage plants	(6,044)	(5,636)	93.3
Sold to end-use customers	(33,265)	(26,834)	80.7
Wholesale balance	(18,102)	(21,158)	116.9
Sold in the wholesale market	(277,953)	(244,243)	87.9
Purchased in the wholesale market	259,851	223,085	85.9
Grid losses	(3,535)	(2,360)	66.8

Electricity Generation, by Source of Energy (GWh)

Type of source	Czechia		Germany		Poland		Bulgaria		Romania		Total	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Emission-free:	32,561	33,348	292	228	9	11	6	3	1,335	394	34,202	33,984
Nuclear	30,042	30,730	-	-	-	-	-	-	-	-	30,042	30,730
Hydro	2,381	2,488	-	-	9	11	-	-	75	30	2,465	2,529
Photovoltaic	129	122	-	-	-	-	6	3	-	-	135	125
Wind	8	8	292	228	-	-	-	-	1,259	364	1,560	599
Emission-generating:	24,216	19,871	-	-	2,528	2,135	-	-	-	-	26,744	22,006
Coal	19,672	16,131	-	-	1,987	1,824	-	-	-	-	21,659	17,955
Natural gas	3,915	3,152	-	-	-	-	-	-	-	-	3,915	3,152
Biomass	625	586	-	-	541	311	-	-	-	-	1,167	897
Biogas	3	2	-	-	-	-	-	-	-	-	3	2
Total	56,777	53,218	292	228	2,537	2,146	6	3	1,335	394	60,946	55,989

Expected Electricity Generation in 2022, by Energy Source in Individual Countries (GWh)

Type of source	Czechia	Germany	Poland	Other	Total
Emission-free:	33,042	299	10	3	33,353
Nuclear	30,559	-	-	-	30,559
Hydro	2,347	-	10	-	2,357
Photovoltaic	127	-	-	-	127
Wind	9	299	-	3	310
Emission-generating:	21,155	-	2,165	-	23,321
Coal	16,662	-	2,165	-	18,828
Natural gas	3,916	-	-	-	3,916
Biomass	577	-	-	-	577
Biogas	-	-	-	-	-
Total	54,197	299	2,175	3	56,674

Installed Capacity, by Type of Generation Facility and Country (MW)

Type of source	Czechia		Germany		Poland		Romania		Bulgaria		Total	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Emission-free:	6,384	6,404	134	133	2	2	622	-	5	-	7,147	6,540
Nuclear power plants	4,290	4,290	-	-	-	-	-	-	-	-	4,290	4,290
Hydroelectric power plants	1,961	1,980	-	-	2	2	22	-	-	-	1,985	1,982
Photovoltaic power plants	125	126	-	-	-	-	-	-	5	-	130	126
Wind power plants	8	8	134	133	-	-	600	-	-	-	742	142
Emission-generating:	5,217	4,721	-	-	568	568	-	-	-	-	5,786	5,290
Coal-fired power plants and heating plants	4,254	3,754	-	-	568	568	-	-	-	-	4,822	4,322
CCGT power plants; gas-fired CUs and boiler plants	963	967	-	-	-	-	-	-	-	-	963	967
Biogas plants	1	-	-	-	-	-	-	-	-	-	1	-
Total	11,602	11,126	134	133	570	570	622	-	5	-	12,933	11,829

Electricity Sales to End-Use Customers, by Consumption Category in Individual Countries (GWh)

	Czechia		Poland		Bulgaria		Romania		Slovakia		Hungary		Total	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Large customers	8,043	8,783	300	150	4,385	2,281	1,040	301	309	41	1,330	1,467	15,406	13,023
Commercial retail	1,928	1,936	32	6	1,437	634	830	235	140	28	-	-	4,367	2,840
Residential customers	7,064	7,960	-	-	4,601	2,502	1,826	509	-	-	-	-	13,491	10,972
Total	17,035	18,680	332	155	10,423	5,417	3,696	1,045	449	70	1,330	1,467	33,265	26,834

Electricity Distributed by CEZ Group (GWh)

	Czechia		Bulgaria		Romania	
	2020	2021	2020	2021	2020	2021
Electricity distributed to end-use customers	34,676	36,551	9,396	5,025	6,487	1,773

Heat**Heat Supplied and Sold (TJ)**

	Heat Supplied for Heating Purposes*		External Heat Sales (Outside CEZ Group)	
	2020	2021	2020	2021
Czechia	22,084	23,590	18,578	19,713
Poland	5,539	6,122	5,404	5,996
Slovakia	697	734	654	684
CEZ Group, total	28,320	30,446	24,636	26,393

* Methodological change—companies without external heat sales are now included in the 2021 data.

Generating Facilities

CEZ Group Generating Facilities as of December 31, 2021

If the generating facilities listed below are not located in Czechia, the country is indicated after the name of the generating facility.

Nuclear Power Plants

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
Dukovany	ČEZ	4× 510	1985–1987 overhaul in 2009, 2010, 2011, 2012
Temelín	ČEZ	2× 1,125	2002–2003
Nuclear power plants, total		4,290.0	

Note: The achievable capacity as of December 31, 2021, was 2,000 MW for the Dukovany power plant and 2,172 MW for the Temelín power plant.

CCGT Power Plants; Gas-Fired and Cogeneration Units and Boiler Plants

Facility	Owner	Type of Fuel	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
1. CCGT Power Plant				
Počerady II	ČEZ	Gas	2× 284.75 1× 275.4	2014
CCGT Power Plant			844.9	
2. Cogeneration Units and Boiler Plants				
Husinec u Řeže cogeneration unit	ÚJV Řež	Gas	1× 0.190	1997
Husinec u Řeže cogeneration unit	ÚJV Řež	Gas	1× 0.175	2009
Cogeneration units and boiler plants, total	ČEZ Energo	Gas	122.075	2000–2021
Cogeneration Units and Boiler Plants			122.4	
CCGT power plants; gas-fired and cogeneration units and boiler plants, total			967.3	

Coal-Fired Power Plants and Heating Plants

Facility	Owner	Type of Fuel	Installed Capacity (MW) as of December 31, 2021	Year Commissioned	Desulfurized Since
1. Coal-Fired Power Plants					
Dětmárovice	Elektrárna Dětmárovice	Hard coal, brown coal	3× 200	1975–1976	1998
Energotrans II	Energotrans	Brown coal	2× 110	1971	1998
Chorzów, Poland	CEZ Chorzów	Hard coal, biomass	2× 119.2	2003	¹⁾
Ledvice III	ČEZ	Brown coal	1× 110	1968	1998
Ledvice IV	ČEZ	Brown coal	1× 660	2017	¹⁾
Pruněšov II	ČEZ	Brown coal	3× 250	1981–1982, comprehensive renovation ²⁾ 2012–2016	1996
Skawina, Poland	CEZ Skawina	Hard coal, biomass	3× 110	1957	2008
Tušimice II	ČEZ	Brown coal	4× 200	1974–1975, comprehensive renovation 2007–2012	1997
Coal-fired power plants, total			3,708.4		
2. Heating Plants					
Dvůr Králové nad Labem	ČEZ	Brown coal	1× 3.5 1× 3.8	1955 2011	1997
Hodonín	ČEZ	Brown coal, biomass	1× 50 1× 57	1954–1958	1996–1997
Energotrans I	Energotrans	Brown coal	4× 60	1959–1961	1995
Otín u Jindřichova Hradce	Energetické centrum	Biomass	1× 5.6	2008	
Poříčí II	ČEZ	Hard coal, brown coal, biomass	3× 55	1957–1958	1996 1998
Trmice	ČEZ	Brown coal	2× 20 3× 16 1× 1	1970 2013	1997
Heating plants, total			613.9		
Coal-fired power plants and heating plants, total			4,322.3		

¹⁾ Complies with SO_x limits since commissioning.

²⁾ Comprehensive renovation of B23–B25 units.

Hydroelectric Power Plants

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
1. Accumulation and Run-of-River Hydroelectric Power Plants			
Kamýk	ČEZ	4× 10	1961
Lipno I	ČEZ	2× 69.5	1959
Orlík	ČEZ	4× 91	1961–1962
Slapy	ČEZ	3× 48	1954–1955
Střekov	ČEZ OZ uzavřený investiční fond ¹⁾	3× 6.5	1936
Štěchovice I	ČEZ	2× 11.25	1943–1944
Vrané	ČEZ	2× 6.94	1936
Accumulation and run-of-river hydroelectric power plants, total		742.9	
2. Small Hydroelectric Power Plants			
Brno-Kníničky	ČEZ OZ uzavřený investiční fond ¹⁾	1× 3.528	1941
Brno-Komín	ČEZ OZ uzavřený investiční fond ¹⁾	1× 0.106 1× 0.140	1923, renovated in 2008
Čeňkova Píla	ČEZ OZ uzavřený investiční fond ¹⁾	1× 0.096	1912
Černé jezero	ČEZ OZ uzavřený investiční fond ¹⁾	1× 1.5 1× 0.04 1× 0.37	1930 2004 2005
Dlouhé Stráně II	ČEZ	1× 0.163	2000
Hněvkovice	ČEZ	2× 4.8	1992
Hradec Králové	ČEZ OZ uzavřený investiční fond ¹⁾	3× 0.25	1926
Hracholusky	ČEZ OZ uzavřený investiční fond ¹⁾	1× 3.038	1964
Kořensko I	ČEZ	2× 1.9	1992
Kořensko II	ČEZ	1× 0.94	2000
Les Království	ČEZ OZ uzavřený investiční fond ¹⁾	2× 1.105	1923, renovated in 2005
Lipno II	ČEZ	1× 1.5	1957
Mělník	ČEZ OZ uzavřený investiční fond ¹⁾	1× 0.590	2010
Mohelno	ČEZ	1× 1.2 1× 0.56	1977 1999
Obříství	ČEZ OZ uzavřený investiční fond ¹⁾	2× 1.679	1995
Pardubice	ČEZ OZ uzavřený investiční fond ¹⁾	1× 1.998	1978, renovated in 2012
Pastviny	ČEZ OZ uzavřený investiční fond ¹⁾	1× 3	1938, renovated in 2003
Plzeň-Bukovec	ČEZ OZ uzavřený investiční fond ¹⁾	2× 0.315	2007
Prácheň	ČEZ OZ uzavřený investiční fond ¹⁾	1× 9.75	1953, renovated in 2001
Předměřice nad Labem	ČEZ OZ uzavřený investiční fond ¹⁾	1× 2.6	1953, renovated in 2009
Přelouč	ČEZ OZ uzavřený investiční fond ¹⁾	2× 0.68 2× 0.49	1927, renovated in 2005
Skawina/Borek Szlachecki, Poland	CEZ Skawina	1× 0.885	2013
Skawina/Skawina, Poland	CEZ Skawina	1× 0.920	2020
Spálov	ČEZ OZ uzavřený investiční fond ¹⁾	2× 1.2	1926, renovated in 1999
Spytihněv	ČEZ OZ uzavřený investiční fond ¹⁾	2× 2	1951, renovated in 2009
Vydra	ČEZ OZ uzavřený investiční fond ¹⁾	2× 3.2	1939
Želina	ČEZ	2× 0.315 2× 0.015	1994 2017
Small hydroelectric power plants, total		69.1	
3. Pumped-Storage Hydroelectric Power Plants			
Dalešice	ČEZ	3× 120 1× 115	1978
Dlouhé Stráně I	ČEZ	2× 325	1996
Štěchovice II	ČEZ	1× 45	1947–1949, renovated in 1996
Pumped-storage hydroelectric power plants, total		1,170.0	
Hydroelectric power plants, total		1,982.0	

¹⁾ Generation license holder is ČEZ Obnovitelné zdroje.

Photovoltaic Power Plants

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
Bežerovice	ČEZ OZ uzavřený investiční fond ¹⁾	3.013	2009
Buštěhrad	ČEZ OZ uzavřený investiční fond ¹⁾	2.396	2010
Čekanice u Tábora	ČEZ OZ uzavřený investiční fond ¹⁾	4.48	2009
Dukovany	ČEZ Obnovitelné zdroje	0.831	2021
Hrušovany nad Jevišovkou	ČEZ OZ uzavřený investiční fond ¹⁾	3.802	2009
Chýnov u Tábora	ČEZ OZ uzavřený investiční fond ¹⁾	2.009	2009
Ledvice	ČEZ Obnovitelné zdroje	0.057	2021
Pánov	ČEZ OZ uzavřený investiční fond ¹⁾	2.134	2010
Přelouč	ČEZ OZ uzavřený investiční fond ¹⁾	0.021	2009
Ralsko	ČEZ OZ uzavřený investiční fond ¹⁾	55.763	2010
Ševětín	ČEZ OZ uzavřený investiční fond ¹⁾	29.902	2010
Vranovská Ves	ČEZ OZ uzavřený investiční fond ¹⁾	16.033	2010
Žabčice	ČEZ OZ uzavřený investiční fond ¹⁾	5.6	2009
Photovoltaic power plants, total		126.0	

¹⁾ Generation license holder is ČEZ Obnovitelné zdroje.

Wind Power Plants

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
Baben Erweiterung, Germany	CEZ Windparks Luv	9.2	2015
Badow, Germany	CEZ Windparks Nordwind	27.6	2015
Cheinitz-Zethlingen, Germany	CEZ Windparks Lee	13.8	2016
Föhren-Linden, Germany	CEZ Erneuerbare Energien Beteiligungs	12.8	2016
Frauenmark III, Germany	CEZ Windparks Lee	2.3	2016
Gremersdorf, Germany	CEZ Windparks Luv	6.9	2016
Janov	ČEZ OZ uzavřený investiční fond ¹⁾	2× 2	2009
Lettweiler Höhe, Germany	BANDRA Mobiliengesellschaft	17.7	2014
Lettweiler Höhe, Germany	CASANO Mobiliengesellschaft	17.7	2014
Mengeringhausen, Germany	CEZ Windparks Luv	12.0	2016
Naundorf, Germany	CEZ Windparks Luv	6.0	2015
Věžnice	ČEZ OZ uzavřený investiční fond ¹⁾	2× 2.08	2009
Zagelsdorf, Germany	CEZ Windparks Lee	7.5	2016
Wind power plants, total		141.6	

¹⁾ Generation license holder is ČEZ Obnovitelné zdroje.

Generating facilities, total		11,829.2	
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List of Generating Facilities Co-Owned by CEZ Group in Turkey as of December 31, 2021**Gas-Fired Power Plant**

Facility	Owner	Type of Fuel	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
Erzin	Akenerji Elektrik Üretim	Natural gas	2× 292.09 1× 319.82	2014
Gas-fired power plants, total			904.0	

Hydroelectric Power Plants

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
Bulam	Akenerji Elektrik Üretim	2× 3.515	2010
Burç Bendi	Akenerji Elektrik Üretim	3× 9.11	2010
Feke I	Akenerji Elektrik Üretim	2× 14.7	2012
Feke II	Akenerji Elektrik Üretim	2× 34.79	2010
Gökkaya	Akenerji Elektrik Üretim	2× 14.27	2012
Himetli	Akenerji Elektrik Üretim	2× 13.49	2012
Uluabat	Akenerji Elektrik Üretim	2× 50	2010
Hydroelectric power plants, total		288.9	

Wind Power Plant

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
Ayyıldız RES	Akenerji Elektrik Üretim	5× 3 4× 3.3	2009 2016
Wind power plants, total		28.2	

Pyrolytic Power Plant

Facility	Owner	Installed Capacity (MW) as of December 31, 2021	Year Commissioned
AKEL SUNGURLU	Company controlled by a controlling contract	1× 2.17	2021
Pyrolytic power plants, total		2.2	

Note: Turkish companies are consolidated using the equity method and therefore their installed capacity is not included in the aggregate data for CEZ Group.

Natural Gas**Natural Gas Procured and Sold (GWh)**

	2020	2021	2021/2020 Index (%)
Procured	539,773	469,503	87.0
Removed from storage	7,068	5,699	80.6
Sales	(530,017)	(464,115)	87.6
Of which: Trading	(520,128)	(456,365)	87.7
External large customers	(3,364)	(1,360)	40.4
Medium-sized end-use customers	(1,664)	(867)	52.1
Small end-use customers	(1,159)	(1,241)	107.1
Residential customers	(3,131)	(3,785)	120.9
OTE (market operator)	(571)	(496)	86.8
Placed in storage	(8,304)	(4,056)	48.8
Consumed in-house	(8,520)	(7,031)	82.5

Natural Gas Sold to End-Use Customers (GWh)

	Czechia		Slovakia		Poland		Romania		Total	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
External large customers	1,740	1,303	1,240	58	384	-	-	-	3,364	1,360
Medium-sized end-use customers	278	396	58	25	28	-	1,300	446	1,664	867
Retail customers	1,006	1,172	153	69	-	-	-	-	1,159	1,241
Residential customers	3,126	3,783	5	2	-	-	-	-	3,131	3,785
Total	6,150	6,653	1,456	154	412	-	1,300	446	9,318	7,254

An aerial photograph of a dense forest with a mix of green and brown foliage. A white circle is drawn around a central text block. The text is white and reads: "We will do our best to talk about the clean energy for tomorrow in the present tense as soon as possible".

We will do our best to talk
about the clean energy
for tomorrow in the present
tense as soon as possible



CEZ Group Operations

CEZ Group operates mainly in Czechia and in Central European markets. The parent company, ČEZ, a. s., is based in Czechia and applies segment management within the four main business segments, which are GENERATION, MINING, DISTRIBUTION, and SALES.

CEZ Group Activities

Czechia

In Czechia, CEZ Group operates in generation, sales and distribution of electricity, mining of mineral resources, and provision of energy services. The most important generation company is the parent company ČEZ, a. s., which operates nuclear, emission, and renewables generation facilities and provides, among other things, sales, and activities with operations on the European wholesale markets. The most important companies of CEZ Group in Czechia also include ČEZ Distribuce, ČEZ Prodej, ČEZ ESCO, Energotrans, and Severočeské doly. Inven Capital, SICAV, one of the largest corporate clean-tech funds in Europe, is also based here.

Germany

In Germany, CEZ Group operates mainly in the area of comprehensive energy services, represented by Elevion Group. It is also active in the renewables sector, where it focuses on the operation and development of wind power plants.

Poland

In Poland, CEZ Group companies provide comprehensive energy services. They are involved in heat and electricity generation, commodity sales, and their own wind power plant development projects.

Slovakia

CEZ Group is active in the provision of comprehensive energy services, heat sales, and is preparing the construction of a nuclear power plant.

France

In France, CEZ Group is active in the development of onshore wind power plants.

Turkey

In Turkey, CEZ Group is active in the generation, distribution, and sale of electricity. All assets are jointly owned by CEZ Group and its Turkish partner and are therefore consolidated using the equity method.

Other Countries

In Europe, specifically in Austria and Italy, CEZ Group operates mainly in the energy services business, and in Hungary it sells electricity and provides energy services. In the Netherlands, CEZ Group owns companies that carry out holding, financial, or management activities, as well as companies providing energy services. CEZ Group also owns several companies in Asia, mainly in China and Malaysia, focused on the promotion and development of energy services of the German company Elevion.

Structure of Operating Income in Selected Countries of Activities in 2021

	%
Czechia	82
Germany	7
Poland	4
Assets Sold	7
Total	100



Business Environment

Czechia

In 2021, Czechia's gross domestic product increased due to an increase in domestic demand. GDP increase was driven entirely by domestic demand, mainly by final consumption expenditure by households and government, as well as by an increase in inventories. The continued strong increase in households consumption was supported by the almost unrestricted functioning of services and stores during the summer, as well as the improving labor market situation and the likely gradual dissipation of forced savings built up during previous economic shutdowns. The increase in government expenditure mainly reflected continued extraordinary spending in the health sector. Inventory levels increased, driven by forced stockpiling of work-in-progress due to disruptions in international production chains and related logistics. Gross fixed capital formation also increased. Inflation increased sharply, and consumer demand increased following the lifting of anti-epidemic measures, both in the goods and services sectors. By increasing prices, companies compensate for the drop in sales during the closures, as well as the increase in costs. Information on the regulatory framework in Czechia is provided in the Developments in Sectoral Regulation and Legislation chapter.

Slovakia

H2 2021 was significantly affected by high commodity price increases, which were reflected in the electricity and gas supply markets. The price increases mostly affected companies that did not have contracted supplies. In terms of energy services, 2021 was affected by significant fluctuations in the prices of input materials, such as galvanized sheet or cables, which account for a significant part of companies' expenses. On the other hand, this trend led to an increase in demand for energy saving solutions or renewables.

Germany

Renewables, in particular the construction of solar and wind sources, are the most important pillar of a sustainable energy policy and play a key role in the "Energiewende", the transformation of the German energy sector to ensure an environmentally friendly and secure energy supply.

RESs accounted for 45.8% of Germany's net electricity generation in 2021, a decrease of 4.2% compared to 2020, mainly due to poor wind conditions, especially in H1 2021. Despite this, wind power remains the most important green energy source with a generated volume of 113.5 TWh, accounting for 23.1% of net electricity generation. In 2021, 484 new wind power plants with an installed capacity of 1.9 GW were connected to the grid. In total, 28,230 onshore wind power plants were in operation at the end of the year, with a total installed capacity of 56.1 GW.

In 2021, 3 auctions were held to determine support for electricity generation from onshore wind power plants. The Federal Network Agency (Bundesnetzagentur – BNetzA) offered a total of 4,235 MW of capacity for auctions. Support was granted to 382 projects with a total capacity of 3,296 MW. The average value of the support granted was 5.9 ct/kWh. In 2021, 3 auctions were held for the construction of solar power plants. BNetzA offered a total of 1,637 MW of capacity for auctions. Support was granted to 331 projects with a total capacity of 1,645 MW. The average value of the support granted was 5 ct/kWh.

Poland

The Polish energy market is almost fully liberalized. Wholesale market pricing is based on market factors. Electricity prices for residential customers and distribution charges are regulated. Prices in the heat market are based on a system of rates and require annual approval by the Energy Regulatory Office. CEZ Skawina and CEZ Chorzów underwent mandatory certification for joining the capacity market system in early 2020. At the moment, CEZ Skawina has supply contracts for 2021–2026 and CEZ Chorzów has a one-year contract for 2024. Relevant agreements have been signed in connection with the planned participation in the secondary market. Only three of the five renewables auctions held in December 2021 were concluded. In the second round, just over 18.5 TWh of renewable electricity was allocated for sale. As a result of their settlement, a total of almost 14 TWh (75%) of electricity was contracted.

France

France's energy policy is defined by the energy concept in the form of the first and second Multiyear Energy Programs, which set short- and medium-term energy and climate targets until 2028, and the National Low-Carbon Strategy with the overarching goal of achieving climate neutrality by 2050. The Multiyear Energy Program, covering the five-year periods of 2019–2023 and 2024–2028, emphasizes the diversification of the energy mix through the promotion of RES with the aim of doubling their installed capacity by 2028 compared to 2017, while achieving a 36% share of RES in electricity generation. With a view to targets set for RES, the installed capacity of photovoltaic power plants should increase to 35.1–44.0 GW by the end of 2028 and the capacity of onshore wind farms should increase to 33.2–34.7 GW. Offshore wind farms had the targets for 2023 slightly decreased (2.4 GW), while achieving capacities to 5.2–6.2 GW is expected in 2028. Climate policy and climate protection are at the heart of the public interest. After months of public consultation, the Climate Change Act was adopted in August 2021, covering a wide range of measures to reduce greenhouse gas emissions through the construction of RES, increased energy efficiency, and emission reductions in energy, transport, housing, and agriculture.

A key pillar for a successful energy transformation is the construction of wind power plants, the acceleration of which has been supported by the ministry of environmental transformation through the announcement of 10 measures to support the increase of onshore wind energy. In particular, the measures are aimed at increasing the activity of individual regions to assess sites suitable for the construction of wind power plants in accordance with local environmental needs and to define their own RES development targets in line with regional specificities. The measures are also intended to eliminate the impact on the local population, particularly with regard to the obligation to recycle resources at the end of the projects' life. Three auctions for wind power plants were held in 2021, with support for 41 projects with a total capacity of 924 MW. The average price was 6 ct/kWh. An annual auction capacity of 1,850 MW is planned for the following years until 2026.

Turkey

The Turkish economy and domestic politics were under the influence of the ongoing epidemic of COVID-19 in 2021. The impact of disruptions in supply-consumer relations, price increases in a number of service sectors, and increasing food prices were reflected in high inflation (Consumer Price Index in December 2021: 36%). Continued tensions in foreign relations (mainly with the US and EU) contributed to local currency volatility and a negative view of the environment among foreign investors. The dismissal of the central bank governor in March and two board members in October, followed by repeated cuts in interbank interest rates, also contributed to economic instability. This has led to concerns about the central bank's ability to effectively combat ongoing double-digit inflation. This led to a further depreciation of the Turkish lira against the dollar. The Turkish lira depreciated by 83% over 2021, and as of December 31, 2021, the exchange rate stood at TRY 13.459/USD, with the lira depreciating the most towards the end of the year in the context of monetary easing. The depreciating lira negatively affected the results of Turkish companies that are funded with loans denominated in US dollars. Credit rating agencies unanimously give Turkey speculative-grade ratings (Moody's: B2 with a negative outlook /2021/, Standard & Poor's: B+ with a negative outlook).

GENERATION Segment

The segment's existing companies operate primarily in Czechia. They also operate mainly in Poland, Germany, Slovakia, France, and Turkey. In 2021, the segment included divested generation companies in Romania (sold as of March 31, 2021) and generation companies in Bulgaria (sold as of July 27, 2021).

The most significant company in the segment is the parent company ČEZ, a. s., which is primarily engaged in the generation of electricity and heat, trading and sale of electricity, natural gas, and commodity trading. The Company's and the segment's value is driven by generation from emission-free nuclear facilities and renewables. The segment also includes mainly Czech generation companies such as Energotrans and ČEZ Teplárenská, as well as service and support companies. Abroad, these are Polish generation companies engaged in the generation and sale of heat and electricity. And also German and French companies operating or developing renewable, mainly wind, power plants.

The segment's operating revenues for 2021 reached CZK 138.4 billion and segment EBITDA reached CZK 33.5 billion. Within the segment, four significant subareas are monitored separately: Nuclear Facilities, Renewables, Emission Facilities, and Trading. The share of emission-free activities (i.e., generation from nuclear and emission-free renewables and trading) in the segment's EBITDA was over 85% for existing assets in 2021.

1. Nuclear Facilities

Czechia

Existing Nuclear Plants

Electricity Generation

Nuclear power plants generated 30,730 GWh of electricity in 2021, or by 688 GWh more year-on-year. Dukovany Nuclear Power Plant generated 14,868 GWh of this, i.e., 571 GWh more than in 2020 (due to extended outages in 2020). Temelín Nuclear Power Plant generated 15,862 GWh, i.e., 117 GWh more year-on-year (due to an increase in available capacity).

Capital Construction

At the Dukovany and Temelín nuclear power plants, work continued on projects started in previous years, focusing on the enhancement of nuclear safety and necessary plant renovation. At the same time, investment preparatory works were initiated and implementation and completion works related to modernization, stabilization, safety, and efficiency of generation, and also to meet the legislative requirements of the Atomic Act were carried out.

Significant investment projects continuing from previous years included the replacement of the steam separator—heater at Temelín with an impact on optimizing the operation of the secondary part of the unit. At the Dukovany site, the implementation of technical measures continued at the so-called vital areas. A financially and technically significant project was initiated for the generation renewal of control systems at Temelín and hundreds of major and minor projects of an investment nature were carried out for the long-term and safe operation of both nuclear power plants.

Installed Capacity

The installed capacity of nuclear power plants of 4,290 MW remained unchanged year-on-year.

Nuclear Fuel

Fuel for the Dukovany Nuclear Power Plant is sourced under a long-term contract with Russian company TVEL, which not only fabricates the fuel but also provides conversion and enrichment services as well as some of the base raw material (uranium). At present, the fuel is used at an increased 105% output in a full five-year fuel cycle thanks to the latest fuel innovation (Gd-2M+) supplied. In 2020, this fuel was supplied for the first time with a higher enrichment (4.76%), which is gradually loaded from 2021. The above fuel allows introducing more economical 16-month refueling cycles. A new type of fuel (PK3+) is being developed to further increase the utilization of uranium. Concurrently, a project is undertaken for further utilization of design margins and possible increase of thermal power to a level of 107%.

The Temelín Nuclear Power Plant also continued to operate with TVEL fuel in both units based on a long-term fuel contract. The TVSA-T fuel facilitated switching to operation with an increased output of 104% in a four-year fuel cycle and has the potential to enable safe operation of the units in a partial work cycle of five years. A fourth loading of an advanced type of fuel with increased uranium content and enhanced structural rigidity (TVSA-T.mod.2) was loaded into Unit 2 in 2021, allowing further increase in the efficiency of fuel utilization. A selection procedure is being carried out to secure fuel for the period after the end of supply under the existing contract with TVEL, which will be evaluated in 2022.

In order to create conditions for the diversification of nuclear fuel deliveries for the Temelín power plant and ensure a competitive environment, 6 fuel assemblies made by an alternative contractor, Westinghouse Electric Sweden, were delivered and introduced to Unit 1 in 2019, following the completion of development and licensing. In 2021, after the second year of its operation, this fuel was inspected and subsequently introduced into its third cycle. For the production of nuclear fuel, both raw uranium and its processing (conversion and enrichment services) were procured under long-term contracts, either by purchases from foreign suppliers or by direct fuel deliveries from a fuel producer.

As a result of DIAMO terminating commercial uranium mining in Czechia, domestic uranium is no longer purchased, however, the covering of part of the Dukovany Nuclear Power Plant's uranium needs continued in 2021 thanks to holding part of the fuel reserves with processed Czech uranium. A smooth transition, under a contract with a foreign uranium producer, will provide approximately 50% of the uranium needed by the Dukovany Nuclear Power Plant until 2025. Overall uranium, conversion and enrichment needs for nuclear power plants operated by ČEZ have been contractually covered until 2023; some contractual obligations extend until 2025.

Desirable diversification of the supply base is maintained as recommended by the supply management policy of the EURATOM Supply Agency. In order to mitigate the risk of an interruption or other threats to timely supplies of nuclear fuel, ČEZ previously decided to increase the share of fuel fabricated at its power plant sites while decreasing the strategic inventory of uranium in various stages of processing kept by its suppliers.

Outlook for 2022

We estimate nuclear generation at 30.6 TWh in 2022. The availability of nuclear power plants is affected by the timing of scheduled outages related not only to refueling and the performance of scheduled maintenance, inspections, and revisions of key equipment, but also activities aimed at continual upgrades and enhancement of the operational efficiency of the two plants.

Upcoming Nuclear Plants

Dukovany New Nuclear Power Plant (NNPP)

On the basis of a resolution of the Czech government, the investor of the Dukovany NNPP project is Elektrárna Dukovany II. In 2021, project preparation continued in accordance with the Company's business plan and the first implementation agreement between Elektrárna Dukovany II, ČEZ, and the state on cooperation in the construction of a new nuclear power plant at the Dukovany site in Czechia.

On March 8, the State Office for Nuclear Safety issued a permit for the location of the nuclear facility and on April 27, the Ministry of Industry and Trade of the Czech Republic granted a state authorization for the construction of the electricity generation facility. On June 1, Elektrárna Dukovany II submitted the documentation for the construction procedure together with the application for a construction permit to the Třebíč Municipal Authority, which issued a notice of commencement on July 29.

The Czech government, in Resolution No. 339 of March 29, 2021, approved the phase of security assessment of the bidders for the construction of the new nuclear unit at Dukovany before the actual start of the tender procedure. Following the development of the security situation, Resolution No. 394 of April 19 decided not to invite Rosatom to the security assessment.

The purpose of the security assessment is to evaluate all potential contractors and obtain the information needed to ensure the state's security interests. This includes, above all, clarification of the supply chain's ownership structure, the links of entities concerned with the state, problems with project implementation, allegations, and other problems in nuclear projects, transfer of technology and know-how.

In order to answer the questions in the security assessment, potential bidders received complete preliminary documentation, which will potentially help to speed up the subsequent processing of final bids.

The data collection for the security assessment started on June 21 and involved the French company Électricité de France, the US-Canadian company Westinghouse, and the South Korean company KHNP. All approached bidders agreed to participate in the security assessment and submitted all relevant information on security issues by the end of November 2021.

Temelín New Nuclear Power Plant (NNPP)

The investor of the Temelín NNPP project is the company Elektrárna Temelín II, a. s. Based on a resolution of the Czech government, it was determined that activities at the Temelín site must be managed in such a way as to maintain the value of the project, including ensuring the validity of existing permits and maintaining the possibility of its rapid activation if necessary. During 2021, the necessary preparatory activities for the Temelín NNPP project continued, consisting of fulfilling the conditions of the issued opinions and decisions, proper care of the Company's assets and, last but not least, the analysis of the issue of small modular reactors (SMRs) as one of the alternatives to be considered in the longer term.

Slovakia

Upcoming Nuclear Plants

The Upcoming New Nuclear Power Plant Jaslovské Bohunice and the Expansion of the Scope of Business

ČEZ Bohunice owns a 49% stake in Jadrová energetická spoločnosť Slovenska (JESS), a company established for the purpose of constructing a new nuclear power plant (NNPP) in Bohunice. The year 2021 was marked by legislative changes, mainly the approval of the amendment to the Slovak Atomic Act on October 12. The priority activity for 2021 was, and remains for 2022, the activity related to the preparation of documentation for locating a new nuclear power plant by the envelope approach (i.e., without selecting a specific technology) according to the Atomic Act. Work on the necessary project plan documentation was initiated and the necessary project activities were also underway to maintain the value of the project, to maintain the valid EIA Final Opinion, and the activities required to renew certification by the ministry of economy. Negotiations with affected municipalities are held on an ongoing basis concerning the inclusion of the new nuclear power plant in land use planning documentation.

JESS is interested in expanding its energy portfolio to include electricity generation from renewables (photovoltaic or wind) and to participate in the call of the Slovak Innovation and Energy Agency to support important projects of common European interest with a focus on hydrogen—to address the possibility of green hydrogen generation. On September 2, the Slovak government approved a proposal to expand the scope of business to include activities in the field of electricity generation from renewables and hydrogen generation. A pilot photovoltaic power plant project is being prepared on JESS brownfield land.

2. Renewables

Renewable generation includes electricity generation from water, wind, solar, biomass, and biogas.

Czechia

Electricity Generation

Generation by ČEZ's hydroelectric power plants was 2,256 GWh, that is, 104 GWh more year-on-year due to better weather conditions in 2021 and an increase in the installed capacity of the Lipno 1 power plant.

Electricity generation from small hydroelectric power plants and photovoltaic, wind, and biogas sources of ČEZ OZ uzavřený investiční fond in Czechia amounted to 363 GWh, i.e., 6 GWh less than in the same period of 2020. Due to weather conditions, there was a year-on-year increase in hydroelectric power plants by 3 GWh while other sources recorded a slight decrease.

Capital Construction

In 2021, projects to prepare and implement upgrades to selected hydroelectric power plants continued in various stages. Increasing the efficiency of individual units and reducing the environmental burden on sites by, among other things, reducing the amount of oil fillings are the main objectives of the modernization projects. Following the successful modernization of the TG1 unit, the TG2 unit and the control system of the Slapy power plant are now being modernized. At the Orlik power plant, the preparatory work for a comprehensive modernization project continued, consisting of the conversion of a run-of-river plant into a pumped-storage power plant. Mapping of the sites with regard to their untapped energy potential for RES and energy storage technologies is under way.

In 2021, the preparation of projects for the construction of renewables (mainly photovoltaics) with investment support from the Modernization Fund was underway. For the first RES+ Call No. 2/2021, intended for photovoltaic power plants above 1 MWp, for which the deadline for submitting applications was October 29, 2021, ČEZ finally submitted applications for support for 22 projects with a total installed capacity over 211 MWp. We expect the first projects to start at the end of 2022. As part of the pilot project, the installation of the first floating solar power plant in Czechia with an output of 22 kWp has been completed (first stage), located on the upper reservoir of the Štěchovice pumped-storage power plant. If the pilot project proves to be successful and the floating solar power plants are included in the next call of the Modernization Fund, CEZ Group wants to be ready for more significant development of these photovoltaics.

Installed Capacity

The installed capacity in renewables was increased by 19 MW, reaching 2,114 MW. The main reason for this was the 19 MW increase in the Lipno 1 hydroelectric power plant.

Outlook for 2022

Hydroelectric Power Plants

In 2022, 2.3 TWh of hydroelectric generation is expected in CEZ Group's facilities. The actual generation level will depend mainly on the hydrological situation in Czechia, especially on the level of use of the Vltava Cascade and on the actual deployment of pumped storage hydroelectric power plants. A major upgrade will take place in 2022 on the turbine-generator set 2 of the Slapy power plant. A great deal of effort will also be devoted to the preparation of repairs and modernization of the Dlouhé Stráně and Dalešice pumped-storage power plants, which will take place in the period 2023–2025, but above all to the comprehensive modernization of the Orlik hydroelectric power plant, with an implementation date of 2024–2030.

Germany

Electricity Generation

CEZ Group's wind farms in Germany generated 228 GWh of electricity in 2021, as compared to 292 GWh in the same period of 2020. The cause of the year-on-year decrease in 2021 is mainly due to below-average weather conditions and also to the shutdown of some turbines for necessary repairs.

Capital Construction

Regarding renewables, CEZ Group in Germany concentrates on the operation of its wind farms and the co-development of its existing wind portfolio consisting of 12 projects with an output of up to 193.5 MW. The most advanced project in the co-development portfolio is the Datteln project, which received permits for the construction and subsequent operation of 2 turbines with a capacity of 9 MW in mid-2021. For the second most advanced project, Nortorf, with a planned capacity of 11.4 MW, an application for a construction permit was submitted mid-year.

Installed Capacity

As of December 31, 2021, CEZ Group companies owned ten wind farms in Germany with 53 wind turbines with a total installed capacity of 133.5 MW, i.e., there were no year-on-year changes.

Outlook for 2022

CEZ Group power plants in Germany are projected to generate 0.3 TWh of electricity in 2022.

France

Capital Construction

CEZ Group made progress in the development of its portfolio of 17 onshore wind turbine projects during 2021. As of December 31, 2021, a total of 9 projects with a planned capacity of 97.6 MW obtained construction and operation approval. Administrative processes have been significantly affected by COVID-19 and planned activities are several months to a year behind schedule.

In 2021, the tender for the supply of turbines for 2 projects with a planned installed capacity of 27 MW was completed. Nordex will be the technology supplier.

Outlook for 2022

Construction of the Aschères-le-Marché project, with an installed capacity of 12 MW, will start in H1 2022 and is expected to be commissioned at the end of 2022. The construction of the second most advanced project, Neuville-aux-Bois, with an installed capacity of 15 MW, will start in Q2 2022 with an expected commissioning in H1 2023.

Poland

The Borek Szlachecki small hydropower plant generated 7 GWh of electricity and the Skawina small hydroelectric power plant 4.2 GWh of electricity.

As of December 31, 2021, CEZ Group companies in Poland owned generating plants with an installed capacity of 1.8 MW, all of which were hydroelectric power plants. The installed capacity remained unchanged from the same date of the last year.

Turkey

CEZ Group has only a 50% stake in the Turkish companies, they are consolidated using the equity method, and therefore their generation and installed capacity are not included in CEZ Group's aggregate figures.

Electricity Generation

Akenerji hydroelectric power plants generated 732 GWh of electricity in 2021, which was a decrease of 35 GWh year-on-year. The Ayyıldız RES wind farm's generation decreased by 4 GWh year-on-year, totaling 85 GWh for the entire year.

Capital Construction

Capital expenditure was directed mainly to the pyrolysis project in 2021.

Installed Capacity

Akenerji operated 7 hydroelectric power plants with an installed capacity of 288.9 MW and a wind park with an installed capacity of 28.2 MW. In addition, it practically controls a company that has built and prepared for operation a power plant with pyrolytic technology for the energy recovery of old tires with an installed capacity of 2.2 MW.

Outlook for 2022

Renewable generation is forecast at 0.9 TWh.

Romania

Electricity Generation

CEZ Group's generation assets were sold as of March 31, 2021. The Fântânele and Cogeaalac wind power plants generated 364 GWh of electricity in Q1 2021, while TMK Hydroenergy Power S.R.L.'s small hydroelectric power plants in Reșița generated 30 GWh of electricity.

Bulgaria

CEZ Group's generating assets were sold as of July 27, 2021. The Oreshets photovoltaic power plant generated 3.1 GWh of electricity in H1 2021.

3. Emission Sources

Generation from emission sources includes the production of electricity and heat in coal-fired or CCGT power plants and cogeneration units; it also includes the combustion of biomass.

Czechia

Electricity Generation

Coal-fired power plants in Czechia generated (excluding biomass) 16,131 GWh of electricity, i.e., 3,542 GWh less than in 2020. The decrease in generation was caused by the sale of the Počerady power plant at the end of 2020 and the closure of the Prunéřov I and Energotrans 3 power plants on June 30, 2020, and August 17, 2021, respectively. Conversely, Ledvice, Prunéřov II, and Dětmárovice (due to market conditions and shorter outages in 2021) brought year-on-year generation increases.

Using natural gas, facilities in Czechia generated 3,152 GWh of electricity (a decrease of 763 GWh year-on-year), of which 2,757 GWh in the GENERATION segment and 395 GWh in the SALES segment. The year-on-year decrease of 820 GWh in the GENERATION segment was mainly due to worse market price conditions for the operation of the Počerady II CCGT, and the year-on-year increase of 58 GWh in the SALES segment through ČEZ Energo resulted from the gradual increase in cogeneration output.

Production of electricity from biomass amounted to 586 GWh, which meant 39 GWh less year-on-year.

Capital Construction

In accordance with the outage plan and as part of the overhaul of Units 21 and 22 of the Tušimice power plant, greening projects were implemented in 2021, which will enable the continued operation of the facilities even if the new BAT emission limits are in force. At the same time, preparatory and design work continued to ensure actions related to the renewal and further greening of Units 23 and 24 of the Tušimice power plant (expected implementation in 2022) and Unit B6 at the Ledvice power plant (expected implementation in 2024). As of July 1, 2021, the commercial operation of the 3.75 MW battery energy storage system at the Tušimice power plant, used exclusively for the provision of primary frequency control, has started.

In accordance with the updated ČEZ strategy and the energy policy of Czechia, analyses of a possible accelerated transition to low-emission sources in the heating sector continued. The results of these analyses were essential inputs to the current CEZ Group strategy in the heating sector, which responds to the new conditions of decarbonization of electricity and heating sources while maintaining contractual heat supplies. The aim of the whole transformation is to end the associated heat generation in large coal-fired power plants and to build new low-emission sources, including the controlled replacement of central heat supply systems with decentralized sources where this makes sense.

The reconstruction of the raw water pumping station was completed at the Počerady CCGT plant, which will ensure a long-term safe supply of water for both the source itself and external customers.

Installed Capacity

Installed capacity at emission facilities in Czechia amounted to 4,721 MW. The reason for the year-on-year decrease of 496 MW was the cancellation of the license of one unit of the Energotrans 3 coal-fired power plant in Mělník site as of August 17, 2021 (500 MW). In 2021, ČEZ Energo connected new cogeneration units with an installed capacity of 4.3 MW.

Solid Fossil Fuels and Sorbents

The highest share of solid fuels supplied to CEZ Group's coal-fired power plants in Czechia in 2021 consisted of brown coal, in the total amount of 12,236 thousand tons (96.7% of coal supplied). The top suppliers of brown thermal coal to ČEZ included Severočeské doly and Sokolovská uhelná. The principal amount of 11,738 thousand tons (95.9%) was supplied by Severočeské doly, a member of CEZ Group. Long-term coal supply contracts have been made with Severočeské doly (in effect until 2052—sales precontract) and Sokolovská uhelná (until 2025). The amount of supplies of hard coal for the CEZ Group power plants in the territory of Czechia amounted to 414 thousand tons, of which 200 thousand tons were supplied by OKD; the remaining volume of deliveries was secured by imports. Short-term purchase agreements are concluded for the supply of hard coal to the Dětmarovice power plant. Sorbents for flue gas desulfurization at CEZ Group's coal-fired power plants in Czechia are delivered under long-term purchase contracts. Sorbent deliveries amounted to 675 thousand tons in 2021.

Biomass

Biomass deliveries procured within CEZ Group in Czechia totaled 747 thousand tons in 2021. Biomass was burned in the Hodonín power plant, where 357 thousand tons were delivered, in the Poříčí power plant, where 341 thousand tons were delivered, and in the heating plant in Otín near Jindřichův Hradec, where 49 thousand tons were delivered.

Natural Gas

Natural gas supplies for the operation of gas boilers and for the start-up and stabilization of CEZ Group's facilities were made on the basis of an annual agreement with ČEZ ESCO and amounted to 0.3 TWh in 2021. This natural gas is used as fuel in the Prunéřov, Dětmarovice, Tušimice, Temelín, and Ledvice power plants, as well as in the Dvůr Králové nad Labem and Trmice heating plants.

Natural gas for the Počerady II CCGT plant is purchased on the wholesale market and its 2021 consumption was 4.9 TWh.

Outlook for 2022

Coal-fired power plants are expected to generate 16.7 TWh of electricity in 2022. The priority task is the implementation of greening measures at Units B23 and B24 of the Tušimice power plant, which will enable further operation of the facility with compliance with the new valid emission limits. Another key task is the commercial provision of new natural gas-based production technology at the Mělník site, which will ensure the fulfillment of the long-term heat supply agreement for the capital city of Prague, Mělník, and Neratovice.

The gas-fired power plant in Czechia is expected to generate 3.6 TWh. Generation from natural gas in 2022 may be significantly affected by developments in Ukraine and the consequences of sanctions against the Russian Federation. At the same time, analyses and preparatory work will continue for possible future installations of gas-fired facilities at existing generating sites.

Heat Generation and Sales

CEZ Group's facilities in Czechia supplied 19,713 TJ of heat to customers in 2021, which represented an increase in volume by 1,135 TJ compared to 2020. Of this total, 17,635 TJ of heat were delivered to customers in the GENERATION segment (up by 873 TJ year-on-year) and 2,077 TJ of heat were delivered in the SALES segment through ČEZ Energo and ČEZ Energetické služby (an increase of 262 TJ year-on-year). The year-on-year increase was mainly driven by ČEZ Teplárenská and Energotrans. ČEZ Teplárenská delivered 7,158 TJ of heat outside CEZ Group in 2021, an increase of 482 TJ year-on-year, due to the above-average cold weather in 2021. It supplies heat to customers in 33 cities in the Ústí nad Labem, Karlovy Vary, Central Bohemia, Pardubice, Hradec Králové, Moravia-Silesia, and Southern Moravia Regions. Energotrans' delivery volume increased by 550 TJ year-on-year to 9,942 TJ due to colder weather in 2021. Its main customer is Pražská teplárenská supplying the capital city of Prague and the town of Neratovice.

Outlook for 2022

Heat supplies to customers in Czechia are estimated at 16,250 TJ in 2022. The actual amount will primarily depend on climatic conditions.

Poland

Electricity Generation

In 2021, CEZ Group's coal-fired facilities in Poland generated (excluding electricity generated from biomass) 1,824 GWh of electricity, i.e., 163 GWh (8.2%) less than in the same period of 2020. Biomass generation in both plants amounted to 311 GWh, i.e., 230 GWh (42.5%) less year-on-year. The reason for the lower amount of biomass burned in 2021 was due to a longer maintenance outage at the Chorzów power plant.

Capital Construction

In the Skawina power plant, the investment funds were spent mainly on the modernization of boilers, while in Chorzów power plant the investments were mainly related to the overhaul of Unit 1.

Installed Capacity

As of December 31, 2021, CEZ Group companies in Poland owned generating plants with an installed capacity of 568.4 MW in coal-fired power plants. The installed capacity did not change year-on-year.

Outlook for 2022

The Chorzów and Skawina power plants are planned to generate 2.2 TWh of electricity in 2022.

Heat Generation

The Chorzów and Skawina power plants generated 6,122 TJ of heat, 583 TJ more than in the same period in 2020. The main reason was the lower average temperature in H1 2021. The heat supply amounted to 5,996 TJ, i.e., 592 TJ more than in the same period of 2020.

Outlook for 2022

The volume of heat generated is planned to be nearly 6,000 TJ.

Turkey

The Turkish companies are consolidated using the equity method; consequently neither their generation nor their installed capacity are included in CEZ Group's aggregate figures.

Electricity Generation

Generation by the Erzin CCGT power plant amounted to 4,266 GWh, as compared to 3,738 GWh in 2020. The year-on-year increase was influenced by higher local market demand.

Capital Construction

Investment construction in 2021 was mainly directed towards repairs of the Erzin power plant.

Installed Capacity

The installed capacity of the Erzin CCGT plant was 904 MW.

Outlook for 2022

Generation at the Erzin CCGT plant is expected to be 3.5 TWh.

4. Trading

The trading activity involves trading commodities on one's own account for speculative profit. The economic effect from trading activities is generated primarily in ČEZ, a. s. This activity contributes low units of CZK billions to the CEZ Group's economy each year. The trading activities are separated from the actual business of securing the needs of generation sources including the hedging activities of these sources in the medium term.

The activity is managed centrally from Czechia by ČEZ. The actual trading, including the settlement of trades, takes place in several European countries with wholesale partners and through energy exchanges. At the same time, CEZ Group operates trading companies in several countries, where local support for ČEZ trading or sales of commodities to end-use customers take place simultaneously.

All trading activities are subject to Risk Frameworks (defining market and credit limits, permitted trades, and trading rules), compliance with which is continuously monitored by the CEZ Group Risk Committee. Activities are also subject to EFET regulatory rules.

More than 326 thousand transactions were concluded and 663 TWh of electricity, 1,444 TWh of natural gas, and 1,385 million tons of emission allowances were traded in 2021.

In 2021, there was a record increase in commodity prices and, in particular, volatility on commodity markets increased. ČEZ's trading team managed to make the most of the increased volatility and achieve record profits from commodity trading, especially on foreign markets. The trading margin for 2021 reached a record level of CZK +6.8 billion. A part of this trading margin (corresponding to the difference between internal demand for a transaction and contracted external trade) will be reflected in CEZ Group's economic result only in the year of delivery, i.e., in future years. In particular, this concerns ongoing hedging of future electricity generation, emission allowance purchases for generation, and electricity and gas purchases for end-use customers.

CEZ Group has also demonstrated strength and stability in managing related market risks, managing a liquidity crisis due to the extreme increase in commodity prices at the end of 2021 and the need to supply cash as collateral for its sales contracts on exchanges. This situation was faced in particular by the largest electricity generators in Europe, who had sold significant volumes of electricity by hedging their future generation over time. Unlike several major foreign energy companies, ČEZ did not have to apply for state guarantees and managed the situation within the framework of a prudent financial policy and risk management tools.

MINING Segment

The segment companies operate only in Czechia.

The most significant company in the segment is Severočeské doly, a coal mining company. It also includes the companies of the Severočeské doly group, which operate mainly in the area of coal transportation and support activities for mining activities. The segment also includes LOMY MOŘINA, a company focused mainly on the extraction of limestone to provide for desulfurization equipment of coal-fired power plants.

The segment's operating revenues for 2021 reached CZK 10.1 billion and segment's EBITDA reached CZK 4.5 billion.

Czechia

Severočeské doly

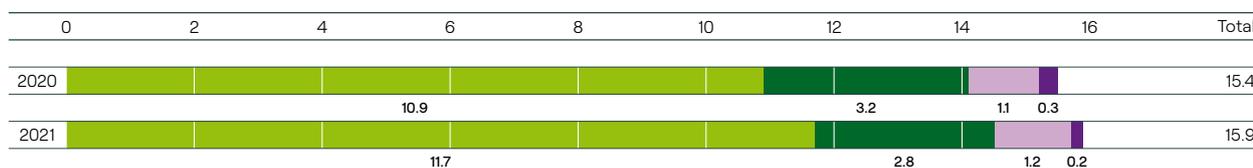
Extraction, treatment, and sales of brown coal are the core business of Severočeské doly, which maintained its position as the largest Czech brown coal mining company in terms of coal production volume even in 2021. Since a majority of its production is intended for consumption within CEZ Group, Severočeské doly is one of the smaller players in the free coal market.

The medium-term market and regulatory conditions for coal-fired power deteriorated significantly in 2021, following the increase in climate targets at EU and Czech level. In December 2020, the government's Coal Commission recommended phasing out coal combustion by 2038 at the latest. In the program statement of the new Czech government, the ambition to postpone the coal phase-out date to 2033 is clearly stated. Coal-fired generation facilities are likely to be replaced by other types of power plants gradually, causing a decrease in coal demand already in the medium term. For these reasons, the market value of Severočeské doly has decreased significantly and, in accordance with accounting standards, CEZ Group has made a significant impairment charge to the mining company's fixed assets in 2021, reflecting the lower expected demand for coal and the earlier termination of coal mining.

Coal Mining and Sales

Severočeské doly sold a total of 15.9 million tons of fuel in 2021, registering a year-on-year increase of 0.5 million tons. The increase occurred in spite of lower sales to customers outside CEZ Group, where a decrease in the demands of some major customers was recorded. On the contrary, more coal was demanded by power plants from CEZ Group.

Coal Sales, by Customer (Millions of Tons)



- Members of CEZ Group
- Power plants and heating plants over 50 MW outside CEZ Group
- Other, including facilities up to 50 MW outside CEZ Group
- Exports

Capital Construction

The corporate capital program focuses primarily on projects making provisions for extraction in the Bilina Mine. The structure of capital projects consists primarily of deliveries, renovations, and upgrades of mining equipment, and other necessary operations and measures.

Outlook for 2022

Severočeské doly plans to produce 15.1 million tons of coal in 2022. The year-on-year decrease in sales volume corresponds with the demand from CEZ Group and the decline in requirements of external customers. Fuel deliveries will be determined primarily by the needs of coal-fired power plants, which are in turn based on demand for electricity and also related to winter temperatures.

LOMY MOŘINA

The core business consists of the quarrying and processing of construction aggregate and high-percentage limestones utilized in flue-gas desulfurization (FGD) systems. The company is a major supplier for FGD systems at ČEZ coal-fired power plants, to which it supplies an annual quantity covering approximately 80% of their consumption. In 2021, limestone supplies for ČEZ's power plants amounted to approx. 550 thousand tons.

The estimate for 2022 is approximately 450 thousand tons. Verified limestone reserves allow long-term extraction operations.

Customers purchasing the company's other important commodity, construction aggregate, whose deliveries are estimated at approx. 270 thousand tons in 2022, are entities outside CEZ Group.

Lithium Ore (Zinnwaldite) Mining Exploration

ČEZ has been developing a lithium ore mining project in Cínovec since March 2020. It holds a 51% stake in the project through Severočeské doly. During 2021, the final feasibility study for mining was developed. In the processing area, testing continued with conventional and innovative lithium processing methods in semi-operational conditions and pilot test lines. In particular, specific methods of extracting lithium from zinnwaldite are being validated, ensuring high efficiency of the overall process and neutral environmental impacts.

DISTRIBUTION Segment

The segment's existing companies operate primarily in Czechia. The segment also includes a distribution company in Turkey, in which CEZ Group has only a 50% stake. In 2021, the segment included divested distribution companies in Romania (sold as of March 31, 2021) and distribution companies in Bulgaria (sold as of July 27, 2021).

The most significant company in the segment is the distribution company ČEZ Distribuce, which distributes electricity in an area covering approximately 66% of Czechia.

The segment's operating revenues for 2021 reached CZK 39.0 billion and segment EBITDA reached CZK 19.9 billion.

Czechia

Electricity Distribution

In 2021, ČEZ Distribuce provided 36,551 GWh of electricity to customers. The year-on-year increase of 1,875 GWh was due to higher demand for electricity at all voltage levels. There was an increase of 874 GWh at middle and high voltages, mainly due to the easing of anti-COVID measures in the industrial sector compared to 2020. At the low voltage level, consumption increased by 1,001 GWh year-on-year, partly due to lower average temperatures in 2021, as well as higher consumption in the residential customer category mainly due to anti-COVID measures and a change in the approach to supplying customers at this voltage level.

In electricity distribution, all prices are regulated by the Energy Regulatory Office. As of December 31, 2020, there were more than 3.7 million service points connected to the distribution grid of ČEZ Distribuce.

Customer Service

The year 2021 brought a number of positive developments, notably a higher level of digitization, but also complications related to the closure of several electricity suppliers and the supplier of last resort regime. This was reflected, among other things, in a record total of 4.5 million customer inquiries.

CEZ Group was also hit by several extraordinary events in 2021, the largest of which was the calamity caused by the Hendrik storm on October 21–23, which affected more than 300 thousand service points with total damage to distribution equipment exceeding CZK 30 million.

The call center handled more than 340 thousand calls related to the faults and more than 470 thousand customers used the bezstavky.cz website providing up-to-date information on the status of electricity distribution at a specific address.

In connection with the launch of the subsidy program called Modernization Fund, ČEZ Distribuce has launched the specialized microsite www.cezdistribuce.cz/oze with simple instructions and the possibility to request the connection of a generating facility or micro-source on-line. In 2021, 5,900 generating facilities with a total installed capacity of 375 MW were connected to the distribution grid, and more than 1,600 applications for connection of generating facilities with a capacity of more than 1 MW were received.

From January 2021, following the "Leaflet Years are Over" campaign, ČEZ Distribuce was the first distributor in Czechia to stop announcing scheduled outages through paper notices. Customers are informed about outages by e-mail, SMS, on the website www.cezdistribuce.cz/odstavky, and through municipal information systems. The free service of sending outage notifications is already being used by nearly 850 thousand customers for their 1.5 million points of consumption. Another traditional workshop was organized for electricity suppliers, where, in addition to information about the changes, there is also an exchange of practical experience. A new feature was a dedicated online webinar for renewable electricity generators and a pilot webinar for mayors.

Capital Construction

ČEZ Distribuce invested over CZK 13 billion in the renewal and development of the distribution grid in 2021. The main objective was to improve the quality, reliability, and security of electricity supply. Investments were directed at the renewal of distribution grids of all voltage levels, reconstruction of power stations, and renewal of transformers and electricity meters. A significant part of the investment was spent on developing the distribution system, mainly to cover the increasing number of customer requirements for connection to the distribution system including the development of grid traffic management. In 2021, the Company continued to make capital expenditures on digitization, smart technologies, and fiber-optic infrastructure development.

Outlook for 2022

ČEZ Distribuce estimates its 2022 electricity supplies to customers at 36.2 TWh. This volume is based on the expected development of electricity consumption, taking into account the impact of COVID-19 on the Czech economy. Priority areas in distribution include in particular safe, reliable and efficient operation of the distribution system and implementation of key investment measures related to the integration of decentral facilities and implementation of new technologies and smart grid elements, including elements supporting the reliability increase of the distribution system. ČEZ Distribuce continues the fiber-optic infrastructure development in order to ensure long-term development of advanced technologies in distribution grid management in synergy with preparations for a higher level of grid automation.

Turkey**Electricity Distribution**

Electricity is distributed in Turkey by regulated regional distribution companies. One of them is Sakarya Elektrik Dagitim A.S. (SEDAS), controlled by ČEZ and its Turkish partner AKKÖK. The amount of electricity distributed to end-use customers in 2021 was 10,388 GWh, increased by 777 GWh year-on-year.

Capital Construction

The investments were primarily aimed at increasing grid capacity and efficiency.

Outlook for 2022

The volume of electricity distributed to end-use customers is estimated to be 9.9 TWh.

Romania

CEZ Group's distribution assets were sold as of March 31, 2021.

Electricity Distribution

In Q1 2021, Distribuție Energie Oltenia S.A. distributed a total of 1,773 GWh of electricity to end-use customers.

Bulgaria

CEZ Group's distribution assets were sold as of July 27, 2021.

Electricity Distribution

In Bulgaria, electricity is distributed by CEZ Razpredelenie Bulgaria AD, which distributed a total of 5,025 GWh of electricity to end-use customers in H1 2021.

SALES Segment

The segment's existing companies operate primarily in Czechia, Germany, Slovakia, and Poland. They also operate in Hungary, Italy, Austria, the Netherlands, and there is a joint venture in Turkey. In 2021, the segment included divested sales companies in Romania (sold as of March 31, 2021) and sales companies in Bulgaria (sold as of July 27, 2021).

The most significant companies in the segment are ČEZ Prodej (selling electricity, natural gas, and ancillary services to residential and retail customers), ČEZ ESCO (coordinating CEZ Group's ESCO activities on the Czech and Slovak markets and selling complex energy services, electricity, and natural gas to corporate customers, municipalities, and state administration entities) and the German company Elevion GmbH (coordinating CEZ Group's ESCO activities on foreign markets outside Slovakia and primarily engaged in providing comprehensive energy services to corporate customers, municipalities, and state administration entities).

The segment's operating revenues for 2021 reached CZK 93.7 billion and segment EBITDA reached CZK 5.4 billion.

Czechia

Sales of Electricity and Natural Gas

In 2021, CEZ Group's offer for end-use customers in Czechia included:

- Electricity (ČEZ Prodej, ČEZ ESCO, ČEZ, Elektrárna Dětmarovice, Energotrans, Energetické centrum, and ČEZ Energo)
- Natural gas (ČEZ Prodej, ČEZ ESCO, ČEZ, and ČEZ Energo)

Total sales to end-use customers in 2021 amounted to 18,680 GWh of electricity and 6,653 GWh of natural gas. In Czechia, sales of commodities to end-use residential customers and smaller companies are provided by ČEZ Prodej. The volume of electricity and gas sales in 2021 was significantly affected by the effects of the COVID-19 measures. This is because it positively affects residential customers' electricity consumption due to the longer time customers spend in their homes (either due to working from home or due to quarantines and isolation ordered because of COVID-19). The second reason for higher residential customer consumption was brought about by temperature. The year 2021 was the second coldest year in the last decade.

However, unprecedented developments in energy markets had a major impact on end-use customers. The year 2021 was marked by huge increases in commodity prices. ČEZ Prodej was forced to react to this growth and increase prices for new customers. And in line with a responsible hedging strategy, it gradually purchased commodities for its existing customers. However, some alternative suppliers were unable to cope with the steep price increases and hundreds of thousands of customers had to find a new permanent supplier and immediately start paying the current record high market prices. The largest supplier to cease supply during 2021 was Bohemia Energy. Overnight, hundreds of thousands of the company's clients found themselves in the so-called supplier of last resort (SLR) regime, where the main local supplier legally takes over the supply of electricity and gas. The SLR scheme is legally set for 6 months and prices are set by the Energy Regulatory Office. Given the timing at the start of the heating season, the level of advances was thus even higher due to the high electricity prices for this time of year when gas and electricity shortages were at their worst and many end customers were thus in a very difficult situation. Suppliers of last resort came under enormous pressure, having to deal with hundreds of thousands of transfers. ČEZ Prodej had to attend to more than 370,000 customers and was the first to offer these clients the opportunity to conclude a standard electricity supply agreement online and switch from the SLR mode to a standard contractual relationship without having to wait for their requests to be processed in overloaded customer care centers or call centers. Clients who could not be contacted electronically or by letter were visited by ČEZ Prodej representatives in person. Thanks to the extraordinary commitment of the staff, most of the requests were processed within the given deadline and the customers were offered one of the advantageous acquisition products with an agreement for 1, 2, or 3 years in the SLR regime.

Corporate, municipal, and public authority customers are supplied with electricity and gas by ČEZ ESCO, which covers all their energy needs from the supply of commodities to energy services within CEZ Group. In 2021, ČEZ ESCO supplied commodities to 24,911 customers at more than 118,000 service points. Total annual electricity and gas supplies outside the Group increased by 12% year-on-year. The main reason for this increase was the economic and consumption recovery in 2021 following the partial relaxation of the anti-COVID measures in place in 2020. At the same time, new customer acquisitions and overall higher contracted values for 2021 had a positive impact. Some corporate, municipal, and public authority customers also joined by switching from their original suppliers to the SLR regime, from which they chose to transfer to ČEZ ESCO. In response to the increased demand for CO₂ reduction, ČEZ ESCO began offering a new product to customers—Emission Free Electricity, which provides environmentally friendly and emission-free energy from nuclear power plants. The entire process of handling emission-free electricity is fully transparent and verified by an external independent certification authority, Bureau Veritas. The customer receives a certificate confirming that they have obtained electricity from a Czech emission-free source*. Emission-free electricity from ČEZ ESCO will be newly purchased by Spolchemie and Eurovia. In the area of digitization, a unique Smart Invoice application was launched, thanks to which customers get a comprehensive overview of all invoices. All relevant information is available in one place with just a few clicks.

Sales of Services and Decentralized Energy Solutions

The emphasis on environmental protection, technological progress, and the wishes of customers themselves are driving the energy industry towards decentralized and environmentally friendly sources and processes, with energy savings also playing a key role.

The market for guaranteed energy savings increased in 2021, and CEZ Group continued to consolidate its dominant position here. ČEZ ESCO has helped a number of companies, cities, and regions to introduce electromobility and supported them on their journey towards modern low-emission energy. An increasing number of customers are placing greater emphasis on energy from CO₂-neutral sources, for example the cooperation with a major automotive customer was extended in 2021 to include the construction of the largest rooftop photovoltaic power plant in Czechia.

ČEZ ESCO, as the leader in providing energy services in Czechia, continued to strengthen its leading market position in the number of cogeneration units in operation and welcomed a number of new customers—for example, the hospitals in Havlíčkův Brod and Pelhřimov, the towns of Jablonec nad Nisou, Sušice, Klatovy, and Broumov, and the Jihlava door manufacturer Sapeli will be warmed by the new cogeneration units. ČEZ ESCO has an irreplaceable role in the greening of the Czech heating industry and expects further increase in cooperation with entities involved in heat generation and supply. In this context, cooperation with the Statutory City of Havířov was expanded in 2021 and a joint venture was created to help the city transform its heating industry from coal to modern and more environmentally friendly sources. In connection with the change in the Transmission System Operation Rules (the so-called TS Code), which allowed new suppliers to enter the market for power balance services (PBS), steps have been initiated and are ongoing to provide power balance services from operating cogeneration units, including battery storage.

* It is a guarantee of origin with a certificate that the customer's consumption is fully covered by the generation in nuclear power plants. For physical reasons, electricity from a mix of generating facilities is supplied to the customer from the distribution network.

In H1 2021, ČEZ ESCO launched and gained the first customers of the Lighting for CZK 1 service for towns and municipalities in Czechia, where municipalities do not buy the modernized lighting but rent it. The lighting rental is paid for by the savings from replacing the street lighting with new, more environmentally friendly ones.

ČEZ ESCO successfully completed two acquisitions in 2021 and strengthened its competencies in the cleanroom and technical building equipment sector. First, it expanded its portfolio by adding EP Rožnov, which is engaged in designing and equipping cleanroom technologies for operating theaters, halls for the production of nanoparticles for the automotive industry, and optics. The acquisition of EP Rožnov strengthens ČEZ ESCO's position in contracts for medical facilities, pharmaceuticals, and medical supplies. Towards the end of the year, ČEZ ESCO completed the acquisition of CAPEXUS, a company that deals with the design and implementation of energy-efficient office space from design to completion, interior consultation and building technology solutions. In the context of the pressure for decarbonization and energy efficient operation of commercial buildings, the real estate market is expected to see a strong demand for modern and functional revitalization.

Heat Generation and Sales

The most important CEZ Group companies engaged in heat generation and sales (ČEZ, Energotrans, and ČEZ Teplárenská) are part of the GENERATION segment. In the SALES segment, heat generation and sales are handled by ČEZ Energo and ČEZ Energetické služby (subsidiaries of ČEZ ESCO), which supplied a total of 2,077 TJ of heat in 2021, an increase of 262 TJ year-on-year. The increase was mainly caused by the construction of new generation facilities and colder weather in 2021, but also by higher operating hours of cogeneration units due to higher market electricity prices.

Outlook for 2022

The cogeneration units and boiler stations in Czechia are expected to generate 0.4 TWh of electricity. Generation from natural gas in 2022 may be significantly affected by developments in Ukraine and the consequences of sanctions against the Russian Federation. Heat sales are forecast at 1,951 TJ.

Sales of Other Products and Services

ČEZ Prodej installed a record number of technologies in 2021. It delivered 1,544 photovoltaic power plants to its customers, 999 of which were combined with battery solutions, and installed 1,124 heat pumps compared to 514 in 2020. The total installed capacity of these installations reached 7.4 MW. ČEZ Prodej also offers modern energy technologies to customers in its network of customer centers, where they can consult their questions with a technology specialist. Customers will find the largest technology showroom in the customer center in Plzeň. In 2021, further expansion of TENAUR (a subsidiary of ČEZ Prodej) took place, which not only develops but also installs modern technologies for households. TENAUR has expanded its operations to Czechia with a new branch in Jičín, and currently has already 6 branches. External subcontractors have made a significant contribution to the overall installations. ČEZ Prodej also operates in the field of telecommunication services. With its basic product "Mobile from ČEZ" it is one of the largest virtual operators in Czechia with more than 125,000 SIM cards. In 2021, a new tariff offer was launched under the "Mobile from ČEZ" product.

ČEZ ESCO is working intensively on the development of the Photovoltaics for CZK 1 product, which offers customers the possibility of direct and long-term reduction of CO₂ emissions, partial independence from central electricity sources, and a very interesting way of long-term fixation of electricity prices at a time of rising commodity prices. To this end, a new subsidiary, Green energy capital, was set up at the end of the year, which will pool all the photovoltaic power plant projects built on its own property with the aim of supplying the electricity generated to end-use customers on the basis of long-term contracts. Telco Pro Services (TPS) provided telecommunication services for the needs of CEZ Group and the external market. In 2021, it recorded success in the sale of optical components, both in Czechia and Slovakia.

The "Last Mile" project was launched in 2019 to provide quality internet connectivity to end-use customers. This project uses the know-how and infrastructure of TPS and its subsidiary ČEZNET. Telco Infrastructure, s.r.o., is established to own and build the basic communications infrastructure to which the Group's other companies supplying services to end-use customers will be connected.

The Last Mile project not only involves the construction of new infrastructure, but also exploits acquisition opportunities in ISPs and fiber network owners to create a major provider of quality internet connectivity achieving group synergies. The first acquisition was made by TPS in 2020 with the purchase of 4 companies of the Tanet group providing internet in the Tachov region. In H1 2021, they merged into ČEZNET s.r.o. (formerly TaNET West s.r.o.). At the same time, another internet provider FDLnet.CZ was acquired. In November 2021, the businesses comprising the TelNET Holding group were acquired, and the acquisitions continued in December. The acquired companies are major internet access providers in the Hradec Králové, Liberec, and Zlín regions.

Outlook for 2022

Total sales to end-use customers in 2022 is expected at 22,781 GWh of electricity and 8,851 GWh of natural gas. ČEZ Prodej expects an increase in electricity supply to end-use customers in 2022 compared to 2021, as well as an increase in market share. The gain of new customers following the termination of supply by several major alternative suppliers in connection with record commodity price increases in 2021 will have a major impact. In addition, given the turbulent price developments and increased volatility in electricity and gas prices, it will be necessary to respond more quickly to market and client needs.

In terms of technology implementation, ČEZ Prodej expects rapid increase to more than 3,800 installations of photovoltaic sources and heat pumps. It will continue its plan to expand installation, service, and sales capacities and move closer to covering the entire country. Process redesign along with automation and digitization will be key for ČEZ Prodej to achieve its goals. In additional services, the company will focus on further developing the customer base of the virtual operator Mobile from ČEZ.

For ČEZ ESCO, 2022 brings huge business opportunities in connection with the EU's climate ambitions and measures, to which significant financial resources will be allocated. ČEZ ESCO will be able to realize its potential in offering products related to energy optimization and decarbonization, especially in the areas of construction of cogeneration units, thermal power plants, photovoltaic power plants, customer savings projects, energy recovery from waste, and electromobility. The company will also significantly contribute to the "greening" of the heating industry within CEZ Group and among its customers.

Telco Pro Services, including its subsidiaries, will continue to grow through the Last Mile project, either through internal investments or potential new acquisition opportunities.

As part of the post-acquisition steps, it will subsequently simplify organizational structures and reduce costs in the acquired companies.

Slovakia

Sales of Electricity and Energy Services

CEZ Group operates in Slovakia through ESCO Slovensko, a. s., a joint venture with Slovenský plynárenský priemysel, a. s., (SPP). Both entities have a 50% stake, but management control over the joint venture is exercised by ČEZ ESCO, which has contributed 6 companies operating in Slovakia to the joint venture (SPRAVBYTKOMFORT, a.s. Prešov, ESCO Servis, s. r. o., ESCO Distribučné sústavy a.s., e-Dome a.s., AZ KLIMA SK, s.r.o., KLF-Distribúcia, s.r.o.) against the financial equivalent of their value contributed by SPP. The aim of the joint venture is to contribute to the modernization of the energy sector in Slovakia, to increase energy efficiency, and to help meet the commitments related to climate change, environmental protection, and the objectives set out in the European Green Deal.

In accordance with the updated ČEZ strategy, CEZ Group wants to focus on modern energy services with higher added value in Slovakia. Therefore, the customer portfolio of end sales of commodities was sold to SPP as of April 1, 2021.

Heat Generation and Sales

SPRAVBYTKOMFORT, a.s., Prešov, and ESCO Servis are engaged in the generation of heat and its sale in the city of Prešov. In 2021, they supplied 684 TJ of heat, which represented a small year-on-year increase.

Outlook for 2022

ESCO Slovakia wants to become a leader in the energy services market in Slovakia, similar to ČEZ ESCO in Czechia, and to provide long-term energy and climate agenda for corporate, industrial, and public sector customers, focusing mainly on energy saving projects in buildings in the form of EPC, energy audits and consulting, rooftop photovoltaic power plants, cogeneration units and ecological heating, installation of modern lighting, technical equipment of buildings, and operation and maintenance of energy equipment. In 2022, it expects organic increase at the level of Slovak subsidiaries and search for suitable acquisition opportunities.

Germany

Sales of Energy Services

In Germany, CEZ Group is developing ESCO services through Elevion GmbH. It focuses primarily on the provision of multitechnology services (technologies in buildings) for electrical and mechanical building systems. Revenues from the sale of energy services in Germany reached CZK 14.2 billion in 2021, 9% more than in 2020. The companies' activities were affected by the ongoing impact of the COVID-19 measures. In December 2021, the acquisition of 100% of the shares in the German company BELECTRIC GmbH and other European parts of the Belectric Solar & Battery Group holding company such as Belectric France S.A.R.L., Belectric Solar Ltd., Belectric Italia S.r.l., as well as Belectric Israel Ltd. was completed through Elevion Group B.V. Belectric is one of the most important German photovoltaic companies operating in Western Europe and Israel. The group develops, designs, builds, and maintains photovoltaic power plants. The acquisition was in line with the Elevion Group's strategy to cover the entire business chain in the field of climate-neutral solutions.

In addition, 4 more regional acquisitions were completed during 2021. These were: IBP Ingenieure GmbH & Co. KG (including IBP Verwaltungs GmbH), which focuses on engineering in the field of technical building equipment; MWS GmbH, which is primarily engaged in the execution of special welding work in the field of technical building equipment; Peil und Partner Ingenieure GmbH, which provides engineering services in the field of technical building equipment; and part of Hildebrand Elektrotechnik, which deals with electrical installations in the field of technical building equipment.

The German group Elevion GmbH also owns several subsidiaries providing energy services abroad. The Romanian company High-Tech Clima specializes in the installation of air conditioning, ventilation, and heating systems. The Chinese company ETS Efficient Technical Solutions Shanghai Co. Ltd., and the Malaysian company HERMOS SDN. BHD operate in the Asian markets, the latter in the field of building automation and facility management.

Outlook for 2022

Given the importance and potential of the German ESCO services market, CEZ Group expects organic and acquisitive increase in this key European market with the aim of further strengthening its market share and expanding its activities along the entire value chain. At the same time, consolidation of existing companies will continue.

Revenues from the sale of energy services in Germany in 2022 are forecast at CZK 16.3 billion, a year-on-year increase of 15%.

Poland

Sales of Energy Services

In Poland, CEZ Group operates within the ESCO business through Euroklimat (technical security of buildings), Metrolog (heat management and cogeneration), and OEM Energy (photovoltaic installations). The Polish companies generated sales of CZK 2.5 billion in 2021. The companies' activities were adversely affected by the impact of the COVID-19 measures, which reflected on the economic results. The spread of COVID-19 also had the adverse effect of slowing down acquisition development.

Sales of Electricity and Natural Gas

Large and commercial retail customers were supplied with 155 GWh of electricity in 2021; the volume supplied in 2020 was 332 GWh. The year-on-year decrease reflects the intention to reduce sales activities to end-use customers in the country. As of December 31, 2021, the supply of electricity to end-use customers has been completely discontinued. The supply of natural gas to end-use customers has already been discontinued as of December 31, 2020.

Outlook for 2022

The negative impact of COVID-19 on business activities is expected to be reduced, hence there will be an organic increase and search for acquisition opportunities in ESCO services.

Hungary

Electricity Sales

CEZ Magyarország Kft. (CEZ Hungary Ltd.) sold 1,467 GWh of electricity to end-use customers in Hungary in 2021, which was a year-on-year increase of 137 GWh. The increase was mainly due to a reduction in customer consumption related to COVID-19 in 2020.

Sales of Energy Services

In the area of ESCO services, project support in the planning and implementation of energy saving projects is provided by ETS Engineering.

Outlook for 2022

The total volume of electricity supplied in 2022 is projected at 1,656 GWh. The goal for 2022 is to increase market share in electricity sales and in the ESCO services market.

Italy

Sales of Energy Services

The Inewa group is based in South Tyrol and focuses on a wide range of energy services for customers—from planning and consulting to downstream operations and maintenance. It generated sales of CZK 0.2 billion in 2021. It also acquired a fourth biogas plant—Casaleone in Castelveverde (Cremona).

Outlook for 2022

The negative impact of COVID-19 on business activities is expected to be reduced, hence there will be an organic increase and search for acquisition opportunities in ESCO services.

Austria

Sales of Energy Services

In Austria, Moser & Partner Ingenieurbüro GmbH and Syneco tec are active in the planning and installation of complex electrical and technological systems.

Outlook for 2022

CEZ Group will continue to monitor the Austrian market to identify potential investment opportunities in the ESCO services segment. At the same time, consolidation of existing companies will continue.

Netherlands

Sales of Energy Services

In August 2021, Elevion Group B.V. acquired a 66% stake in the Dutch group of companies ZOHD Groep, which provides comprehensive services in the field of installation of photovoltaic panels on the roofs of agricultural and commercial buildings. ZOHD Groep has generated sales of CZK 0.2 billion in 2021 from the date of acquisition. The company also focuses on energy storage services (battery storage).

Outlook for 2022

In 2022, ZOHD Group will continue to consolidate its position as the leading provider of photovoltaic panel installations on the roofs of agricultural and commercial buildings in the Netherlands. It will now also offer its customers complementary products such as battery storage, hybrid solar collectors (PVT), or charging stations for electric vehicles.

The Netherlands is also home to subsidiaries (Elevion Group B.V., CEZ MH B.V., CEZ Holdings B.V., and CEZ RES International B.V.) that carry out holding, financing, or management activities.

Turkey

Electricity Sales

The sales company Sakarya Elektrik Perakende Satış A.Ş. (SEPAS), which has been selling electricity to end-use customers mainly in the distribution area of SEDAS, provided 10,388 GWh of electricity in 2021.

Outlook for 2022

The forecast for 2022 is 12.3 TWh of electricity sold.

Romania

The sales assets were sold as of March 31, 2021.

Sales of Electricity and Natural Gas

In Q1 2021, CEZ Vanzare supplied 1,045 GWh of electricity to end-use customers (3,696 GWh for the full year 2020) and 446 GWh of natural gas (1,300 GWh for the full year 2020).

Bulgaria

The sales assets were sold as of July 27, 2021.

Electricity Sales

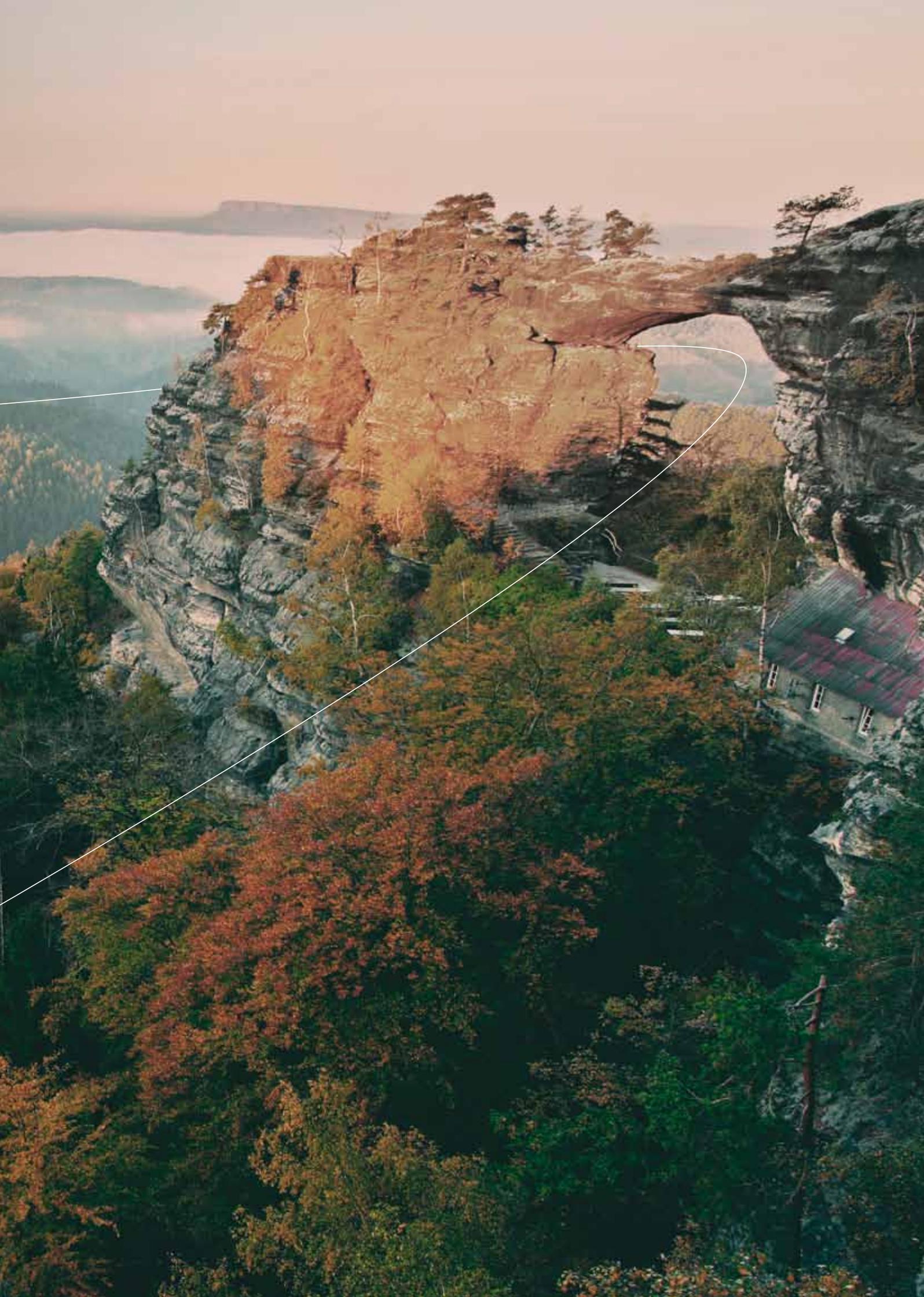
CEZ Elektro Bulgaria sold a total of 3,275 GWh of electricity to end-use customers in 2021 (6,343 GWh for the full year 2020). CEZ Trade Bulgaria supplied 2,143 GWh of electricity to end-use customers on the open market in H1 2021 (4,080 GWh for the full year 2020).

Sales of Energy Services

CEZ ESCO Bulgaria was active in Bulgaria, operating in the implementation of energy projects for end-use customers in the Bulgarian market. In Q4 2021, ČEZ received an offer for the sale of this last Bulgarian CEZ Group company. A purchase agreement is being negotiated with the interested party. The agreement is expected to be signed and the transaction settled in H1 2022.

An aerial photograph of a vast forest landscape during autumn. The trees are in various stages of color change, with some showing vibrant orange and red, while others remain green. In the distance, a large body of water is visible, surrounded by rolling hills and mountains under a soft, hazy sky. The overall scene is serene and natural.

Emission-free, safe energy,
and meeting our long-term
environmental commitments
are at the heart of our
sustainable vision



ČEZ, a. s., Financial Performance

Selected ČEZ, a. s., Indicators

	Unit	2020	2021	2021/2020 Index (%)
Installed capacity	GW	9.7	9.7	100.2
Electricity generated (gross)	TWh	49.4	49.3	99.8
Of which: Emission-free ¹⁾	%	65.2	66.9	102.6
Heat sold (including sales within CEZ Group)	TJ thousands	9.3	8.5	91.3
Workforce headcount as at December 31	thous. persons	5.5	5.8	105.0
Operating revenues	CZK billions	90.5	122.0	134.8
EBITDA	CZK billions	28.1	27.4	97.4
Net income	CZK billions	21.1	4.4	20.9
Dividend per share ²⁾	CZK/share	34.0	52.0	152.9
Net cash provided by operating activities	CZK billions	45.5	33.4	73.6
Capital expenditures (CAPEX)	CZK billions	8.7	10.8	124.9
Total assets	CZK billions	632.4	1,110.9	175.7
Equity	CZK billions	201.4	116.4	57.8
Return on equity (ROE), net ³⁾	%	10.4	2.8	x

¹⁾ CO₂ emitting sources excluded.

²⁾ Awarded dividend per share before tax in the given year. The value expresses a shareholder's right to the payment of a share in a joint-stock company's profits corresponding to the holding of one share.

³⁾ ROE = Net income / Average equity.

Changes in Revenues, Expenses, and Income

Net Income Breakdown of ČEZ, a. s. (CZK Billions)



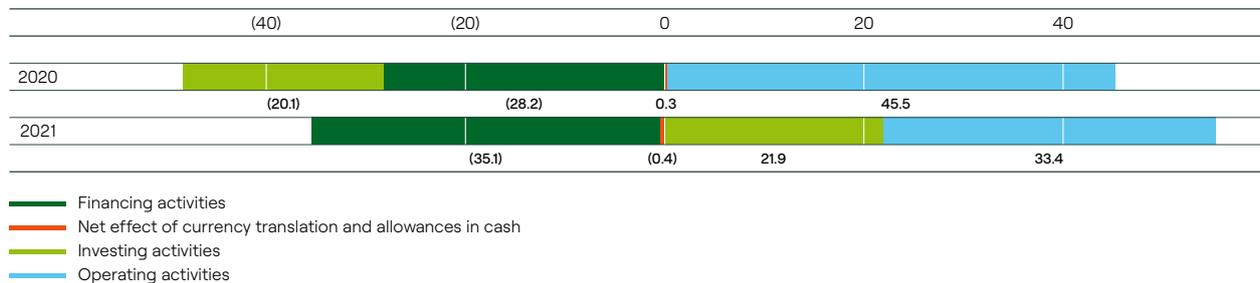
- Operating expenses
- Net income
- Income tax
- Gains and losses from commodity derivative trading
- Other income (expenses)
- Sales of electricity, heat, and gas
- Sales of services and other sales
- Other operating revenues

The net income (income after tax) of ČEZ, a. s., amounted to CZK 4.4 billion, a year-on-year decrease of CZK 16.7 billion. Operating revenues amounted to CZK 122.0 billion. The year-on-year increase of CZK 31.5 billion was due to higher sales of electricity, heat, and gas (CZK +30.5 billion), higher sales of services and other sales (CZK +0.8 billion), and higher other operating revenues (CZK +0.2 billion). Gains and losses on commodity derivative transactions contributed to the year-on-year decrease in profit (CZK -10.8 billion). Operating expenses increased by CZK 25.6 billion year-on-year to CZK 107.9 billion, mainly due to higher expenses for the purchase of electricity, gas, and other energy (CZK -15.5 billion), higher costs for fuel and emission allowances (CZK -3.6 billion), and higher depreciation and amortization (CZK -4.2 billion). Personnel expenses (CZK -0.8 billion) and other operating expenses (CZK -1.5 billion) also increased.

Other income and expenses decreased net income by CZK 12.0 billion year-on-year. This result is mainly due to higher impairment of financial assets (CZK -7.7 billion), lower income on the sale of equity interests (CZK -3.7 billion), and lower dividend income (CZK -3.3 billion). By contrast, there was lower interest expense on debt (CZK +1.0 billion). Overall, foreign exchange income, including the revaluation of financial derivatives and securities, increased by CZK 1.7 billion year-on-year. Income tax decreased by CZK 0.2 billion.

Cash Flows

ČEZ, a. s., Cash Flows (CZK Billions)



Cash flows from operating activities decreased by CZK 12.0 billion year-on-year to CZK 33.4 billion. Income before tax adjusted for nonmonetary operations decreased cash flows from operating activities (CZK -25.0 billion) due to a decrease in income before tax (CZK -16.9 billion) and due to adjustments for nonmonetary operations (CZK -8.2 billion). The change in working capital had an overall positive effect (CZK +13.9 billion). Interest paid decreased as a result of the reduction in the volume of bonds issued (CZK +1.3 billion). Income tax paid decreased year-on-year (CZK +0.9 billion) and interest received increased (CZK +0.2 billion). However, dividends received were lower in 2021 (CZK -3.3 billion).

Changes in working capital were significantly affected by the change in the stock of emission allowances (CZK +62.6 billion) and the change in trade receivables and payables (CZK -63.3 billion), due to higher margin deposits on the energy exchange and with commodity traders following the significant increase in commodity prices, especially electricity, in 2021 and the usual way of hedging the related credit risks. Positive contributions were made by the change in the stock of receivables and liabilities from derivatives (CZK +10.3 billion) and the change in the stock of term deposits and debt securities (CZK +4.9 billion). By contrast, the change in inventories of materials and fossil fuels had a negative impact (CZK -1.7 billion). Other items had a positive impact on working capital (CZK +1.1 billion).

Net cash flow from investing activities increased by CZK 41.9 billion year-on-year to CZK +21.9 billion. The most significant impact was higher income from the sale of subsidiaries, joint ventures, and associates (CZK +35.5 billion), mainly due to the sale of Romanian and Bulgarian assets. Loans granted decreased (CZK +9.8 billion) and repayments increased (CZK +1.6 billion). In contrast, the acquisition of fixed assets (CZK -3.0 billion) and the acquisition of subsidiaries, joint ventures, and associates increased in 2021 (CZK -0.9 billion). Revenues from the sale of fixed assets (CZK -0.8 billion) and restricted financial assets (CZK -0.3 billion) were lower year-on-year.

Net cash flow from financing activities changed from CZK -28.2 billion in 2020 to CZK -35.1 billion in 2021. The most significant impact on the increase in funds used was the change in the balance of liabilities from group cash pooling (CZK -12.0 billion) and higher dividends paid to the Company's shareholders (CZK -9.7 billion). In contrast, the higher balance of drawing and repaying loans and borrowings had a positive impact on cash flows from financing activities (CZK +13.0 billion), as did the sale of treasury shares (CZK +0.6 billion). Lease payments were lower in 2021 (CZK +1.2 billion).

Exchange rate differences and allowances affecting cash had a negative impact (CZK -0.7 billion).

Structure of Assets, Equity, and Liabilities

The value of assets, equity, and liabilities increased by CZK 478.5 billion year-on-year to CZK 1,110.9 billion.

Fixed assets decreased by CZK 9.8 billion to CZK 409.6 billion.

The net value of property, plant, and equipment decreased (CZK -3.8 billion). There was an increase in property, plant, and equipment in progress, including advance payments (CZK +1.4 billion) and a decrease in nuclear fuel (CZK -0.6 billion).

Other fixed assets decreased (CZK -6.9 billion). The most significant change was the decrease in shares in subsidiaries, net (CZK -12.0 billion), mainly due to the creation of impairment of subsidiaries. Intangible fixed assets, net, decreased (CZK -2.3 billion) due to a decrease in long-term emission allowances. Long-term financial receivables decreased (CZK -1.2 billion) due to a decrease in long-term loans within CEZ Group. On the other hand, deferred tax assets increased (CZK +6.8 billion), long-term equity securities increased (CZK +0.9 billion), and receivables from derivative transactions increased (CZK +0.5 billion). Investment property, net, was higher in 2021 (CZK +0.4 billion).

Current assets increased by CZK 488.3 billion to CZK 701.3 billion. The main reason for the increase was a significant increase in the prices of electricity, gas, and emission allowances, which had a significant impact on the increase of short-term derivatives, including options (CZK +444.1 billion) and the increase of trade receivables, net (CZK +77.5 billion), especially receivables from margin deposits on the energy exchange and with commodity traders. Cash and cash equivalents (CZK +19.8 billion) and cash pooling receivables (CZK +3.0 billion) increased. The value of inventories of materials and fossil fuels also increased (CZK +2.7 billion) and other current assets grew (CZK +1.4 billion), mainly contractual assets. The sale of Romanian and Bulgarian assets was completed in 2021, which reduced assets classified as held for sale (CZK -31.2 billion). The value of emission allowances decreased (CZK -20.1 billion). Short-term group loans (CZK -3.9 billion), short-term term deposits (CZK -2.8 billion), and short-term receivables from the sale of subsidiaries (CZK -2.4 billion) decreased. Other items were slightly positive (CZK +0.2 billion).

Equity decreased by CZK 85.0 billion to CZK 116.4 billion. Although the net income generated in 2021 led to an increase in equity (CZK +4.4 billion), the other comprehensive income significantly decreased it (CZK -61.8 billion) as well as dividends granted to shareholders (CZK -27.9 billion). Other changes in equity were positive (CZK +0.3 billion), mainly due to the sale of treasury shares. Long-term liabilities decreased by CZK 0.9 billion, to CZK 221.1 billion. The liability on bonds issued decreased (CZK -23.2 billion) and long-term bank loans also decreased (CZK -1.2 billion). The deferred tax liability decreased (CZK -8.2 billion). Conversely, there was an increase in long-term liabilities from derivative transactions (CZK +25.2 billion) and an increase in long-term provisions, in particular the provision for demolition and dismantling of coal-fired power plants after their decommissioning (CZK +4.0 billion), nuclear provisions (CZK +2.2 billion), and provisions for employee benefit obligations (CZK +0.4 billion).

Current liabilities increased by CZK 564.5 billion to CZK 773.4 billion. The significant increase in electricity, gas, and allowance prices resulted in an increase in derivative liabilities (CZK 533.1 billion) and an increase in trade liabilities (CZK +13.9 billion), especially liabilities on the energy exchange and trade liabilities to commodity suppliers. Short-term loans increased year-on-year (CZK +24.3 billion). There was also an increase in short-term provisions payable (CZK +2.0 billion), income taxes payable (CZK +1.7 billion), group cash pooling payable (CZK +1.1 billion), and other current liabilities (CZK +0.8 billion), mainly in the area of taxes and charges, excluding income taxes. The short-term part of long-term debt decreased (CZK -12.5 billion).

Treasury Shares

To cover claims arising out of the Company's stock option plan, 2,516,240 treasury shares, representing 0.468% of its stated capital, were held on the asset account of ČEZ, a. s., with the Central Securities Depository as at January 1, 2021.

ČEZ used 1,257,891 shares to satisfy the claims of beneficiaries under the stock option plan in 2021. The average call price at which the shares were sold to beneficiaries amounted to CZK 524.95 per share. The total amount received for the transfer of the shares to the beneficiaries was CZK 660.4 million (including interest).

As at December 31, 2021, the above-mentioned asset account contained 1,258,349 treasury shares, that is, 0.234% of the stated capital.

Comprehensive Income

Total comprehensive income, net of tax, decreased by CZK 73.5 billion to CZK -57.4 billion year-on-year. Net income decreased (CZK -16.7 billion) and other comprehensive income decreased (CZK -56.9 billion). Other comprehensive income was negatively affected mainly by the change in the fair value of cash flow hedging instruments (CZK -77.5 billion), which resulted from reduction in the fair value of sales contracts for electricity supplies in 2022–2026 in relation to increased market prices of electricity in 2021.

It was further reduced by the change in the fair value of debt securities (CZK -1.6 billion). By contrast, the derecognition of cash flow hedges to profit or loss increased the comprehensive income (CZK +8.6 billion), the related deferred tax (CZK +13.4 billion) and the revaluation of equity instruments (CZK +0.3 billion) had a similar effect.

ČEZ, a. s., Electricity Generation

In 2021, ČEZ generated 49.3 TWh of electricity, 0.1 TWh less year-on-year. Out of this, the same amount of electricity was generated from coal at 13.0 TWh year-on-year. Year-on-year generation was higher at Ledvice and Prunéřov II due to favorable market conditions and shorter outages, while it was lower at Tušimice due to longer outages, Prunéřov I due to the cancellation of the license on June 30, 2020, and Energotrans 3 due to the closure of operations on August 17, 2021.

Nuclear power plants generated a total of 30.7 TWh of electricity in 2021, an increase of 0.7 TWh year-on-year. Dukovany Nuclear Power Plant generated 14.9 TWh of this, i.e., 0.6 TWh more than in 2020 (due to shorter maintenance outages than in 2020).

Temelín Nuclear Power Plant generated 15.9 TWh, i.e., 0.1 TWh more year-on-year (due to an increase in achievable capacity).

The Počerady CCGT power plant generated 2.8 TWh, 0.8 TWh less year-on-year, due to higher gas prices in 2021.

Power generation at hydroelectric power plants reached 2.3 TWh, up 0.1 TWh year-on-year due to better weather conditions in 2021 and an increase in installed capacity at Lipno 1. 0.5 TWh was generated from biomass, 0.04 TWh less than in 2020.

Environment and Biodiversity

Reducing the environmental impact of the energy sector, respecting global climate goals, supporting and protecting biodiversity, and meeting all emission and environmental requirements set by legislation and regulatory authorities are long-term strategic goals of CEZ Group. Measuring and evaluating relevant environmental impacts is an obvious part of the operational processes of CEZ Group companies.

Air Protection

Czechia

The generation of electricity and heat from fossil sources, and the extraction of sources, are associated with emissions of pollutants to the air. Dust particles are emitted during coal mining. The combustion of fossil fuels results, in particular, in emissions of sulfur dioxide, nitrogen oxides, carbon monoxide, and particulate matter. Emission reduction equipment is installed at combustion facilities operated by CEZ Group and its efficiency is continually improved as best available techniques develop. None of the combustion sources of CEZ Group were recorded to have breached the conditions set for the operation of the plant in 2021.

In order to reduce sulfur dioxide emissions, most facilities use a highly efficient wet limestone scrubbing method to desulfurize the flue gases, while smaller sources use a semi-dry method in which the pollutants in the flue gases are absorbed on lime slurry particles, which are then dried by the heat of the flue gases. Dust particles are captured by high-efficiency electrostatic precipitators or fabric filters.

Sulfur oxides from fluidized bed boilers are captured directly in the combustion chamber by dosing limestone to the furnace. Sulfur dioxide emissions are also reduced by replacing fossil fuels with biomass combustion in some combustion units, especially fluidized bed boilers.

Nitrogen oxides emissions are reduced either directly by primary measures in the combustion process, or by means of secondary reduction techniques using ammonia water or urea.

In connection with the termination of Czechia's Interim National Plan, the stricter emission limits of the Industrial Emissions Directive (Directive 2010/75/EU of the European Parliament and of the Council) have been met for all sources burning fossil fuels since July 1, 2020. Further tightening of the emission limits is linked to Commission Implementing Decision (EU) 2017/1442 on the conclusions on Best Available Techniques (BAT) for large combustion plants. To meet the obligations set out in this European legislation, a number of greening and optimization measures have been implemented in advance to safely achieve the limit concentrations.

Mercury is a newly monitored pollutant emitted into the air, for which very strict emission limits are set, and therefore investment projects have been launched to implement techniques to reduce emissions.

CEZ Group systematically monitors the impact of coal-fired power plant and heating plant operations on the air. Gaseous pollutants (SO_2 , NO_x) and mainly dust particles of various fractions (PM_{10} a $\text{PM}_{2.5}$) are measured in our own emission stations located near coal-fired power plants. The public is kept informed about the results of pollution monitoring by means of a website. Monitoring stations are located in municipalities affected by mine operations, providing continuous measurement of dust pollution, in particular suspended PM_{10} particles, with remote data transmission, operated by an independent accredited laboratory. The results of the measurement are provided to the affected municipalities and governmental agencies in the form of data reports at regular monthly intervals. Coal storage sites are closely monitored to prevent and eliminate spontaneous heating (mixing of coal dust with water vapor can lead to self-combustion).

Pollution measurement data is included in the Air Quality Information Systems database (ISKO) run at national level by the Czech Hydrometeorological Institute.

Poland

The Skawina and Chorzów power plants did not exceed the emission limits for harmful substances set in the permit in 2021 and are complying with the requirements of national legislation and regulation.

Emissions of Selected Substances Discharged into the Air

CEZ Group Emissions

Emissions and specific emissions of air pollutants	Unit	2020	2021	2021/2020 Index (%)
Particulate matter	thous. tons	1.3	0.8	62.8
Sulfur dioxide	thous. tons	14.3	7.8	54.8
Nitrogen oxides	thous. tons	19.4	14.3	73.9
Carbon dioxide from fossil fuel combustion	thous. tons	22,458.8	18,702.2	83.3
Carbon dioxide from biomass combustion	thous. tons	1,534.4	1,293.4	84.3

The significant decrease in emissions is related to the sale of the Počerady coal-fired power plant at the end of 2020 and the shutdown of the Energotrans 3 power plant in August 2021.

Emissions of pollutants SO₂ and NO_x from electricity generation decreased year-on-year by 45% and 26%, respectively. Emissions of solid pollutants and CO₂ were also reduced by 37% and 15%, respectively.

Noise Protection

Noise sources are not only power plants and heating plants but also open-pit mines, especially the operation of turbine-generator units, cooling systems, long-distance belt conveyors, and large-scale mining machinery. CEZ Group facilities meet health limits for noise in compliance with the law and the conditions in relevant licenses.

An exemption from noise limits was granted for the operation of the Poříčí power plant based on an assessment concluding that noise had been reduced to an acceptable level and did not pose a risk to human health.

The Polish power plants Skawina and Chorzów complied with the noise limits. German wind power plants were also confirmed to comply with the noise limits.

Water Protection

Czechia

Surface water is used for various purposes at CEZ Group's power plants and heating plants, mostly to cool steam after its passage through a turbine in order to increase electricity generation efficiency. Used water is recycled at generating facilities depending on its quality so as to minimize the amount of surface water withdrawn. Groundwater is only used to a minimum extent at CEZ Group. It is mostly for the production of drinking water; a negligible amount is used for other purposes.

The basic prerequisite for water protection is the implementation of preventive measures aimed at minimizing water consumption and eliminating the leakage of harmful substances into surface and groundwater, sewers, and the rock environment. The EMS regularly checks compliance with operational regulations and regular monitoring of the quality of discharged wastewater and groundwater at the sites concerned. Verification of emergency preparedness is ensured by emergency exercises.

In November 2021, an emergency leak of turbine oil into the Elbe River occurred at the Energotrans power plant due to a leak in the oil cooler. After the accident was reported, a burrow sorption wall was installed to capture the contamination at the outlet of the warm water channel, and additional walls were installed downstream. According to the subsequent investigation, approximately 3 liters of oil were released and, according to the available information, no fish or other animal deaths occurred during the accident.

In 2021, the conditions of the approval for the abstraction of surface water and groundwater as well as the conditions related to the discharge of wastewater and mine water were complied with. Reports on compliance with the conditions of integrated permits are regularly published through water authorities.

CEZ Group Water Consumption

	Unit	2020	2021	2021/2020 Index (%)
Total water consumption	thous. of cubic meters	592,478	525,431	88.7
Of which: Surface water	thous. of cubic meters	586,628	521,149	88.8
Groundwater	thous. of cubic meters	432	459	106.2
Drinking water from public water utilities	thous. of cubic meters	5,407	3,816	70.6
Cooling water from industrial water works	thous. of cubic meters	10	8	78.1

Biodiversity: Fauna Protection and Support

Czechia

CEZ Group has addressed avian electrocution protection since the 1990s. Its objective is to prevent birds from being injured or killed by perching on power lines. Protection devices are installed on the support structures of medium-voltage power lines. Most often, they are plastic sheaths that are placed over insulators. Another method for protecting birds is using crossarm constructions that prevent birds from perching on the line and subsequently connect the conductor through the bird's body to a grounded mast structure.

During 2021, 18,767 additional support points (poles) of medium-voltage power lines within the ČEZ Distribuce distribution grid were equipped with these technologies, for a total of 68% of the grid. In 2021, CZK 45 million was spent on bird protection. ČEZ Distribuce continues to actively participate in the working group for solving requirements for avian protection against accidents on power lines, which consists of representatives of the Ministry of the Environment of the Czech Republic, the Ministry of Industry and Trade of the Czech Republic, the Czech Agency for Nature and Landscape Protection, the Czech Ornithological Society, and distribution and transmission system operators. Within this group, draft methodological guidelines Ensuring the Avian Protection Against Impacts on Power Lines and Protection Storks on Medium- and Low-Voltage Power Line Poles were developed and are being prepared for publication. At the same time, a project is being prepared to secure the wires at very high, high, and medium voltage against bird strikes with the involvement of all members of the working group, including ČEZ Distribuce.

The suggestions of citizens, authorities, and environmental organizations related to the protection of birds on distribution grid installations are regularly addressed. There are dozens of cases per year, most often the problem of the existence of stork nests on the support points of low-voltage lines, which is solved by relocating the nest on the basis of an exemption granted by the nature protection authority or insulating bare wires in the vicinity of the nest. Moreover, the condition of stork nests located on the distribution grid equipment is actively monitored by ČEZ Distribuce.

At the initiative of the Agency for Nature and Landscape Protection (AOPK), the covering of the concrete poles was checked and repaired in order to protect the critically endangered little owl. These were poles potentially unsafe in areas recommended by the AOPK for their nesting.

Support for the nesting of the peregrine falcon both at the sites of most coal-fired power plants and heating plants as well as at nuclear power plants continued in 2021. A total of 10 pairs were recorded on the buildings owned by CEZ Group. Six of them were successful and produced a total of 19 chicks. Since the first falcon nest box in Czechia was installed at a cooling tower walkway at the Tušimice power plant in 2011, at least 114 chicks were taken out.

Nesting conditions also continued to be created for sand martins, which are found at the disposal sites of some coal-fired power plants. A population of the critically endangered grayling butterfly was found at a reclaimed waste pond of the Tušimice power plant in previous years. To maintain suitable conditions for preserving the species population, sheep and goat grazing continued at the site, arranged in cooperation with the regional authority and a private farmer and started as an experiment as early as in 2016, which, according to an entomologist, positively contributes to the protection of the butterfly population.

Mapping of bird species continued in Temelín. In cooperation with ornithologists from the University of South Bohemia, the local birds were ringed. Scientists were investigating which bird species occur in the locality during the autumn migration. In January 2022, during a birdwatch, the schoolchildren recorded a new species under the supervision of an ornithologist: the middle spotted woodpecker. According to the experts from the University of South Bohemia, the operation of the power plant does not have a negative impact on the bird population, no disturbing effects have been recorded. A butterfly meadow has also been maintained in the park for the fifth year.

Bee breeding continued in both Dukovany and Temelín. A total of 280 kg of honey was bottled at both nuclear power plants. In Temelín, bees have been kept since 2018, while in Dukovany they started in 2021.

For a number of years, the premises of both nuclear power plants have also provided a home for dozens of brown hares. The animals are relocated to the wild once in a while in cooperation with hunters.

Germany

Wind parks comply with stringent requirements for the protection of birds and bats, as documented by environmental impact assessment (EIA).

In the first years of operation, monitoring of the actual impact on birds and bats is carried out, and any negative impact will be eliminated by adjusting the operating modes.

Biodiversity: Land Restoration

One of the most important tasks for minimizing and eliminating the environmental impacts of mining is the restoration of the landscape and ecological stability of large areas after brown coal mining. The creation of a new landscape with the restoration of all basic functions of the reclaimed areas and their nonviolent integration into the surrounding landscape are the main and most important objectives of restoration works. The new areas created by mining activities are gradually and systematically integrated into the landscape below the Krušné hory. These works represent a long-term process that is technically and economically demanding.

In 2021, CEZ Group completed landscape restoration on an area of 93 ha, of which 5 ha were agricultural, 53 ha forestry, 1 ha water, and 34 ha other. New land restoration was started on 44 ha, 34 ha of which were agricultural and 10 ha water restoration.

In 2021, almost CZK 345 million was spent on the preparation and smoothing of previous mining activities, of which over CZK 173 million was spent on actual remediation and restoration. At the same time, the mining company Severočeské doly, where the decisive part of restoration takes place, continuously makes a reserve every year to cover the consequences of mining activities during and after mining. Individual restoration projects are processed in accordance with the Comprehensive Remediation and Restoration Plan. Local restored areas should fulfill ecological, landscape aesthetic, sports, recreational, and socio-economic functions.

As in previous years, technical and biological restoration of the areas affected by CEZ Group's operation of coal-fired facilities continued in 2021. A substantial part of the locality is represented by areas intended for the combination of forestry and landscape restoration.

By constantly reducing the adverse effects of opencast mining and constantly planting new greenery in the Krušné hory, the landscape of northern Bohemia looks much better today and becomes a better place to live—the "Region with a Better View". More than 189,000 trees and 36,000 shrubs were planted by Severočeské doly as part of restoration in 2021, and the ČEZ Foundation contributed to the planting of another 3,300 trees under grant procedures.

Research, Development, and Innovation

Research and Development

CEZ Group companies' operating expenses on research and development were CZK 952.4 million in 2021. The companies (especially Centrum výzkumu Řež) also received research and development subsidies amounting to CZK 409.7 million. ČEZ expenses also include a reactor vessel material surveillance program (CZK 217.4 million), which is aimed at obtaining information on the current state of reactor pressure vessels and providing an objective basis for predicting their useful life.

CEZ Group Companies' Research and Development Expenses and Subsidies Received in 2021 (CZK Millions)

Company	R&D Expenses	Of which: Subsidized
ČEZ	314.1	0.9
Centrum výzkumu Řež	385.3	310.6
CEZ Razpredelenie Bulgaria	2.0	1.4
ČEZ Distribuce	5.3	2.7
ČEZ Energetické produkty	9.7	4.9
EPIGON	6.1	1.9
Hermos	62.1	-
PRODECO	18.5	-
TENAUR	3.1	-
ÚJV Řež	380.4	86.5
Ústav aplikované mechaniky Brno	7.1	0.8
Elimination of intragroup expenses	(241.3)	-
Total	952.4	409.7

Czechia

ČEZ

The central coordination of research and development and promoting innovations in CEZ Group enables the implementation of projects in an optimal form with the use of group synergies. Emphasis is put on topics with high application potential as well as on activities lessening the environmental impacts of CEZ Group's operations. The areas in question reflect current and expected trends in energy. ČEZ is significantly involved in the Sustainable Energy for the Czech Republic Technology Platform (TPUE), a community of industrial companies, research organizations, and universities. ČEZ is also a member of the Czech Membrane Platform. ČEZ has been a full member of the Electric Power Research Institute (EPRI) in the nuclear power segment since 2010 and also participates in seven conventional energy programs (e.g., Boiler Life and Availability Improvement, Materials and Repair, Gas Turbine Life Cycle Management, and Generators and Auxiliary Systems). Participation in the VGB PowerTech organization is focused on conventional energy and partly on renewables. Through ÚJV Řež it participates in selected research activities within the framework of international cooperation under the auspices of the OECD NEA (e.g., SCIP, ROSAU, or FIDES programs). ČEZ is a member and is represented in the Management Committee of the Sustainable Nuclear Energy Technology Platform (SNETP). It is a member of the International Electric Research Exchange (IERE), an organization focused on evaluating and promoting innovative technologies in the energy sector. It is also represented in the Research Fund for Coal and Steel at the European Commission. During 2021, it also participated in projects supported by European sources, such as the Research Fund for Coal and Steel (RECPC project).

In the nuclear energy segment, research and development is significantly focused on safety and operational aspects, such as the behavior of nuclear fuel coverage. In the non-nuclear energy sector, the solution is to reduce emissions from conventional sources (especially mercury), and material research. An important area is the development and testing of energy storage technologies, e.g., battery storage. ČEZ is part of the Eflex project, which is focused on the development of battery storage services for transmission system operators. ČEZ is also engaged in the development of projects using hydrogen, especially its generation by electrolysis with subsequent application, e.g., in mass transport.

ČEZ continued its participation in the National Center for Energy (NCE) supported by the Czech Technology Agency (TA ČR) in the National Centers of Competence program. The NCE has 24 participants, 15 of which are companies. The topics addressed with ČEZ participation cover a wide range of areas (nuclear and non-nuclear energy or energy storage).

Centrum výzkumu Řež (Řež Research Center)

Centrum výzkumu Řež (CVŘ) is a research organization focusing on research, development, and innovation in the energy sector, nuclear energy in particular. The backbone of the company's research infrastructure consists of two research nuclear reactors (LVR-15 and LR-0) and a set of laboratories and experimental facilities (nondestructive testing laboratories; material, chemical, and microstructural laboratories; nuclear fusion research facilities; nuclear fuel cycle laboratories; and experimental technology loops).

In 2021, the Czech research projects supported mainly by TA ČR continued to focus on research and development in the areas of materials for nuclear energy, new technologies for nuclear and conventional energy, the fuel cycle of nuclear power plants, advanced thermodynamic cycles, hydrogen technologies, and storage systems. With the support of TA ČR, the preparation of the conceptual design of the proprietary Energy Well small modular reactor based on high temperature fluoride salts continued. CVŘ has an important position in the National Energy Center consortium, where it leads the largest research segment.

CVŘ has further consolidated its position as one of the most successful research institutions in the country in international programs. In total, it participated in 14 projects in the Horizon 2020 framework program. In the ECC SMART project, aimed at developing a small modular reactor cooled by supercritical water, CVŘ is even the leader of a consortium composed of European research organizations and partners from Canada and China. Other projects are focused on research on the properties and degradation of materials for Generation IV reactors, advanced thermodynamic circuits, research on severe accidents, or on the behavior of structural and building materials to ensure the long-term durability of power plants (aging of concretes, etc.).

Cooperation implemented on the basis of intergovernmental agreements between Czechia and the USA continued in the form of research and development work in the field of small modular reactors. In cooperation with Japanese industrial partners, projects were carried out to study the radiation aging of concrete and aggregates. Research work also continued in the field of nuclear fusion.

ČEZ Distribuce

ČEZ Distribuce continued to participate in several projects supported by TA ČR. For example, in the National Center for Energy, on the topics of new elements and technologies of energy networks and research on secure communication technologies for smart communication networks in the energy sector. In 2021, measurements continued at selected sites to verify the applicability of LPWAN (low-power wide-area network) technologies, and projects were initiated to test SigFox and PLC communications for smart meter data transmission.

ČEZ Distribuce also participates in projects under the European framework programs. A new OneNet project was launched in 2021, where ČEZ Distribuce is testing options for using the flexibility of non-public charging stations for electric vehicles via a platform for engaging new market entities (aggregators).

ČEZ Energetické produkty

The company participates in and keeps implementing projects supported by national public funds (TA ČR). These are mainly projects aimed at finding other ways of using energy by-products (EBPs), e.g., as admixtures for special concretes or alternative low-carbon binders. In addition, the company is looking at the possibilities of modifying EBPs to maximize their use in downstream industries, particularly in the construction sector. All research is carried out with a view to making the entire energy industry greener and more economical and taking into account Czechia's circular economy at the same time. In 2021, the project focused on advanced generation technologies for the strategic use and storage of EBPs also continued, where, among other things, the systems for the management of EBPs in the world were analyzed, as well as the possibilities of treatment, storage, and subsequent use of already stored EBPs.

EPIGON

Research and development activities in 2021 focused on the development of a multifunctional decontamination booth system combining particle and microbiological decontamination.

PRODECO

The company focuses primarily on the application of more efficient, safer, and greener mining, transportation, and processing technology solutions in the open pit coal mining industry. In 2021, a conveyor belt greening project was completed to reduce noise and dust. The company's new commitment to renewables has been extended; for example, a project to develop a floating photovoltaic power plant has been launched, including a method of anchoring it.

TENAUR

The activities of the development center established at TENAUR are focused on the development of a control system enabling the integration of a photovoltaic power plant and a heat pump, with the gradual extension of other items (charging of electric vehicles, appliance control, etc.). Current development topics concern energy communities, communication technologies in houses, or control of charging stations.

ÚJV Řež

The company was involved in 37 national and 19 international research projects in 2021. Their content is based on the strategic focus of the company, namely the development of competences in the field of nuclear technologies and support for the operation of power units, radioactive and other waste management, the application of hydrogen technologies in energy, and transport or the development of new radiopharmaceuticals for medical use.

Work has started on the development of the HeFASTo reactor, which belongs to the category of advanced modular reactors of Generation IV. It is a high-temperature, helium-cooled reactor that will generate its own fissile material in the fuel. It will be used primarily as a heat source for efficient hydrogen generation, for the chemical industry, and can also be used to process spent fuel from conventional nuclear units.

ÚJV Řež participates in the international PUMMA project, which is focused on the use of plutonium in fuels for Generation IV reactors, addressing also the issue of multi-recycling.

In the area of support for nuclear unit operations, activities continued in projects for the development and improvement of methodologies for the lifetime assessment of nuclear power plants (e.g., APAL, STRUMAT, TNR VVER-1000 Integrity Assessment), as well as in the development of cable lifetime management tools (Team Cables project), and the use of robots to perform operational checks (CHARM project). In the field of radioactive waste management, ÚJV Řež was involved in two new work packages in the framework of the European Joint Program EURAD on corrosion of storage containers (CONCORD) and on chemical-mechanical aging of concrete materials (MAGIC) in 2021. Participation also continued in the European PREDIS project on the management of radioactive waste prior to disposal.

In the field of hydrogen technology, the company focused mainly on propulsion (the HyVAN light quadricycle, the ZEBRA utility vehicle up to 3.5 tons, and the TATRA heavy truck) and on innovations in the field of electrolytic hydrogen generation and fuel cells, with an emphasis on new materials for these devices (the CATAMAC project).

In the field of radiopharmaceuticals, the development and market launch of a new product that enables gentle and early diagnosis of brain tumors by positron emission tomography has been completed.

The achievements of the research teams at ÚJV Řež are evidenced not only by a number of resulting patents and certified methodologies, but also by the constant interest of foreign consortia in the company's participation in prestigious international projects. A number of awards have also been received in Czechia, among the most important are the TA ČR Czech Idea 2021 Award for a new computational model for nuclear fuel safety or the Honorable Mention in the Visionaries 2021 competition for work on the regenerative annealing methodology for the internal parts of VVER 440 reactors.

Ústav aplikované mechaniky Brno (Institute of Applied Mechanics Brno)

Traditionally, the Institute of Applied Mechanics Brno focuses on research activities in the search for solutions to operational problems of power equipment. Among the most important ones in 2021 were the development of a prototype device for measuring the tightness of flange joints under operating conditions or the development of a fully automated wireless measuring panel for long-term temperature measurement of power equipment. The institute is a member of the National Center of Competence (NCC) for Mechatronics and Smart Technologies for Engineering. The institute also participates in TA ČR projects.

Germany

Hermos

Hermos develops automation and IT solutions for industry, energy, environment, buildings, and health care. In 2021, development work focused, for example, on the development of radio-frequency identification or advanced data processing systems to improve the energy efficiency of companies and institutions and reduce CO₂ emissions.

Bulgaria

CEZ Razpredelenie Bulgaria

The company has successfully participated in several projects under the European Horizon 2020 framework program. These are the FLEXITRANSTORE and INTERFACE projects, and SDN-microSENSE, EnergyShield, and FORESIGHT projects in network resilience and cybersecurity.

Investments in New Technologies

Inven Capital, SICAV

Inven Capital, SICAV, a.s., is a joint-stock company with variable capital that manages two subfunds: Inven Capital—Subfund A and Inven Capital—Subfund B. The holder of founder's shares in Inven Capital, SICAV, a.s., is ČEZ, a. s. Investment shares of Subfund A are held by CEZ Group, and investment shares of Subfund B are held by the European Investment Bank. Inven Capital focuses on investments in cleantech startups in later stages of growth with a business model proven through sales and which have significant increase potential. Geographically, Inven Capital focuses on Europe and Israel and has invested in fourteen companies since its inception in 2015 (six German, two French, two Israeli, two Czech, one Swedish, and one UK) as well as the UK's Environmental Technologies Fund 2. In 2019, Inven Capital made the first sale of its stake in portfolio—sonnen, a German company and leading provider of smart battery systems for household electricity storage. Inven Capital, together with other shareholders, sold its share in the company to the Royal Dutch Shell group. In 2020, Inven Capital sold off its share in CyberX, a company providing a software platform for comprehensive industrial cybersecurity solutions. The company multiplied the number of orders for its solutions year-on-year and won a number of new customers. The stakes of all shareholders were bought by Microsoft. The gains in both cases considerably exceeded expected returns on the original investment.

Inven Capital's current portfolio consists of the following companies:

- **SunFire**—manufacturer of fuel cell electrolyzers that can convert electricity from renewable sources to hydrogen and other synthetic gases (power-to-gas)
- **tado**—the European leader offering smart heat control for households based on weather forecasts and user's habits
- **Cloud&Heat Technologies**—the designer, vendor, and operator of energy- and cost-efficient distributed data centers deploying water-cooled servers whose waste heat is used to heat buildings and hot water
- **VU LOG**—a global leader in the provision of technology for mobility sharing in cities, involving green cars, motor scooters, and scooters
- **Cosmo Tech**—the vendor of a software platform for complex system modeling, providing key information for decision-making optimization in the management of critical infrastructures and processes
- **Drivz**—the vendor of a software platform for electric vehicle charging station management, including energy management (charging optimization)
- **NeuronSW**—a technology company that has developed a comprehensive solution using sound analysis for machine diagnostics, using artificial intelligence combined with proven know-how in traditional diagnostics to predict machine failures
- **Zolar**—its online configurator allows purchasing a photovoltaic system with batteries over the Internet based on requirements specified by the customer; subsequently, it provides the installation of these systems through external suppliers consolidated in its digital platform
- **Eliq**—an application developed by the company collects data from smart meters and sensors in homes (consumption, indoor temperature, humidity, appliance operation); this application is then provided by electricity retailers to their customers, enabling them to choose the most advantageous tariff, leading to a reduction in customer turnover
- **Forto**—a European digital freight forwarder that has developed a platform that works with real-time data, thus achieving a high degree of punctuality and offering customers the option to choose and offset emissions, focusing mainly on transport between Asia and Europe
- **Woltair** (formerly Topíte.cz)—the company's digital platform is used by customers to select and order the installation of heating equipment (boilers, heat pumps, photovoltaic panels) and by installers to select the contract
- **Hometree**—a new investment from autumn 2021, the company's main product is the insurance of heating equipment failures in households, the company's platform connects repairers and households, which are automatically assured of the repair of their equipment

Promoting Innovation

Support for innovation naturally corresponds to the accelerated strategy VISION 2030—Clean Energy of Tomorrow.

In the area of commercial innovation, decarbonization plays an important role in B2B and B2C. An example of a successful implementation of a decarbonization project in the CEZ Group's product portfolio is the Emission-Free Electricity from a nuclear source, which was developed in a joint project between ČEZ and ČEZ ESCO.

ČEZ is involved in the Innovation Roadshow and People and Culture Roadshow platforms, which aim to connect professionals from companies across business areas and share know-how in implementing innovation and corporate culture. On the basis of the I2US cooperation platform, ČEZ shares information with innovative and non-competing utilities across Europe under the open innovation principle. Its main collaboration tool is sharing innovation opportunities and experience from the implementation of new services, products, business models, and methods for cooperation with partners.

Electric Mobility in Czechia

Charging Stations

The year 2021 brought a record in the installation of charging stations, with the threshold of 100 installed stations being significantly surpassed for the first time. This was despite the complications caused by the spread of COVID-19 and the shortage of selected components and materials, which resulted in a significant increase in delivery times for charging stations. As at December 31, 2021, CEZ Group operated 385 charging stations in Czechia, 302 of which were fast charging (DC) and 83 with normal charging (AC). The total installed capacity of the ČEZ public charging station network was almost 26,000 kW. High Power (HPC) DC charging stations are a new addition to the public charging station portfolio, of which a total of six were installed during the pilot operation. Five of the stations are located near the D1 motorway, and the sixth HPC station is installed at the ČEZ headquarters in Duhová Street in Prague, which will offer full charging power after it is supplemented with storage technology.

In line with ČEZ's strategy, several locations with a larger number of stands, the so-called charging hubs, have been put into operation, which are also designed to allow future power increases. These locations are mainly near shopping centers and on the D5 motorway. In total, ČEZ operates 17 sites with three or more stands.

CEZ Group also continues to replace outdated AC charging racks that are no longer suitable with new racks that meet the necessary standards of connectivity and communication with the IT system.

The construction of charging stations continues with the contribution of subsidy support, both from the European program CEF (Connecting Europe Facility) and from the Transport operational program. In the case of CEF, this is the second subsidy project under which 83 fast charging stations have already been installed. Its implementation has been extended until the end of 2022, when a sub-project of energy storage integrated with local generation from photovoltaic panels remains to be completed.

CEZ Group also continues to implement projects financed by the Transport operational program. It has been successful in a total of four calls—two for the so-called backbone network of charging stations and two for the supplementary network. The Driivz IT system is used for network management and customer service, and more than 7,500 registered customers are already using our services. In November 2021, CEZ Group's charging network was integrated into the Hsubject international roaming platform, so the network meets the interoperability and roaming requirement of being easily accessible to customers of other charging providers.

In November 2021, ČEZ published a new recharging price list effective from January 1, 2022. The tariffs combining a flat-rate payment and a per kWh payment have been replaced by a single price list without a flat-rate commitment, which differentiates recharging prices according to the capacity of recharging stations.

ČEZ continues to support the operation of electric buses on a line between the BB Center (where ČEZ headquarters are located) and the Budějovická metro station in Prague, and the operation of another two electric public buses in Vrchlabí.

CEZ Group also became a co-founding member of the newly established association (Elektromobilní platforma, z.s.), which aims to bring together entities from the energy and automotive sectors, and the research sector. The platform wants to support the development of cooperation in the field of electromobility and to be a partner of the government in the implementation of national goals in this area. Other members are ŠKODA AUTO, PRE, E.ON, and Czech Technical University in Prague.

Offers for Households and Sole Proprietors

Due to newly emerging partnerships with car manufacturers or individual local dealerships, ČEZ Prodej offers a comprehensive range of electric cars for households, but also for sole proprietors, according to their needs. Besides purchases of new electric vehicles, it prepares a home for an EV by checking the electrical system for sufficient robustness for home charging, installing a turnkey home charger (wall box), or assisting with a distribution tariff change or circuit breaker upgrade, and last but not least, professional advice on entering the world of electric mobility. In addition to electromobility, ČEZ Prodej is also focusing on other energy solutions and can therefore offer, for example, a home photovoltaic power plant with battery storage that can supply energy to an electric car, as well as to the entire household, even if there is a failure in the distribution grid.

Last but not least, ČEZ Prodej is active in the field of its own product development. The newly developed home charger "TENGE wallbox", through perfect synergy with other products from the TENGE range, is able to use the electricity generated by a photovoltaic power plant to recharge an electric car, making driving an electric car greener and more economical than ever before.

Offers for Large Customers

ČEZ ESCO continued to provide a comprehensive range of electromobility products for corporate customers and the public sector in 2021. The main focus of the electromobility offer for large customers is on comprehensive electric vehicle charging systems. These include charging stations, but also higher-level control systems, power management systems, and other components. There is a continued emphasis on the synergies for customers that electromobility brings in conjunction with products such as photovoltaic power plants, battery storage, green electricity, and others.

New charging stations or wallboxes (wall chargers) have been installed at public and municipal entities as well as private entities. Negotiations continue with major large and medium-sized enterprises on possible cooperation in the implementation of electromobility solutions in their fleets. The situation in 2021 has shown an increasing trend of interest in adopting electromobility in corporate fleets, especially for large companies with hundreds of vehicles in their corporate fleet. Especially in H2 2021, demand for solutions involving hundreds of charging stations was registered.

ČEZ ESCO also continues to actively and successfully offer solutions for the electrification of public transport, especially the provision of charging stations and charging for electric buses. In 2021, several projects in this area were implemented, such as the transition to fully electrified public transport by ČSAD AUTOBUSY České Budějovice in Písek. Several other projects have been launched and are being prepared for launch in 2022.

Donorship

Corporate donorship is one of the areas that supports the fulfillment of CEZ Group's long-term goals, as set out in the VISION 2030—Clean Energy of Tomorrow strategy. Donorship falls under the community relations objectives, specifically to continue to be a good corporate citizen. Corporate donations and sponsorships are used to support projects around CEZ Group's operations, including in the areas of education, culture, sports, environmental protection, and community life. CEZ Group together with the ČEZ Foundation belong among the largest corporate donors in Czechia. Their comprehensive approach to donor activities is regularly recognized by an independent jury (TOP Responsible Company, Donors Forum ranking). Employees are also involved in corporate giving, recommending to whom the aid should be directed and making financial donations themselves. Two employee fund raisers were held in 2021. CEZ Group also involves the public in making decisions on project support using the EPP—Move to Help mobile application.

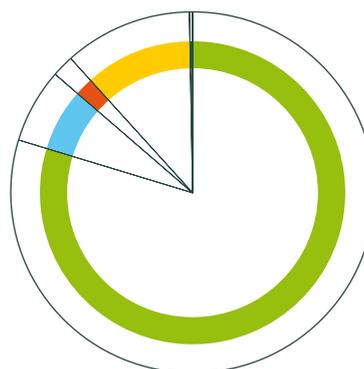
Financial Donorship

Financial Donations by CEZ Group Companies (CZK Millions)

	To ČEZ Foundation	Direct Donations	Total
ČEZ, a. s.	63.5	43.0	106.5
Other fully consolidated CEZ Group companies	143.4	68.7	212.1
CEZ Group, total	206.9	111.7	318.6

Direct Financial Donations by ČEZ, a. s., by Area

Area	CZK Millions	%
Municipal infrastructure and regional development	34.3	79.8
Culture and environment	2.9	6.7
Education, science, and youth care	0.8	1.9
Sports	4.9	11.4
People in need and people with disabilities	0.1	0.2
Total	43.0	100.0



List of Entities Supported by ČEZ

The file with an overview of entities supported by ČEZ for 2021 and the form of support can be found at www.cez.cz/cs/o-cez/udrzitelnost-a-etika/energie-pro-budoucnost/byt-dobrym-partnerem/podporujeme-darcovske-partnerstvi/dary.

ČEZ Foundation

Financial Contributions by CEZ Group Companies to ČEZ Foundation (CZK Millions)

Company	Contribution
ČEZ	63.5
ČEZ Distribuce	100.0
ČEZ ESCO	3.0
ČEZ ICT Services	0.6
ČEZ Prodej	24.8
Severočeské doly	15.0
Total	206.9

ČEZ Foundation Activities

The ČEZ Foundation has been active in all areas across Czechia since 2002 and was one of the first corporate foundations in Czechia. Over the course of its operations, it has made 13,764 foundation contributions totaling nearly CZK 3.1 billion. In 2021, it supported 1,181 public benefit projects with CZK 184.87 million under programs responding to society's current needs.

These included regularly announced grant programs, extraordinary programs in the aftermath of the devastating tornado in South Moravia, and other activities of the foundation:

- **Orange Playground**—support for building and renewing children's playgrounds and sports fields.
- **Support for Regions**—support for activities that help improve the life of local people in municipalities throughout Czechia, particularly those concerning health care, children and youth, social work, science and education, protection of human health and human rights, culture, and the environment.
- **Trees**—support for planting rows of trees, primarily new and

renewed avenues of trees and roadside trees.

- **Orange Crosswalk**—support for lighting at crosswalks.
- **Employee Grants**—support for nonprofit organizations that employees from CEZ Group companies in Czechia volunteer at.
- **Granting Wishes**—joint charity project of CEZ Group employees and the ČEZ Foundation. Financial support was provided to people who faced difficult situations in their lives.
- **Orange Classroom**—for participation in the "I Know Why" student competition and other competitions, schools received aids and equipment that contributed to improving the quality and attractiveness of teaching technical subjects.
- **Crisis Aid after the Devastating Tornado**—mitigating the impact of the tornado in South Moravia. Financial assistance was directed in a very short time to the most affected municipalities and organizations at the disaster site.
- **Nonprofit Organizations**—grant program focusing on the support of development and professionalization of nonprofit organizations providing direct care in the field of social services.
- **Employees Help**—an extraordinary employee fund raiser to help individuals and organizations affected by the tornado in South Moravia.

An important element of public involvement in the foundation's activities was:

- **EPP—Move to Help mobile app**—by being physically active, its users generated points for offered nonprofit projects, which then received financial support from the ČEZ Foundation.
- **Orange Bike**—one-minute charity rides on specially outfitted stationary bicycles to support local nonprofit organizations offered to visitors of cultural, social, and sports events.

Human Resources

Headcount Changes

As at December 31, 2021, CEZ Group companies employed 28,043 people, which was a year-on-year decrease of 4,512 employees.

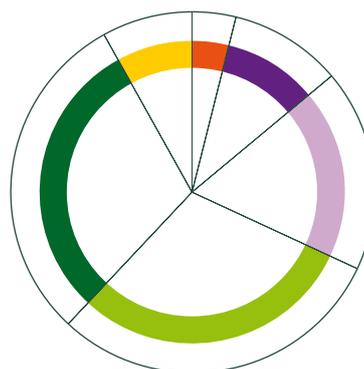
Workforce Headcount as at December 31, by Country

	2020	2021
Czechia	22,565	22,729
Germany	3,598	3,862
Poland	877	873
Romania	1,993	125
Bulgaria	3,271	2
Other countries	251	452
Total	32,555	28,043

The year-on-year decrease in the workforce headcount in Romania and Bulgaria is due to the sale of generation, distribution, and sales assets during 2021, after which CEZ Group retained only ESCO service companies in both countries. The reason for the increase in Germany and Czechia lies in the completed acquisitions and partly in the expansion of existing work teams, while at the same time a decrease in the number of employees was recorded in the Severočeské doly group. In the case of the other countries (Israel, Italy), the increase was due to an increase in the number of employees from newly acquired companies.

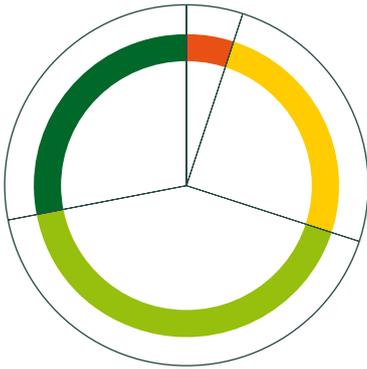
Employee Structure as at December 31, 2021, by Age

	%
24 years and under	4
25–29 years	10
30–39 years	18
40–49 years	30
50–59 years	30
60 years or more	9
Total	100



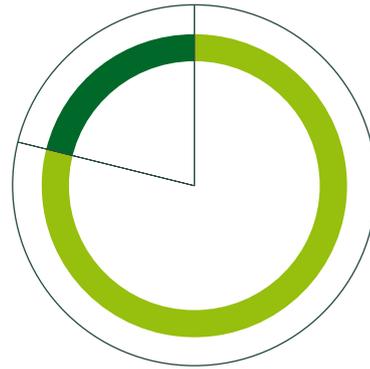
**Employee Structure as at December 31, 2021,
by Highest Level of Education Achieved**

	%
Primary	5
Apprenticeship	25
Secondary	43
Tertiary	28
Total	100



**Employee Structure as at December 31, 2021,
by Gender**

	%
Men	79
Women	21
Total	100



Training Program

The line of business and strategic objectives, including ensuring safe and reliable operation of nuclear power plants of CEZ Group, place high demands on the expertise, skills, and experience of its employees. For their ongoing development, the training program focuses on:

- Training to meet qualification requirements in accordance with legislative requirements, e.g., fire protection training or occupational safety training
- Training to acquire the necessary knowledge and skills beyond qualifications, e.g., training in cyber security, Code of Ethics, ethical behavior, compliance, and environmental protection
- Continually developing a portfolio of in-class, e-learning, and combined training courses
- Knowledge management—a systematic approach to minimize the risk of loss of expertise and experience
- Corporate programs, such as the Management Growth Program—People Development Forum (a joint platform of CEZ Group top management for discussing development and career opportunities of individual program participants)
- Diversity and work-life balance, development of women in managerial positions and women with potential for career growth
- Parents on maternity and parental leave
- Development for the future of workers affected by the phase-out of coal
- Working with key employees, talents, and successors
- Implementing graduate and trainee programs: ČEZ Potentials trainee program for talented university graduates as part of the talent program that has been taking place for 18 years already
- Leadership development—development for managers
- Strategic forms of development—internal and external mentoring, internal coaching, professional expert groups, conferences, systemic work with internal lecturers, etc.

Welfare Policy

Welfare policy at CEZ Group consists of a wide range of activities and benefits, both monetary and nonmonetary, provided to employees. Employees earn wages in accordance with CEZ Group's long-term financial performance and its position in the labor market.

CEZ Group companies in Czechia provide employees with a defined range of benefits such as a shortened 37,5-hour workweek, paid vacation extended to five weeks, eligibility to paid leave beyond the statutory scope, or an opportunity to use various types of flexible working hours, including telecommuting.

CEZ Group companies also provide an extra wide range of perquisites such as personal accounts intended primarily to cover costs of recreation and leisure-time activities; contributions to supplemental pension plans, life insurance, employee meal plans, and special bonuses for jubilees and on retirement. One-off social assistance may be provided in extraordinary cases.

Since 2020, employees can take two sick days with salary compensation at 65% of their average pay. All employees and their family members can use the online medical advice service and make appointments with doctors of various specialties free of charge. Employees can use a specially set up telephone line to address questions about the COVID-19 epidemic. Vaccination against COVID-19 is provided directly at selected workplaces, as well as testing beyond the scope of the legislation.

Another health benefit is the provision of flu vaccinations. An above-standard health care program and preventive medical checks are available to employees working on shifts, aimed at preventing civilization diseases. In addition, Health Days are organized at workplaces, during which employees can undergo various examinations, health procedures, and lectures on healthy lifestyles (in 2021, due to the problematic COVID-19 situation, they were organized exclusively in the form of online lectures). Internal online lectures focused on mental and physical health are offered. An anonymous psychological hotline with external experts is available to employees to use when dealing with difficult life situations.

Care for preschool children is provided in kindergartens in selected localities and suburban camps are organized. Employees caring for sick parents or other family members can benefit from professional help in the form of counseling. Last but not least, CEZ Group companies take care of their retired employees (CEZ GROUP SENIORS Endowment Fund, Pensioners' Clubs).

The fundamental principles of CEZ Group's remuneration and welfare policy in Czechia apply to acquisitions abroad as well.

Relations with Labor Unions

The union membership rate in larger companies in Czechia is approx. 33%. There were a total of 29 local labor organizations operating at ČEZ in 2021, organizing almost 1,500 employees. Selected major subsidiaries of CEZ Group in Czechia had 36 local labor organizations, organizing almost 3,000 of their employees. Of those 36 labor organizations, 30 are organized under four regional associations. The above labor organizations are members of the ECHO Labor Union, the Czech Union of Power Industry Employees (CUPIE), the KOVO Trade Union, and the Energy and Mining Industry Labor Union (EMILU). ČEZ is a member of the Czech Association of Energy Sector Employers, which negotiates a higher-level collective agreement with CUPIE and ECHO. Amendment No. 5 to this collective agreement, in force for the period of 2017–2023, was concluded in 2021.

Regular meetings were held between the employer and labor union representatives in 2021 in order to provide information to labor unions and to discuss organizational changes and other topics specified by the Labor Code and the collective agreement. The regular meetings were, as in 2020, affected by the spread of COVID-19 in 2021, so some meetings were held remotely instead of the usual face-to-face meetings.

Collective bargaining in 2021 concerned amendments to all collective agreements in force. This mainly concerned wages, benefits, and the duration of collective agreements. In 2021, collective bargaining was concluded in ČEZ, a. s., with the signing of Amendments No. 21 and No. 22, which, among other things, extended the collective agreement of ČEZ, a. s., until the end of 2027 and modified the ESG area. In selected major subsidiaries, collective bargaining was also successfully concluded by concluding amendments to collective agreements.

13 labor unions operated within the Severočeské doly group. Severočeské doly and its subsidiaries PRODECO, Revitrans, and SD – Kolejová doprava have collective agreements effective until December 31, 2025, with the option to extend their validity until March 31, 2026.

The union membership rate in Poland is greater than 50%. The collective agreement for CEZ Chorzów is in force until the end of 2022 and the collective agreement for employees at CEZ Skawina until 2024.

In Germany, collective agreements in effect at Elevion group companies are derived from a collective agreement made with members of the German Trade Union Confederation (DGB). They are made for a fixed term or for an indefinite period of time with a two-month cancellation period.

No collective agreement has been concluded in Austria, Italy, or France.

A European Works Council has been operating within CEZ Group since 2007. The number of its members was reduced by 3 employee representatives from Romania and 4 employee representatives from Bulgaria during 2021 due to the almost complete closure of CEZ Group's operations in these countries. As of the end of 2021, the European Works Council consisted of 21 representatives, of which 14 were from Czechia, 2 from Poland, 4 from Germany, and 1 from Slovakia. Two meetings took place in 2021, both of which were convened in remote form due to the prevailing epidemiological situation. The agenda of both meetings included topics related mainly to the CEZ Group's strategy, financial results, activities of CEZ Group in foreign markets, and the effect of COVID-19 on its activities in the countries where it is present.

COVID-19

Measures Adopted in CEZ Group

During 2021, CEZ Group continued to implement centrally coordinated measures against the spread of COVID-19. In accordance with the national emergency measures, business trips, and personal contacts of employees with each other, suppliers, and customers were restricted in accordance with the actual situation at the time and place and to the extent appropriate to the nature of specific work activities. Personal meetings with the public in information centers were also limited to the extent necessary. Where possible, employees worked remotely from home.

CEZ Group companies' facilities were adequately equipped with disinfectants. In the event of employees contracting COVID-19, disinfection of the affected workplaces was ensured. Protective equipment (face masks, respirators, in justified cases also goggles, gloves, and disposable protective suits) was distributed to employees free of charge. Protective screens were set up at selected workplaces (customer care centers, employee canteens, etc.).

At key elements of the critical infrastructure of the state (nuclear and the most important conventional power plants, generation and distribution control rooms, etc.), preventive noncontact measurement of the body temperature of persons entering was carried out. The priority of the measures taken was to protect the health of employees, but also to limit the economic impact and ensure a safe and reliable supply of electricity at all times. In the area of distribution, planned interruptions of electricity supply were limited. Shift schedules were adjusted at all power plants in Czechia so that shifts did not meet one another. Nuclear power plant operators were separated from other employees. Employees of the ČEZ technical control room in Prague were divided into separate workplaces. In case of need, an isolated dispatching workplace was prepared in the first phase in the data center in Tušimice and a new backup dispatching workplace was built in Beroun during 2021.

In accordance with an emergency measure of the Ministry of Health of the Czech Republic, mandatory testing of employees entering the workplace was carried out. In addition to one-off antigen tests for self-testing, testing centers provided by a contracted medical service provider were established at ČEZ nuclear power plants. Through the medical service provider, testing of employees was also provided in other key operations such as control rooms and other elements of the critical infrastructure of the state. Full-scale mandatory testing was terminated on June 30, 2021, when the emergency measure of the ministry of health expired. However, even after this date, testing of employees continued in selected establishments and workplaces on a voluntary basis or where required by national emergency measures, i.e., for employees who had not been vaccinated or for whom a specified period of time had elapsed since contracting COVID-19. From January 5 to February 23, 2022, the Chief Executive Officer of ČEZ ordered, as a precautionary measure, mandatory telecommuting (home office) for all employees for whom the nature of their work permitted it.

Vaccination

From the beginning of 2021, representatives of CEZ Group companies intensively discussed priority vaccination against COVID-19 for selected groups of employees of companies included in the Czech critical infrastructure entities. The most important group—the so-called particularly critical employees—included 399 persons. The group of critical employees included a total of 5,092 persons. The vaccination of these groups of employees started on April 9, 2021. At the end of the year, the vaccination coverage of particularly critical employees was almost 89% and that of critical employees was 80%.

At the moment when the government made vaccination available to working-age Czech citizens, the communication of anti-epidemic measures in CEZ Group focused mainly on informing employees about vaccination so that they could make informed decision about vaccine application. In addition, there were various activities to promote vaccination. For example, the "Orange Needle" event was very effective. Under this activity, vaccination campaigns were organized in power plants, mines, and other workplaces in cooperation with a contracted medical service provider. By the end of 2021, 78% of the total number of approximately 23,000 employees of Czech CEZ Group companies had been vaccinated against COVID-19.

Use of Government Support and Contribution

During 2021, CEZ Group companies in Czechia used the government-approved Antivirus program to protect jobs. The companies used the program's Mode A, compensating employers for expenses on employees in compulsory quarantine or isolation. ČEZ, a. s., received a total of CZK 0.9 million for the period of January to December 2021.

The possibility of receiving contributions under the Program to Support the Self-Sampling Tests for COVID-19 in connection with the emergency measures issued by the Ministry of Health of the Czech Republic was also used. Companies took advantage of this program, which reimbursed employers for the cost of employees performing antigen self-tests. ČEZ, a. s., received a total of CZK 1.1 million for the entire year 2021.

Impact of COVID-19 on Financial Performance

The existence of no CEZ Group company is threatened by the COVID-19 spread and, in general, the impact of the pandemic on CEZ Group is relatively limited and mainly indirect. However, it is difficult to estimate the long-term impact on CEZ Group, given the uncertainty of the extent to which the pandemic itself and government countermeasures will affect economic growth, unemployment, and debt growth in the relevant European countries. The COVID-19 pandemic has certainly had and is having a direct impact on the wholesale market for electricity and other commodities in terms of a partial slowdown in economic growth. More significantly than COVID-19, however, other macroeconomic and regulatory factors, including a substantial intensification of the EU's climate change and decarbonization ambitions, are affecting the current electricity and natural gas markets, rendering any quantification of the actual impact of COVID-19 on market prices and on CEZ Group as a whole realistically impossible. However, COVID-19 and the subsequent state measures have not yet caused CEZ Group any direct losses or significant extra expenses (we estimate the expenses for the implementation of the anti-COVID measures at CZK tens of millions, especially for the provision of protective equipment and disinfectants and the increase in cleaning work). The pandemic has caused a deceleration of acquisition and organic growth of the SALES segment companies and generally caused a deceleration or time lag of investments in all other segments, especially in 2020. The impact of COVID-19 in the coming years will depend mainly on the measures taken in individual countries and their projection into the overall development and structural changes of the economy in Europe.

Supplementary Information on CEZ Group Members according to IFRS

The Most Significant Companies of the Consolidation Unit Fully Consolidated with EBITDA above CZK 50 Million (CZK Millions)

	Operating Revenues		EBITDA		Operating Income		Total Assets		Equity	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
ČEZ, a. s.	90,499	122,015	28,148	27,421	14,493	9,644	632,392	1,110,890	201,445	116,428
GENERATION Segment										
BANDRA Mobiliengesellschaft mbH & Co. KG	103	95	75	69	19	15	855	774	21	4
CASANO Mobiliengesellschaft mbH & Co. KG	117	90	87	63	30	9	891	798	29	7
CEZ Chorzów S.A.	3,197	2,936	588	333	(3,124)	(879)	6,438	3,629	2,972	1,449
CEZ Skawina S.A.	2,255	2,346	144	53	(858)	(111)	1,842	3,189	(484)	(566)
ČEZ Energetické produkty, s.r.o.	1,701	1,790	103	124	15	28	1,246	1,455	425	445
ČEZ ICT Services, a. s.	2,219	2,377	651	785	(21)	106	3,626	4,368	2,891	3,384
ČEZ Obnovitelné zdroje, s.r.o.	2,610	2,555	163	131	162	130	1,873	2,036	1,075	1,205
ČEZ OZ uzavřený investiční fond a.s.	1,964	1,885	1,820	1,735	1,073	1,079	8,333	7,691	7,210	6,640
ČEZ Teplárenská, a.s.	2,868	3,120	251	313	85	149	3,349	3,638	2,348	2,461
Elektrárna Dětmarovice, a.s.	1,723	4,219	(147)	59	(596)	(685)	1,509	4,172	113	98
Energetické centrum s.r.o.	215	225	75	83	44	51	326	313	265	286
Energotrans, a.s.	5,114	6,257	1,474	1,458	1,175	547	8,386	10,932	4,914	5,144
ÚJV Řež, a. s.	1,445	1,569	230	225	107	96	3,801	3,570	2,246	2,305
Windpark Badow GmbH & Co. KG	118	114	95	89	36	32	943	851	(15)	(15)
Windpark Cheinitz-Zethlingen GmbH & Co. KG	95	102	73	82	39	49	646	605	86	53
MINING Segment										
PRODECO, a.s.	1,763	2,056	82	112	56	88	1,517	1,963	492	523
Revitrans, a.s.	1,854	1,954	553	592	341	373	1,602	1,653	1,098	1,123
SD - Kolejová doprava, a.s.	774	847	202	219	78	136	903	913	640	688
Severočeské doly a.s.	8,453	9,549	2,808	3,813	(3,709)	(9,636)	30,078	24,449	18,213	9,624
DISTRIBUTION Segment										
ČEZ Distribuce, a. s.	34,505	34,540	17,688	18,222	9,723	9,878	153,792	156,746	96,466	100,052

	Operating Revenues		EBITDA		Operating Income		Total Assets		Equity	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
SALES Segment										
AZ KLIMA a.s.	856	991	81	71	63	52	476	545	213	254
ČEZ Energo, s.r.o.	1,308	1,399	405	418	135	128	2,744	3,201	806	982
ČEZ ESCO, a.s.	13,725	18,495	(245)	75	(247)	72	10,821	13,154	6,554	7,800
ČEZ Prodej, a.s.	36,828	41,152	3,352	3,193	2,908	3,062	23,988	29,071	8,389	8,507
D-I-E Elektro AG	1,391	1,646	105	139	60	97	616	785	103	164
EAB Elektroanlagenbau GmbH Rhein/Main	1,527	1,888	110	157	85	124	526	821	182	343
En.plus GmbH	995	1,038	73	117	47	92	337	413	83	171
Euroklimat sp. z o.o.	1,508	1,329	144	93	128	78	645	662	209	162
Hermos AG	736	1,079	163	155	129	94	1,037	1,137	777	663
Rudolf Fritz GmbH	3,175	3,469	188	224	123	162	919	1,109	217	280
SPRAVBYTKOMFORT, a.s. Prešov	422	415	89	90	40	38	530	515	250	246
Telco Pro Services, a. s.	701	809	193	235	19	55	1,280	2,132	933	1,425
VESER, s. r. o. "v likvidácii"	2,830	397	(152)	71	(155)	71	339	76	29	76

Fees Charged by External Auditors to CEZ Group Companies (CZK Millions)

	2020			2021		
	ČEZ, a. s.	Fully Consolidated Companies	CEZ Group, Total	ČEZ, a. s.	Fully Consolidated Companies	CEZ Group, Total
Auditor's fees for statutory audit of annual financial statements	21.2	63.7	84.9	20.9	51.9	72.8
Fees charged by auditors for other audit services	5.2	0.9	6.1	5.6	1.3	6.9
Fees charged by auditors for tax consultancy	3.4	4.0	7.4	3.3	3.9	7.2
Fees charged by auditors for other nonaudit services	2.6	2.5	5.1	2.3	2.3	4.6
CEZ Group, total	32.4	71.1	103.5	32.1	59.4	91.5



We are confident that
we can harness all the
sustainable resources that
surround us and deliver
their clean energy to you



4. Other Information

Legal and Other Proceedings Involving CEZ Group Companies

Legal Proceedings

Czechia

ČEZ, a. s. (hereinafter referred to as ČEZ)

1. Minority shareholders carry on a lawsuit against ČEZ and Severočeské doly a.s. based on an action filed in 2006, seeking declaratory judgment on the adequacy of consideration in compulsory sale of corporate securities. Should the plaintiffs win, the total additional payment could be in the order of hundreds of millions of CZK. The case is heard at first instance. The outcome of the proceeding is impossible to predict.
2. ČEZ carries on a lawsuit against the Appellate Financial Directorate based on an administrative action brought against the decision of the Specialized Tax Office imposing a fine of CZK 150 million for violating the Prices Act in the payment of the price of brown thermal coal supplied by Sokolovská uhelná, právní nástupce, a.s., in 2010, 2012, and 2013. The administrative court admitted the action. The proceedings are pending before the Supreme Administrative Court following a cassation appeal lodged by the Appellate Financial Directorate. (However, the Appellate Financial Directorate annulled the decision imposing the fine on the basis of the legal opinion of the court of first instance.) The outcome of the proceeding is impossible to predict.
3. ČEZ carries on a lawsuit against ŠKODA JS a.s. based on an action filed in 2016. The issue in dispute is damages for lost profits due to wrongly performed radiographic inspections of welded joints at the Dukovany Nuclear Power Plant and the Temelín Nuclear Power Plant. The amount originally claimed was CZK 611 million plus interest and costs back in 2016 but, after negotiations over an out-of-court settlement of the dispute failed, a motion was filed to extend the action to a total of CZK 2,759 million in February 2020. The amount currently claimed includes full damages for lost profits. The case is heard at the court of first instance. The outcome of the proceeding is impossible to predict.
4. In the insolvency proceedings against TENZA, a.s., ČEZ filed claims in the total amount of over CZK 1,327 million in March 2021 and subsequently claims in the total amount of almost CZK 203 million were filed in April 2021. The vast majority of the claims were made for contractual penalties and damages, as well as for related costs associated with the breach of work contracts for the construction of the Temelín Nuclear Power Plant (TPP) thermal feeder and the reconstruction of the TPP unit heat exchanger station. TENZA, a.s., breached its contractual obligation to complete the work and hand it over in a proper and timely manner. Most of the claims in both applications were denied by the insolvency administrator and the debtor as to their authenticity and, to a limited extent, as to their amount. For this reason, ČEZ filed a total of 6 injunctive claims in June 2021. As a result of the filed lawsuits, incidences are pending and negotiations are currently underway between ČEZ, the insolvency administrator of TENZA, a.s., and its subcontractors to conclude a settlement agreement and resolve all mutual claims. The outcomes of the proceedings are impossible to predict.

ČEZ Distribuce, a. s. (hereinafter referred to as ČEZ Distribuce)

5. SPR a.s. carries on a lawsuit against ČEZ Distribuce based on an action filed in May 2013, seeking payment of CZK 213 million plus interest and costs. The matter in dispute is the existence of loss alleged by the plaintiff, which was allegedly incurred due to a breach of obligations by ČEZ Distribuce in relation to the connection of the Dubí photovoltaic power plant to the distribution grid. The case is heard at first instance, currently resumed after a stay based on the court's May 2020 decision. The proceedings are currently in the evidence phase. The outcome of the proceeding is impossible to predict.

6. Four electricity generators/local distribution system operators carry on significant lawsuits against ČEZ Distribuce based on actions filed in 2015, 2016, and 2017. The matter in dispute is a claim for recovery of unjust enrichment consisting in the electricity distribution price component to cover costs associated with renewable electricity support that was allegedly incorrectly billed but duly paid by the plaintiffs in relation to their internal electricity consumption from January 1, 2013, to October 1, 2013. The total payment claimed from ČEZ Distribuce exceeds CZK 1 billion plus interest and costs. Following a special panel's decision on conflict of jurisdiction, court proceedings in all of the lawsuits were discontinued in 2019 and the matter was referred to the Energy Regulatory Office. The Energy Regulatory Office has already made a final decision on the rejection of the claim for unjust enrichment in three of the four cases, and the claimants have filed actions under Part V of the Civil Procedure Code. In one case, the matter is pending before the Energy Regulatory Office. The outcomes of the proceedings are impossible to predict.
7. ČEZ Distribuce carries on three lawsuits against OTE, a.s., based on actions brought in 2016 and 2017, seeking recovery of unjust enrichment from OTE amounting to approximately CZK 7.6 billion plus interest and costs, consisting in the electricity distribution price component to cover costs associated with renewable electricity support being incorrectly billed but duly paid by ČEZ Distribuce from January 1, 2013, to December 31, 2013. Following a special panel's decision on conflict of jurisdiction, court proceedings in the case of two of the lawsuits were discontinued in 2019 and the matter was referred to the Energy Regulatory Office. The third dispute was referred to the Energy Regulatory Office for the same reasons in 2020. The Energy Regulatory Office dismissed the claim of ČEZ Distribuce in the first dispute concerning CZK 1.86 billion. An appeal was filed against the decision, followed by an action under Part V of the Civil Procedure Code. The other two cases were consolidated into one proceeding and the application was dismissed. A remonstrance against the decision has been filed. The other disputes are still pending. The outcomes of the proceedings are impossible to predict.
8. ČEZ Distribuce carries on a lawsuit against ŠKO-ENERGO, s.r.o., based on an action brought in 2016, seeking payment in excess of CZK 113 million plus interest and costs from ŠKO-ENERGO. The matter in dispute is additional payment of the electricity distribution price component to cover costs associated with electricity support for the period from April 1, 2013, to October 1, 2013. The Energy Regulatory Office dismissed the claim of ČEZ Distribuce in the first instance. Based on a remonstrance filed by ČEZ Distribuce, the first-instance decision was reversed by the ERO Board in January 2020 and the matter was remanded to the first instance. The Energy Regulatory Office decided to dismiss the claim of ČEZ Distribuce in May 2020. A remonstrance was filed against the decision, followed by an action under Part V of the Civil Procedure Code which the court rejected. ČEZ Distribuce is preparing an appeal. The outcome of the proceeding is impossible to predict.
9. ČEZ Distribuce carries on a lawsuit against Liberty Ostrava a.s. (formerly ArcelorMittal Ostrava a.s.), based on an action brought in 2019, seeking payment of approximately CZK 225 million plus interest and costs. The matter in dispute is unreceived payments for system services for the period from February 2016 to November 2018 that ČEZ Distribuce invoiced ArcelorMittal Ostrava a.s. (i.e., the SYS II action). The case is heard at first instance and has been stayed. The dispute outcome depends on the decision in another proceeding for January 2016 (i.e., the SYS I action), which has already been finally terminated in favor of ČEZ Distribuce. However, Liberty Ostrava a.s. has filed an appeal against the decision. In November 2021, a lawsuit was filed against Liberty Ostrava a.s. for approximately CZK 132 million in the same case due to the fear of the impending statute of limitations. The subject matter of the newly initiated litigation is payments for system services for December 2018 to June 2021 (i.e., the SYS III action). The outcomes of the proceedings are impossible to predict.
10. In an insolvency proceeding against Česká energie, a.s., ČEZ Distribuce submitted an unsecured claim for approximately CZK 138 million plus interest and costs arising from failure to pay for distribution system services under a contract. The insolvency proceeding commenced in December 2016 and is still pending. The outcome of the proceeding is impossible to predict.
11. ČEZ Distribuce filed an insolvency petition combined with a bankruptcy petition against SCP first payment of receivables s.r.o. (formerly ENWOX ENERGY s.r.o.) in December 2017, submitting its matured unsecured claim for approximately CZK 115 million plus interest and costs in the proceeding. The claim arose from failure to pay for distribution system services under a contract. The insolvency proceeding is pending. The outcome of the proceeding is impossible to predict.
12. In an insolvency proceeding against One Energy & One Mobile a.s., ČEZ Distribuce submitted an unsecured claim for approximately CZK 154 million plus interest and costs arising from failure to pay for distribution system services under a contract. The insolvency proceeding commenced in 2018 and is still pending. A decision to permit a partial schedule to distribute the recovered fulfillment in the amount of approx. CZK 97 million was issued in October 2020 and the creditor, ČEZ Distribuce was satisfied with the proportional amount exceeding CZK 49 million. This recovered fulfillment was repaid to ČEZ Distribuce in late November 2020. In addition, a resolution approving the final report was published in July 2021, after which the final amount of the recovered performance of almost CZK 12 million was paid to ČEZ Distribuce. The claim was thus satisfied to the extent of approx. 52%. The insolvency proceedings were terminated in November 2021 by the order of annulment of the bankruptcy after the execution of the distribution order.

ČEZ Prodej, a.s. (hereinafter referred to as ČEZ Prodej)

13. ČEZ Prodej carries on a lawsuit against state organization Správa železnic (SŽ, formerly SŽDC) based on an action brought in 2010, seeking damages in the amount of CZK 805 million plus interest and costs. The matter in dispute is an alleged breach of an electricity supply contract by SŽ, consisting in failure to take deliveries of an agreed amount of electricity in 2010, and the resulting loss. Following an application for leave to appeal filed by SŽ, the Supreme Court of the Czech Republic overturned the rulings of the courts of first and second instance and remanded the case to the court of first instance. The court of first instance dismissed the action. The appellate court upheld the ruling of the court of first instance in May 2019. ČEZ Prodej withdrew the action before it was served the judgment of the court of second instance. The judgment of the court of appeal was received in August 2019, whereby the judgment of the court of first instance was upheld and the withdrawal was declared void. The judgments of the courts of both instances are final. ČEZ Prodej filed an appeal and a constitutional complaint, on which the Constitutional Court ruled in August 2020 and annulled the decision of the court of appeal on the ineffectiveness of the withdrawal. In October 2020, the municipal court decided on ineffectiveness of withdrawal of the action again. In May 2021, the Supreme Court of the Czech Republic upheld the appeal, overturned the judgments of both courts of first instance and returned the case to the court of first instance for further proceedings. A hearing in the case is scheduled for March 2022. In addition, SŽ, which had paid the amount claimed, brought an action against ČEZ Prodej, seeking recovery of unjust enrichment amounting to the paid sum of CZK 1,116 million plus interest and costs, which the court of first instance admitted. The appellate court upheld the judgment of the court of first instance. After the decision became final, ČEZ Prodej paid the defendant the amount including the accessories and filed an appeal in the case. The Supreme Court of the Czech Republic decided to annul the judgment of the court of appeal and remanded the case back for further proceedings. SŽ was ordered to repay the amount paid. In August 2021, out of caution, ČEZ Prodej filed an action for a retrial. The proceedings in that action are suspended. The outcomes of the proceedings are impossible to predict.
14. ČEZ Prodej carries on a lawsuit against SŽ based on an action brought in 2013, seeking damages in the amount of CZK 857 million plus interest and costs. The matter in dispute is an alleged breach of an electricity supply contract by SŽ, consisting in failure to take deliveries of an agreed amount of electricity in 2011, and the resulting loss. At a hearing in January 2022, the court of first instance, after the court of appeal reversed the decision of the court of first instance, granted the application in its entirety. The decision has not yet been delivered to ČEZ Prodej and it can be expected that SŽ will appeal. The outcome of the proceeding is impossible to predict.
15. ČEZ Prodej carries on a lawsuit against OTE, a.s., based on an action brought in 2016, seeking substitution of a decision by the Energy Regulatory Office and a decision by the Chairwoman of the Energy Regulatory Office concerning the payment of an amount in excess of CZK 124 million as the outstanding difference in purchase prices paid to solar electricity producers, which were paid by OTE, a.s., to ČEZ Prodej as a mandatory purchaser. The court of first instance dismissed the action. The appellate court upheld the ruling of the court of first instance. ČEZ Prodej filed an appeal against the decision of the court of appeal, which was rejected by the Supreme Court of the Czech Republic in August 2021. ČEZ Prodej filed a constitutional complaint against the decision of the Supreme Court of the Czech Republic, which has not yet been decided.
16. ČEZ Prodej carries on a lawsuit against ACTHERM, spol. s r.o. (a distribution system operator), seeking damages in excess of CZK 185 million plus interest and costs based on an action brought in 2016 (CZK 124 million) and its extension in 2017 concerning loss incurred in the subsequent period (CZK 61 million). The matter in dispute is loss caused by the actions of ACTHERM, spol. s r.o., during the registration of three solar electricity producers in the market operator's system and the delivery of information on the registration to ČEZ Prodej. In May 2021, ČEZ Prodej received a resolution to discontinue the proceedings and refer the case to the Energy Regulatory Office. ČEZ Prodej filed an appeal against the order, which the court of appeal upheld. The court of first instance subsequently satisfied the action brought by ČEZ Prodej by judgment of November 2021. The outcome of the proceeding is impossible to predict.
17. ČEZ Prodej carries on three lawsuits with solar electricity producers based on actions filed in March 2017, seeking recovery of unjust enrichment of nearly CZK 160 million. The unjust enrichment consists in the collection of higher purchase prices than those reimbursed to ČEZ Prodej by OTE, a.s. The court of first instance discontinued the proceedings in all three cases and referred the cases to the Energy Regulatory Office for further proceedings. Additionally, the appellate court also overturned a judgment of the court of first instance dismissing the action in the case of one of the producers. In all cases, the Energy Regulatory Office issued a decision according to which the producers are obliged to pay the due amount with accessories. The Board of the Energy Regulatory Office rejected the remonstrances of the producers and confirmed the first-instance decision. In two cases, the producers brought an action under Part V of the Civil Procedure Code. The outcomes of the proceedings are impossible to predict.

18. OTE, a.s., carries on a lawsuit against ČEZ Prodej, based on an action brought in 2018, seeking payment of approximately CZK 104.4 million plus interest and costs. The legal ground for the amount sought is recovery of the difference between the purchase price and the hourly price paid by OTE, a.s., to ČEZ Prodej, which purchases electricity from photovoltaic generators on a compulsory basis. The difference was incurred between January 1, 2013, and April 30, 2018. The court of first instance issued a ruling discontinuing the action and referring the case to the Energy Regulatory Office. The Energy Regulatory Office decided to reject the motion of OTE, a.s. OTE, a.s., appealed against the ruling dismissing its motion. The outcome of the proceeding is impossible to predict.
19. OTE, a.s., carries on two administrative proceedings before the Energy Regulatory Office against ČEZ Prodej, based on petitions filed in July 2019, seeking recovery of unjust enrichment totaling approximately CZK 327 million. The legal ground for the amount claimed is recovery of the difference between the purchase price and the hourly price paid by OTE, a.s., to ČEZ Prodej as a mandatory purchaser in the period from January 1, 2013, to May 31, 2018. The Energy Regulatory Office decided to reject the motions of OTE, a.s. Afterwards, OTE, a.s., appealed against the rulings dismissing its motions. The outcomes of the proceedings are impossible to predict.
20. Three producers of photovoltaic electricity commenced three administration proceedings in December 2020 against ČEZ Prodej seeking a payment of the sum of approx. CZK 475 million plus accessories. According to the producers, the claimed amount represents a outstanding financial aid having the form of purchase prices applicable to generation facilities commissioned in 2010 (or of the difference between 2010 and 2011) for electricity produced in the period from May 1, 2018, or June 1, 2018, to November 30, 2020. For the period from May 1, 2018, to February 28, 2019, the producers claim only the difference between purchase prices applicable to generating facilities commissioned in 2010 and 2011; for the period from March 1, 2019, to November 30, 2020, the producers claim purchase prices applicable to generating facilities commissioned in 2010 in full. Three separate administration proceedings are related to these proceedings, where the same producers claim the financial aid totaling to CZK 69.5 million plus accessories. According to the producers, the amount claimed in these proceedings represents an outstanding financial aid having the form of purchase prices applicable to generation facilities commissioned in 2011 for electricity produced in the period from May 1, 2018, or June 1, 2018, to February 28, 2019. In all proceedings, the producers' application was rejected and remonstrances were lodged against the rejection decisions. The outcomes of the proceedings are impossible to predict.

Germany

21. CEZ Erneuerbare Energien Beteiligungs II GmbH, together with CEZ MH B.V. and other interested parties within CEZ Group, pursue claims against a group of accused persons (and related companies), who are subject to a criminal proceedings on the basis of a suspicion that these accused persons, acting as an organized group, committed fraud, forged documents, and committed bribery in relation to sale of wind farm projects to institutional and other investors across Europe (the so-called Holt Holding case). The total claimed sum amounts to EUR 5.68 million (approx. CZK 149 million) without accessories. More than EUR 1 million (more than CZK 26 million) was recovered in 2020. As part of the criminal proceedings, all the offenders have been caught; the two main perpetrators have been kept in custody. The main trial against the perpetrators is currently underway. At the same time, several bankruptcy proceedings have been filed against the assets of the perpetrators and the affected CEZ Group companies have filed their claims in these proceedings. The outcomes of the proceedings are impossible to predict.
22. In December 2020, GMH Gebäudemanagement Hamburg GmbH (subsidiary of the Free and Hanseatic City of Hamburg) filed an action against Kofler Energies Ingenieurgesellschaft mbH (a member of CEZ Group). The action requires an issuance of a preliminary judgment that will decide on the basis of the case only, specifically determining the justification of liability of the defendant for damage caused in the supply of design work in construction of buildings of University of Hamburg in 2013–2017 (i.e., before the acquisition of the defendant by CEZ Group). Although there is no specific amount specified in the action yet, it is clear that the dispute is significant. If the claimant succeeds to the extent that the awarded amount shall not be covered by defendant's liability insurance, the amount shall be claimed by CEZ Group against the sellers, as it is stipulated in the transaction documentation on the basis of which the defendant became a member of CEZ Group. Kofler Energies Ingenieurgesellschaft mbH has filed a statement of defense and it can be expected that a reply to this statement will be submitted by the applicant in September 2022. In the meantime, the applicant has extended the action to other parties involved in the planning of the buildings of the University of Hamburg. The outcome of the proceeding is impossible to predict.

23. CEZ ESCO II GmbH (a member of CEZ Group), as buyer, claims damages against Kofler Energies AG (now KO Energies GmbH) and its two guarantors as sellers in a lawsuit filed in July 2020. The claims are asserted on the basis of the SPA (acquisition of shares in Kofler Energies Ingenieurgesellschaft) in the total amount of approx. EUR 4.48 million (approx. CZK 113.8 million). Following the termination of the SPA in July 2018, certain projects of Kofler Energies Ingenieurgesellschaft turned out to incur losses. However, the buyer was not properly informed of their losses when negotiating the SPA. Along with the application, expert reports were submitted to the court to assess the loss-incurring projects. According to CEZ ESCO II GmbH, the defendants have the necessary means to pay the compensation. The settlement hearing, including the (first) oral hearing, took place in December 2021. At that hearing, after discussing the facts and the law, the court invited the parties to consider conciliation on the grounds that, given the complexity of the evidence, the court proceedings could be expected to last several years. Counsel for CEZ ESCO II GmbH stated that the proposed settlement must first be discussed with the decision-makers in CEZ Group. The next oral hearing date has been set for October 2022. CEZ Group is currently discussing internally the possibility of reaching a settlement. The outcome of the proceeding is impossible to predict.

Poland

24. In 2009, Agrowind Kończewo sp. z o.o. (AWK) filed an action against seven companies jointly and severally, one of which is Eco-Wind Construction S.A. (CEZ Group member), seeking compensation of PLN 22.7 million (approx. CZK 122 million) plus interest in compensation because the companies frustrated the installation of wind turbines and transformer stations on land that the claim alleges was held by AWK. In December 2012, the claim was increased to a total of PLN 112.7 million (approx. CZK 600 million) plus interest. The case was subsequently suspended on the ground of notified bankruptcy of one of the companies. The judicial proceeding was resumed in January 2019 but only with six parties that continue in the proceeding. In June 2019, the court of first instance issued a negative decision, against which AWK appealed. The appeal filed was dismissed by the court of appeal in June 2021, thereby upholding the decision of the court of first instance. AWK filed a cassation appeal with the Supreme Court against the rejection decision. At the same time, the bankruptcy proceedings against Eco-Wind Construction S.A. were terminated and the court will have to decide how to proceed with the proceedings against this company. The further course of the proceedings is likely to depend on the outcome of the cassation appeal. The outcome of the proceeding is impossible to predict.

25. In November 2021, CEZ Skawina S.A. (a CEZ Group member) filed a lawsuit against the Polish state—the Minister of Climate and Environment (Skarb Państwa—Minister Klimatu i Środowiska), the subject of which is a demand for payment of approx. PLN 46.8 million (approx. CZK 252 million), or other compensation, on the grounds of compensating for the non-issuance of a total of 176,197t of greenhouse gas emission allowances which CEZ Skawina S.A. should have received as a result of the investment task included in the National Investment Plan. CEZ Skawina S.A.'s entitlement to free emission allowances is based on Polish national law. However, as a result of the alleged inconsistency of Polish national law with Directive 2003/87/EC of the European Parliament and of the Council of October 13, 2003, establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (EU ETS Directive), the Minister for Climate and Environment refused to issue the emission allowances, referring to the relevant opinion of the European Commission. CEZ Skawina S.A. brought an action for compensation due to the non-issuance of emission allowances for the liability of a member state for a breach of EU law. The case is currently pending before the court of first instance. The outcome of the proceeding is impossible to predict.

Turkey

26. From 2011 to 2015, Sakarya Elektrik Dagitim A.S. (SEDAS) filed appeals against administrative decisions of the Turkish energy market regulatory authority (EPDK) that were the basis for reducing the portion of the companies' operating expenses that were automatically recognized in tariffs. However, in all but one case, SEDAS's claims were rejected. Given that the operating expenses of SEDAS are no longer based on the EPDK calculations, these disputes are no longer material.

27. Distribution and sales companies in Turkey are facing lawsuits concerning a refund of the costs of technical and nontechnical losses paid for by the companies' customers. In the case of SEDAS, the total amount of pending lawsuits is immaterial and courts have been deciding in favor of the company with regard to legislation passed in 2016 as well as the Constitutional Court's jurisprudence. Due to the fact that the constitutionality of the new legislation was approved by the Constitutional Court, the existing disputes were decided in favor of SEDAS.

28. In March and May 2016, SEDAS brought three administrative actions against EPDK's decisions regulating the limits of SEDAS's revenue from electricity distribution in the regulatory period of 2016–2020, including the method of calculation and application. However, in all but one case, SEDAS's claims were rejected. Given that the operating expenses of SEDAS are no longer based on the EPDK calculations, these disputes are no longer material.

Italy

29. Energyka Elettrosystem S.r.l. claims in a lawsuit dated May 2020 against Belectric Italia S.r.l. (a CEZ Group member) for the remuneration from the contract for mediating the investment opportunity concluded between Energyka Elettrosystem S.r.l. and Belectric Italia S.r.l. in 2016, in the amount of approximately EUR 11.1 million (approx. CZK 270 million). The subject of this agreement was in particular the commitment to broker investment opportunities by Energyka Elettrosystem S.r.l. in the field of photovoltaic projects in Italy. Belectric Italia S.r.l. was acquired by CEZ ESCO II GmbH (a member of the CEZ Group) in December 2021. CEZ ESCO II GmbH has a full indemnity undertaking from the seller in respect of the above dispute. The outcome of the proceeding is impossible to predict.

Other Proceedings

Czechia

As part of an investigation into possible criminal activity related to obtaining a license to operate the Vranovská Ves photovoltaic power plant, the police authority issued a resolution on the attachment of a replacement value of the likely proceeds of the criminal activity pursuant to the Code of Criminal Procedure, specifically:

1. Attachment of receivables of ČEZ Obnovitelné zdroje, s.r.o., due from OTE, a.s., as support paid for the green bonus, totaling almost CZK 1,063 million as of December 31, 2021; the amount in question will be deposited on a bank account with the Czech National Bank for the duration of the attachment, and ČEZ Obnovitelné zdroje, s.r.o., cannot dispose of the funds.
2. Attachment of funds on a bank account of ČEZ in the amount of approximately CZK 223 million as of December 31, 2021; ČEZ cannot dispose of the funds for the duration of the attachment.

In both cases, these are interlocutory attachment orders made by law enforcement authorities in a case where the defendants are not employees of CEZ Group companies. ČEZ Obnovitelné zdroje, s.r.o., and ČEZ are injured parties in the case. An acquittal in the criminal proceedings was issued in September 2020. On the appeal filed by the public prosecutor, the court of appeal ruled in May 2021 that the acquittal was set aside and the case was returned to the court of first instance for a new hearing and decision. In November 2021, the court of first instance again handed down a judgment of acquittal; the prosecutor retained a time limit for filing an appeal after receiving a written copy of the judgment. Although ČEZ Obnovitelné zdroje, s.r.o., has requested the release of the seized funds, their seizure continues. The outcome of the proceeding is impossible to predict.

Bulgaria

In July 2016, ČEZ formally filed a Request for Arbitration with the International Center for Settlement of Investment Disputes (ICSID), officially commencing international investment arbitration against the Republic of Bulgaria under the Energy Charter Treaty on the grounds of nonprotection of investment. The claim amounts to hundreds of millions of EUR. The first matter addressed was an objection to jurisdiction, that is, the competence of the arbitration tribunal to decide the dispute. Following an exchange of written pleadings, a hearing on jurisdiction was held on June 8–9, 2020. The arbitration tribunal subsequently issued an award on jurisdiction on March 2, 2021, in which it rejected the jurisdictional objection of the Republic of Bulgaria. The arbitration proceedings thus moved to the next phase, in which the merits of the dispute will be examined on the basis of the arguments and documents submitted by both parties. The place of arbitration is Washington, D.C., USA, in accordance with the rules of the International Center for Settlement of Investment Disputes. On July 3, 2021, ČEZ filed its first Memorial on Merits in the arbitration, containing a factual description of the facts of the case, a detailed legal argumentation, and a quantification of the claim. The Republic of Bulgaria filed its Counter-Memorial to the submission of ČEZ according to the current arbitration schedule on February 1, 2022. ČEZ has this submission in its possession. The outcome of the proceeding is impossible to predict.

Developments in Sectoral Regulation and Legislation

The business environment in which CEZ Group operates is significantly impacted by regulation and legislation at the level of the European Union as well as that of individual countries of our presence. The present chapter is not a list of all relevant changes in this field. It only highlights the major events, documents, and acts at the European and Czech national levels.

European Union

Climate Law and the Fit for 55 Package

The European Commission published a proposal for a “climate law” on March 4, 2020. The law has the form of a regulation and sets a legal framework for achieving the EU’s carbon neutrality in 2050. After more than a year of negotiations in the Council of the EU and the European Parliament, a political agreement was reached in April 2021 and the bill of climate law was approved. On the basis of this agreement, the EU is strengthening its target to reduce emissions to 55% by 2030 (compared to the previously applicable 40%). The agreement also maintains the EU level climate neutrality target by 2050, which may be considered a victory for member states as the European Parliament had called for national level targets.

The climate law is directly linked to the Fit for 55 package of legislative measures, the first part of which was published by the European Commission (EC) on July 14, 2021. The aim of the package is to set the legislative conditions for achieving the enhanced mitigation ambition by 2030 (a reduction of net greenhouse gas emissions, i.e., emissions net of removals, by at least 55% by 2030 compared to 1990).

The package includes:

- A review of the EU Emissions Trading Scheme (ETS), including maritime, aviation, and the continued exclusion of interstate flights within the European Economic Area from the CORSIA emissions offsetting scheme, and a proposal for an ETS as an own-source
- The Carbon-Based Adjustment Mechanism (CBAM) and the proposal for a CBAM as an own-source
- Effort Sharing Regulation (ESR)
- Revision of the Energy Taxation Directive
- Amendment of the Renewable Energy Directive (RED)
- Amendment of the Energy Efficiency Directive (EED)

- Revision of the Regulation on the inclusion of greenhouse gas emissions and removals from land use, land-use change, and forestry (LULUCF)
- Proposal for a Regulation on the deployment of alternative fuels infrastructure (AFIR)
- Revision of the Regulation setting CO₂ performance standards for new passenger cars and new light commercial vehicles
- A proposal for a new social climate fund.

On December 15, 2021, the remaining initiatives, which are considered as the second part of the Fit for 55 package, were published:

- Methane emission reductions in the energy sector
- Revision of the Energy Performance of Buildings Directive (EPBD)
- Revision of the Third Energy Package for gas (Directive 2009/73/EU and Regulation 715/2009/EU) to regulate competitive markets for decarbonized gas, including legislative rules for the development of the hydrogen economy in the EU.

The content of the Fit for 55 package is currently being discussed by the European Parliament and the EU Council. Among the submitted legislative initiatives, the following proposals are of major importance for CEZ Group:

Revision of the Emissions Trading Scheme

The proposal for a revised EU ETS Directive (2003/87/EC) mainly increases the 2030 emission reduction target for EU ETS sectors, including energy, from 43% (compared to 2005) to 61% for 2030. The Linear Reduction Factor (LRF) is increased from 2.2% per year to 4.2% in the draft revision of the Directive, while a one-off reduction of 117 million allowances (rebasing) is also considered. In addition to adjustments to the rules for operating the Market Stability Reserve (MSR), where it is planned to maintain the 24% allowance retirement ratio, the European Commission proposes to reallocate all allowance revenues for climate, energy, or social purposes. A major innovation is the creation of a parallel ETS for the transport and buildings sectors from 2025, with the aim of reducing their emissions by 43% by 2030 compared to 2005. The proceeds of 25% of the auctioning of allowances for both sectors are to flow to a newly established social climate fund aimed at supporting socially vulnerable consumer groups.

Revision of the Energy Taxation Directive

A separate part of the Fit for 55 package is the long-awaited revision of the Directive on the taxation of energy products and electricity (2003/96/EC), which is the only legislative initiative on the table that requires unanimous approval by all member states. The main change in this Directive is to modify the tax base, i.e., taxation based on the energy content and environmental impact of energy products. The principle is that electricity should be the least taxed of all energy and energy products.

Amendment of the Renewable Energy Directive

Strengthening the 2030 targets will also require modifications to the new Renewable Energy Directive. Its main change will be to increase the share of RES in the EU's final energy consumption from 32% to at least 40% by 2030. The Directive also introduces new sub-targets, in particular for the industrial and buildings sectors, with the industrial sector aiming for a 50% share of renewable hydrogen by 2030 and the buildings sector aiming for a 49% share of renewable energy in their final consumption. Higher ambitions are also proposed for the heating and cooling and transport sectors.

Amendment of the Energy Efficiency Directive

An integral part of the Fit for 55 package is the amendment of the Energy Efficiency Directive (2018/2000/EU). In particular, the proposal brings a large increase in savings targets to almost double, in a situation where a significant number of member states are unlikely to be able to show even the planned savings by 2020. Specifically, this includes an increase in ambition for efficiency targets at EU level, where the member states should collectively achieve a binding 9% reduction in energy consumption in 2030 compared to the 2020 reference scenario projections, and new annual savings in final energy consumption, which the European Commission proposes to almost double to 1.5% from 2024.

Proposal for the Regulation on the Deployment of Alternative Fuels Infrastructure

Another part is the proposal for the Regulation on the deployment of alternative fuels infrastructure, which is intended to replace the original Directive. The proposal sets high ambitions and above all binding targets for the deployment of alternative fuel infrastructure. However, some of the targets are grossly overestimated in the context of Czechia and will expose business operators to inadequate and, above all, irreversible expenses. While in the case of light commercial vehicles, CEZ Group is ready to contribute its share to the fulfillment of the set commitment within Czechia, in the case of heavy vehicle infrastructure, the set targets appear to be premature and not in line with the market development.

Revision of the Energy Performance of Buildings Directive (EPBD)

In December 2021, the European Commission proposed to align building energy performance rules with the European Green Deal and decarbonize the EU building stock by 2050. To this end, the Commission proposes that all new buildings should be zero-emission from 2030, with all new public buildings required to meet this requirement from 2027. This means that buildings must be low-emission and, where possible, powered by renewable electricity, emit no carbon from fossil fuels, and state their global warming potential on their energy performance certificate based on their full life cycle emissions. In terms of renovation, new minimum energy performance standards are proposed at EU level, requiring 15% of the stock of the worst performing buildings to be upgraded from EPC (Energy performance certificate) class G to at least class F—for non-residential buildings by 2027 and for residential buildings by 2030. The obligation to hold an energy performance certificate is extended to buildings undergoing major refurbishment, buildings where the lease is renewed, and all public buildings. Buildings or building units offered for sale or lease must also have an EPC and all advertisements will also be required to state the energy performance class. By 2025, all certificates must be based on a harmonized scale from A to G. National building renovation plans will be fully integrated into national energy and climate plans. These plans will need to include plans for phasing out fossil fuels from heating and cooling by 2040 at the latest, together with a pathway to convert the national building stock to zero-emission buildings by 2050.

Gas Package

One of the main objectives for both the pieces of legislation (the revision of Directive 2009/73/EU and Regulation 715/2009/EU) is to create a market for hydrogen and enable the development of dedicated infrastructure, including for trade with third countries. The construction of the future hydrogen network can be supported for a limited period of time by revenues from the gas transmission and distribution grids, subject to regulatory approval. However, natural gas and hydrogen grid operators must be separated by 2030. Hydrogen generation and supply activities must be separated from transit activities. A new governance structure in the form of the European Network of Network Operators for Hydrogen (ENNOH) will be created to support dedicated hydrogen infrastructure, cross-border coordination, and the construction of interconnection networks, and to develop specific technical rules.

Renewable and low-carbon gases, defined as gases with emissions 70% lower than comparable fossil fuels, will have a specific certification system and, in an effort to increase their use, will be exempted from cross-border transit tariffs and will be allowed a 75% deduction of the input costs of these gases entering the system.

To ensure security of supply, countries will be required to include gas storage in their mandatory regional risk assessments and plans and may participate in voluntary joint purchases of emergency stocks. To create more space for cleaner gases in the European gas market, the European Commission proposes that long-term fossil gas contracts should not be extended beyond 2049.

The package also seeks to respond to the energy price increase of recent months by strengthening automatic cross-border solidarity through new, pre-determined measures and clarifying controls, and compensation within the internal energy market. Another priority of the package is consumer empowerment and protection. Reflecting the provisions already in place in the electricity market, consumers can more easily switch suppliers, use effective price comparison tools, get accurate, fair and transparent billing information, and have better access to data and new smart technologies. Consumers should be able to choose renewable and low-carbon gases over fossil fuels.

Revision of the TEN-E Regulation

In December 2020, the European Commission published a proposal to revise the TEN-E Regulation, which sets out the rules under which individual technologies and projects can qualify for European co-financing for so-called Projects of Common Interest (PCIs). The draft revision includes, among other things, an obligation for all projects to meet mandatory sustainability criteria and to respect the Do No Harm principle of the European Green Deal. Among other things, the proposal also ends support for oil and gas infrastructure—however, on the other hand, support for carbon capture and storage (CCS) projects is proposed. There is a strong emphasis on support for offshore electricity grid projects (offshore electricity grids and interconnection of offshore sites) with provisions to facilitate more integrated planning and implementation of offshore renewable energy projects. It also proposes a new focus on hydrogen infrastructure, including transport and certain types of electrolyzers. The proposed support for the deployment of smart grids to facilitate rapid electrification and expand renewable electricity generation is of great importance. Support for projects between European Union and non-EU countries is also a novelty.

The proposal is currently under discussion within the EU institutions. A common position was reached in the EU Council on June 14 and the European Parliament's position was approved in the October plenary session. Inter-institutional negotiations (trialog) were launched on October 14.

Other Selected European Union Regulations

Regulation (EU) 2021/241 of the European Parliament and of the Council of February 12, 2021, establishing the Recovery and Resilience Facility was published on February 18, 2021. The facility aims to support member states in the aftermath of the COVID-19 pandemic through direct grants in a total of six pillars, of which support for green transformation is central to the electricity sector.

On April 15, Guidelines on certain state aid measures in the context of the post-2021 greenhouse gas emission allowance trading scheme were published in the Official Journal of the EU, covering two areas linked to the EU ETS, namely support to compensate for the increase in electricity prices due to the inclusion of the costs of greenhouse gas emissions resulting from the EU ETS and support linked to the optional transitional allocation of free allowances for the modernization of the energy sector.

The Commission Delegated Regulation (EU) 2021/2003 of August 6, 2021, supplementing Directive (EU) 2018/2001 of the European Parliament and of the Council by establishing a Union Renewable Development Platform was published in the EU Official Journal on November 17. This implementing Regulation was issued to provide for more detailed rules on statistical accounting of RES targets among the individual member states and to facilitate the achievement of the overall RES target in the EU.

On December 9, Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council as regards the establishment of technical screening criteria for determining under which conditions an economic activity qualifies as a significant contribution to climate change mitigation or climate change adaptation and whether that economic activity significantly undermines any of the other environmental objectives was published.

Commission Implementing Decision (EU) 2021/2326 of November 30, 2021, published on December 30, 2021, laying down conclusions on Best Available Techniques (BAT) under Directive 2010/75/EU of the European Parliament and of the Council for large combustion plants— notified under C(2021)8580—responds to the General Court’s decision in case T-699/17, which annulled the original Implementing Decision (EU) 2017/1442, and ordered the European Commission to issue a new Implementing Decision within 12 months.

Regulation of the Wholesale Market for Electricity, Natural Gas, and Commodity Derivatives

The European Union regulates wholesale energy markets. Regulation (EU) No. 1227/2011 of the European Parliament and of the Council of October 25, 2011, on wholesale energy market integrity and transparency (REMIT) has been in force since December 28, 2011, putting market participants under an obligation to publicly disclose certain inside information on the participant’s undertaking in an effective and timely manner, not to use abusive practices in trading, and to register their undertaking in a register of participants and report transactions in a wholesale energy market. CEZ Group discloses such information on a specialized information portal run by the EEX at www.eex-transparency.com/power/cz/production/capacity. The disclosure concerns all CEZ Group facilities in Czechia. Information on resources belonging to CEZ Group in Poland is centrally available at <http://gpi.tge.pl/en/zestawienie-ubytkow>. In compliance with REMIT, CEZ Group has also been notifying of bilateral transactions entered into outside organized markets since April 2016 (n.b.: transactions made in organized markets are disclosed directly by those markets).

Pursuant to Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties, and trade repositories (EMIR), which aims to mitigate risks arising from trading in OTC derivatives, ČEZ calculates its open derivative OTC position. It has also been reporting all commodity, interest rate, and currency derivative transactions with financial settlement to a trade repository since February 2014. ČEZ chose REGIS-TR for discharging these obligations. ČEZ has also established rules and introduced measures to prevent market abuse pursuant to Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse (hereinafter referred to as the MAR) and Directive 2014/57/EU of the European Parliament and of the Council on criminal sanctions for market abuse. MAR is an equivalent of REMIT aimed to prevent abuse of the market in financial instruments, which include some commodity derivatives linked to electricity, gas, coal, and emission allowances. Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (MiFID II) entered into effect in January 2018 and was transposed to Czech law through Act No. 256/2004 Sb., on Capital Market Business. From this date and then in Q1 of each subsequent year, ČEZ, a. s., carries out an annual complementarity test and informs the Czech National Bank, that it would take advantage of exemption from authorization for the provision of main investment services under Section 4b(1)(j) as a person, including market makers, dealing on its own account in commodity derivatives or emission allowances or derivatives thereof.

Market Interconnection

On June 18, Interim Coupling project for the interconnection of electricity markets across Europe was completed. This interconnected Czechia and other 4M market coupling countries (Romania, Hungary, Slovakia) with the markets included in the Multi-Regional Coupling project (EU countries in Western, Central, and Northern Europe, Bulgaria, Poland, Norway) through implicit auctions. This interconnection will help to increase the efficiency of trading on the electricity markets in Czechia.

Czechia

In 2021, two important laws for the Czech energy sector were amended in Czechia, namely the Supported Energy Sources Act and the Energy Act.

On October 8, Act No. 362/2021 Sb., amending Act No. 458/2000 Sb., on the conditions of business and the exercise of state administration in the energy sectors and on amendments to certain acts (Energy Act), as amended, and other related acts came into force. The amendment to the Energy Act introduced a statutory provision for the regulation of intermediary activities in the energy sector, extended the protection of consumer rights in the energy sector (the obligation for energy suppliers to demonstrably deliver information to consumers or tradesmen that prices are changing), and expanded the powers of the ERO and the Ministry of Industry and Trade of the Czech Republic (including the regulation of the status of membership in the ERO Council). The purpose of the amendment was to prevent infringement proceedings by the European Commission against the Czech Republic, therefore measures to protect commercially sensitive information of transfer and transmission system operators and regulation of gas storage reserving for transmission system operators were added, as well as legal regulation of receiving and providing international assistance in crisis situations in the gas sector. The amendment is set to take effect on January 1, 2022.

On October 18, Act No. 382/2021 Sb., amending Act No. 165/2012 Sb., on promoted energy sources and amending certain acts, as amended, and amending certain acts (the PES Act), as amended, and other related acts entered into force. The amendment to this Act introduced instruments to ensure compliance with European regulations and set up new measures and instruments to promote renewable energy. At the same time, the amendment modifies the levy rates for the solar tax. Provisions have also been introduced to ensure the adequacy of the support provided in accordance with the requirements set out in the six European Commission Decisions declaring support under the PES Act compatible with the EU internal market (the so-called Notification Decisions). The amendment to the PES Act makes it possible to ensure the fulfillment of RES targets in the period from 2021 to 2030, including ensuring the Czechia's commitment to provide a reasonable level of public support under EU conditions. The amendment is set to take effect on January 1, 2022.

In addition, the following major acts, decrees, and other implementing legislation were adopted in 2021:

On February 19, Decree of the Ministry of Industry and Trade No. 78/2021 Sb., amending Decree No. 108/2011 Sb., on gas metering and on the method of determining compensation for damages in the event of unauthorized abstraction, unauthorized supply, unauthorized storage, unauthorized transport, or unauthorized distribution of gas, as amended, and Decree No. 459/2012 Sb., entered into force, on requirements for biomethane, the method of measuring biomethane and the quality of biomethane supplied to the transmission system, distribution system, or underground gas storage facilities. The decree entered into force on July 1, 2021.

On March 17, Decree No. 125/2021 Sb. of the Energy Regulatory Office (ERO) amending Decree No. 408/2015 Sb. on the electricity market rules entered into force, with partial effectiveness of this Decree on April 1, 2021, and full effectiveness on January 1, 2022. Another amendment to this Decree came into force on December 23, 2021 (Decree No. 490/2021 Sb., amending Decree No. 408/2015 Sb., on the Electricity Market Rules, as amended). The partial entry into effect of this Decree was set for January 1, 2022, and April 1, 2022, with full effect on July 1, 2024. In particular, the amending decrees have modified and clarified the process of registration of transmission and service points, generating facilities, transmission system, and distribution systems, and the process of transferring information on actual supplies and consumption between the distribution system operator and the market operator. There have also been modifications following the amendment of the Promoted Energy Sources Act, which established new operational support for energy sources.

Decree No. 140/2021 Sb., on Energy Audit and Decree No. 141/2021 Sb., on energy assessment and on the data recorded in the Energy Consumption Monitoring System, were published on March 31. Both decrees implement EU regulations (Energy Efficiency Directive) and came into force on April 1.

Decree No. 207/2021 Sb., on the billing of supplies and related services in the energy sectors, entered into force on May 26. The decree implements the relevant provisions of Directive 2019/944 of the European Parliament and of the Council on common rules for the internal market in electricity in the field of billing for electricity, natural gas, and heat. The decree has been effective since January 1, 2022.

Act No. 283/2021 Sb., the Construction Act, was published on July 29, effective since July 1, 2023, with the exception of certain provisions with earlier effect. The new Construction Act regulates the procedures in spatial planning and, in particular, significantly changes the existing system of building permits. In terms of institutional arrangements, it establishes the Supreme Construction Authority, to which the Specialized and Appeals Construction Authority will be subordinated. The Specialized and Appeals Construction Authority will decide in the first instance on reserved constructions of strategic importance (e.g., nuclear power plants, generating facilities over 100 MW) and will be the appeal authority for the system of Regional Construction Authorities, whose territorial offices will decide on other constructions. From a procedural point of view, it is essential that there is only one development permit, with the exception of the buildings at the nuclear site, for which a framework permit can be granted on application; this has the attributes of the existing development permit, including the principle of the envelope method of defining the area for the buildings that are subsequently permitted under the development permit. The new Construction Act then foresees a significant integration of the decision-making of the existing authorities concerned directly into the decision-making on the project authorization, which should bring administrative relief. Where integration does not occur, the authority concerned will issue a statement, not a binding opinion. The building authority is not bound by the statement as it is with a binding opinion, but even in such a case, it must justify its failure to take the statement into account. The shift from the current law should also be evident in the scope of the development permit documentation, which should now have a lower level of detail. The new Construction Act contains a number of other amendments aimed at simplifying the construction permitting process. The new Construction Act, or its consequences, required the incorporation of more than fifty other regulations through the amendment Act No. 284/2021 Sb. The political parties of the current governing coalition have already criticized the law before the October parliamentary elections and announced changes. Therefore, changes to the new Construction Act both in terms of effectiveness and content cannot be ruled out.

Decree No. 277/2021 Sb., amending Decree No. 349/2015 Sb., on the gas market rules, as amended, entered into force on July 23. In particular, the decree amended the rules for access to storage capacity, for the offer of interruptible transmission capacity, and clarified some ambiguous provisions. The decree has been set to take effect on August 1.

Act No. 286/2021 Sb., amending Act No. 99/1963 Sb., the Code of Civil Procedure, as amended, Act No. 120/2021 Sb., on bailiffs and enforcement activities (the Enforcement Code) and on amendments to other acts, as amended, and certain other acts, entered into force on July 30. The adopted amendment introduced the biggest changes in the execution law for the entire duration of the institution of bailiffs—stopping executions up to CZK 1,500 (effective from January 1, 2022), stopping unsuccessful executions (from January 1, 2023), the so-called Merciful Summer (the possibility to repay the debt without penalties, interest on delay, and other costs) for debts to public entities, changes to the offsetting of recovered performance, lump-sum reimbursement of payers' expenses, digitization of executions, etc.

On August 7, the implementing legislation to the Waste Act entered into force. Decree No. 273/2021 Sb., on the details of waste management, deals, for example, with requirements for waste generators, operators, or waste management facilities, including requirements for waste-to-energy facilities, waste registration, conditions for obtaining permits to operate such facilities, and sets out requirements for the collection of waste and its sorted components, sets targets for the sorting of municipal waste or, in accordance with the waste hierarchy, defines maximum waste streams for landfilling and energy recovery of recyclable municipal waste, and also sets maximum limits for the content of harmful substances for the recovery of waste for landfill or backfilling.

On September 30, a government decree on the determination of the state budget funds under Sec. 28(3) of the Supported Energy Sources Act for 2022 came into force, setting the amount of the funds for 2022 at CZK 27 billion, the same as for 2021.

Act No. 374/2021 Sb., amending Act No. 127/2005 Sb., on electronic communications and on amendments to certain related acts (the Electronic Communications Act), came into force on October 18, amending the subscriber telephone directories and changing the principle of the concept of their use in telemarketing (from the opt-out principle to opt-in, i.e., to the possibility of contacting only those persons who have given their prior consent to the mobile operator). The effectiveness of this Act amending the Electronic Communications Act is set for January 1, 2022.

Decree No. 376/2021 Sb., amending Decree No. 269/2015 Sb., on the allocation of costs for heating and common hot water preparation for a house, entered into force on October 18, 2021, with partial effect on November 2, 2021, and full effect on January 1, 2023. The reason for adopting the amending decree is mainly the transposition of Directive (EU) 2018/2002 of the European Parliament and of the Council of December 11, 2018, amending Directive 2012/27/EU on energy efficiency, where the decree sets out more detailed rules for budgeting heating costs and the installation of the required meters.

Decree No. 487/2021, amending Decree No. 16/2016 on the conditions of connection to the electricity grid came into force on December 23. The decree has been set to take effect on January 1, 2022. The amending decree provides in particular for a new regulation of the applicant's share of the payment of eligible connection costs and clarification of the conditions for payment of these eligible costs, a new regulation of the reserved power of the transmission point, and other issues related to changes in the market.

Decree No. 488/2021 Sb., on the conditions of connecting to the gas system, entered into force on December 23. The decree has been set to take effect on January 1, 2022. The decree replaces the original decree on connection to the gas grid No. 62/2011 Sb., and sets out in greater detail the details of the application for connection, the criteria taken into account when assessing the application for connection, the definition of the technical conditions for connection, the deadlines for submitting a draft connection agreement, and the period after which this proposal is valid from the part of the parent system operator, the conditions for connecting biomethane generation plants, etc.

Decree No. 489/2021 Sb., on the procedures for registering support with the market operator and implementing certain other provisions of the Supported Energy Sources Act (the Registration Decree), entered into force on December 23. The decree has been set to take effect on January 1, 2022. The reason for adopting the decree is mainly the amendment to the RES Act effective as of January 1, 2022, which introduced new types of operating aid, and the Registration Decree must respond to these changes by supplementing their registration framework.

Decree No. 513/2021 amending Decree No. 262/2015 on regulatory reporting, as amended, entered into force on December 23. The decree has been set to take effect on January 1, 2022. The reason for adopting the Decree is mainly the publication of the Price Regulation Principles for the regulatory period 2021–2025, which brought changes in the approach to correction factors, which will be newly refined on the basis of complete data based on invoicing, and in the unification of the approach to allowed costs for the market operator and system operators.

Other Significant Non-Legislation Documents Having Impact on the Czech Energy Market

The Energy Regulatory Office approved the following price decisions setting regulated prices in the electricity, gas, heating, and RES support sectors for 2022:

- Pricing Decision No. 3/2021 of May 27, 2021, on regulated prices related to gas supply
- Pricing Decision No. 4/2021 of September 16, 2021, on heat energy prices
- Pricing Decision No. 5/2021 of September 29, 2021, fixing prices for the activities of compulsory purchasers and prices related to guarantees of origin
- Pricing Decision No. 6/2021 of September 29, 2021, fixing the support for supported energy sources
- Pricing Decision No. 7/2021 of November 30, 2021, on regulated prices related to gas supply
- Pricing Decision No. 8/2021 of November 30, 2021, fixing prices for related service in the electricity sector and other regulated prices
- Pricing Decision No. 9/2021 of November 30, 2021, fixing prices for a related service in the electricity sector for customers on low-voltage networks

Other important regulations are the amendments to the Transmission System Operation Rules. With effect from August 11, the Transmission System Operation Rules were amended in Part VI. Dispatch Control. In particular, the process of data transmission for preparing operation and related requirements have been modified. In November 2021, the ERO approved an amendment to the Transmission System Operation Rules, Part II. Ancillary Services. The amendments concerned in particular the conditions for the creation, modification, and operation of aggregation blocks, tolerances for unit performance and evaluation parameters, consequences of repeated failure to provide backup power balance services, and limitations on the maximum size of services provided.

Germany

At the beginning of 2021, an amendment to the RES Act (Erneuerbare Energien Gesetz, EEG 2021) came into force, through which the federal government will further promote the expansion of RES. The amendment set a target of achieving a 65% share of RES in electricity generation by 2030. The amendment also set expansion targets for solar and wind sources. By 2030, the installed capacity of solar sources is to increase to 100 GW, onshore wind to 71 GW, and offshore wind to 20 GW. For the first time, the amendment enshrines the goal of achieving carbon neutrality before 2050 in law.

In mid-2021, Germany adopted an amendment to the German Climate Protection Act (Bundes-Klimaschutzgesetz) that tightened environmental protection requirements while enshrining the goal of achieving GHG neutrality by 2045, 5 years earlier than originally intended. Germany wants to move faster on climate protection than the European Union, which aims to achieve climate neutrality by 2050. By 2030, the country will produce 65% fewer greenhouse gas emissions than in 1990, according to the new targets. The previous plan was 55%. Germany has committed to approaching the 90% mark around 2040.

Elections to the Bundestag (parliament) were held in the autumn of 2021. Climate policy and RES development were key elements of most political parties' election manifestos. The winning parties of the new governing coalition (SPD—Social Democratic Party, Greens, and FDP—Free Democratic Party) envisage a significant development of RES, which is enshrined in the already concluded coalition agreement. One of its main pillars in the field of RES is the expansion of photovoltaic sources and the achievement of an installed capacity of 200 GW by 2030 (against the EEG target of 100 GW). Another important element is the designation of 2% of land for onshore wind plant development.

Poland

In December 2021, the Sejm (parliament) adopted an amendment to the RES Act, which introduces changes to the billing system for consumers. The most important change in the amendment to the RES Act of October 29 is the introduction of net-billing, i.e., a system of value-based accounting of surplus energy generated by a prosumer (an entity that is both a producer and a consumer). On May 25, the ministry of state assets submitted for public consultation a document entitled Transformation of the Energy Sector in Poland. The ministry has developed a concept for the separation of assets related to electricity generation in conventional coal-fired units from state-owned energy groups. The concept envisages the separation of coal-fired power plants, while retaining in the structure of the groups heat and cogeneration units, which will be gradually replaced by gas-fired units adapted in the future to emission-free hydrogen technology.

Factors Limiting the Use of Existing Assets

The influence of climate-related global goals and ambitions on operation of power plants has been increasing. They also have a major impact on energy sector transition. In the context of legislation and regulation promoted by both Czechia and the European Union, declared to fight climate change, it cannot be completely excluded that use of some assets or groups of assets of CEZ Group will be fundamentally restricted in the future or prematurely terminated. CEZ Group has identified the following three key factors restricting the use of the existing assets:

- Greenhouse emission allowance market in Europe—there is an apparent effort of the European Union to influence the market with these allowances, e.g., by introducing a market stability reserve (MSR), decreasing of the total number of emission allowances or their managed releasing in the market (back-loading); the obligation to purchase allowances extends to other industries (already in this decade, CO₂ savings will have to be realized in industry, which are considerably more expensive than in the energy sector); the growing decarbonization efforts provide long-term price increasing stimulus for CO₂ emission allowances; this results in a major economic pressure especially on older and less efficient coal-fired power plants and heating plants or facilities generally, costs of which are tied to the price of emission allowances.
- Increasingly ambitious climate targets—the European Commission published the European Green Deal in 2019, which, among other things, increases the target for reduction in greenhouse gas emissions and presents the target for a full decarbonization of Europe (the target for reducing emissions by 2030 compared to 1990 was increased to 55%); the Coal Commission (an advisory body of the Czech government established in 2019) has so far recommended 2038 as the latest date for the use of coal in Czechia, but the current government envisages creating conditions for ending the use of coal as early as 2033 in its program statement.
- Stricter emission limits—BAT Conclusions, entered into force in August 2021, for big combustion facilities, they will not only include stricter limits for a number of previously monitored substances (NO_x, SO_x, particulate matter) but also introduce new limits for measuring and reduction of pollutants, mercury in particular. CEZ Group subsequently prepares its modern power plants for new limits as much as possible and gradually phases out the older facilities; meeting the tightened limits will require capital expenditure of CZK billions and will also result in increased operating expenses for coal-fired plants.

Assets of mining company and coal-fired generating assets of CEZ Group are most significantly impacted by these trends. CEZ Group's strategy has expected these developments for a long time. Therefore, measures and strategic steps have been implemented on an ongoing basis with a view to minimizing negative impacts of these factors on the value of CEZ Group and—at the same time—to use the opportunities for CEZ Group related to these trends to the maximum possible extent.

Changes in CEZ Group Ownership Interests

Czechia

- January 1—ČEZ Korporátní služby, s.r.o., ceased to exist as a result of a merger by acquisition by ČEZ, a. s.
- January 1—stake of ČEZ, a. s., in ČEZ OZ uzavřený investiční fond a.s. increased as a result of a merger with ČEZ Korporátní služby, s.r.o., which ceased to exist (ČEZ, a. s., owns a 99.575% stake in total)
- January 1—KART TZB, spol. s r.o., ceased to exist as a result of a merger by acquisition by KART, spol. s r.o.
- May 14—the name of TaNET West s.r.o. was changed to ČEZNET s.r.o.
- June 30—according to the shareholders' statement, the stake of ČEZ, a. s., in OSC, a.s., was increased from 66.67% to 93.25% by successive purchases from minority shareholders
- July 1—effective as of that date, TaNET Borsko s.r.o., ISP West s.r.o., and KTN Servis s.r.o., were dissolved by merger with the successor company ČEZNET s.r.o.
- July 1—Telco Pro Services, a. s., acquired 100% of the business shares of ČEZNET s.r.o.
- July 1—Elektrárna Mělník III, a. s., entered liquidation
- July 15—ČEZ ESCO, a.s., acquired 100% of the shares in EP Rožnov, a.s.; EP Rožnov, a.s., is also the sole shareholder in ELEKTROPROJEKTA SLOVAKIA, s.r.o. (foreign company—country of domicile: Slovakia) and EPIGON spol. s r.o., and owns 90% of the shares in PIPE SYSTEMS s.r.o.
- July 29—ČEZ ESCO, a.s., sold 49% of shares in ČEZ Asset Holding, a.s., to the Statutory City of Havířov
- August 3—the name of ČEZ Asset Holding, a. s., was changed to ENVEZ, a. s.
- November 1—Telco Pro Services, a. s., acquired 100% of the shares in TelNet Holding, s.r.o., which owns 100% of CERBEROS s.r.o., 100% of HELIOS MB s.r.o., and 85% of Magnalink, a.s.

- December 13—ČEZ ESCO, a.s., acquired 100% of the shares in CAPEXUS s.r.o.
- December 31—Telco Pro Services, a. s., acquired 100% of the shares in ADAPTIVITY s.r.o. and 69% of the shares in INTERNEXT 2000, s.r.o., where 31% of the shares are owned by ADAPTIVITY s.r.o.; INTERNEXT 2000, s.r.o., owns 100% of the shares in Optické sítě s.r.o.

Germany

- February 17—the company name of Kofler Energies International GmbH was changed to SYNECOTEC Deutschland GmbH
- March 2—CEZ ESCO II GmbH acquired 100% of the shares in MWS GmbH
- March 22—EAB Automation Solutions GmbH dissolved by merger with EAB Elektroanlagenbau GmbH Rhein/Main
- April 23—the limited partnership Windpark Datteln GmbH & Co. KG was established with GP JOULE PP SPV Verwaltungs-GmbH as sole general partner and GP JOULE PP1 GmbH & Co. KG as sole limited partner
- May 19—CEZ ESCO II GmbH acquired 100% of the shares in Peil und Partner Ingenieure GmbH
- May 28—Elektro-Technik-Pfisterer-GmbH was dissolved by merger with ETS Efficient Technical Solutions GmbH
- July 19—CEZ ESCO II GmbH acquired 100% of the shares in IBP Verwaltungs GmbH
- July 19—CEZ ESCO II acquired a 100% limited partnership interest in the limited partnership IBP Ingenieure GmbH & Co. KG; its sole general partner is IBP Verwaltungs GmbH
- December 16—CEZ ESCO II GmbH acquired 100% of the shares in BELECTRIC GmbH including its 24 subsidiaries established for the purpose of 12 RES projects, with a limited partnership and a limited liability company acting as general partner for each project

Slovakia

- February 10—the name of CEZ SERVIS, s. r. o., was changed to ESCO Servis, s. r. o.
- February 10—the name of CEZ Distribučné sústavy a.s. was changed to ESCO Distribučné sústavy a.s.
- February 16—the name of CEZ ESCO Slovensko, a.s., was changed to ESCO Slovensko, a. s.
- February 18—Slovenský plynárenský priemysel acquired a 50% stake in ESCO Slovensko, a. s.
- June 1—ČEZ Slovensko, s.r.o., entered into liquidation and at the same time the company's business name was changed to VESER, s. r. o. (since June 26 to VESER, s. r. o. "v likvidácii")
- January 19, 2022—VESER, s. r. o. "v likvidácii" was deleted from the Commercial Register

Poland

- January 15—ČEZ, a. s., sold off its 100% stake in CEZ Towarowy Dom Maklerski sp. z o.o.
- June 30—the share of Elevion Group B.V. in Euroklimat sp. z o.o. was increased from 84% to 90%
- September 21—ESCO City VI sp. z o.o. w likwidacji was dissolved
- September 22—ESCO City I sp. z o.o. w likwidacji was dissolved
- September 23—ESCO City V sp. z o.o. w likwidacji was dissolved
- October 6—ESCO City II sp. z o.o. w likwidacji was dissolved
- October 13—ESCO City IV sp. z o.o. w likwidacji was dissolved
- October 26—Baltic Green VIII sp. z o.o. w likwidacji was dissolved
- November 4—ESCO City III sp. z o.o. w likwidacji was dissolved
- November 4—the name of CEZ ESCO Polska, sp. z o.o. changed to E-City sp. z o.o.

Other Countries

Italy

- July 26—inewa Srl acquired 100% of the shares of SOCIETA' AGRICOLA DEF S.R.L.
- December 16—Elevion Holding Italia Srl acquired 100% of the shares in Belectric Italia S.r.l.

Netherlands

- March 18—CEZ Finance B.V. was established, the sole shareholder of which is ČEZ, a. s.
- August 27—Elevion Group B.V. acquired 66% of the shares in ZOHD Groep B.V., which owns 100% of Energy Shift B.V., 100% of Zonnepanelen op het Dak B.V., and 100% of Zonnepanelen op het Dak Installaties B.V.

Austria

- January 1—100% of the shares in M&P Real GmbH were transferred from Moser & Partner Ingenieurbüro GmbH to Syneco tec GmbH; the ownership of 100% of CEZ Group did not change

Romania

- January 1—due to a merger of ČEZ Korporátní služby, s.r.o., by acquisition with ČEZ, a. s., ČEZ, a. s., became a sole member of CEZ Trade Romania S.R.L.
- March 31—100% of the shares in Distributie Energie Oltenia S.A., CEZ Romania S.A., TMK Hydroenergy Power S.R.L., CEZ Vanzare S.A., Tomis Team S.A., M.W. Team Invest S.R.L., and Ovidiu Development S.A. were sold

United Kingdom

- September 27—Inven Capital, SICAV, a.s., acquired a minority stake in the British company Hometree Marketplace Limited

Bulgaria

- July 27—sold all shareholdings in CEZ Bulgaria EAD, CEZ Elektro Bulgaria AD, CEZ Razpredelenie Bulgaria AD, CEZ Trade Bulgaria EAD, CEZ ICT Bulgaria EAD, Free Energy Project Oreshets EAD, and Bara Group EOOD

France

- December 16—Elevion Group B.V. acquired 100% of the shares in Belectric France S.A.R.L.

Israel

- December 16—Elevion Group B.V. acquired 100% of the shares in Belectric Israel Ltd.

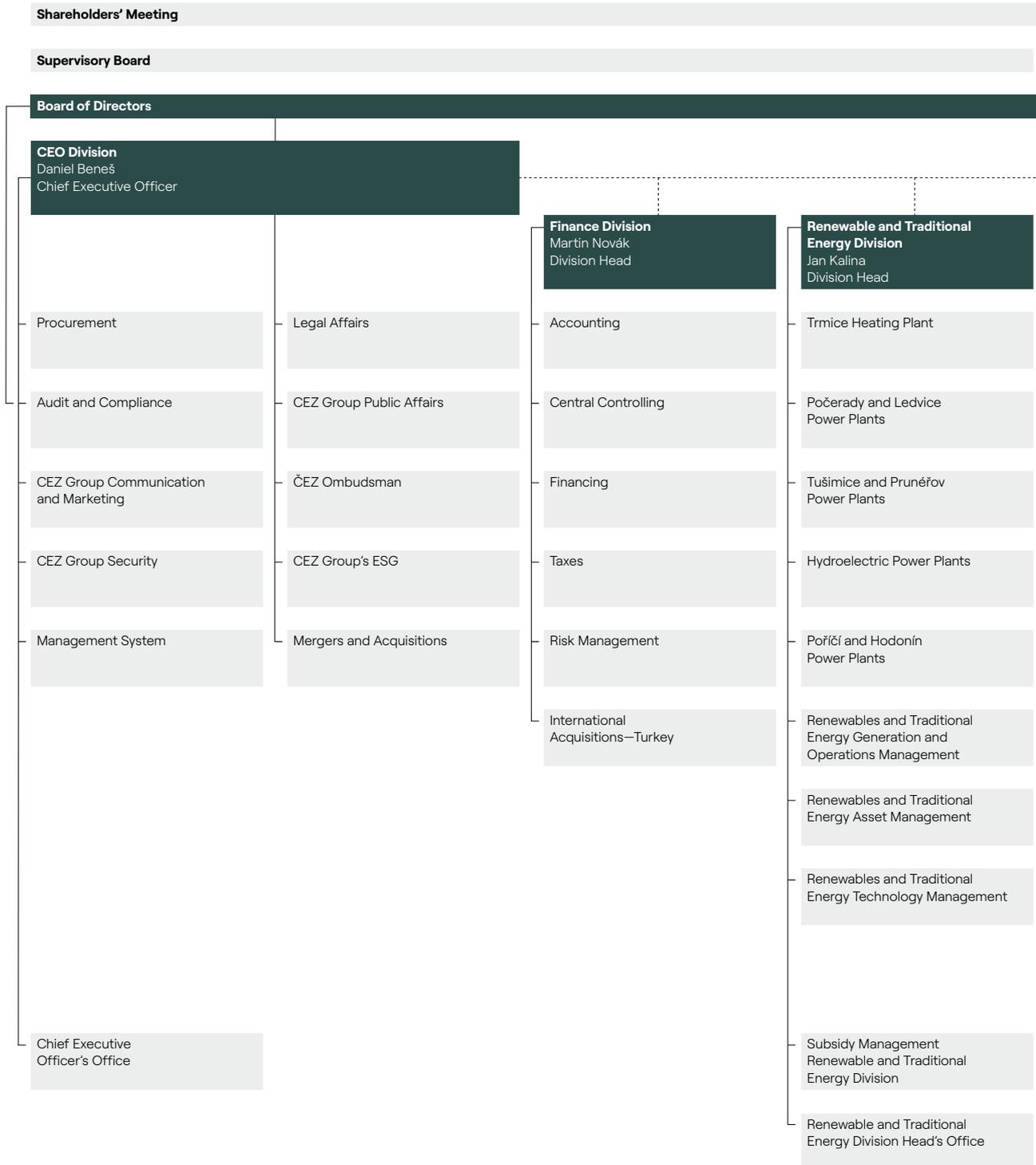
Malta

- July 29—CEZ Holdings B.V. established a 100% subsidiary, CEZ CI Limited

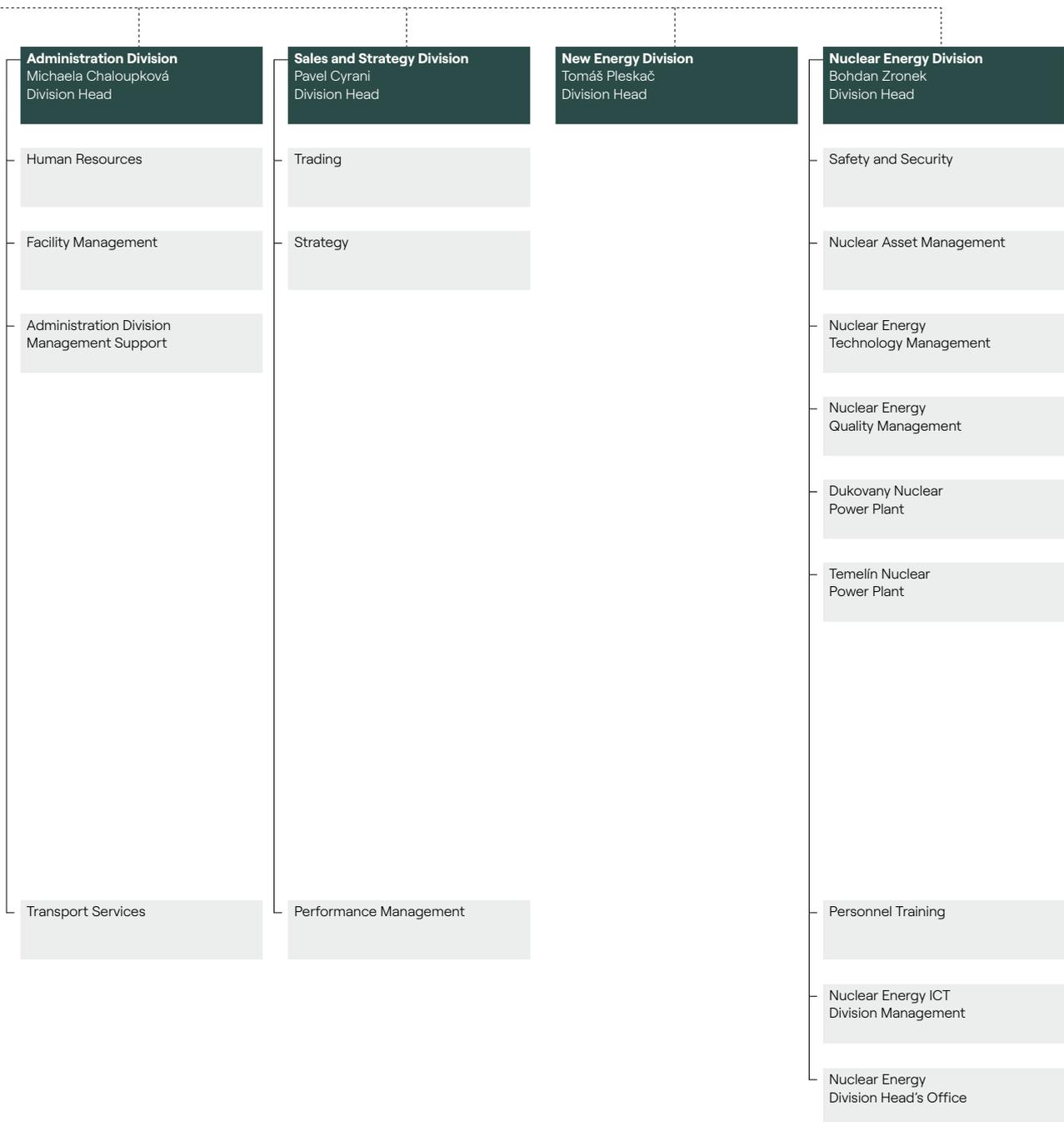
Serbia

- December 17—High-Tech Clima d.o.o., a 100% subsidiary of the Romanian company High-Tech Clima S.A., was liquidated and deleted from the Commercial Register

Basic Organization Chart of ČEZ, a. s., as at March 1, 2022



Audit Committee



Information for Shareholders and Investors

Financial Calendar

Event	Date
CEZ Group 2021 Annual Report—electronic Czech and English versions	April 29, 2022
CEZ Group nonaudited consolidated financial results for Q1 2022	May 10, 2022
Interim consolidated financial statements	
Conference call (in English)	
ČEZ, a. s., nonaudited financial results for Q1 2022	
CEZ Group nonaudited consolidated financial results for H1 2022	August 9, 2022
Interim consolidated financial statements	
Conference call (in English)	
ČEZ, a. s., nonaudited financial results for H1 2022	
CEZ Group 2022 Half-Year Report	August 31, 2022
CEZ Group nonaudited consolidated financial results for Q1–Q3 2022	November 10, 2022
Interim consolidated financial statements	
Conference call (in English)	
ČEZ, a. s., nonaudited financial results for Q1–Q3 2022	

Contacts

	E-mail/Website	Phone

Website

	www.cez.cz www.facebook.com/SkupinaCEZ www.twitter.com/SkupinaCEZ www.linkedin.com/company/cez www.instagram.com/cez.group www.youtube.com/skupinacez
In German	www.cezdeutschland.de
In French	www.cezfrance.fr
In English	www.cez.cz/en/home https://twitter.com/cez_group

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	www.twitter.com/NadaceCEZ	
CEZ Group Sustainability Report (nonfinancial information)		
	www.cez.cz/cs/o-cez/energie-pro-budoucnost/zpravy-o-udrzitelnem-rozvoji	
CEZ Group Ombudsman		
Josef Sedlák Mailing address: Ombudsman ČEZ Jemnická 1138/1, 140 00 Praha 4	www.cez.cz/ombudsman	Phone contact unavailable

Glossary of Selected Terms and Abbreviations

Term	Commentary
EIA	Environmental Impact Assessment
EPC	Energy Performance Contracting An efficient tool for implementing energy saving measures. The EPC method can be described as a guarantee of anticipated reduction in energy consumption, resulting in savings in operating expenses used to repay the original investment.
ESCO	Energy Service Company A company providing comprehensive energy services to municipalities, businesses, and organizations. The energy service consists in increasing the efficiency of energy use or saving energy consumption through energy efficient technologies.
ESG	Environmental, Social, Governance ESG criteria are a set of non-financial criteria used by investors seeking to take into account the social aspects of the investee's business. E stands for environmental criteria, i.e., the behavior of the entity towards the environment, S stands for social criteria, i.e., the behavior towards employees, suppliers, or communities in the place of business, and G stands for corporate governance, i.e. the way the company is managed, its internal controls, or shareholder rights.
GRI	Global Reporting Initiative An independent international organization that develops GRI Standards for reporting non-financial information.
OTC	Over-The-Counter. A term for off-exchange trading in securities and other financial instruments. Trading is done directly between two parties that negotiate the individual terms of each transaction.
RES	Renewable Energy Sources
SÚJB	State Office for Nuclear Safety (Státní úřad pro jadernou bezpečnost)

In most chapters of the Annual Report, company names are listed without an abbreviation specifying their legal form. Complete names of the CEZ Group companies are included in the Report on Relations, which forms part of this Annual Report. The full names of companies outside CEZ Group, listed in the text without legal form, are listed in the following table:

Names of Companies Outside CEZ Group

(Short) Name Used	Full Name as Registered in the Commercial Register
AKKÖK	Akkök Holding A.S.
Arthur Andersen	Arthur Andersen BV
Bohemia Energy	BOHEMIA ENERGY Prodej s.r.o., v likvidaci (deleted) or BOHEMIA ENERGY Group a.s.
Bureau Veritas	BUREAU VERITAS CERTIFICATION CZ, s.r.o.
Centrální depozitář cenných papírů	Centrální depozitář cenných papírů, a.s.
Cinergy	Cinergy Corp.
Cloud&Heat Technologies	Cloud&Heat Technologies GmbH
ConocoPhillips	ConocoPhillips Company
Cosmo Tech	Cosmo Tech SAS
CyberX	CYBERX ISRAEL LTD
Česká energie, a.s.	Česká energie, a.s., v úpadku, v konkursu (in bankruptcy, insolvency proceeding initiated at a creditor's motion)
Česká pojišťovna	Česká pojišťovna a.s. or Generali Česká pojišťovna a.s.
Česká pošta	Česká pošta, s.p.
ČSAD AUTOBUSY České Budějovice	ČSAD AUTOBUSY České Budějovice a.s.
DIAMO	DIAMO, státní podnik
Driivz	Driivz Ltd.
EEX	European Energy Exchange AG
ECHO	Odborový svaz ECHO
EIB	European Investment Bank
E.ON	E.ON Česká republika, s. r. o./E.ON Energie, a.s.
Forto	Forto GmbH
FVE Dubí	FVE Dubí s.r.o.
FVE Vranovská Ves	FVE Vranovská Ves a.s.
Holt Holding	Holt Holding Group
Hometree	Hometree Services Limited
KHNP	Korea Hydro & Nuclear Power Co., Ltd.
McKinsey & Company	McKinsey & Company group
Microsoft	Microsoft Corporation
NeuronSW	NeuronSW SE

(Short) Name Used	Full Name as Registered in the Commercial Register
Nordex	Nordex SE
OKD	OKD, a.s.
Pražská teplárenská	Pražská teplárenská a.s.
PRE	Pražská energetika, a.s.
PSE	Burza cenných papírů Praha, a.s. (Prague Stock Exchange)
Rosatom	State Atomic Energy Corporation Rosatom Государственная корпорация по атомной энергии Росатом
Sapeli	SAPELI, a.s.
SCP first payment of receivables s.r.o.	SCP first payment of receivables s.r.o., in bankruptcy (formerly ENWOX ENERGY s.r.o.) (insolvency proceedings initiated at a creditor's motion)
Sokolovská uhelná	Sokolovská uhelná, právní nástupce, a.s.
sonnen	sonnen GmbH
Spolchemie	SPOLCHEMIE, a.s.
SPP	Slovenský plynárenský priemysel, a.s.
Správa železnic (SŽ)	Správa železnic, státní organizace (formerly Správa železniční dopravní cesty, státní organizace)
SunFire	SunFire GmbH
SŽDC	Správa železniční dopravní cesty, státní organizace (now Správa železnic, státní organizace)
tado	tado GmbH
TENZA, a.s.	TENZA, a.s., v konkursu, v úpadku (insolvency proceedings initiated at a debtor's motion)
Tinsel Enterprises Limited	TINSEL ENTERPRISES LIMITED
TVEL	TVEL – акционерное общество «ТВЭЛ»
VU LOG	VU LOG SA
Westinghouse, Westinghouse Electric Sweden	Westinghouse Electric Sweden AB
Woltair	Woltair s.r.o.
Zolar	ZOLAR GmbH

Totals and subtotals in this Annual Report can differ from the sum of partial values due to rounding.

Definitions and Calculations of Indicators Unspecified in IFRS

In accordance with ESMA guidelines, ČEZ provides detailed information on indicators that are not reported as standard in IFRS reports or the components of which are not directly available from standardized reports and notes to the financial statements. Such indicators represent supplementary information in respect of financial data, providing report users with additional information for their assessment of the financial position and performance of CEZ Group or ČEZ. In general, these indicators are also commonly used in other commercial companies, not only in the energy sector.

Indicator:	Adjusted net income (Net Income, Adjusted)
Purpose:	This is a supporting indicator, intended primarily for investors, creditors, and shareholders, which allows interpreting achieved financial results with the exclusion of extraordinary, usually nonrecurring effects that are generally unrelated to ordinary financial performance and value creation in a given period.
Definition:	Net income (after-tax income) +/- additions to and reversals of impairments of property, plant, and equipment and intangible assets, including impairment of goodwill +/- additions to and reversals of impairments of developed projects +/- other extraordinary effects that are generally unrelated to ordinary financial performance and value creation in a given period +/- effects of the above on income taxes.

Most of the calculation components of individual indicators are directly shown in financial statements. Components of calculations that are not included in the financial statements are usually shown directly in a company's books and are calculated as follows:

Adjusted Net Income Indicator—Calculation for the Periods under Review

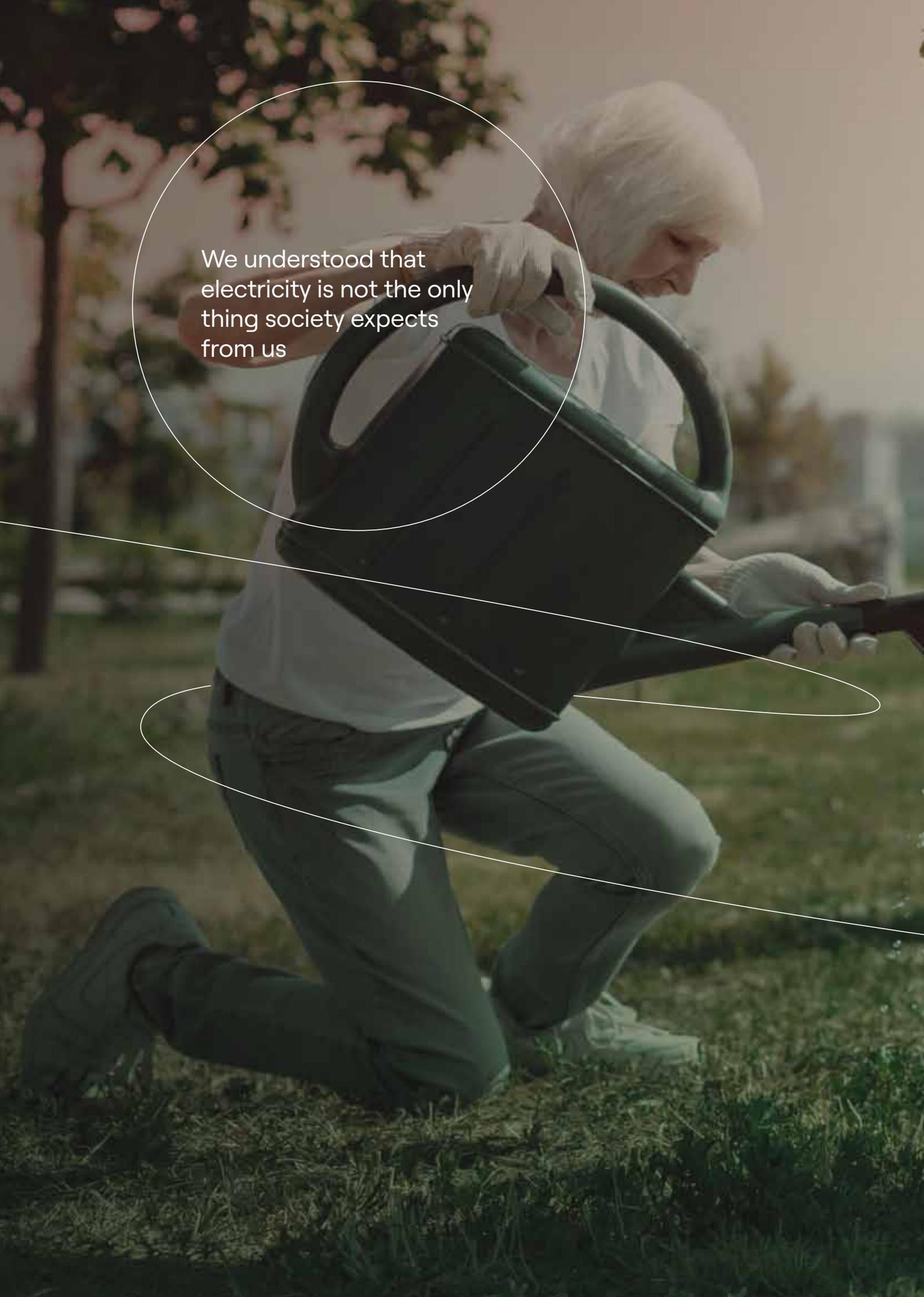
Adjusted Net Income (After-Tax Income, Adjusted)	Unit	2020	2021
Net income	CZK billions	5.5	9.9
Impairments of property, plant, and equipment and intangible assets (including impairment of goodwill) ¹⁾	CZK billions	24.1	15.8
Impairments of developed projects ²⁾	CZK billions	0.0	(0.0)
Effects of additions to or reversals of impairments on income tax ³⁾	CZK billions	(3.5)	(1.7)
Other extraordinary effects ⁴⁾	CZK billions	(3.2)	(1.7)
Adjusted net income	CZK billions	22.8	22.3

¹⁾ Corresponds to the total value reported in the row Impairment of property, plant, and equipment and intangible assets in the Consolidated Statement of Income.

²⁾ Included in the row Other operating expenses in the Consolidated Statement of Income.

³⁾ Included in the row Income taxes in the Consolidated Statement of Income.

⁴⁾ The adjustment consists of a correction of adjustment of the net income by the part of impairments of property, plant, and equipment and intangible assets (including the related effect on income tax) that relates—based on its characteristics—to the current year. These are impairments on fixed assets of the companies sold in Romania and Bulgaria in 2021, reflecting the income earned over this period, which effectively accrues to the buyers given the locked box date (defined in the asset sale agreements).

An elderly woman with short white hair is captured in a side profile, focused on watering a lawn. She is wearing a light-colored long-sleeved shirt, light-colored trousers, and white gloves. She is holding a large, dark green watering can with both hands, pouring water onto the grass. The background is a soft-focus outdoor setting with trees and a clear sky. The overall tone is warm and serene. A white circular graphic element is overlaid on the upper left, containing text. A thin white line also curves across the middle of the image.

We understood that
electricity is not the only
thing society expects
from us



5. Report on Relations

Report on Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and Entities Controlled by the Same Controlling Entity for the Accounting Period of January 1, 2021, to December 31, 2021

Prepared by the Board of Directors of ČEZ, a. s., Identification No.: 45274649, having its registered office at Prague 4, Duhová 2/1444, postcode 140 53, registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 1581, pursuant to Section 82 of Act No. 90/2012 Sb., on business corporations

In compliance with the applicable provisions of the Business Corporations Act, the Board of Directors of ČEZ, a. s., has prepared and approved the following report on relations between the controlling entity and the controlled entity and between the controlled entity and entities controlled by the same controlling entity (the "Related Parties Report") for the accounting period of January 1, 2021, to December 31, 2021 (the "relevant period"), as follows. When preparing this Related Parties Report, the Board of Directors applied knowledge and information available to members of the Company's Board of Directors on the date of its preparation.

1. Structure of Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and Entities Controlled by the Same Controlling Entity

Controlled entity and author of the Related Parties Report:

ČEZ, a. s.
Identification No.: 45274649
Registered office: Prague 4, Duhová 2/1444, postcode 140 53
Registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 1581

Controlling entity:

Czech Republic—Ministry of Finance
Name: Ministry of Finance
Identification No.: 00006947
Registered office: Prague 1, Letenská 525/15,
Malá Strana, postcode 118 10
("Controlling Entity")

As at December 31, 2021, the Controlling Entity owned shares of stock corresponding to a 69.78% share in the stated capital of ČEZ, a. s.

Entities controlled and managed by ČEZ, a. s.:

In the relevant period, ČEZ, a. s., was the controlling entity of the following companies belonging to CEZ Group:

- 1 1. Opravárenská společnost, s.r.o.
- 2 A.E. Wind S.A.
- 3 ADAPTIVITY s.r.o.
- 4 AirPlus, spol. s r.o.
- 5 Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.
- 6 AK-EL Kemah Elektrik Üretim A.Ş.
- 7 Akenerji Doğalgaz İthalat İhracat ve Toptan Ticaret A.Ş.
- 8 Akenerji Elektrik Enerjisi İthalat İhracat ve Toptan Ticaret A.Ş.
- 9 Akenerji Elektrik Üretim A.Ş.
- 10 Areál Třeboradice, a.s.
- 11 AxE AGRICOLTURA PER L'ENERGIA SOCIETA' AGRICOLA A R.L.
- 12 AZ KLIMA a.s.
- 13 AZ KLIMA SK, s.r.o.
- 14 Baltic Green Construction sp. z o.o.
- 15 Baltic Green II sp. z o.o.
- 16 Baltic Green III sp. z o.o.
- 17 Baltic Green IX sp. z o.o.
- 18 Baltic Green VI sp. z o.o.
- 19 Baltic Green VIII sp. z o.o. w likwidacji
- 20 BANDRA Mobiliengesellschaft mbH & Co. KG
- 21 Bara Group EOOD
- 22 Belectric France S.A.R.L.
- 23 BELECTRIC GmbH
- 24 Belectric Israel Ltd.
- 25 Belectric Italia S.r.l.
- 26 Belectric SP Solarprojekte 100 GmbH & Co. KG
- 27 Belectric SP Solarprojekte 100 Verwaltungs-GmbH
- 28 Belectric SP Solarprojekte 101 GmbH & Co. KG
- 29 Belectric SP Solarprojekte 101 Verwaltungs-GmbH
- 30 Belectric SP Solarprojekte 102 GmbH & Co. KG
- 31 Belectric SP Solarprojekte 102 Verwaltungs-GmbH
- 32 Belectric SP Solarprojekte 103 GmbH & Co. KG
- 33 Belectric SP Solarprojekte 103 Verwaltungs-GmbH
- 34 Belectric SP Solarprojekte 104 GmbH & Co. KG
- 35 Belectric SP Solarprojekte 104 Verwaltungs-GmbH
- 36 Belectric SP Solarprojekte 17 GmbH & Co. KG
- 37 Belectric SP Solarprojekte 18 GmbH & Co. KG
- 38 Belectric SP Solarprojekte 19 GmbH & Co. KG
- 39 Belectric SP Solarprojekte 20 GmbH & Co. KG
- 40 Budrio GFE 312 Società Agricola S.r.l.
- 41 CAPEXUS s.r.o.
- 42 CAPEXUS SK s. r. o.
- 43 CASANO Mobiliengesellschaft mbH & Co. KG
- 44 Centrum výzkumu Řež s.r.o.
- 45 CERBEROS s.r.o.
- 46 CEZ Bulgaria EAD
- 47 CEZ Bulgarian Investments B.V.
- 48 CEZ CI Limited
- 49 CEZ Deutschland GmbH
- 50 CEZ Elektro Bulgaria AD
- 51 CEZ Erneuerbare Energien Beteiligungs GmbH
- 52 CEZ Erneuerbare Energien Beteiligungs II GmbH
- 53 CEZ Erneuerbare Energien Verwaltungs GmbH
- 54 CEZ ESCO Bulgaria EOOD
- 55 CEZ ESCO II GmbH
- 56 CEZ ESCO Romania S.A.
- 57 CEZ Finance B.V.
- 58 CEZ France SAS
- 59 CEZ Holdings B.V.
- 60 CEZ Hungary Ltd.
- 61 CEZ Chorzów II sp. z o.o.
- 62 CEZ Chorzów S.A.
- 63 CEZ ICT Bulgaria EAD
- 64 CEZ MH B.V.
- 65 CEZ Polska sp. z o.o.
- 66 CEZ Produkty Energetyczne Polska sp. z o.o.
- 67 CEZ Razpredelenie Bulgaria AD
- 68 CEZ RES International B.V.
- 69 CEZ Romania S.A.
- 70 CEZ Skawina S.A.
- 71 CEZ Srbija d.o.o.
- 72 CEZ Towarowy Dom Maklerski sp. z o.o.
- 73 CEZ Trade Bulgaria EAD
- 74 CEZ Trade Romania S.R.L.
- 75 CEZ Ukraine LLC
- 76 CEZ Vanzare S.A.
- 77 CEZ Windparks Lee GmbH
- 78 CEZ Windparks Luv GmbH
- 79 CEZ Windparks Nordwind GmbH
- 80 Climagy PV-Sonnenanlage GmbH & Co. KG
- 81 Climagy PV-Sonnenanlage Verwaltungs-GmbH
- 82 Climagy Stromertrag GmbH Co. & KG
- 83 Climagy Stromertrag Verwaltungs-GmbH
- 84 ČEZ Bohunice a.s.
- 85 ČEZ Distribuce, a. s.
- 86 ČEZ Energetické produkty, s.r.o.
- 87 ČEZ Energetické služby, s.r.o.
- 88 ČEZ Energo, s.r.o.
- 89 ČEZ ENERGOSERVIS spol. s r.o.
- 90 ČEZ ESCO, a.s.
- 91 ČEZ ICT Services, a. s.
- 92 ČEZ Korporátní služby, s.r.o.
- 93 ČEZ LDS s.r.o.
- 94 ČEZ Obnovitelné zdroje, s.r.o.
- 95 ČEZ OZ uzavřený investiční fond a.s.
- 96 ČEZ Prodej, a.s.
- 97 ČEZ Recyklace, s.r.o.
- 98 ČEZ Teplárenská, a.s.
- 99 ČEZNET s.r.o.
- 100 D-I-E Elektro AG
- 101 Distributie Energie Oltenia S.A.
- 102 Domat Control System s. r. o.
- 103 Domat Control System s.r.o.
- 104 EAB Automation Solutions GmbH
- 105 EAB Elektroanlagenbau GmbH Rhein/Main
- 106 E-City sp. z o.o.
- 107 Eco-Wind Construction S.A. w upadłości
- 108 e-Dome a. s.
- 109 Elektrárna Dětmarovice, a.s.
- 110 Elektrárna Dukovany II, a. s.
- 111 Elektrárna Mělník III, a. s. v likvidaci
- 112 Elektrárna Temelín II, a. s.

113	Elektro-Decker GmbH	171	Hermos Schaltanlagen GmbH
114	ELEKTROPROJEKTA SLOVAKIA, s.r.o.	172	Hermos sp. z o.o.
115	Elektro-Technik-Pfisterer-GmbH	173	Hermos Systems GmbH
116	Elevion Deutschland Holding GmbH	174	High-Tech Clima d.o.o.
117	Elevion GmbH	175	High-Tech Clima S.A.
118	Elevion Group B.V.	176	HORMEN CE a.s.
119	Elevion Holding Italia Srl	177	HORMEN SK s. r. o.
120	Elevion Österreich Holding GmbH	178	Hybridkraftwerk Culemeyerstraße Projekt GmbH
121	En.plus GmbH	179	IBP Ingenieure GmbH & Co. KG
122	Energetické centrum s.r.o.	180	IBP Verwaltungs GmbH
123	Energotrans, a.s.	181	in PROJEKT LOUNY ENGINEERING s.r.o.
124	Energy Shift B.V.	182	inewa consulting Srl
125	ENESA a.s.	183	inewa Srl
126	ENVEZ, a. s.	184	INTERNEXT 2000, s.r.o.
127	EP Rožnov, a.s.	185	Inven Capital, SICAV, a.s.
128	EPIGON spol. s r.o.	186	ISP West s.r.o.
129	ESCO City I sp. z o.o. w likwidacji	187	Jadrová energetická spoločnosť Slovenska, a. s.
130	ESCO City II sp. z o.o. w likwidacji	188	juwi Wind Germany 100 GmbH & Co. KG
131	ESCO City III sp. z o.o. w likwidacji	189	KART TZB, spol. s r.o.
132	ESCO City IV sp. z o.o. w likwidacji	190	KART, spol. s r.o.
133	ESCO City V sp. z o.o. w likwidacji	191	Kofler Energies Energieeffizienz GmbH
134	ESCO City VI sp. z o.o. w likwidacji	192	Kofler Energies Ingenieurgesellschaft mbH
135	ESCO Distribučné sústavy a.s.	193	Kofler Energies Systems GmbH
136	ESCO Servis, s. r. o.	194	KTN Servis s.r.o.
137	ESCO Slovensko, a. s.	195	LOMY MOŘINA spol. s r.o.
138	ETS Efficient Technical Solutions GmbH	196	M&P Real GmbH
139	ETS Efficient Technical Solutions Shanghai Co. Ltd.	197	M.W. Team Invest S.R.L.
140	ETS Engineering Kft.	198	Magnalink, a.s.
141	Euroklimat sp. z o.o.	199	MARTIA a.s.
142	FDLnet.CZ, s.r.o.	200	Metrolog sp. z o.o.
143	Ferme éolienne d'Allas-Nieul SAS	201	Moser & Partner Ingenieurbüro GmbH
144	Ferme Eolienne d'Andelaroche SAS	202	MWS GmbH
145	Ferme éolienne de Feuillade et Souffrignac SAS	203	NEK Facility Management GmbH
146	Ferme éolienne de Genouillé SAS	204	OEM Energy sp. z o.o.
147	Ferme éolienne de la Petite Valade SAS	205	Optické síťe s.r.o.
148	Ferme Eolienne de la Piballe SAS	206	OSC, a.s.
149	Ferme Eolienne de Neuville-aux-Bois SAS	207	Ovidiu Development S.A.
150	Ferme éolienne de Nueil-sous-Faye SAS	208	Peil und Partner Ingenieure GmbH
151	Ferme Eolienne de Saint-Laurent-de-Céris SAS	209	Photovoltaikkraftwerk Groß Dölln Infrastruktur GmbH & Co. KG
152	Ferme éolienne de Saugon SAS	210	Photovoltaikkraftwerk Groß Dölln Infrastruktur Verwaltungs-GmbH
153	Ferme Eolienne de Seigny SAS	211	PIPE SYSTEMS s.r.o.
154	Ferme Eolienne de Thorigny SAS	212	PRODECO, a.s.
155	Ferme éolienne des Besses SAS	213	Revitrans, a.s.
156	Ferme Eolienne des Breuils SAS	214	Rudolf Fritz GmbH
157	Ferme Eolienne des Grands Clos SAS	215	Sakarya Elektrik Dağıtım A.Ş.
158	Ferme éolienne du Blesonnier SAS	216	Sakarya Elektrik Perakende Satış A.Ş.
159	Ferme Eolienne du Germancé SAS	217	SD - Kolejová doprava, a.s.
160	Free Energy Project Oreshets EAD	218	Severočeské doly a.s.
161	Green energy capital, a.s.	219	SOCIETA' AGRICOLA DEF S.r.l.
162	GWE Verwaltungs GmbH	220	Solární servis, s.r.o.
163	GWE Wärme- und Energietechnik GmbH	221	SP Solarprojekte 17 Verwaltungs-GmbH
164	GWE Wärme- und Energietechnik GmbH & Co. KG	222	SP Solarprojekte 18 Verwaltungs-GmbH
165	HA.EM OSTRAVA, s.r.o.	223	SP Solarprojekte 19 Verwaltungs-GmbH
166	HELIOS MB s.r.o.	224	SP Solarprojekte 20 Verwaltungs-GmbH
167	Hermos AG	225	SPRAVBYTKOMFORT, a.s. Prešov
168	Hermos Gesellschaft für Steuer-, Meß- und Regeltechnik mbH	226	Sunpow 1 Sp. z.o.o.
169	HERMOS International GmbH	227	SYNECO PROJECT S.r.l.
170	HERMOS SDN. BHD		

- 228 Syneco tec GmbH
- 229 SYNECOTEC Deutschland GmbH
- 230 ŠKODA PRAHA a.s.
- 231 ŠKO-ENERGO FIN, s.r.o.
- 232 ŠKO-ENERGO, s.r.o.
- 233 TaNET Borsko s.r.o.
- 234 Telco Infrastructure, s.r.o.
- 235 Telco Pro Services, a. s.
- 236 TelNet Holding, s.r.o.
- 237 TENAUR, s.r.o.
- 238 Teplo Klášterec s.r.o.
- 239 TMK Hydroenergy Power S.R.L.
- 240 Tomis Team S.A.
- 241 ÚJV Řež, a. s.
- 242 Ústav aplikované mechaniky Brno, s.r.o.
- 243 VESER, s. r. o. "v likvidácii"
- 244 Výzkumný a zkušební ústav Plzeň s.r.o.
- 245 Windpark Baben Erweiterung GmbH & Co. KG
- 246 Windpark Badow GmbH & Co. KG
- 247 Windpark FOHREN-LINDEN GmbH & Co. KG
- 248 Windpark Frauenmark III GmbH & Co. KG
- 249 Windpark Gremersdorf GmbH & Co. KG
- 250 Windpark Cheinitz-Zethlingen GmbH & Co. KG
- 251 Windpark Mengerlinghausen GmbH & Co. KG
- 252 Windpark Naundorf GmbH & Co. KG
- 253 Windpark Zagelsdorf GmbH & Co. KG
- 254 WPG Projekt GmbH
- 255 ZOHD Groep B.V.
- 256 Zonnepanelen op het Dak B.V.
- 257 Zonnepanelen op het Dak Installaties B.V.

CEZ Group also includes the CEZ Concern, which is headed by ČEZ, a. s., as the managing entity and the members of which were the following managed entities in the relevant period:

AirPlus, spol. s r.o., Areál Třeboradice, a.s., AZ KLIMA a.s., ČEZ Bohunice a.s., ČEZ Distribuce, a. s., ČEZ Energetické produkty, s.r.o., ČEZ Energetické služby, s.r.o., ČEZ Energo, s.r.o., ČEZ ENERGOSERVIS spol. s r.o., ČEZ ESCO, a.s., ČEZ ICT Services, a. s., ČEZ Korporátní služby, s.r.o. (company dissolved by merger with ČEZ, a. s., as at January 1, 2021), ČEZ Obnovitelné zdroje, s.r.o., ČEZ Prodej, a.s., ČEZ Teplárenská, a.s., Elektrárna Dětmárovice, a.s., Elektrárna Dukovany II, a. s., Elektrárna Mělník III, a. s. v likvidaci, Elektrárna Temelín II, a. s., Energetické centrum s.r.o., Energotrans, a.s., ENESA a.s., HA.EM OSTRAVA, s.r.o., in PROJEKT LOUNY ENGINEERING s.r.o., KART, spol. s r.o., MARTIA a.s., PRODECO, a.s., Revitrans, a.s., SD - Kolejová doprava, a.s., Severočeské doly a.s., Telco Infrastructure, s.r.o., Telco Pro Services, a. s., TENAUR, s.r.o., and Ústav aplikované mechaniky Brno, s.r.o.

The companies AirPlus, spol. s r.o., AZ KLIMA a.s., ČEZ Energo, s.r.o., ENESA a.s., HA.EM OSTRAVA, s.r.o., in PROJEKT LOUNY ENGINEERING s.r.o., KART, spol. s r.o., Telco Infrastructure, s.r.o., TENAUR, s.r.o., and Ústav aplikované mechaniky Brno, s.r.o., became CEZ Concern members as at November 1, 2021.

ČEZ Distribuce, a. s., and ČEZ Energetické služby, s.r.o., were subjected to concern management in full compliance with all requirements of unbundling rules resulting from the Energy Act and Directive (EU) 2019/944 of the European Parliament and of the Council.

The membership of ČEZ, a. s., of the CEZ Concern was made public on the Company's website in the relevant period.

Other entities controlled by the Controlling Entity:

According to information provided to the Company by the Controlling Entity, other entities controlled by the same Controlling Entity in the relevant period were:

- 1 B. aircraft, a.s.
- 2 Czech Airlines Handling, a.s.
- 3 Czech Airlines Technics, a.s.
- 4 ČEPRO, a.s.
- 5 Česká exportní banka, a.s.
- 6 Exportní garanční a pojišťovací společnost, a.s.
- 7 GALILEO REAL, k.s. v likvidaci
- 8 HOLDING KLADNO a.s."v likvidaci"
- 9 IMOB a.s. v likvidaci
- 10 Kongresové centrum Praha, a.s.
- 11 Letiště Praha, a. s.
- 12 MERO ČR, a.s.
- 13 MERO Germany GmbH
- 14 MUFIS a.s.
- 15 OKD, a.s.
- 16 OKD, HBZS, a.s.
- 17 PRISKO a.s.
- 18 SERENUM, a.s.
- 19 Severočeské mlékárny, a.s. Teplice
- 20 SLOVIM s.r.o. v likvidaci
- 21 THERMAL-F, a.s.
- 22 Výzkumný a zkušební letecký ústav, a.s.
- 23 VZLU TECHNOLOGIES, a.s.
- 24 VZLU TEST, a.s.

The Board of Directors of ČEZ, a. s., has prepared a diagram showing the structure of relations between entities controlled by the same Controlling Entity, which also shows the structure of entities controlled and/or managed by ČEZ, a. s. The diagram showing the structure of relations in the whole group of businesses controlled by the Controlling Entity in the relevant period constitutes Annex 1 to the Related Parties Report.

2. Role of the Controlled Entity

ČEZ, a. s., is the controlling company of CEZ Group. The core business as well as the role of companies within CEZ Group is the generation, distribution, trade in, and sales of electricity and heat, trade in and sales of natural gas, and coal extraction. ČEZ, a. s., is a crucial state-controlled energy company. Its primary role is to ensure safe and reliable fulfillment of the energy needs of its customers and society at large. ČEZ, a. s., also intermediates the Controlling Entity's control over the other companies within CEZ Group.

3. Method and Means of Control

The Controlling Entity controls ČEZ, a. s., by being its majority shareholder and thus holding a majority share in voting rights. Because of its share in voting rights, the Controlling Entity can enforce the appointment or removal of most members of the supervisory and/or statutory governing body of ČEZ, a. s.

4. List of Acts pursuant to Section 82(2)(d) of the Business Corporations Act

In the relevant period, ČEZ, a. s., did not perform any acts that would have been performed at the instigation or in the interest of the Controlling Entity or entities controlled by it and concerned assets exceeding 10% of the equity of ČEZ, a. s., as identified by its financial statements for the accounting period immediately preceding the accounting period for which the Related Parties Report is prepared.

5. List of Mutual Contracts

The Board of Directors of ČEZ, a. s., has prepared a list of mutual contracts¹¹ effective in the relevant period and made between ČEZ, a. s., and the Controlling Entity, or between ČEZ, a. s., and other entities controlled by the Controlling Entity, which constitutes Annex 2 to the Related Parties Report. All mutual contracts between ČEZ, a. s., and entities within the business group controlled by the Controlling Entity were concluded in the ordinary course of business. The list does not include further details on contractual relations in order to keep trade secrets and meet the contractual obligation of confidentiality of information.

¹¹ Each contract is defined by its name, date of contract and/or contract number, and the subject matter of the contract if not identified by the name of the contract.

6. Lack of Information for the Preparation of the Related Parties Report

The Related Parties Report was prepared on the basis of all information available. In spite of reasonably made efforts that may be justly expected from the author, the companies listed below did not provide requested information:

- HOLDING KLADNO a.s. "v likvidaci"
- Severočeské mlékárny, a.s. Teplice

7. Conclusion

Based on available information, the Board of Directors of ČEZ, a. s., assessed the advantages and disadvantages arising from the position of ČEZ, a. s., as described above and came to the conclusion that ČEZ, a. s., did not derive any special advantages and/or disadvantages or material risks from its position, especially with respect to minimum links with other entities controlled by the Controlling Entity due to their significantly different core business. After careful consideration, the Board of Directors of ČEZ, a. s., declares that it is not aware of any risks resulting from relations between the above entities against which standard safeguards would not be in place.

Having analyzed and taken into consideration the circumstances and terms and conditions under which dealings between related parties occurred in the relevant period (that is, terms and conditions common in standard business relations), the Board of Directors of ČEZ, a. s., then came to the conclusion that ČEZ, a. s., did not suffer any loss as a result of its control. Therefore, the Board of Directors has not included its comments on any settlement of loss, or on the manner and period of such settlement, in this Related Parties Report.

Annexes:

- 1 Relation Structure Diagram for the Period of January 1, 2021, to December 31, 2021
- 2 List of Mutual Contracts

Prague, March 14, 2022

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

Martin Novák
Member of the
Board of Directors
ČEZ, a. s.

Annex 2 List of Mutual Contracts

Contracting Party	Agreement Registration Number	Agreement Title
AirPlus, spol. s r.o.	4102355060	Air Conditioning Units Installation
AirPlus, spol. s r.o.	4102406471	Frequency Converter Cooling Installation
AirPlus, spol. s r.o.	4102431537	Air Conditioning Units Installation
AirPlus, spol. s r.o.	4102462792	Large-Volume Air Conditioning Unit Installation
AirPlus, spol. s r.o.	4102466678	Air Conditioning Remodeling
AirPlus, spol. s r.o.	4102466716	Air Conditioning Units Installation
AirPlus, spol. s r.o.	4400051231	Warranty Air Conditioning Units Service
AirPlus, spol. s r.o.	4400052480	Air Conditioning Unit Installation
AirPlus, spol. s r.o.	5600012407	Service Agreement
AirPlus, spol. s r.o.	CONTRACT_2021_2184	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
AirPlus, spol. s r.o.	CONTRACT_2021_507	License Agreement on the Provision of the Right to Use Trademarks
AirPlus, spol. s r.o.	CONTRACT_2021_4327	Agreement on the Issuance of Guarantees
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	5600004321	General Service Agreement
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	5600004322	Individual Service Agreement
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	5600004323	Individual Service Agreement
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	CONTRACT_2021_3778	Agreement on the Issuance of Guarantees
Akenerji Doğalgaz İthalat İhracat ve Toptan Ticaret A.Ş.	CONTRACT_2022_317	General Agreement on Natural Gas Supply and Consumption (EFET)
Akenerji Elektrik Üretim A.Ş.	5600001690	General Service Agreement
Akenerji Elektrik Üretim A.Ş.	5600001691	Individual Service Agreement
Akenerji Elektrik Üretim A.Ş.	5600001692	Individual Service Agreement
Akenerji Elektrik Üretim A.Ş.	4100503098	Agreement on Non-Residential Facility Lease
Areál Třeboradice, a.s.	5600009170	Service Agreement
Areál Třeboradice, a.s.	110716_2017	Sublease Agreement
Areál Třeboradice, a.s.	CONTRACT_2021_2185	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
AZ KLIMA a.s.	4102370966	Air Conditioning Repair
AZ KLIMA a.s.	4102384766	HVAC Repair
AZ KLIMA a.s.	4102475752	HVAC Modernization
AZ KLIMA a.s.	4400051933	Air Conditioning and HVAC Service
AZ KLIMA a.s.	5600012480	Service Agreement
AZ KLIMA a.s.	CONTRACT_2021_2186	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
AZ KLIMA a.s.	CONTRACT_2021_2244	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
AZ KLIMA a.s.	CONTRACT_2021_485	License Agreement on the Provision of the Right to Use Trademarks
AZ KLIMA a.s.	CONTRACT_2021_797	Agreement on the Issuance of Guarantees
AZ KLIMA a.s.	110940_2018	Lease Agreement
AZ KLIMA a.s.	4490045154	Building HVAC Service
AZ KLIMA SK, s.r.o.	CONTRACT_2021_3706	Mutual Credit Facility Agreement
AZ KLIMA SK, s.r.o.	CONTRACT_2021_1471	License Agreement on the Provision of the Right to Use Trademarks
AZ KLIMA SK, s.r.o.	CONTRACT_2021_1129	Agreement on the Issuance of Guarantees
Bara Group EOOD	4102379255	Service Agreement
Centrum výzkumu Řež s.r.o.	69988100_1	Thermal Energy Supply Agreement
Centrum výzkumu Řež s.r.o.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Centrum výzkumu Řež s.r.o.	5600012501	Service Agreement
Centrum výzkumu Řež s.r.o.	000618_2021	Temelín NPP Catering Agreement
Centrum výzkumu Řež s.r.o.	000334_2017	Lease Agreement
Centrum výzkumu Řež s.r.o.	4400036427	Technical Assistance Provision Agreement
Centrum výzkumu Řež s.r.o.	4400048852	Participation in the Project
Centrum výzkumu Řež s.r.o.	4102347508	Manipulator Purchase
Centrum výzkumu Řež s.r.o.	4102433001	Verification of Activation Libraries and Source Component for Fluence Monitor Activity Calculations
Centrum výzkumu Řež s.r.o.	4102490430	Research on Tools for Pressure Measurement in Irradiated Fuel Rod
Centrum výzkumu Řež s.r.o.	4102494925	Study of Silicon Content on the Chemical Regime and Primary Circuit Technology
Centrum výzkumu Řež s.r.o.	4400050637	3D Vent Measurement and Leak Check of Tubes in Steam Generator
Centrum výzkumu Řež s.r.o.	4400050638	3D Vent Measurement and Leak Check of Tubes in Steam Generator
Centrum výzkumu Řež s.r.o.	4400052098	Three-Dimensional Measurement of Emergency Control and Compensation Cartridge Sleeve Bolts
Centrum výzkumu Řež s.r.o.	4400053071	Three-Dimensional Scanning of the Primary Circuit Cover
Centrum výzkumu Řež s.r.o.	4400053085	Foreign Object Analysis
Centrum výzkumu Řež s.r.o.	4400053127	3D Scan of Turbine Generator Steam Bends
Centrum výzkumu Řež s.r.o.	4400053230	Three-Dimensional Measurements of Flange Bolts and Threaded Nests

Contracting Party	Agreement Registration Number	Agreement Title
Centrum výzkumu Řež s.r.o.	CONTRACT_2021_4307	Metrology Work
Centrum výzkumu Řež s.r.o.	CONTRACT_2021_4308	Metrology Work
Centrum výzkumu Řež s.r.o.	21NO02323	Psychological Examination
Centrum výzkumu Řež s.r.o.	21NO00838	Special Competence Course
CERBEROS s.r.o.	5600013251	SERVICE Agreement
CERBEROS s.r.o.	001363_2021	Virtual Office Agreement
CEZ Bulgaria EAD	5600002751	Individual Service agreement
CEZ Bulgaria EAD	4101726434	Service Agreement (Representation before the Bulgarian Tax Authorities)
CEZ Bulgaria EAD	4101313450	Service Agreement (Representation before the Bulgarian Administrative Authorities)
CEZ Bulgaria EAD	4101263303	Service Agreement (Provision of Legal Services)
CEZ Bulgaria EAD	4102379256	Service Agreement
CEZ Bulgarian Investments B.V.	5600002731	Service Agreement
CEZ Bulgarian Investments B.V.	CONTRACT_2021_968	Mutual Credit Facility Agreement
CEZ Deutschland GmbH	5600008310	Service Agreement (in the Purchase Activity Area)
CEZ Deutschland GmbH	5600007930	Service Agreement (Payment Transactions)
CEZ Deutschland GmbH	CONTRACT_2021_822	Mutual Credit Facility Agreement
CEZ Deutschland GmbH	CONTRACT_2021_1695	General Agreement on Power Supply and Consumption (EFET)
CEZ Deutschland GmbH	CONTRACT_2021_798	Agreement on the Issuance of Guarantees
CEZ Elektro Bulgaria AD	4102384342	Service Agreement
CEZ Erneuerbare Energien Beteiligungs GmbH	5600007561	Service Agreement (Payment Transactions)
CEZ Erneuerbare Energien Beteiligungs GmbH	CONTRACT_2021_843	Mutual Credit Facility Agreement
CEZ Erneuerbare Energien Beteiligungs II GmbH	5600009810	Service Agreement
CEZ Erneuerbare Energien Beteiligungs II GmbH	CONTRACT_2021_837	Mutual Credit Facility Agreement
CEZ Erneuerbare Energien Verwaltungs GmbH	5600007562	Service Agreement (Payment Transactions)
CEZ Erneuerbare Energien Verwaltungs GmbH	CONTRACT_2021_844	Mutual Credit Facility Agreement
CEZ ESCO II GmbH	5600009880	Service Agreement
CEZ ESCO II GmbH	CONTRACT_2021_433	Credit Facility Agreement
CEZ Finance B.V.	CONTRACT_2021_3682	Mutual Credit Facility Agreement
CEZ France SAS	5600008980	Service Agreement (Consulting Services in the Connection with Project Purchases)
CEZ France SAS	5600008420	Service Agreement (Payment Transactions)
CEZ France SAS	CONTRACT_2021_903	Mutual Credit Facility Agreement
CEZ Holdings B.V.	5600001552	Service Agreement
CEZ Holdings B.V.	CONTRACT_2021_813	Mutual Credit Facility Agreement
CEZ Holdings B.V.	CONTRACT_2021_435	Credit Facility Agreement
CEZ Holdings B.V.	CONTRACT_2021_448	Credit Facility Agreement
CEZ Hungary Ltd.	CONTRACT_2021_882	Mutual Credit Facility Agreement
CEZ Hungary Ltd.	CONTRACT_2021_4036	Profit Sharing Agreement
CEZ Hungary Ltd.	CONTRACT_2022_318	Profit Sharing Agreement
CEZ Hungary Ltd.	CONTRACT_2021_4034	Comprehensive Electricity Supply Agreement
CEZ Hungary Ltd.	CONTRACT_2021_2357	General Agreement on Financial Market Trading (ISDA)
CEZ Hungary Ltd.	CONTRACT_2021_1750	General Agreement on Power Supply and Consumption (EFET)
CEZ Hungary Ltd.	CONTRACT_2021_37	License Agreement
CEZ Hungary Ltd.	CONTRACT_2021_4066	Individual Agreement under the EFET General Agreement
CEZ Hungary Ltd.	CONTRACT_2021_4065	Individual Agreement under the EFET General Agreement
CEZ Hungary Ltd.	CONTRACT_2021_807	Agreement on the Issuance of Guarantees
CEZ Chorzów S.A.	CONTRACT_2022_252	Agreement on the Transfer of Allowances to Secure Liabilities
CEZ Chorzów S.A.	CONTRACT_2021_4037	Service Agreement
CEZ Chorzów S.A.	CONTRACT_2022_361	Agreement on Individual Delivery of Guarantees of Origin
CEZ Chorzów S.A.	CONTRACT_2022_362	Agreement on Individual Delivery of Guarantees of Origin
CEZ Chorzów S.A.	CONTRACT_2021_1760	General Agreement on Power Supply and Consumption (EFET)
CEZ Chorzów S.A.	CONTRACT_2021_808	Agreement on the Issuance of Guarantees
CEZ ICT Bulgaria EAD	4102379258	Service Agreement
CEZ MH B.V.	5600001541	Service Agreement
CEZ MH B.V.	CONTRACT_2021_848	Mutual Credit Facility Agreement
CEZ MH B.V.	CONTRACT_2021_448	Credit Facility Agreement
CEZ Polska sp. z o.o.	5600006070	Agreement on Information Technology and Telecommunications Services
CEZ Polska sp. z o.o.	5600007223	Individual Service Agreement
CEZ Polska sp. z o.o.	5600004736	Service Agreement
CEZ Polska sp. z o.o.	CONTRACT_2021_969	Mutual Credit Facility Agreement
CEZ Polska sp. z o.o.	CONTRACT_2021_4225	Agreement on the Provision of Services in Connection with Electricity Trading in Poland
CEZ Polska sp. z o.o.	CONTRACT_2021_4226	Scheduling Services Agreement
CEZ Polska sp. z o.o.	CONTRACT_2021_4224	Comprehensive Electricity Supply Agreement

Contracting Party	Agreement Registration Number	Agreement Title
CEZ Polska sp. z o.o.	CONTRACT_2021_2930	General Agreement on Natural Gas Supply and Consumption (EFET)
CEZ Polska sp. z o.o.	CONTRACT_2021_36	License Agreement
CEZ Polska sp. z o.o.	CONTRACT_2021_1127	Agreement on the Issuance of Guarantees
CEZ Razpredelenie Bulgaria AD	4102384286	Service Agreement
CEZ Razpredelenie Bulgaria AD	CONTRACT_2021_444	Credit Facility Agreement
CEZ Razpredelenie Bulgaria AD	CONTRACT_2021_966	Loan Subordination Agreement
CEZ RES International B.V.	111071_2019	Sublease Agreement
CEZ RES International B.V.	CONTRACT_2021_970	Mutual Credit Facility Agreement
CEZ RES International B.V.	CONTRACT_2022_48	Agreement on the Transfer of Part of an Employer's Activities
CEZ RES International, odštěpný závod	P3A20000000095	Personal Data Processing Agreement
CEZ RES International, odštěpný závod	CONTRACT_2021_2206	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
CEZ RES International, odštěpný závod	CONTRACT_2021_2250	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
CEZ Romania S.A.	CONTRACT_2021_3679	Mutual Credit Facility Agreement
CEZ Romania S.A.	CONTRACT_2022_249	Transitional Period Service Agreement
CEZ Skawina S.A.	CONTRACT_2022_253	Agreement on the Transfer of Allowances to Secure Liabilities
CEZ Skawina S.A.	CONTRACT_2021_4033	Scheduling Service Agreement (PL, Electricity)
CEZ Skawina S.A.	CONTRACT_2021_4040	Scheduling Services Agreement
CEZ Skawina S.A.	CONTRACT_2021_4038	Service Agreement
CEZ Skawina S.A.	CONTRACT_2021_4039	General Agreement on the Sale of Electricity and Related Products
CEZ Skawina S.A.	CONTRACT_2021_1749	General Agreement on Power Supply and Consumption (EFET)
CEZ Skawina S.A.	CONTRACT_2021_811	Agreement on the Issuance of Guarantees
CEZ Srbija d.o.o.	5600012720	Agreement on Information Technology and Telecommunications Services
CEZ Srbija d.o.o.	CONTRACT_2021_4045	Agreement on the Provision of Services in Connection with Trading in Serbia
CEZ Srbija d.o.o.	CONTRACT_2021_1779	General Agreement on Power Supply and Consumption (EFET)
CEZ Srbija d.o.o.	CONTRACT_2021_35	License Agreement
CEZ Trade Bulgaria EAD	4102384444	Service Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2022_282	Settlement Agreement to the Service Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2021_445	Credit Facility Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2021_4043	Agreement on the Access to Commercial Energy Markets
CEZ Trade Bulgaria EAD	CONTRACT_2021_4042	Agreement on the Access to Commercial Markets
CEZ Trade Bulgaria EAD	CONTRACT_2022_290	Agreement on the Provision of Services in Connection with Electricity Trading in Bulgaria
CEZ Trade Bulgaria EAD	CONTRACT_2022_334	Agreement on the Provision of Services in Connection with Electricity Trading in Bulgaria
CEZ Trade Bulgaria EAD	CONTRACT_2021_4060	Transitional Period Service Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2022_316	Transitional Period Service Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2022_335	Transitional Period Service Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2022_281	Service Agreement
CEZ Trade Bulgaria EAD	CONTRACT_2021_4041	Agreement on the Business Cooperation in Connection with Electricity Trading
CEZ Trade Bulgaria EAD	CONTRACT_2021_2380	General Agreement on Financial Market Trading (ISDA)
CEZ Trade Romania S.R.L.	CONTRACT_2021_4044	Agreement on the Provision of Services in Connection with Electricity Trading in Romania
CEZ Trade Romania S.R.L.	CONTRACT_2021_4058	Transitional Period Service Agreement
CEZ Trade Romania S.R.L.	CONTRACT_2021_4059	Transitional Period Service Agreement
CEZ Trade Romania S.R.L.	CONTRACT_2021_1882	General Agreement on Power Supply and Consumption (EFET)
CEZ Trade Romania S.R.L.	CONTRACT_2021_850	Agreement on the Issuance of Guarantees
CEZ Vanzare S.A.	CONTRACT_2021_1912	General Agreement on Power Supply and Consumption (EFET)
CEZ Vanzare S.A.	CONTRACT_2021_1131	Agreement on the Issuance of Guarantees
CEZ Windparks Lee GmbH	5600008360	Service Agreement (Payment Transactions)
CEZ Windparks Lee GmbH	CONTRACT_2021_845	Mutual Credit Facility Agreement
CEZ Windparks Luv GmbH	5600008361	Service Agreement (Payment Transactions)
CEZ Windparks Luv GmbH	CONTRACT_2021_846	Mutual Credit Facility Agreement
CEZ Windparks Nordwind GmbH	5600008362	Service Agreement (Payment Transactions)
CEZ Windparks Nordwind GmbH	CONTRACT_2021_847	Mutual Credit Facility Agreement
ČEPRO, a.s.	4102476317	Agreement on the Fuel Storage, Purchase, and Sale
ČEPRO, a.s.	4102476890	Agreement on the Fuel Storage, Purchase, and Sale
ČEPRO, a.s.	4101794582	Agreement on Deliveries of Fuels and Related Products and Services for CEZ Group
ČEPRO, a.s.	4400011154	Agreement on the Fuel Storage, Purchase, and Sale
ČEPRO, a.s.	048064	Agreement on Rules for Carrier Goods Takeover at ČEPRO, a.s., Distribution Terminals
ČEPRO, a.s.	4102309459	Diesel Fuel Procurement
ČEPRO, a.s.	4102320397	Diesel Fuel Procurement
ČEPRO, a.s.	4102326005	Diesel Fuel Procurement
ČEPRO, a.s.	4102328793	Diesel Fuel Procurement
ČEPRO, a.s.	4102333757	Diesel Fuel Procurement
ČEPRO, a.s.	4102354169	Diesel Fuel Procurement
ČEPRO, a.s.	4102367943	Diesel Fuel Procurement
ČEPRO, a.s.	4102373244	Diesel Fuel Procurement

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ČEPRO, a.s.	4102380552	Diesel Fuel Procurement
ČEPRO, a.s.	4102382116	Diesel Fuel Procurement
ČEPRO, a.s.	4102409295	Diesel Fuel Procurement
ČEPRO, a.s.	4102428632	Diesel Fuel Procurement
ČEPRO, a.s.	4102440756	Diesel Fuel Procurement
ČEPRO, a.s.	4102456651	Diesel Fuel Procurement
ČEPRO, a.s.	4102456658	Diesel Fuel Procurement
ČEPRO, a.s.	4102476214	Diesel Fuel Procurement
ČEPRO, a.s.	4102476342	Diesel Fuel Procurement
ČEPRO, a.s.	4102287229	Agreement for the Purchase of Electronic Vignettes
ČEPRO, a.s.	4102318396	Agreement for the Purchase of Electronic Vignettes
ČEPRO, a.s.	CONTRACT_2021_4082	Agreement on Business Cooperation
ČEPRO, a.s.	CONTRACT_2021_4081	Nondisclosure Agreement
ČEPRO, a.s.	CONTRACT_2021_376	Nondisclosure Agreement
Czech Republic—Ministry of Finance	189/97/02	Agreement on the Reimbursement of Costs Incurred for the Settlement of Environmental Liabilities Prior to Privatization
Czech Republic—Ministry of Finance	234/02/01	Agreement on the Settlement of Environmental Liabilities Prior to Privatization
Czech Republic—Ministry of Finance	188/97/03	Agreement on the Reimbursement of Costs Incurred for the Settlement of Environmental Liabilities Prior to Privatization
Czech Republic—Ministry of Finance	188/97/01	Agreement on the Reimbursement of Costs Incurred for the Settlement of Environmental Liabilities Prior to Privatization
ČEZ Bohunice a.s.		Personal Data Processing Agreement of June 28, 2011
ČEZ Bohunice a.s.	P3A2100000101	Personal Data Processing Agreement
ČEZ Bohunice a.s.	5600006022	Service Agreement (Provision of Media Services)
ČEZ Bohunice a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Bohunice a.s.	5600001497	Service Agreement (Purchase Services – Selection and Award Proceedings)
ČEZ Bohunice a.s.	CONTRACT_2021_2188	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Bohunice a.s.	CONTRACT_2021_2252	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Distribuce, a. s.	P3A18000014311	Personal Data Processing Agreement
ČEZ Distribuce, a. s.	P3A18000014308	Personal Data Processing Agreement
ČEZ Distribuce, a. s.	P3A18000014309	Personal Data Processing Agreement
ČEZ Distribuce, a. s.	4102234906	Agreement on Electricity Consumer Connection to Distribution System to Voltage Level of 0.4 kV
ČEZ Distribuce, a. s.	4102250893	Preliminary Agreement on Electricity Consumer Connection to Distribution System to Voltage Level of 0.4 kV
ČEZ Distribuce, a. s.	4102250974	Preliminary Agreement on Electricity Consumer Connection to Distribution System to Voltage Level of 0.4 kV
ČEZ Distribuce, a. s.	4102251516	Preliminary Agreement on Electricity Consumer Connection to Distribution System to Voltage Level of 0.4 kV
ČEZ Distribuce, a. s.	4102263836	Preliminary Agreement on Electricity Consumer Connection to Distribution System to Voltage Level of 0.4 kV
ČEZ Distribuce, a. s.	4102265230	Preliminary Agreement on Electricity Consumer Connection to Distribution System to Voltage Level of 0.4 kV
ČEZ Distribuce, a. s.	4102284725	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102295343	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102314491	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102316000	Construction Siting Agreement
ČEZ Distribuce, a. s.	4102318894	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102333609	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102342032	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102342978	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102343038	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102351693	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102353036	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102370081	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102372434	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102378457	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102384296	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102386818	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102386963	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102394952	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102397688	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102400741	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102401047	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102402301	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102402308	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102402352	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102406377	Preliminary Agreement on the Connection of Service Point to the Distribution Grid

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ČEZ Distribuce, a. s.	4102407068	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102412732	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102445168	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102447938	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102448800	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102449785	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102450230	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102450457	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102462232	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102467540	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102476414	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102480097	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102483037	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102484710	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102486095	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102487334	Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102490406	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102490410	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4102495873	Preliminary Agreement on the Connection of Service Point to the Distribution Grid
ČEZ Distribuce, a. s.	4400040761	Distribution Network Repairs and Maintenance
ČEZ Distribuce, a. s.	4102291066	Voltage and Reactive Power Regulation Ancillary Services
ČEZ Distribuce, a. s.	4102310920	Regulation and Balancing of Electric Power Supply
ČEZ Distribuce, a. s.	4102310922	Regulation and Balancing of Electric Power Supply
ČEZ Distribuce, a. s.	4102359586	Purchase Agreement-Unneeded Assets
ČEZ Distribuce, a. s.	4102376636	Building Repairs
ČEZ Distribuce, a. s.	4102379993	Building Repairs
ČEZ Distribuce, a. s.	4102390241	Building Repairs
ČEZ Distribuce, a. s.	4102392496	Easement
ČEZ Distribuce, a. s.	4102409230	Easement
ČEZ Distribuce, a. s.	4102421086	Building Repairs
ČEZ Distribuce, a. s.	4102427236	Easement
ČEZ Distribuce, a. s.	4102428703	Easement
ČEZ Distribuce, a. s.	4102451573	Easement
ČEZ Distribuce, a. s.	4102460990	Building Repairs
ČEZ Distribuce, a. s.	4102493096	Easement
ČEZ Distribuce, a. s.	5600012720	Agreement on Information Technology and Telecommunications Services
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract (Antivirus Solution) of 2019
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 18, 2019 (Supply of Terminal Computing Equipment)
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 19, 2019 (Telemetry)
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of April 15, 2019 (O2 Telemetry for CEZ Group 2019-2024)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 19, 2019 (CEZ Group Corporate Mobile Telephony 2019-2024)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract (x86 Server Deliveries) of 2018
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Infra Checkpoint Security Maintenance) of 2017
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 5, 2018 (DWDM Network Restoration and Expansion)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Active LAN Element Renovation) of 2019
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 29, 2018 (IT Infrastructure Service Support)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Active WAN Telecommunications Access Network Element Renovation) of 2018
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of July 11, 2018 (ECM System Service)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of December 20, 2019 (General Agreement on the Development of the Xenergie System)
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract (Oracle 2020-2022 Licenses) of June 28, 2019
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of February 28, 2019 (Business Intelligence for the Distribution Segment)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of August 14, 2018 (Microsoft 2018 General Agreement)
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of July 4, 2019 (Citrix License Maintenance 2020-2022)
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 20, 2019 (IBM Spectrum Storage Suite and Maintenance License)

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ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of October 12, 2018 (DUHA II)
ČEZ Distribuce, a. s.		Agreement on Cooperation in the Performance of a Public Contract of January 5, 2016 (Provision of ICT Services in the Area of CEZ Group's Terminal Equipment)
ČEZ Distribuce, a. s.	4101492251	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ Distribuce, a. s.	4400041484	Agreement on Providing Professional Psychological Examinations
ČEZ Distribuce, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of December 20, 2020
ČEZ Distribuce, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Distribuce, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of April 22, 2020
ČEZ Distribuce, a. s.	5600007650	Service Agreement
ČEZ Distribuce, a. s.	4400019020	Service Agreement
ČEZ Distribuce, a. s.	4400037593	Service Agreement
ČEZ Distribuce, a. s.	4102319131	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ Distribuce, a. s.	4102319288	Agreement on Drinking Water Supply
ČEZ Distribuce, a. s.	4102319301	Agreement on Drinking Water Supply
ČEZ Distribuce, a. s.	4102341655	Agreement on Fixed Electricity Payments
ČEZ Distribuce, a. s.	4102343137	Agreement on the Sublease of Business Premises and for Business Lease of Movables
ČEZ Distribuce, a. s.	4102343138	Parking Spaces Sublease Agreement
ČEZ Distribuce, a. s.	4102343139	Agreement on the Sublease of Business Premises and for Business Lease of Movables
ČEZ Distribuce, a. s.	4102343140	Sublease Agreement
ČEZ Distribuce, a. s.	4102343142	Lease Agreement
ČEZ Distribuce, a. s.	4102343143	Sublease Agreement
ČEZ Distribuce, a. s.	4102343144	Sublease Agreement
ČEZ Distribuce, a. s.	4102348656	Purchase Agreement
ČEZ Distribuce, a. s.	4102354664	Agreement on Water Supply
ČEZ Distribuce, a. s.	4102370866	Agreement on Work (Inspection)
ČEZ Distribuce, a. s.	4102392963	Agreement on Fixed Electricity Payments
ČEZ Distribuce, a. s.	4102439964	Purchase Agreement
ČEZ Distribuce, a. s.	4102440032	Purchase Agreement
ČEZ Distribuce, a. s.	4102472069	Service Agreement
ČEZ Distribuce, a. s.	4102479382	Agreement on Fixed Electricity Payments
ČEZ Distribuce, a. s.	4102494007	Purchase Agreement
ČEZ Distribuce, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Consumables for "Hallway" Printing Equipment of May 10, 2021
ČEZ Distribuce, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Administrative Services of September 8, 2021
ČEZ Distribuce, a. s.	4400050008	Lease Agreement
ČEZ Distribuce, a. s.	4400050357	Lease Agreement
ČEZ Distribuce, a. s.	4400049814	Sublease Agreement
ČEZ Distribuce, a. s.	5600012580	License Agreement
ČEZ Distribuce, a. s.	4400053441	Lease Agreement
ČEZ Distribuce, a. s.	000370_2021	Preliminary Easement Agreement and Agreement on the Right to Build
ČEZ Distribuce, a. s.	001013_2021	Preliminary Easement Agreement and Agreement on the Right to Build
ČEZ Distribuce, a. s.	4101891298	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4101948892	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4101973144	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4101973145	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102096744	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102179855	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102186298	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102189003	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102197434	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102197436	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102197906	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of December 11, 2020
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of May 13, 2015
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of July 12, 2019
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 20, 2017
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 22, 2016

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ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 26, 2019
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of November 29, 2018
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 29, 2017
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 5, 2019
ČEZ Distribuce, a. s.	4400029943	Non-Residential Facility Lease
ČEZ Distribuce, a. s.	4400022264	Non-Residential Facility Lease
ČEZ Distribuce, a. s.	000202_2019	Preliminary Easement Agreement and Building Right Agreement
ČEZ Distribuce, a. s.	000707_2019	Preliminary Easement Agreement and Building Right Agreement
ČEZ Distribuce, a. s.	000751_2019	Preliminary Easement Agreement and Building Right Agreement
ČEZ Distribuce, a. s.	000458_2020	Preliminary Easement Agreement and Consent to the Placement of Building
ČEZ Distribuce, a. s.	000043_2017	Connection Contract
ČEZ Distribuce, a. s.	000330_2018	Preliminary Easement Agreement-Servitude
ČEZ Distribuce, a. s.	000430_2011	Easement Agreement
ČEZ Distribuce, a. s.	000461_2017	Preliminary Easement Agreement-Utility Servitude
ČEZ Distribuce, a. s.	000507_2017	Easement Agreement-Servitude
ČEZ Distribuce, a. s.	000804_2018	Preliminary Easement Agreement and Agreement of the Placement of Building
ČEZ Distribuce, a. s.	000816_2012	Easement Agreement
ČEZ Distribuce, a. s.	000982_2019	Preliminary Easement Agreement and Agreement on the Right to Build
ČEZ Distribuce, a. s.	000201_2020	Easement Agreement
ČEZ Distribuce, a. s.	000666_2020	Connection Contract
ČEZ Distribuce, a. s.	000675_2020	Sublease Agreement
ČEZ Distribuce, a. s.	000168_2012	Easement Agreement
ČEZ Distribuce, a. s.	000468_2020	Lease Agreement
ČEZ Distribuce, a. s.	4102274371	Sublease, Lease Agreement
ČEZ Distribuce, a. s.	279281	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ Distribuce, a. s.	30034054	Contract for Facility Connection to the Distribution Grid
ČEZ Distribuce, a. s.	5600008722	General Service Agreement at Hydroelectric Power Plant Substations
ČEZ Distribuce, a. s.	4102425187	Agreement on the Connection of a Floating Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102459611	Preliminary Agreement on the Connection of the Vysočany Hráz Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102459616	Preliminary Agreement on the Connection of the Bruntál Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102459631	Preliminary Agreement on the Connection of the Tísek Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102459632	Preliminary Agreement on the Connection of the Dělouš Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102459635	Preliminary Agreement on the Connection of the Dolní Podluží Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102462955	Preliminary Agreement on the Connection of the Boněnov Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102462957	Preliminary Agreement on the Connection of the Darkovičky Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102462960	Preliminary Agreement on the Connection of the Chabařovice 2 Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102462985	Preliminary Agreement on the Connection of the Okrouhlička Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463008	Preliminary Agreement on the Connection of the Vrkmaň Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463031	Preliminary Agreement on the Connection of the Vyklice Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463033	Preliminary Agreement on the Connection of the Záluží Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463035	Preliminary Agreement on the Connection of the Litvínov Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463037	Preliminary Agreement on the Connection of the Knínice Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463038	Preliminary Agreement on the Connection of the Rokycany Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463040	Preliminary Agreement on the Connection of the Plato Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463044	Preliminary Agreement on the Connection of the Albrechtice Plot 964 Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463046	Preliminary Agreement on the Connection of the Albrechtice Plot 1844 Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463047	Preliminary Agreement on the Connection of the Albrechtice Plot 1930 Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102463049	Preliminary Agreement on the Connection of the Tachov Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102470541	Preliminary Agreement on the Connection of the Pastuchovice Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4102470549	Preliminary Agreement on the Connection of the Unipetrol Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4400052443	Preliminary Agreement on the Connection of a Photovoltaic Power Plant
ČEZ Distribuce, a. s.	4400052458	Agreement on the Assignment of Rights and Obligations under Preliminary Connection Agreements
ČEZ Distribuce, a. s.	4400052530	Agreement on the Connection of a Photovoltaic Power Plant
ČEZ Distribuce, a. s.	5600012613	Forklift Sales
ČEZ Distribuce, a. s.	CONTRACT_2021_4098	Consensual Declaration of the Ancillary Services Provider and the Distribution System Operator to Whose Distribution System the Equipment of the Provider of Ancillary Services to ČEPS, a.s., Is Connected—Trmice Heating Plant (ETR)
ČEZ Distribuce, a. s.	CONTRACT_2021_4095	Consensual Declaration of the Ancillary Services Provider and the Distribution System Operator to Whose Distribution System the Equipment of the Provider of Ancillary Services to ČEPS, a.s., Is Connected—Štěchovice II Pumped-Storage Hydropower Plant (EST2)
ČEZ Distribuce, a. s.	CONTRACT_2021_4096	Consensual Declaration of the Ancillary Services Provider and the Distribution System Operator to Whose Distribution System the Equipment of the Provider of Ancillary Services to ČEPS, a.s., Is Connected—Prunéřov I Power Plant (EPRU I)
ČEZ Distribuce, a. s.	CONTRACT_2021_4094	Consensual Declaration of the Ancillary Services Provider and the Distribution System Operator to Whose Distribution System the Equipment of the Provider of Ancillary Services to ČEPS, a.s., Is Connected—Mělník II Power Plant— EME2

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Distribuce, a. s.	CONTRACT_2021_4097	Consensual Declaration of the Ancillary Services Provider and the Distribution System Operator to Whose Distribution System the Equipment of the Provider of Ancillary Services to ČEPS, a.s., Is Connected—Ledvice II + III Power Plant (ELE)
ČEZ Distribuce, a. s.	CONTRACT_2021_2189	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Distribuce, a. s.	CONTRACT_2021_173	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Distribuce, a. s.	CONTRACT_2021_440	Credit Facility Agreement
ČEZ Distribuce, a. s.	CONTRACT_2021_441	Credit Facility Agreement
ČEZ Distribuce, a. s.	CONTRACT_2021_442	Credit Facility Agreement
ČEZ Distribuce, a. s.	CONTRACT_2021_443	Credit Facility Agreement
ČEZ Distribuce, a. s.	CONTRACT_2021_4099	Ancillary Service Agreement for Voltage and Reactive Power Control No. 10137432_UQ_2015
ČEZ Distribuce, a. s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ Distribuce, a. s.	CONTRACT_2022_343	General Agreement on Emergency and Operational Assistance
ČEZ Distribuce, a. s.	CONTRACT_2021_169	Agreement on the Transfer of Part of Leave
ČEZ Distribuce, a. s.	CONTRACT_2021_171	Agreement on the Transfer of Part of Leave
ČEZ Distribuce, a. s.	4102371226	Forklift Purchase Agreement
ČEZ Distribuce, a. s.	4400050379	Service Agreement
ČEZ Distribuce, a. s.	4101949710	Electricity Supplies for Electromobility
ČEZ Distribuce, a. s.	4102023138	Service Point Connection-N. Strašecí
ČEZ Distribuce, a. s.	4102060633	Service Point Connection-VEROLD Benešov
ČEZ Distribuce, a. s.	4102062811	Service Point Connection-BENZINA Karviná
ČEZ Distribuce, a. s.	4102066498	Service Point Connection-Žatec
ČEZ Distribuce, a. s.	4102066890	Service Point Connection-Panenský Týnec
ČEZ Distribuce, a. s.	4102071577	Service Point Connection-Přelouč
ČEZ Distribuce, a. s.	4102076643	Service Point Connection-Havířov
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Supply of Light Commercial Vehicles" (ZVZ/4) of April 6, 2021
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Supply of Medium Commercial Vehicles" (ZVZ/26A) of May 20, 2021
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Service and Maintenance of Škoda and Volkswagen Vehicles for CEZ Group" of August 1, 2021
ČEZ Distribuce, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract "Interior Furnishing Supplies" of February 11, 2021
ČEZ Energetické produkty, s.r.o.		Personal Data Processing Agreement
ČEZ Energetické produkty, s.r.o.	5600009631	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Energetické produkty, s.r.o.	69988200_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69988300_2	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69988600_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69988700_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69978400_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69978500_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69978300_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69968400_2	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69995000_1	Heat Supply Agreement
ČEZ Energetické produkty, s.r.o.	69959600_2	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69995300_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69993506_1	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69984500_2	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	69993700_2	Thermal Energy Supply Agreement
ČEZ Energetické produkty, s.r.o.	5600011561	Agreement on Drinking Water Sales and Disposal of Sewage Water
ČEZ Energetické produkty, s.r.o.	5600009160	Web Presentation Creation and Administration
ČEZ Energetické produkty, s.r.o.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Energetické produkty, s.r.o.	5600001489	Service Agreement
ČEZ Energetické produkty, s.r.o.	4400047195	Material Transport
ČEZ Energetické produkty, s.r.o.	4102349084	Purchase Agreement
ČEZ Energetické produkty, s.r.o.	4102442394	Service Agreement
ČEZ Energetické produkty, s.r.o.	5600012583	Contract for Work
ČEZ Energetické produkty, s.r.o.	000560_2021	Preliminary Easement Agreement
ČEZ Energetické produkty, s.r.o.	000001_2016	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000085_2018	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000285_2016	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000389_2016	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000293_2017	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000274_2017	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000408_2017	Lease Agreement

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Energetické produkty, s.r.o.	000524_2018	Easement Agreement
ČEZ Energetické produkty, s.r.o.	000125_2017	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000315_2017	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000148_2019	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000750_2019	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000686_2014	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000420_2017	Preliminary Utility Easement Agreement
ČEZ Energetické produkty, s.r.o.	000063_2017	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000912_2019	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000913_2019	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000008_2020	Lease Agreement
ČEZ Energetické produkty, s.r.o.	000325_2020	Lease Agreement
ČEZ Energetické produkty, s.r.o.	5600008290	Diesel Fuel Sales
ČEZ Energetické produkty, s.r.o.	5600008291	Diesel Fuel Sales
ČEZ Energetické produkty, s.r.o.	5600008292	Diesel Fuel Sales
ČEZ Energetické produkty, s.r.o.	4101184566	Zbrod Landscaping
ČEZ Energetické produkty, s.r.o.	4101331489	Scrap Metal Sale Support
ČEZ Energetické produkty, s.r.o.	4101401701	Subsequent Waste Pond Restoration
ČEZ Energetické produkty, s.r.o.	4101508224	Replacement Tree Planting
ČEZ Energetické produkty, s.r.o.	4400032756	Scrap Yard Operation Support
ČEZ Energetické produkty, s.r.o.	4400032758	Scrap Yard Operation Support
ČEZ Energetické produkty, s.r.o.	4400032760	Scrap Yard Operation Support
ČEZ Energetické produkty, s.r.o.	5600003720	Purchase Agreement for the Sale of Unnecessary Certificated Coal Combustion Products
ČEZ Energetické produkty, s.r.o.	4400036795	Provision of Maintenance and Repairs for Logic Units
ČEZ Energetické produkty, s.r.o.	4400036803	Provision of Maintenance and Repairs for Logic Units
ČEZ Energetické produkty, s.r.o.	4400037956	Agreement on Maintenance and Repairs for Coal and Coal Combustion Products Logic Units
ČEZ Energetické produkty, s.r.o.	4400038032	Agreement on Maintenance and Repairs for Coal and Coal Combustion Products Logic Units
ČEZ Energetické produkty, s.r.o.	4400038038	Agreement on Maintenance and Repairs for Coal and Coal Combustion Products Logic Units
ČEZ Energetické produkty, s.r.o.	4101532300	Performance of Biological Restoration
ČEZ Energetické produkty, s.r.o.	4101579892	Replacement Tree Planting
ČEZ Energetické produkty, s.r.o.	4101599156	Landscape Silvicultural Care
ČEZ Energetické produkty, s.r.o.	4101808594	Addition and Modification of Technology for the Use of the Coal Combustion Products
ČEZ Energetické produkty, s.r.o.	4400039894	Hoisting Equipment Repair and Maintenance Provision
ČEZ Energetické produkty, s.r.o.	4400041653	Contract for Work (Conveyor Transports of Coal Combustion Products)
ČEZ Energetické produkty, s.r.o.	4101999202	Provision of Chemical Registration, Assessment, Permitting, and Restriction Services
ČEZ Energetické produkty, s.r.o.	4102049288	Contract for Work (Biological Restoration and Technical Restoration)
ČEZ Energetické produkty, s.r.o.	4102125179	Reconstruction of Steel Structure
ČEZ Energetické produkty, s.r.o.	4102127059	Construction Work
ČEZ Energetické produkty, s.r.o.	4102171428	Monitoring System Extension
ČEZ Energetické produkty, s.r.o.	4102172955	Contract for Work–Sludge Field for WWTP EPR2
ČEZ Energetické produkty, s.r.o.	4102195115	Restoration
ČEZ Energetické produkty, s.r.o.	4102230885	Dump Truck Reconstruction
ČEZ Energetické produkty, s.r.o.	4102240234	Powder Burner Reconstruction
ČEZ Energetické produkty, s.r.o.	4102253057	Tracked Vehicle Reconstruction
ČEZ Energetické produkty, s.r.o.	4102270378	Slag Crusher Replacement
ČEZ Energetické produkty, s.r.o.	4102274867	Drainage Shaft Security
ČEZ Energetické produkty, s.r.o.	4400046653	Operation, Minor Operational Maintenance, Control and Supervisory Activities
ČEZ Energetické produkty, s.r.o.	4400046656	Operation, Minor Operational Maintenance, Control and Supervisory Activities
ČEZ Energetické produkty, s.r.o.	4400047757	Replacement of Air Ducts and Dampers
ČEZ Energetické produkty, s.r.o.	4400048342	Rotor replacement
ČEZ Energetické produkty, s.r.o.	4400048810	Replacement of End-of-Life Rear Thrust Pressure Assembly Parts
ČEZ Energetické produkty, s.r.o.	4400049161	Operation, Minor Operational Maintenance, Control and Supervisory Activities
ČEZ Energetické produkty, s.r.o.	5600012391	Technical Work
ČEZ Energetické produkty, s.r.o.	5600011240	Purchase Agreement (Diesel Fuel)
ČEZ Energetické produkty, s.r.o.	4102311553	Reconstruction of the FGD Gypsum Conveyor System
ČEZ Energetické produkty, s.r.o.	4102333876	Spare Part Renovation
ČEZ Energetické produkty, s.r.o.	4102348327	Technical and Biological Restoration as Part of the Action "Site Restoration–Vrbičky Site Facilities"
ČEZ Energetické produkty, s.r.o.	4102351170	Assessment of the Existing Renovation at the Hodonín Power Plant Waste Pond (Zbrod-South)
ČEZ Energetické produkty, s.r.o.	4102352242	Spare Part Renovation
ČEZ Energetické produkty, s.r.o.	4102352428	Spare Part Renovation
ČEZ Energetické produkty, s.r.o.	4102356346	Slag Crusher Modernization
ČEZ Energetické produkty, s.r.o.	4102359917	Sampling and Analysis of Building Structures
ČEZ Energetické produkty, s.r.o.	4102371707	Modification of Internal Walls of Fuel Storage Tanks (FST)
ČEZ Energetické produkty, s.r.o.	4102422585	Dismantling of the 350 (DN350) Diameter Pipeline at the Zbrod-North Storage Facility
ČEZ Energetické produkty, s.r.o.	4102429980	Extension of the Limestone Unloading Point
ČEZ Energetické produkty, s.r.o.	4102478060	Replacement Planting of Trees for the Klášterec nad Ohří Municipal Office (MO)

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Energetické produkty, s.r.o.	4102481742	Construction of New Fencing in the Areas in Front of A I-III Waste Ponds
ČEZ Energetické produkty, s.r.o.	4102490243	Biological Restoration of the Zbrod-South Spoil Heap
ČEZ Energetické produkty, s.r.o.	4400048342	Overhaul of the Tower Mills
ČEZ Energetické produkty, s.r.o.	4400049591	Dismantling and Disposal of Pipelines
ČEZ Energetické produkty, s.r.o.	5600012391	Electrical Manipulations on Technological Equipment
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_2190	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_2256	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_324	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Hodonín Power Plant
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_15	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Prunéřov Power Plant
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_44	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Počeradý Power Plant
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_28	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Ledvice Power Plant
ČEZ Energetické produkty, s.r.o.	CONTRACT_2021_223	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Tušimice Power Plant
ČEZ Energetické produkty, s.r.o.	CONTRACT_2022_49	Agreement on Temporary Employee Assignment pursuant to Section 43a of the Labor Code
ČEZ Energetické produkty, s.r.o.	4400035310	Limestone Transportation
ČEZ Energetické produkty, s.r.o.	CONTRACT_2022_562	Agreement on a Nonmonetary Contribution
ČEZ Energetické produkty, s.r.o.	CONTRACT_2022_563	Agreement on a Nonmonetary Contribution
ČEZ Energetické produkty, s.r.o.	CONTRACT_2022_564	Agreement on a Nonmonetary Contribution
ČEZ Energetické produkty, s.r.o.	CONTRACT_2022_565	Agreement on a Nonmonetary Contribution
ČEZ Energetické produkty, s.r.o.	110003_2018	Agreement on the Lease of Movable Property
ČEZ Energetické produkty, s.r.o.	110004_2019	Agreement on the Lease of Movable Property
ČEZ Energetické služby, s.r.o.	P3A200000000035	Personal Data Processing Agreement
ČEZ Energetické služby, s.r.o.	P3A2000000000589	Personal Data Processing Agreement
ČEZ Energetické služby, s.r.o.	69975700_1	Thermal Energy Supply Agreement
ČEZ Energetické služby, s.r.o.	4400039554	Service Agreement (Electrical Equipment Maintenance and Repairs)
ČEZ Energetické služby, s.r.o.	4400042984	Electrical Equipment Operation, Maintenance, and Repair
ČEZ Energetické služby, s.r.o.	5600011970	Agreement on Provision of Cooperation and Data
ČEZ Energetické služby, s.r.o.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Energetické služby, s.r.o.	5600001490	Service Agreement
ČEZ Energetické služby, s.r.o.	4102353323	Purchase Agreement
ČEZ Energetické služby, s.r.o.	4102370834	Contract for Work
ČEZ Energetické služby, s.r.o.	4102373984	Financial Settlement Agreement
ČEZ Energetické služby, s.r.o.	4102375447	Service Agreement
ČEZ Energetické služby, s.r.o.	4102298593	Construction Modifications
ČEZ Energetické služby, s.r.o.	4102322858	Contract for Work
ČEZ Energetické služby, s.r.o.	4102328835	Heat Supply Agreement
ČEZ Energetické služby, s.r.o.	4102328858	Agreement on the Wastewater Discharge and Treatment
ČEZ Energetické služby, s.r.o.	4102344824	Heat Supplies Agreement
ČEZ Energetické služby, s.r.o.	4400050017	Service and Repair Agreement
ČEZ Energetické služby, s.r.o.	4400050018	Analysis of Wastewater Samples
ČEZ Energetické služby, s.r.o.	4400050022	Service Agreement
ČEZ Energetické služby, s.r.o.	4400051102	Service Agreement
ČEZ Energetické služby, s.r.o.	4400051747	Contract for Work
ČEZ Energetické služby, s.r.o.	4400051874	Contract for Work
ČEZ Energetické služby, s.r.o.	000736_2021	Preliminary Easement Agreement and Agreement on the Right to Build
ČEZ Energetické služby, s.r.o.	4400039839	Service Agreement (Electrical Equipment Maintenance and Repairs)
ČEZ Energetické služby, s.r.o.	4400039931	Service Agreement (Electrical Equipment Maintenance and Repairs)
ČEZ Energetické služby, s.r.o.	4400047425	Agreement on Electrical Equipment Operation, Maintenance, and Repairs
ČEZ Energetické služby, s.r.o.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
ČEZ Energetické služby, s.r.o.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
ČEZ Energetické služby, s.r.o.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 22, 2016
ČEZ Energetické služby, s.r.o.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 26, 2019
ČEZ Energetické služby, s.r.o.	000199_2020	Lease Agreement
ČEZ Energetické služby, s.r.o.	410116484	Agreement on Non-Residential Facility Lease
ČEZ Energetické služby, s.r.o.	000375_2017	Agreement on Electrical Equipment Operation, Maintenance, and Repairs
ČEZ Energetické služby, s.r.o.	4400046871	Lease Agreement
ČEZ Energetické služby, s.r.o.	4400032918	Website Operation Provision
ČEZ Energetické služby, s.r.o.	4102140146	Purchase of Emission Allowances
ČEZ Energetické služby, s.r.o.	4400027717	Agreement on Technological Equipment Maintenance
ČEZ Energetické služby, s.r.o.	4102409886	Circulating Cooling Circuit
ČEZ Energetické služby, s.r.o.	4102484842	Hot Water Gas Boiler Room
ČEZ Energetické služby, s.r.o.	4400050971	Turbine Generator Overhaul

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_2191	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_2249	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_895	Mutual Credit Facility Agreement
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_1982	General Agreement on Power Supply and Consumption (EFET)
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_3795	Agreement on the Issuance of Guarantees
ČEZ Energetické služby, s.r.o.	CONTRACT_2021_799	Agreement on the Issuance of Guarantees
ČEZ Energetické služby, s.r.o.	5600012591	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Energetické služby, s.r.o.	4102435501	Agreement on the Construction of Charging Stations in Černá v Pošumaví
ČEZ Energetické služby, s.r.o.	110001_2018	Lease Agreement on the Lease of Nonresidential Premises, Parking Spaces, and Communal Areas
ČEZ Energetické služby, s.r.o.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
ČEZ Energo, s.r.o.	5600006555	Service Agreement
ČEZ Energo, s.r.o.	5600012409	Service Agreement
ČEZ Energo, s.r.o.	CONTRACT_2021_226	Agreement on the Mutual Credit Facilities Related to the Agreement on Provision of the Multilevel Real Cash-Pooling
ČEZ Energo, s.r.o.	CONTRACT_2021_511	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Energo, s.r.o.	P3A21000000106	Personal Data Processing Agreement
ČEZ Energo, s.r.o.	5600012840	Service Agreement
ČEZ Energo, s.r.o.	110013_2018	General Service Agreement (Lease)
ČEZ ENERGOSERVIS spol. s r.o.	69904477_1	Thermal Energy Supply Agreement
ČEZ ENERGOSERVIS spol. s r.o.	69906356_1	Thermal Energy Supply Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4101738034	Laundry Service
ČEZ ENERGOSERVIS spol. s r.o.	4101240152	Maintenance and Repairs
ČEZ ENERGOSERVIS spol. s r.o.	4102148545	Provision of Warehouse Management
ČEZ ENERGOSERVIS spol. s r.o.	4102109978	Training
ČEZ ENERGOSERVIS spol. s r.o.	4102214136	Training
ČEZ ENERGOSERVIS spol. s r.o.	4102267504	Training
ČEZ ENERGOSERVIS spol. s r.o.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ ENERGOSERVIS spol. s r.o.	5600004210	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102314564	Training Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102441363	Training Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102326401	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102326402	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102326403	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102326404	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102329386	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102343079	Training Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102348655	Purchase Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102493626	Protective Work Equipment Purchase Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102355071	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102355992	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102355994	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102363885	Training Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102368332	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102379220	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102397321	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102399328	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102406404	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102414960	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102419344	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102419348	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102425688	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102430386	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102434086	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102451753	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102452721	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102452722	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102489014	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102492788	Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000905_2021	Agreement on Securing Bus Transportation
ČEZ ENERGOSERVIS spol. s r.o.	000858_2021	Agreement on the Provision of Bus Transport and Related Activities
ČEZ ENERGOSERVIS spol. s r.o.	000681_2021	Facility Catering Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000601_2021	Temelín NPP Catering Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400036413	Maintenance and Repairs

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ENERGOSERVIS spol. s r.o.	000015_2016	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000080_2014	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000091_2012	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000197_2014	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000358_2012	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	001299_2012	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000375_2021	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000374_2021	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	000824_2019	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	001299_2012	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	150180519	Approval of Depreciation of Technical Appreciation by the Lessee
ČEZ ENERGOSERVIS spol. s r.o.	350180518	Approval of Depreciation of Technical Appreciation by the Lessee
ČEZ ENERGOSERVIS spol. s r.o.	104338	Contract for Work (Scheduled and Unscheduled Maintenance and Repairs of Radioactive Waste Processing Systems)
ČEZ ENERGOSERVIS spol. s r.o.	90014065	Contract for Work (Provision of Laundry Services)
ČEZ ENERGOSERVIS spol. s r.o.	90102710	Contract for Work (Measurement of Waste from the Controlled Area for Release into the Environment)
ČEZ ENERGOSERVIS spol. s r.o.	93007097	Contract for Work (Management of Waste Outside the Controlled Area)
ČEZ ENERGOSERVIS spol. s r.o.	93007098	Contract for Work (Management of Waste from the Controlled Area)
ČEZ ENERGOSERVIS spol. s r.o.	93008550	Contract for Work (Provision of Support for Dealing with Environmental Emergencies)
ČEZ ENERGOSERVIS spol. s r.o.	239	Contract for Work (Deliveries of Specialized Services for Technology Decontamination)
ČEZ ENERGOSERVIS spol. s r.o.	90000549	Clothing Laundry Operation
ČEZ ENERGOSERVIS spol. s r.o.	90001073	Contract for Work (Operational and Operating Activities in Relation to the Principles of Radiation Protection and Environmental Protection)
ČEZ ENERGOSERVIS spol. s r.o.	350190127	Approval of Depreciation of Technical Appreciation by the Lessee
ČEZ ENERGOSERVIS spol. s r.o.	4400001167	Contract for Work (Performance of Activities in Radioactive Waste Management and for Safe Radioactive Waste Storage Operations at Dukovany)
ČEZ ENERGOSERVIS spol. s r.o.	4400013744	Contract for Work for Operational Arrangements for a Liquid Radioactive Waste Processing Line
ČEZ ENERGOSERVIS spol. s r.o.	4400021321	Emergency Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400021721	Emergency Service Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400022091	Contract for Work (Performance of Repeated Control, Rounds, and Handling Activities on the Primary Circuit Air Conditioning Systems at the Dukovany Nuclear Power Plant)
ČEZ ENERGOSERVIS spol. s r.o.	4400023692	Contract for Work (Performance of Inspection Activities and Repairs After Inspections of Machinery and Equipment at the Dukovany Nuclear Power Plant)
ČEZ ENERGOSERVIS spol. s r.o.	4400025342	Contract for Work (Cleaning of the Cooling Tower Network and the Ultimate Heat Sink)
ČEZ ENERGOSERVIS spol. s r.o.	4400026314	Contract for Work (Project Support)
ČEZ ENERGOSERVIS spol. s r.o.	4400032144	Plastic Label Processing Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400033324	Contract for Work for Logical Unit Maintenance and Repair (Dukovany Nuclear Power Plant Conventional Island)
ČEZ ENERGOSERVIS spol. s r.o.	4400036712	Logical Unit Maintenance, Repair, and Inspection Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400036713	Logical Unit Maintenance, Repair, and Inspection Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400036722	Logical Unit Maintenance, Repair, and Inspection Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400041696	Fixture and Equipment Repairs at Mechanical Workshops
ČEZ ENERGOSERVIS spol. s r.o.	4400042656	Securing Sleeve Distribution
ČEZ ENERGOSERVIS spol. s r.o.	4400043060	Contract for Work (Servicing of Automatic Welder and Accessories)
ČEZ ENERGOSERVIS spol. s r.o.	4400043430	Performance of Control Activities, Rounds, and Handling for Heat Exchanger Stations and Air-Handling Plant, Exterior Structures Including Covers, Inspections of Mobile Diesel Generators, and Test Operation of Diesel Generators in Shelters at the Dukovany Nuclear Power Plant
ČEZ ENERGOSERVIS spol. s r.o.	4400043673	Airlock Operation Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400043734	Performance of Central Oil Management Equipment Operation, Including Oil Discharge, Storage, Cleaning, and Fill-Up
ČEZ ENERGOSERVIS spol. s r.o.	4400044271	Contract for Work to Ensure Tool Station Operation at the Dukovany Nuclear Power Plant
ČEZ ENERGOSERVIS spol. s r.o.	4400033069	Logical Unit Maintenance, Repair, and Inspection Agreement (Temelín Nuclear Power Plant Conventional Island)
ČEZ ENERGOSERVIS spol. s r.o.	4400036702	Logical Unit Maintenance, Repairs, and Inspection
ČEZ ENERGOSERVIS spol. s r.o.	4400036703	Logical Unit Maintenance, Repairs, and Inspection
ČEZ ENERGOSERVIS spol. s r.o.	4400037453	Contract for Work (Emergency Service for the Fire Alarm System)
ČEZ ENERGOSERVIS spol. s r.o.	4400038934	Contract for Work (Emergency Service for Environmental Emergencies)
ČEZ ENERGOSERVIS spol. s r.o.	4400043600	Contract for Work (Distribution, Storage, and Control of Foreign Material Exclusion Means and Plastic Cover Foils)
ČEZ ENERGOSERVIS spol. s r.o.	4400043803	Replacement of Essential Service Water Piping at the Diesel Generator Station
ČEZ ENERGOSERVIS spol. s r.o.	4400044418	Agreement on the Performance of Equipment Repair and Transportation in the Active Auxiliary Operations Building
ČEZ ENERGOSERVIS spol. s r.o.	4101211013	Contract for Work (Material Parting)
ČEZ ENERGOSERVIS spol. s r.o.	4101567255	Contract for Work (Installation of a 3rd Spent Fuel Pool Cooling Pump)
ČEZ ENERGOSERVIS spol. s r.o.	4101774137	Contract for Work (Dissimilar Metal Welding of a 140 mm Diameter Joint at a Steam Generator Super-Accident Feed Joining Piece)
ČEZ ENERGOSERVIS spol. s r.o.	4101997512	Contract for Work (Storage of Existing Spare Racks)
ČEZ ENERGOSERVIS spol. s r.o.	4101778307	Contract for Work (Replacement of Essential Service Water Piping and Fittings)
ČEZ ENERGOSERVIS spol. s r.o.	4101839834	Contract for Work (Piping Drainage Duct Alteration)

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ENERGOSERVIS spol. s r.o.	4101850453	Contract for Work (Flushing of Suction Pipeline for Radioactive Concentrate from Pools)
ČEZ ENERGOSERVIS spol. s r.o.	4101850663	Flap Valve Replacement
ČEZ ENERGOSERVIS spol. s r.o.	4101854677	Contract for Work (Creation of Sampling Points)
ČEZ ENERGOSERVIS spol. s r.o.	4101915542	Upgrade of an Existing Fire Alarm System
ČEZ ENERGOSERVIS spol. s r.o.	4102042426	Contract for Work (Documentation Preparation and Installation of Additional Work Platforms for Radiation Monitoring Equipment Maintenance)
ČEZ ENERGOSERVIS spol. s r.o.	4102045574	Contract for Work (Replacement of Control Fitting Welded Connection Joints)
ČEZ ENERGOSERVIS spol. s r.o.	4102064615	Technical Assistance Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4102079619	Contract for Work (Machine Refurbishment)
ČEZ ENERGOSERVIS spol. s r.o.	4400039327	Contract for Work-Feeder Repair
ČEZ ENERGOSERVIS spol. s r.o.	4102190567	Implementation of Office and Warehouse Cells in Conventional Islands
ČEZ ENERGOSERVIS spol. s r.o.	4102206517	Modification and Operation of Low-Pressure Regulation
ČEZ ENERGOSERVIS spol. s r.o.	4102211997	Contract for Work (Cooling Water Stabilization)
ČEZ ENERGOSERVIS spol. s r.o.	4102224334	Control Weld Joints
ČEZ ENERGOSERVIS spol. s r.o.	4102229280	Change of Air Lock Lever Control
ČEZ ENERGOSERVIS spol. s r.o.	4102254828	Purchase Agreement (Removable Safety Pavement Platform)
ČEZ ENERGOSERVIS spol. s r.o.	4102208330	Contract for Work-Increase of Upper and Lower Tank Operating Volume
ČEZ ENERGOSERVIS spol. s r.o.	4102265866	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102266210	Purchase Agreement (Turbine Spare Parts)
ČEZ ENERGOSERVIS spol. s r.o.	4101731832	Recovery of Nonblock Operating Files
ČEZ ENERGOSERVIS spol. s r.o.	4400046714	Agreement on the Provision of Technical Assistance during the Reactor Hall Work Coordination
ČEZ ENERGOSERVIS spol. s r.o.	4400048873	System Strengthening
ČEZ ENERGOSERVIS spol. s r.o.	4400049414	Provision of Comprehensive Laundry Services
ČEZ ENERGOSERVIS spol. s r.o.	4400049517	Readiness Assurance
ČEZ ENERGOSERVIS spol. s r.o.	5600011540	Lease Agreement
ČEZ ENERGOSERVIS spol. s r.o.	4400046217	Provision of Metal Sale Support
ČEZ ENERGOSERVIS spol. s r.o.	4400047480	Contract for Work-Shaft Repair and Board Delivery
ČEZ ENERGOSERVIS spol. s r.o.	4101823559	Agreement on Cooperation in Contractor Evaluation and Qualification
ČEZ ENERGOSERVIS spol. s r.o.	4400037302	Contract for Work
ČEZ ENERGOSERVIS spol. s r.o.	4102296222	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102297197	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102300169	Purchase of a Valve for Sealing the Flanges of the Temelín Nuclear Power Plant Steam Generator
ČEZ ENERGOSERVIS spol. s r.o.	4102338594	Purchase of Spare Parts for the Temelín Nuclear Power Plant Heat Exchanger
ČEZ ENERGOSERVIS spol. s r.o.	4102343464	Purchase of Spare Parts for the Temelín Nuclear Power Plant Heat Exchanger
ČEZ ENERGOSERVIS spol. s r.o.	4102343849	Elimination of Laminar Oil Flow and Stabilization of Control Circuits, Change of Insurance Valve Settings, and Modification of Pump Inlet Piping
ČEZ ENERGOSERVIS spol. s r.o.	4102355495	Leakage Check of Stable Fire Extinguisher Compartments
ČEZ ENERGOSERVIS spol. s r.o.	4102358032	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102359380	Performing Control Welded Joints for the Logical Unit
ČEZ ENERGOSERVIS spol. s r.o.	4102364190	Replacement of Clarified Water Piping from Clarified Filtered Water Sump to Catex Filters, Wash Water Piping to Sand Filtration, DUKLA Clarifier
ČEZ ENERGOSERVIS spol. s r.o.	4102364699	Reconstruction of a Part of the DN400 Feed Water Pipeline Route with Main Welded Connection inside the Steam Generator
ČEZ ENERGOSERVIS spol. s r.o.	4102365019	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102365898	Contract for Work
ČEZ ENERGOSERVIS spol. s r.o.	4102366212	Modification of the Actual Execution Documentation
ČEZ ENERGOSERVIS spol. s r.o.	4102374129	Purchase of Asynchronous Electric Motor
ČEZ ENERGOSERVIS spol. s r.o.	4102376179	Qualification of the Active Zone Protection System for Higher Temperature H3BO3 (Boric Acid) in the Intake
ČEZ ENERGOSERVIS spol. s r.o.	4102378696	Purchase of Air Conditioning Spare Parts for Dukovany Nuclear Power Plant
ČEZ ENERGOSERVIS spol. s r.o.	4102392709	Purchase of Spare Parts for Pumps
ČEZ ENERGOSERVIS spol. s r.o.	4102406218	Appreciation of Technical Assistance Activities for Commenting on Technological Procedures for Generator Disassembly and Assembly
ČEZ ENERGOSERVIS spol. s r.o.	4102410733	Purchase of Air Conditioning Spare Parts
ČEZ ENERGOSERVIS spol. s r.o.	4102415606	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102415777	Measures to Prevent the Occurrence of Mussels by Modifying the Cooling System
ČEZ ENERGOSERVIS spol. s r.o.	4102419728	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102423225	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102427477	Supply and Installation of New Suction Inserts
ČEZ ENERGOSERVIS spol. s r.o.	4102432264	Performing Control Welded Joints for Steam Generator Collector Replacement
ČEZ ENERGOSERVIS spol. s r.o.	4102448886	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102454046	Additional Measures for the Management of Severe Accidents
ČEZ ENERGOSERVIS spol. s r.o.	4102455960	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102457194	Purchase of Air Conditioning Spare Parts
ČEZ ENERGOSERVIS spol. s r.o.	4102457961	Sleeve Purchase
ČEZ ENERGOSERVIS spol. s r.o.	4102467007	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102467010	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102468787	Spare Part Renovation

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ČEZ ENERGOSERVIS spol. s r.o.	4102469810	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102469992	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102478777	Reconstruction of the Outfall Girder
ČEZ ENERGOSERVIS spol. s r.o.	4102489554	Purchase of Used Furniture
ČEZ ENERGOSERVIS spol. s r.o.	4102492333	Purchase of Used Furniture
ČEZ ENERGOSERVIS spol. s r.o.	4400049414	Provision of Comprehensive Laundry Services
ČEZ ENERGOSERVIS spol. s r.o.	4400049517	Agreement on Readiness Assurance for Primary Circuit, Secondary Circuit, Outdoor Facilities
ČEZ ENERGOSERVIS spol. s r.o.	4400049734	Agreement on Readiness Assurance in the Machine Part of the Temelín Nuclear Power Plant
ČEZ ENERGOSERVIS spol. s r.o.	4400050279	Data Collection and Evaluation of Chemical Parameters of Effluent Water
ČEZ ENERGOSERVIS spol. s r.o.	4400050290	Agreement on the Provision of Reserve Working Group
ČEZ ENERGOSERVIS spol. s r.o.	4400050613	Technical Documentation Preparation
ČEZ ENERGOSERVIS spol. s r.o.	4400050705	Radioactive Waste Pumping
ČEZ ENERGOSERVIS spol. s r.o.	4400050989	Replacement of Shock Absorber Couplings
ČEZ ENERGOSERVIS spol. s r.o.	4400050990	Study for Repair of the Underground Inclined Freight Elevator Ventilation
ČEZ ENERGOSERVIS spol. s r.o.	4400051178	Emergency Lighting Mapping
ČEZ ENERGOSERVIS spol. s r.o.	4400051263	Head Cooling Repair
ČEZ ENERGOSERVIS spol. s r.o.	4400051557	Preparation of Drawings
ČEZ ENERGOSERVIS spol. s r.o.	4400051707	Crane Work and Inclined Cargo Elevator Operations
ČEZ ENERGOSERVIS spol. s r.o.	4400051969	Replacement of Couplings on the Starting Air Distribution System
ČEZ ENERGOSERVIS spol. s r.o.	4400052216	Coordination of Work in the Reactor Hall
ČEZ ENERGOSERVIS spol. s r.o.	4400053096	Securing Foreign Material Exclusion
ČEZ ENERGOSERVIS spol. s r.o.	CONTRACT_2021_2192	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ ENERGOSERVIS spol. s r.o.	CONTRACT_2021_950	Agreement on the Provision of Technical Library Services
ČEZ ENERGOSERVIS spol. s r.o.	CONTRACT_2021_274	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Dukovany Power Plant
ČEZ ENERGOSERVIS spol. s r.o.	CONTRACT_2021_201	Electricity Supply Agreement
ČEZ ENERGOSERVIS spol. s r.o.	CONTRACT_2021_1209	License Agreement on the Provision of the Right to Use Trademarks
ČEZ ENERGOSERVIS spol. s r.o.	4102452923	Spare Part Renovation
ČEZ ENERGOSERVIS spol. s r.o.	4102475219	Purchase of Air Conditioning Spare Parts for Dukovany Nuclear Power Plant
ČEZ ENERGOSERVIS spol. s r.o.	4102489156	Purchase of Air Conditioning Spare Parts for Dukovany Nuclear Power Plant
ČEZ ESCO, a.s.	P3A18000001357	Personal Data Processing Agreement
ČEZ ESCO, a.s.	P3A190000034179	Personal Data Processing Agreement
ČEZ ESCO, a.s.	4102058056	Integrated High- and Medium-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101969445	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101969506	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101969671	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101981446	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101981476	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101981480	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101981502	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101982226	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101994668	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4101998223	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102004823	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102005113	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102008217	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102016950	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102036466	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102036515	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102051718	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102058003	Integrated High- and Medium-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102076365	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102084961	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102086798	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102086828	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102096624	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102131573	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102149739	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102183107	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102183603	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102183644	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102186469	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102211800	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102211807	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102227816	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102227830	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102237720	Integrated Low-Voltage Electricity Supply Service Agreement

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ESCO, a.s.	4102249953	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250271	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250311	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250372	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250373	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250374	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250375	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250412	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102250417	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102252600	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102268768	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102281314	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102314340	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102325445	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102339278	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102340355	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102344939	Agreement on the Transfer of Guarantees of Origin
ČEZ ESCO, a.s.	4102349198	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102351423	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102368238	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102370317	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102370801	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102381299	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102386888	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102392219	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102393342	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102393343	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102399697	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102400759	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102409785	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102411198	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102411225	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102432318	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102438124	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102439457	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102445930	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102448952	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102460704	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102462760	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102468280	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102476808	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102481927	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102485714	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102485742	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102487624	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102489206	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102490045	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102492299	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102492747	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.	4102494067	Integrated Low-Voltage Electricity Supply Service Agreement
ČEZ ESCO, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 18, 2019 (Supplies of Terminal Computing Equipment)
ČEZ ESCO, a.s.		Agreement on Cooperation in the Performance of a Public Contract of June 19, 2019 (CEZ Group Corporate Mobile Telephony 2019-2024)
ČEZ ESCO, a.s.		Agreement on Cooperation in the Performance of a Public Contract of July 20, 2018 (Xenergie System Development)
ČEZ ESCO, a.s.		Agreement on Cooperation in the Performance of a Public Contract of December 20, 2019 (General Agreement on the Development of the Xenergie System)
ČEZ ESCO, a.s.		Agreement on Cooperation in the Performance of a Public Contract of August 14, 2018 (Microsoft 2018 General Agreement)
ČEZ ESCO, a.s.		Agreement on Cooperation in the Performance of a Public Contract of August 6, 2019 (Xenergie System Service)
ČEZ ESCO, a.s.		Agreement on Cooperation in the Performance of a Public Contract of October 12, 2018 (DUHA II)
ČEZ ESCO, a.s.	4400049104	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4102320616	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4102267760	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4102267593	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4102254723	Agreement on Combined Gas Supplies

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ESCO, a.s.	4102267717	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4102275073	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4102275040	Agreement on Combined Gas Supplies
ČEZ ESCO, a.s.	4101893463	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893561	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893596	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893653	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893660	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893696	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893822	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893825	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101893861	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101873398	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101874922	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101874930	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101879936	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101881668	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101881816	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101885969	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101885994	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101885997	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101886021	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888467	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888468	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888469	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888470	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888481	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888482	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888542	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888548	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888564	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888566	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888585	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888603	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888614	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888617	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888619	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888662	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888666	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888683	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888711	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888716	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888720	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888754	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888759	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888792	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888828	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888867	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888894	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888912	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101888917	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101890581	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101896488	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101896567	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.	4101882361	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ESCO, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ ESCO, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of May 22, 2020
ČEZ ESCO, a.s.	5600010131	Service Agreement
ČEZ ESCO, a.s.	4102299872	Agreement on Combined Electricity Supplies
ČEZ ESCO, a.s.	4102318071	Lease Agreement
ČEZ ESCO, a.s.	4102323228	Agreement on Combined Electricity Supplies
ČEZ ESCO, a.s.	4102323321	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102323532	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102323766	Agreement on Combined Electricity Supplies
ČEZ ESCO, a.s.	4102325111	Agreement on Combined Electricity Supplies

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ESCO, a.s.	4102325134	Agreement on Sublease for Further Business and on Business Lease of Movable Property
ČEZ ESCO, a.s.	4102325206	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102326765	Agreement on Combined Electricity Supplies
ČEZ ESCO, a.s.	4102326839	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102326861	Agreement on Combined Electricity Supplies
ČEZ ESCO, a.s.	4102326867	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102328467	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102347687	Agreement on Gas Supply
ČEZ ESCO, a.s.	4102351504	Purchase Agreement
ČEZ ESCO, a.s.	4102418440	Electricity Supply Agreement
ČEZ ESCO, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract "Google Ads Online Performance Campaigns" of June 27, 2021
ČEZ ESCO, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Administrative Services of September 8, 2021
ČEZ ESCO, a.s.	4400050774	Agreement on the Short-Term Accommodation of Employees
ČEZ ESCO, a.s.	4101871603	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101871624	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101871703	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101880171	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101880172	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101880960	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883095	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883100	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883127	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883130	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883134	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883140	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883154	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883171	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101883193	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101891031	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101891274	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101894991	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101894992	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101894993	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101894994	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101905225	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101905412	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101919142	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101923807	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101923810	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101936367	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.	4101940610	Electricity Supplies for Electromobility
ČEZ ESCO, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 20, 2017
ČEZ ESCO, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 26, 2019
ČEZ ESCO, a.s.	000234_2020	Lease Agreement
ČEZ ESCO, a.s.	4102172610	Lease Agreement
ČEZ ESCO, a.s.	4101614800	Delivery of Emission Allowances
ČEZ ESCO, a.s.	4400046401	Provision of Services for Fast Rechargeable Battery Pilot Installation
ČEZ ESCO, a.s.	CONTRACT_2021_2193	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ ESCO, a.s.	CONTRACT_2021_227	Agreement on the Mutual Credit Facilities Related to the Agreement on Provision of the Multilevel Real Cash-Pooling
ČEZ ESCO, a.s.	CONTRACT_2021_2242	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ ESCO, a.s.	CONTRACT_2021_248	Mutual Credit Facility Agreement
ČEZ ESCO, a.s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ ESCO, a.s.	CONTRACT_2021_1678	General Agreement on Power Supply and Consumption (EFET)
ČEZ ESCO, a.s.	CONTRACT_2021_800	Agreement on the Issuance of Guarantees
ČEZ ESCO, a.s.	CONTRACT_2021_4255	Agreement on the Transfer of Part of Leave
ČEZ ESCO, a.s.	5600012650	License Agreement on the Provision of the Right to Use Trademarks
ČEZ ESCO, a.s.	4102300122	Polyfazer Direct 2020 Commission Payment Agreement
ČEZ ESCO, a.s.	4400047502	Agreement on the Assignment of the General Agreement on the Implementation of Charging Station Sites
ČEZ ESCO, a.s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
ČEZ ICT Services, a. s.	P3A18000014172	Personal Data Processing Agreement

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ICT Services, a. s.	P3A18000001317	Personal Data Processing Agreement
ČEZ ICT Services, a. s.	P3A18000014493	Personal Data Processing Agreement
ČEZ ICT Services, a. s.	5600009640	License Agreement on the Provision of the Right to Use Trademarks
ČEZ ICT Services, a. s.	69901598_3	Heat Supply Agreement
ČEZ ICT Services, a. s.	69968600_1	Thermal Energy Supply Agreement
ČEZ ICT Services, a. s.	30008966	Thermal Energy Supply Agreement
ČEZ ICT Services, a. s.	69935002_4	Heat Supply Agreement
ČEZ ICT Services, a. s.	64200	Thermal Energy Supply Agreement
ČEZ ICT Services, a. s.	69906141_2	Thermal Energy Supply Agreement
ČEZ ICT Services, a. s.	69904352_2	Thermal Energy Supply Agreement
ČEZ ICT Services, a. s.	PR/00229266	Thermal Energy Supply Agreement
ČEZ ICT Services, a. s.	69905082_1	Heat Supply Agreement
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract (Antivirus Solution) of 2019
ČEZ ICT Services, a. s.	4100464851	Lease Agreement
ČEZ ICT Services, a. s.	4100871029	Lease Agreement
ČEZ ICT Services, a. s.	4100871057	Lease Agreement
ČEZ ICT Services, a. s.	4100872622	Lease Agreement
ČEZ ICT Services, a. s.	4100875771	Lease Agreement
ČEZ ICT Services, a. s.	4100888337	Lease Agreement
ČEZ ICT Services, a. s.	4100888563	Lease Agreement
ČEZ ICT Services, a. s.	4100901203	Lease Agreement
ČEZ ICT Services, a. s.	4101989738	Easement Agreement
ČEZ ICT Services, a. s.	4101990799	Easement Agreement
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 5, 2018 (DWDM Network Restoration and Expansion)
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 29, 2018 (IT Infrastructure Service Support)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 18, 2019 (Supplies of Terminal Computing Equipment)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 19, 2019 (Telemetry)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of April 15, 2019 (O2 Telemetry for CEZ Group 2019-2024)
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 19, 2019 (CEZ Group Corporate Mobile Telephony 2019-2024)
ČEZ ICT Services, a. s.	4400045710	Easement Agreement
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award of a Public Contract (Servicing, Development, and Renovation of Telecommunications Access and Transmission Network with SDH/TDM/MPLS Equipment and Appropriate Monitoring Systems) of 2019
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Access and Attendance Systems) of 2018 (IMA-K4 Access Control System and Related Supplies and Services)
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (x86 Server Deliveries) of 2018
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Infra Checkpoint Security Maintenance) of 2017
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Active LAN Element Renovation) of 2019
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Active WAN Telecommunications Access Network Element Renovation) of 2018
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of July 11, 2018 (ECM System Service)
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of July 20, 2018 (Xenergie System Development)
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of December 20, 2019 (General Agreement on the Development of the Xenergie System)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract (Oracle 2020-2022 Licenses) of June 28, 2019
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of February 28, 2019 (Business Intelligence for the Distribution Segment)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of November 5, 2019 (Provision of Services for the Management and Operation of ICE Electricity and Heat Generation Systems)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of April 23, 2019 (GA SEFIRA implementation)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of July 26, 2019 (PC Ensuring SRP support for PI System Licenses)
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of August 14, 2018 (Microsoft 2018 General Agreement)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of July 4, 2019 (Citrix License Maintenance 2020-2022)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 20, 2019 (IBM Spectrum Storage Suite and Maintenance License)

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of August 6, 2019 (Xenergie System Service)
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of March 4, 2019 (SEFIRA Service) Until May 2023
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of October 12, 2018 (DUHA II)
ČEZ ICT Services, a. s.	4102196855	Support for the ČKS Transformation Project
ČEZ ICT Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of January 5, 2016 (Provision of ICT Services in the Area of CEZ Group's Terminal Equipment)
ČEZ ICT Services, a. s.	4100465555	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4400033482	Agreement on the Provision of Information Technology and Telecommunications Services (GA for the provision of IT and TC services—EPC)
ČEZ ICT Services, a. s.	4400039767	Service Agreement (Structured Cabling)
ČEZ ICT Services, a. s.	4400039787	Service Agreement (Structured DKE Cabling)
ČEZ ICT Services, a. s.	4400050001	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050002	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050009	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050024	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050030	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050201	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050202	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050302	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4102392844	Agreement on the Purchase of Radio Stations
ČEZ ICT Services, a. s.	4102294362	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4102294408	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4102298927	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4102298930	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4102324863	Printing Equipment Purchase Agreement
ČEZ ICT Services, a. s.	4102349728	Structured Cabling Extension Agreement
ČEZ ICT Services, a. s.	4102361075	External Consultation
ČEZ ICT Services, a. s.	4102382461	WiFi Extension Contract
ČEZ ICT Services, a. s.	4102400956	Agreement on the Creation of an Electronic Form
ČEZ ICT Services, a. s.	4102402334	Structured Cabling Extension Agreement
ČEZ ICT Services, a. s.	4102418889	Provision of Telco Services for the Shareholders' Meeting
ČEZ ICT Services, a. s.	4102421018	WiFi Extension Contract
ČEZ ICT Services, a. s.	4102422297	Hardware Purchase Agreement
ČEZ ICT Services, a. s.	4102429442	Agreement on the ICT Support in the Sale of the Počerady Power Plant
ČEZ ICT Services, a. s.	4102432858	Database Provision Agreement
ČEZ ICT Services, a. s.	4102436324	Provision of IT Services for the Shareholders' Meeting
ČEZ ICT Services, a. s.	4102449524	Hardware Purchase Agreement
ČEZ ICT Services, a. s.	4102463276	Structured Cabling Extension Agreement
ČEZ ICT Services, a. s.	4102463623	Agreement on the Provision of Data Space for PostgreSQL
ČEZ ICT Services, a. s.	4102484141	Structured Cabling Extension Agreement
ČEZ ICT Services, a. s.	4100773622	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4101348177	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4100698200	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4400025654	General Agreement on IT and Telecommunication Services
ČEZ ICT Services, a. s.	4101950691	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4101951650	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	5600010101	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	5600005750	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4400032919	Corporate Website Service Agreement
ČEZ ICT Services, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ ICT Services, a. s.	5600000620	Agreement on Provision of Security Services
ČEZ ICT Services, a. s.	5600001488	Agreement on Information Technology Services
ČEZ ICT Services, a. s.	5600005941	Letter of Intent-Receipt of Services for a Corporate Data Center
ČEZ ICT Services, a. s.	4100465515	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4100472347	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4100698302	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4100702763	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ ICT Services, a. s.	4102291844	Lease Agreement
ČEZ ICT Services, a. s.	4102292045	Contract for Work (Structured Cabling Repair)
ČEZ ICT Services, a. s.	4102293647	Agreement on the Lease of Movable Property
ČEZ ICT Services, a. s.	4102309868	Lease Agreement
ČEZ ICT Services, a. s.	4102316181	Lease Agreement
ČEZ ICT Services, a. s.	4102326172	Contract for Work
ČEZ ICT Services, a. s.	4102338163	Contract for Work
ČEZ ICT Services, a. s.	4102388521	Protective Equipment Purchase Agreement

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ ICT Services, a. s.	4102388537	Protective Work Equipment Purchase Agreement
ČEZ ICT Services, a. s.	4102341101	Contract for Work (WIFI Extension)
ČEZ ICT Services, a. s.	4102410267	Protective Work Equipment Purchase Agreement
ČEZ ICT Services, a. s.	4102348653	Purchase Agreement
ČEZ ICT Services, a. s.	4102441501	Protective Work Equipment Purchase Agreement
ČEZ ICT Services, a. s.	4102371701	Training Service Agreement
ČEZ ICT Services, a. s.	4102373543	Contract for Work
ČEZ ICT Services, a. s.	4102375048	Contract for Work
ČEZ ICT Services, a. s.	4102380974	Contract for Work
ČEZ ICT Services, a. s.	4102388753	Contract for Work
ČEZ ICT Services, a. s.	4102405767	Contract for Work
ČEZ ICT Services, a. s.	4102413566	Contract for Work
ČEZ ICT Services, a. s.	4102422515	Contract for Work
ČEZ ICT Services, a. s.	4102425956	Contract for Work
ČEZ ICT Services, a. s.	4102429027	Service Agreement
ČEZ ICT Services, a. s.	4102441480	Contract for Work
ČEZ ICT Services, a. s.	4102470429	Lease Agreement
ČEZ ICT Services, a. s.	4102472067	Contract for Work
ČEZ ICT Services, a. s.	4102473970	Contract for Work
ČEZ ICT Services, a. s.	4102477276	Contract for Work
ČEZ ICT Services, a. s.	4102478655	Contract for Work
ČEZ ICT Services, a. s.	4102483741	Contract for Work
ČEZ ICT Services, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Consumables for "Hallway" Printing Equipment of May 10, 2021
ČEZ ICT Services, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Administrative Services of September 8, 2021
ČEZ ICT Services, a. s.	4400049863	Sublease Agreement
ČEZ ICT Services, a. s.	4400049864	Sublease Agreement
ČEZ ICT Services, a. s.	4400053313	WIFI Cabling Extension and Renewal
ČEZ ICT Services, a. s.	000906_2021	Agreement on Securing Bus Transportation
ČEZ ICT Services, a. s.	000859_2021	Agreement on Securing Bus Transportation
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
ČEZ ICT Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
ČEZ ICT Services, a. s.	4100891309	Agreement on Non-Residential Facility Lease
ČEZ ICT Services, a. s.	4101027840	Agreement on Non-Residential Facility Lease
ČEZ ICT Services, a. s.	4101129964	Agreement on Non-Residential Facility Lease
ČEZ ICT Services, a. s.	000236_2019	Easement Agreement
ČEZ ICT Services, a. s.	000237_2019	Easement Agreement
ČEZ ICT Services, a. s.	000759_2019	Easement Agreement
ČEZ ICT Services, a. s.	000577_2020	Lease Agreement
ČEZ ICT Services, a. s.	4102223469	Lease Agreement
ČEZ ICT Services, a. s.	CONTRACT_2021_2194	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ ICT Services, a. s.	CONTRACT_2021_2255	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ ICT Services, a. s.	CONTRACT_2021_898	Mutual Credit Facility Agreement
ČEZ ICT Services, a. s.	CONTRACT_2021_2279	Agreement on Establishing Rights and Obligations in IS Critical Information Infrastructure Operation
ČEZ ICT Services, a. s.	CONTRACT_2021_243	Agreement on Power Supply from the ČEZ, a. s., Generating Facility, Tušimice Power Plant No. ETU/2018/002
ČEZ ICT Services, a. s.	CONTRACT_2021_311	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Hodonín Power Plant
ČEZ ICT Services, a. s.	CONTRACT_2021_802	Calibration
ČEZ ICT Services, a. s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ ICT Services, a. s.	4400050305	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050272	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050281	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050282	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050306	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	4400050273	Provision of ICT Services in the Group
ČEZ ICT Services, a. s.	CONTRACT_2022_584	Contribution Agreement
ČEZ LDS s.r.o.	4102262209	Agreement on Electricity Consumer Connection to Low-Voltage Distribution System
ČEZ LDS s.r.o.	5600012408	Service Agreement
ČEZ LDS s.r.o.	001176_2021	Lease Agreement
ČEZ LDS s.r.o.	CONTRACT_2021_2195	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ LDS s.r.o.	CONTRACT_2021_525	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Obnovitelné zdroje, s.r.o.	P3A18000014024	Personal Data Processing Agreement
ČEZ Obnovitelné zdroje, s.r.o.	69996000_1	Thermal Energy Supply Agreement

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Obnovitelné zdroje, s.r.o.		Agreement on Cooperation in the Performance of a Public Contract of January 5, 2016 (Provision of ICT Services in the Area of CEZ Group's Terminal Equipment)
ČEZ Obnovitelné zdroje, s.r.o.	4102255221	Agreement on Electric Power Purchase
ČEZ Obnovitelné zdroje, s.r.o.	4400032623	Corporate Website Service Agreement
ČEZ Obnovitelné zdroje, s.r.o.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Obnovitelné zdroje, s.r.o.	4400013229	Service Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4102238647	Contract for Work
ČEZ Obnovitelné zdroje, s.r.o.	4102281259	Lease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4102340851	Internal Audit Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4102345078	Contract for Work
ČEZ Obnovitelné zdroje, s.r.o.	4102349394	Purchase Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4102357678	Contract for Work
ČEZ Obnovitelné zdroje, s.r.o.	4102379191	Lease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4102395078	Contract for Work
ČEZ Obnovitelné zdroje, s.r.o.	4102395758	Contract for Work
ČEZ Obnovitelné zdroje, s.r.o.	4102449534	Contract for Work
ČEZ Obnovitelné zdroje, s.r.o.	5600012581	License Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4400051329	Sublease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4400052962	Lease Agreement and Preliminary Purchase Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4400052963	Lease Agreement and Preliminary Purchase Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4400052964	Lease Agreement and Preliminary Purchase Agreement
ČEZ Obnovitelné zdroje, s.r.o.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
ČEZ Obnovitelné zdroje, s.r.o.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
ČEZ Obnovitelné zdroje, s.r.o.		Contracting Entities Articles of Association-Contracting Entities Association Agreement of May 30, 2014
ČEZ Obnovitelné zdroje, s.r.o.	000814_2019	Lease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	000193_2020	Lease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	000327_2020	Lease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	000665_2020	Preliminary Utility Easement Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4400040758	Agreement on the Cooperation in Small Hydropower Plant Operation
ČEZ Obnovitelné zdroje, s.r.o.	5600011280	Provision of Technical Support and Services
ČEZ Obnovitelné zdroje, s.r.o.	4102488859	Camera System Repair
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2021_2196	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2021_3632	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2021_4100	Electricity Supply Agreement
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2022_187	Agreement on the Transfer of Part of Leave
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2022_192	Agreement on the Transfer of Part of Leave
ČEZ Obnovitelné zdroje, s.r.o.	CONTRACT_2022_193	Agreement on the Transfer of Part of Leave
ČEZ Obnovitelné zdroje, s.r.o.	4102414465	Earthworks and Charging Station Connection
ČEZ Obnovitelné zdroje, s.r.o.	000291_2020	Lease Agreement
ČEZ Obnovitelné zdroje, s.r.o.	4400051604	Service Agreement on the Development and Implementation of Renewables
ČEZ Obnovitelné zdroje, s.r.o.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
ČEZ OZ uzavřený investiční fond a.s.	5600008751	License Agreement on the Provision of the Right to Use Trademarks
ČEZ OZ uzavřený investiční fond a.s.	5600005985	Service Agreement (Internet Profile Editing)
ČEZ OZ uzavřený investiční fond a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ OZ uzavřený investiční fond a.s.	5600003042	Service Agreement (Financial Services and Internal Audit)
ČEZ OZ uzavřený investiční fond a.s.	4101353364	Lease Agreement
ČEZ OZ uzavřený investiční fond a.s.	001102_2012	Easement Agreement
ČEZ OZ uzavřený investiční fond a.s.	CONTRACT_2021_229	Agreement on the Mutual Credit Facilities Related to the Agreement on Provision of the Multilevel Real Cash-Pooling
ČEZ Prodej, a.s.	P3A18000014326	Personal Data Processing Agreement
ČEZ Prodej, a.s.	P3A18000014492	Personal Data Processing Agreement
ČEZ Prodej, a.s.	P3A18000001412	Personal Data Processing Agreement
ČEZ Prodej, a.s.	P3A18000014429	Personal Data Processing Agreement
ČEZ Prodej, a.s.	P3A19000008665	Personal Data Processing Agreement
ČEZ Prodej, a.s.	P3A19000034180	Personal Data Processing Agreement
ČEZ Prodej, a.s.	P3A20000000529	Personal Data Processing Agreement
ČEZ Prodej, a.s.	56000010200	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of June 5, 2018 (DWDM Network Restoration and Expansion)
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of June 29, 2018 (IT Infrastructure Service Support)

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 18, 2019 (Supplies of Terminal Computing Equipment)
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of June 19, 2019 (CEZ Group Corporate Mobile Telephony 2019-2024)
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract (Active LAN Element Renovation) of 2019
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of July 20, 2018 (Xenergie System Development)
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of December 20, 2019 (General Agreement on the Development of the Xenergie System)
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract (2020 MA Oracle Licenses) of June 28, 2019
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract (2020-2022 MA Oracle Licenses) of June 28, 2019
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of August 14, 2018 (Microsoft 2018 General Agreement)
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of July 4, 2019 (Citrix License Maintenance (2020-2022))
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of August 6, 2019 (Xenergie System Service)
ČEZ Prodej, a.s.		Agreement on Cooperation in the Performance of a Public Contract of October 12, 2018 (DUHA II)
ČEZ Prodej, a.s.	5600009270	Agreement on the Provision of Electromobility Services
ČEZ Prodej, a.s.	4400028061	Electric Vehicle Rental Agreement
ČEZ Prodej, a.s.	5600005988	Agreement on Website Services
ČEZ Prodej, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Prodej, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of December 18, 2020
ČEZ Prodej, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of May 22, 2020
ČEZ Prodej, a.s.	4400048115	Service Agreement
ČEZ Prodej, a.s.	4400040118	Agreement on Billing Services
ČEZ Prodej, a.s.	5600001485	Service Agreement
ČEZ Prodej, a.s.	4400038630	Billing Service Agreement
ČEZ Prodej, a.s.	5600006368	Agreement on the Provision of Electromobility Services
ČEZ Prodej, a.s.	4102288777	Agreement on the Sublease of Business Premises and for Business Lease of Movables
ČEZ Prodej, a.s.	4102291870	Lease Agreement
ČEZ Prodej, a.s.	4102291906	Agreement on the Sublease of Business Premises
ČEZ Prodej, a.s.	4102293617	Agreement on the Sublease of Business Premises and for Business Lease of Movables
ČEZ Prodej, a.s.	4102311288	Agreement on the Lease of Movable Property
ČEZ Prodej, a.s.	4102312091	Agreement on the Lease of Movable Property
ČEZ Prodej, a.s.	4102315514	Agreement on the Sublease of Nonresidential Premises and Lease of Movable Property
ČEZ Prodej, a.s.	4102317531	Lease Agreement
ČEZ Prodej, a.s.	4102350665	Purchase Agreement
ČEZ Prodej, a.s.	4102354772	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102354815	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102379534	Contract for Work
ČEZ Prodej, a.s.	4102391572	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102391595	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102394421	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102432295	Electricity Supply Agreement
ČEZ Prodej, a.s.	4102456001	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102456341	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.	4102487111	Refrigerator Supply Agreement
ČEZ Prodej, a.s.	4102489021	Contract for Work
ČEZ Prodej, a.s.	4102489212	Agreement on Combined Electricity Supplies
ČEZ Prodej, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract "Google Ads Online Performance Campaigns" of June 27, 2021
ČEZ Prodej, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Administrative Services of September 8, 2021
ČEZ Prodej, a.s.	4400050325	Service Agreement
ČEZ Prodej, a.s.	4400051654	Sublease Agreement and Agreement on Business Lease of Movable Property
ČEZ Prodej, a.s.	4101784666	Electricity Supplies for Electromobility
ČEZ Prodej, a.s.	4101858039	Electricity Supplies for Electromobility
ČEZ Prodej, a.s.	4101860154	Electricity Supplies for Electromobility
ČEZ Prodej, a.s.	4101860157	Electricity Supplies for Electromobility
ČEZ Prodej, a.s.	4101865834	Electricity Supplies for Electromobility
ČEZ Prodej, a.s.	4101833698	Electricity Supplies for Electromobility
ČEZ Prodej, a.s.	4400043691	Provision of Service (Electromobility)
ČEZ Prodej, a.s.	4400048659	Service Agreement

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 20, 2017
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 26, 2019
ČEZ Prodej, a.s.	90250768	Electric Power Supply
ČEZ Prodej, a.s.	CONTRACT_2021_4201	Comprehensive Gas Supply Agreement in 2010-2012
ČEZ Prodej, a.s.	CONTRACT_2021_4204	Comprehensive Electricity Supply Agreement in 2010-2012
ČEZ Prodej, a.s.	CONTRACT_2022_251	Supply Security Standard Agreement in 2021-2022
ČEZ Prodej, a.s.	CONTRACT_2021_2197	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Prodej, a.s.	CONTRACT_2021_228	Agreement on the Mutual Credit Facilities Related to the Agreement on Provision of the Multilevel Real Cash-Pooling
ČEZ Prodej, a.s.	CONTRACT_2021_2251	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Prodej, a.s.	CONTRACT_2021_4101	Service Agreement No. HS/00248975
ČEZ Prodej, a.s.	CONTRACT_2022_250	Service Agreement
ČEZ Prodej, a.s.	CONTRACT_2021_4102	"Energy Link" Service Agreement
ČEZ Prodej, a.s.	CONTRACT_2021_2421	Buyout Agreement
ČEZ Prodej, a.s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ Prodej, a.s.	CONTRACT_2021_4103	Partial Agreement Confirmation-Virtual Natural Gas Storage with Fixed Capacity
ČEZ Prodej, a.s.	CONTRACT_2021_3780	Agreement on the Issuance of Guarantees
ČEZ Prodej, a.s.	CONTRACT_2021_809	Agreement on the Issuance of Guarantees
ČEZ Prodej, a.s.	CONTRACT_2021_259	ZBA/2006/58 Agreement on the Provision of Real One-Way Multilevel Cashpooling
ČEZ Prodej, a.s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
ČEZ Recyklace, s.r.o.	5600006556	Corporate Website Service Agreement
ČEZ Recyklace, s.r.o.	5600008281	Service Agreement
ČEZ Recyklace, s.r.o.	CONTRACT_2021_2198	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Recyklace, s.r.o.	CONTRACT_2021_1026	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Teplárenská, a.s.	P3A18000014135	Personal Data Processing Agreement
ČEZ Teplárenská, a.s.	P3A18000014325	Personal Data Processing Agreement
ČEZ Teplárenská, a.s.	P3A190000034181	Personal Data Processing Agreement
ČEZ Teplárenská, a.s.	5600008870	License Agreement on the Provision of the Right to Use Trademarks
ČEZ Teplárenská, a.s.	69977900_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69909201_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69945300_6	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69938400_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69938500_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69970401_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69901328_2	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69907901_2	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69951500_2	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	68066401_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.		Agreement on Cooperation in the Performance of a Public Contract of January 5, 2016 (Provision of ICT Services in the Area of CEZ Group's Terminal Equipment)
ČEZ Teplárenská, a.s.	4101067636	Electricity and Heat Supplies, Water/Sewer Fees
ČEZ Teplárenská, a.s.	4400030836	Service Agreement (Media Services)
ČEZ Teplárenská, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ČEZ Teplárenská, a.s.	4400043033	Mandate Contract
ČEZ Teplárenská, a.s.	4400019264	Service Agreement
ČEZ Teplárenská, a.s.	4400019388	Service Agreement
ČEZ Teplárenská, a.s.	4102282087	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102292367	Heat Supply Agreement
ČEZ Teplárenská, a.s.	4102297158	Agreement on the Heat Supply to the Michle Building
ČEZ Teplárenská, a.s.	4102323579	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102326199	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102326204	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102331121	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102341351	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102342174	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102320598	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102320670	Cold Water Supply Agreement
ČEZ Teplárenská, a.s.	4102384379	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102386955	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102339262	Contract for Work (Service)

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Teplárenská, a.s.	4102407104	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102407107	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102414148	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102414172	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102419098	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102421045	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102430661	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102439735	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102439745	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102441922	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102442116	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102442325	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102442329	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102444406	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102445277	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102456782	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102456895	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102349393	Purchase Agreement
ČEZ Teplárenská, a.s.	4102471912	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102472678	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102475416	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102475418	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102475869	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102480572	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102480574	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102480601	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102481598	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102482388	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102484157	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102484946	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102486321	Protective Work Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102491179	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102495523	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102496574	Protective Equipment Purchase Agreement
ČEZ Teplárenská, a.s.	4102355539	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102369119	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102391258	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102404185	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102420770	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102436934	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102450937	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102475563	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102489571	Contract for Work (Service)
ČEZ Teplárenská, a.s.	4102071393	Lease
ČEZ Teplárenská, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
ČEZ Teplárenská, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of June 20, 2017
ČEZ Teplárenská, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
ČEZ Teplárenská, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 26, 2019
ČEZ Teplárenská, a.s.	4100297851	Non-Residential Facility Lease
ČEZ Teplárenská, a.s.	4100298692	Non-Residential Facility Lease
ČEZ Teplárenská, a.s.	4100305339	Non-Residential Facility Lease
ČEZ Teplárenská, a.s.	4100936354	Heat-Exchanger Station Equipment Lease
ČEZ Teplárenská, a.s.	4101029346	Lease
ČEZ Teplárenská, a.s.	4101123713	Non-Residential Facility Lease
ČEZ Teplárenská, a.s.	000265_2017	Agreement on Change to Statutory Easement Scope
ČEZ Teplárenská, a.s.	000395_2017	Easement Agreement
ČEZ Teplárenská, a.s.	000267_2017	Easement Agreement
ČEZ Teplárenská, a.s.	000266_2017	Easement Agreement
ČEZ Teplárenská, a.s.	000144_2017	Utility Easement Agreement
ČEZ Teplárenská, a.s.	4101988207	Utility Easement Agreement of November 21, 2019
ČEZ Teplárenská, a.s.	000399_2016	Easement Agreement
ČEZ Teplárenská, a.s.	000452_2009	Easement Agreement
ČEZ Teplárenská, a.s.	4400046905	Lease Agreement
ČEZ Teplárenská, a.s.	4102309448	Professional Training Course

Contracting Party	Agreement Registration Number	Agreement Title
ČEZ Teplárenská, a.s.	4400019297	Service Agreement
ČEZ Teplárenská, a.s.	4400027760	Heating Plant Operation
ČEZ Teplárenská, a.s.	4400027762	Power Plant Equipment Maintenance and Care Management
ČEZ Teplárenská, a.s.	4400028522	Gas Boiler Room Operation
ČEZ Teplárenská, a.s.	4400031149	Feed Water Chemical Analyses
ČEZ Teplárenská, a.s.	5600005275	Agreement on Gas Supply
ČEZ Teplárenská, a.s.	5600009155	Service Agreement
ČEZ Teplárenská, a.s.	4101949826	Construction Siting Agreement
ČEZ Teplárenská, a.s.	4102441105	Air Purifier Purchase
ČEZ Teplárenská, a.s.	CONTRACT_2021_2200	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ČEZ Teplárenská, a.s.	CONTRACT_2021_2437	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ČEZ Teplárenská, a.s.	CONTRACT_2021_206	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Poříčí Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_205	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Poříčí Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_321	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Hodonín Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_322	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Hodonín Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_29	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Ledvice Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_235	Agreement on the Supply and Consumption of Demineralized Water from the Distribution System of ČEZ, a. s., Ledvice Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_234	Agreement on the Supply and Consumption of Ammonia Water from the Distribution System of ČEZ, a. s., Ledvice Power Plant
ČEZ Teplárenská, a.s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
ČEZ Teplárenská, a.s.	CONTRACT_2021_1959	General Agreement on Power Supply and Consumption (EFET)
ČEZ Teplárenská, a.s.	69940401_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69950701_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69946502_2	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	69960400_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	000236_2020	Agreement on Coordinated Action in the Award of a Public Contract of May 31, 2016
ČEZ Teplárenská, a.s.	4101705066	Agreement on Drinking Water Supply, and Drainage and Disposal of Sewage Water–Ledvice
ČEZ Teplárenská, a.s.	4102302935	Purchase Agreement–Respirators
ČEZ Teplárenská, a.s.	4102257753	Easement Agreement
ČEZ Teplárenská, a.s.	68036500_1	Thermal Energy Supply Agreement
ČEZ Teplárenská, a.s.	6P1400SM01-21000013	Cold Water Consumption Re-Invoicing Agreement
ČEZ Teplárenská, a.s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
ČEZNET s.r.o.	5600012900	Service Agreement
D-I-E Elektro AG	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Distributie Energie Oltenia S.A.	CONTRACT_2021_1981	General Agreement on Power Supply and Consumption (EFET)
Distributie Energie Oltenia S.A.	CONTRACT_2021_1130	Agreement on the Issuance of Guarantees
Domat Control System s.r.o.	4102497508	Heat Meter Replacements and Refills
Domat Control System s.r.o.	CONTRACT_2021_2201	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Domat Control System s.r.o.	CONTRACT_2021_2246	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Domat Control System s.r.o.	CONTRACT_2021_704	License Agreement on the Provision of the Right to Use Trademarks
EAB Automation Solutions GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
EAB Elektroanlagenbau GmbH Rhein/Main	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
E-City sp. z o.o.	CONTRACT_2021_801	Agreement on the Issuance of Guarantees
e-Dome a. s.	CONTRACT_2021_1027	License Agreement on the Provision of the Right to Use Trademarks
Elektrárna Dětmorovice, a.s.	P3A18000014016	Personal Data Processing Agreement
Elektrárna Dětmorovice, a.s.	5600009940	License Agreement on the Provision of the Right to Use Trademarks
Elektrárna Dětmorovice, a.s.	69967502_2	Thermal Energy Supply Agreement
Elektrárna Dětmorovice, a.s.		Agreement on Cooperation in the Performance of a Public Contract of January 5, 2016 (Provision of ICT Services in the Area of CEZ Group's Terminal Equipment)
Elektrárna Dětmorovice, a.s.	4400028376	Agreement on the Provision of Psychological Examinations
Elektrárna Dětmorovice, a.s.	5600006553	Agreement on Website Services
Elektrárna Dětmorovice, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Elektrárna Dětmorovice, a.s.	4400023052	Service Agreement
Elektrárna Dětmorovice, a.s.	4102280877	Protective Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102284739	Protective Work Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102288850	Protective Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102293297	Protective Work Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102294414	Protective Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102313059	Protective Work Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102314898	Protective Equipment Purchase Agreement
Elektrárna Dětmorovice, a.s.	4102314911	Protective Equipment Purchase Agreement

Contracting Party	Agreement Registration Number	Agreement Title
Elektrárna Dětmarovice, a.s.	4102321221	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102326121	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102326125	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102326627	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102338901	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102346119	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102359872	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102362432	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102364044	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102378354	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102388474	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102388478	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102400245	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102401981	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102410085	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102417166	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102430362	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102434710	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102439821	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102440104	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102463010	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102463034	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102466827	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102479065	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102479898	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102479899	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102351130	Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102486854	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102487651	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102490757	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102491233	Protective Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102493168	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract for Supply of Personal Protective Work Equipment-Footwear for ČEZ, a. s., and Selected Subsidiaries of October 1, 2021
Elektrárna Dětmarovice, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract for Short-Term TPP Insurance of November 30, 2021
Elektrárna Dětmarovice, a.s.	4102321645	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102330522	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102438955	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102442155	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102456331	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.	4102490884	Protective Work Equipment Purchase Agreement
Elektrárna Dětmarovice, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
Elektrárna Dětmarovice, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
Elektrárna Dětmarovice, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 22, 2016
Elektrárna Dětmarovice, a.s.		Contracting Entities Articles of Association-Contracting Entities Association Agreement of May 30, 2014
Elektrárna Dětmarovice, a.s.	4100731793	Agreement on Non-Residential Facility Lease
Elektrárna Dětmarovice, a.s.	4400040068	Agreement on the Provision of Technical Support Services
Elektrárna Dětmarovice, a.s.	4102276955	Purchase of Control System Terminals
Elektrárna Dětmarovice, a.s.	4400046394	Provision of Occupational Safety and Health Activities
Elektrárna Dětmarovice, a.s.	4102328188	Fuel Purchasing
Elektrárna Dětmarovice, a.s.	4102439929	Fuel Purchasing
Elektrárna Dětmarovice, a.s.	4102444391	Purchase of Fittings (Gate Valve)
Elektrárna Dětmarovice, a.s.	4102451929	Purchase of Laboratory Ethyl Alcohol
Elektrárna Dětmarovice, a.s.	CONTRACT_2021_165	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Dětmarovice, a.s.	CONTRACT_2021_2259	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_291	Agreement on Acceptance of Responsibility for Imbalances, Imbalance Payments, and Balancing Energy
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_270	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_271	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_272	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_273	Agreement on Technical Substitution for the Provision of Ancillary Services

Contracting Party	Agreement Registration Number	Agreement Title
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_274	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_275	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_276	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_277	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_284	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_346	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_347	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_349	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_350	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_352	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_353	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_354	Agreement on Technical Substitution for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
Elektrárna Dětmarovice, a.s.	CONTRACT_2021_4105	General Service Agreement Related to the Transfer of Contracts for the Provision of Ancillary Services
Elektrárna Dětmarovice, a.s.	CONTRACT_2021_1954	General Agreement on Power Supply and Consumption (EFET)
Elektrárna Dětmarovice, a.s.	CONTRACT_2022_585	Contribution Agreement
Elektrárna Dukovany II, a. s.	69985500_1	Thermal Energy Supply Agreement
Elektrárna Dukovany II, a. s.	69989901_1	Thermal Energy Supply Agreement
Elektrárna Dukovany II, a. s.	69998900_1	Thermal Energy Supply Agreement
Elektrárna Dukovany II, a. s.	69998800_1	Thermal Energy Supply Agreement
Elektrárna Dukovany II, a. s.	4102154197	Preliminary Agreement (Rainwater Discharge)
Elektrárna Dukovany II, a. s.	4400049473	Service Agreement
Elektrárna Dukovany II, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Elektrárna Dukovany II, a. s.	4400035963	Service Agreement
Elektrárna Dukovany II, a. s.	4102282408	Sublease Agreement
Elektrárna Dukovany II, a. s.	4102311287	Lease Agreement
Elektrárna Dukovany II, a. s.	4102318388	Agreement on the Lease of Movable Property
Elektrárna Dukovany II, a. s.	4102328079	Service Agreement
Elektrárna Dukovany II, a. s.	4102328080	Service Agreement
Elektrárna Dukovany II, a. s.	4102361566	Training Service Agreement
Elektrárna Dukovany II, a. s.	4102361871	Training Service Agreement
Elektrárna Dukovany II, a. s.	4102362382	Training Service Agreement
Elektrárna Dukovany II, a. s.	4102362387	Training Service Agreement
Elektrárna Dukovany II, a. s.	4102371728	Training Service Agreement
Elektrárna Dukovany II, a. s.	4102387422	Asset Purchase Agreement
Elektrárna Dukovany II, a. s.	4102415494	Service Agreement
Elektrárna Dukovany II, a. s.	4102435746	Service Agreement
Elektrárna Dukovany II, a. s.	4102435747	Service Agreement
Elektrárna Dukovany II, a. s.	4102477887	Refreshment Services Agreement
Elektrárna Dukovany II, a. s.	4102420287	Lease Agreement
Elektrárna Dukovany II, a. s.	4400049813	Sublease Agreement and Agreement on Business Lease of Movable Property
Elektrárna Dukovany II, a. s.	000910_2021	Agreement on Securing Bus Transportation
Elektrárna Dukovany II, a. s.	000861_2021	Agreement on Securing Bus Transportation
Elektrárna Dukovany II, a. s.	4101488233	Non-Residential Facility Lease
Elektrárna Dukovany II, a. s.	000322_2019	Lease Agreement
Elektrárna Dukovany II, a. s.	000244_2020	Preliminary Utility Easement Agreement
Elektrárna Dukovany II, a. s.	000336_2020	Lease Agreement
Elektrárna Dukovany II, a. s.	000337_2020	Preliminary Agreement on the Joint Use of a Siding
Elektrárna Dukovany II, a. s.	000338_2020	Agreement on the Access and Use of Geodetic Points
Elektrárna Dukovany II, a. s.	000339_2020	Land Access Agreement
Elektrárna Dukovany II, a. s.	000340_2020	Preliminary Utility Easement Agreement
Elektrárna Dukovany II, a. s.	000341_2020	Preliminary Utility Easement Agreement
Elektrárna Dukovany II, a. s.	000342_2020	Preliminary Utility Easement Agreement
Elektrárna Dukovany II, a. s.	000343_2020	Preliminary Utility Easement Agreement
Elektrárna Dukovany II, a. s.	000344_2020	Preliminary Utility Easement Agreement
Elektrárna Dukovany II, a. s.	000345_2020	Preliminary Agreement on the Establishment of the Construction Right
Elektrárna Dukovany II, a. s.	000535_2020	Preliminary Lease Agreement
Elektrárna Dukovany II, a. s.	000536_2020	Preliminary Area Purchase Agreement
Elektrárna Dukovany II, a. s.	000537_2020	Preliminary Lease Agreement
Elektrárna Dukovany II, a. s.	000560_2017	Lease Agreement
Elektrárna Dukovany II, a. s.	4102160780	Preliminary Agreement (Mutual Data Exchange)
Elektrárna Dukovany II, a. s.	4102160840	Preliminary Agreement (Media and Service Supply)
Elektrárna Dukovany II, a. s.	4102193915	Agreement on the Preparation and Implementation of a Conditional Technical Measure
Elektrárna Dukovany II, a. s.	4102160679	Preliminary Agreement (Implementation of Prerequisite Technical Measures)
Elektrárna Dukovany II, a. s.	4102160761	Agreement on Cooperation

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Elektrárna Dukovany II, a. s.	4102232972	Agreement on Cooperation in Contractor Evaluation and Qualification
Elektrárna Dukovany II, a. s.	4102348575	Lease Agreement
Elektrárna Dukovany II, a. s.	4102358566	Facility Lease
Elektrárna Dukovany II, a. s.	CONTRACT_2021_2202	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Dukovany II, a. s.	CONTRACT_2021_2247	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Dukovany II, a. s.	CONTRACT_2021_272	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Dukovany Power Plant
Elektrárna Dukovany II, a. s.	CONTRACT_2021_372	Framework Agreement for Cooperation in the Construction of a New Nuclear Power Plant in Czechia
Elektrárna Dukovany II, a. s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
Elektrárna Dukovany II, a. s.	CONTRACT_2021_373	First Implementing Agreement for Cooperation in the Construction of a New Nuclear Power Plant at Dukovany in Czechia
Elektrárna Dukovany II, a. s.	CONTRACT_2021_1479	Information Protection Agreement
Elektrárna Dukovany II, a. s.	CONTRACT_2021_1481	Information Protection Agreement
Elektrárna Dukovany II, a. s.	CONTRACT_2021_1482	Information Protection Agreement
Elektrárna Dukovany II, a. s.		Contribution Agreement of June 4, 2018
Elektrárna Dukovany II, a. s.		Contribution Agreement of May 29, 2020
Elektrárna Dukovany II, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of March 4, 2020
Elektrárna Dukovany II, a. s.		Agreement on the Transfer of a Part of the Employer's Activities of May 29, 2020
Elektrárna Dukovany II, a. s.	4102193759	Preliminary Agreement on the Supply of Raw Water for Site Facilities and Construction
Elektrárna Dukovany II, a. s.	4102193128	Preliminary Agreement on the Supply of Raw Water for the Operation
Elektrárna Mělník III, a. s. v likvidaci	5600006003	Service Agreement (Website Administration)
Elektrárna Mělník III, a. s. v likvidaci	5600003421	Service Agreement
Elektrárna Mělník III, a. s. v likvidaci	CONTRACT_2021_2203	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Temelín II, a. s.	69985600_1	Thermal Energy Supply Agreement
Elektrárna Temelín II, a. s.	4102070561	Preliminary Agreement on Raw Water Supply and the Preparation and Implementation of a Prerequisite Technical Measure
Elektrárna Temelín II, a. s.	4102070476	Preliminary Agreement
Elektrárna Temelín II, a. s.	4102067509	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
Elektrárna Temelín II, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Elektrárna Temelín II, a. s.	4400035992	Service Agreement
Elektrárna Temelín II, a. s.	4102292757	Agreement on the Lease of Movable Property
Elektrárna Temelín II, a. s.	4101488258	Non-Residential Facility Lease
Elektrárna Temelín II, a. s.	4101720237	Deponie Land Lease
Elektrárna Temelín II, a. s.	000553_2017	Preliminary Utility Easement Agreement
Elektrárna Temelín II, a. s.	000552_2017	Agreement on the Access and Use of Geodetic Points
Elektrárna Temelín II, a. s.	000555_2017	Land Access Agreement
Elektrárna Temelín II, a. s.	000554_2017	Preliminary Utility Easement Agreement
Elektrárna Temelín II, a. s.	000505_2019	Lease Agreement
Elektrárna Temelín II, a. s.	000669_2019	Easement Agreement
Elektrárna Temelín II, a. s.	000667_2020	Lease Agreement
Elektrárna Temelín II, a. s.	000550_2017	Preliminary Agreement on the Joint Use of a Railway Siding
Elektrárna Temelín II, a. s.	000551_2017	Preliminary Purchase Agreement
Elektrárna Temelín II, a. s.	000548_2017	Preliminary Purchase Agreement
Elektrárna Temelín II, a. s.	000549_2017	Agreement on the Joint Use of a Private Road
Elektrárna Temelín II, a. s.	000697_2016	Preliminary Utility Easement Agreement
Elektrárna Temelín II, a. s.	4102068685	Preliminary Agreement (Grounding Grid Sharing and Interconnection)
Elektrárna Temelín II, a. s.	4102068686	Preliminary Agreement (Exchange of Operating and Radiation Data and Emergency Preparedness Data)
Elektrárna Temelín II, a. s.	4102068875	Preliminary Agreement on the Implementation of Prerequisite Technical Measures
Elektrárna Temelín II, a. s.	4102069176	Preliminary Agreement on Waste and Sludge Disposal at Disposal Sites and Waste Pond
Elektrárna Temelín II, a. s.	4102073043	Loan Agreement for Soil Stockpile Material
Elektrárna Temelín II, a. s.	4101827714	Temelín Area Cooperation Agreement
Elektrárna Temelín II, a. s.	CONTRACT_2021_2204	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Temelín II, a. s.	CONTRACT_2021_2248	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Elektrárna Temelín II, a. s.	CONTRACT_2021_270	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Dukovany Power Plant
Elektrárna Temelín II, a. s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
Elektrárna Temelín II, a. s.	4400040399	Preliminary Agreement on Drinking Water Supply
Elektrárna Temelín II, a. s.	4400040508	Preliminary Agreement on the Use of Waste Water Discharge Equipment of the Provider and the Preparation and Implementation of a Prerequisite Technical Measure
Elektrárna Temelín II, a. s.	4400040420	Preliminary Agreement on the Use of Rainwater and Groundwater Discharge Equipment of the Provider and the Preparation and Implementation of a Prerequisite Technical Measure
Elektrárna Temelín II, a. s.	4400036015	Sublease Agreement and Agreement on Business Lease of Movable Property
Elektrárna Temelín II, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of March 4, 2020

Contracting Party	Agreement Registration Number	Agreement Title
Elektro-Decker GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Elevion Deutschland Holding GmbH	5600008731	Service Agreement
Elevion Deutschland Holding GmbH	CONTRACT_2021_3754	Mutual Credit Facility Agreement
Elevion GmbH	CONTRACT_2021_236	Credit Facility Agreement
Elevion GmbH	CONTRACT_2021_448	Credit Facility Agreement
Elevion GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Elevion Group B.V.	5600007350	Service Agreement
Elevion Group B.V.	110986_2019	Sublease Agreement
Elevion Group B.V.	110985_2019	Lease Agreement
Elevion Group B.V.	CONTRACT_2021_883	Mutual Credit Facility Agreement
Elevion Group B.V.	CONTRACT_2022_189	Agreement on the Transfer of Part of Leave
Elevion Group B.V.	CONTRACT_2022_190	Agreement on the Transfer of Part of Leave
Elevion Group, odštěpný závod	CONTRACT_2021_2205	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Elevion Group, odštěpný závod	CONTRACT_2021_2435	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Elevion Österreich Holding GmbH	CONTRACT_2021_434	Credit Facility Agreement
En.plus GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Energetické centrum s.r.o.	P3A20000000013	Personal Data Processing Agreement
Energetické centrum s.r.o.	5600009641	License Agreement on the Provision of the Right to Use Trademarks
Energetické centrum s.r.o.	5600007990	Service Agreement
Energetické centrum s.r.o.	4101232014	Partial Payment of Vehicle Costs
Energetické centrum s.r.o.	CONTRACT_2021_2207	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Energetické centrum s.r.o.	CONTRACT_2021_437	Credit Facility Agreement
Energotrans, a.s.	P3A20000000011	Personal Data Processing Agreement
Energotrans, a.s.	4102307524	Agreement on Power Supply from the Energotrans, a.s., Distribution Network
Energotrans, a.s.	4102384284	Lease Agreement
Energotrans, a.s.	5600009650	License Agreement on the Provision of the Right to Use Trademarks
Energotrans, a.s.	69997201_1	Thermal Energy Supply Agreement
Energotrans, a.s.		Agreement on Cooperation in the Performance of a Public Contract of January 5, 2016 (Provision of ICT Services in the Area of CEZ Group's Terminal Equipment)
Energotrans, a.s.	4102279385	Coal Sales
Energotrans, a.s.	4102279428	Coal Sales
Energotrans, a.s.	4102279580	Coal Sales
Energotrans, a.s.	4102283807	Coal Procurement
Energotrans, a.s.	4102262566	Electricity Supply Agreement
Energotrans, a.s.	4400032922	Agreement on Website Services
Energotrans, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Energotrans, a.s.	4400049059	Service Agreement
Energotrans, a.s.	4101963370	Agreement on Establishing Rights and Obligations in Information System Operation
Energotrans, a.s.	4400028243	Service Agreement
Energotrans, a.s.	5600009800	Vehicle Sharing Agreement
Energotrans, a.s.	4102283597	Agreement on the Sublease of Business Premises and for Business Lease of Movables
Energotrans, a.s.	4102320507	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102333424	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102371765	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102396189	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102406384	Protective Equipment Purchase Agreement
Energotrans, a.s.	4102437244	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102439825	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102467227	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102352176	Purchase Agreement
Energotrans, a.s.	4102279674	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102284263	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102385473	Service Agreement
Energotrans, a.s.	4102336889	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102371610	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102375377	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102428264	Protective Work Equipment Purchase Agreement
Energotrans, a.s.	4102482429	Protective Work Equipment Purchase Agreement
Energotrans, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract for Supply of Personal Protective Work Equipment-Footwear for ČEZ, a. s., and Selected Subsidiaries of October 1, 2021
Energotrans, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract for Short-Term TPP Insurance of November 30, 2021
Energotrans, a.s.	4400050981	Contract for Work

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Energotrans, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
Energotrans, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
Energotrans, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 22, 2016
Energotrans, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of January 9, 2020
Energotrans, a.s.		Contracting Entities Articles of Association-Contracting Entities Association Agreement of May 30, 2014
Energotrans, a.s.	000542_2020	Preliminary Easement Agreement and Building Right Agreement
Energotrans, a.s.	000761_2020	Agreement on the Joint Use of Premises
Energotrans, a.s.	000598_2014	Easement Agreement
Energotrans, a.s.	4102255813	Lease Agreement
Energotrans, a.s.	4102263425	Lease Agreement
Energotrans, a.s.	4400040111	Agreement on the Provision of Technical Support Services
Energotrans, a.s.	4102327745	Purchase of Screws
Energotrans, a.s.	4102329153	Sale of Material from the Prunéřov Power Plant
Energotrans, a.s.	4102364259	Purchase of Laboratory Apparatus
Energotrans, a.s.	4102426581	Purchase of Plate Cap
Energotrans, a.s.	4102453145	Purchase of Impeller
Energotrans, a.s.	4102453345	Purchase of Electric Motor
Energotrans, a.s.	4102459941	Fuel Purchasing
Energotrans, a.s.	4102483787	Purchase of Hoists from the Property of the Prunéřov Power Plant
Energotrans, a.s.	4102371580	Purchase of Fuses
Energotrans, a.s.	4102390718	Purchase of Used Laboratory Apparatus from the Mělník Power Plant
Energotrans, a.s.	CONTRACT_2021_2208	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Energotrans, a.s.	CONTRACT_2021_2258	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Energotrans, a.s.	CONTRACT_2022_289	Agreement on Acceptance of Responsibility and Transfer of Payments for Imbalances
Energotrans, a.s.	CONTRACT_2022_158	Agreement on the Transfer of Part of an Employer's Activities
Energotrans, a.s.	CONTRACT_2022_278	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2022_279	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2022_280	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2022_283	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2022_304	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2022_356	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2022_357	Agreement on Technical Substitution for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
Energotrans, a.s.	CONTRACT_2021_4109	General Service Agreement Related to the Transfer of Contracts for the Provision of Ancillary Services
Energotrans, a.s.	CONTRACT_2021_1904	General Agreement on Power Supply and Consumption (EFET)
Energotrans, a.s.		Agreement on Technical Substitution for the Provision of Ancillary Services in the Period from July 1, 2021 to July 31, 2021
Energotrans, a.s.		Agreement on Technical Substitution for the Provision of Ancillary Services in the Period from June 1, 2021 to June 30, 2021
Energotrans, a.s.		Agreement on Technical Substitution for the Provision of Ancillary Services in the Period from April 1, 2021 to April 30, 2021
Energotrans, a.s.		Agreement on Technical Substitution for the Provision of Ancillary Services in the Period from May 1, 2021 to May 31, 2021
Energotrans, a.s.		Agreement on Technical Substitution for the Provision of Ancillary Services in the Period from June 1, 2021 to June 30, 2021
Energotrans, a.s.		Agreement on Technical Substitution for the Provision of Ancillary Services in the Period from September 1, 2021 to September 30, 2021
ENESA a.s.	4101665393	Agreement on the Lease of Land for the Installation and Operation of Electric Vehicle Charging Stations
ENESA a.s.	5600012404	Service Agreement
ENESA a.s.	4102307979	Preparation of Project Documentation-Tesco Dvůr Králové nad Labem Heat Pipeline Relocation
ENESA a.s.	CONTRACT_2021_2209	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ENESA a.s.	CONTRACT_2021_2243	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
ENESA a.s.	CONTRACT_2021_474	License Agreement on the Provision of the Right to Use Trademarks
ENESA a.s.	CONTRACT_2021_1128	Agreement on the Issuance of Guarantees
ENESA a.s.	CONTRACT_2021_852	Agreement on the Issuance of Guarantees
ENESA SK, organizační zložka	CONTRACT_2021_971	Mutual Credit Facility Agreement
ENVEZ, a. s.	5600009770	Service Agreement
ENVEZ, a. s.	CONTRACT_2021_2187	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
ESCO Distribuční systavy a.s.	CONTRACT_2021_1211	License Agreement on the Provision of the Right to Use Trademarks

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ESCO Servis, s. r. o.	CONTRACT_2021_526	License Agreement on the Provision of the Right to Use Trademarks
ESCO Slovensko, a. s.	CONTRACT_2021_232	Credit Facility Agreement
ETS Efficient Technical Solutions GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
ETS Engineering Kft.	CONTRACT_2021_853	Agreement on the Issuance of Guarantees
Ferme Eolienne de Neuville-aux-Bois SAS	CONTRACT_2021_4329	Agreement on the Issuance of Guarantees
Ferme Eolienne des Breuils SAS	CONTRACT_2021_4328	Agreement on the Issuance of Guarantees
Free Energy Project Oreshets EAD	4102379259	Service Agreement
Green energy capital, a.s.	001595_2021	Virtual Office Agreement
HELIOS MB s.r.o.	001362_2021	Virtual Office Agreement
Hermos AG	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Hermos Gesellschaft für Steuer-, Meß- und Regeltechnik mbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Hermos Schaltanlagen GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Hermos Systems GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
High-Tech Clima S.A.	CONTRACT_2021_854	Agreement on the Issuance of Guarantees
HORMEN CE a.s.	4102386725	Contract for Work
HORMEN CE a.s.	4102465099	Emergency Lighting Reconstruction
HORMEN CE a.s.	4102493588	Purchase Agreement
HORMEN CE a.s.	5600012406	Service Agreement
HORMEN CE a.s.	CONTRACT_2021_2210	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
HORMEN CE a.s.	CONTRACT_2021_2245	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
HORMEN CE a.s.	CONTRACT_2021_796	Agreement on the Issuance of Guarantees
in PROJEKT LOUNY ENGINEERING s.r.o.	5600008350	Agreement on the Provision of Corporate Compliance Services
in PROJEKT LOUNY ENGINEERING s.r.o.	4400044298	Contract for Work (Technical Assistance Consisting of the Preparation of Background Technical Documents and Drawings for Conceptual Negotiations over Storage Premises for Coal Combustion Products)
in PROJEKT LOUNY ENGINEERING s.r.o.	4102244347	Preparation of Award Documentation
in PROJEKT LOUNY ENGINEERING s.r.o.	4102132382	Provision of the Author's Supervision
in PROJEKT LOUNY ENGINEERING s.r.o.	4102181189	Author's Supervision
in PROJEKT LOUNY ENGINEERING s.r.o.	4102267573	Author's Supervision
in PROJEKT LOUNY ENGINEERING s.r.o.	4400049371	Preparation of the Waterworks Handling Rules
in PROJEKT LOUNY ENGINEERING s.r.o.	4102296197	Project Documentation Completion for the Dolní Zálezly Substation
in PROJEKT LOUNY ENGINEERING s.r.o.	4102296211	Project Documentation Completion for Reconstructing the Roof above the Carbonation
in PROJEKT LOUNY ENGINEERING s.r.o.	4102341751	Project Documentation Completion for the Water Works Building Permit
in PROJEKT LOUNY ENGINEERING s.r.o.	4102349576	Tender Documentation Completion for Reconstructing the Building Structures
in PROJEKT LOUNY ENGINEERING s.r.o.	4102353396	Pedological Survey for the Reconstruction of the Discharge Lines
in PROJEKT LOUNY ENGINEERING s.r.o.	4102390208	Tender Documentation Completion for the Sump Reconstruction
in PROJEKT LOUNY ENGINEERING s.r.o.	4102390937	Project Documentation Completion for the Steam Pipeline Demolition
in PROJEKT LOUNY ENGINEERING s.r.o.	4102401570	Project Documentation Completion for the Building Permit (PD) to Ensure the Capacity of the Trough and Increase the Soakage Area
in PROJEKT LOUNY ENGINEERING s.r.o.	4102406266	Tender Documentation Completion for Reconstructing the Road for Stabilized Material Removal
in PROJEKT LOUNY ENGINEERING s.r.o.	4102406793	Tender Documentation Completion at the Level of the Building Permit Documentation
in PROJEKT LOUNY ENGINEERING s.r.o.	4102413705	Project Documentation Completion for the Reinforcement of the Entrance Structures
in PROJEKT LOUNY ENGINEERING s.r.o.	4102432068	Technical Assistance for the Reconstruction of the Gravity Feeder
in PROJEKT LOUNY ENGINEERING s.r.o.	4102433886	Project Documentation Completion for the Anchorage Demolition
in PROJEKT LOUNY ENGINEERING s.r.o.	4102487738	Tender Documentation Completion for the Installation of a Crane in the Central Workshops
in PROJEKT LOUNY ENGINEERING s.r.o.	4400049886	Preparation of the Flood Plan
in PROJEKT LOUNY ENGINEERING s.r.o.	4400051854	Preparation of a Feasibility Study for Primary Dust Mitigation
in PROJEKT LOUNY ENGINEERING s.r.o.	4400052127	Tender Documentation for the Repair of Building Cladding

Contracting Party	Agreement Registration Number	Agreement Title
INTERNEXT 2000, s.r.o.	110387_2017	Lease Agreement
Inven Capital, SICAV, a.s.	5600011270	License Agreement on the Provision of the Right to Use Trademarks
Inven Capital, SICAV, a.s.	5600005989	Service Agreement-Media Services (Websites)
Inven Capital, SICAV, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Inven Capital, SICAV, a.s.	5600009180	Individual Delegation Contract
Inven Capital, SICAV, a.s.	5600008710	Service Agreement
Inven Capital, SICAV, a.s.	CONTRACT_2021_2211	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Inven Capital, SICAV, a.s.	CONTRACT_2021_2254	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Inven Capital, SICAV, a.s.	CONTRACT_2022_582	Agreement on Subscription, Issuance, and Buyback of Shares
ISP West s.r.o.	5600012850	Service Agreement
Jadrová energetická spoločnosť Slovenska, a. s.	5600001570	Service Agreement
KART TZB, spol. s r.o.	CONTRACT_2021_855	Agreement on the Issuance of Guarantees
KART, spol. s r.o.	5600012405	Service Agreement
KART, spol. s r.o.	CONTRACT_2021_2212	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
KART, spol. s r.o.	CONTRACT_2021_3627	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
KART, spol. s r.o.	CONTRACT_2021_482	License Agreement on the Provision of the Right to Use Trademarks
Kofler Energies Energieeffizienz GmbH	CONTRACT_2021_433	Credit Facility Agreement
Kofler Energies Energieeffizienz GmbH	CONTRACT_2021_4285	Agreement on the Issuance of Guarantees
Kofler Energies Ingenieurgesellschaft mbH	CONTRACT_2021_433	Credit Facility Agreement
Kofler Energies Ingenieurgesellschaft mbH	CONTRACT_2021_4285	Agreement on the Issuance of Guarantees
Kofler Energies Systems GmbH	CONTRACT_2021_433	Credit Facility Agreement
Kofler Energies Systems GmbH	CONTRACT_2021_4285	Agreement on the Issuance of Guarantees
Kongresové centrum Praha, a.s.	4102312875	Accommodation Service Agreement
Kongresové centrum Praha, a.s.	4102327959	Accommodation Service Agreement
Kongresové centrum Praha, a.s.	4102327985	Accommodation Service Agreement
Kongresové centrum Praha, a.s.	4102334390	Accommodation Service Agreement
Kongresové centrum Praha, a.s.	4102340100	Accommodation Service Agreement
Kongresové centrum Praha, a.s.	4102417587	Service Agreement
LOMY MOŘINA spol. s r.o.	4102270976	Agreement on Lump Limestone Supplies
LOMY MOŘINA spol. s r.o.	4102271681	Agreement on Lump Limestone Supplies
LOMY MOŘINA spol. s r.o.	4102270662	Agreement on Lump Limestone Supplies
LOMY MOŘINA spol. s r.o.	4102270669	Agreement on Ground Limestone Supplies
LOMY MOŘINA spol. s r.o.	4102272787	Agreement on Lump Limestone Supplies
Magnalink, a.s.	5600013250	Service Agreement
MARTIA a.s.	69976800_1	Heat and Hot Water Supply Agreement
MARTIA a.s.	69976900_1	Thermal Energy Supply Agreement
MARTIA a.s.	69983600_1	Heat Supply Agreement
MARTIA a.s.	69977401_1	Thermal Energy Supply Agreement
MARTIA a.s.	69972103_1	Thermal Energy Supply Agreement
MARTIA a.s.	69981300_1	Thermal Energy Supply Agreement
MARTIA a.s.	69972903_1	Thermal Energy Supply Agreement
MARTIA a.s.	69982800_1	Thermal Energy Supply Agreement
MARTIA a.s.	69984600_1	Thermal Energy Supply Agreement
MARTIA a.s.	69997300_1	Thermal Energy Supply Agreement
MARTIA a.s.	4400049982	Teplárna Trmice Telephone Termination
MARTIA a.s.	4400040694	Service Agreement (Handling and Cleaning Works)
MARTIA a.s.	4400040695	Service Agreement (Handling Works)
MARTIA a.s.	4102096671	Maintenance and Repairs
MARTIA a.s.	4400040001	Service Agreement (Handling and Cleaning Works)
MARTIA a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
MARTIA a.s.	5600008040	Service Agreement
MARTIA a.s.	4102282406	Training (Decree 50)
MARTIA a.s.	4102298638	Agreement on Work (Project Documentation Completion)
MARTIA a.s.	4102310775	Contract for Work (Lightning Rod Repair)
MARTIA a.s.	4102321148	Service Agreement
MARTIA a.s.	4102335369	Training Service Agreement
MARTIA a.s.	4102363911	Training Service Agreement
MARTIA a.s.	4102364128	Contract for Work (Lightning Rod Repair)

Contracting Party	Agreement Registration Number	Agreement Title
MARTIA a.s.	4102367487	Contract for Work (Heater Repair)
MARTIA a.s.	4102397043	Agreement on Work (Inspection)
MARTIA a.s.	4102413388	Service Agreement
MARTIA a.s.	4102464685	Service Agreement
MARTIA a.s.	4102475026	Agreement on Work (Inspection)
MARTIA a.s.	4400052010	Power Station Inspection
MARTIA a.s.	4400052033	Inspection
MARTIA a.s.	001505_2021	Agreement on Securing Bus Transportation
MARTIA a.s.	000865_2020	Lease Agreement
MARTIA a.s.	000579_2014	Lease Agreement
MARTIA a.s.	000724_2015	Lease Agreement
MARTIA a.s.	000861_2018	Lease Agreement
MARTIA a.s.	000870_2015	Lease Agreement
MARTIA a.s.	001191_2014	Lease Agreement
MARTIA a.s.	001200_2013	Lease Agreement
MARTIA a.s.	001229_2014	Lease Agreement
MARTIA a.s.	4400028640	Equipment Repairs and Maintenance
MARTIA a.s.	4400032201	Operating Mechanics Activities
MARTIA a.s.	4400032347	Operating Mechanics Activities
MARTIA a.s.	4400033366	Maintenance and Repairs
MARTIA a.s.	4400033368	Equipment Repairs and Maintenance
MARTIA a.s.	4400033369	Equipment Repairs and Maintenance
MARTIA a.s.	4400033391	Equipment Repairs and Maintenance
MARTIA a.s.	4400033392	Equipment Repairs and Maintenance
MARTIA a.s.	4400034300	Completion of Inspections, Checks, and Revisions of Restricted Electrical Equipment and Lightning Conductors
MARTIA a.s.	4400036252	Equipment Repairs and Maintenance
MARTIA a.s.	4400036253	Equipment Repairs and Maintenance
MARTIA a.s.	4101634929	Modernization of the Control System and Protection of the Kamýk Power Plant
MARTIA a.s.	4101655662	Modernization of Substations and Low-Voltage Distributions in the Kamýk Power Plant
MARTIA a.s.	4400040604	Contract for Work (Short Coupling Replacement)
MARTIA a.s.	4101666085	Field Suppressor and Electric Braking Circuitry Upgrade
MARTIA a.s.	4400046177	Control System Servicing and Maintenance
MARTIA a.s.	4102253687	Wrench Outlet Addition
MARTIA a.s.	4102262589	System Strengthening Against Electric Shocks
MARTIA a.s.	4102227474	Replacement of the Turbine Generator Information System and Substation Control System
MARTIA a.s.	4102239383	Optimization of Smoke Ventilator Control Connection
MARTIA a.s.	4102256657	Control System Upgrade
MARTIA a.s.	4102260054	Block Transformer Bushing Monitoring
MARTIA a.s.	4400047029	Unit Switchboard Repair
MARTIA a.s.	4400048315	Installation and Repair of Encapsulated Conductors
MARTIA a.s.	4400049277	Fluid Boiler Superheater Coil Replacement
MARTIA a.s.	4102287928	Network Security Perimeter Creation
MARTIA a.s.	4102288768	Contract for Work
MARTIA a.s.	4102316007	Spare Part Renovation
MARTIA a.s.	4102317484	Control Metering Modernization
MARTIA a.s.	4102340689	Documentation Completion
MARTIA a.s.	4102342456	Control and Management System Modernization
MARTIA a.s.	4102345412	Optimization of Operating Equipment
MARTIA a.s.	4102361736	System Power Supply
MARTIA a.s.	4102363519	Supply and Installation of an Analyzer for Measuring Ammonia (NH3) in Flue Gas
MARTIA a.s.	4102368848	Interconnection of the Process Fiber Optic Network for Electricity and Measurement and Control with Water Management
MARTIA a.s.	4102377560	Switchboard Termination
MARTIA a.s.	4102383195	Substation Renovation
MARTIA a.s.	4102383468	Flow Measurement Invoicing
MARTIA a.s.	4102383470	Renovation of the Frequency Converter for the Pump
MARTIA a.s.	4102395221	Equipment Supply and Installation
MARTIA a.s.	4102400527	Installation of Lighting in the Reactor Room
MARTIA a.s.	4102419621	Provision of Power Supply for Telecommunications
MARTIA a.s.	4102422315	Backup Power Supply for Diesel Rack
MARTIA a.s.	4102461197	Spare Part Renovation
MARTIA a.s.	4102462780	Ground Link Localization System
MARTIA a.s.	4102463928	Agreement on Cooperation in Contractor Evaluation and Qualification
MARTIA a.s.	4102468287	Fluidized Bed Boiler Flue Gas Aftercooler
MARTIA a.s.	4102474970	Renovation of Boiler Room Lighting
MARTIA a.s.	4400050665	Damaged Cable Repair

Contracting Party	Agreement Registration Number	Agreement Title
MARTIA a.s.	4400051606	Cleaning of Sumps in Chemical Water Treatment Plant
MARTIA a.s.	4400052153	Equipment Calibration and Repair
MARTIA a.s.	4400052220	Qualification Provision, Qualification Documentation
MARTIA a.s.	CONTRACT_2021_2213	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
MARTIA a.s.	CONTRACT_2021_2436	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
MARTIA a.s.	CONTRACT_2021_34	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Ledvice Power Plant
MARTIA a.s.	CONTRACT_2021_209	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Poříčí Power Plant
MARTIA a.s.	CONTRACT_2021_346	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Hodonín Power Plant
MARTIA a.s.	CONTRACT_2021_57	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Trmice Heating Plant
MARTIA a.s.	CONTRACT_2022_177	Therm 2280-2 Calibration
MARTIA a.s.	CONTRACT_2022_175	Pressure Transducer Calibration
MARTIA a.s.	CONTRACT_2021_488	Periodic Gauge Calibration
MARTIA a.s.	CONTRACT_2021_487	Periodic Instrument Calibration
MARTIA a.s.	CONTRACT_2021_486	Periodic Instrument Calibration
MARTIA a.s.	CONTRACT_2021_484	Periodic Instrument Calibration
MARTIA a.s.	CONTRACT_2021_483	Periodic Instrument Calibration
MARTIA a.s.	CONTRACT_2021_481	Periodic Instrument Calibration
MARTIA a.s.	CONTRACT_2021_480	Periodic Instrument Calibration
MARTIA a.s.	CONTRACT_2022_217	Agreement of Employers on Temporary Assignment of Employees
MARTIA a.s.	CONTRACT_2021_856	Agreement on the Issuance of Guarantees
Moser & Partner Ingenieurbüro GmbH	CONTRACT_2021_434	Credit Facility Agreement
OEM Energy sp. z o.o.	CONTRACT_2021_902	Agreement on the Issuance of Guarantees
OKD, a.s.	4102357023	Coal Procurement
OKD, a.s.	4102447957	Coal Procurement
OKD, a.s.	4102276116	Coal Procurement
OSC, a.s.	4102445223	Training Service Agreement
OSC, a.s.	4101847713	Contract for Work (Gas Panel Upgrade)
OSC, a.s.	4400042037	Equipment Repair Agreement
OSC, a.s.	4400042431	Contract for Work (Preparation of Operational Analyses for Simulator Operation)
OSC, a.s.	4102008945	Contract for Work (Full-Scale Simulator Modification)
OSC, a.s.	4102092501	Display Simulator Licensing Agreement
OSC, a.s.	4102092850	Full-Scale Simulator Licensing Agreement
OSC, a.s.	4101963267	Contract for Work (Heating Water Heater Part Replacement)
OSC, a.s.	4102007868	Contract for Work (Modification of Safety Valve Terminal Units)
OSC, a.s.	4400042026	Provision of System Servicing and Technical Support
OSC, a.s.	4102129249	Reconstruction of Terminal Measurement Control
OSC, a.s.	4102144930	Contract for Work (Comprehensive Upgrade of the Simulator Models)
OSC, a.s.	4102181643	Full-Range Simulator Modification
OSC, a.s.	4102211048	Disconnected Sensor Disassembly
OSC, a.s.	4102211050	Adjustment of Block Information System Display Range
OSC, a.s.	4102211095	Device Blockage Removal
OSC, a.s.	4102211920	Transport of Measurements
OSC, a.s.	4102212267	Alarming Optimization
OSC, a.s.	4102212517	Software Supply, Documentation Preparation
OSC, a.s.	4102212589	Measurement of Motor Currents
OSC, a.s.	4102212600	Flow Meter Replacement
OSC, a.s.	4102212610	Data Implementation
OSC, a.s.	4102212656	Modifications in the Operation of Low-Pressure Regeneration
OSC, a.s.	4102212662	Modification of Sequential Machines
OSC, a.s.	4102215185	Turbine Generator Outage
OSC, a.s.	4102248860	System Reimplementation
OSC, a.s.	4102264457	Contract for Work (Verification on Display Simulator)
OSC, a.s.	4102283533	Certification of Automatically Controlled Frequency Recovery Process
OSC, a.s.	4102297232	Implementation of the "Reserve Mode" of the Automatic Frequency Control Process
OSC, a.s.	4102310140	Ancillary Service Certification
OSC, a.s.	4102339629	Disposal of Active Water in the Secondary Side of the Steam Generator
OSC, a.s.	4102339817	Adjustment and Unification of Alarm Pressure Values on the Air Handling System
OSC, a.s.	4102339818	Change in the Range of Displacement Measurement
OSC, a.s.	4102339819	Suppression of Limiter Action Signaling
OSC, a.s.	4102339820	Replacement of the Stator Water Temperature Control of the Generator
OSC, a.s.	4102339832	Addition of the Fire Extinguishing System
OSC, a.s.	4102339833	Reconstruction of Pressure Measurement Node
OSC, a.s.	4102339841	Implementation of Measures for Automatic Detection and Protection Solution
OSC, a.s.	4102339842	Modernization of the Valve Nodes

Contracting Party	Agreement Registration Number	Agreement Title
OSC, a.s.	4102351776	Ventilation of the Control Room
OSC, a.s.	4102351805	Modifications to the Unimportant Technical Water System
OSC, a.s.	4102351879	Alarming System Optimization
OSC, a.s.	4102357246	Replacement of Fire Pumps
OSC, a.s.	4102363168	Balancing Service Certification
OSC, a.s.	4102375073	Realtime Information Resource Management System
OSC, a.s.	4102375521	Regular Simulator Modifications
OSC, a.s.	4400051681	Behavior of Boric Acid on Strongly Basic Anion Exchanger
OSC, a.s.	4400052055	Display Repair
Ovidiu Development S.A.	CONTRACT_2021_4058	Transitional Period Service Agreement
Ovidiu Development S.A.	CONTRACT_2021_4060	Transitional Period Service Agreement
Ovidiu Development S.A.	CONTRACT_2022_254	Transitional Period Service Agreement
Ovidiu Development S.A.	CONTRACT_2022_287	Transitional Period Service Agreement
Ovidiu Development S.A.	CONTRACT_2021_2359	General Agreement on Financial Market Trading (ISDA)
Ovidiu Development S.A.	CONTRACT_2021_1975	General Agreement on Power Supply and Consumption (EFET)
Ovidiu Development S.A.	CONTRACT_2021_1132	Agreement on the Issuance of Guarantees
PRODECO, a.s.	P3A18000014022	Personal Data Processing Agreement
PRODECO, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
PRODECO, a.s.	5600003577	Service Agreement
PRODECO, a.s.	4102348869	Purchase Agreement
PRODECO, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
PRODECO, a.s.	4102335176	Lease-Wheeled Passenger and Commercial Vehicles
PRODECO, a.s.	CONTRACT_2021_2214	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
PRODECO, a.s.	CONTRACT_2021_904	Agreement on the Issuance of Guarantees
Revitrans, a.s.	P3A2000000177	Personal Data Processing Agreement
Revitrans, a.s.	5600008682	Agreement on Surface Water Sale
Revitrans, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Revitrans, a.s.	5600003576	Service Agreement
Revitrans, a.s.	4102348914	Purchase Agreement
Revitrans, a.s.	4102443740	Service Agreement
Revitrans, a.s.	4400052088	Contract for Work
Revitrans, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
Revitrans, a.s.	000032_2009	Easement Agreement
Revitrans, a.s.	4100831696	Subsequent Reclamation of the Letiště Dump
Revitrans, a.s.	5600005760	Purchase Agreement (Diesel Fuel)
Revitrans, a.s.	4102371414	Test Supply
Revitrans, a.s.	CONTRACT_2021_2215	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Rudolf Fritz GmbH	CONTRACT_2021_4282	Agreement on the Issuance of Guarantees
Sakarya Elektrik Dağıtım A.Ş.	CONTRACT_2021_3778	Agreement on the Issuance of Guarantees
Sakarya Elektrik Perakende Satış A.Ş.	CONTRACT_2021_3778	Agreement on the Issuance of Guarantees
SD - Kolejová doprava, a.s.	P3A20000000151	Personal Data Processing Agreement
SD - Kolejová doprava, a.s.	69936101_1	Heat Supply Agreement
SD - Kolejová doprava, a.s.	69958300_1	Heat Supply Agreement
SD - Kolejová doprava, a.s.	69959500_1	Heat Supply Agreement
SD - Kolejová doprava, a.s.	69992200_1	Heat Supply Agreement
SD - Kolejová doprava, a.s.	69964900_1	Heat and Hot Water Supply Agreement
SD - Kolejová doprava, a.s.	69943200_2	Thermal Energy Supply Agreement
SD - Kolejová doprava, a.s.	69904392_1	Thermal Energy Supply Agreement
SD - Kolejová doprava, a.s.	4100660503	Mandate Agreement for Coordination of Coal and Sorbent Transportation to ČEZ, a. s., Power Plants
SD - Kolejová doprava, a.s.	4400020004	Agreement on Railway Goods Transportation
SD - Kolejová doprava, a.s.	4102320474	Coal Transportation
SD - Kolejová doprava, a.s.	4101966490	Advertising Partnership Agreement (Locomotives)
SD - Kolejová doprava, a.s.	4102199283	Advertising Partnership Agreement (Locomotives)
SD - Kolejová doprava, a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
SD - Kolejová doprava, a.s.	4101691473	Advertising Partnership Agreement (Locomotives)
SD - Kolejová doprava, a.s.	5600001542	Service Agreement
SD - Kolejová doprava, a.s.	4102312947	Training Service Agreement
SD - Kolejová doprava, a.s.	4102348911	Purchase Agreement
SD - Kolejová doprava, a.s.	4102361590	Training Service Agreement
SD - Kolejová doprava, a.s.	4102395338	Service Agreement
SD - Kolejová doprava, a.s.	4102408432	Service Agreement

Contracting Party	Agreement Registration Number	Agreement Title
SD - Kolejová doprava, a.s.	4102412384	Lease Agreement
SD - Kolejová doprava, a.s.	4102428310	Service Agreement
SD - Kolejová doprava, a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
SD - Kolejová doprava, a.s.	4101916375	Easement Agreement
SD - Kolejová doprava, a.s.	000730_2018	Lease Agreement
SD - Kolejová doprava, a.s.	000222_2018	Utility Easement Agreement
SD - Kolejová doprava, a.s.	001129_2010	Easement Agreement
SD - Kolejová doprava, a.s.	000231_2017	Utility Easement Agreement
SD - Kolejová doprava, a.s.	000452_2017	Utility Easement Agreement
SD - Kolejová doprava, a.s.	4101341606	Measuring of the Coal and Limestone Supplies
SD - Kolejová doprava, a.s.	4400000386	Mandate Agreement-Railway Operation
SD - Kolejová doprava, a.s.	4400004994	Siding Operation and Maintenance
SD - Kolejová doprava, a.s.	4400013836	Fuel Storage Site Thermography Measuring
SD - Kolejová doprava, a.s.	4400016432	Operating a Railway and Railway Transportation, Coal Handling, Fuel Storage Site, and Other Activities
SD - Kolejová doprava, a.s.	4400017554	Fuel Storage Site Thermography Measuring
SD - Kolejová doprava, a.s.	4400017901	Agreement on the Operation of Railway and Train Transportation
SD - Kolejová doprava, a.s.	5600001981	Agreement on the Transport Road Use
SD - Kolejová doprava, a.s.	4400036636	Provision of Powder Limestone and Burnt Lime Barreling
SD - Kolejová doprava, a.s.	4400041721	Siding Operation
SD - Kolejová doprava, a.s.	5600009206	Purchase Agreement for Diesel Fuel
SD - Kolejová doprava, a.s.	5600009202	Purchase Agreement for Diesel Fuel
SD - Kolejová doprava, a.s.	4400047544	Siding Operation and Limestone Unloading
SD - Kolejová doprava, a.s.	4400048611	Siding Operation and Limestone Unloading
SD - Kolejová doprava, a.s.	4102316875	Rent and Services
SD - Kolejová doprava, a.s.	CONTRACT_2021_2216	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
SD - Kolejová doprava, a.s.	CONTRACT_2021_2240	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
SD - Kolejová doprava, a.s.	CONTRACT_2021_203	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Poříčí Power Plant
SD - Kolejová doprava, a.s.	CONTRACT_2021_61	Agreement on Power Supply from the ČEZ, a. s., Distribution Network, Trmice Heating Plant
Severočeské doly a.s.	P3A18000014020	Personal Data Processing Agreement
Severočeské doly a.s.	P3A20000000178	Personal Data Processing Agreement
Severočeské doly a.s.	69906125_1	Thermal Energy Supply Agreement
Severočeské doly a.s.		Agreement on Cooperation in the Performance of a Public Contract of August 14, 2018 (Microsoft 2018 General Agreement)
Severočeské doly a.s.	4102279337	Coal Procurement
Severočeské doly a.s.	4102279340	Coal Procurement
Severočeské doly a.s.	4102279341	Coal Procurement
Severočeské doly a.s.	4102294129	Coal Procurement
Severočeské doly a.s.	4102294150	Coal Procurement
Severočeské doly a.s.	4102327345	Coal Procurement
Severočeské doly a.s.	4102464640	Coal Procurement
Severočeské doly a.s.	4102274093	Coal Procurement
Severočeské doly a.s.	4102269651	Coal Procurement
Severočeské doly a.s.	4102269654	Coal Procurement
Severočeské doly a.s.	4102269741	Coal Procurement
Severočeské doly a.s.	4102279547	Coal Procurement
Severočeské doly a.s.	4102108403	Purchase Agreement (Entrance Chip Cards)
Severočeské doly a.s.	4102277975	Lease Agreement
Severočeské doly a.s.	5600005510	Electricity, Gas, and Heat Supplies, Water/Sewer Fees
Severočeské doly a.s.	5600007141	Purchase Agreement for Surface Water
Severočeské doly a.s.	5600006920	Wastewater Drainage and Disposal
Severočeské doly a.s.	4100314894	Electricity and Heat Supplies, Water/Sewer Fees
Severočeské doly a.s.	4100670482	Electricity and Heat Supplies, Water/Sewer Fees
Severočeské doly a.s.	4400027605	Electricity and Heat Supplies, Water/Sewer Fees
Severočeské doly a.s.	5600007575	Agreement on Surface Water Supply and Consumption
Severočeské doly a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Severočeské doly a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of April 22, 2020
Severočeské doly a.s.	5600001494	Service Agreement
Severočeské doly a.s.	4102317588	Service Agreement
Severočeské doly a.s.	4102322836	Service Agreement
Severočeské doly a.s.	4102347922	Services Agreement, Refuelling Cards
Severočeské doly a.s.	4102348912	Purchase Agreement
Severočeské doly a.s.	4102357367	Service Agreement

Contracting Party	Agreement Registration Number	Agreement Title
Severočeské doly a.s.	4102394490	Training Service Agreement
Severočeské doly a.s.	4102428209	Service Agreement
Severočeské doly a.s.	4102432399	Service Agreement
Severočeské doly a.s.	4400048868	Lease Agreement
Severočeské doly a.s.	4400050669	Agreement on the Center Entry Cards
Severočeské doly a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
Severočeské doly a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 20, 2019
Severočeské doly a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of September 22, 2016
Severočeské doly a.s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of August 26, 2019
Severočeské doly a.s.		Contracting Entities Articles of Association-Contracting Entities Association Agreement of May 30, 2014
Severočeské doly a.s.	4400037008	Establishment of a Shared Fire Protection Brigade
Severočeské doly a.s.	000369_2017	Lease Agreement
Severočeské doly a.s.	000311_2018	Easement Agreement
Severočeské doly a.s.	000520_2019	Easement Agreement
Severočeské doly a.s.	000001_2012	Easement Agreement
Severočeské doly a.s.	000681_2016	Utility Easement Agreement
Severočeské doly a.s.	000326_2018	Utility Easement Agreement
Severočeské doly a.s.	000673_2019	Utility Easement Agreement
Severočeské doly a.s.		Purchase and Easement Agreement of March 12, 2007
Severočeské doly a.s.	000464_2009	Easement Agreement
Severočeské doly a.s.	000492_2013	Easement Agreement
Severočeské doly a.s.	000202_2020	Lease Agreement
Severočeské doly a.s.	000290_2020	Agreement on Sale and Purchase of Real Estate with Utility Easement
Severočeské doly a.s.	000567_2020	Easement Agreement
Severočeské doly a.s.	000846_2019	Lease Agreement
Severočeské doly a.s.	000031_2009	Easement Agreement
Severočeské doly a.s.	000144_2016	Preliminary Utility Easement Agreement
Severočeské doly a.s.	000610_2012	Easement Agreement
Severočeské doly a.s.	000845_2019	Utility Easement Agreement
Severočeské doly a.s.	002893_2007	Easement Agreement
Severočeské doly a.s.	4100981693	Lease Agreement
Severočeské doly a.s.	4100038885	Subsequent Restoration of the Dump
Severočeské doly a.s.	5600002203	Agreement on the Co-Financing and Cooperation during the Rented Land Restoration
Severočeské doly a.s.	5600005063	Preliminary Sales Agreement for Coal Combustion Products
Severočeské doly a.s.	5600010250	Power Supply Operation and Minor Maintenance
Severočeské doly a.s.	4102279412	Easement
Severočeské doly a.s.	4102302859	Restoration
Severočeské doly a.s.	4102308664	Corporate Services
Severočeské doly a.s.	4102308671	Supply of Elbe Water
Severočeské doly a.s.	4102308674	Water Supply
Severočeské doly a.s.	4102308704	Fire Protection Systems, Fire Alarm Systems
Severočeské doly a.s.	4102308705	Physical Protection Management
Severočeské doly a.s.	4102308721	Tax Services, Controlling, Risk Management, Security Management, Corporate Compliance, DPO Services
Severočeské doly a.s.	4102308727	Wastewater Disposal
Severočeské doly a.s.	4102308761	Water Supply
Severočeské doly a.s.	4102308797	Electricity Supply
Severočeské doly a.s.	4102308933	Correspondence Processing
Severočeské doly a.s.	4102311253	Restoration Work
Severočeské doly a.s.	4102314025	Equipment Operation
Severočeské doly a.s.	4102314030	Lease of Nonresidential Premises and Related Services
Severočeské doly a.s.	4102314034	Land Lease
Severočeské doly a.s.	4102316952	Vehicle Lease
Severočeské doly a.s.	4102320458	Electric Power Supply
Severočeské doly a.s.	4102367274	Construction of a New Catering Facility
Severočeské doly a.s.	4102368917	Container Delivery
Severočeské doly a.s.	4102398922	Technical Protection System
Severočeské doly a.s.	4102456003	Landfill Reconstruction
Severočeské doly a.s.	5600012880	Co-Financing Agreement in Connection with Building Construction
Severočeské doly a.s.	CONTRACT_2021_2217	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Severočeské doly a.s.	CONTRACT_2021_2241	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Severočeské doly a.s.	CONTRACT_2021_446	Credit Facility Agreement

Contracting Party	Agreement Registration Number	Agreement Title
Severočeské doly a.s.	CONTRACT_2021_447	Credit Facility Agreement
Severočeské doly a.s.	CONTRACT_2021_149	Contract on the Administration of Assets in SČD Blocked Accounts
Severočeské doly a.s.	CONTRACT_2021_428	Agreement on the Implementation of Backfilling for Remediation and Terrain Shaping for the Future Restoration of Areas Affected by Anthropogenic Activities
Severočeské doly a.s.	CONTRACT_2021_427	Agreement on the Implementation of Backfilling for Remediation and Terrain Shaping for the Future Restoration of Areas Affected by Anthropogenic Activities
Severočeské doly a.s.	CONTRACT_2021_244	Electricity Supply Agreement
Severočeské doly a.s.	CONTRACT_2021_74	Electricity Supply Agreement
Severočeské doly a.s.	4102502303	Contract for Work
Severočeské doly a.s.	5600012339	Material Purchase
Severočeské doly a.s.		Easement Agreement of March 17, 2005
Severočeské doly a.s.		Agreement on Coordinated Action in the Award of a Public Contract of the "Operational Leasing of Passenger Vehicles for CEZ Group" of August 7, 2020
Solární servis, s.r.o.	000063_2021	Virtual Office Agreement
Solární servis, s.r.o.	CONTRACT_2021_2199	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Solární servis, s.r.o.	CONTRACT_2021_2257	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Solární servis, s.r.o.	4102329688	Vehicle Buyout
Solární servis, s.r.o.	4400047502	Agreement on the Assignment of the General Agreement on the Implementation of Charging Station Sites
SPRAVBYTKOMFORT, a.s. Prešov	CONTRACT_2021_506	License Agreement on the Provision of the Right to Use Trademarks
Syneco tec GmbH	CONTRACT_2021_434	Credit Facility Agreement
Syneco tec GmbH	CONTRACT_2021_1554	Agreement on the Issuance of Guarantees
Syneco tec GmbH	CONTRACT_2021_908	Agreement on the Issuance of Guarantees
SYNECOTEC Deutschland GmbH	CONTRACT_2021_433	Credit Facility Agreement
SYNECOTEC Deutschland GmbH	CONTRACT_2021_4285	Agreement on the Issuance of Guarantees
ŠKODA PRAHA a.s.	69932100_1	Thermal Energy Supply Agreement
ŠKODA PRAHA a.s.	69932101_1	Thermal Energy Supply Agreement
ŠKODA PRAHA a.s.	69993401_1	Thermal Energy Supply Agreement
ŠKODA PRAHA a.s.	69993402_1	Thermal Energy Supply Agreement
ŠKODA PRAHA a.s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ŠKODA PRAHA a.s.	5600001492	Service Agreement
ŠKODA PRAHA a.s.	4400041478	Service Agreement (Engineering-Consulting Services in the Power Supply Area)
ŠKODA PRAHA a.s.	4102364922	Documentation Creation
ŠKODA PRAHA a.s.	4102480887	Technical Assistance
ŠKODA PRAHA a.s.	110011_2018	Lease Agreement
ŠKODA PRAHA a.s.	001079_2014	Lease Agreement
ŠKODA PRAHA a.s.	000394_2017	Lease Agreement
ŠKODA PRAHA a.s.	000580_2014	Lease Agreement
ŠKODA PRAHA a.s.	000039_2014	Lease Agreement
ŠKODA PRAHA a.s.	000455_2017	Lease Agreement
ŠKODA PRAHA a.s.	4100493455	Contract for Work—General Construction Completion
ŠKODA PRAHA a.s.	4100268641	Contract for Work—General Construction Completion
ŠKODA PRAHA a.s.	4100418916	Contract for Work
ŠKODA PRAHA a.s.	4102317883	Replacement of Rectifiers and Inverters of Secured Power Systems
ŠKODA PRAHA a.s.	4102349543	Ensuring the Tightness of Hermetic Closures
ŠKODA PRAHA a.s.	4102438677	Replacement of Fire Dampers
ŠKODA PRAHA a.s.	4102493942	Ensuring the Long-Term Serviceability of Standby Power Transformers
ŠKODA PRAHA a.s.	4400051430	Design Work
ŠKODA PRAHA a.s.	4400051431	Design Work
ŠKODA PRAHA a.s.	4400051442	Minimizing Microsand Losses in the Water Treatment Process
ŠKODA PRAHA a.s.	4400051664	Technical Support for Unit Operators
ŠKODA PRAHA a.s.	CONTRACT_2021_11	Protection of Confidential Information
ŠKODA PRAHA a.s.	4100813391	Reconstruction of the Raw Water Supply Systems
ŠKODA PRAHA a.s.	4101424051	Replacement of Defective Piping Segments
ŠKODA PRAHA a.s.	4400005523	Project Reserves Utilization
ŠKODA PRAHA a.s.	4100757023	Contract for Work
ŠKODA PRAHA a.s.	4100849024	Contract for Work
Telco Infrastructure, s.r.o.	5600011812	License Agreement on the Provision of the Right to Use Trademarks
Telco Infrastructure, s.r.o.	5600011131	Service Agreement
Telco Infrastructure, s.r.o.	000904_2020	Sublease Agreement
Telco Infrastructure, s.r.o.	CONTRACT_2021_2218	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Telco Infrastructure, s.r.o.	CONTRACT_2022_148	Virtual Office Agreement
Telco Pro Services, a. s.	P3A18000014318	Personal Data Processing Agreement
Telco Pro Services, a. s.	5600008760	License Agreement on the Provision of the Right to Use Trademarks

Contracting Party	Agreement Registration Number	Agreement Title
Telco Pro Services, a. s.		Agreement on Coordinated Action in the Award of a Public Contract (Servicing, Development, and Renovation of Telecommunications Access and Transmission Network with SDH/TDM/MPLS Equipment and Appropriate Monitoring Systems) of 2019
Telco Pro Services, a. s.		Agreement on Coordinated Action in the Award of a Public Contract (Power Supply Systems for Telecommunications Equipment) of 2018
Telco Pro Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Active LAN Element Renovation) of 2019
Telco Pro Services, a. s.	4400039928	Lease Agreement
Telco Pro Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract of June 5, 2018 (DWDM Network Restoration and Expansion)
Telco Pro Services, a. s.		Agreement on Cooperation in the Performance of a Public Contract (Active WAN Telecommunications Access Network Element Renovation) of 2018
Telco Pro Services, a. s.	4100765357	Dlouhý stráně Lease
Telco Pro Services, a. s.	4400049888	Agreement on the Provision of Structured Cabling and Telephone Distribution
Telco Pro Services, a. s.	4102296213	Lease of Telecommunications Room
Telco Pro Services, a. s.	4102297844	Room Lease in Frýdek Místek
Telco Pro Services, a. s.	4102368359	Preliminary Agreement on the Land Communication Lines
Telco Pro Services, a. s.	4102441676	Easement Agreement
Telco Pro Services, a. s.	4102447454	Easement Agreement
Telco Pro Services, a. s.	4102451473	Preliminary Agreement on the Land Communication Lines
Telco Pro Services, a. s.	4400031250	Agreement on Website Services
Telco Pro Services, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
Telco Pro Services, a. s.	4400023736	Service Agreement
Telco Pro Services, a. s.	4102292506	Lease Agreement
Telco Pro Services, a. s.	4102292811	Sublease Agreement
Telco Pro Services, a. s.	4102293677	Agreement on the Sublease of Business Premises and for Business Lease of Movables
Telco Pro Services, a. s.	4102295559	Sublease Agreement
Telco Pro Services, a. s.	4102298425	Contract for Work-Tolling Units
Telco Pro Services, a. s.	4102312619	Sublease Agreement
Telco Pro Services, a. s.	4102320673	Agreement on the Provision of Services in Connection with the Property Sale
Telco Pro Services, a. s.	4102330543	Sublease Agreement
Telco Pro Services, a. s.	4102345431	Contract for Work
Telco Pro Services, a. s.	4102348503	Project Documentation for the Modification of the Transmission Facilities
Telco Pro Services, a. s.	4102349397	Purchase Agreement
Telco Pro Services, a. s.	4102494818	Lease Agreement
Telco Pro Services, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of Administrative Services of September 8, 2021
Telco Pro Services, a. s.	4400049772	Sublease Agreement
Telco Pro Services, a. s.	000066_2021	Preliminary Easement Agreement
Telco Pro Services, a. s.	000434_2021	Preliminary Easement Agreement
Telco Pro Services, a. s.		Agreement on Coordinated Action in the Award and Performance of a Public Contract of October 14, 2019
Telco Pro Services, a. s.	4400024013	Lease Agreement for Land
Telco Pro Services, a. s.	4101756925	Non-Residential Facility Lease
Telco Pro Services, a. s.	000629_2013	Lease Agreement
Telco Pro Services, a. s.	5A6550SM01-17000023	Personal Data Processing Agreement
Telco Pro Services, a. s.	5A6550SM01-17000024	Agreement on Personal Data Processing for the Sales Division
Telco Pro Services, a. s.	CONTRACT_2021_2219	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
Telco Pro Services, a. s.	CONTRACT_2021_2253	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral EUR Cash-Pooling Agreement for the Economically Linked Group
Telco Pro Services, a. s.	CONTRACT_2021_901	Mutual Credit Facility Agreement
Telco Pro Services, a. s.	CONTRACT_2021_1212	Calibration of the A5233 Multimeter
Telco Pro Services, a. s.	CONTRACT_2021_199	General Agreement on Cession of Receivables
Telco Pro Services, a. s.	CONTRACT_2022_191	Agreement on the Transfer of Part of Leave
Telco Pro Services, a. s.	4400051559	Revision of Electrical Equipment
TelNet Holding, s.r.o.	001361_2021	Virtual Office Agreement
TENAUR, s.r.o.	5600012550	Card Management Agreement
TENAUR, s.r.o.	4102203786	Science and Research (Aggregator Services)
TENAUR, s.r.o.	4102294378	Boiler
TENAUR, s.r.o.	4102435103	Research and Development
TENAUR, s.r.o.	4102442506	Research and Development
TENAUR, s.r.o.	4102468429	Virtual Community for Photovoltaic Power Sharing
TENAUR, s.r.o.	CONTRACT_2021_231	Agreement on the Mutual Credit Facilities Related to the Agreement on Provision of the Multilevel Real Cash-Pooling
Tepló Klášterec s.r.o.	5600011620	Reprographic Services
Tepló Klášterec s.r.o.	5600008660	Service Agreement
Tepló Klášterec s.r.o.	000280_2017	Easement Agreement
TMK Hydroenergy Power S.R.L.	CONTRACT_2021_4058	Transitional Period Service Agreement

Contracting Party	Agreement Registration Number	Agreement Title
TMK Hydroenergy Power S.R.L.	CONTRACT_2022_249	Transitional Period Service Agreement
TMK Hydroenergy Power S.R.L.	CONTRACT_2022_285	Transitional Period Service Agreement
TMK Hydroenergy Power S.R.L.	CONTRACT_2021_1133	Agreement on the Issuance of Guarantees
Tomis Team S.A.	CONTRACT_2021_4058	Transitional Period Service Agreement
Tomis Team S.A.	CONTRACT_2021_4059	Transitional Period Service Agreement
Tomis Team S.A.	CONTRACT_2022_255	Transitional Period Service Agreement
Tomis Team S.A.	CONTRACT_2022_286	Transitional Period Service Agreement
Tomis Team S.A.	CONTRACT_2021_2358	General Agreement on Financial Market Trading (ISDA)
Tomis Team S.A.	CONTRACT_2021_1674	General Agreement on Power Supply and Consumption (EFET)
Tomis Team S.A.	CONTRACT_2021_1676	General Agreement on Power Supply and Consumption (EFET)
Tomis Team S.A.	CONTRACT_2021_1134	Agreement on the Issuance of Guarantees
ÚJV Řež, a. s.	69906361_1	Thermal Energy Supply Agreement
ÚJV Řež, a. s.	69904466_1	Thermal Energy Supply Agreement
ÚJV Řež, a. s.	4101774371	Transfer of Results from the International Halden Reactor Project
ÚJV Řež, a. s.	4102080207	Technical Support in the Implementation of a New Type of Fuel at the Dukovany Nuclear Power Plant
ÚJV Řež, a. s.	4102360027	Ensuring Participation, Transfer, and Application of Results from FIDES OECD NEA (Framework for Irradiation Experiments Organization for Economic Cooperation and Development Nuclear Energy Agency)
ÚJV Řež, a. s.	4102360615	Processing the "Decommissioning Plan and the Decommissioning Cost Estimates for the Dukovany Nuclear Power Plant" Document
ÚJV Řež, a. s.	4102379011	Determination of Specific Activity of Radionuclides of Interest in Samples Taken from Activated Inner Reactor Components of the VVER 440/230 Reactor
ÚJV Řež, a. s.	4102423682	Support for the Transition to the 18-Month Campaign of the Temelín Nuclear Power Plant-Safety Assessment
ÚJV Řež, a. s.	5600011467	Reprographic Services
ÚJV Řež, a. s.	4101899067	Lease Agreement
ÚJV Řež, a. s.		Agreement on Contracting Entities' Coordinated Action in the Award of a Public Contract of September 30, 2019
ÚJV Řež, a. s.	4102406027	Service Agreement
ÚJV Řež, a. s.	4102442032	Service Agreement
ÚJV Řež, a. s.	5600012552	Service Agreement
ÚJV Řež, a. s.	000967_2021	Agreement on Securing Bus Transportation
ÚJV Řež, a. s.	000892_2021	Agreement on the Provision of Bus Transport and Related Activities
ÚJV Řež, a. s.	000669_2021	Facility Catering Service Agreement
ÚJV Řež, a. s.	000595_2021	Facility Catering Service Agreement
ÚJV Řež, a. s.	000153_2019	Lease Agreement
ÚJV Řež, a. s.	000967_2013	Lease Agreement
ÚJV Řež, a. s.	001361_2012	Lease Agreement
ÚJV Řež, a. s.	4101548387	Selectivity Database Update
ÚJV Řež, a. s.	90017899	Contract for Work (SCORPIO Software Maintenance)
ÚJV Řež, a. s.	4101650278	Provision of Work of the Engineering Solutions Group
ÚJV Řež, a. s.	4100534338	Contract for Work (Technical Assistance in Additional Cask Procurement)
ÚJV Řež, a. s.	4101282678	Contract for Work (Technical Assistance for Casks)
ÚJV Řež, a. s.	4101787595	Contract for Work (Final Marking and Creation of a Piping Line Registry, Including the Addition of Selected Attributes and Links to Selected Weld Joints, Piping Hinges, and Supports and Checkpoints)
ÚJV Řež, a. s.	4101810174	Nondisclosure Agreement
ÚJV Řež, a. s.	4400045527	Repair of Defects of Tensometric Measurements of the Containment Pretensioning System at the Temelín Nuclear Power Plant
ÚJV Řež, a. s.	4400046138	Technical Assistance Agreement (Data Analysis)
ÚJV Řež, a. s.	4102055630	Contract for Work (Project Reserve Utilization)
ÚJV Řež, a. s.	4101950483	Technical Assistance Agreement (Preparation of Selected Documentations and Provision of Expert Technical Assistance)
ÚJV Řež, a. s.	4101954269	Technical Assistance Agreement (Provision of Project Documentation and Author's Supervision for Future Construction)
ÚJV Řež, a. s.	4102093760	Technical Assistance Agreement (Functional System Analyses)
ÚJV Řež, a. s.	4102093839	Technical Assistance Agreement (Design Base Reconstitution)
ÚJV Řež, a. s.	4102126659	Science and Research (Software Tool Development)
ÚJV Řež, a. s.	4102149839	Complementary Experiments to the Study of Fuel Assembly Management
ÚJV Řež, a. s.	4102156665	Data and Tools for Analyses of Melt Flow and Storability When Watered From Above
ÚJV Řež, a. s.	4102103109	Restoration of Protective Envelope Response Measurement
ÚJV Řež, a. s.	4102132299	Contract for Work
ÚJV Řež, a. s.	4102152406	Expansion of Bicycle and Motorcycle Parking Capacities
ÚJV Řež, a. s.	4102162330	Type Qualification Test Execution
ÚJV Řež, a. s.	4102209257	Project Work
ÚJV Řež, a. s.	4102209994	Software Upgrade
ÚJV Řež, a. s.	4102223753	Project Work
ÚJV Řež, a. s.	4102234512	Provision of Packaging Files
ÚJV Řež, a. s.	4102268565	Purchase Agreement (Sealants)

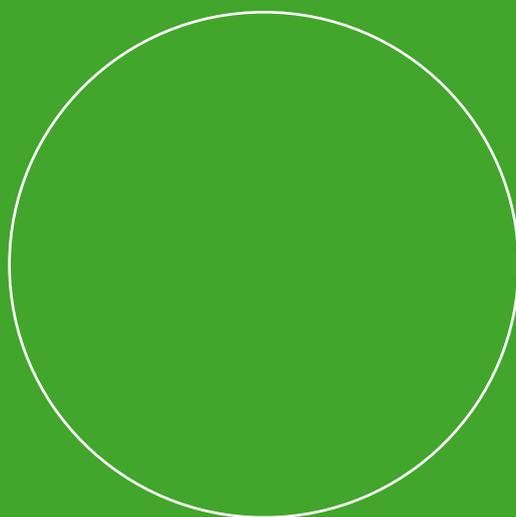
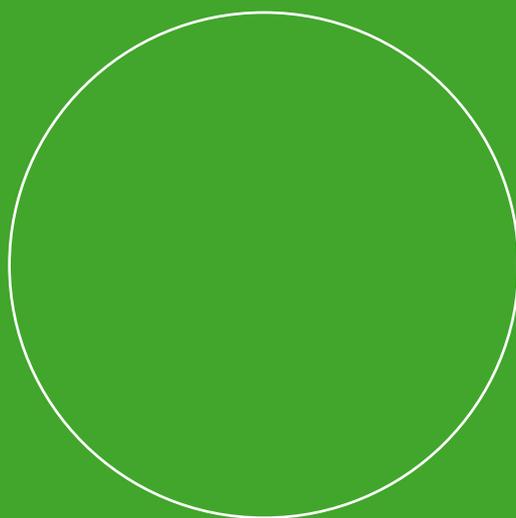
Contracting Party	Agreement Registration Number	Agreement Title
ÚJV Řež, a. s.	4102056235	Transfer of Results from the International Studsvik Cladding Integrity Project
ÚJV Řež, a. s.	4400047669	Technical Assistance
ÚJV Řež, a. s.	4400048121	Readiness Assurance
ÚJV Řež, a. s.	4400048625	Technical Assistance
ÚJV Řež, a. s.	4400048690	Technical Assistance
ÚJV Řež, a. s.	4400049442	Verification of the Functionality of the Dismantled Air Lock Sealing Material
ÚJV Řež, a. s.	4400049470	Document and Data Preparation
ÚJV Řež, a. s.	4400049540	Problem of Replacing Inaccessible Circuit Breakers on Switchboards
ÚJV Řež, a. s.	5600011290	General Agreement for Technical Support of the Future Operator
ÚJV Řež, a. s.	5600011570	Agreement on Gauge Calibration Verification
ÚJV Řež, a. s.	4102279499	Occupational Health and Safety Plan-Reduction of Mercury Emissions
ÚJV Řež, a. s.	4102281020	Purchase of Reagent for the Determination of Alphanuclides
ÚJV Řež, a. s.	4102281164	Cable Replacement
ÚJV Řež, a. s.	4102319818	Architectural Study
ÚJV Řež, a. s.	4102322177	Author's Supervision
ÚJV Řež, a. s.	4102329810	Purchase of Sealants
ÚJV Řež, a. s.	4102338757	Leaks in the Central Oil Management System
ÚJV Řež, a. s.	4102341165	Purchase of Measuring Instruments and Spare Parts
ÚJV Řež, a. s.	4102342261	Low-Pressure Compressor Reconnection
ÚJV Řež, a. s.	4102350167	Purchase of Adhesive Sealants and Primers
ÚJV Řež, a. s.	4102350197	Project Documentation Completion for the Relocation of Buildings
ÚJV Řež, a. s.	4102350199	Project Documentation Completion for the Land Preparation for Commercial Use
ÚJV Řež, a. s.	4102351381	Replacement of Electric Motors
ÚJV Řež, a. s.	4102366380	Preparation of Conceptual Project Documentation
ÚJV Řež, a. s.	4102367029	Securing the Fire Critical Areas
ÚJV Řež, a. s.	4102380584	Determination of the Concept Solution of the Secured Power Supply
ÚJV Řež, a. s.	4102383192	Purchase of Reagent
ÚJV Řež, a. s.	4102383536	Purchase of Seal
ÚJV Řež, a. s.	4102384967	Purchase of Cleaning Agent
ÚJV Řež, a. s.	4102388885	Steam Generator Replacement Study
ÚJV Řež, a. s.	4102391846	Preparation of Annexes for the HEAT Modernization Fund Program-Waste to Energy at the Mělník Plant
ÚJV Řež, a. s.	4102397978	Purchase of Towing Anchor Washers
ÚJV Řež, a. s.	4102430741	Selectivity for Technical Change
ÚJV Řež, a. s.	4102435472	Purchase of Sealants
ÚJV Řež, a. s.	4102456389	Purchase of Sealants
ÚJV Řež, a. s.	4102473130	Modification of the Solution in the Protected Escape Route
ÚJV Řež, a. s.	4102485169	Preparation of the Solution Study
ÚJV Řež, a. s.	4102485560	Preparation of an Energy Specialist's Opinion
ÚJV Řež, a. s.	4102491704	Elaboration of Documentation of the Project Intent for the Construction of a Steam Plant in Mělník
ÚJV Řež, a. s.	4102493513	Purchase of Reagent for the Determination of Alphanuclides
ÚJV Řež, a. s.	4400049882	Agreement on the Provision of Technical Assistance in 2021-2025
ÚJV Řež, a. s.	4400049941	Preoperational Thermal Stability Tests of the Bituminous Concentrate Product
ÚJV Řež, a. s.	4400050276	Conduct of Evaporation Tests of Raw Water
ÚJV Řež, a. s.	4400050365	Conduct of Evaporation Tests of Raw Water
ÚJV Řež, a. s.	4400050427	Data Collection and Evaluation of Chemical Parameters of Effluent Water
ÚJV Řež, a. s.	4400050654	Maintenance of the Steam Generator Bench
ÚJV Řež, a. s.	4400050787	Behavior of Boric acid on Strongly Basic Anion Exchanger
ÚJV Řež, a. s.	4400050833	Analysis of Pipeline Pieces
ÚJV Řež, a. s.	4400051150	Analysis and Evaluation of Surface Oxide Layers
ÚJV Řež, a. s.	4400051172	Evaluation of the Condition of Main Coolant Pump Graphite Sealing Ring Sample
ÚJV Řež, a. s.	4400051251	General Feasibility Study of the Electrical Power Supply of the Site Equipment
ÚJV Řež, a. s.	4400051261	Comparison of MOBY-DICK-1000 Calculation with Temelín Power Plant Operational Data
ÚJV Řež, a. s.	4400051293	Agreement on the Use of the Results Generated by the Project
ÚJV Řež, a. s.	4400051372	Implementation of Additional Tests for Rubber Resistance
ÚJV Řež, a. s.	4400051391	Analysis of Options for Increasing the Storage Capacity of Spent Nuclear Fuel Storage
ÚJV Řež, a. s.	4400051437	Analysis of the Actual State of Marking
ÚJV Řež, a. s.	4400051566	Development of Representative Parameters for Seals
ÚJV Řež, a. s.	4400051613	Validation of Computational Programs for the Safety Assessment of Nuclear Facilities
ÚJV Řež, a. s.	4400051624	Analysis of Pipeline Pieces
ÚJV Řež, a. s.	4400051625	Switchgear Instrumentation Equivalents
ÚJV Řež, a. s.	4400051796	Comparison of Operating Parameters of Secondary Circuits
ÚJV Řež, a. s.	4400051798	Analysis and Evaluation of Surface Oxide Layers on the Steam Generator Heat-Exchanging Tubes
ÚJV Řež, a. s.	4400051961	Assessment of the Extension of Equipment Maintenance Programs
ÚJV Řež, a. s.	4400051963	Preparation of a Machine Maintenance and Repair Workflow
ÚJV Řež, a. s.	4400052006	Provision of Support to the Activities of the Expert Team
ÚJV Řež, a. s.	4400052160	Documentation of Fire Protection Grommets

Contracting Party	Agreement Registration Number	Agreement Title
ÚJV Řež, a. s.	4400052161	Project Documentation
ÚJV Řež, a. s.	4400052182	Comprehensive Verification of Concentrate Thermal Stability
ÚJV Řež, a. s.	4400052250	Radiochemical Analysis of Radioactive Sample
ÚJV Řež, a. s.	4400052287	Simulation of Long-Term Operation of the Instrument Transformer
ÚJV Řež, a. s.	4400052290	Terminal Analysis
ÚJV Řež, a. s.	4400052332	Assessment of Electric Motor Replacement Equivalents
ÚJV Řež, a. s.	4400052913	Work Related to Inspecting Stewardship
ÚJV Řež, a. s.	4400053089	Performing Preoperational Thermal Stability Tests of the Bituminous Concentrate Product from Tank
ÚJV Řež, a. s.	4400053195	Creation and Supply of a Mathematical Model to Predict Inter-circuit Leakage from Primary to Secondary Circuit
ÚJV Řež, a. s.	4400053233	Equivalents of Electric Motor Replacement
ÚJV Řež, a. s.	4400053336	Technical Assistance
ÚJV Řež, a. s.	CONTRACT_2021_341	Agreement on the Transfer of Interest
ÚJV Řež, a. s.	CONTRACT_2021_342	Agreement on the Transfer of Shares
ÚJV Řež, a. s.	CONTRACT_2021_4309	Metrology Work
ÚJV Řež, a. s.	CONTRACT_2021_340	Set-off Agreement
ÚJV Řež, a. s.	CONTRACT_2021_907	Agreement on the Issuance of Guarantees
ÚJV Řež, a. s.	CONTRACT_2021_2951	Certification of NDT Personnel (UT, UTT Method)
ÚJV Řež, a. s.	4101913330	Electricity Supply for Electromobility
ÚJV Řež, a. s.	4102131586	Conceptual Project Documentation
ÚJV Řež, a. s.	4102149565	Assessment of the Technical Part of the Tender Documentation
ÚJV Řež, a. s.	4102174844	Analysis of Suppression of Living Organisms
ÚJV Řež, a. s.	4102202540	Update of the Machinery Aging Catalog
ÚJV Řež, a. s.	4102205987	Preparation of Supporting Technical Documentation for the Project Intent
ÚJV Řež, a. s.	4102219128	Project Analysis
ÚJV Řež, a. s.	4102260135	Deterministic and Probabilistic Analyses of Internal and External Events
ÚJV Řež, a. s.	4102264093	Preparation of a Techno-Economic Study
ÚJV Řež, a. s.	4102272131	Electrical Project Analysis
ÚJV Řež, a. s.	4102273420	Project Documentation in Detail for Construction Implementation
ÚJV Řež, a. s.	4102275275	Verifying the Function of the Insulating Housing
ÚJV Řež, a. s.	4102291520	Radiochemical Analysis of Cast Sample
ÚJV Řež, a. s.	4102312542	Implementation of Technical Measures
ÚJV Řež, a. s.	4102315404	Update of Project Database Data
ÚJV Řež, a. s.	4102322252	Project Operating Modes
ÚJV Řež, a. s.	4102333719	Preparation of Operational Diagrams of the Affected Sub-Switchboards
ÚJV Řež, a. s.	4102336542	Preparation of Supporting Technical Documentation
ÚJV Řež, a. s.	4102341213	Reconstitution of Project Operating Modes of the Unit
ÚJV Řež, a. s.	4102349764	Extension of Guard Rails during Road Reconstruction
ÚJV Řež, a. s.	4102350456	Support in the Preparation of Safety Improvement Measures
ÚJV Řež, a. s.	4102357277	Updating Knowledge and Trends in Contamination Reduction
ÚJV Řež, a. s.	4102359163	Evaluation of Computational Programs
ÚJV Řež, a. s.	4102359338	Adaptation and Completion of the Standard
ÚJV Řež, a. s.	4102360431	Contract for Work
ÚJV Řež, a. s.	4102360512	Modifications in Circuits
ÚJV Řež, a. s.	4102369149	Managed Aging Program
ÚJV Řež, a. s.	4102385222	Qualification Screening of Equipment Selection
ÚJV Řež, a. s.	4102390762	Low-Voltage Electric Motor Qualification Testing
ÚJV Řež, a. s.	4102403739	Qualified Cable Life Extension
ÚJV Řež, a. s.	4102404328	Conceptual Switchgear Design Documentation
ÚJV Řež, a. s.	4102404410	Enhancing System Resilience
ÚJV Řež, a. s.	4102408465	Revision and Completion of Documentation
ÚJV Řež, a. s.	4102411861	Digitization
ÚJV Řež, a. s.	4102413195	Replacement of Engines
ÚJV Řež, a. s.	4102414633	Safe Separation of Unit Transformers from the Machine Room Wall
ÚJV Řež, a. s.	4102414693	Replacement of Instrumentation
ÚJV Řež, a. s.	4102415814	Replacement of Unit Protectors
ÚJV Řež, a. s.	4102415854	Project Intent
ÚJV Řež, a. s.	4102423160	Preparation of 3D Model of Scanned Areas/Rooms
ÚJV Řež, a. s.	4102424894	Evaluating the Impact of 18-Month Cycles on Life Time
ÚJV Řež, a. s.	4102429843	Provision of a Fuel Hermeticity Control System
ÚJV Řež, a. s.	4102429988	Modernization of the In-House Information System
ÚJV Řež, a. s.	4102432889	Addition of Sockets
ÚJV Řež, a. s.	4102438971	Reconstruction of Control Systems
ÚJV Řež, a. s.	4102447790	Qualification Analysis of Pressure Transducers
ÚJV Řež, a. s.	4102472270	Seal Life Extension Qualification
ÚJV Řež, a. s.	4102488528	Model Validation
ÚJV Řež, a. s.	4102488602	Analyses to Estimate Tornado Frequency

Contracting Party	Agreement Registration Number	Agreement Title
ÚJV Řež, a. s.	4102488614	Additional Analyses for Operational Events
ÚJV Řež, a. s.	4102489862	Preparation of New Models for Computational Needs
ÚJV Řež, a. s.	4102490191	Pressure, Temperature, and Heat Transfer Coefficients
ÚJV Řež, a. s.	4102490536	Extended Validation of Computational Tools
ÚJV Řež, a. s.	4102490655	Improvement of Computational Methods
ÚJV Řež, a. s.	4102490894	Reliability Assessment
ÚJV Řež, a. s.	4102491244	Model Modifications
ÚJV Řež, a. s.	4400050368	Usability Assessment
ÚJV Řež, a. s.		Nondisclosure Agreement of September 3, 2019
ÚJV Řež, a. s.	4101822994	Agreement on Cooperation in the Area of Supplier Audit Completion
ÚJV Řež, a. s.	110611_2020	Agreement on the Transfer of Premises
ÚJV Řež, a. s.	18SML113	Nondisclosure Agreement
ÚJV Řež, a. s.	18SML127	Nondisclosure Agreement
ÚJV Řež, a. s.	NP-2021-083	Preparation of Technical Annexes to the Aid Application
ÚJV Řež, a. s.	4102427048	Emergency Refrigerant Source
ÚJV Řež, a. s.	4102456059	3D Room Model
ÚJV Řež, a. s.	4102463910	Revision of Selectivity Database and Protection Settings
ÚJV Řež, a. s.	4102455837	Reconstruction
ÚJV Řež, a. s.	4102463903	Creation of Covered Stands
ÚJV Řež, a. s.	4102476057	Creation of 3D Room Models
ÚJV Řež, a. s.	4102481965	3D Scanning of Selected Dungeons/Spaces
ÚJV Řež, a. s.	4102491245	Engineering Assessment of the Implementation
ÚJV Řež, a. s.	4102480296	Provision of Advice, Consultancy, and Technical Assistance
ÚJV Řež, a. s.	4102490200	Basic Principles for the Implementation of Electrical Reconstruction
ÚJV Řež, a. s.	4102489776	Processing of 3D model of Technology in Selected Rooms
Ústav aplikované mechaniky Brno, s.r.o.	5600011468	Reprographic Services
Ústav aplikované mechaniky Brno, s.r.o.	4100142728	Expert Assessment of the Boilers' Residual Lifetime
Ústav aplikované mechaniky Brno, s.r.o.	4101684024	Completion of Measurements of Material Properties
Ústav aplikované mechaniky Brno, s.r.o.	4101707506	Processing of Evidential Documentation for Individual Selected Machine System Equipment
Ústav aplikované mechaniky Brno, s.r.o.	4101869023	Contract for Work (Computational Assessment of the Actual Condition of a Joining Piece after Dissimilar Metal Weld Repair)
Ústav aplikované mechaniky Brno, s.r.o.	4400045285	Expert Technical Assistance in Dealing with Plant Failure Conditions and Performance of Expert Technical Assessments
Ústav aplikované mechaniky Brno, s.r.o.	4400046342	Technical Assistance Provision Agreement
Ústav aplikované mechaniky Brno, s.r.o.	4400052060	Analysis of the Supply Steam Pipeline
Ústav aplikované mechaniky Brno, s.r.o.	CONTRACT_2022_174	Calibration of Hygrometer and MC 4
Ústav aplikované mechaniky Brno, s.r.o.	CONTRACT_2021_2075	Calibration of the 1550B Voltage Indicator
Ústav aplikované mechaniky Brno, s.r.o.	CONTRACT_2022_173	Calibration of Pressure Switches
VESER, s. r. o. "v likvidácii"	5600003070	Service Agreement
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_2220	Mutual Credit Facility Agreement Based on the Multilevel Flexible Online Real Bilateral CZK Cash-Pooling Agreement for the Economically Linked Group
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4046	Agreement on the Provision of Services in Connection with Trading in Slovakia
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4047	Agreement on Business Cooperation
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4062	EFET General Agreement Novation Agreement
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4063	EFET General Agreement Novation Agreement
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4050	Novation and Settlement Agreement (in Connection with the Transfer of Gas Supply Agreements)
VESER, s. r. o. "v likvidácii"	CONTRACT_2022_360	Agreement on Individual Delivery of Guarantees of Origin
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_2362	General Agreement on Financial Market Trading (ISDA)
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_2787	General Agreement on Natural Gas Supply and Consumption (EFET)
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_1788	General Agreement on Power Supply and Consumption (EFET)
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4064	Individual Agreement under the EFET General Agreement
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_849	Agreement on the Issuance of Guarantees
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4051	Agreement on the Transfer of Rights and Obligations for Gas Supply
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4053	Agreement on the Transfer of Rights and Obligations for Gas Supply
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4055	Agreement on the Transfer of Rights and Obligations for Gas Supply
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4057	Agreement on the Transfer of Rights and Obligations for Gas Supply
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_4048	Agreement on Assignment and Assumption of Responsibility for Imbalance
VESER, s. r. o. "v likvidácii"	CONTRACT_2021_905	Mutual Credit Facility Agreement
Výzkumný a zkušební ústav Plzeň s.r.o.	5600012474	Service Agreement

Contracting Party	Agreement Registration Number	Agreement Title
Výzkumný a zkušební ústav Plzeň s.r.o.	000895_2021	Agreement on Securing Bus Transportation
Výzkumný a zkušební ústav Plzeň s.r.o.	000627_2021	Facility Catering Service Agreement
Výzkumný a zkušební ústav Plzeň s.r.o.	4102113956	Agreement on the Utilization of Results Achieved under a Research and Development Project of December 27, 2019
Výzkumný a zkušební ústav Plzeň s.r.o.	4100970009	Equipment Material Diagnostics
Výzkumný a zkušební ústav Plzeň s.r.o.	4400042837	Contract for Work (Technical Support in Vibration Diagnostic Measurement Durability and Reliability, Material Diagnostics, Stressing, and Noise Measurement)
Výzkumný a zkušební ústav Plzeň s.r.o.	4400044311	Inspection Agreement (Performance of Heat Exchanger Diagnostic Inspections)
Výzkumný a zkušební ústav Plzeň s.r.o.	4400049365	Technical Assistance, Expert Support
Výzkumný a zkušební ústav Plzeň s.r.o.	4400050700	Overhaul
Výzkumný a zkušební ústav Plzeň s.r.o.	4400051033	Main Generation Unit
Výzkumný a zkušební ústav Plzeň s.r.o.	4400051057	Main Generation Unit
Výzkumný a zkušební ústav Plzeň s.r.o.	4400051627	Analysis of Suitable Materials for Heat Injection Molding of Check Valves
Výzkumný a zkušební ústav Plzeň s.r.o.	4400051855	Measurement of Noise and Evaluation of the Internal Vibrations in Generators
Výzkumný a zkušební ústav Plzeň s.r.o.	4400052181	Calibration of Extension Rings and Ultrasonic Gauge
Výzkumný a zkušební ústav Plzeň s.r.o.	4400052272	Equipment Material Diagnostics
Výzkumný a zkušební ústav Plzeň s.r.o.	4400052476	End Gauge Calibration
Výzkumný a zkušební ústav Plzeň s.r.o.	4400052878	Technical Assistance in Data Science for the Turbine Generator and Other Equipment
Výzkumný a zkušební ústav Plzeň s.r.o.	4400053094	Conduct of Turbine Maintenance Audits
Výzkumný a zkušební ústav Plzeň s.r.o.	4400053292	End Gauge Calibration
Výzkumný a zkušební ústav Plzeň s.r.o.	4400053370	Technical Assistance
Výzkumný a zkušební ústav Plzeň s.r.o.	000497_2021	Lease Agreement
Výzkumný a zkušební ústav Plzeň s.r.o.	69998300_1	Thermal Energy Supply Agreement

**CEZ GROUP
2021 ANNUAL REPORT
II. FINANCIAL STATEMENTS**



6. Financial Part

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(Translation of Consolidated Financial Statements
Originally Issued in Czech)

(Translation of Separate Financial Statements
Originally Issued in Czech)

CEZ Group

Consolidated Balance Sheet

as of December 31, 2021

In CZK Millions

ASSETS:	Note	2021	2020
Plant in service		856,189	827,652
Less accumulated depreciation and impairment		(487,211)	(451,033)
Net plant in service		368,978	376,619
Nuclear fuel, at amortized cost		13,096	13,697
Construction work in progress, net		21,009	20,056
Total property, plant and equipment	3	403,083	410,372
Investments in associates and joint-ventures	9	3,916	4,075
Restricted financial assets, net	4	20,804	21,424
Other non-current financial assets, net	5	11,805	11,002
Intangible assets, net	6	23,677	24,244
Deferred tax assets	35	10,719	828
Total other non-current assets		70,921	61,573
Total non-current assets		474,004	471,945
Cash and cash equivalents, net	10	26,640	6,064
Trade receivables, net	11	137,432	63,648
Income tax receivable		397	664
Materials and supplies, net	12	13,372	9,898
Fossil fuel stocks, net		574	1,220
Emission rights	13	19,534	37,833
Other current financial assets, net	5	497,295	61,894
Other current assets, net	14	13,674	8,919
Assets classified as held for sale	15	-	40,373
Total current assets		708,918	230,513
TOTAL ASSETS		1,182,922	702,458
EQUITY AND LIABILITIES:	Note	2021	2020
Stated capital		53,799	53,799
Treasury shares		(1,423)	(2,845)
Retained earnings and other reserves		108,722	182,917
Total equity attributable to equity holders of the parent	16	161,098	233,871
Non-controlling interests	9	1,742	4,692
Total equity		162,840	238,563
Long-term debt, net of current portion	17	95,924	122,102
Provisions	20	117,072	105,326
Other long-term financial liabilities	21	35,219	9,414
Deferred tax liability	35	12,839	19,383
Other long-term liabilities		32	34
Total non-current liabilities		261,086	256,259
Short-term loans	22	25,310	984
Current portion of long-term debt	17	16,647	28,741
Trade payables		85,928	73,189
Income tax payable		2,249	555
Provisions	20	18,253	13,665
Other short-term financial liabilities	21	601,027	72,114
Other short-term liabilities	23	9,582	6,759
Liabilities associated with assets classified as held for sale	15	-	11,629
Total current liabilities		758,996	207,636
TOTAL EQUITY AND LIABILITIES		1,182,922	702,458

The accompanying notes are an integral part of these consolidated financial statements.

CEZ Group

Consolidated Statement of Income

for the Year Ended December 31, 2021

In CZK Millions

	Note	2021	2020
Sales of electricity, heat, gas and coal		157,493	138,015
Sales of services and other revenues		67,329	71,507
Other operating income		2,971	4,215
Total revenues and other operating income	25	227,793	213,737
Gains and losses from commodity derivative trading	26	(4,468)	6,122
Purchase of electricity, gas and other energies	27	(62,669)	(56,335)
Fuel and emission rights	28	(24,555)	(23,262)
Services	29	(29,044)	(30,147)
Salaries and wages	30	(30,591)	(30,855)
Material and supplies		(11,017)	(10,576)
Capitalization of expenses to the cost of assets and change in own inventories		4,285	3,450
Depreciation and amortization	3, 6	(31,628)	(28,284)
Impairment of property, plant and equipment and intangible assets	7	(15,799)	(24,062)
Impairment of trade and other receivables		602	(544)
Other operating expenses	31	(6,811)	(6,659)
Income before other income (expenses) and income taxes		16,098	12,585
Interest on debt		(4,206)	(5,269)
Interest on provisions		(2,014)	(1,955)
Interest income	32	431	377
Share of profit (loss) from associates and joint-ventures	9	(534)	188
Impairment of financial assets		(449)	(433)
Other financial expenses	33	(659)	(962)
Other financial income	34	4,759	3,375
Total other income (expenses)		(2,672)	(4,679)
Income before income taxes		13,426	7,906
Income taxes	35	(3,517)	(2,438)
Net income		9,909	5,468
Net income attributable to:			
Equity holders of the parent		9,791	5,438
Non-controlling interests		118	30
Net income per share attributable to equity holders of the parent (CZK per share):	38		
Basic		18.3	10.2
Diluted		18.3	10.2

The accompanying notes are an integral part of these consolidated financial statements.

CEZ Group

Consolidated Statement of Comprehensive Income for the Year Ended December 31, 2021

In CZK Millions

	Note	2021	2020
Net income		9,909	5,468
Change in fair value of cash flow hedges		(85,679)	(8,198)
Cash flow hedges reclassified to statement of income		11,479	2,916
Change in fair value of debt instruments		(1,869)	277
Disposal of debt instruments		(12)	(1)
Translation differences – subsidiaries		(1,284)	980
Translation differences – associates and joint-ventures		37	191
Disposal of translation differences		8,238	3
Share on other equity movements of associates and joint-ventures		59	(5)
Deferred tax related to other comprehensive income	35	14,458	954
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods		(54,573)	(2,883)
Change in fair value of equity instruments		(795)	(1,046)
Re-measurement gains (losses) on defined benefit plans		6	(46)
Deferred tax related to other comprehensive income	35	151	199
Net other comprehensive income not to be reclassified from equity in subsequent periods		(638)	(893)
Total other comprehensive income, net of tax		(55,211)	(3,776)
Total comprehensive income, net of tax		(45,302)	1,692
Total comprehensive income attributable to:			
Equity holders of the parent		(45,259)	1,542
Non-controlling interests		(43)	150

The accompanying notes are an integral part of these consolidated financial statements.

CEZ Group

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2021

In CZK Millions

Note	Attributable to equity holders of the parent								Non-controlling interests	Total equity
	Stated capital	Treasury shares	Translation difference	Cash flow hedge reserve	Debt instruments	Equity instruments and other reserves	Retained earnings	Total		
Balance as at January 1, 2020	53,799	(2,885)	(12,837)	(2,831)	648	(160)	215,027	250,761	4,603	255,364
Net income	-	-	-	-	-	-	5,438	5,438	30	5,468
Other comprehensive income	-	-	1,056	(4,279)	226	(847)	(52)	(3,896)	120	(3,776)
Total comprehensive income	-	-	1,056	(4,279)	226	(847)	5,386	1,542	150	1,692
Dividends	-	-	-	-	-	-	(18,163)	(18,163)	(36)	(18,199)
Sale of treasury shares	-	40	-	-	-	-	(25)	15	-	15
Exercised and forfeited share options	-	-	-	-	-	(15)	15	-	-	-
Contribution from owners of non-controlling interests	-	-	-	-	-	-	-	-	13	13
Acquisition of non-controlling interests	8	-	-	-	-	-	(309)	(309)	(766)	(1,075)
Put options held by non-controlling interests	-	-	4	-	-	-	21	25	728	753
Balance as at December 31, 2020	53,799	(2,845)	(11,777)	(7,110)	874	(1,022)	201,952	233,871	4,692	238,563
Net income	-	-	-	-	-	-	9,791	9,791	118	9,909
Other comprehensive income	-	-	7,152	(60,102)	(1,521)	(644)	65	(55,050)	(161)	(55,211)
Total comprehensive income	-	-	7,152	(60,102)	(1,521)	(644)	9,856	(45,259)	(43)	(45,302)
Dividends	-	-	-	-	-	-	(27,873)	(27,873)	(150)	(28,023)
Sale of treasury shares	-	1,422	-	-	-	-	(762)	660	-	660
Exercised and forfeited share options	-	-	-	-	-	(55)	55	-	-	-
Acquisition of subsidiaries	8	-	-	-	-	-	-	-	32	32
Acquisition of non-controlling interests	8	-	-	-	-	-	(69)	(69)	5	(64)
Disposal of non-controlling interests	8	-	-	1	-	-	31	32	811	843
Disposal of subsidiaries	8	-	-	-	-	-	-	-	(3,606)	(3,606)
Put options held by non-controlling interests	-	-	(13)	-	-	-	(251)	(264)	1	(263)
Balance as at December 31, 2021	53,799	(1,423)	(4,637)	(67,212)	(647)	(1,721)	182,939	161,098	1,742	162,840

The accompanying notes are an integral part of these consolidated financial statements.

CEZ Group

Consolidated Statement of Cash Flows

for the Year Ended December 31, 2021

In CZK Millions

	Note	2021	2020
OPERATING ACTIVITIES:			
Income before income taxes		13,426	7,906
Adjustments of income before income taxes to cash generated from operations:			
Depreciation and amortization	3, 6	31,628	28,284
Amortization of nuclear fuel	3	4,110	4,197
(Gains) and losses on non-current asset retirements		(507)	(252)
Foreign exchange rate loss (gain)		(686)	(1,244)
Interest expense, interest income and dividend income		3,765	4,879
Provisions		4,844	2,834
Impairment of property, plant and equipment and intangible assets	7	15,799	24,062
Valuation allowances and other non-cash expenses and income		(38,481)	(10,495)
Share of (profit) loss from associates and joint-ventures	9	534	(188)
Changes in assets and liabilities:			
Receivables and contract assets		(78,918)	(2,032)
Materials, supplies and fossil fuel stocks		(2,466)	(1,095)
Receivables and payables from derivatives		23,034	13,306
Other assets		70,381	4,458
Trade payables		17,619	7,072
Other liabilities		2,662	(503)
Cash generated from operations		66,744	81,189
Income taxes paid		(3,550)	(3,748)
Interest paid, net of capitalized interest		(4,415)	(5,649)
Interest received		364	342
Dividends received		13	23
Net cash provided by operating activities		59,156	72,157
INVESTING ACTIVITIES:			
Acquisition of subsidiaries, associates and joint-ventures, net of cash acquired	8	(3,051)	(1,347)
Disposal of subsidiaries, associates and joint-ventures, net of cash disposed of	8	28,770	59
Additions to non-current assets, including capitalized interest		(32,226)	(31,558)
Proceeds from sale of non-current assets		468	467
Loans made		(305)	(1,160)
Repayment of loans		320	221
Change in restricted financial assets		(1,094)	(405)
Total cash used in investing activities		(7,118)	(33,723)
FINANCING ACTIVITIES:			
Proceeds from borrowings		313,886	158,320
Payments of borrowings		(321,466)	(178,869)
Payments of lease liabilities	24	(692)	(852)
Proceeds from other long-term liabilities		229	211
Payments of other long-term liabilities		(198)	(102)
Dividends paid to Company's shareholders		(27,813)	(18,116)
Dividends paid to non-controlling interests		(150)	(23)
Sale of treasury shares		660	15
(Acquisition) and sale of non-controlling interests, net		744	(1,097)
Total cash used in financing activities		(34,800)	(40,513)
Net effect of currency translation and allowances in cash		(767)	342
Net increase (decrease) in cash and cash equivalents		16,471	(1,737)
Cash and cash equivalents at beginning of period		10,169	11,906
Cash and cash equivalents at end of period	10	26,640	10,169
Supplementary cash flow information:			
Total cash paid for interest		4,714	5,952

The accompanying notes are an integral part of these consolidated financial statements.

CEZ Group

Notes to Consolidated Financial Statements as of December 31, 2021

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1. The Company

ČEZ, a. s. (ČEZ or the Company), company reg. No. 45274649, is a Czech Republic joint-stock company, owned 69.8% (69.9% of voting rights) at December 31, 2021 by the Czech Republic represented by the Ministry of Finance. The remaining shares of the Company are held by legal persons and individuals. The address of the Company's registered office is Duhová 2/1444, Praha 4, 140 53, Czech Republic.

The Company is a parent company of the CEZ Group (the Group, see Note 9). Main business of the Group is the production, distribution, trade and sale of electricity and heat, trade and sale of natural gas, provision of complex energy services and coal mining. ČEZ is an electricity generation company, which in 2021 generated approximately 58% of the electricity in the Czech Republic. In the Czech Republic the Company operates two nuclear plants, sixteen hydroelectric plants, one combined cycle gas turbine plant and eight fossil fuel plants. The Company also operates through its subsidiaries several power plants (fossil fuel, hydro, wind, solar, gas, biogas, biomass) in the Czech Republic, eleven wind power plants in Germany, two fossil fuel plants and two hydroelectric plants in Poland. Further the Group also owns an electricity distribution company and a lignite mining company in the Czech Republic. In the Czech Republic and other countries, the Group controls companies engaged in the provision of energy services. The average number of employees of the Company and its consolidated subsidiaries was 28,697 and 31,704 in 2021 and 2020, respectively.

Responsibility for public administration in the energy sector is exercised by the Ministry of Industry and Trade, the Energy Regulatory Office and the State Energy Inspection Board.

The Ministry of Industry and Trade, as the central public administration body for the energy sector, issues state approval to construct new energy facilities in accordance with specified conditions, develops the energy policy of the state and ensures fulfillment of obligations resulting from international treaties binding on the Czech Republic or obligations resulting from membership in international organizations.

The Energy Regulatory Office was established as the administrative office to exercise regulation in the energy sector of the Czech Republic, to support economic competition and to protect consumers' interests in sectors where competition is not possible. The Energy Regulatory Office issues licenses, imposes the obligation to supply beyond the scope of the license, the obligation to let another license holder use energy facilities in cases of emergency for payment, to exercise the supply obligation beyond the scope of the license and regulates prices based on special legal regulations. The State Energy Inspection Board supervises the functioning of the energy sector. All customers have the opportunity to buy electricity from any supplier.

2. Summary of Significant Accounting Policies

2.1. Financial Statements

These consolidated financial statements of the CEZ Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The financial statements are based on a historical cost approach, except where IFRS require a different measurement basis as disclosed in the description accounting policies below.

Explanation Added for Translation into English

These financial statements represent a translation of financial statements originally issued in Czech.

2.2. Consolidation Method

2.2.1. Group Structure

The consolidated financial statements of the CEZ Group include data of ČEZ, a. s., and its subsidiaries, associates and joint-ventures included in the consolidation unit (see Note 9).

2.2.2. Subsidiaries

Subsidiaries included in the consolidation unit are those entities which the CEZ Group controls. The Group controls an investee if, and only if, the Group:

- Has power over the investee (i.e., the Group has existing rights that give it the current ability to direct the activities of the entity that significantly affect its revenues)
- Is exposed to risk associated with or entitled to variable returns from its involvement with the investee
- Is able to use its power over the investee to affect the amount of the Group's returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's existing voting rights and potential voting rights

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method. The cost of a business combination is the sum of the consideration transferred, measured at fair value at acquisition date, and the amount of any non-controlling interests in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are recognized directly in profit or loss.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Among other things, the Group considers the separation of embedded derivatives from host contracts.

If the business combination is achieved in stages, the Group, as the acquirer, remeasures, through profit or loss, previously held equity interests in the acquiree to fair value at the acquisition date.

Any contingent consideration is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability are recognized in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration classified as equity is not remeasured.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired ("negative goodwill"), then the Group first reassesses the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination. Any excess remaining after the reassessment is recognized immediately in the income statement and is presented in the line Impairment of property, plant and equipment and intangible assets.

A change in the ownership interest of a subsidiary, without loss of control, is accounted as an equity transaction.

Losses within a subsidiary incurred are attributed to the non-controlling interest even if that results in a deficit balance.

Put options held by non-controlling interests are recorded as a derecognition of non-controlling interest and recognition of a liability at the end of the reporting period. The liability is recognized at the present value of the amount payable on exercise of the option. Any difference between the amount of non-controlling interest derecognized and this liability is accounted for within equity. Subsequent changes to the present value of liability are recorded directly in equity.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are eliminated unless transaction indicates impairment of the asset transferred. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the CEZ Group.

2.2.3. Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence, but which it does not control. Investments in associates are included in the consolidated financial statements using the equity method of accounting. Under this method the Group's share of the post-acquisition profits or losses of associates is recognized in the income statement. The Group's share of other post-acquisition movements in equity of associates is recognized in other comprehensive income against the cost of the investment. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The Group's investment in associates includes goodwill (net of accumulated impairment losses) on acquisition.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses. In such a case, the Group recognizes its full share on profit or loss and its share on other comprehensive income only to the extent to recognize nil interest in an associate. This amount is included in the item Translation differences – associates and joint-ventures in the statement of comprehensive income, then the Group discontinues of using equity method of accounting. However, additional losses are provided for, and a liability is recognized on the balance sheet in the item Other long-term liabilities or in the item Provisions, after the Group's interest is reduced to zero, only to the extent that the Group has incurred legal or constructive obligations (e.g., provided guarantees) or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

2.2.4. Joint-ventures

A joint-venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to its net assets. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary considerations to determine control over subsidiaries. The Group recognizes its interest in the joint-venture using the equity method of accounting (see Note 2.2.3).

The financial statements of the joint-venture and parent company are prepared as of the same date. Adjustments are made where necessary to bring the accounting policies into line with those of the Group. Unrealized gains and losses on transactions between the Group and joint-ventures are eliminated to the extent of the Group's interest in those joint-ventures. Losses on transactions are recognized immediately if the loss provides evidence of a reduction in the net realizable value of current assets or an impairment of the asset.

2.2.5. Transactions Involving Entities under Common Control of Majority Owner

Acquisitions of subsidiaries from entities under common control are recorded using a method similar to pooling of interests.

The assets and liabilities of the acquired subsidiaries are included in the Group's consolidated financial statements at their book values. The difference between the cost of acquisition of subsidiaries from entities under common control and the share of net assets acquired in book values is recorded directly in equity.

2.3. Changes in Accounting Policies

2.3.1. Adoption of New IFRS Standards in 2021

The accounting policies adopted are consistent with those of the previous financial year, except for as follows. The Group has adopted the following new or amended standards and interpretations endorsed by EU as of January 1, 2021:

Interest Rate Benchmark Reform – Phase 2 – IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments)

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest. Also, the amendments introduce reliefs from discontinuing hedge relationships including a temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. There are also amendments to IFRS 7 Financial Instruments: Disclosures to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. While application is retrospective, an entity is not required to restate prior periods. The application of the reform did not have significant impact to the Group's financial statements.

IFRS 4: Insurance Contracts (Amendment)

The amendments to IFRS 4 change the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The application of the amendment did not have significant impact to the Group's financial statements.

2.3.2. New IFRS Standards and IFRIC Interpretations either not yet Effective or not yet Adopted by EU

The Group is currently assessing the potential impacts of the new and revised standards and interpretations that will be effective or adopted by the EU from January 1, 2022 or later.

IFRS 17: Insurance Contracts

The standard is effective for annual periods beginning on or after January 1, 2021 with earlier application permitted if both IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments have also been applied. In its March 2020 meeting the Board decided to defer the effective date to 2023. IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance, and cash flows of an entity. This standard is not expected to have a material effect on the Group's financial statements.

IFRS 17: Insurance Contracts (Amendment)

The amendment to IFRS 17 is effective, retrospectively, for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendment aims at helping companies implement the standard. In particular, the amendment is designed to reduce costs by simplifying some requirements in the standard, make financial performance easier to explain and ease transition by deferring the effective date of the standard to 2023 and by providing additional relief to reduce the effort required when applying IFRS 17 for the first time. This amendment is not expected to have a material effect on the Group's financial statements.

IFRS 17: Insurance Contracts – Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment)

The amendment is effective for annual reporting periods beginning on or after January 1, 2023 with early application. For entities that first apply IFRS 17 and IFRS 9 at the same time, the amendment adds a transition option for a “classification overlay”, relating to comparative information of financial assets. An entity applying the classification overlay to a financial asset shall present comparative information as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset. Also, in applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of IFRS 9. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. This amendment has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Group’s financial statements.

Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint-ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint-venture (Amendments)

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint-venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. These amendments are not expected to have a material effect on the Group’s financial statements.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendment)

The amendment was initially effective for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. However, in response to the covid-19 pandemic, the Board has deferred the effective date by one year, i.e., January 1, 2023, to provide companies with more time to implement any classification changes resulting from the amendment. The amendment aims to promote consistency in applying the requirements by helping companies determine whether, in the balance sheet debt and other liabilities with an uncertain settlement date should be classified as current or non-current. The amendment affects the presentation of liabilities in the balance sheet and does not change existing requirements around measurement or timing of recognition of any asset, liability, income, or expenses, nor the information that entities disclose about those items. Also, the amendment clarifies the classification requirements for debt which may be settled by the company issuing own equity instruments.

In November 2021, the Board issued an exposure draft (ED), which clarifies how to treat liabilities that are subject to covenants to be complied with, at a date after the reporting period. In particular, the Board proposes narrow scope amendment to IAS 1 which effectively reverses the 2020 amendment requiring entities to classify as current, liabilities subject to covenants that must only be complied with within the next twelve months after the reporting period if those covenants are not met at the end of the reporting period. Instead, the proposals would require entities to present separately all non-current liabilities subject to covenants to be complied with only within twelve months after the reporting period. Furthermore, if entities do not comply with such future covenants at the end of the reporting period, additional disclosures will be required. The proposals will become effective for annual reporting periods beginning on or after January 1, 2024 and will need be applied retrospectively in accordance with IAS 8, while early adoption is permitted. The Board has also proposed to delay the effective date of the 2020 amendment accordingly, such that entities will not be required to change current practice before the proposed amendment comes into effect. This amendment, including ED proposals, has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Group’s financial statements.

IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018–2020 (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:

- IAS 16 Property, Plant and Equipment (Amendment) prohibits a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment) specifies which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
- Annual Improvements 2018–2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

These amendments have not yet been endorsed by the EU. These amendments are not expected to have a material effect on the Group’s financial statements.

IFRS 16 Leases: Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendment)

The amendment applies to annual reporting periods beginning on or after April 1, 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022, provided the other conditions for applying the practical expedient are met. This amendment is not expected to have a material effect on the Group's financial statements.

IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The amendments have not yet been endorsed by the EU. These amendments are not expected to have a material effect on the Group's financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendment)

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. The amendment has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Group's financial statements.

IAS 12 Income Taxes: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendment)

The amendment is effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The amendment has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Group's financial statements.

The Group does not expect early adoption of any of the above-mentioned standards, improvements or amendments.

2.4. Estimates

The preparation of financial statements in accordance with IFRS requires Group management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date, the disclosure of information on contingent assets and contingent liabilities, and the amounts of revenues and expenses reported for a reporting period. Actual results may differ from such estimates. A description of key assumptions for significant estimates is included in the relevant sections of the Notes. The Group makes significant estimates when determining the recoverable amounts of property, plant and equipment and intangible assets (see Note 7), accounting for the nuclear provisions (see Note 20.1), provisions for reclamation of mines, mining damages and waste storage reclamation (see Note 20.2), provision for demolition and dismantling of coal-fired plants (see Note 20.2), unbilled electricity and gas (see Note 2.6), fair value of commodity contracts (see Notes 2.16 and 18), financial derivatives (see Notes 2.15 and 18) and incremental borrowing rate and lease terms to measure lease liability (see Notes 2.28 and 24).

In 2021, there were significant changes in some estimates in connection with the adoption of the accelerated strategy VIZE 2030, which takes into account the EU's decarbonization vision and sets out specific ambitions in the area of social responsibility and sustainable development. The most significant changes in estimates in 2021 concerned the shortening of the expected remaining useful life of coal-fired plants (see Note 2.9), the determination of the provisions for demolition and dismantling of coal-fired plants, the shortening of the expected life of coal mining and the related shortening of the expected remaining useful life of mining assets.

2.5. Revenues

Revenue is recognized, when the Group has satisfied a performance obligation and the amount of revenue can be reliably measured. The Group recognizes revenue at the amount of estimated consideration (less estimated discounts) that it expects to receive for goods transferred or services provided to the customer.

To apply this basic principle, the Group uses a five-level model:

1. Identify the contract(s) with a customer,
2. Identify the performance obligations arising from the contract,
3. Determine the transaction price,
4. Allocate the transaction price to the performance obligations arising from the contract,
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

The Group recognizes revenue from sales of electricity, heat, gas and coal based on contract terms. Any differences between contracted amounts and actual supplies for electricity and gas are settled through the market operator.

Sales are recognized net of value added tax.

Revenue from the sale of assets is recognized as soon as the delivery takes place and risks and associated benefits, as applicable, are transferred to the buyer.

In the case of construction contracts, where an asset is being created or appreciated for a certain period and the customer controls this asset at the time of its creation or appreciation, revenues are recognized over time. Contract revenues and incurred costs associated with the construction contracts are recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity. The percentage of completion is determined as the share of incurred costs to total expected full contract costs. However, if a loss is expected from the contract, it is recognized in full immediately regardless of the percentage of completion of such a construction contract.

Connection fees received from customers and related payments for power consumption and end-user transfers are recognized in income in the period when this performance obligation is satisfied.

Government and similar grants related to income are recognized in the income statement in the period in which the Group recognizes related expenses to be offset by the grant and is presented in the line Other operating income.

2.6. Unbilled Electricity and Gas

The change of unbilled electricity and gas is determined monthly on the basis of an estimate. The estimate of monthly change in unbilled electricity and gas is based on deliveries in a given month after deduction of invoiced amounts and estimated grid losses. The estimate of total unbilled balance is verified by extrapolation of consumption in the last measured period for individual locations. The ending balance of contract assets and liabilities is disclosed net in the balance sheet after deduction of advances received from customers and is included in the line item of Other current assets, net or Other short-term liabilities.

2.7. Fuel Costs

Fuel is recognized as costs when it is consumed. Fuel costs include the depreciation of nuclear fuel (see Note 2.10).

2.8. Interest

The Group capitalizes, as the cost of non-current assets, all interest associated with its investing activities that it would not have incurred if it did not pursue such investing activities. Interest is only capitalized for assets constructed or acquired over a substantial period of time.

2.9. Property, Plant and Equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and impairments. The cost of property, plant, and equipment comprises the purchase price and the related cost of materials and labor and the cost of debt financing used in the construction. The cost also includes the estimated cost of dismantling and removing a tangible asset to the extent specified by IAS 37, Provisions, Contingent Liabilities, and Contingent Assets. Government grants and similar subsidies received for the acquisition of property, plant, and equipment decrease the cost.

Self-constructed property, plant, and equipment are measured at the cost of constructing them. Expenditures on the repair, maintenance, and replacement of minor asset items are recognized as repair and maintenance expenses in the period when such repair is carried out. Improvements are capitalized. When an item of property, plant, and equipment or a part thereof is sold or disposed of, its cost, relevant accumulated depreciation, and any impairments are derecognized in the balance sheet. Any gains or losses arising from the sale or disposal of property, plant, and equipment are included in profit or loss.

At each reporting date, the Group assesses whether there are any indicators that an asset may have been impaired. Where there are such indicators of impairment, the Group checks whether the recoverable amount of the item of property, plant, and equipment is less than its depreciated cost. The recoverable amount is the higher of the fair value less costs to sell and the value in use. Any impairment of property, plant, and equipment is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

At each reporting date, the Group assesses whether there are any indicators that previously recognized impairments of assets are no longer justified or should be decreased. If there are such indicators, the Group determines the recoverable amount of non-current assets. A previously recognized impairment is recognized as an expense only if there has been a change in the assumptions used to estimate the non-current asset's recoverable amount since the last recognition of the impairment. If that is the case, the depreciated cost of the asset including the impairment is increased to the new recoverable amount. The new depreciated cost may not exceed the current carrying amount, less accumulated depreciation, that would be determined had no impairment been recognized in the past. A reversal of previously recognized impairment is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

The Group depreciates the cost of property, plant, and equipment less their residual value using the straight-line method over their estimated useful life. Each part of an item of property, plant, and equipment that is significant in relation to the total amount of the asset is recognized and depreciated separately. The estimated useful life of property, plant, and equipment is determined as follows:

	Useful lives (years)
Buildings and structures	10–60
Machinery and equipment	4–36
Vehicles	4–34
Furniture and fixtures	4–15

Depreciation periods, residual values, and depreciation methods are annually reviewed and adjusted as appropriate. In 2021, the expected remaining useful life of the assets of coal-fired plants was reduced by 7–10 years. In 2020, the expected remaining useful life of the main assets of nuclear power plants was extended by 10 years.

2.10. Nuclear Fuel

The Group recognizes nuclear fuel as part of property, plant, and equipment because the period for which it is used for electricity generation exceeds 1 year. Nuclear fuel is measured at cost less accumulated depreciation and, if applicable, impairments. Nuclear fuel includes a capitalized portion of the provision for interim storage of spent nuclear fuel. The depreciation of nuclear fuel in a reactor is determined on the basis of the amount of energy generated and presented in the statement of income in the line item Fuel and emission rights. The depreciation of nuclear fuel includes additions to the provision for interim storage of spent nuclear fuel.

2.11. Intangible Assets

Intangible assets are measured at costs, including the purchase price and related expenses. Non-current intangible assets are amortized using the straight-line method over their estimated useful life, which ranges 3–25 years. Amortization periods, residual values, and amortization methods are annually reviewed and adjusted as appropriate. Improvements are capitalized.

At each reporting date, the Group assesses whether there are any indicators that a non-current intangible asset may have been impaired (for goodwill see Note 2.12). Non-current intangible assets under development are tested for possible impairment annually regardless of whether there are indicators of possible impairment. Any impairment of non-current intangible assets is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

At each reporting date, the Group assesses whether there are any indicators that previously recognized impairments of assets excluding goodwill are no longer justified or should be decreased. If there are such indicators, the Group determines the recoverable amount of non-current assets. A previously recognized impairment is recognized as an expense only if there has been a change in the assumptions used to estimate the non-current asset's recoverable amount since the last recognition of the impairment. If that is the case, the amortized cost of the asset including the impairment is increased to the new recoverable amount. The new amortized cost may not exceed the current carrying amount, less accumulated amortization, that would be determined had no impairment been recognized in the past. A reversal of previously recognized impairment is recognized in profit or loss and presented in the line item Impairment of property, plant, and equipment and intangible assets.

2.12. Goodwill

Goodwill is initially measured at the amount of the difference between the consideration transferred plus the value of any non-controlling interest and the net amount of the identifiable assets acquired and liabilities assumed (see Note 2.2). Goodwill arising on the acquisition of subsidiaries is included in intangible assets. Goodwill relating to associates and joint-ventures is recognized in the balance sheet as part of investments in associates and joint-ventures. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. The recognized goodwill is tested for possible impairment. The test is performed at least once a year or more frequently if there are indicators of possible impairment of goodwill.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the synergies arising from the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets. Impairment of goodwill is determined by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where recoverable amount of the cash-generating unit is lower than the carrying amount, an impairment loss is recognized. Recognized impairment losses of goodwill cannot be reversed in subsequent periods. In the event of a partial sale of a cash-generating unit to which goodwill has been allocated, the carrying amount of goodwill relating to the sold part is included in the gain or loss on sale. The amount of goodwill disposed is measured on the basis of the ratio of the value of the sold part of the cash-generating unit to the value of the part that remains in the ownership of the Group.

2.13. Emission Rights

The greenhouse gas emission right (hereinafter the emission right) represents the right of the operator of a facility that emits greenhouse gases in the course of its operation to release the equivalent of a ton of carbon dioxide to the air in a given calendar year. Operators of such facilities are required to determine and report the amount of greenhouse gases produced by its facilities in every calendar year and this amount must be to be audited by an accredited person. Some Group companies as operators of such facilities were allocated a certain amount of emission rights based on the National Allocation Plan.

The Group is required to remit the number of emission rights corresponding to its actual amount of greenhouse gas emissions in the previous calendar year by no later than April 30 of the next calendar year.

Allocated emission rights are measured at nominal, i.e., zero value in financial statements. Purchased emission rights are measured at cost (except for emission allowances held for trading). The Group makes a provision for covering released emissions corresponding to the difference between the actually released amount of emissions and its inventory of allocated emission rights. The provision is measured primarily at the cost of emission rights that were purchased with the intention of covering greenhouse gas emissions in the reporting period. The provision for released emissions exceeding such rights is measured at the market price effective at the end of the reporting period. Emission rights purchased for use in the next year are recognized as current assets in the line item Emission rights. Emission rights with a later planned time of use are recognized as part of non-current intangible assets.

The Group also purchases emission rights for the purpose of trading. The portfolio of emission rights held for trading is measured at fair value at the end of the reporting period, with any changes in fair value recognized in profit or loss and presented in the line item Gains and losses from commodity derivative trading. Emission rights purchased for the purpose of trading are recognized as current assets in the line item Emission rights.

At each reporting date, the Group assesses whether there are any indicators that emission allowances may have been impaired. Where there are such indicators, the Group checks whether the recoverable amount of cash-generating units that the emission rights were allocated to is less than their depreciated cost. Any impairment of emission rights is recognized in profit or loss and presented in the line item Other operating expenses.

Sale and repurchase agreements concerning emission rights are accounted for as collateralized loans.

Allocated green and similar certificates are initially recognized at fair value and subsequently treated similarly to purchased emission rights.

2.14. Classification of Financial Instruments

Financial assets comprise primarily cash, equity instruments of another entity, or a contractual right to receive cash or another financial asset.

Financial liabilities are primarily contractual obligations to deliver cash or another financial asset.

Financial liabilities and assets are presented as current or non-current. Financial assets are classified as current if the Group intends to realize them within 12 months of the end of the reporting period or if there is not reasonable assurance that the Group will hold the financial assets for more than 12 months after the end of the reporting period.

Financial liabilities are presented as current if they are payable within 12 months of the end of the reporting period.

Assets and liabilities held for trade are also presented as current assets and liabilities.

Financial assets and financial liabilities are offset and the resulting net amount is presented in the balance sheet if there is a legally enforceable right to set off the recognized amounts and the Group intends to settle on a net basis or to realize the financial assets and settle the financial liabilities simultaneously.

2.14.1. Financial Assets

Financial assets are classified into the categories of at amortized cost, at fair value depending on whether the financial assets are held for sale or whether they are held under a business model whose objective is to hold the assets to collect contractual cash flows, and at cost.

The Group classifies assets into the following categories:

a) Financial asset measurement at amortized cost

This category comprises financial assets for which the Group's strategy is to hold them to collect contractual cash flows, consisting of both principal and interest. Examples of such financial assets include loans, securities held to maturity, trade receivables.

Expected credit losses, exchange differences, and interest revenue are recognized in profit or loss.

b) Financial asset measurement at fair value through other comprehensive income

This category comprises financial assets where the Group's strategy is both to collect contractual cash flows and to sell the financial assets. This model differentiates between two types of accounting treatment:

– Without future transfer to profit or loss – used for equity financial assets

Impairments are neither calculated nor recognized. Changes in fair value are recognized in other comprehensive income.

When a financial asset is sold, no gain or loss is recognized in profit or loss, so it never affects profit or loss. If an equity financial asset is sold, the accumulated revaluation amount is transferred to retained earnings. Exchange differences are recognized in other comprehensive income as part of the revaluation amount. Dividends on such financial assets are recognized in profit or loss provided that the payment of such dividends does not reduce the value of the investment.

– With future transfer to profit or loss – used for debt financial assets

Additions to impairment are recognized in profit or loss. Changes in fair value are recognized in other comprehensive income.

On the disposal of a financial asset, the gain or loss is recognized in profit or loss (the gain/loss is transferred from other comprehensive income to profit or loss). Exchange differences in relation to revaluation surplus are recognized in other comprehensive income. Exchange differences in relation to impairment are recognized in profit or loss. Interest revenue is recognized in profit or loss.

c) Financial asset measurement at fair value through profit or loss

A category of financial assets for which the Group's strategy is to actively trade the asset. The collection of contractual cash flows is not the main objective of the strategy. Examples of such financial assets are securities held for trading and non-hedging derivatives. Impairments are neither calculated nor recognized. Changes in fair value and exchange differences are recognized in profit or loss.

Changes in the fair value of financial investments at fair value through profit or loss are recognized in Other financial expenses or Other financial income.

2.14.2. Financial Liabilities

Financial liabilities are classified into two core categories of at amortized cost and at fair value through profit or loss. Classification into those categories is determined analogously to financial assets.

For fair value option financial liabilities, i.e., those measured at fair value through profit or loss, a change in fair value that is attributable to changes in credit risk is presented in other comprehensive income; the remaining amount is presented in profit or loss. However, if the treatment of changes in fair value that are attributable to credit risk created or enlarged an accounting mismatch in profit or loss, the entity would present all gains or losses on such a liability in profit or loss.

2.14.3. Derivatives

Derivatives are a special category of financial assets and liabilities. The manner of recognizing gains or losses from the revaluation of derivatives to fair value depends on whether a derivative is classified as a hedging instrument and on the nature of the item being hedged. More information on the reporting of derivatives can be found in Note 2.15.

2.14.4. Impairment of Financial Assets

Following the application of the IFRS 9 approach, the impairment of financial assets is based on a model of expected credit losses (ECL), which applies to the following financial assets:

- a) debt assets at amortized cost (trade receivables, loans, debt securities),
- b) debt assets at fair value through other comprehensive income,
- c) lease receivables,
- d) contract assets and financial guarantee contracts,
- e) bank accounts and term deposits.

An impairment analysis of receivables is performed by the Group at each reporting date on an individual basis for significant specific receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively where the individual approach is not applicable.

The Group accounts for either 12-month expected credit losses or lifetime expected credit losses depending on whether there has been a significant increase in credit risk since initial recognition (or since the commitment was made or the guarantee was provided). The Group has used a simplified approach for some receivables, under which lifetime expected credit losses are always accounted for.

The portfolio of financial assets is broken down into 3 categories for the purposes of ECL calculation. At the date of initial recognition, financial assets are included in Category 1 with the lowest impairment, which is determined as a percentage of historically unpaid receivables. They are subsequently reclassified as Category 2 and 3 as the debtor's credit risk increases. If a financial asset is bearing interest, interest revenue in Category 3 is calculated from the net amount of the asset.

2.15. Derivatives

The Group uses financial derivatives, such as interest rate swaps and foreign exchange contracts, to hedge risks associated with interest rate and exchange rate fluctuations. Derivatives are measured at fair value. They are recognized as part of non-current and current other financial assets and liabilities in the balance sheet.

The manner of recognizing gains or losses from the revaluation of derivatives to fair value depends on whether a derivative is classified as a hedging instrument and on the nature of the item being hedged.

For hedge accounting purposes, hedging transactions are classified either as fair value hedges where the risk of change in the fair value of a balance sheet asset or liability is hedged or as cash flow hedges where the Group is hedged against the risk of changes in cash flows attributable to a balance sheet asset or liability or to a highly probable forecast transaction.

At the inception of a hedge, the Group prepares documents identifying the hedged item and the hedging instrument used and documenting the risk management objectives and strategy for various hedging transactions. At the inception and throughout the duration of a hedge, the Group documents whether the hedging instruments used are highly effective in relation to changes in the fair values or cash flows of hedged items.

2.15.1. Fair Value Hedging Derivatives

Changes in the fair values of fair value hedging derivatives are recognized in expenses or income, as appropriate, together with the relevant change in the fair value of the hedged asset or liability that is related to the hedged risk. Where an adjustment to the carrying amount of a hedged item is made for a debt financial instrument, the adjustment is amortized in profit or loss over time until the maturity of such a financial instrument.

2.15.2. Cash Flow Hedging Derivatives

Changes in the fair values of derivatives hedging expected cash flows are initially recognized in other comprehensive income. The gain or loss attributable to the ineffective portion is presented in the statement of income in the item Other financial expenses or Other financial income.

Amounts accumulated in equity are recognized in profit or loss in the period when the expenses or income associated with the hedged items are accounted for.

When a hedging instrument expires or a derivative is sold or it no longer meets the criteria for hedge accounting, the cumulative gain or loss recognized in equity remains in equity until the forecast transaction is closed and then recognized in the statement of income. If a forecast transaction is no longer likely to occur, the cumulative gain or loss, originally recognized in other comprehensive income, is transferred to profit or loss.

2.15.3. Other Derivatives

Some derivatives are not intended for hedge accounting. A change in the fair value of such derivatives is recognized directly in profit or loss.

2.16. Commodity Contracts

According to IFRS 9, certain commodity contracts are considered to be financial instruments and accounted for in accordance with the standard. Most commodity purchases and sales carried out by the Group assume physical delivery of the commodity in amounts intended for use or sale in the course of the Group's ordinary activities. Therefore, such contracts (so-called "own-use" contracts) are not within the scope of IFRS 9.

Forward purchases and sales with physical delivery of energy are not within the scope of IFRS 9 as long as the contract is made in the course of the Group's ordinary activities. This is true if all of the following conditions are met:

- Physical delivery of the commodity takes place under the contract;
- The amount of the commodity purchased or sold under the contract corresponds to the Group's operating requirements;
- The contract does not represent a sold option as defined by IFRS 9. In the specific case of electricity sales contracts, the contracts are substantially equivalent to firm forward sales or can be considered sales of generation capacity.

The Group considers transactions entered into with the aim of balancing electricity amounts purchased and sold to be part of an integrated energy group's ordinary activities; therefore, such contracts are not within the scope of IFRS 9.

Commodity contracts that are within the scope of IFRS 9 and that do not hedge cash flows are revalued to fair value, with changes in fair value recognized in profit or loss. The Group presents revenue and expenses related to trading in electricity and other commodities in the statement of income item Gains and losses from commodity derivative trading.

Changes in the fair values of commodity contracts that are within the scope of IFRS 9 and that hedge expected cash flows are initially recognized in other comprehensive income. The gain or loss attributable to the ineffective portion is presented in the statement of income in the item Gains and losses from commodity derivative trading.

Subsequently, in accordance with the description in Note 2.15.2, amounts accumulated in equity are recognized in profit or loss in the period when the expenses or income associated with the hedged items are accounted for.

When a hedging instrument expires or a commodity contract is sold or it no longer meets the criteria for hedge accounting, the cumulative gain or loss recognized in equity remains in equity until the expected transaction is closed and then recognized in the statement of income. If the expected transaction is no longer likely to occur, the cumulative gain or loss, originally recognized in other comprehensive income, is transferred to profit or loss.

2.17. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, current accounts with banks, and short-term financial deposits with maturity of no more than 6 months.

2.18. Restricted Financial Assets

Cash and other financial assets that are recognized as restricted funds (see Note 4) are intended for the funding of nuclear decommissioning, for mining reclamation and damages, for the restoration and rehabilitation of waste dumps, or are cash guarantees given to counterparties. Such funds are classified as non-current assets due to the time at which they are expected to be released for the Group's purposes.

2.19. Contract Assets and Liabilities

Contract asset is the Group's right to a consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time (for example, the Group's future performance).

Contract liability is the Group's obligation to transfer goods or provide services to a customer for which the Group has received consideration from the customer.

For work in progress, costs incurred and recognized gains are presented on the balance sheet net of any issued invoices and advances received as an asset or a liability.

Contract assets and liabilities are presented in the line Other current assets, net and Other short-term liabilities.

2.20. Materials and Supplies

Purchased inventories are measured at actual cost, using the weighted average cost method. The costs of purchased inventories include all costs of purchase, including transport costs. Upon use, they are recognized in expenses or capitalized as non-current assets. Work in progress is measured at actual cost. The costs include, primarily, direct material and labor costs. Obsolete inventories are written down using impairments recognized in expenses.

2.21. Fossil Fuel Stocks

Inventories of fossil fuels are measured at actual cost, determined on a weighted average cost basis.

2.22. Income Taxes

The amount of income taxes is determined in compliance with the tax regulations of the states of residence of the Group companies and is based on the profit or loss determined in accordance with local accounting regulations and adjusted for permanently or temporarily nondeductible expenses and untaxed income. Income taxes are calculated on an individual company basis as the Czech tax laws do not permit consolidated tax returns. For companies located in the Czech Republic income taxes are provided at a rate of 19% for the years ended December 31, 2021 and 2020, respectively, from income before income taxes after adjustments for certain items which are not deductible, or taxable, for taxation purposes. The Czech corporate income tax rate enacted for 2022 and on is 19%.

Deferred tax is calculated on the basis of the liability method based on a balance sheet approach. Deferred tax is calculated from temporary differences between accounting measurement and measurement for the purposes of determining the income tax base. Deferred tax is determined using rates and laws that have been enacted by the end of the reporting period and are expected to apply when the deferred tax asset is realized, or the deferred tax liability is settled.

A deferred tax asset or liability is recognized regardless of when the temporary difference is likely to be reversed. A deferred tax asset or liability is not discounted. A deferred tax liability is recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by parent and it is probable that the temporary differences will not be realized in the foreseeable future.

Deferred tax asset is recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax asset is recognized to the extent that it is probable that sufficient taxable profit will be available in the future against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be claimed, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the reported profit after tax nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint-ventures, when it is probable, that the temporary differences will not be reversed and there will not be sufficient taxable profit against which the deductible temporary differences can be applied.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and, if necessary, the carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

Deferred tax assets and liabilities of Group companies are not offset in the balance sheet.

If the current and deferred tax relate to items that are charged or credited directly to equity in the same or a different tax period, the tax is also recognized directly in equity.

Changes in the deferred tax due to a change in tax rates is recognized in profit or loss, except for items charged or credited directly to equity in the same or a different tax period, for which such a change is also recognized directly in equity.

2.23. Long-term Debt

Debt is initially measured at the amount of proceeds from the issue of the debt, less transaction costs. It is then carried at amortized cost, which is determined using the effective interest rate. The difference between the nominal amount and the initial measurement of debt is recognized in profit or loss as interest expense over the period of debt.

Transaction costs comprise commission paid to advisers, agents, and brokers and levies by regulatory agencies and securities exchanges.

For long-term debt that is hedged with derivatives hedging against changes in fair value, the measurement of hedged debt is adjusted for changes in fair value. Changes in the fair value of such debt are recognized in profit or loss and reported in the statement of income in Other financial expenses or Other financial income. The adjustment to the carrying amount of hedged long-term debt is subsequently recognized in profit or loss using the effective interest rate.

2.24. Nuclear Provisions

The Group makes a provision for nuclear decommissioning, a provision for interim storage of spent nuclear fuel and other radioactive waste, and a provision for the funding of subsequent permanent disposal of spent nuclear fuel and irradiated reactor components (see Note 20.1).

The provisions made correspond to the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The estimate, expressed at the price level at the date of estimate, is discounted using an estimated long-term real interest rate of 0.3% and 0.4% per annum as at December 31, 2021 and 2020, respectively, so as to take into account the timing of expenditure. Initial discounted costs are capitalized as part of property, plant, and equipment and then amortized for the duration of time for which nuclear power plants will generate electricity. The provision is increased by the estimated inflation and real interest rate annually. Such expenses are recognized in the statement of income in the line item Interest expense on provisions. The effect of the expected rate of inflation is estimated at 2.0% and 1.5% as at December 31, 2021 and 2020, respectively.

The process of nuclear power plant decommissioning is estimated to continue for approximately 50 years after the termination of electricity generation. It is assumed that a permanent repository for spent nuclear fuel will commence operation in 2065 and the disposing of stored spent nuclear fuel at the repository will continue until approximately 2090. Although the Group has made the best estimate of the amount of nuclear provisions, potential changes in technology, changes in safety and environmental requirements, and changes in the duration of such activities may result in actual costs varying considerably from the Group's current estimates.

Changes in estimates concerning the provisions for nuclear decommissioning and permanent disposal of spent nuclear fuel resulting from new estimates of the amount or timing of cash flows required to settle these obligations or from a change in the discount rate are added to, or deducted from, the amount recognized as an asset in the balance sheet. Should the amount of the asset be negative, i.e., should the deducted amount exceed the amount of the asset, the difference is recognized directly in profit or loss.

2.25. Provisions for Decommissioning and Reclamation of Mines and Mining Damages

The Group has recognized a provision for obligations to decommission and reclaim (see Note 20.2). The provision recognized represents the best estimate of the expenditures required to settle the present obligation at the current balance sheet date. Such estimate, expressed at the price level at the date of estimate, are discounted at December 31, 2021 and 2020, using an estimated long-term real interest rate to take into account the timing of payments in amount of 0.3% and 0.4% per annum, respectively. The initial discounted cost amounts are capitalized as part of property, plant and equipment and are depreciated over the lives of the mines. Each year, the provision is increased to reflect the accretion of discount and to accrue an estimate for the effects of inflation. These expenses are presented in the income statement on the line Interest on provisions. The effect of the expected rate of inflation is estimated at 2.0% and 1.5% as at December 31, 2021 and 2020, respectively.

Changes in a decommissioning liability that result from a change in the current best estimate of timing and/or amount of cash flows required to settle the obligation or from a change in the discount rate are added to (or deducted from) the amount recognized as the related asset. However, to the extent that such a treatment would result in a negative asset, the effect of the change is recognized directly in profit or loss.

2.26. Provision for Demolition and Dismantling of Coal-fired Plants

The Group has recognized a provision for demolition and dismantling of coal-fired plants (see Note 20.2). The provisions were created in 2021 in connection with the deepening of decarbonization targets at the EU level and in connection with updating the Group's strategy and signing up to accelerate the decarbonization of the generation portfolio, including setting a commitment to decommission all coal-fired plants by 2038 at the latest and achieve carbon neutrality by 2050. The provision created corresponds to the best estimate of the expenditures required to settle the present obligation at the balance sheet date. The estimate, expressed in the price level at the date of estimate, is discounted using an estimated real interest rate of (0.4)% per annum as at December 31, 2021, in order to take into account the timing of expenditures. Initial discounted costs are capitalized as part of property, plant, and equipment and then depreciated over the period during which coal power plants will generate electricity. The provision is updated annually with regard to the estimated inflation rate and the real interest rate. These expenses are recognized in the statement of income in the line item Interest on provisions. The effect of the expected rate of inflation is estimated at 2.0% as at December 31, 2021.

Although the Group has made the best estimate of the amount of provision for demolition and dismantling of coal-fired plants, potential changes in technology, changes in safety and environmental requirements, and changes in the duration of such activities may result in actual costs varying considerably from the Group's current estimates.

Changes in estimates concerning the provision resulting from new estimates of the amount or timing of cash flows required to settle these obligations or from a change in the discount rate are added to, or deducted from, the amount recognized as an asset in the balance sheet. Should the amount of the asset be negative, i.e., should the deducted amount exceed the amount of the asset, the difference is recognized directly in profit or loss.

2.27. Exploration for and Evaluation of Mineral Resources

Expenditures on exploration for and evaluation of mineral resources are charged to expense when incurred.

2.28. Leases

Determining whether a contract is, or contains, a lease is based on the economic substance of the transaction and requires an assessment of whether the fulfillment of the contractual obligation is dependent on the use of a specific asset or assets and whether the contract conveys a right to use the asset.

The Group does not apply the standard IFRS 16 to leases of intangible assets, but the Group has identified contracts for which an intangible asset from a right-of-use have been recognized. These are the cases where the Group acquires the right to place advertising on a building or on other tangible asset.

2.28.1. Group as a Lessee

The Group uses a consistent approach to the reporting and measurement of all leases, except for short-term leases and leases of low-value assets. The Group accounts for future lease payments as lease liabilities and recognizes right-of-use assets that represent a right to use the underlying assets. Lease payments for short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

a) Lease Liability

At the commencement date of a lease, the Group recognizes lease liabilities measured at the present value of the lease payments that are to be made over the lease term. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers those payments occurs.

When calculating the present value of lease payments, the Group uses an incremental interest rate at the commencement date of the lease because the interest rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased by accrued interest and decreased by the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a lease modification, i.e., a change in the lease term, a change in lease payments (e.g., changes in future payments resulting from a change in an index or a rate used to determine the amount of the lease payment), or a change in the assessment of the option to purchase the underlying asset.

The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the incremental interest rate using observable inputs, such as market interest rates.

The Group uses judgment to determine the expected lease term for contracts made for an indefinite time.

b) Right-of-use Assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date when the underlying assets are available for use). Right-of-use assets are measured at cost less accumulated amortization and impairment losses and adjusted for any reassessment of lease liabilities. The cost of right-of-use assets comprises the amount of recognized lease liabilities, initial direct costs, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortized using the straight-line method over the lease term or the estimated life of the assets as follows:

	Depreciation period (years)
Lands	2–22
Buildings	2–40
Vehicles, machinery and equipment	3–42
Inventory and other tangible assets	10–17

2.28.2. Group as a Lessor

The Group leases out its tangible assets including own tangibles and right-of-use assets. The Group has classified the leases as financial or operating leases. Operating leases are the leases, in which the Group does not transfer substantially all the risk and rewards incidental to ownership of an assets.

Lease income from operating leases is recognized on a straight-line basis over the lease term and included as income in profit or loss due to their operating nature.

For the leases classified as financial leases the Group recognizes net investment in the lease measured at the present value of lease payments to be made over the lease term, increased by any unguaranteed residual value of the leased asset at the end of the lease, which is not conditioned by future cash flow. In calculating the present value of net investment in the lease, the Group uses the interest rate implicit in the lease. In the case of a sublease, if the interest rate implicit in the sublease is not readily determined, the Group uses the discount rate used for the head lease.

2.29. Treasury Shares

Treasury shares are reported in the balance sheet as an item reducing equity. The acquisition of treasury shares is recognized in the statement of changes in equity as a deduction from equity. No gain or loss is recognized in the statement of income on the sale, issue, or cancellation of treasury shares. Consideration received is recognized in financial statements as a direct increase in equity.

2.30. Translation of Foreign Currencies

The consolidated financial statements are presented in Czech crowns (CZK), which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured and reported using that functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when they arise in connection with a liability classified as effective cash flow hedges. Such exchange differences are recognized directly in equity.

Exchange differences on financial assets are described in Note 2.14.1.

The assets and liabilities of foreign subsidiaries are translated at the rate of exchange valid at the balance sheet date. The costs and revenues of foreign subsidiaries are translated at average exchange rates for the given year. The exchange differences arising on the retranslation are taken directly to other comprehensive income. On disposal of a foreign entity, accumulated exchange differences are recognized in the income statement as a component of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign operation and are translated at the closing exchange rate.

The Group used the following exchange rates to translate assets and liabilities in foreign currencies at December 31, 2021 and 2020:

	2021	2020
CZK per 1 EUR	24.860	26.245
CZK per 1 USD	21.951	21.387
CZK per 1 PLN	5.408	5.755
CZK per 1 BGN	12.711	13.417
CZK per 1 RON	5.023	5.391
CZK per 100 JPY	19.069	20.747
CZK per 1 TRY	1.631	2.880
CZK per 1 GBP	29.585	29.190
CZK per 100 HUF	6.734	7.211

2.31. Assets Held for Sale

Assets and disposal groups of assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets and groups of assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is considered met only if the sale is highly probable and the asset or group of assets is available for immediate sale in its present condition. Group management must take steps toward the sale of the asset or group of assets so as to complete the sale within one year from the date of the classification of the assets or group of assets as held for sale.

Property, plant, and equipment and non-current intangible assets classified as held for sale are not depreciated or amortized.

3. Property, Plant and Equipment

The overview of property, plant and equipment, net at December 31, 2021 is as follows (in CZK millions):

	Buildings	Plant and equipment	Land and other	Total plant in service	Nuclear fuel	Construction work in progress	Total
Cost at January 1, 2021	290,602	526,143	10,907	827,652	22,646	21,510	871,808
Additions	361	720	90	1,171	-	29,056	30,227
Disposals	(808)	(5,437)	(112)	(6,357)	(3,590)	(411)	(10,358)
Bring into use	12,238	11,663	84	23,985	3,137	(27,122)	-
Acquisition of subsidiaries	295	292	1	588	-	13	601
Derecognition due to loss of control ¹⁾	(187)	(196)	(10)	(393)	-	(4)	(397)
Change in capitalized part of provisions	6,159	2,091	2,637	10,887	-	-	10,887
Reclassification and other	74	(63)	-	11	-	(29)	(18)
Currency translation differences	(363)	(948)	(44)	(1,355)	-	(76)	(1,431)
Cost at December 31, 2021	308,371	534,265	13,553	856,189	22,193	22,937	901,319
Accumulated depreciation and impairment at January 1, 2021	(134,894)	(314,060)	(2,079)	(451,033)	(8,949)	(1,454)	(461,436)
Depreciation and amortization of nuclear fuel ²⁾	(10,110)	(19,751)	(176)	(30,037)	(3,738)	-	(33,775)
Net book value of assets disposed	(33)	(288)	(47)	(368)	-	-	(368)
Disposals	808	5,437	61	6,306	3,590	212	10,108
Derecognition due to loss of control ¹⁾	56	78	-	134	-	-	134
Reclassification and other	(90)	(482)	6	(566)	-	563	(3)
Impairment losses recognized	(4,316)	(5,528)	(2,818)	(12,662)	-	(1,277)	(13,939)
Impairment losses reversed	58	77	3	138	-	12	150
Currency translation differences	268	597	12	877	-	16	893
Accumulated depreciation and impairment at December 31, 2021	(148,253)	(333,920)	(5,038)	(487,211)	(9,097)	(1,928)	(498,236)
Total property, plant and equipment at December 31, 2021	160,118	200,345	8,515	368,978	13,096	21,009	403,083

¹⁾ In 2021, the Group reclassified its investment in the company Tepelné hospodářství města Ústí nad Labem s.r.o. to the investment in the joint-venture, as a result of losing control, the assets of the company Tepelné hospodářství města Ústí nad Labem s.r.o. were derecognized.

²⁾ The amortization of nuclear fuel also includes charges in respect of additions to the accumulated provision for interim storage of spent nuclear fuel in the amount of CZK 371 million.

The overview of property, plant and equipment, net at December 31, 2020 is as follows (in CZK millions):

	Buildings	Plant and equipment	Land and other	Total plant in service	Nuclear fuel	Construction work in progress	Total
Cost at January 1, 2020	306,290	548,137	10,679	865,106	23,606	20,469	909,181
Additions	500	527	72	1,099	75	27,917	29,091
Disposals	(626)	(4,403)	(21)	(5,050)	(4,208)	(1,350)	(10,608)
Bring into use	9,788	11,177	187	21,152	3,173	(24,325)	-
Transfer to assets held for sale	(22,171)	(32,003)	(452)	(54,626)	-	(793)	(55,419)
Acquisition of subsidiaries	28	106	96	230	-	4	234
Disposal of subsidiaries	(3,517)	(13,221)	(82)	(16,820)	-	(444)	(17,264)
Change in capitalized part of provisions	163	15,438	366	15,967	-	(2)	15,965
Reclassification and other	(40)	(8)	49	1	-	(2)	(1)
Currency translation differences	187	393	13	593	-	36	629
Cost at December 31, 2020	290,602	526,143	10,907	827,652	22,646	21,510	871,808
Accumulated depreciation and impairment at January 1, 2020	(137,261)	(330,882)	(1,333)	(469,476)	(9,356)	(2,261)	(481,093)
Depreciation and amortization of nuclear fuel ¹⁾	(8,005)	(18,108)	(278)	(26,391)	(3,801)	-	(30,192)
Net book value of assets disposed	(59)	(266)	(8)	(333)	-	-	(333)
Disposals	626	4,403	11	5,040	4,208	1,270	10,518
Transfer to assets held for sale	9,800	21,907	44	31,751	-	-	31,751
Disposal of subsidiaries	3,020	13,168	5	16,193	-	48	16,241
Reclassification and other	(8)	17	4	13	-	-	13
Impairment losses recognized	(3,172)	(4,319)	(529)	(8,020)	-	(542)	(8,562)
Impairment losses reversed	79	10	2	91	-	19	110
Currency translation differences	86	10	3	99	-	12	111
Accumulated depreciation and impairment at December 31, 2020	(134,894)	(314,060)	(2,079)	(451,033)	(8,949)	(1,454)	(461,436)
Total property, plant and equipment at December 31, 2020	155,708	212,083	8,828	376,619	13,697	20,056	410,372

¹⁾ The amortization of nuclear fuel also includes charges in respect of additions to the accumulated provision for interim storage of spent nuclear fuel in the amount of CZK 396 million.

In 2021 and 2020, a composite depreciation rate of Plant in service was 3.6% and 3.1%, respectively.

As at December 31, 2021 and 2020, capitalized interest costs amounted to CZK 289 million and CZK 277 million, respectively, and the interest capitalization rate was 3.3% and 3.5%, respectively.

Group's plant in service pledged as security for liabilities at December 31, 2021 and 2020 is CZK 12,495 million and CZK 13,510 million, respectively.

Construction work in progress contains mainly refurbishments performed on nuclear plants, including the acquisition of nuclear fuel, and investment in the electricity distribution network of subsidiary ČEZ Distribuce, a. s. As of December 31, 2021, the construction work in progress includes the preparation of new nuclear power sources of CZK 3,275 million.

The Group drew in 2021 and 2020 grants related to the property, plant and equipment in the amount of CZK 92 million and CZK 862 million, respectively. In 2021, the Group recognized a reversal of a previous draw of grant in the amount of CZK 375 million.

Group as a Lessee

Set out below are the carrying amounts and other information at December 31, 2021 and for the year ended 2021, respectively, about right-of-use assets recognized in total property, plant and equipment (in CZK millions):

	2021			
	Buildings	Plant and equipment	Land and other	Total plant in service
Additions of right-of-use assets	247	214	66	527
Depreciation charge for right-of-use assets	(420)	(162)	(75)	(657)
Carrying amount as at December 31	2,422	482	894	3,798

Set out below are the carrying amounts and other information at December 31, 2020 and for the year ended 2020, respectively, about right-of-use assets recognized in total property, plant and equipment (in CZK millions):

	2020			
	Buildings	Plant and equipment	Land and other	Total plant in service
Additions of right-of-use assets	367	243	51	661
Depreciation charge for right-of-use assets	(473)	(228)	(83)	(784)
Transfer to assets held for sale	(735)	(40)	(257)	(1,032)
Carrying amount as at December 31	2,649	488	988	4,125

Group as a Lessor

The carrying amounts of property, plant and equipment that are subject to an operating lease (in CZK millions):

	Buildings	Plant and equipment	Land and other	Total plant in service
Carrying amount as at December 31, 2021	275	44	804	1,123
Carrying amount as at December 31, 2020	651	80	751	1,482

4. Restricted Financial Assets, Net

The overview of restricted financial assets, net at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Czech government bonds	18,159	19,206
Cash in banks, net	2,645	2,218
Total restricted financial assets, net	20,804	21,424

The Czech government bonds are measured at fair value through other comprehensive income. The restricted financial assets contain in particular restricted financial assets to cover the costs of nuclear decommissioning, to cover the costs for mine reclamation and mining damages and for waste storage reclamation.

5. Other Financial Assets, Net

The overview of other financial assets, net at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021			2020		
	Non-current assets	Current assets	Total	Non-current assets	Current assets	Total
Term deposits	-	-	-	-	2,755	2,755
Other financial receivables	2,156	288	2,444	1,786	987	2,773
Receivables from sale of subsidiaries, associates and joint-ventures	2,399	-	2,399	2,349	2,012	4,361
Investment in finance lease	211	44	255	261	51	312
Debt financial assets	-	-	-	-	10	10
Total financial assets at amortized cost	4,766	332	5,098	4,396	5,815	10,211
Equity financial assets – investments in Inven Capital, SICAV, a.s., ČEZ sub-fund	2,538	441	2,979	1,750	-	1,750
Commodity and other derivatives	212	495,139	495,351	224	55,694	55,918
Total financial assets at fair value through profit or loss	2,750	495,580	498,330	1,974	55,694	57,668
Veolia Energie ČR, a.s.	599	-	599	1,394	-	1,394
Other financial assets	343	-	343	374	-	374
Total equity financial assets	942	-	942	1,768	-	1,768
Fair value of cash flow hedge derivatives	3,347	884	4,231	2,864	284	3,148
Debt financial assets	-	499	499	-	101	101
Total financial assets at fair value through other comprehensive income	4,289	1,383	5,672	4,632	385	5,017
Total	11,805	497,295	509,100	11,002	61,894	72,896

Derivatives balance comprises mainly the positive fair values of commodity trading contracts. The increase of short-term receivables from commodity derivatives in 2021 is mainly due to an increase in the market prices of emission rights, electricity and gas. Related increase of short-term liabilities from commodity derivatives is disclosed in Note 21.

ČEZ, a. s., concluded two put option agreements with Vršanská uhelná a.s. in March 2013. Under these contracts, the Company has the right to transfer 100% of the shares of its subsidiary Elektrárna Počerady, a.s., to Vršanská uhelná a.s. First option for the year 2016 was not exercised, second option could be exercised in 2024 for cash consideration of CZK 2 billion. The option agreement could have been inactivated until December 31, 2019, which the Group did not apply. These contracts represented derivatives that would be settled by the delivery of unquoted equity instrument. Elektrárna Počerady, a.s., is not quoted on any market. There was a significant variability in the range of reasonable fair values for this equity instrument (there is no similar power plant in the Czech Republic for sale and also no similar transaction has taken place) and thus it was difficult to reasonably assess the probabilities of various estimates. As a result, the fair value could not be reliably measured. Consequently, the put option was measured at cost. No option premium was paid when the contracts were concluded and therefore the cost of these instruments was zero. The second put option expired on the exercise of the sale on December 31, 2020 (see 8.2.4).

Movements in impairment provisions of other financial receivables (in CZK millions):

	2021	2020
Balance as at January 1	(114)	(2)
Additions	(7)	(140)
Reversals	4	28
Balance as at December 31	(117)	(114)

In 2020, the impairment provisions were created mainly for loans granted in connection with the Socrates project, which was to be a joint-venture with the company Holt Holding GmbH group for the construction of wind farms in Germany.

Debt financial assets at December 31, 2021 are contracted to mature in the following periods after the balance sheet date (in CZK millions):

	Debt financial assets at fair value through other comprehensive income	Receivables from sale of subsidiaries, associates and joint-ventures	Investment in finance lease	Other financial receivables
Due in 2022	499	–	44	288
Due in 2023	–	2,399	44	795
Due in 2024	–	–	39	870
Due in 2025	–	–	32	69
Thereafter	–	–	96	422
Total	499	2,399	255	2,444

Debt financial assets at December 31, 2020 are contracted to mature in the following periods after the balance sheet date (in CZK millions):

	Debt financial assets at fair value through other comprehensive income	Debt financial assets at amortized cost	Receivables from sale of subsidiaries, associates and joint-ventures	Investment in finance lease	Other financial receivables
Due in 2021	101	10	2,012	51	987
Due in 2022	–	–	–	50	800
Due in 2023	–	–	2,349	44	46
Due in 2024	–	–	–	40	712
Thereafter	–	–	–	127	228
Total	101	10	4,361	312	2,773

Debt financial assets at December 31, 2021 have following effective interest rate structure (in CZK millions):

	Debt financial assets at fair value through other comprehensive income	Receivables from sale of subsidiaries, associates and joint-ventures	Investment in finance lease	Other financial receivables
Less than 2.00% p. a.	–	–	–	1,720
2.00% to 2.99% p. a.	499	2,399	6	228
3.00% to 3.99% p. a.	–	–	187	403
4.00% to 4.99% p. a.	–	–	3	9
5% p. a. and more	–	–	59	84
Total	499	2,399	255	2,444

Debt financial assets at December 31, 2020 have following effective interest rate structure (in CZK millions):

	Debt financial assets at fair value through other comprehensive income	Debt financial assets at amortized cost	Receivables from sale of subsidiaries, associates and joint-ventures	Investment in finance lease	Other financial receivables
Less than 2.00% p. a.	101	10	2,012	1	1,948
2.00% to 2.99% p. a.	–	–	2,349	7	408
3.00% to 3.99% p. a.	–	–	–	234	264
4.00% to 4.99% p. a.	–	–	–	7	40
5% p. a. and more	–	–	–	63	113
Total	101	10	4,361	312	2,773

The following table analyses the debt financial assets at December 31, 2021 by currency (in CZK millions):

	Debt financial assets at fair value through other comprehensive income	Receivables from sale of subsidiaries, associates and joint-ventures	Investment in finance lease	Other financial receivables
CZK	499	2,399	83	1,005
EUR	-	-	172	620
PLN	-	-	-	816
Other	-	-	-	3
Total	499	2,399	255	2,444

The following table analyses the debt financial assets at December 31, 2020 by currency (in CZK millions):

	Debt financial assets at fair value through other comprehensive income	Debt financial assets at amortized cost	Receivables from sale of subsidiaries, associates and joint-ventures	Investment in finance lease	Other financial receivables
CZK	101	10	4,356	84	871
EUR	-	-	5	228	1,902
Total	101	10	4,361	312	2,773

6. Intangible Assets, Net

The overview of intangible assets, net at December 31, 2021 is as follows (in CZK millions):

	Software	Rights and other	Emission rights, green and similar certificates	Goodwill	Intangibles in progress	Total
Cost at January 1, 2021	14,728	13,025	2,701	12,118	942	43,514
Additions	39	55	-	-	1,793	1,887
Disposals	(461)	(77)	-	-	(13)	(551)
Bring to use	1,465	37	-	-	(1,502)	-
Acquisition of subsidiaries	9	833	-	1,784	22	2,648
Derecognition due to loss of control	(7)	-	-	-	-	(7)
Reclassification and other	2	(417)	(2,531)	-	7	(2,939)
Currency translation differences	(22)	(299)	(10)	(413)	(2)	(746)
Cost at December 31, 2021	15,753	13,157	160	13,489	1,247	43,806
Accumulated amortization and impairment at January 1, 2021	(12,442)	(6,825)	-	-	(3)	(19,270)
Amortization	(1,074)	(517)	-	-	-	(1,591)
Net book value of assets disposed	(12)	-	-	-	-	(12)
Disposals	461	77	-	-	-	538
Derecognition due to loss of control	5	-	-	-	-	5
Reclassification and other	(2)	7	-	-	-	5
Impairment losses recognized	(18)	-	-	-	-	(18)
Impairment losses reversed	-	-	-	-	2	2
Currency translation differences	7	205	-	-	-	212
Accumulated amortization and impairment at December 31, 2021	(13,075)	(7,053)	-	-	(1)	(20,129)
Net intangible assets at December 31, 2021	2,678	6,104	160	13,489	1,246	23,677

The overview of intangible assets, net at December 31, 2020 is as follows (in CZK millions):

	Software	Rights and other	Emission rights, green and similar certificates	Goodwill	Intangibles in progress	Total
Cost at January 1, 2020	15,219	12,670	12,079	14,566	905	55,439
Additions	53	532	451	-	1,106	2,142
Disposals	(606)	(6)	(7,338)	-	(42)	(7,992)
Bring to use	903	51	-	-	(954)	-
Acquisition of subsidiaries	3	56	-	192	-	251
Disposal of subsidiaries	(19)	(1)	-	-	-	(20)
Impairment of goodwill	-	-	-	(2,041)	-	(2,041)
Transfer to assets held for sale	(849)	(199)	(2,527)	(807)	(75)	(4,457)
Reclassification and other	4	(49)	(1)	-	1	(45)
Currency translation differences	20	(29)	37	208	1	237
Cost at December 31, 2020	14,728	13,025	2,701	12,118	942	43,514
Accumulated amortization and impairment at January 1, 2020	(12,601)	(5,409)	-	-	-	(18,010)
Amortization	(1,158)	(735)	-	-	-	(1,893)
Net book value of assets disposed	(2)	-	-	-	-	(2)
Disposals	606	6	-	-	-	612
Disposal of subsidiaries	17	1	-	-	-	18
Transfer to assets held for sale	721	157	-	-	-	878
Reclassification and other	(8)	4	-	-	-	(4)
Impairment losses recognized	(8)	(929)	-	-	(3)	(940)
Currency translation differences	(9)	80	-	-	-	71
Accumulated amortization and impairment at December 31, 2020	(12,442)	(6,825)	-	-	(3)	(19,270)
Net intangible assets at December 31, 2020	2,286	6,200	2,701	12,118	939	24,244

Research and development costs, net of grants and subsidies received, that are not eligible for capitalization have been expensed in the period incurred and amounted to CZK 543 million and CZK 507 million in 2021 and 2020, respectively.

Group's intangible assets, net pledged as security for liabilities at December 31, 2021 and 2020, is CZK 224 million and CZK 250 million, respectively.

The net book value of intangible assets under the right-of-use assets at December 31, 2021 and 2020, is CZK 27 million and CZK 25 million, respectively.

At December 31, 2021 and 2020, goodwill allocated to cash-generating units is as follows (in CZK millions):

	2021	2020
Companies of Elevion Deutschland Holding Group excluding Hermos	3,793	3,930
Czech distribution	2,200	2,200
Energotrans	1,675	1,675
Companies of ČEZ ESCO Group excluding CAPEXUS	1,132	1,160
Hermos	1,060	1,119
Euroklimat	754	802
Companies of Kofler Energies Group	600	634
CAPEXUS	419	-
Belectric	415	-
Companies of Telco Pro Services Group	395	95
Zonnepanelen op het Dak	266	-
IBP Ingenieure	196	-
Metrolog	107	114
Companies of Elevion Österreich Holding Group	94	99
Other	383	290
Total	13,489	12,118

7. Impairment of Property, Plant and Equipment and Intangible Assets

The following table summarizes the impairments of property, plant and equipment and intangible assets by cash-generating units in 2021 (in CZK millions):

	Impairment losses			Impairment losses on assets held for sale			Impairment reversals		Total
	Intangible assets other than goodwill	Property plant and equipment, nuclear fuel and investments	Total	Intangible assets other than goodwill	Property, plant and equipment, nuclear fuel and investments	Total	Intangible assets other than goodwill	Property plant and equipment, nuclear fuel and investments	
Severočeské doly	(18)	(11,682)	(11,700)	-	-	-	2	-	(11,698)
CEZ Chorzów	-	(1,119)	(1,119)	-	-	-	-	-	(1,119)
Bulgarian distribution	-	-	-	-	(849)	(849)	-	-	(849)
Romanian distribution	-	-	-	-	(637)	(637)	-	-	(637)
Elektrárna Dětmarovice	-	(608)	(608)	-	-	-	-	-	(608)
Romanian wind power plants	-	-	-	(134)	(334)	(468)	-	-	(468)
German wind power plants	-	(175)	(175)	-	-	-	-	-	(175)
CEZ Skawina	-	(155)	(155)	-	-	-	-	2	(153)
ČEZ	-	(91)	(91)	-	-	-	-	39	(52)
CEZ Romania	-	-	-	-	(23)	(23)	-	-	(23)
TMK Hydroenergy Power	-	-	-	-	(17)	(17)	-	-	(17)
Other	-	(109)	(109)	-	-	-	-	109	-
Total	(18)	(13,939)	(13,957)	(134)	(1,860)	(1,994)	2	150	(15,799)

The following table summarizes the impairments of property, plant and equipment and intangible assets by cash-generating units in 2020 (in CZK millions):

	Impairment losses				Impairment losses on assets held for sale				Impairment reversals	Total
	Goodwill	Intangible assets other than goodwill	Property plant and equipment, nuclear fuel and investments	Total	Goodwill	Intangible assets other than goodwill	Property, plant and equipment, nuclear fuel and investments	Total	Property plant and equipment, nuclear fuel and investments	
Romanian wind power plants	-	(4)	(997)	(1,001)	-	(934)	(3,872)	(4,806)	-	(5,807)
Romanian distribution	(802)	-	(40)	(842)	-	-	(4,769)	(4,769)	20	(5,591)
CEZ Chorzów	(947)	(876)	(2,882)	(4,705)	-	-	-	-	-	(4,705)
Severočeské doly	(292)	(5)	(3,007)	(3,304)	-	-	-	-	34	(3,270)
Bulgarian distribution	-	-	-	-	-	-	(1,810)	(1,810)	-	(1,810)
CEZ Skawina	-	(55)	(964)	(1,019)	-	-	-	-	-	(1,019)
Romanian sale	-	-	-	-	(509)	-	-	(509)	-	(509)
TMK Hydroenergy Power	-	-	-	-	(268)	-	(203)	(471)	1	(470)
Elektrárna Dětmarovice	-	-	(341)	(341)	-	-	-	-	1	(340)
CEZ Romania	-	-	-	-	(30)	-	(252)	(282)	-	(282)
Elektrárna Počerady	-	-	(216)	(216)	-	-	-	-	-	(216)
Other	-	-	(115)	(115)	-	-	-	-	72	(43)
Total	(2,041)	(940)	(8,562)	(11,543)	(807)	(934)	(10,906)	(12,647)	128	(24,062)

In 2021 and 2020, the Group performed impairment tests of goodwill and tests of other non-current assets where there was an indication that the carrying amounts could be impaired.

The recognized impairment of property, plant and equipment and intangible assets of cash-generating unit Severočeské doly in 2021 was caused by the unfavorable development of market and regulatory expectations. In particular, there was a significant decrease in the expected demand for lignite in medium term due to a significant increase in market prices of emission rights and a decrease in the expected so-called clean spread (electricity price minus price of CO₂ emission rights). Furthermore, the development of regulation and decarbonization goals of the EU and the Czech Republic assumes an earlier termination of mining in the Czech Republic.

The recognized impairment of property, plant and equipment of the cash-generating unit CEZ Chorzów in 2021 was caused mainly by the unfavorable development of market assumptions concerning, in particular, a significant increase in the market prices of emission rights and a decrease in the expected so-called clean spread.

The impairment loss of property, plant and equipment of cash-generating unit Bulgarian distribution in 2021 and 2020 was recognized with regard to the fact that the assets were classified as held for sale (see Notes 8.1.2 and 15) and the contractual sale price was fixed and denominated in EUR (so called "locked box") and the carrying amount of assets being sold and associated liabilities as of the date of sale at July 27, 2021 and at December 31, 2020, respectively, exceeded the contractual sale price.

In the first quarter of 2021, the Group reported assets of cash-generating units Romanian wind power plants, Romanian distribution, Romanian sale, TMK Hydroenergy Power and CEZ Romania as assets held for sale (see Notes 8.1.2 and 15), while this constitutes a single sale transaction realized on March 31, 2021. The Group determined the total impairment loss of intangible assets and property, plant and equipment of all these cash-generating units as of March 31, 2021 in the amount of CZK 1,145 million with regard to the contractual sale price stated in EUR (arranged as so called "locked box"). The impairment loss was allocated based on relative carrying amounts of intangible assets and property, plant and equipment of the cash-generating units being sold.

The impairment loss of property, plant and equipment of the cash-generating unit Elektrárna Dětmarovice in 2021 was recognized as a result of a test for possible impairment with regard to the expected low profitability of the production source for the remaining life and with regard to the increased value of property, plant and equipment in connection with creation of provision for demolition and dismantling of the plant after its decommissioning.

The Group recognized impairment loss of property, plant and equipment and intangible assets of cash-generating unit Romanian power plants in the amount of CZK 1,001 million in 2020 especially due to the expected decrease in electricity prices on the market in future and the expected decrease in gross margin from electricity generation compared to the previous long-term assumptions.

The recognized impairment of goodwill and property, plant and equipment of cash-generating unit Romanian distribution in the amount of CZK 842 million in 2020 was caused mainly by an increase in the risk of the impact of regulation on the next regulatory period.

The recognized impairment of goodwill and property, plant and equipment of cash-generating unit CEZ Chorzów in 2020 was caused mainly by a decrease in the expected gross margin from electricity and heat generation due to the change in expected market prices of emission rights and electricity and due to reduced expected useful life of the power plant with respect to the government's coal mine closure schedule.

The recognized impairment of goodwill and property, plant and equipment of cash-generating unit Severočeské doly in 2020 was caused mainly by a shortening of the expected period of coal mining up to the year 2038.

The recognized impairment of property, plant and equipment of cash-generating unit CEZ Skawina in 2020 was caused mainly by a decrease in the expected gross margin from electricity and heat generation due to the change in expected market prices of emission rights.

The impairment loss of property, plant and equipment of the cash-generating unit Elektrárna Dětmarovice related to investments made due to the renewal of equipment after the fire in 2017 financed by income from property insurance, and also with regard to a decrease in the outlook for expected profitability of the generation source over its useful life in the region especially due to increase in market prices of emission rights.

The recognized impairment of property, plant and equipment of cash-generating unit Elektrárna Počerady in 2020 occurred with regard to fact that sale price indicated the impairment of property, plant and equipment (see Note 8.2.4).

The Group classified assets of cash-generating units Romanian wind power plants, Romanian distribution, Romanian sale, TMK Hydroenergy Power and CEZ Romania as assets held for sale since November 1, 2020 (Note 15), while this constituted a single sale transaction. The Group determined the total impairment loss of intangible assets and property, plant and equipment of all these cash-generating units as of December 31, 2020 in the amount of CZK 10,837 million with regard to the contractual sale price stated in EUR (arranged as so called "locked box"). The impairment loss was allocated to the remaining goodwill at first and then based on relative carrying amount of intangible assets and property, plant and equipment of the cash-generating units being sold.

Description of selected parameters related to testing and determination of recoverable amounts

The impairment test involves determining the recoverable amount of the cash-generating unit, which corresponds to the value in use except for Bulgarian distribution and Bulgarian sale as at December 31, 2020, and also except for Romanian wind power plants, Romanian distribution, Romanian sale, TMK Hydroenergy Power, CEZ Romania as at December 31, 2020 and except for the cash-generating unit Elektrárna Počerady's test before its sale on December 31, 2020, when fair value less costs of disposal was used. Value in use is the present value of the future cash flows expected to be derived from a cash-generating unit and is internally assessed by the company's management.

Values in use are determined based on a complex projection of cash flows or on the medium-term budget for a period of 5 years and on the anticipated development of the expected cash flows in the long-term, which is valid when the impairment test is performed. These budgets are based on the past experience, as well as on the anticipated future market trends and on the macroeconomic development of the respective region.

a. The value in use based on complex projection of cash flows of respective companies for the period covering remaining useful life of tested assets was used for determination of the recoverable amounts of the following cash-generating units:

ČEZ, a. s., generation assets are tested for any possible impairment as a single cash-generating unit with the exception of specific assets, e.g., the CCGT plant in Počeradý. Company's cash-generating unit of generation assets is characterized by portfolio management in the deployment and maintenance of various power plants and the cash flows generated from these activities.

As part of testing the recoverable value of fixed assets of the cash-generating unit of ČEZ, a. s., (hereinafter the ČEZ value) we performed a sensitivity analysis of the test results to changes in certain key parameters of the used model – changes in wholesale power prices (hereinafter the EE prices), changes in the discount rate used in the calculation of the present value of future cash flows and changes in CZK/EUR exchange rate.

The development of commodity prices and, in particular, the development of wholesale power prices in Germany (as German power prices have a major impact on the development of wholesale power prices in the Czech Republic) are the key assumptions used for the ČEZ value model. The developments of wholesale prices are primarily determined by the EU political decisions, the development of global demand and supply of commodities and the technological progress.

The development of EE price is influenced by a number of external factors, including, in particular, changes in the structure and availability of generation capacity in the Czech Republic and neighboring countries, the macroeconomic development of the Central European region and the regulation of the energy sector in the EU and Germany (fundamental impacts of premature decommissioning of German nuclear power plants by 2022 and impacts of the EU approved climate and energy targets for 2030). The model was constructed for a period adequate to the useful life of the power plants, i.e., for a period that significantly exceeds the period for which commodities, including wholesale power price contracts, are traded on public liquid markets. In addition, the power market is subject to structural changes (the Market Design) and major industry regulation; consequently, complete abandonment of market-based power pricing mechanisms and implementation of alternative, centrally regulated payments for the availability and supply of power plants within the period of useful life of the power plants is actually possible.

With respect to the fact that we are using a long-term model, there are certain internal factors and assumptions that affect the ČEZ value sensitivity to the development of power prices, such as varying deployment of the generation portfolio depending on the development of power prices, emission rights and variable generation costs and, in a longer perspective, also the development of fixed costs reflecting the development of the power plants gross margin.

The sensitivity test results reflect expert estimates of the status and development of the above factors in the period of the model and the status of commercial securing of the generation portfolio as at December 31, 2021.

The test is based on the business plan of CEZ Group for 2022–2026 and on the assumptions of long-term development of relevant electricity prices. The plan was prepared in the fourth quarter 2021 whereas the plan was based on the active market parameters observed in October 2021 (power prices on EEX energy exchange in Germany, prices on PXE energy exchange in the Czech Republic, price of CO₂ emission rights, FX rate CZK/EUR, interest rates etc.). There is a liquidity for power contracts traded on EEX for the period covering the horizon of the business plan and with regard to links between German and Czech power transmission network, the EEX prices are basic market price indicator for EE prices in the Czech Republic. For the purposes of the sensitivity analysis, the input EE prices, emission rights prices and foreign exchange rates were applied to the relevant opened positions of the Company.

The company did not recognize any impairment of generation assets in 2021 and 2020. A change of the assumed EE prices as per the models by 1%, with other parameters remaining unchanged, has an impact of approximately CZK 10.2 billion on the ČEZ value test result. Future cash flows of the model were discounted using a 4.7% rate. A change of 0.1 percentage point in the discount rate, with other parameters remaining unchanged, would change the ČEZ value by approximately CZK 7.8 billion. A 1% change in the CZK/EUR exchange rate, with other parameters remaining unchanged, would result in a change of approximately CZK 9 billion in the ČEZ value. Such changes in ČEZ value would not lead to an impairment.

The generation sources in Poland – power plants Chorzów and Skawina – also belong among tested non-current assets where cash flow projections covering remaining useful life were used and the future cash flows were discounted using rate of 5.8%.

The discount rate of 4.2% was used for cash-generating unit Energotrans. For testing of Energotrans, the assumptions from "EGT site strategy" were used. The model assumes change in the long-term contract for heat supply to Prague and its prolongation until 2050. The supply of heat by 2028 is assumed from one to three new combined cycle power plants of specific design.

The cash flow projections covering expected remaining useful life, which is estimated at 2030 as at December 31, 2021, were used for determination of the recoverable amount of the cash-generating unit Severočeské doly. Future cash flows were discounted using increased rate of 5.2%.

The discount rate of 4.7% was used for cash-generating unit Elektrárna Dětmorovice.

b. The value in use derived from the projection of cash flows based on financial budget for a period of 5 years and on the expected future development of cash flows generated from the respective assets was applied when determining the recoverable amount of the following cash-generating units:

The discount rate of 4.0% was used for cash-generating unit Czech distribution. Cash flows beyond the five-year period for Czech distribution were based on the terminal value of regulatory asset base.

The discount rate of 4.1% was used for cash-generating unit ČEZ Teplárenská. There is no growth rate considered for cash flows beyond five-year period.

The discount rate of 4.1% was used for cash-generating unit Energetické centrum. Cash flows beyond the five-year period are extrapolated using 2.0% growth rate.

The discount rate of 4.6% was used for companies of Elevion Deutschland Holding Group (including Hermos) and Kofler Energies Group. There is no growth rate considered for cash flows beyond five-year period.

c. The calculations of value in use for all cash-generating units are most sensitive to the following assumptions:

Gross margins – Gross margins are based on experience from historical trends in the preceding periods, current outlook of market and non-market parameters, eventually with regard to operational efficiency improvements. Gross margins are affected especially by wholesale electricity prices, prices of emission rights and prices of green and similar certificates.

Raw materials price inflation – Estimates are obtained from published indices for the countries from which materials are sourced, as well as data relating to specific commodities. Forecast figures are used if data is available, otherwise past actual raw material price movements have been used as an indicator of future price movements.

Discount rate – Discount rates reflect management's estimate of the risk specific to each unit. The basis used to determine the value assigned is weighted average cost of capital (WACC) of the related subsidiaries.

Estimated growth rate – The basis used to determine the value assigned to estimated growth rate is the anticipated future development of the market, gross domestic product, nominal wages and interest rates and the forecast of regulatory environment, where subsidiaries conduct the business.

The above assumptions and expected cash flows of all tested assets took into account estimates of the impact of the covid-19. According to the current evaluation of the impacts of the covid-19, the existence of no Group company is endangered and, in general, covid-19 has a relatively limited impact on the Group. All future cash flows reflect all factors, including covid-19. However, the reliability of the estimate of the long-term effects of the covid-19 on the Group is considerably limited due to the uncertainty of the extent of the effects of the pandemic itself and of countries' countermeasures on economic growth, unemployment and debt growth in relevant European countries.

The impact of covid-19 alone cannot be reliably quantified, as overall aggregate demand and supply and economies in general are affected by many more important macroeconomic factors, such as world commodity prices, GDP development in individual countries and regulation at EU level.

From the point of view of the medium-term economic outlook of the Generation segment, the negative impact of covid-19 is limited also with regard to the high level of cash flow hedging. As of December 31, 2021, approximately 88% of expected generation for 2022 has been contracted, for 2023 approximately 60% has been contracted and for 2024 approximately 28%. Along with these presales of electricity, the emission rights for emission sources have been contracted.

The impact of the covid-19 in the coming years will depend mainly on the measures taken in individual countries and their impact on the overall development of the economy in Europe.

8. Changes in the Group Structure

8.1. Changes in the Group Structure in 2021

The following table summarizes the cash flows related to acquisitions in 2021 (in CZK millions):

Cash outflow on acquisitions of the subsidiaries	3,794
Payments of payables from acquisitions in previous periods	138
Less: Cash and cash equivalents acquired	(881)
Total cash outflows on acquisitions	3,051

8.1.1. Acquisitions of Companies in 2021, in which CEZ Group Gained Control

Through new acquisitions, the Group follows a strategic plan for developing of emission-free energy and telecommunication services in the Czech Republic and Slovakia and in foreign markets, primarily in Germany, Italy and the Netherlands.

On March 3, 2021, the Group acquired a 100% interest in the company MWS GmbH (hereinafter ESCO other), which provides custom welding work in the construction of industrial plants, pipeline construction and the implementation of similar technological projects.

On May 19, 2021, the Group acquired a 100% interest in the company Peil und Partner Ingenieure GmbH (hereinafter ESCO other), which focuses on building engineering services and energy saving projects.

On July 15, 2021, the Group acquired a 100% interest in the company EP Rožnov, a.s., which owns a 100% interest in the company EPIGON spol. s r. o. and a 90% interest in the company PIPE SYSTEMS s.r.o. (hereinafter ESCO other). The companies are engaged in providing complex services for the construction of clean rooms.

On July 19, 2021, the Group acquired a 100% interest in companies IBP Ingenieure GmbH & Co. KG and IBP Verwaltungs GmbH (hereinafter ESCO other), which focuses on building engineering services and energy saving projects.

On July 26, 2021, the Group acquired a 100% interest in the company SOCIETA' AGRICOLA DEF S.R.L. (hereinafter ESCO other), which owns and operates a biogas plant.

On August 25, 2021, the Group acquired 100% of assets and liabilities that constitute the business Heinz Hildebrand (hereinafter ESCO other). The business Heinz Hildebrand was acquired by the company EAB Elektroanlagenbau GmbH Rhein/Main and it provides electrical installation work mainly in the Hesse and Rhineland areas.

On August 27, 2021, the Group acquired a 66% interest in the company ZOHD Groep B.V., which owns a 100% interest in Energy Shift B.V., Zonnepanelen op het Dak Installaties B.V and Zonnepanelen op het Dak B.V. (hereinafter ZOHD). The companies are engaged in the production and installation of rooftop solar panels.

On November 1, 2021, the Group acquired a 100% interest in the company TelNet Holding, s.r.o., which owns 100% interest in CERBEROS s.r.o. and HELIOS MB s.r.o. and 85% interest in the company Magnalink, a.s. (hereinafter Telco 2021), which focus on providing high speed internet connection.

On December 13, 2021, the Group acquired a 100% interest in the company CAPEXUS s.r.o. and 50% interest in the company CAPEXUS SK s. r. o. (hereinafter CAPEXUS), which focus on designing, planning and realization of modern and energy-efficient office spaces.

On December 16, 2021, the Group acquired a 100% interest in the companies BELECTRIC GmbH, Belectric Israel Ltd., Belectric France S.A.R.L., Belectric Italia S.r.l. and Belectric Solar Ltd. (hereinafter Belectric), which focus on the realization of photovoltaic power plants.

On December 31, 2021, the Group acquired a 100% interest in the company ADAPTIVITY s.r.o. and 100% interest in the company INTERNEXT 2000, s.r.o., which owns 100% interest in the company Optické síť s.r.o. (hereinafter Telco 2021). The companies focus on providing high speed internet connection.

The fair values of acquired identifiable assets and liabilities and the purchase considerations have been stated provisionally and could be adjusted in the subsequent period. The following table presents the current best estimate of fair values of acquired identifiable assets and liabilities as of the date of acquisitions (in CZK millions):

	Belectric	CAPEXUS	Telco 2021	ZOHD	ESCO other	Total
Share of the Group being acquired	100%	100%	100%	66%	100%	
Property, plant and equipment, net	141	19	204	16	221	601
Intangible assets, net	333	205	145	30	151	864
Deferred tax asset	17	2	6	1	17	43
Another non-current assets	15	-	26	-	4	45
Cash and cash equivalents	585	44	52	8	192	881
Trade receivables, net	497	218	3	22	227	967
Materials, net	293	2	4	63	182	544
Other current financial assets, net	441	22	-	-	-	463
Contractual assets	796	27	3	6	10	842
Another current assets	30	4	4	2	34	74
Long-term debt, net of current portion	(77)	(9)	(14)	(6)	(102)	(208)
Deferred tax liability	(95)	(40)	(28)	(7)	(22)	(192)
Another non-current liabilities	-	-	(27)	-	(1)	(28)
Current portion of long-term debt	(29)	(5)	-	(3)	(18)	(55)
Trade payables	(526)	(83)	(8)	(44)	(154)	(815)
Payables from income tax	(66)	(2)	-	-	(21)	(89)
Current provisions	(486)	(1)	-	(2)	(33)	(522)
Contractual liabilities	(406)	(13)	(1)	(27)	(209)	(656)
Another current liabilities	(126)	(34)	(7)	(27)	(28)	(222)
Total net assets	1,337	356	362	32	450	2,537
Share of net assets acquired	1,337	356	343	22	447	2,505
Goodwill	415	419	301	272	377	1,784
Negative goodwill gain	-	-	-	-	(9)	(9)
Total purchase consideration	1,752	775	644	294	815	4,280
Less: Consideration paid in previous periods	-	-	(32)	-	(11)	(43)
Liabilities from acquisition of the subsidiary	(115)	(176)	(21)	-	(131)	(443)
Cash outflow on acquisition in 2021	1,637	599	591	294	673	3,794
Less: Cash and cash equivalents acquired	(585)	(44)	(52)	(8)	(192)	(881)
Cash outflow on acquisition in 2021, net	1,052	555	539	286	481	2,913

If the acquisitions had taken place at the beginning of the year 2021, net income for CEZ Group as of December 31, 2021 would have been CZK 10,387 million and the revenues and other operating income from continuing operations would have been CZK 235,442 million. The amounts of goodwill recognized as a result of the business combinations comprise the value of expected synergies arising from the acquisitions.

From the acquisition date, the newly acquired subsidiaries have contributed the following balances to the Group's statement of income (in CZK millions):

	Telco 2021	ZOHD	ESCO other	Total
Revenues and other operating income	4	169	491	664
Income before other income (expense) and income taxes	(6)	8	97	99
Net income	(8)	4	68	64
Net income attributable:				
Equity holders of the parent	(8)	3	68	63
Non-controlling interests	-	1	-	1

As the acquisitions of Belectric and CAPEXUS took place during December 2021, the results of these companies will be consolidated starting January 1, 2022.

8.1.2. Sale of Shares in Romanian and Bulgarian Companies in 2021

On October 22, 2020, a share purchase agreement was concluded for the sale of the interests in Romanian companies Distributie Energie Oltenia S.A., CEZ Vanzare S.A., CEZ Romania S.A. (including its interest in TMK Hydroenergy Power S.R.L.), Tomis Team S.A. (including its interest in M.W. Team Invest S.R.L.) and Ovidiu Development S.A. From that date, the assets and related liabilities were classified as held for sale and tested for possible impairment with respect to the sale price. In the first quarter of 2021, the Group recognized an impairment of property, plant and equipment and intangible assets in the amount of CZK 1,145 million, which was reported in the statement of income on the line Impairment of property, plant and equipment and intangible assets (Note 7).

The transaction was settled on March 31, 2021. The total sale price for the shares in the Romanian companies was paid in full and the Group transferred control over the sold subsidiaries.

The following table provides an overview of the impacts related to the derecognition of Romanian companies from consolidation, with the derecognized net assets broken down by operating segments (in CZK millions):

	Generation	Distribution	Sales	Total
Sold interest				100%
Property, plant and equipment, net	6,645	7,489	6	14,140
Non-current green and similar certificates, net	1,288	-	-	1,288
Deferred tax asset	1,109	360	59	1,528
Another non-current assets	43	270	21	334
Cash and cash equivalents	1,453	1,783	218	3,454
Trade receivables, net	422	542	1,114	2,078
Materials and supplies, net	63	140	3	206
Green and similar certificates	909	-	-	909
Another current assets	159	602	961	1,722
Long-term debt, net of current portion	(233)	(2,767)	(2)	(3,002)
Non-current provisions	(783)	(211)	(7)	(1,001)
Other long-term financial liabilities	(1)	(157)	(9)	(167)
Current portion of long-term debt	(19)	(107)	(3)	(129)
Trade payables	(207)	(722)	(1,348)	(2,277)
Current provisions	(143)	(133)	(367)	(643)
Another short-term liabilities	(6)	(205)	(135)	(346)
Total net assets	10,699	6,884	511	18,094
Disposal of translation differences				6,605
Effect of intercompany balances:				
Trade receivables, net				(120)
Trade payables				64
Total cost of sale of the Group				24,643
Revenue from sale				24,643
Gain on sale				-

The following table shows the cash flows related to the sale and derecognition of the Romanian subsidiaries from consolidation (in CZK millions):

Cash received from sale in 2021	24,643
Cash disposed of on sale	(3,454)
Total cash flow from sale of Romanian companies in 2021	21,189

On June 20, 2019, an agreement with the company Eurohold Bulgaria AD was signed on the sale of ownership interests in the Bulgarian companies CEZ Razpredelenie Bulgaria AD (including its share in CEZ ICT Bulgaria EAD), CEZ Trade Bulgaria EAD, CEZ Bulgaria EAD, CEZ Elektro Bulgaria AD, Free Energy Project Oreshets EAD and Bara Group EOOD. The assets and related liabilities of the sold companies were classified as held for sale and were tested for possible impairment with respect to the sale price. In the first nine months of 2021, the Group recognized an impairment of property, plant and equipment and intangible assets of CEZ Razpredelenie Bulgaria AD representing the cash-generating unit Bulgarian distribution for the purpose of testing assets for possible impairment in the amount of CZK 849 million, which was reported in the statement of income on the line Impairment of property, plant and equipment and intangible assets (Note 7).

On July 27, 2021, the transaction for the sale of Bulgarian assets was settled between the Group and Eurohold Bulgaria AD. The sale price for all the Group's shares in Bulgarian companies in the amount of EUR 335 million was repaid and the Group transferred control of the sold subsidiaries. As part of the transaction, the Group's outstanding loans provided to Bulgarian companies were transferred to the buyer.

The following table provides an overview of the impacts related to the derecognition of Bulgarian companies from consolidation, with the derecognized net assets broken down by operating segments (in CZK millions):

	Generation	Distribution	Sales	Total
Sold interest	100%	67%	67%	
Property, plant and equipment, net	158	9,484	80	9,722
Intangible assets, net	-	494	1	495
Cash and cash equivalents	16	820	1,967	2,803
Other assets	8	669	2,895	3,572
Long term liabilities	-	(1,543)	(110)	(1,653)
Short term liabilities	(36)	(1,085)	(2,011)	(3,132)
Deferred tax liabilities	(4)	(120)	(4)	(128)
Total net assets	142	8,719	2,818	11,679
Disposal of translation differences				1,628
Disposal of non-controlling interests				(3,499)
Effect of intercompany balances:				
Trade receivables				(17)
Other financial assets				(386)
Trade payables				41
Short-term financial payables				408
Total cost of sale of the Group				9,854
Revenue from sale of shares and loans provided				9,854
Gain on sale				-

The following table shows the cash flows related to the sale and derecognition of the Bulgarian subsidiaries from consolidation (in CZK millions):

Cash received from sale in 2021	9,871
Cash disposed of on sale	(2,803)
Total cash flow from sale of Bulgarian companies in 2021	7,068

The following table summarizes the total cash flows related to the sales of subsidiaries and payment from joint-ventures in 2021 (in CZK millions):

Total cash received from sale of Romanian companies	21,189
Total cash received from sale of Bulgarian companies	7,068
Sale of 100% share in CEZ Towarowy Dom Maklerski sp. z o.o.	5
Payments of receivables from sales in previous periods	672
Cash disposed due to the reclassification of Tepelné hospodářství města Ústí nad Labem s.r.o. to joint-venture (originally classified as a subsidiary)	(200)
Cash payments received from joint-ventures	36
Total cash flow in 2021	28,770

8.1.3. Changes in Non-controlling Interests in 2021

In February 2021, Slovenský plynárenský priemysel, a.s., made a cash contribution to ESCO Slovensko, a. s., thus acquiring a 50% non-controlling interest and the Group's share fell to 50%, while maintaining control. The main strategic intention of ESCO Slovensko, a. s., which owned on the date of transaction a shares in 6 Slovak companies invested from ČEZ ESCO, a.s., is the development of decentralized energy and complex energy services in Slovakia.

On June 24, 2021, an agreement was signed that replaced the original contractual relationship between the Group and selected owners of non-controlling interests in Euroklimat sp. z o.o. The original contractual arrangement represented a contingent consideration, so-called earn-out liability, from acquisition of a subsidiary. This agreement related to a 4% interest in Euroklimat sp. z o.o. was replaced by an option to sell the interest to the Group, and therefore it was effectively recognized as a sale of a 4% interest and the put option held by non-controlling interests.

On July 29, 2021, the Group sold a non-controlling 49% interest in the company ČEZ Asset Holding, a. s. In August 2021, the company then changed its name to ENVEZ, a. s.

An overview of basic financial information on these transactions is given in the following table (in CZK millions):

	ESCO Slovensko	ENVEZ	Euroklimat	Total
Share acquired in 2021	50.00%	49.00%	4.00%	
Liabilities from put options held by non-controlling interests	-	-	48	48
Direct impact on equity related to put option	-	-	(40)	(40)
Sold share of net assets increasing non-controlling interests	799	4	8	811
Direct impact on equity from the sale of a non-controlling interest	(5)	1	36	32
Total	794	5	44	843
Derecognition of earn-out liability	-	-	(41)	(41)
Impact on profit or loss	-	-	(3)	(3)
Total sale price	794	5	-	799

During May and June 2021, within several sub-transactions, the Group acquired a part of the non-controlling interest representing a 26.58% interest in the company OSC, a.s., which increased Group's interest to 93.25%.

In June 2021, there was an additional adjustment to the acquisition price for a 25% non-controlling interest in ENESA a.s., which was acquired in 2018.

An overview of basic financial information on these transactions is given in the following table (in CZK millions):

	OSC, a.s.	ENESA a.s.	Total
Share acquired in 2021	26.58%	-	
Acquired share of net assets derecognized from non-controlling interests	(5)	-	(5)
Amount directly recognized in equity caused by acquisition of non-controlling interest	46	23	69
Total purchase consideration	41	23	64

8.2. Changes in the Group Structure in 2020

The following table summarizes the cash flows related to acquisitions in 2020 (in CZK millions):

Cash outflow on acquisitions of the subsidiaries	285
Cash outflow on investments in joint-ventures	792
Payments of payables from acquisitions in previous periods	318
Less: Cash and cash equivalents acquired	(48)
Total cash outflows on acquisitions	1,347

8.2.1. Acquisitions of Subsidiaries in 2020

The fair values of acquired identifiable assets and liabilities were as follows (in CZK millions):

	Moser	AXE	Telco	Total
Share of the Group being acquired	100%	100%	100%	
Property, plant and equipment, net	46	156	32	234
Intangible assets, net	57	-	2	59
Other non-current assets	1	1	1	3
Cash and cash equivalents	-	16	32	48
Trade receivables, net	10	29	9	48
Another current assets	12	31	7	50
Long-term debt, net of current portion	(37)	(20)	-	(57)
Deferred tax liability	(12)	-	-	(12)
Short-term loans	(1)	(23)	-	(24)
Current portion of long-term debt	(3)	(111)	-	(114)
Trade payables	-	(35)	(11)	(46)
Payables from income tax	(6)	-	-	(6)
Short-term provisions	(8)	(8)	-	(16)
Another current liabilities	(2)	-	(4)	(6)
Total net assets	57	36	68	161
Share of net assets acquired	57	36	68	161
Goodwill / negative goodwill gain	97	(18)	95	174
Total purchase consideration	154	18	163	335
Liabilities from acquisition of the subsidiary	(38)	-	(12)	(50)
Cash outflow on acquisition in 2020	116	18	151	285
Less: Cash and cash equivalents in the subsidiary acquired	-	(16)	(32)	(48)
Cash outflow on acquisition in 2020, net	116	2	119	237

If the acquisitions had taken place at the beginning of the year 2020, net income for CEZ Group as of December 31, 2020 would have been CZK 5,460 million and the revenues and other operating income from continuing operations would have been CZK 213,884 million. The amounts of goodwill recognized as a result of the business combinations comprise the value of expected synergies arising from the acquisitions.

From the acquisition date, the newly acquired subsidiaries have contributed the following balances to the Group's statement of income (in CZK millions):

	Moser	AXE	Total
Revenues and other operating income	68	15	83
Income before other income (expense) and income taxes	12	21	33
Net income	10	21	31
Net income attributable:			
Equity holders of the parent	10	21	31
Non-controlling interests	-	-	-

8.2.2. Acquisitions of Joint-ventures in 2020

On April 27, 2020, the Group acquired a 51% interest in the company GEOMET s.r.o. The intention of the joint-venture, in which the second partner is the company European Metals Holdings Limited, is to develop a project for potential lithium mining in Cínovec. Based on the analysis of the relevant agreements, competencies of the partners in the decision making processes and the relevant activities, the Group assessed the current relationship as a joint control.

The following table provides an overview of the basic financial information associated with these transactions (in CZK millions):

	GEOMET
Share acquired in 2020	51%
Total net assets	796
Share of acquired net assets	406
Goodwill	385
Total acquisition price of the share	791

The fair values of identifiable assets and liabilities of the joint-venture have been stated provisionally and could be adjusted in the subsequent period.

8.2.3. Acquisitions of Non-controlling Interests in 2020

On June 4, 2020, the Group acquired a part of the non-controlling interest representing a 26.68% interest in the company OEM Energy sp. z o.o., which increased Group's interest to 77.68%. The original owners held an option to sell the non-controlling interest to the Group. In such a case, as long as the option is in force, the non-controlling interest is derecognized at the end of the reporting period and the liability is recognized at the present value of the amount payable on exercise. This option partially expired and therefore the relevant part of the liability was derecognized and the non-controlling interest was accounted for (recognized), however, at the same time it was immediately derecognized due to the purchase of the non-controlling interest.

On June 30, 2020, the Group acquired the remaining non-controlling 49.90% interest in ČEZ Energo, s.r.o. Also in this case there was a put option held by the original partner, which ceased to exist.

The following table provides an overview of the basic financial information associated with these transactions (in CZK millions):

	OEM Energy	ČEZ Energo	Total
Share acquired in 2020	26.68%	49.90%	
Option liability derecognized from the balance sheet	20	733	753
Direct impact on equity from recognition of non-controlling interest after the expiration of the put options	35	(22)	13
Acquired share of net assets derecognized from non-controlling interests	55	711	766
Amount directly recognized in equity caused by acquisition of non-controlling interest	13	289	302
Total purchase consideration	68	1,000	1,068

8.2.4. Sale of 100% Share in Subsidiary Elektrárna Počerady in 2020

On October 22, 2020, a share purchase agreement was signed on the sale of a 100% share in subsidiary Elektrárna Počerady, a.s., (hereinafter EPC) to the company Vršanská uhelná a.s. The closing date of the transaction was on December 31, 2020 after the prior approval of Office for the Protection of Competition. At the same time this canceled the previous arrangement for the sale of a 100% share in EPC, which has already been concluded between the parties with the date of realization of January 2, 2024 for a purchase price CZK 2.0 billion. According to the new agreement the initial purchase price amounts to CZK 2.5 billion and is due on November 30, 2023.

The transaction includes an agreement between the parties to terminate the existing contract for the purchase of coal from the company Vršanská uhelná a.s., under which the company ČEZ, a. s., was obliged to purchase 5 million tons of coal per year by the end of 2023, and conclusion of a new contract for the purchase of 5 TWh of electricity per year by ČEZ, a. s., from subsidiary of the Vršanská uhelná group for the period from January 1, 2021 to December 31, 2023 for a fixed price of CZK 700/MWh plus the cost for the emission right required for the supply of 1 MWh of electricity.

The present value of the total contractual transaction price including adjustments to take into account the amount of working capital as at the closing date is CZK 8,861 million. The part of the transaction price attributable to the sale of shares is CZK 7,056 million, the remaining value of CZK 1,805 million corresponds to the fair value of the terminated contract for the purchase of coal and the new contract for the purchase of electricity. Part of the total transaction price in the amount of CZK 4,500 million was settled as of the closing date of the transaction by offsetting part of receivables from the sale and liabilities arising from Group's cash pooling.

In connection with the realization of this transaction, the contracts for the sale of electricity and purchase of emission rights, concluded in the past as cash-flow hedge for EPC operations for years 2021 to 2023 (so called "own-use" contracts and hedging contracts abroad) were reclassified to derivatives, respectively hedge accounting was terminated, because future sales of electricity from Group's own generation is no longer probable. The corresponding amounts of the hedge accounting were transferred from the other comprehensive income to the statement of income. The current contracts for the supply of coal from the company Vršanská uhelná a.s., (originally an "own-use" contract where the physical delivery for the needs of the Group was assumed, therefore such a contract was not within the scope of IFRS 9) was prematurely terminated by this transaction with financial settlement included in the total transaction price and for this reason the fair value of this contract was recognized in the statement of income.

The total impact of the transaction on the statement of income is given in the following table (in CZK million):

Statement of income line	Description	Impact (in CZK millions)
Gains and losses from commodity derivative trading	Termination of hedging including reclassification of own-use into derivatives	1,274
Gains and losses from commodity derivative trading	Reclassification of a contract for the purchase of coal into derivatives	(1,760)
Impairment of property, plant and equipment and intangible assets	Impairment loss (see Note 7)	(216)
Income before other income (expenses) and income taxes		(702)
Other financial income	Revenue from sale of shares	7,056
Other financial income	Cost of derecognition from consolidation	(7,056)
Income before income taxes		(702)
Income taxes		435
Net income		(267)

The following table provides an overview of the effect of accounting on derecognition of the subsidiary Elektrárna Počerady, a.s., from consolidation (in CZK millions):

	Elektrárna Počerady, a.s.
Sold interest	100%
Total property, plant and equipment, net	798
Other non-current assets	69
Cash and cash equivalents	193
Trade receivables, net	116
Income tax receivable	133
Materials and supplies, net	172
Fossil fuel stocks, net	49
Emission rights	1,960
Other current financial assets	252
Long-term debt, net of current portion	(28)
Provisions	(2,315)
Other long-term financial liabilities	(172)
Net assets derecognized from balance sheet	1,227
Effect of intercompany balances:	
Other short-term financial liabilities	7,645
Trade receivables, net	(2,267)
Trade payables	451
Total cost of sale of the Group	7,056
Revenue from sale	7,056
Gain on sale	-

The following table summarizes the cash flows related to sale and loss of control of subsidiaries (in CZK millions):

Cash received from sale of the company in 2020	-
Cash disposed on sale	(193)
Total cash flow from disposal of subsidiaries in 2020	(193)

9. Investments in Subsidiaries, Associates and Joint-ventures

The consolidated financial statements of CEZ Group include the financial figures of ČEZ, a. s., and its subsidiaries, associates and joint-ventures listed in the following table:

Subsidiaries	Country	Operating segment	% equity interest ¹⁾		% voting interest
			Change in 2021	2021	2021
New acquisitions					
ADAPTIVITY s.r.o.	CZ	S	100.00	100.00	100.00
Belectric France S.A.R.L.	FR	S	100.00	100.00	100.00
BELECTRIC GmbH	DE	S	100.00	100.00	100.00
Belectric Israel Ltd.	IL	S	100.00	100.00	100.00
Belectric Italia S.r.l.	IT	S	100.00	100.00	100.00
Belectric Solar Ltd	GB	S	100.00	100.00	100.00
CAPEXUS s.r.o.	CZ	S	100.00	100.00	100.00
CAPEXUS SK s. r. o.	SK	S	50.00	50.00	100.00
CERBEROS s.r.o.	CZ	S	100.00	100.00	100.00
CEZ Finance B.V.	NL	G	100.00	100.00	100.00
Energy Shift B.V.	NL	S	66.00	66.00	100.00
EP Rožnov, a.s.	CZ	S	100.00	100.00	100.00
EPIGON spol. s r.o.	CZ	S	100.00	100.00	100.00
HELIOS MB s.r.o.	CZ	S	100.00	100.00	100.00
IBP Ingenieure GmbH & Co. KG.	DE	S	100.00	100.00	100.00
IBP Verwaltungs GmbH	DE	S	100.00	100.00	100.00
INTERNEXT 2000, s.r.o.	CZ	S	100.00	100.00	100.00
M&P Real GmbH	AT	S	100.00	100.00	100.00
Magnalink, a.s.	CZ	S	85.00	85.00	85.00
MWS GmbH	DE	S	100.00	100.00	100.00
Optické síťe s.r.o.	CZ	S	100.00	100.00	100.00
Peil und Partner Ingenieure GmbH	DE	S	100.00	100.00	100.00
PIPE SYSTEMS s.r.o.	CZ	S	90.00	90.00	90.00
SOCIETA' AGRICOLA DEF S.R.L. ²⁾	IT	S	100.00	100.00	100.00
TelNet Holding, s.r.o.	CZ	S	100.00	100.00	100.00
ZOHD Groep B.V.	NL	S	66.00	66.00	66.00
Zonnepanelen op het Dak B.V.	NL	S	66.00	66.00	100.00
Zonnepanelen op het Dak Installaties B.V.	NL	S	66.00	66.00	100.00
Newly established subsidiaries					
CEZ CI Limited	MT	G	100.00	100.00	100.00
Green energy capital, a.s.	CZ	S	100.00	100.00	100.00
Changes of non-controlling interests					
ENVEZ, a. s. ³⁾	CZ	G	(49.00)	51.00	51.00
ESCO Slovensko, a. s. ⁴⁾	SK	S	(50.00)	50.00	50.00
Euroklimat sp. z o.o.	PL	S	(4.00)	96.00	96.00
OSC, a.s.	CZ	G	26.58	93.25	93.25
AZ KLIMA SK, s.r.o.	SK	S	(50.00)	50.00	100.00
e-Dome a. s.	SK	S	(25.50)	25.50	51.00
ESCO Distribučné sústavy a.s. ⁵⁾	SK	S	(50.00)	50.00	100.00
ESCO Servis, s. r. o. ⁶⁾	SK	S	(50.00)	50.00	100.00
SPRAVBYTKOMFORT, a.s. Prešov	SK	S	(27.50)	27.50	55.00

¹⁾ The equity interest represents effective ownership interest of the Group.

²⁾ The company name SOCIETA' AGRICOLA DEF S.r.l. was changed to SOCIETA' AGRICOLA DEF S.R.L. in 2021.

³⁾ The company name ČEZ Asset Holding, a. s., was changed to ENVEZ, a. s., in 2021.

⁴⁾ The company name CEZ ESCO Slovensko, a.s., was changed to ESCO Slovensko, a. s., in 2021.

⁵⁾ The company name CEZ Distribučné sústavy a.s. was changed to ESCO Distribučné sústavy a.s. in 2021.

⁶⁾ The company name CEZ SERVIS, s. r. o., was changed to ESCO Servis, s. r. o., in 2021.

Subsidiaries	Country	Operating segment	% equity interest ¹⁾		% voting interest
			Change in 2021	2021	2021
Sales					
Bara Group EOOD	BG	G	(100.00)	-	-
CEZ Bulgaria EAD	BG	D	(100.00)	-	-
CEZ Elektro Bulgaria AD	BG	S	(67.00)	-	-
CEZ ICT Bulgaria EAD	BG	D	(67.00)	-	-
CEZ Razpredelenie Bulgaria AD	BG	D	(67.00)	-	-
CEZ Romania S.A.	RO	D	(100.00)	-	-
CEZ Towarowy Dom Maklerski sp. z o.o.	PL	G	(100.00)	-	-
CEZ Trade Bulgaria EAD	BG	S	(100.00)	-	-
CEZ Vanzare S.A.	RO	S	(100.00)	-	-
Distributie Energie Oltenia S.A.	RO	D	(100.00)	-	-
Free Energy Project Oreshets EAD	BG	G	(100.00)	-	-
M.W. Team Invest S.R.L.	RO	G	(100.00)	-	-
Ovidiu Development S.A.	RO	G	(100.00)	-	-
TMK Hydroenergy Power S.R.L.	RO	G	(100.00)	-	-
Tomis Team S.A.	RO	G	(100.00)	-	-
Liquidations and mergers					
Baltic Green VIII sp. z o.o. w likwidacji	PL	G	(100.00)	-	-
ČEZ Korporátní služby, s.r.o.	CZ	G	(100.00)	-	-
EAB Automation Solutions GmbH	DE	S	(95.00)	-	-
Elektro-Technik-Pfisterer-GmbH	DE	S	(95.00)	-	-
ESCO City I sp. z o.o. w likwidacji	PL	S	(100.00)	-	-
ESCO City II sp. z o.o. w likwidacji	PL	S	(100.00)	-	-
ESCO City III sp. z o.o. w likwidacji	PL	S	(100.00)	-	-
ESCO City IV sp. z o.o. w likwidacji	PL	S	(100.00)	-	-
ESCO City V sp. z o.o. w likwidacji	PL	S	(100.00)	-	-
ESCO City VI sp. z o.o. w likwidacji	PL	S	(100.00)	-	-
High-Tech Clima d.o.o.	RS	S	(100.00)	-	-
ISP West s.r.o.	CZ	S	(77.82)	-	-
Other - no change in 2021					
A.E. Wind S.A.	PL	G	-	100.00	100.00
AirPlus, spol. s r.o.	CZ	S	-	100.00	100.00
Areál Třeboradice, a.s.	CZ	G	-	100.00	100.00
AxE AGRICOLTURA PER L'ENERGIA SOCIETA' AGRICOLA A R.L.	IT	S	-	100.00	100.00
AZ KLIMA a.s.	CZ	S	-	100.00	100.00
Baltic Green Construction sp. z o.o.	PL	G	-	100.00	100.00
Baltic Green II sp. z o.o.	PL	G	-	100.00	100.00
Baltic Green III sp. z o.o.	PL	G	-	100.00	100.00
Baltic Green IX sp. z o.o.	PL	G	-	100.00	100.00
Baltic Green VI sp. z o.o.	PL	G	-	100.00	100.00
BANDRA Mobilien-gesellschaft mbH & Co. KG	DE	G	-	100.00	100.00
BUDRIO GFE 312 SOCIETA' AGRICOLA S.R.L.	IT	S	-	70.00	70.00
CASANO Mobilien-gesellschaft mbH & Co. KG	DE	G	-	100.00	100.00
Centrum výzkumu Řež s.r.o.	CZ	G	-	52.46	100.00
CEZ Bulgarian Investments BV.	NL	G	-	100.00	100.00
CEZ Deutschland GmbH	DE	G	-	100.00	100.00
CEZ Erneuerbare Energien Beteiligungs GmbH	DE	G	-	100.00	100.00
CEZ Erneuerbare Energien Beteiligungs II GmbH	DE	G	-	100.00	100.00
CEZ Erneuerbare Energien Verwaltungs GmbH	DE	G	-	100.00	100.00
CEZ ESCO Bulgaria EOOD	BG	S	-	100.00	100.00
CEZ ESCO II GmbH	DE	S	-	100.00	100.00
CEZ ESCO Romania S.A.	RO	S	-	100.00	100.00

Subsidiaries	Country	Operating segment	% equity interest ¹⁾		% voting interest
			Change in 2021	2021	2021
CEZ France SAS	FR	G	-	100.00	100.00
CEZ Holdings B.V.	NL	G	-	100.00	100.00
CEZ Hungary Ltd.	HU	G	-	100.00	100.00
CEZ Chorzów II sp. z o.o.	PL	G	-	100.00	100.00
CEZ Chorzów S.A.	PL	G	-	100.00	100.00
CEZ MH B.V.	NL	G	-	100.00	100.00
CEZ Polska sp. z o.o.	PL	G	-	100.00	100.00
CEZ Produkty Energetyczne Polska sp. z o.o.	PL	G	-	100.00	100.00
CEZ RES International B.V.	NL	G	-	100.00	100.00
CEZ Skawina S.A.	PL	G	-	100.00	100.00
CEZ Srbija d.o.o.	RS	G	-	100.00	100.00
CEZ Trade Romania S.R.L.	RO	G	-	100.00	100.00
CEZ Ukraine LLC	UA	G	-	100.00	100.00
CEZ Windparks Lee GmbH	DE	G	-	100.00	100.00
CEZ Windparks Luv GmbH	DE	G	-	100.00	100.00
CEZ Windparks Nordwind GmbH	DE	G	-	100.00	100.00
ČEZ Bohunice a.s.	CZ	G	-	100.00	100.00
ČEZ Distribuce, a. s.	CZ	D	-	100.00	100.00
ČEZ Energetické produkty, s.r.o.	CZ	G	-	100.00	100.00
ČEZ Energetické služby, s.r.o.	CZ	S	-	100.00	100.00
ČEZ Energo, s.r.o.	CZ	S	-	100.00	100.00
ČEZ ENERGOSEKVIS spol. s r.o.	CZ	G	-	100.00	100.00
ČEZ ESCO, a.s.	CZ	S	-	100.00	100.00
ČEZ ICT Services, a. s.	CZ	G	-	100.00	100.00
ČEZ LDS s.r.o.	CZ	S	-	100.00	100.00
ČEZ Obnovitelné zdroje, s.r.o.	CZ	G	-	100.00	100.00
ČEZ OZ uzavřený investiční fond a.s.	CZ	G	-	99.96	99.96
ČEZ Prodej, a.s.	CZ	S	-	100.00	100.00
ČEZ Recyklace, s.r.o.	CZ	G	-	99.00	99.00
ČEZ Teplárenská, a.s.	CZ	G	-	100.00	100.00
ČEZNET s.r.o. ⁷⁾	CZ	S	-	100.00	100.00
D-I-E ELEKTRO AG	DE	S	-	95.00	100.00
Domat Control System s.r.o.	CZ	S	-	100.00	100.00
EAB Elektroanlagenbau GmbH Rhein/Main	DE	S	-	95.00	100.00
E-City sp. z o.o. ⁸⁾	PL	S	-	100.00	100.00
Elektrárna Dětmorovice, a.s.	CZ	G	-	100.00	100.00
Elektrárna Dukovany II, a. s.	CZ	G	-	100.00	100.00
Elektrárna Mělník III, a. s. v likvidaci ⁹⁾	CZ	G	-	100.00	100.00
Elektrárna Temelín II, a. s.	CZ	G	-	100.00	100.00
Elektro-Decker GmbH	DE	S	-	95.00	100.00
Elevion Deutschland Holding GmbH	DE	S	-	95.00	92.00
Elevion GmbH	DE	S	-	95.00	100.00
Elevion Group B.V.	NL	S	-	100.00	100.00
Elevion Holding Italia S.r.l.	IT	S	-	100.00	100.00
Elevion Österreich Holding GmbH	AT	S	-	100.00	100.00
En.plus GmbH	DE	S	-	95.00	100.00
Energetické centrum s.r.o.	CZ	G	-	100.00	100.00
Energotrans, a.s.	CZ	G	-	100.00	100.00
ENESA a.s.	CZ	S	-	100.00	100.00
ETS Efficient Technical Solutions GmbH	DE	S	-	95.00	100.00
ETS Efficient Technical Solutions Shanghai Co. Ltd.	CN	S	-	95.00	100.00
ETS Engineering Kft.	HU	S	-	100.00	100.00
FDLnet CZ, s.r.o.	CZ	S	-	100.00	100.00
Ferme Eolienne d'Andelaroche SAS	FR	G	-	100.00	100.00
Ferme éolienne d'Allas-Nieul SAS	FR	G	-	100.00	100.00
Ferme éolienne de Feuillade et Souffrignac SAS	FR	G	-	100.00	100.00
Ferme éolienne de Genouillé SAS	FR	G	-	100.00	100.00
Ferme éolienne de la Petite Valade SAS	FR	G	-	100.00	100.00
Ferme Eolienne de la Piballe SAS	FR	G	-	100.00	100.00
Ferme Eolienne de Neuville-aux-Bois SAS	FR	G	-	100.00	100.00

⁷⁾ The company name TaNET West s.r.o. was changed to ČEZNET s.r.o. in 2021.

⁸⁾ The company name CEZ ESCO Polska sp.z.o.o. was changed to E-City sp. z o.o. in 2021.

⁹⁾ The company name Elektrárna Mělník III, a. s., was changed to Elektrárna Mělník III, a. s. v likvidaci in 2021.

Subsidiaries	Country	Operating segment	% equity interest ¹⁾		% voting interest
			Change in 2021	2021	2021
Ferme éolienne de Nueil-sous-Faye SAS	FR	G	–	100.00	100.00
Ferme Eolienne de Saint-Laurent-de-Céris SAS	FR	G	–	100.00	100.00
Ferme éolienne de Saugon SAS	FR	G	–	100.00	100.00
Ferme Eolienne de Seigny SAS	FR	G	–	100.00	100.00
Ferme Eolienne de Thorigny SAS	FR	G	–	100.00	100.00
Ferme éolienne des Besses SAS	FR	G	–	100.00	100.00
Ferme Eolienne des Breuils SAS	FR	G	–	100.00	100.00
Ferme Eolienne des Grands Clos SAS	FR	G	–	100.00	100.00
Ferme éolienne du Blessonnier SAS	FR	G	–	100.00	100.00
Ferme Eolienne du Germancé SAS	FR	G	–	100.00	100.00
GWE Verwaltungs GmbH	DE	S	–	100.00	100.00
GWE Wärme- und Energietechnik GmbH ¹⁰⁾	DE	S	–	100.00	100.00
HA.EM OSTRAVA, s.r.o.	CZ	S	–	100.00	100.00
Hermos AG	DE	S	–	95.00	100.00
Hermos Gesellschaft für Steuer-, Meß- und Regeltechnik mbH	DE	S	–	95.00	100.00
HERMOS International GmbH	DE	S	–	95.00	100.00
HERMOS SDN. BHD	MY	S	–	95.00	100.00
Hermos Schaltanlagen GmbH	DE	S	–	95.00	100.00
Hermos sp. z.o.o.	PL	S	–	95.00	100.00
Hermos Systems GmbH	DE	S	–	95.00	100.00
High-Tech Clima S.A.	RO	S	–	100.00	100.00
HORMEN CE a.s.	CZ	S	–	51.00	51.00
Hybridkraftwerk Culemeyerstraße Projekt GmbH	DE	S	–	100.00	100.00
Inewa Consulting S.r.l.	IT	S	–	100.00	100.00
Inewa S.r.l.	IT	S	–	100.00	100.00
Inven Capital, SICAV, a.s., ČEZ subfund	CZ	S	–	100.00	100.00
KART, spol. s r.o.	CZ	S	–	100.00	100.00
Kofler Energies Energieeffizienz GmbH	DE	S	–	100.00	100.00
Kofler Energies Ingenieurgesellschaft mbH	DE	S	–	100.00	100.00
Kofler Energies Systems GmbH	DE	S	–	100.00	100.00
MARTIA a.s.	CZ	G	–	100.00	100.00
Metrolog sp. z o.o.	PL	S	–	100.00	100.00
Moser & Partner Ingenieurbüro GmbH	AT	S	–	100.00	100.00
NEK Facility Management GmbH	DE	S	–	100.00	100.00
OEM Energy sp. z o.o.	PL	S	–	77.68	77.68
PRODECO, a.s.	CZ	M	–	100.00	100.00
Revitrans, a.s.	CZ	M	–	100.00	100.00
Rudolf Fritz GmbH	DE	S	–	95.00	100.00
SD - Kolejová doprava, a.s.	CZ	M	–	100.00	100.00
Severočeské doly a.s.	CZ	M	–	100.00	100.00
Solární servis, s.r.o.	CZ	S	–	100.00	100.00
SYNECO PROJECT S.R.L.	IT	S	–	100.00	100.00
SYNECO tec GmbH	AT	S	–	100.00	100.00
SYNECOTEC Deutschland GmbH ¹¹⁾	DE	S	–	100.00	100.00
ŠKODA PRAHA a.s.	CZ	G	–	52.46	100.00
Telco Infrastructure, s.r.o.	CZ	S	–	100.00	100.00
Telco Pro Services, a. s.	CZ	S	–	100.00	100.00
TENAUR, s.r.o.	CZ	S	–	100.00	100.00
ÚJV Řež, a. s.	CZ	G	–	52.46	52.46
Ústav aplikované mechaniky Brno, s.r.o.	CZ	G	–	100.00	100.00
VESER, s. r. o. "v likvidácii" ¹²⁾	SK	S	–	100.00	100.00
Windpark Baben Erweiterung GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Badow GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark FOHREN-LINDEN GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Frauenmark III GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Gremersdorf GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Cheinitz-Zethlingen GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Mengerlinghausen GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Naundorf GmbH & Co. KG	DE	G	–	100.00	100.00
Windpark Zagelsdorf GmbH & Co. KG	DE	G	–	100.00	100.00

¹⁰⁾ The company name GWE Wärme- und Energietechnik GmbH & Co. KG was changed to GWE Wärme- und Energietechnik GmbH in 2021.

¹¹⁾ The company name Kofler Energies International GmbH was changed to SYNECOTEC Deutschland GmbH in 2021.

¹²⁾ The company name CEZ Slovensko, s.r.o., was changed to VESER, s. r. o. "v likvidácii" in 2021.

Associates and joint-ventures	Country	Operating segment	% equity interest ¹⁾		% voting interest
			Change in 2021	2021	2021
New Investments					
AKEL SUNGURLU ELEKTRİK ÜRETİM A.Ş.	TR	G	-	-	50.00
Sepaş Akıllı Çözümler A.Ş.	TR	S	50.00	50.00	50.00
Windpark Datteln GmbH & Co. KG	DE	G	50.00	50.00	50.00
Other companies with no change in ownership interest or voting rights in 2021					
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. ¹³⁾	TR	D	-	50.00	50.00
AK-EL Kemah Elektrik Üretim A.Ş.	TR	G	-	37.36	50.00
Akenerji Doğalgaz İthalat İhracat ve Toptan Ticaret A.Ş.	TR	G	-	37.36	50.00
Akenerji Elektrik Enerjisi İthalat İhracat ve Toptan Ticaret A.S.	TR	G	-	37.36	50.00
Akenerji Elektrik Üretim A.S.	TR	G	-	37.36	37.36
Bytkomfort, s.r.o.	SK	S	-	49.00	49.00
Elevion Co-Investment GmbH & Co. KG	DE	S	-	37.50	37.50
GEOMET s.r.o.	CZ	M	-	51.00	51.00
GP JOULE PPX Verwaltungs-GmbH	DE	G	-	50.00	50.00
GP JOULE PP1 GmbH & Co. KG	DE	G	-	50.00	50.00
Green Wind Deutschland GmbH	DE	G	-	50.00	50.00
Jadrová energetická spoločnosť Slovenska, a. s.	SK	G	-	49.00	49.00
juwi Wind Germany 100 GmbH & Co. KG	DE	G	-	51.00	51.00
KLF-Distribúcia, s.r.o.	SK	S	-	25.00	50.00
LOMY MOŘINA spol. s r.o.	CZ	M	-	51.05	51.05
Sakarya Elektrik Dagitim A.Ş.	TR	D	-	50.00	50.00
Sakarya Elektrik Perakende Satis A.S.	TR	S	-	50.00	50.00
Tepelné hospodářství města Ústí nad Labem s.r.o.	CZ	G	-	55.83	55.83
Windpark Bad Berleburg GmbH & Co. KG	DE	G	-	50.00	50.00
Windpark Berka GmbH & Co. KG	DE	G	-	50.00	50.00
Windpark Moringen Nord GmbH & Co. KG	DE	G	-	50.00	50.00
Windpark Nortorf GmbH & Co. KG	DE	G	-	50.00	50.00
Windpark Prezelle GmbH & Co. KG	DE	G	-	50.00	50.00

¹³⁾ The company name Akcez Enerji A.S. was changed to Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. in 2021.

Used shortcuts:

Country ISO code	Country	Country ISO code	Country	Segment	Operating segment
AT	Austria	MT	Malta	G	Generation
BG	Bulgaria	MY	Malaysia	D	Distribution
CN	China	NL	Netherlands	S	Sales
CZ	Czech Republic	PL	Poland	M	Mining
DE	Germany	RO	Romania		
FR	France	RS	Serbia		
GB	United Kingdom	SK	Slovakia		
HU	Hungary	TR	Turkey		
IL	Israel	UA	Ukraine		
IT	Italy				

Subsidiaries with Non-controlling Interests

The following table shows the composition of Group's non-controlling interests and dividends paid to non-controlling interests by respective subsidiaries (in CZK millions):

	2021		2020	
	Non-controlling interests	Dividends paid	Non-controlling interests	Dividends paid
ÚJV Řež, a. s.	923	-	896	-
ESCO Slovensko, a. s.	720	-	-	-
SPRAVBYTKOMFORT, a.s. Prešov	113	8	112	13
CEZ Razpredelenie Bulgaria AD	-	-	2,758	-
CEZ Elektro Bulgaria AD	-	128	753	-
Other	(14)	14	173	10
Total	1,742	150	4,692	23

The following table shows summarized financial information of subsidiaries that have material non-controlling interests for the year ended December 31, 2021 (in CZK millions):

	ÚJV Řež, a. s.	ESCO Slovensko, a. s.	SPRAVBYTKOMFORT, a.s. Prešov
Ownership share of non-controlling interests	47.54%	50.00%	72.50%
Current assets	956	693	120
Non-current assets	2,614	912	395
Current liabilities	(663)	(29)	(165)
Non-current liabilities	(602)	(3)	(104)
Equity	2,305	1,573	246
Attributable to:			
Equity holders of the parent	1,382	853	133
Non-controlling interests	923	720	113
Revenues and other operating income	1,569	2	415
Income (loss) before other income (expenses) and income taxes	96	(51)	38
Income (loss) before income taxes	79	(43)	34
Income taxes	(20)	-	(7)
Net income (loss)	59	(43)	27
Attributable to:			
Equity holders of the parent	31	(22)	12
Non-controlling interests	28	(21)	15
Total comprehensive income	57	(91)	(3)
Attributable to:			
Equity holders of the parent	30	(46)	(2)
Non-controlling interests	27	(45)	(1)
Operating cash flow	210	(55)	82
Investing cash flow	(337)	(39)	(51)
Financing cash flow	(15)	760	1
Net effect of currency translation and allowances in cash	(5)	(21)	(4)
Net increase (decrease) in cash and cash equivalents	(147)	645	28

The following table shows summarized financial information of subsidiaries that have material non-controlling interests for the year ended December 31, 2020 (in CZK millions):

	CEZ Razpredelenie Bulgaria AD	ÚJV Řež, a. s.	CEZ Elektro Bulgaria AD
Ownership share of non-controlling interests	33.00%	47.54%	33.00%
Current assets	1,727	1,088	4,468
Non-current assets	10,037	2,703	117
Current liabilities	(2,309)	(1,041)	(2,148)
Non-current liabilities	(1,496)	(513)	(154)
Equity	7,959	2,237	2,283
Attributable to:			
Equity holders of the parent	5,201	1,341	1,530
Non-controlling interests	2,758	896	753
Revenues and other operating income	5,034	1,445	9,051
Income before other income (expenses) and income taxes	(88)	105	266
Income before income taxes	(123)	85	256
Income taxes	9	(22)	(31)
Net income	(114)	63	225
Attributable to:			
Equity holders of the parent	(76)	33	151
Non-controlling interests	(38)	30	74
Total comprehensive income	131	66	286
Attributable to:			
Equity holders of the parent	81	35	191
Non-controlling interests	50	31	95
Operating cash flow	1,448	205	329
Investing cash flow	(1,042)	(314)	-
Financing cash flow	(222)	(18)	(17)
Net effect of currency translation and allowances in cash	4	(1)	68
Net increase (decrease) in cash and cash equivalents	188	(128)	380

Interests in Associates and Joint-ventures

The following table shows the composition of Group's investment in associates and joint-ventures and share of main financial results from associates and joint-ventures for the year ended December 31, 2021 (in CZK millions):

	Investment in associates and joint-ventures	Dividends received	Group's share of associate's and joint-venture's:		
			Net income (loss)	Other comprehensive income	Total comprehensive income
Akcez Group	-	-	(416)	264	(152)
Akenerji Group	-	-	-	-	-
Jadrová energetická spoločnosť Slovenska, a. s.	2,491	-	(23)	(139)	(162)
GEOMET s.r.o.	637	-	(112)	-	(112)
Bytkomfort, s.r.o.	236	6	8	(13)	(5)
LOMY MOŘINA spol. s r.o.	145	-	2	-	2
Tepelné hospodářství města Ústí nad Labem s.r.o.	140	-	7	-	7
Other	267	-	-	(16)	(16)
Total	3,916	6	(534)	96	(438)

The Group is a guarantor for the liabilities of companies within the joint-venture with Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. in the amount of USD 82.7 million and TRY 55.4 million as of December 31, 2021 (see Note 19.2). Based on calculation of recoverable amount from future cash flows a provision in the amount of CZK 1,907 million was recognized as of December 31, 2021. Because the Group's total cumulative share on losses of Akcez group did not exceeded the amount of the guarantee provided as at December 31, 2021, the Group recognized its share on losses of Akcez group in full (in the statement of income included in the line Share of profit (loss) from associates and joint-ventures). As of December 31, 2021, the provision in the amount of CZK 1,444 million was recorded on the balance sheet this way including the use and additions to the provision in the previous years and including the unwinding of discount and this amount was increased by CZK 463 million (in the statement of income on the line Impairment of financial assets) in order to arrive to the assumed amount of the provision CZK 1,907 million as at December 31, 2021.

In 2017, the share on losses of joint-venture Akenerji Elektrik Üretim A.S. exceeded the carrying amount of Group's investment in this joint-venture. The Group has made no obligations on behalf of Akenerji Elektrik Üretim A.S., so therefore the Group discontinued of using equity method of accounting as of December 31, 2017 (Note 2.2.3). The amount of unrecognized share of the Group on losses of Akenerji Group amounted to CZK 4,770 million and CZK 4,900 million as of December 31, 2021 and 2020, respectively.

The following table shows the composition of Group's investment in joint-ventures and share of main financial results from joint-ventures for the year ended December 31, 2020 (in CZK millions):

	Investment in associates and joint-ventures	Dividends received	Group's share of associate's and joint-venture's:		
			Net income (loss)	Other comprehensive income	Total comprehensive income
Akcez Group	-	-	237	86	323
Akenerji Group	-	-	-	-	-
Jadrová energetická spoločnosť Slovenska, a. s.	2,653	-	(22)	86	64
GEOMET s.r.o.	750	-	(41)	-	(41)
Bytkomfort, s.r.o.	247	8	7	9	16
LOMY MOŘINA spol. s r.o.	142	4	3	-	3
Other	283	-	4	5	9
Total	4,075	12	188	186	374

The Group is a guarantor for the liabilities of companies within the joint-venture with Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. in the amount of USD 95.5 million and TRY 63.8 million as of December 31, 2020 (see Note 19.2). Based on calculation of recoverable amount from future cash flows a provision in the amount of CZK 1,267 million was recognized as of December 31, 2020. Because the Group's total cumulative share on losses of Akcez group did not exceeded the amount of the guarantee provided as at December 31, 2020, the Group recognized its share on losses of Akcez group in full (in the statement of income included in the line Share of profit (loss) from associates and joint-ventures). As of December 31, 2020, the provision in the amount of CZK 944 million was recorded on the balance sheet this way including the use and additions to the provision in the previous years and including the unwinding of discount and this amount was increased by CZK 323 million (in the statement of income on the line Impairment of financial assets) in order to arrive to the assumed amount of the provision CZK 1,267 million as at December 31, 2020.

The joint-ventures Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. and Akenerji Elektrik Üretim A.S. are formed by partnership of CEZ Group and Akkök Group in Turkey to invest mainly into power generation and electricity distribution projects. The joint-venture Jadrová energetická spoločnosť Slovenska, a. s., is a joint-venture formed by CEZ Group and the Slovak Government to prepare the project of building a new nuclear power source in Slovakia. GEOMET s.r.o. is a joint-venture of CEZ Group and European Metals Holdings Limited with the intention to develop a potential lithium ore mining project in Čínovec.

The following tables present summarized financial information of material associates and joint-ventures for the year ended December 31, 2021 (in CZK millions):

	Current assets	Thereof: Cash and cash equivalents	Non-current assets	Current liabilities	Non-current liabilities	Equity	Share of the Group	Recognized liability/unrecognized share on loss	Goodwill	Total investment in associates and joint-ventures
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	130	17	1,573	896	2,240	(1,433)				
Sakarya Elektrik Dagitim A.Ş.	2,056	215	1,702	836	1,156	1,766				
Sakarya Elektrik Perakende Satıs A.S.	3,178	201	196	2,735	66	573				
Akcez Group						(668)	(334)	334	-	-
Akenerji Elektrik Üretim A.S.	1,956	984	4,072	1,942	14,770	(10,684)				
Akenerji Group						(12,768)	(4,770)	4,770	-	-
Jadrová energetická spoločnosť Slovenska, a. s.	1,333	1,324	3,763	11	1	5,084	2,491	-	-	2,491
GEOMET s.r.o.	513	509	16	35	-	494	252	-	385	637
Bytkomfort, s.r.o.	110	29	240	90	49	211	103	-	133	236
LOMY MOŘINA spol. s r.o.	98	20	253	49	19	283	145	-	-	145
Tepelné hospodářství města Ústí nad Labem s.r.o.	281	239	259	184	104	252	140	-	-	140

	Revenues and other operating income	Depreciation and amortization	Interest income	Interest expense	Income taxes	Net income (loss)	Other comprehensive income	Total comprehensive income
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	-	-	365	(169)	-	(1,673)	849	(824)
Sakarya Elektrik Dagitim A.Ş.	4,477	(58)	112	(133)	(353)	832	(1,259)	(427)
Sakarya Elektrik Perakende Satıs A.S.	17,619	(51)	77	(37)	(73)	304	(327)	(23)
Akenerji Elektrik Üretim A.S.	9,466	(263)	46	(2,335)	119	(6,780)	7,152	372
Jadrová energetická spoločnosť Slovenska, a. s.	15	(12)	1	-	-	(46)	(284)	(330)
GEOMET s.r.o.	-	-	-	-	-	(220)	-	(220)
Bytkomfort, s.r.o.	276	(26)	-	(1)	(4)	16	(11)	5
LOMY MOŘINA spol. s r.o.	356	(19)	-	-	(2)	5	-	5
Tepelné hospodářství města Ústí nad Labem s.r.o.	596	(21)	-	(3)	(4)	19	(1)	18

The following tables present summarized financial information of material joint-ventures for the year ended December 31, 2020 (in CZK millions):

	Current assets	Thereof: Cash and cash equivalents	Non-current assets	Current liabilities	Non-current liabilities	Equity	Share of the Group	Recognized liability/unrecognized share on loss	Goodwill	Total investment in associates and joint-ventures
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	45	17	2,777	759	2,673	(610)				
Sakarya Elektrik Dagitim A.Ş.	2,194	350	3,078	1,385	1,633	2,254				
Sakarya Elektrik Perakende Satis A.S.	3,091	359	472	2,670	123	770				
Akcez Group						(364)	(182)	182	-	-
Akenerji Elektrik Üretim A.S.	1,008	421	7,098	1,669	17,518	(11,081)				
Akenerji Group						(13,116)	(4,900)	4,900	-	-
Jadrová energetická spoločnosť Slovenska, a. s.	1,488	1,483	3,935	8	1	5,414	2,653	-	-	2,653
GEOMET s.r.o.	724	722	10	19	-	715	365	-	385	750
Bytkomfort, s.r.o.	68	15	267	50	66	219	107	-	140	247
LOMY MOŘINA spol. s r.o.	145	78	262	111	17	279	142	-	-	142

	Revenues and other operating income	Depreciation and amortization	Interest income	Interest expense	Income taxes	Net income (loss)	Other comprehensive income	Total comprehensive income
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	-	-	24	(165)	-	(826)	110	(716)
Sakarya Elektrik Dagitim A.Ş.	5,042	(42)	24	(135)	(441)	1,304	(616)	688
Sakarya Elektrik Perakende Satis A.S.	18,206	(70)	51	(10)	(74)	231	(260)	(29)
Akenerji Elektrik Üretim A.S.	7,025	(372)	19	(2,016)	(26)	(3,353)	1,633	(1,720)
Jadrová energetická spoločnosť Slovenska, a. s.	15	(12)	3	-	(1)	(44)	174	130
GEOMET s.r.o.	1	-	-	-	-	(80)	-	(80)
Bytkomfort, s.r.o.	263	(25)	-	(1)	(4)	13	9	22
LOMY MOŘINA spol. s r.o.	280	(23)	-	-	-	6	-	6

10. Cash and Cash Equivalents, Net

The overview of cash and cash equivalents, net at December 31, 2021 and 2020, is as follows (in CZK millions):

	2021	2020
Cash on hand and current accounts with banks	26,559	5,492
Short-term securities	-	2
Term deposits	85	570
Allowance to cash and cash equivalents	(4)	-
Total	26,640	6,064

At December 31, 2021 and 2020, cash and cash equivalents included foreign currency deposits of CZK 22,815 million and CZK 3,681 million, respectively.

The weighted average interest rate on short-term securities and term deposits at December 31, 2021 and 2020, was 1.8% and 0.01%, respectively. For the years 2021 and 2020, the weighted average interest rate was 0.3% and 0.6%, respectively.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at December 31, 2021 and 2020 (in CZK millions):

	2021	2020
Cash and cash equivalents as a separate line in the balance sheet	26,640	6,064
Cash and cash equivalents attributable to assets classified as held for sale (Note 15)	-	4,105
Total	26,640	10,169

11. Trade Receivables, Net

The overview of trade receivables, net at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Trade receivables	140,499	67,275
Allowances	(3,067)	(3,627)
Total	137,432	63,648

The information about receivables from related parties is included in Note 36.

Carrying amount of receivables pledged as security for liabilities at December 31, 2021 and 2020 are CZK 84 million and CZK 67 million, respectively.

At December 31, 2021 and 2020, the ageing structure of receivables, net is as follows (in CZK millions):

	2021	2020
Not past due	133,893	60,544
Past due:		
Less than 3 months	1,302	909
3–6 months	239	354
6–12 months	284	330
More than 12 months	1,714	1,511
Total	137,432	63,648

Receivables include impairment allowance created by the Group in the same way for all similar receivables that are not individually significant.

The most significant item of receivables overdue for more than 12 months are receivables of the company ČEZ Distribuce, a. s. The company ČEZ Distribuce, a. s., undertakes several litigations concerning the collection of the price component related to the costs of support for the generation of electricity from renewable energy sources and combined generation of electricity and heat in 2013. The management of the company ČEZ Distribuce, a. s., is convinced that in the event of a negative judgment against ČEZ Distribuce in these and similar litigations, the company ČEZ Distribuce will be able to demand the reimbursement of fees and accessories from company OTE, a.s., and in this regard the management is committed to make all necessary actions to ensure that eventual loss in such disputes will not have negative impact on the company ČEZ Distribuce, a. s.

Movements in allowance (in CZK millions):

	2021	2020
Balance as at January 1	(3,627)	(4,046)
Allowances related to receivables classified as held for sale as at January 1	(2,037)	(1,166)
Additions	(1,556)	(1,930)
Reversals	2,079	1,464
Derecognition of impaired assets	69	22
Transfer to assets held for sale	–	2,037
Sale of subsidiaries	1,960	12
Currency translation differences	45	(20)
Balance as at December 31	(3,067)	(3,627)

12. Materials and Supplies, Net

The overview of materials and supplies, net at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Gross costs incurred on wind projects in Poland in development	109	300
Allowance to wind projects in Poland	(96)	(283)
Wind projects in Poland in development, net	13	17
Materials	12,754	9,429
Other work in progress	787	644
Other supplies	229	173
Allowance for obsolescence	(411)	(365)
Total	13,372	9,898

13. Emission Rights

The following table summarizes the movements in the quantity (in thousand tons) and book value of emission rights and credits held by the Group during 2021 and 2020 (in CZK millions):

	2021		2020	
	in thousands tons	in millions CZK	in thousands tons	in millions CZK
Emission rights for own use:				
Emission rights for own use at January 1	33,524	15,454	53,728	21,011
Emission rights granted	343	-	2,846	-
Settlement of emissions with register	(17,120)	(7,103)	(28,364)	(7,401)
Emission rights purchased	6,465	5,328	12,861	5,520
Emission rights sold	-	-	(5)	-
Emission credits purchased	-	-	3	-
Disposal of subsidiary Elektrárna Počerady, a.s.	-	-	(4,568)	(1,960)
Reclassification of emission rights ¹⁾	-	-	(2,977)	(1,657)
Currency translation differences	-	(95)	-	(59)
Emission rights for own use at December 31	23,212	13,584	33,524	15,454
Emission rights and credits held for trading:				
Emission rights and credits held for trading at January 1	29,059	24,840	22,485	14,002
Emission rights purchased	137,423	169,549	148,341	95,238
Emission rights sold	(163,593)	(237,403)	(144,913)	(99,112)
Emission credits purchased	162	2	228	13
Emission credits sold and disposed	(16)	-	(59)	(12)
Reclassification of emission rights ¹⁾	-	-	2,977	1,657
Fair value adjustment	-	49,054	-	13,054
Emission rights and credits held for trading at December 31	3,035	6,042	29,059	24,840

¹⁾ The reclassification is related to the sale of the subsidiary Elektrárna Počerady, a.s.

The composition of emission rights and green and similar certificates at December 31, 2021 and 2020 (in CZK millions):

	2021			2020		
	Non-current	Current	Total	Non-current	Current	Total
Emission rights	160	19,466	19,626	2,701	37,593	40,294
Green and similar certificates	-	68	68	-	240	240
Total	160	19,534	19,694	2,701	37,833	40,534

Non-current emission rights for own use and non-current green and similar certificates are part of intangible assets (Note 6).

During 2021 and 2020, total emissions of greenhouse gases made by the Group amounted to an equivalent of 18,583 thousand tons and 22,274 thousand tons of CO₂, respectively. At December 31, 2021 and 2020, the Group recognized a provision for CO₂ emissions in total amount of CZK 9,622 million and CZK 7,176 million, respectively (see Notes 2.13 and 20).

14. Other Current Assets, Net

The overview of other current assets, net at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Unbilled electricity and gas supplied to the retail customers	19,583	3,019
Received advances from retail customers	(18,741)	(2,662)
Unbilled supplies to retail customers, net	842	357
Gross contract assets based on percentage of completion, net	13,647	12,164
Received billings and advances	(11,443)	(10,568)
Net contract assets	2,204	1,596
Advances paid, net	2,537	2,431
Prepayments	1,309	1,170
Accruals	4,017	1,992
Taxes and fees, excluding income tax	2,765	1,373
Total	13,674	8,919

15. Assets and Associated Liabilities Classified as Held for Sale

Information on the sale of interests in Romanian and Bulgarian companies is described in the Note 8.1.2.

At December 31, 2021, there are no assets classified as held for sale. The overview of assets classified as held for sale and associated liabilities for the comparable period as at December 31, 2020 is as follows (in CZK millions):

	2020		
	Bulgarian companies	Romanian companies	Total
Property, plant and equipment, net	10,148	14,966	25,114
Intangible assets, net	498	1,784	2,282
Other non-current assets	63	1,507	1,570
Cash and cash equivalents	2,740	1,365	4,105
Trade receivables, net	2,871	1,238	4,109
Another current assets	1,066	2,127	3,193
Assets classified as held for sale	17,386	22,987	40,373
Long-term debt, net of current portion	1,173	2,955	4,128
Non-current provisions	210	1,011	1,221
Other long-term financial liabilities	197	9	206
Deferred tax liability	103	-	103
Short-term loans	37	-	37
Current portion of long-term debt	234	321	555
Trade payables	2,366	1,014	3,380
Current provisions	528	319	847
Another current liabilities	267	885	1,152
Liabilities associated with assets classified as held for sale	5,115	6,514	11,629
Related non-controlling interests	3,616	-	3,616
Related currency translation differences (cumulative loss)	(1,408)	(6,345)	(7,753)

The assets and results associated with the assets classified as held for sale were reported in the operating segments GENERATION, DISTRIBUTION and SALES.

16. Equity

As at December 31, 2021 and 2020, the share capital of the Company registered in the Commercial Register totaled CZK 53,798,975,900 and consisted of 537,989,759 shares with a nominal value of CZK 100 per share. All shares are bearer common shares that are fully paid and listed and do not convey any special rights.

Movements of treasury shares in 2021 and 2020 (in pieces):

	2021	2020
Number of treasury shares at beginning of period	2,516,240	2,551,240
Sales of treasury shares	(1,257,891)	(35,000)
Number of treasury shares at end of period	1,258,349	2,516,240

Treasury shares remaining at end of period are presented at cost as a deduction from equity.

Declared dividends per share before tax were CZK 52 in 2021 and CZK 34 in 2020. Dividends for the year 2021 will be declared at the general meeting, which will be held in the first half of 2022.

Capital Structure Management

The primary objective of the Group's capital structure management is to maintain its credit rating at an investment grade and a level that is standard in the sector and to maintain a healthy ratio of equity to borrowed capital to support the Group's business and maximize value for shareholders. The Group monitors its capital structure and makes adjustments to it with a view to changes in the business environment.

The Group primarily monitors its capital structure using the net debt-to-EBITDA ratio. Considering the current structure and stability of its cash flows and its development strategy, the Group aims to keep the ratio at 2.5–3.0. The Group also monitors its capital structure using the total debt-to-total capital ratio. The Group aims to keep the ratio below 50% in the long term.

EBITDA comprises earnings before taxes and other expenses and revenues plus depreciation and amortization and impairment of property, plant, and equipment and intangible assets less gain (or plus loss) from sales of property, plant, and equipment. Total debt comprises long-term debt including the current portion and short-term borrowings. Net debt represents total debt less cash and cash equivalents and highly liquid financial assets. For the purposes of capital structure management, highly liquid financial assets comprise short-term and long-term debt financial assets and short-term and long-term deposits. Total capital is equity attributable to parent company shareholders plus total debt. These calculations always include items relating to assets held for sale, which are reported separately in the balance sheet.

The calculation and evaluation of the ratios is done using consolidated figures (in CZK millions):

	2021	2020
Long-term debt	112,571	150,843
Short-term loans	25,310	984
Long-term debt associated with assets classified as held for sale (Note 15)	–	4,683
Short-term loans associated with assets classified as held for sale (Note 15)	–	37
Total debt	137,881	156,547
Less:		
Cash and cash equivalents	(26,640)	(6,064)
Cash and cash equivalents classified as held for sale (Note 15)	–	(4,105)
Highly liquid financial assets:		
Current debt financial assets (Note 5)	(499)	(111)
Non-current debt financial assets (Note 5)	–	–
Current term deposits (Note 5)	–	(2,755)
Total net debt	110,742	143,512
Income before income taxes and other income (expenses)	16,098	12,585
Depreciation and amortization	31,628	28,284
Impairment of property, plant and equipment and intangible assets	15,799	24,062
Gains and losses on sale of property, plant and equipment (Note 25 and 31)	(285)	(148)
EBITDA	63,240	64,783
Equity attributable to equity holders of the parent	161,098	233,871
Total debt	137,881	156,547
Total capital	298,979	390,418
Net debt to EBITDA ratio	1.75	2.22
Total debt to total capital ratio	46.1%	40.1%

17. Long-term Debt

The overview of long-term debt at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
3.005% Eurobonds, due 2038 (JPY 12,000 million)	2,302	2,505
2.845% Eurobonds, due 2039 (JPY 8,000 million)	1,536	1,671
5.000% Eurobonds, due 2021 (EUR 541 million) ¹⁾	-	19,872
4.875% Eurobonds, due 2025 (EUR 750 million)	19,263	20,328
2.160% Eurobonds, due in 2023 (JPY 11,500 million)	2,210	2,405
4.600% Eurobonds, due in 2023 (CZK 1,250 million)	1,288	1,288
2.150%*IR CPI Eurobonds, due 2021 (EUR 100 million) ²⁾	-	2,688
4.102% Eurobonds, due 2021 (EUR 50 million)	-	1,315
4.375% Eurobonds, due 2042 (EUR 50 million)	1,246	1,314
4.500% Eurobonds, due 2047 (EUR 50 million)	1,243	1,312
4.383% Eurobonds, due 2047 (EUR 80 million)	2,017	2,130
3.000% Eurobonds, due 2028 (EUR 725 million)	18,627	19,713
0.875% Eurobonds, due 2022 (EUR 269 million) ³⁾	6,692	13,106
0.875% Eurobonds, due 2026 (EUR 750 million)	18,502	19,499
4.250% U.S. bonds, due 2022 (USD 266 million) ⁴⁾	5,897	6,226
5.625% U.S. bonds, due 2042 (USD 300 million)	6,621	6,448
4.500% Registered bonds, due 2030 (EUR 40 million)	987	1,040
4.750% Registered bonds, due 2023 (EUR 40 million)	1,036	1,092
4.700% Registered bonds, due 2032 (EUR 40 million)	1,026	1,083
4.270% Registered bonds, due 2047 (EUR 61 million)	1,500	1,583
3.550% Registered bonds, due 2038 (EUR 30 million)	764	806
Total bonds and debentures	92,757	127,424
Less: Current portion	(13,911)	(25,339)
Bonds and debentures, net of current portion	78,846	102,085
Long-term bank loans and lease liabilities:		
Less than 2.00% p. a.	15,371	18,385
2.00% to 2.99% p. a.	2,163	2,036
3.00% to 3.99% p. a.	1,651	2,078
4.00% p. a. and more	629	920
Total long-term bank loans and lease liabilities	19,814	23,419
Less: Current portion	(2,736)	(3,402)
Long-term bank loans and lease liabilities, net of current portion	17,078	20,017
Total long-term debt	112,571	150,843
Less: Current portion	(16,647)	(28,741)
Total long-term debt, net of current portion	95,924	122,102

¹⁾ In April 2021, the original nominal value of the issue (EUR 750 million) was reduced by bond buyback in a nominal value of EUR 209 million. The remaining value of the issue (EUR 541 million) was repaid on the expiration date in October 2021.

²⁾ The interest rate was based on inflation realized in Eurozone Countries (Harmonized Index of Consumer Prices – HICP) and was fixed through the closed swap to the rate 4.553% p. a.

³⁾ In April 2021, the original nominal value of the issue (EUR 500 million) was reduced by bond buyback in a nominal value of EUR 231 million.

⁴⁾ In April and May 2021, the original nominal value of the issue (USD 289 million) was reduced by bond buyback in a nominal value of USD 23 million.

The interest rates indicated above are historical rates for fixed rate debt and current market rates for floating rate debt. The actual interest payments are affected by interest rate risk hedging carried out by the Group.

All long-term debt is recognized in original currencies while the related hedging derivatives are recognized using the method described in Note 2.15.

The overview of long-term debt maturities, is as follows (in CZK millions):

	2021	2020
Within 1 year	16,647	28,741
Between 1 year and 2 years	6,269	22,975
Between 2 and 3 years	2,262	6,749
Between 3 and 4 years	21,113	2,594
Between 4 and 5 years	20,746	22,157
Thereafter	45,534	67,627
Total long-term debt	112,571	150,843

The summary of long-term debt by currency (in millions):

	2021		2020	
	Foreign currency	CZK	Foreign currency	CZK
EUR	3,581	89,022	4,799	125,944
USD	570	12,518	593	12,675
JPY	31,722	6,048	31,720	6,581
CZK		4,116		3,860
PLN	153	827	310	1,783
Other		40		-
Total long-term debt		112,571		150,843

Long-term debt with floating interest rates exposes the Group to interest rate risk. The following table summarizes long-term debt by contractual reprising dates of interest rates at December 31, 2021 and 2020, without considering interest rate hedging (in CZK millions):

	2021	2020
Floating rate long-term debt		
with interest rate fixed to 1 month	19	30
with interest rate fixed from 1 to 3 months	1,900	2,689
with interest rate fixed from 3 months to 1 year	4,719	6,693
with interest rate fixed for more than 1 year	19	17
Total floating rate long-term debt	6,657	9,429
Fixed rate long-term debt	105,914	141,414
Total long-term debt	112,571	150,843

Fixed rate long-term debt exposes the Group to the risk of change in fair values of these financial instruments. For related fair value information and risk management policies of all financial instruments see Note 18 and Note 19.

The following table analyses the changes in liabilities and receivables arising from financing activities in 2021 and 2020 (in CZK millions):

	Debt	Other financial liabilities	Other long-term liabilities	Other current financial assets, net	Total liabilities/assets from financing activities
Liabilities / assets from financing at January 1, 2020	171,893	366	31	(26)	172,264
Cash flows	(21,404)	(18,022)	-	(4)	(39,430)
Additions and modifications of leases	289	-	-	-	289
Foreign exchange movement	(932)	14	1	-	(917)
Changes in fair values	5,106	-	-	-	5,106
Acquisition of subsidiaries	195	-	-	-	195
Disposal of subsidiaries	(105)	-	-	-	(105)
Liabilities associated to assets classified as held for sale	(2,942)	(23)	-	-	(2,965)
Declared dividends	-	18,199	-	-	18,199
Other	(273)	14	-	-	(259)
Liabilities / assets arising from financing activities at December 31, 2020	151,827	548	32	(30)	152,377
Liabilities / assets arising from other than financing activities	-	80,980	2	(61,864)	
Total amount on balance sheet at December 31, 2020	151,827	81,528	34	(61,894)	
Less: Liabilities / assets from other than financing activities	-	(80,980)	(2)	61,864	
Liabilities / assets from financing at January 1, 2021	151,827	548	32	(30)	152,377
Cash flows	(8,263)	(27,933)	-	(8)	(36,204)
Additions and modifications of leases	489	-	-	-	489
Foreign exchange movement	(1,663)	(13)	(2)	-	(1,678)
Changes in fair values	(4,615)	-	-	-	(4,615)
Acquisition of subsidiaries	303	4	-	-	307
Disposal of subsidiaries	(4,931)	(82)	-	-	(5,013)
Liabilities associated to assets classified as held for sale	4,719	125	-	-	4,844
Declared dividends	-	28,023	-	-	28,023
Other ¹⁾	15	338	-	-	353
Liabilities / assets arising from financing activities at December 31, 2021	137,881	1,010	30	(38)	138,883
Liabilities / assets arising from other than financing activities	-	635,236	2	(496,763)	
Total amount on balance sheet at December 31, 2021	137,881	636,246	32	(496,801)	

¹⁾ The item Other includes accrued interest, transfer of interest paid on leasing to operating activities and non-cash additions and decreases of liabilities.

The column Debt consists of balance sheet items Long-term debt, net of current portion, Current portion of long-term debt and Short-term loans. In terms of financing activities, item Other financial liabilities consists of dividend payables and other financial liabilities (short-term and long-term including short-term portion), item Other long-term liabilities consists especially of long-term deposits and received advanced payments, item Other current financial assets, net consists of advanced payments to dividend administrator.

18. Fair Value of Financial Instruments

Fair value is defined as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction, which excludes a forced or liquidation sale. Fair value is determined as a quoted market price or a value obtained on the basis of discounted cash flow models or option pricing models.

The Group uses the following methods and assumptions to determine the fair value of each class of financial instruments:

Cash, Cash Equivalents and Short-term Investments

The fair value of cash and other current financial assets is deemed to be the carrying amount due to their relatively short maturity.

Securities Held for Trading

The fair value of current equity and debt securities held for trading is based on their market price.

Non-current Debt and Equity Financial Assets

The fair value of non-current debt and equity financial assets that are publicly traded in an active market is based on their quoted market price. The fair value of non-current and equity financial assets that are not publicly traded in an active market is determined using appropriate valuation techniques.

Short-term Receivables and Payables

The fair value of receivables and payables is deemed to be the carrying amount due to their relatively short maturity.

Short-term Borrowings

The fair value of these financial instruments corresponds to the carrying amount due to their short maturity.

Long-term Debt

The fair value of long-term debt is deemed to be the market value of identical or similar instruments, or the measurement is based on current interest rates on debt with the same maturity. The fair value of long-term debt with a variable interest rate is deemed to be the carrying amount.

Derivatives

The fair value of derivatives corresponds to their market value.

Carrying amounts and the estimated fair values of financial assets (except for derivatives) at December 31, 2021 and 2020 are as follows (in CZK millions):

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets at amortized cost:				
Other financial receivables	2,156	2,156	1,786	1,786
Receivables from sale of subsidiaries, associates and joint-ventures	2,399	2,399	2,349	2,349
Investment in finance lease	211	211	261	261
Non-current assets at fair value through other comprehensive income:				
Restricted debt financial assets	18,159	18,159	19,206	19,206
Equity financial assets	942	942	1,768	1,768
Non-current assets at fair value through profit or loss:				
Equity financial assets	2,538	2,538	1,750	1,750
Current assets at amortized cost:				
Term deposits	-	-	2,755	2,755
Other financial receivables	288	288	987	987
Receivables from sale of subsidiaries, associates and joint-ventures	-	-	2,012	2,012
Investment in finance lease	44	44	51	51
Debt financial assets	-	-	10	10
Current assets at fair value through other comprehensive income:				
Debt financial assets	499	499	101	101
Current assets at fair value through profit or loss:				
Equity financial assets	441	441	-	-

Carrying amounts and the estimated fair values of financial liabilities (except for derivatives) at December 31, 2021 and 2020 are as follows (in CZK millions):

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term debt	(112,571)	(122,817)	(150,843)	(164,135)
Other long-term financial liabilities	(630)	(630)	(233)	(233)
Short-term loans	(25,310)	(25,310)	(984)	(984)
Other short-term financial liabilities	(417)	(417)	(353)	(353)

Carrying amounts and the estimated fair values of derivatives and liabilities recognized at fair value at December 31, 2021 and 2020 are as follows (in CZK millions):

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities from put options held by non-controlling interests	(589)	(589)	(340)	(340)
Contingent consideration from the acquisition of subsidiaries	(583)	(583)	(399)	(399)
Cash flow hedges:				
Short-term receivables	884	884	284	284
Long-term receivables	3,347	3,347	2,864	2,864
Short-term liabilities	(49,287)	(49,287)	(301)	(301)
Long-term liabilities	(33,257)	(33,257)	(7,776)	(7,776)
Commodity derivatives:				
Short-term receivables	494,419	494,419	54,858	54,858
Short-term liabilities	(550,657)	(550,657)	(70,168)	(70,168)
Other derivatives:				
Short-term receivables	720	720	836	836
Long-term receivables	212	212	224	224
Short-term liabilities	(253)	(253)	(1,104)	(1,104)
Long-term liabilities	(573)	(573)	(854)	(854)

18.1. Fair Value Hierarchy

The Group uses and discloses financial instruments with the following structure according to the manner in which the fair value is determined:

Level 1: Measured at fair value using the market prices of identical assets and liabilities quoted in active markets.

Level 2: Measured at fair value using methods under which significant inputs are directly or indirectly derived from data observable in active markets.

Level 3: Measured at fair value using methods under which significant inputs are not derived from data observable in active markets.

For assets and liabilities that occur regularly or repeatedly in financial statements, the Group reviews categorization in levels of the fair value hierarchy (according to the lowest input level that is significant to the measurement of fair value as a whole) at the end of each reporting period to determine whether there have been any transfers between levels of the fair value hierarchy.

There were no transfers between the levels of financial instruments at fair value in 2021. At December 31, 2020, the Group transferred liabilities from put options held by non-controlling interests and contingent consideration from the acquisition of subsidiaries from the level 2 to level 3.

As at December 31, 2021, the fair value hierarchy was the following (in CZK millions):

Assets measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	494,419	47,322	443,970	3,127
Cash flow hedges	4,231	101	4,130	-
Other derivatives	932	66	866	-
Restricted debt securities	18,159	18,159	-	-
Debt financial assets at fair value through other comprehensive income	499	499	-	-
Equity financial assets at fair value through profit or loss	2,979	-	-	2,979
Equity financial assets at fair value through other comprehensive income	942	-	-	942

Liabilities measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	(550,657)	(24,715)	(525,942)	-
Cash flow hedges	(82,544)	(22,744)	(59,800)	-
Other derivatives	(826)	(15)	(811)	-
Liabilities from put options held by non-controlling interests	(589)	-	-	(589)
Contingent consideration from the acquisition of subsidiaries	(583)	-	-	(583)

Assets and liabilities for which fair values are disclosed:	Total	Level 1	Level 2	Level 3
Other financial receivables	2,444	-	2,444	-
Receivables from sale of subsidiaries, associates and joint-ventures	2,399	-	2,399	-
Investment in finance lease	255	-	255	-
Long-term debt	(122,817)	(98,151)	(24,666)	-
Short-term loans	(25,310)	-	(25,310)	-
Other financial liabilities	(1,047)	-	(1,047)	-

As at December 31, 2020, the fair value hierarchy was the following (in CZK millions):

Assets measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	54,858	3,422	51,436	-
Cash flow hedges	3,148	38	3,110	-
Other derivatives	1,060	10	1,050	-
Restricted debt securities	19,206	19,206	-	-
Debt financial assets at fair value through other comprehensive income	101	101	-	-
Equity financial assets at fair value through profit or loss	1,750	-	-	1,750
Equity financial assets at fair value through other comprehensive income	1,768	-	-	1,768

Liabilities measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	(70,168)	(4,116)	(66,052)	-
Cash flow hedges	(8,077)	(1,281)	(6,796)	-
Other derivatives	(1,958)	(519)	(1,439)	-
Liabilities from put options held by non-controlling interests	(340)	-	-	(340)
Contingent consideration from the acquisition of subsidiaries	(399)	-	-	(399)

Assets and liabilities for which fair values are disclosed:	Total	Level 1	Level 2	Level 3
Term deposits	2,755	-	2,755	-
Other financial receivables	2,773	-	2,773	-
Receivables from sale of subsidiaries, associates and joint-ventures	4,361	-	4,361	-
Debt financial assets	10	-	10	-
Investment in finance lease	312	-	312	-
Long-term debt	(164,135)	(114,370)	(49,765)	-
Short-term loans	(984)	-	(984)	-
Other financial liabilities	(586)	-	(586)	-

The Group negotiates derivative financial instruments with various counterparties, especially large groups operating in the energy sector and large financial institutions with high credit ratings. Derivatives that are measured by means of techniques using market inputs include, in particular, commodity forward and futures contracts, foreign exchange forward contracts, interest rate swaps, and options. The most frequently applied valuation methods use commodity price curves, swap models, present value calculations, and option pricing models (e.g., Black-Scholes, Black-76). The models use various inputs including the forward curves of underlying commodities, foreign exchange spot and forward rates, and interest rate curves.

The following table shows roll-forward of the financial assets measured at fair value – Level 3, for the years ended December 31, 2021 and 2020 (in CZK millions):

	Equity financial assets at fair value through profit or loss	Equity financial assets at fair value through other comprehensive income	Commodity derivatives
Balance at January 1, 2020	1,468	2,711	-
Additions	315	103	-
Disposals	(256)	-	-
Revaluation	223	(1,046)	-
Balance at December 31, 2020	1,750	1,768	-
Additions	497	-	-
Disposals	(8)	(31)	(1,604)
Revaluation	740	(795)	4,731
Balance at December 31, 2021	2,979	942	3,127

The main investment in the portfolio Equity financial assets at fair value through other comprehensive income is 15% interest in the company Veolia Energie ČR, a.s. (Note 5). The company's shares are not traded on any market. Fair value at December 31, 2021 and 2020 was determined using available public EBITDA data and the usual range of EBITDA multiples which corresponds to the purchase price of a 100% stake in a company in transactions observed in the market in the industry in question before adjustment for the amount of debt. The fair value at December 31, 2021 and 2020 was determined using 7 EBITDA multiple and 8 EBITDA multiple, respectively, as the best estimate of the fair value.

Equity financial assets at fair value through profit or loss include investments of the CEZ Group's investment fund in the company Inven Capital, SICAV, a.s. (Note 5). The fair value of the investments included in this portfolio at 31 December 2021 and 2020 was determined by a valuation expert. The determination of fair value takes into consideration, in particular, capital contributions and to other forms of financing made by the co-investors recently. In addition, the valuation takes into account further development and eventual subsequent significant events, such as received bids for redemption.

The fair value of the contingent consideration was determined based on present value of future cash flows, which the Group expects to pay in connection with the acquisition of the subsidiary and is assessed internally by management. The amount of the payment depends on future financial results of the acquired company.

The liability from put option held by the non-controlling interests is measured as the present value of the amount payable on exercise of the option.

Commodity derivatives measured at fair value in level 3 include cross-border electricity transmission rights (hereinafter referred to as "cross-border capacities"). Cross-border capacities are sold in auctions organized by auction offices covering transmission system operators or in auctions organized directly by transmission system operators. Cross-border capacities are not traded on an organized market. The fair value of cross-border capacities, which represents an estimate of the expected value of compensation for unused cross-border capacities, takes into account especially the acquisition price of purchased capacities and the forward prices of electricity in the respective countries.

18.2. Offsetting of Financial Instruments

The following table shows the recognized financial instruments that are offset, or subject to enforceable master netting agreement or other similar agreements but not offset, as of December 31, 2021 and 2020 (in CZK millions):

	2021		2020	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Derivatives	499,582	(634,027)	59,066	(80,198)
Other financial instruments ¹⁾	60,512	(60,384)	45,500	(41,633)
Collaterals paid (received) ²⁾	28,840	(9,351)	1,919	(2,452)
Gross financial assets / liabilities	588,934	(703,762)	106,485	(124,283)
Assets / liabilities set off under IAS 32	-	-	-	-
Amounts presented in the balance sheet	588,934	(703,762)	106,485	(124,283)
Effect of master netting agreements	(496,713)	496,713	(98,385)	98,385
Net amount after master netting agreements	92,221	(207,049)	8,100	(25,898)

¹⁾ Other financial instruments consist of invoices due from derivative trading and are included in Trade receivables, net or Trade payables.

²⁾ Collaterals paid are included in Trade receivables, net and collaterals received are included in Trade payables.

ČEZ, a. s., trades in derivatives under EFET and ISDA master agreements. The agreements allow mutual setoff of receivables and payables on early termination of contracts. The reason for early termination is the counterparty's insolvency or failure to fulfill agreed contract terms. All agreed contracts are settled financially on early termination. Their mutual setoff is either embedded in a contractual provision of the master agreements or results from the collateral provided. In addition, a CSA (Credit Support Annex) has been signed with several partners, defining the permitted limit of exposure between the partners. When the limit is exceeded, cash is transferred to reduce exposure below an agreed level. The deposited cash is also included in the final offset.

The information about offset of unbilled electricity supplied to retail customers with advances received is included in Note 14 and 23. The information about offset of construction contracts and related billings and advances received is included in Note 14.

Short-term derivative assets are included in the balance sheet in Other current financial assets, net; long-term derivative assets are included in Other non-current financial assets, net; short-term derivative liabilities are included in Other current financial liabilities; and long-term derivative liabilities are included in Other non-current financial liabilities.

19. Financial Risk Management

Risk Management Approach

A risk management system is being successfully developed in order to protect the Group's value while taking the level of risk acceptable for the shareholders. In the Group, the risk is defined as a potential difference between the actual and the expected (planned) developments and is measured by means of the extent of such difference in CZK and the likelihood with which such a difference may occur.

A risk capital concept is applied within the Group. The concept allows the setting of basic cap for partial risk limits and, in particular, the unified quantification of all kinds of risks. The value of aggregate annual risk limit (Profit@Risk) is approved by the Board of Directors based on the Risk Management Committee proposal for every financial year. The proposed limit value is derived from historical volatility of profit, revenues and costs of the Group (the top-down method). The approved value in CZK is set on the basis of a 95% confidence level and expresses a maximum profit decrease, which is the Group willing to take in order to reach the planned annual profit.

The bottom-up method is used for setting and updating the Risk frames. The Risk frames include the definition of risk and departments/units of the Group for which the frame is obligatory; definition of rules and responsibilities for risk management; permitted instruments and methods of risk management and actual risk limits, including a limit which expresses the share in the annual Profit@Risk limit.

The main Business Plan market risks are quantified in the Group (EBITDA@Risk based on MonteCarlo simulation in Y+1 to Y+5 horizon). The market risks are actively managed through gradual electricity sales and emission allowances' purchases in the following 6-year horizon, closed long-term contracts for electricity sale and emission allowances purchase and the FX and IR risk hedging in medium-term horizon. In Business Plan horizon, the risk management is also based on Debt Capacity concept which enables to assess the impact of main Investment and other Activities (incl. the risk characteristics), on expected cash flow and total debt in order to maintain corporate rating.

Since 2021, a new uniform Enterprise risk management scheme is adopted by the Group to be applied to all group-level significant risks. For this level of risks, the scheme integrates, across the process areas of the whole Group, all decentral risk management activities into one, uniform and centrally coordinated process of the group-level significant risks management, with the use of a software tool.

Risk Management Organization

The supreme authority responsible for risk management in ČEZ, a. s., is the CFO, except for approval of the aggregate annual budget risk limit (Profit@Risk) within the competence of the ČEZ, a. s., Board of Directors. CFO decides, based on the recommendation of the Risk Management Committee, on the development of a system of risk management, on an overall allocation of risk capital to the individual risks and organizational units, he approves obligatory rules, responsibilities and limit structure for the management of partial risks.

The Risk Management Committee (advisory committee of CFO) continuously monitors an overall risk impact on the Group, including Group risk limits utilization, status of risks linked to Business Plan horizon, hedging strategies status, assessment of impact of Investment and other Activities on potential Group debt capacity and cash flow in order to maintain corporate rating. Since 2021, it also monitors overviews regarding new uniform Enterprise risk management scheme.

Overview and Methods of Risk Management

The Group applies a unified categorization of the Group's risks which reflects the specifics of a corporate, i.e., non-banking company, and focuses on primary causes of unexpected development. The risks are divided into four basic categories listed below.

1. Market risks	2. Credit risks	3. Operation risks	4. Business risks
1.1 Financial (FX, IR)	2.1 Counterparty default	3.1 Operating	4.1 Strategic
1.2 Commodity	2.2 Supplier default	3.2 Internal change	4.2 Political
1.3 Volumetric	2.3 Settlement	3.3 Liquidity management	4.3 Regulatory
1.4 Market liquidity		3.4 Security	4.4 Reputation

From the view of risk management, the Group activities can be divided into two basic groups:

- Activities with the unified quantification of the share of respective activity in the aggregate risk limit of the Group (i.e., using specific likelihood, it is possible to objectively determine what risk is associated with an activity / planned profit). These risks are managed by the rules and limits set by the CFO of ČEZ, a. s., based on the recommendation of the Risk Management Committee and, concurrently, in accordance with governing documents of the respective units/processes of the Group.
- Activities whose share in the aggregate risk limit of the Group has not been quantified so far or for objective reasons. These risks are managed by the responsible owners of the relevant processes in accordance with internal governing documents of the respective units / processes of the Group which are newly also subject to policies defined by new uniform Enterprise risk management scheme since 2021.

For all risks quantified on a unified basis, a partial risk limit is set whose continuous utilization is evaluated on a monthly basis and is usually defined as a sum of the actually expected deviation of expected annual profit from the plan and the potential risk of loss on a 95% confidence interval. The Group's methodologies and data provide for a unified quantification of the following risks:

- Market risks: financial (currency, interest and stock price) risks, commodity prices (electricity, emission allowances, coal, gas, crude oil), volume (volume of electricity produced by wind power plants)
- Credit risks: financial and business counterparty risk and electricity, gas and heat end customer risk
- Operational risks: risks of nuclear and fossil power plants operation in the Czech Republic, investment risks.

The development of the Group's quantified risks is reported to the Risk Management Committee every month through 3 regular reports:

- Annual budget risks (annual Profit@Risk limit utilization)
- Business plan risks (EBITDA@Risk based on MonteCarlo simulation)
- Debt capacity (actual deviation from the optimal debt within Y+5 horizon, derived from rating agency requirements on debt indicators in order to preserve the ČEZ rating).

19.1. Qualitative Description of Risks Associated with Financial Instruments

Commodity Risks

The development of electricity, emission allowances, coal and gas prices is a key risk factor of the Group's value. The current system of commodity risk management is focused on (i) the margin from the own electricity production sales, i.e., from trades resulting in optimizing the sales of the Group's production and in optimizing the emission allowances position for production (the potential risk is managed on the EaR, VaR and the EBITDA@Risk bases), and (ii) the margin from the proprietary trading of commodities within the whole Group (the potential risk is managed on the VaR basis).

Market Financial Risks (currency, interest and stock price risks)

The development of foreign exchange rates, interest rates and stock prices is a significant risk factor of the Group's value. The current system of financial risk management is focused mainly on (i) the future cash flows and (ii) financial trades which are realized for the purposes of an overall risk position management in accordance with the risk limits (the potential risk is managed on the basis of VaR, EBITDA@Risk and complementary position limits). Own financial instruments (i.e., active and passive financial trades and derivative trades) are realized entirely in the context of an overall expected cash flows of the Group (including operational and investment foreign currency flows).

Credit Risks

With respect to the Group's activities managed on a centralized level, credit exposures of individual financial partners and wholesale partners are managed in accordance with individual credit limits. The individual limits are set and continuously updated according to the counterparty's credibility (in accordance with international rating and internal financial evaluation of counterparties with no international rating).

With respect to the electricity sales to end customers in the Czech Republic, the actual credibility is monitored for each business partner based on payment history (in addition, the financial standing is considered for selected partners). This credibility determines the payment conditions of partners (i.e., it indirectly determines an amount of an approved credit exposure) and also serves to quantify both the expected and the potential losses.

The Group's maximum exposure to credit risk to receivables and other financial instruments as at December 31, 2021 and 2020 is the carrying value of each class of financial assets except for financial guarantees. Credit risk from balances with banks and financial institutions is managed by the Group's risk management department in cooperation with Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

In accordance with the credit risk methodology applied to the banking sector per Basel II, every month the expected and potential losses are quantified on a 95% confidence level. It means that the share of all credit risks mentioned above in the aggregate annual Profit@Risk limit is quantified and evaluated.

Liquidity Risks

The Group's liquidity risk is primarily perceived as an operational risk (risk of liquidity management) and a risk factor is the internal ability to effectively manage the future cash flows planning process in the Group and to secure the adequate liquidity and effective short-term financing (the risk is managed on a qualitative basis). The fundamental liquidity risk management (i.e., liquidity risk within the meaning for banking purposes) is covered by the risk management system as a whole. In any given period, the future deviations of the Group's expected cash flows are managed in accordance with the aggregate risk limit and in the context of the actual and the targeted debt/equity ratio of the Group.

19.2. Quantitative Description of Risks Associated with Financial Instruments

Commodity Risks

The required quantitative information on risks (i.e., a potential change of market value resulting from the effects of risk factors as at December 31) was prepared based on the assumptions given below:

- the indicator of risk associated with financial instruments is defined as the monthly parametric VaR (95% confidence) which expresses a maximum potential decrease in fair value of contracts classified as derivatives under IFRS 9 (the underlying commodities in the Group's derivative transactions are: electricity, EUA emission rights, gas, coal ARA, Richards Bay, Newcastle and crude oil and crude oil products) on the given confidence level;
- highly probable forecasted future electricity generation sales with the delivery in the CZ power grid are included in the VAR calculation to reflect the hedging character of significant portion of the existing derivative sales of electricity with delivery in Germany;
- for the calculation of volatility and correlations (between commodity prices), the SMA (Simple Moving Average) method is applied to 60 daily time series;
- the source of market data is mainly EEX, PXE and ICE;
- the indicator VaR illustrates mainly the impact of revaluation of above-mentioned financial instruments to statement of income.

Potential impact of the above risk factors as at December 31 (in CZK millions):

	2021	2020
Monthly VaR (95%) – impact of changes in commodity prices	9,298	4,512

Currency Risks

The required quantitative information on risks (i.e., a potential change of market value resulting from the effects of currency risk as at December 31) was prepared based on the assumptions given below:

- the indicator of currency risk is defined as the monthly VaR (95% confidence);
- for the calculation of VaR, based on volatility and internal correlations of each considered currency, the method of historical simulation VaR is applied to 90 daily historical time series;
- the relevant currency position is defined mainly as a value of foreign currency cash flows from all contracted financial instruments, from expected foreign currency operational revenues and costs in 2022 and from highly probable forecasted foreign currency revenues, costs or capital expenditures that are being hedged by financial instruments etc.;
- the relevant currency positions reflect all significant foreign-currency flows of the Group companies in the monitored basket of foreign currencies;
- the source of market FX and interest rate data is mainly IS Reuters and IS Bloomberg;
- the indicator VaR illustrates mainly the impact of revaluation of above-mentioned currency position to statement of income.

Potential impact of the currency risk as at December 31 (in CZK millions):

	2021	2020
Monthly currency VaR (95% confidence)	437	302

Interest Risks

For the quantification of the potential impact of the interest risk was chosen the sensitivity of the interest revenue and cost to the parallel shift of yield curves. The approximate quantification (as at December 31) was based on the following assumptions:

- parallel shift of the yield curves (+10bp) was selected as the indicator of interest risk;
- the statement of income sensitivity is measured as an annual change of the interest revenue and cost resulting from the interest-sensitive positions as at December 31;
- the considered interest positions reflect all significant interest-sensitive positions of the Group companies;
- the source of market interest rates is mainly IS Reuters and IS Bloomberg.

Potential impact of the interest risk as at December 31 (in CZK millions):

	2021	2020
IR sensitivity* to parallel yield curve shift (+10bp)	-	(4)

* Negative result denotes higher increase in interest costs than in interest revenues.

Credit Exposure

The Group is exposed to credit risk on all financial assets presented in the balance sheet as well as credit risk from provided guarantees. Credit exposure from provided guarantees that are not included in the balance sheet, as at December 31 (in CZK millions):

	2021	2020
Guarantees off balance sheet provided to joint-ventures*	-	959

* Some of the guarantees could be called until June 2026 at the latest.

The guarantees provided relate to bank loans. The beneficiary may claim the guarantee only upon failure to comply with certain conditions of loans. The companies whose liabilities are the subject to the guarantees currently comply with their obligations.

Liquidity Risk

Contractual maturities of undiscounted payments of financial liabilities as at December 31, 2021 (in CZK millions):

	Loans	Bonds and debentures	Trade payables and other financial liabilities	Derivatives ¹⁾	Guarantees issued ²⁾
Due in 2022	28,250	16,722	86,780	1,431,988	1,907
Due in 2023	2,011	7,039	763	230,712	-
Due in 2024	2,430	2,476	297	57,558	-
Due in 2025	2,645	21,094	305	4,894	-
Due in 2026	2,371	20,055	109	839	-
Thereafter	8,913	51,528	76	26,212	-
Total	46,620	118,914	88,330	1,752,203	1,907

Contractual maturities of undiscounted payments of financial liabilities as at December 31, 2020 (in CZK millions):

	Loans	Bonds and debentures	Trade payables and other financial liabilities	Derivatives ¹⁾	Guarantees issued ²⁾
Due in 2021	4,598	29,619	73,741	538,968	2,226
Due in 2022	3,894	22,249	481	101,495	-
Due in 2023	2,236	7,402	58	33,211	-
Due in 2024	2,753	2,587	14	104,842	-
Due in 2025	2,655	22,234	160	850	-
Thereafter	9,911	74,721	203	27,856	-
Total	26,047	158,812	74,657	807,222	2,226

¹⁾ Contractual maturities for derivatives represent contractual cash out-flows of these instruments, but at the same time the Group will receive corresponding consideration. For fair values of derivatives see Note 18.

²⁾ Maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

The committed credit facilities available to the Group as at December 31, 2021 and 2020 amounted to CZK 15.2 billion and CZK 35.3 billion, respectively. In addition, in November and December 2021, the Company signed committed loan facility agreements with the European Investment Bank to support financing of the distribution grid renewal and further development program in the Czech Republic up to a total of EUR 400 million, which were not drawn as at December 31, 2021.

19.3. Hedge Accounting

The Group hedges cash flows arising from highly probable future revenue in EUR for the purposes of currency and interest risk hedging. The hedged cash flows are expected to occur in 2022–2026. The relevant hedging instruments as at December 31, 2021 and 2020 are the EUR denominated liabilities from the issued Eurobonds and bank loans in the total amount of EUR 3.3 billion and currency forward contracts and swaps. The fair value of these derivative hedging instruments amounted to CZK (325) million and CZK 896 million at December 31, 2021 and 2020, respectively.

The Group also hedges cash flows arising from highly probable future sales of electricity in the Czech Republic in 2022–2027. The relevant hedging instruments are the futures and forward contracts electricity sales in Germany. The fair value of these derivative hedging instruments amounted to CZK (77,985) million and CZK (4,023) million at December 31, 2021 and 2020, respectively. The result of this hedging strategy as at December 31, 2021 is that for 2022 approximately 88% of expected generation in the Czech Republic was hedged at an average price of EUR 68.3 per MWh, for 2023 approximately 60% of expected generation at an average price of EUR 61.5 per MWh, for 2024 approximately 28% of expected generation at an average price of EUR 61.8 per MWh and for 2025 approximately 6% at an average price of EUR 64.6 per MWh.

In 2021 and 2020, the amounts removed from equity in respect of cash flow hedges were recognized in profit or loss and included in the lines Sales of electricity, heat, gas and coal, Gains and losses from commodity derivative trading, Other financial expenses and Other financial income and on the balance sheet in the lines Intangible assets, net and Emission rights. In 2021 and 2020, the Group recognized in profit or loss the ineffectiveness that arises from cash flow hedges in the amount of CZK 284 million and CZK 371 million, respectively. The ineffectiveness in 2021 and 2020 was primarily caused by the fact that the hedged cash flows are no more highly probable to occur.

20. Provisions

The following table provides an overview of provisions as at December 31, 2021 and 2020 (in CZK millions):

	2021			2020		
	Non-current	Current	Total	Non-current	Current	Total
Nuclear provisions	91,629	2,073	93,702	89,343	2,368	91,711
Provision for demolition and dismantling of coal-fired plants	6,198	563	6,761	–	–	–
Provision for reclamation of mines and mining damages	12,118	299	12,417	9,516	235	9,751
Provision for waste storage reclamation	617	39	656	607	52	659
Provision for CO ₂ emissions (Note 13)	–	9,622	9,622	–	7,176	7,176
Provision for obligation in case of claim from guarantee for Akce group loans	–	1,907	1,907	–	1,267	1,267
Other provisions	6,510	3,750	10,260	5,860	2,567	8,427
Total	117,072	18,253	135,325	105,326	13,665	118,991

20.1. Nuclear Provisions

The Company operates two nuclear power plants. The Dukovany Nuclear Power Plant comprises four units commissioned for continuous operation in 1985 to 1987. The Temelín Nuclear Power Plant consists of two units that were commissioned for continuous operation in 2002 and 2003. The Nuclear Energy Act sets down obligations for nuclear facility decommissioning and disposal of radioactive waste and spent nuclear fuel. In accordance with the Nuclear Energy Act, all the nuclear parts and equipment of a nuclear power plant must be disposed of after the end of operation. For the purpose of determining the amount of nuclear provisions, it is estimated that the Dukovany Nuclear Power Plant will stop generating electricity in 2047, the Temelín plant in 2062. Studies for the Dukovany Nuclear Power Plant and for the Temelín Nuclear Power Plant from 2020 assume that the costs of decommissioning of these power plants will reach the amount CZK 26.5 billion and CZK 21.0 billion, respectively. The Company makes contributions to a restricted bank accounts in the amount of the nuclear provisions recorded under the Nuclear Energy Act. These funds can be invested in government bonds in accordance with legislation. These restricted financial assets are reported in the balance sheet as part of the line item Restricted financial assets, net (see Note 4).

The Ministry of Industry and Trade established the Radioactive Waste Repository Authority (SÚRAO) as the central organizer and operator of facilities for the final disposal of radioactive waste and spent fuel. The SÚRAO operates, supervises and is responsible for disposal facilities and for disposal of radioactive waste and spent fuel therein. The activities of the SÚRAO are financed through a nuclear account funded by the originators of radioactive waste. Contribution to the nuclear account is stated by Nuclear Energy Act at 55 CZK per MWh produced at nuclear power plants. In 2021 and 2020, the payments to the nuclear account amounted to CZK 1,690 million and CZK 1,652 million, respectively. The originator of radioactive waste and spent fuel directly covers all costs associated with interim storage of radioactive waste and spent fuel.

The Group has established provisions for estimated future expenses on nuclear decommissioning and interim storage and permanent disposal of spent nuclear fuel in accordance with the principles described in Note 2.24. The following is a summary of the provisions for the years ended December 31, 2021 and 2020 (in CZK millions):

	Accumulated provisions			
	Nuclear decommissioning	Spent fuel storage		Total
		Interim	Long-term	
Balance at January 1, 2020	34,868	8,657	32,237	75,762
Discount accretion and effect of inflation	766	191	709	1,666
Provision charged in profit or loss	-	618	-	618
Effect of change in estimate recognized in profit or loss	-	253	-	253
Effect of change in estimate added to (deducted from) fixed assets	3,382	-	12,056	15,438
Current cash expenditures	-	(374)	(1,652)	(2,026)
Balance at December 31, 2020	39,016	9,345	43,350	91,711
Discount accretion and effect of inflation	742	178	823	1,743
Provision charged in profit or loss	-	546	-	546
Effect of change in estimate recognized in profit or loss	-	787	-	787
Effect of change in estimate added to (deducted from) fixed assets	2,526	-	(1,037)	1,489
Current cash expenditures	-	(884)	(1,690)	(2,574)
Balance at December 31, 2021	42,284	9,972	41,446	93,702

The use of the provision for permanent disposal of spent nuclear fuel in a current year comprises payments made to the government-controlled nuclear account and the use of the provision for interim storage represents, in particular, purchases of containers for spent nuclear fuel and other related equipment for these purposes.

In 2021, the Company recorded the change in estimate for interim storage of spent nuclear fuel in connection with the change in expectations of future storage cost and change in discount rate, the change in estimate in provision for nuclear decommissioning in connection with the change in discount rate and the change in long-term spent fuel storage in connection with the modification of the expected output of the nuclear power plants, change of expected contribution to the nuclear account per MWh in future years and change in discount rate.

In 2020, the Group recorded the change in estimate for interim storage of spent nuclear fuel in connection with the change in expectations of future storage cost and change in discount rate, the change in estimate in provision for nuclear decommissioning due to the update of the expert decommissioning studies for Dukovany Nuclear Power Plant and for Temelín Nuclear Power Plant and change in discount rate and the change in long-term spent fuel storage in connection with the extension of the expected production time of the nuclear power plants by 10 years and change in discount rate.

The actual decommissioning and spent fuel storage costs could vary substantially from the above estimates because of new regulatory requirements, changes in technology, increased costs of labor, materials and equipment and/or the actual time required to complete all decommissioning, disposal and storage activities.

20.2. Provision for Mine Reclamation and Mining Damages, Waste Storage Reclamation and Demolition and Dismantling of Coal-fired Plants

The following table shows the movements of provisions for the years ended December 31, 2021 and 2020 (in CZK millions):

	Mine reclamation and damages	Waste storage	Demolition and dismantling of coal-fired plants
Balance at January 1, 2020	9,372	807	-
Discount accretion and effect of inflation	198	18	-
Provision charged in profit or loss	101	-	-
Change in estimate added to fixed assets	366	163	-
Current cash expenditures	(286)	(34)	-
Reversal of provision	-	(3)	-
Disposal of subsidiary Elektrárna Počerady, a.s.	-	(292)	-
Balance at December 31, 2020	9,751	659	-
Discount accretion and effect of inflation	180	13	27
Provision charged in profit or loss	122	-	-
Change in estimate and creation added to fixed assets	2,635	29	6,734
Current cash expenditures	(271)	(38)	-
Reversal of provision	-	(7)	-
Balance at December 31, 2021	12,417	656	6,761

The provision for decommissioning and reclamation of mines and mining damages was recorded by Severočeské doly a.s., a mining subsidiary of ČEZ. Severočeské doly a.s. operates open pit coal mines and is responsible for decommissioning and reclamation of the mines as well as for damages caused by the operations of the mines. Current cash expenditures represent cash payments for current reclamation of mining area and settlement of mining damages. Change in estimate represents change in provision as result of updated cost estimates in the current period, mainly due to changes in expected prices of reclamation activities, however, in 2021, the estimate was also changed due to the expected earlier termination of mining and the related earlier expenditure of expected expenses.

21. Other Financial Liabilities

Other financial liabilities at December 31, 2021 and 2020 are as follows (in CZK millions):

	2021		
	Long-term liabilities	Short-term liabilities	Total
Payables from non-current assets purchase	32	-	32
Other	598	417	1,015
Financial liabilities at amortized cost	630	417	1,047
Cash flow hedge derivatives	33,257	49,287	82,544
Commodity and other derivatives	573	550,910	551,483
Liabilities from put options held by non-controlling interests	295	294	589
Contingent consideration from the acquisition of subsidiaries	464	119	583
Financial liabilities at fair value	34,589	600,610	635,199
Total	35,219	601,027	636,246

	2020		
	Long-term liabilities	Short-term liabilities	Total
Payables from non-current assets purchase	32	-	32
Other	201	353	554
Financial liabilities at amortized cost	233	353	586
Cash flow hedge derivatives	7,776	301	8,077
Commodity and other derivatives	854	71,272	72,126
Liabilities from put options held by non-controlling interests	340	-	340
Contingent consideration from the acquisition of subsidiaries	211	188	399
Financial liabilities at fair value	9,181	71,761	80,942
Total	9,414	72,114	81,528

The increase of short-term liabilities from commodity derivatives in 2021 is mainly due to an increase in market price of emission rights, electricity and gas. Related increase of short-term receivables from commodity derivatives is disclosed in Note 5.

22. Short-term Loans

The overview of short-term loans at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Short-term bank and other loans	25,282	961
Bank overdrafts	28	23
Total	25,310	984

Short-term loans bear interest at variable interest rates. The weighted average interest rate was 0.2% and 0.7% at December 31, 2021 and 2020, respectively. For the years 2021 and 2020, the weighted average interest rate was 0.6% and 1.7%, respectively.

23. Other Short-term Liabilities

Other short-term liabilities at December 31, 2021 and 2020 are as follows (in CZK millions):

	2021	2020
Advances received from retail customers	2,778	20,777
Unbilled electricity and gas supplied to retail customers	(2,597)	(19,133)
Received advances from retail customers, net	181	1,644
Taxes and fees, except income tax	3,159	2,695
Other advances received	5,191	1,785
Deferred income	486	355
Other contract liabilities	565	280
Total	9,582	6,759

24. Leases

24.1. Group as a Lessee

The Group has lease contracts for various items of offices, vehicles, buildings and land used to place its own electricity and heat production facilities. Leases of vehicles generally have lease terms between 1–8 years, while buildings and lands between 4–21 years.

The Group has entered into lease contracts with fixed and variable payments. The variable payments are regularly adjusted according to the inflation index or are based on use of the underlying assets.

The Group also leases buildings, machinery or equipment with lease terms of 12 months or less or with low value. In this case the Group applies recognition exemption for these leases.

The net book values of the right-of-use assets presented under Property, plant and equipment are described in the Note 3.

The amounts of lease liability are presented under Long-term debt (see Note 17).

The following table sets out total cash outflows for lease payments (in CZK millions):

	2021	2020
Payments of principal	692	852
Payments of interests	118	145
Lease payments not included in valuation of lease liability	131	134
Total cash outflow for leases	941	1,131

The following are the amounts that are recognized in profit or loss (in CZK millions):

	2021	2020
Expense relating to short-term leases	68	97
Expense relating to low-value assets	6	9
Variable lease payments not included in valuation of lease liability	57	28
Depreciation charge for right-of-use assets	657	784
Interest expenses	123	168

Next year, the Group expects to pay lease payments that are not included in valuation of lease liability to be similar to the year 2021.

24.2. Group as a Lessor

Finance Lease

The most significant lease under finance lease is the lease of assets for electricity and heat production directly at the customer.

The following table sets out a maturity analysis of investment in finance lease, showing the undiscounted lease payments to be received after the reporting date (in CZK millions):

	2021	2020
Up to 1 year	48	55
Between 1 year and 2 years	49	55
Between 2 and 3 years	44	50
Between 3 and 4 years	37	47
Between 4 and 5 years	35	39
Thereafter	80	115
Total undiscounted investment in finance lease	293	361
Unearned finance income	(38)	(49)
Net investment in the lease	255	312

The Group recognized interest income on lease receivables of CZK 8 million and CZK 13 million at December 31, 2021 and 2020, respectively.

Operating Lease

The net book values of the property, plant and equipment leased out under operating lease are disclosed in the Note 3.

Rental income recognized by the Group during 2021 and 2020 was CZK 187 million and CZK 206 million, respectively. In the following years, the Group expects rental income to be similar to the year 2021.

25. Revenues and Other Operating Income

The overview of revenues and other operating income for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Sales of electricity:		
Sales of electricity to end customers	47,308	51,298
Sales of electricity through energy exchange and other organized markets	51,479	14,375
Sales of electricity to traders	34,158	38,966
Sales to distribution and transmission companies	566	598
Other sales of electricity	14,237	15,624
Effect of hedging – presales of electricity (Note 19.3)	(12,926)	(2,396)
Effect of hedging – currency risk hedging (Note 19.3)	1,422	277
Total sales of electricity	136,244	118,742
Sales of gas, coal and heat:		
Sales of gas	8,272	7,088
Sales of coal	3,999	3,949
Sales of heat	8,978	8,236
Total sales of gas, coal and heat	21,249	19,273
Total sales of electricity, heat, gas and coal	157,493	138,015
Sales of services and other revenues:		
Distribution services	38,454	44,925
Other services	25,891	24,514
Rental income	187	206
Revenues from goods sold	951	862
Other revenues	1,846	1,000
Total sales of services and other revenues	67,329	71,507
Other operating income:		
Granted green and similar certificates	548	1,313
Contractual fines and interest fees for delays	202	446
Gain on sale of property, plant and equipment	328	152
Gain on sale of material	192	123
Other	1,701	2,181
Total other operating income	2,971	4,215
Total revenues and other operating income	227,793	213,737

The Group drew in 2021 and 2020 grants related to income in the amount of CZK 407 million and CZK 529 million, respectively. Grants related to income are included in Other operating income in item Other.

Revenues from contracts with customers for the years ended December 31, 2021 and 2020 were CZK 236,139 million and CZK 211,435 million, respectively, and can be linked to the above figures as follows (in CZK million):

	2021	2020
Sales of electricity, heat, gas and coal	157,493	138,015
Sales of services and other revenues	67,329	71,507
Total revenues	224,822	209,522
Adjustments:		
Effect of hedging – presales of electricity	12,926	2,396
Effect of hedging – currency risk hedging	(1,422)	(277)
Rental income	(187)	(206)
Revenues from contracts with customers	236,139	211,435

The Group assumes, that in the following periods it will recognize in the profit and loss statement revenues related to unsatisfied obligations from construction contracts in these amounts (in CZK million):

	2021	2020
Within 1 year	12,065	11,237
More than 1 year	3,251	2,959
Total	15,316	14,196

26. Gains and Losses from Commodity Derivative Trading

The composition of gains and losses from commodity derivative trading for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Electricity derivative trading:		
Sales – domestic	13,757	14,042
Sales – foreign	254,259	251,503
Purchases – domestic	(15,037)	(9,983)
Purchases – foreign	(296,258)	(245,347)
Purchases and sales of cross-border capacities ¹⁾	1,604	-
Changes in fair value of derivatives	15,373	(6,613)
Total gains (losses) from electricity derivative trading	(26,302)	3,602
Other commodity derivative trading:		
Gain from gas derivative trading	8,391	1,086
Gain (loss) from oil derivative trading	(21)	7
Gain (loss) from coal derivative trading	430	(1,894)
Gain from emission rights derivative trading	13,034	3,321
Total gains and losses from commodity derivative trading	(4,468)	6,122

¹⁾ Purchases of cross-border capacities were not considered as commodity derivatives until June 30, 2021, and were recognized on the line Purchase of electricity, gas and other energies. Sales of cross-border capacities were recognized on the line Sales of services and other revenues. From July 1, 2021, these contracts are considered as commodity derivatives in accordance with the business strategy.

27. Purchase of Electricity, Gas and Other Energies

The composition of purchase of electricity, gas and other energies for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Purchase of electricity for resale	(51,753)	(47,719)
Purchase of gas for resale	(8,919)	(5,709)
Purchase of other energies	(1,997)	(2,907)
Total purchase of electricity, gas and other energies	(62,669)	(56,335)

28. Fuel and Emission Rights

The composition of fuel and emission rights for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Consumption of fossil energy fuel and biomass	(4,267)	(6,807)
Amortization of nuclear fuel	(4,110)	(4,197)
Consumption of gas	(5,952)	(2,939)
Emission rights for generation	(10,226)	(9,319)
Total fuel and emission rights	(24,555)	(23,262)

29. Services

The composition of services for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Transmission grid services for distribution of electricity	(5,426)	(5,684)
Other distribution services	(714)	(1,809)
Repairs and maintenance	(5,050)	(5,467)
Other services	(17,854)	(17,187)
Total services	(29,044)	(30,147)

Information about fees charged by independent auditors is provided in the annual report of CEZ Group.

30. Salaries and Wages

Salaries and wages for the years ended December 31, 2021 and 2020 were as follows (in CZK millions):

	2021		2020	
	Total	Key management ¹⁾	Total	Key management ¹⁾
Salaries and wages including remuneration of the board members	(21,790)	(136)	(22,318)	(134)
Social and health security	(6,500)	(30)	(6,421)	(21)
Other personal expenses	(2,301)	(13)	(2,116)	(15)
Total	(30,591)	(179)	(30,855)	(170)

¹⁾ Members of Supervisory Board and Board of Directors of the parent company. The remuneration of former members of key management is also included in personal expenses.

At December 31, 2021 and 2020, the aggregate number of share options granted to members of Board of Directors and selected managers was 118 thousand and 1,421 thousand, respectively.

Members of the Board of Directors and selected managers were entitled until December 31, 2019 to receive share options based on the conditions stipulated in the share option agreement. Members of the Board of Directors and selected managers were granted certain quantity of share options each year of their tenure according to rules of the share option plan until the share option plan was terminated as of December 31, 2019. The exercise price for the granted options was based on the average quoted market price of the shares on the regulated exchange in the Czech Republic during one-month period preceding the grant date each year.

Beginning on January 1, 2020, the new program of long-term performance bonus has been started, replacing the options program. New options will no longer be granted and the existing granted options as at December 31, 2019 in the number of 1,651 thousand are preserved, i.e., after a proportional reduction of the original annual allocations in 2019. The program of long-term performance bonus is based on performance units that will be allocated to each beneficiary every year. The number of performance units allocated is based on the defined yearly value of a given long-term bonus and the price of stocks before the allocation. The Supervisory Board sets out the performance indicators for each year's allocation of the performance units. The defined performance indicators will be evaluated by the Supervisory Board and number of performance units allocated to a beneficiary will be adjusted accordingly. Then a two-year holding period will follow. The long-term performance bonus will be paid three years after the initial allocation, and the amount will be based on the adjusted number of performance units as well as on the stock price at the end of the holding period and the amount of dividends distributed during the holding period.

The following table shows changes during 2021 and 2020 in the number of granted share options and the weighted average exercise price of these options:

	Number of share options			Weighted average exercise price (CZK per share)
	Board of Directors '000s	Selected managers '000s	Total '000s	
Share options at January 1, 2020	1,279	372	1,651	513.02
Options exercised ¹⁾	-	(35)	(35)	421.50
Options forfeited	(180)	(15)	(195)	442.83
Share options at December 31, 2020²⁾	1,099	322	1,421	524.90
Options exercised ¹⁾	(1,051)	(207)	(1,258)	524.95
Options forfeited	-	(45)	(45)	495.46
Share options at December 31, 2021²⁾	48	70	118	535.53

¹⁾ In 2021 and 2020, the weighted average market share price at the date of the exercise for the options exercised was CZK 621.63 and CZK 508.00, respectively.

²⁾ At December 31, 2021 and 2020, the number of exercisable options was 118 thousand and 1,421 thousand, respectively. The weighted average exercise price of the exercisable options was CZK 535.53 per share and CZK 524.90 per share at December 31, 2021 and 2020, respectively.

As at December 31, 2021 and 2020, the exercise prices of outstanding options were in the following ranges (in thousand pieces):

	2021	2020
CZK 400–500 per share	-	310
CZK 500–600 per share	118	1,111
Total	118	1,421

The options granted which were outstanding as at December 31, 2021 and 2020 had an average remaining contractual life of 0.9 years and 1.1 years, respectively.

31. Other Operating Expenses

Other operating expenses for the years ended December 31, 2021 and 2020 consist of the following (in CZK millions):

	2021	2020
Change in provisions	701	1,952
Taxes and fees	(2,942)	(3,219)
Cost of goods sold	(755)	(569)
Consumption of guarantees of origin and green and similar certificates	(15)	(1,231)
Insurance	(902)	(814)
Costs related to trading of commodities	(452)	(435)
Gifts	(319)	(397)
Bad debt expense	(996)	(499)
Loss on sale of property, plant and equipment	(43)	(4)
Other	(1,088)	(1,443)
Total	(6,811)	(6,659)

Taxes and fees include the contributions to the nuclear account (see Note 20.1). The settlement of the provision for long-term spent fuel storage is accounted for at the amount of contributions to nuclear account. Settlement of provision for long-term spent fuel storage is included in Change in provisions.

32. Interest Income

Interest income for each category of financial assets for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Debt financial assets designated at fair value through other comprehensive income	194	226
Bank accounts	70	94
Loans, receivables and other debt financial assets at amortized cost	147	32
Finance lease	8	13
Financial assets and liabilities at fair value through profit or loss	12	12
Total	431	377

33. Other Financial Expenses

Other financial expenses for the years ended December 31, 2021 and 2020 consist of the following (in CZK millions):

	2021	2020
Derivative losses	(35)	(609)
Foreign exchange rate loss	(1)	(1)
Creation and settlement of provision	(19)	(21)
Loss on sale of debt financial assets	(3)	-
Loss from revaluation of equity financial assets	(114)	(97)
Bond buyback costs	(254)	-
Other	(233)	(234)
Total	(659)	(962)

34. Other Financial Income

Other financial income for the years ended December 31, 2021 and 2020 consist of the following (in CZK millions):

	2021	2020
Interest related to the refunded overpayment of gift tax on emission rights	1,499	1,463
Foreign exchange rate gain	690	1,243
Gain on revaluation of financial assets	854	320
Derivative gains	1,258	22
Dividend income	7	10
Gain on disposal of subsidiaries, associates and joint ventures	19	87
Gain on sales of debt financial assets	201	19
Other	231	211
Total	4,759	3,375

35. Income Taxes

Companies resident in the Czech Republic calculated corporate income tax in accordance with the Czech tax regulations at the rate of 19% in 2021 and 2020. Management believes that it has adequately provided for tax liabilities in the accompanying financial statements. However, it cannot be ruled out that the relevant tax authorities may take a different view on issues allowing for different interpretations of the law, which could have an impact on the reported income.

The components of the income tax provision are as follows (in CZK millions):

	2021	2020
Current income tax charge	(5,418)	(3,496)
Adjustments in respect of current income tax of previous periods	(19)	(47)
Deferred income taxes	1,920	1,105
Total	(3,517)	(2,438)

The following table summarizes the differences between the income tax expense and accounting profit before taxes multiplied by the applicable tax rate (in CZK millions):

	2021	2020
Income before income taxes	13,426	7,906
Statutory income tax rate in Czech Republic	19%	19%
"Expected" income tax expense	(2,551)	(1,502)
Tax effect of:		
Non-deductible expenses related to shareholdings	63	23
Goodwill and other non-current assets impairment	(228)	(498)
Share of profit (loss) from associates and joint-ventures	(101)	36
Adjustments in respect of current income tax of previous periods	(19)	(47)
Effect of different tax rate in other countries	83	(147)
Change in unrecorded deferred tax asset	(749)	(769)
Provisions	18	-
Social expenses	(56)	(93)
Dividend income	1	2
Interest on arrears from the gift tax of emission rights	285	278
Other already taxed, tax exempt or non-deductible items, net	(263)	279
Income taxes	(3,517)	(2,438)
Effective tax rate	26%	31%

Deferred income taxes, net at December 31, 2021 and 2020 consist of the following (in CZK millions):

	2021	2020
Nuclear provisions	15,518	15,296
Financial statement depreciation in excess of tax depreciation	2,024	1,943
Revaluation of financial instruments	16,451	2,011
Allowances	4,121	2,047
Other provisions	5,308	3,192
Lease liabilities	640	919
Tax loss carry forwards	1,265	1,170
Other temporary differences	693	647
Unrecorded deferred tax asset	(1,745)	(1,042)
Total deferred tax assets	44,275	26,183
Tax depreciation in excess of financial statement depreciation	(42,023)	(39,570)
Revaluation of financial instruments	(58)	(154)
Other provisions	(146)	(351)
Right-of-use assets	(571)	(863)
Investment in finance lease	(100)	(85)
Other temporary differences	(3,497)	(3,715)
Total deferred tax liability	(46,395)	(44,738)
Total deferred tax liability, net	(2,120)	(18,555)
Reflected in the balance sheet as follows:		
Deferred tax assets	10,719	828
Deferred tax liability	(12,839)	(19,383)
Total deferred tax liability, net	(2,120)	(18,555)

Movements in net deferred tax liability in 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Balance at January 1	18,555	19,145
Deferred tax classified as held for sale as of January 1	(1,457)	103
Deferred tax recognized in profit or loss	(1,920)	(1,105)
Deferred tax recognized in other comprehensive income	(14,609)	(1,153)
Acquisition of subsidiaries	149	12
Disposal of subsidiaries	1,401	63
Currency translation differences	1	33
Deferred tax classified as held for sale as of December 31	-	1,457
Balance at December 31	2,120	18,555

At December 31, 2021 and 2020, the aggregate amount of temporary differences associated with investments in subsidiaries, for which no deferred tax liability was recognized, amounted to CZK 24,413 million and CZK 7,734 million, respectively.

Tax effects relating to individual items of other comprehensive income (in CZK millions):

	2021			2020		
	Before tax amount	Tax effect	Net of tax amount	Before tax amount	Tax effect	Net of tax amount
Change in fair value of cash flow hedges	(85,679)	16,279	(69,400)	(8,198)	1,558	(6,640)
Cash flow hedges reclassified to statement of income	11,479	(2,181)	9,298	2,916	(554)	2,362
Change in fair value of debt instruments	(1,869)	358	(1,511)	277	(50)	227
Disposal of debt instruments	(12)	2	(10)	(1)	-	(1)
Translation differences – subsidiaries	(1,284)	-	(1,284)	980	-	980
Translation differences – associates and joint-ventures	37	-	37	191	-	191
Disposal of translation differences	8,238	-	8,238	3	-	3
Share on other equity movements of associates and joint-ventures	59	-	59	(5)	-	(5)
Change in fair value of equity instruments	(795)	151	(644)	(1,046)	200	(846)
Re-measurement gains (losses) on defined benefit plans	6	-	6	(46)	(1)	(47)
Total	(69,820)	14,609	(55,211)	(4,929)	1,153	(3,776)

36. Related Parties

The Group purchases from and sells to related parties products, goods and services in the ordinary course of business.

At December 31, 2021 and 2020, the receivables from related parties and payables to related parties are as follows (in CZK millions):

	Receivables		Payables	
	2021	2020	2021	2020
Elevison Co-Investment GmbH & Co. KG	-	1	67	71
GP JOULE PP1 GmbH & Co. KG	19	14	-	-
in PROJEKT LOUNY ENGINEERING s.r.o.	8	15	7	15
LOMY MOŘINA spol. s r.o.	20	45	42	32
Tepelné hospodářství města Ústí nad Labem s.r.o. ¹⁾	56	-	1	-
Výzkumný a zkušební ústav Plzeň s.r.o.	5	10	6	11
Other	25	23	14	44
Total	133	108	137	173

¹⁾ Company has been related party from October 1, 2021.

The following table provides the total amount of transactions, which have been entered into with related parties for 2021 and 2020 (in CZK millions):

	Sales to related parties		Purchases from related parties	
	2021	2020	2021	2020
Akenerji Elektrik Enerjisi Ithalat Ihracat ve Toptan Ticaret A.S.	-	4	67	25
Bytkomfort, s.r.o.	16	74	-	3
in PROJEKT LOUNY ENGINEERING s.r.o.	45	41	38	33
LOMY MOŘINA spol. s r.o.	145	43	284	219
Tepelné hospodářství města Ústí nad Labem s.r.o. ¹⁾	119	-	4	-
Teplo Klášterec s.r.o.	62	58	-	-
VLTAVOŤYNSKÁ TEPLÁRENSKÁ a.s.	30	27	-	3
Výzkumný a zkušební ústav Plzeň s.r.o.	6	4	46	20
Výzkumný ústav pro hnědé uhlí a.s.	1	1	26	16
Other	21	44	15	10
Total	445	296	480	329

¹⁾ Company has been related party from October 1, 2021.

Dividend income, interest and other financial income from related parties for the relevant financial year (in CZK millions):

	Interest and other financial income		Dividend income	
	2021	2020	2021	2020
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	11	13	-	-
Bytkomfort, s.r.o.	-	-	6	8
Sakarya Elektrik Dagitim A.Ş.	4	5	-	-
Výzkumný ústav pro hnědé uhlí a.s.	-	-	3	4
Other	1	2	3	8
Total	16	20	12	20

Information about compensation of key management is included in Note 30. Information about guarantees provided to joint-ventures is included in Note 19.2.

37. Segment Information

The Group reports its result using four primary reportable operating segments:

- GENERATION
- DISTRIBUTION
- SALES
- MINING

The segments are defined across the countries that CEZ Group operates. Segment is a functionally autonomous part of CEZ Group that forms a separate process part of the value chain of the Group. The structure of the segments has changed since 2021. The substance of the change was the merging of the segments Generation – Traditional Energy and Generation – New Energy into a new segment GENERATION. The main reason is the fact that the development of renewable sources in CEZ Group will take place primarily within existing companies now operating mainly traditional energy, and not in existing companies in the original Generation – New Energy segment or in newly acquired companies. Furthermore, the Support Services segment was abolished, especially with regard to the dissolution of the company ČEZ Korporátní služby. Data by segments for the previous period of 2020 were adjusted to be comparable.

The Group accounts for intersegment revenues and transfers as if the revenues or transfers were to third parties, that is, at current market prices or where the regulation applies at regulated prices.

In segment reporting, IFRS 16 is applied to external leases from the Group's perspective, but it is not applied to leases between individual operating segments, although in some cases the asset is leased to another segment internally.

The Group evaluates the performance of its segments based on EBITDA (see Note 16).

The following tables summarize segment information by operating segments for the years ended December 31, 2021 and 2020 (in CZK millions):

Year 2021:	Generation	Distribution	Sales	Mining	Combined	Elimination	Consolidated
Revenues and other operating income – other than intersegment	99,033	38,530	85,751	4,479	227,793	-	227,793
Revenues and other operating income – intersegment	39,385	423	7,937	5,594	53,339	(53,339)	-
Total revenues and other operating income	138,418	38,953	93,688	10,073	281,132	(53,339)	227,793
Thereof:							
Sales of electricity, heat, gas and coal	126,922	10	68,699	8,998	204,629	(47,136)	157,493
Sales of services and other revenues	8,723	38,598	24,175	1,009	72,505	(5,176)	67,329
Other operating income	2,773	345	814	66	3,998	(1,027)	2,971
EBITDA	33,536	19,872	5,381	4,488	63,277	(37)	63,240
Depreciation and amortization	(21,796)	(6,200)	(1,588)	(2,044)	(31,628)	-	(31,628)
Impairment of property, plant and equipment and intangible assets	(2,573)	(1,532)	4	(11,698)	(15,799)	-	(15,799)
EBIT	9,317	12,195	3,857	(9,234)	16,135	(37)	16,098
Interest on debt and provisions	(5,800)	(869)	(270)	(185)	(7,124)	904	(6,220)
Interest income	1,150	53	105	27	1,335	(904)	431
Share of profit (loss) from associates and joint-ventures	(17)	(569)	162	(110)	(534)	-	(534)
Income taxes	(1,637)	(2,198)	(735)	1,053	(3,517)	-	(3,517)
Net income	12,991	8,135	4,118	(8,327)	16,917	(7,008)	9,909
Identifiable assets	264,460	117,650	8,585	12,400	403,095	(12)	403,083
Investment in associates and joint-ventures	2,861	-	273	782	3,916	-	3,916
Unallocated assets							775,923
Total assets							1,182,922
Capital expenditure	13,612	14,419	2,008	2,724	32,763	(217)	32,546
Average number of employees	10,851	6,550	6,822	4,474	28,697	-	28,697

Year 2020:	Generation	Distribution	Sales	Mining	Combined	Elimination	Consolidated
Revenues and other operating income – other than intersegment	73,847	44,622	90,987	4,281	213,737	-	213,737
Revenues and other operating income – intersegment	36,628	586	7,400	4,697	49,311	(49,311)	-
Total revenues and other operating income	110,475	45,208	98,387	8,978	263,048	(49,311)	213,737
Thereof:							
Sales of electricity, heat, gas and coal	98,329	33	74,884	7,980	181,226	(43,211)	138,015
Sales of services and other revenues	8,272	44,694	22,845	936	76,747	(5,240)	71,507
Other operating income	3,874	481	658	62	5,075	(860)	4,215
EBITDA	35,079	21,502	4,770	3,429	64,780	3	64,783
Depreciation and amortization	(17,023)	(6,907)	(1,659)	(2,695)	(28,284)	-	(28,284)
Impairment of property, plant and equipment and intangible assets	(12,618)	(7,682)	(492)	(3,270)	(24,062)	-	(24,062)
EBIT	5,515	6,951	2,624	(2,508)	12,582	3	12,585
Interest on debt and provisions	(6,661)	(934)	(387)	(204)	(8,186)	962	(7,224)
Interest income	1,144	66	87	42	1,339	(962)	377
Share of profit (loss) from associates and joint-ventures	(20)	121	125	(38)	188	-	188
Income taxes	(873)	(1,452)	(516)	403	(2,438)	-	(2,438)
Net income	8,274	4,412	2,161	(2,186)	12,661	(7,193)	5,468
Identifiable assets	271,744	110,289	7,874	20,465	410,372	-	410,372
Investment in associates and joint-ventures	2,898	-	285	892	4,075	-	4,075
Unallocated assets							288,011
Total assets							702,458
Capital expenditure	11,886	14,869	1,369	3,307	31,431	(272)	31,159
Average number of employees	11,170	9,070	6,870	4,594	31,704	-	31,704

Prices in certain intersegment transactions are regulated by the Energy Regulatory Office (see Note 1).

The following table shows the split of revenues and other operating income by the location of the entity where the revenues are originated (in CZK millions):

	2021	2020
Czech Republic	182,327	148,801
Germany	15,079	13,804
Bulgaria	12,254	19,854
Poland	8,009	8,771
Romania	4,881	16,658
Other	5,243	5,849
Total revenues and other operating income	227,793	213,737

The following table shows the split of property, plant and equipment by the location of entity which they belong to at December 31, 2021 and 2020 (in CZK millions):

	2021	2020
Czech Republic	393,813	399,469
Germany	6,791	7,712
Poland	317	1,361
Romania	17	12
Other	2,145	1,818
Total property, plant and equipment	403,083	410,372

38. Net Income per Share

	2021	2020
Numerator (CZK millions)		
Basic and diluted:		
Net income attributable to equity holders of the parent	9,791	5,438
Denominator (thousands shares)		
Basic:		
Weighted average shares outstanding	536,218	535,468
Dilutive effect of share options	118	13
Diluted:		
Adjusted weighted average shares	536,336	535,481
Net income per share (CZK per share)		
Basic	18.3	10.2
Diluted	18.3	10.2

39. Commitment and Contingencies

Investment Plans

Capital expenditures for the next five years as at December 31, 2021 are estimated as follows (in CZK billions):

2022	39.9
2023	45.2
2024	55.3
2025	51.0
2026	59.5
Total	250.9

The above values do not include planned acquisitions of subsidiaries, associates and joint-ventures. From 2025 onwards, they do not include the investments of Elektrárna Dukovany II, where, in accordance with Act No. 367/2021 Coll., on measures for the transition of the Czech Republic to low-carbon energy, it is assumed, that investments will be financed through repayable financial assistance provided to the company Elektrárna Dukovany II, a. s.

The Group reviews regularly investment plan and actual capital expenditures may vary from the above estimates. At December 31, 2021, significant purchase commitments were outstanding in connection with the investment plan.

Insurance Matters

The Nuclear Energy Act sets limits for liabilities for nuclear damages so that the operator of nuclear installations for energy generation purposes is liable for up to CZK 8 billion per incident. The Nuclear Energy Act limits the liability for damage caused by other nuclear installations and activities (such as transportation) to CZK 2 billion. The Nuclear Energy Act also requires an operator to insure its liability connected with the operation of a nuclear power plant up to a minimum of CZK 2 billion and up to a minimum of CZK 300 million for other activities (such as transportation). The Company concluded the above-mentioned insurance policies with company Generali Česká pojišťovna a.s. (representing Czech Nuclear Insurance Pool) and European Liability Insurance for the Nuclear Industry. The Company has obtained all insurance policies with minimal limits as required by the law.

The Group also maintains the insurance policies covering the assets of its coal-fired, hydroelectric, CCGT and nuclear power plants and general third-party liability insurance in connection with main operations of the Group.

40. Events after the Balance Sheet Date

In February 2022, Inven Capital, SICAV, a.s., sold its entire interest in the company Driivz. The first investment in this global company, which develops software for electro mobile charging infrastructure, was made by Inven Capital, SICAV, a.s., in 2018.

Since February 24, 2022, there has been a military conflict in Ukraine. The Group intensively evaluates the potential impacts, including the effects of the consequent sanctions, that have been imposed on the Russian Federation. The Group does not expect the immediate effects to be significant. In the short term, due to increased volatility in commodity markets, there is an increased liquidity need for so-called margin calls arising from counterparty requirements related to derivative contracts. The impacts on the CEZ Group in the medium term will depend on the further development of the conflict in Ukraine, on the specific form and duration of sanctions against the Russian Federation and their consequences for European and Czech energy sector. As the main risks for the Group are considered the potential impacts on securing supplies of nuclear fuel, ensuring the maintenance of generation facilities, securing gas purchases for end customers, and the risk that Russian companies will not be able to fulfill other concluded contracts or make financial settlements according to previously concluded contracts and agreed financial instruments. The Group has the highest credit exposure from the concluded commodity contracts for the purchase of electricity and gas from the company Gazprom Marketing & Trading with the seat in the United Kingdom, when, as at December 31, 2021, the fair value of commodity derivatives for the purchase of electricity was CZK 3,307 million and for the gas purchase was CZK 2,582 million. The Group also has a significant credit exposure from commodity gas contracts from Gazprom Export with the seat in the Russian Federation, when, as at December 31, 2021, the fair value of commodity derivatives for gas purchase was CZK 2,149 million. Up to the approval of these consolidated financial statements for issue, the obligations of these companies have been fulfilled, as have been the obligations arising from business contracts for the supply of goods and services by the suppliers from Russian Federation.

On March 14, 2022, the Company's Board of Directors approved a dividend proposal for 2021 in the amount of CZK 44 per share before tax.

These consolidated financial statements have been authorized for issue on March 14, 2022.

Daniel Beneš

Chairman of Board of Directors

Martin Novák

Member of Board of Directors

(Translation of a report originally issued in Czech - see Note 2 to the consolidated financial statements.)

The report below is an unsigned translation of an independent auditor's report which relates solely and exclusively to the official annual report prepared in XHTML format dated on 14 March 2022. Signed independent auditor's report relates to the financial statements and official annual report prepared in accordance with the provisions of Commission Delegated Regulation (EU) 2019/815 on the European single electronic format ("ESEF Regulation"). The attached annual report is a copy of the official annual report prepared in accordance with the ESEF Regulation and therefore does not constitute a statutory annual report and, as well as this copy of the auditor's report, is therefore not a legally binding document.

Independent Auditor's Report

To the Shareholders of ČEZ, a. s.:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of CEZ Group (hereinafter also the "Group") prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS EU"), which comprise the consolidated balance sheet as at 31 December 2021, and the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Group, see Notes 1, 8 and 9 to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of CEZ Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the IFRS EU.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment of goodwill and other assets

The Group conducts annual impairment tests of goodwill and other assets' balances. The impairment test involves determining the recoverable amount of the cash-generating unit as a whole or individual assets, which corresponds to the value in use or selling price less cost to sell. Value in use is determined on the basis of an enterprise valuation model and is assessed from the Group's internal perspective.

These calculations of potential impairment amounts are a key audit matter as there is a significant uncertainty in relation to regulatory matters such as distribution fees and government support for renewable energy, which are, together with other significant assumptions included in the estimated future cash flows, main inputs to the calculations. Main assumptions that are subject to significant estimation uncertainty are projected future wholesale electricity prices, prices of green certificates or emission allowances, market access, development of the regulatory environment and discount rates as well as the strategy of the Group. Future cash flows relate to events and actions that have not yet occurred and may not occur. Another reason for impairment to be a key audit matter is the fact that the determination of cash-generating unit is to some extent subject to management judgement.

Our procedures included assessing the assumptions and methodologies used by the Group in their value in use models and assessment of the selling price less cost to sell. We involved our internal valuation specialists in assessing the adequacy of the Group's model used for the calculation of weighted average cost of capital and we also evaluated mathematical accuracy, underlying data and assumptions used in the calculation. We evaluated main assumptions that are subject to significant estimates such as future wholesale electricity prices, prices of green certificates or emission allowances ("emission certificates"), development of the regulatory environment and compared them to those observable on the market. We compared electricity prices as well as the prices of emission certificates to the contracts, which are actively traded on the market, and we assessed reasonableness of the Group's projections of these future prices for periods, for which the market data are not available. We also discussed the assumptions with our internal valuation specialists in the respective countries.

We analyzed the budgets and future cash flows of the cash-generating units. We compared the expected developments in budgeted cash flows to the expectations presented by the management while assessing the main assumptions of the models and discussing alternatives. We also assessed the adequacy of the model used for the impairment test calculation together with the definition of the cash-generating units and mathematical accuracy of the calculations.

We also focused on whether the Group's disclosures in the consolidated financial statements in relation to the impairment of goodwill and other assets, as presented and disclosed in Note 7. Impairment of Property, Plant and Equipment and Intangible Assets, are compliant with the IFRS EU.

Fair value measurement of financial instruments

Due to the significance of financial instruments measured at fair value, and a high degree of judgement related to their valuation, we consider this as a key audit matter.

We involved the internal valuation specialists to assist us in performing our audit procedures. We assessed the design and tested the operating effectiveness of internal controls over the valuation, data integrity, independent price verification and model approval.

For areas of higher risk and estimation, our audit procedures focused on the comparison of judgments made to market practice and reperformance of valuations over a selection of instruments, assessing the key inputs, assumptions and models used in the valuation process. We compared our results with the Group's valuation.



We also focused on whether the Group's disclosures in the consolidated financial statements in relation to the valuation of financial instruments, as presented and disclosed in Note 18. Fair Value of Financial Instruments, are compliant with the IFRS EU.

Classification of commodity contracts

The Group is entering into commodity contracts on different markets and platforms mainly in Central Europe and Germany. Commodity trading activities include trading with electricity, gas, emission allowances, oil and coal.

This is a key audit matter as the distinction between the contracts in scope of IFRS 9 Financial Instruments: Recognition and Measurement, which are treated as derivatives at fair value, and "own use" contracts, which are not remeasured to fair value, might be subject to a judgement and classification patterns set by the Group. This classification depends among other factors on the terms of the contract, whether the contract is considered to have been entered into as part of ordinary business activity, whether contract requires physical delivery of the commodity, and depends on various assumptions such as expected amount of commodity to be delivered, generation capacity of the portfolio mix and prices of commodities.

We tested the design and operating effectiveness of internal controls over the initial recognition of the contract, consistency of the commodity contract designation and the Group's ability to deliver the physical commodity over the contractual period.

We performed audit procedures focusing on the analysis and comparison of volume of commodities physically delivered during 2021 and the volumes of the "own use" contracts portfolio. We reviewed the ability of the Group to physically deliver the contracted future "own use" sales retrospectively and prospectively and the stability of portfolio to ensure that the contracts are not reclassified during their existence.

We also focused on whether the Group's disclosures in the consolidated financial statements in relation to the commodity contracts classification, as presented and disclosed in Notes 2.16. Commodity Contracts and 26. Gains and Losses from Commodity Derivative Trading, are compliant with the IFRS EU.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the consolidated financial statements and auditor's report thereon. The Board of Directors of ČEZ, a. s. (hereinafter only "Board of Directors") is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the consolidated financial statements is, in all material respects, consistent with the consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.



Responsibilities of the Board of Directors and the Audit Committee for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS EU and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of ČEZ, a. s. (hereinafter only "Audit Committee") is responsible for overseeing the Group's consolidated financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Information required by Regulation (EU) no. 537/2014 of the European Parliament and the Council

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of Auditor and Period of Engagement

We were appointed as the auditors of the Group by the General Meeting of Shareholders on 28 June 2021 and our uninterrupted engagement has lasted for 20 years.

Consistency with Additional Report to Audit Committee

We confirm that our audit opinion on the consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee, which we issued on 14 March 2022 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Group. In addition, there are no other non-audit services which were provided by us to the Group and its controlled undertakings and which have not been disclosed in the annual report.

Statutory auditor responsible for the engagement

Jiří Křepelka is the statutory auditor responsible for the audit of the consolidated financial statements of the Group as at 31 December 2021, based on which this independent auditor's report has been prepared.

Report on compliance with the ESEF Regulation

We performed a reasonable assurance engagement to verify the compliance of the financial statements contained in the annual report with the provisions of Commission Delegated Regulation (EU) 2019/815 on a European single electronic format relating to financial statements ("ESEF Regulation").

Responsibility of the Board of Directors

The Board of Directors of the Company is responsible for the preparation of financial statements in accordance with the ESEF Regulation. The Board of Directors of the Company is responsible for, among other things:

- design, implementation and maintenance of an internal control system relevant to the application of the requirements of the ESEF Regulation,
- the preparation of all financial statements contained in the annual report in the applicable XHTML format and
- selection and use of XBRL labels as required by the ESEF Regulation.



Auditor's responsibility

Our responsibility is to express a conclusion, on the basis of the audit evidence obtained, whether the financial statements included in the annual report comply with the requirements of the ESEF Regulation in all material respects. We performed this reasonable assurance engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (revised) Assurance Engagements, which are not an audit or review of historical financial information ("ISAE 3000").

The nature, timing and extent of procedures selected depend on the auditor's judgment. A reasonable level of assurance is a high level of assurance, however, it does not guarantee that a verification performed in accordance with the above standard will in all cases reveal any significant (material) non-compliance with the requirements of the ESEF Regulation.

As part of the selected procedures, we performed the following activities:

- we have read the requirements of the ESEF Regulation,
- we get the understanding of the internal controls of ČEZ, a.s. relevant to the application of the requirements of the ESEF Regulation,
- we have identified and evaluated the risks of material non-compliance with the ESEF Regulation due to fraud or error; and
- Based on this, designed and implemented procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The goal of our procedures was to assess whether

- the financial statements, which are included in the annual report, have been prepared in the valid XHTML format,
- the data contained in the financial statements required by the ESEF Regulation have been tagged and all tagging meets the following requirements:
 - the XBRL markup language was used,
 - the elements of the basic taxonomy listed in the ESEF Regulation with the closest accounting significance have been used, unless an extension taxonomy element has been created in accordance with Annex IV of the ESEF Regulation,
 - the mark-ups are in line with the common rules for tagging under the ESEF Regulation.

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

Conclusion

In our opinion, the consolidated financial statements of the ČEZ Group and financial statements of ČEZ, a. s. for the year ended 31 December 2021 included in the annual report are in all material respects in accordance with the requirements of the ESEF Regulation.

Ernst & Young Audit, s.r.o.

License No. 401

Jiří Křepelka, Auditor

License No. 2163

14 March 2022

Prague, Czech Republic

ČEZ, a. s.

Balance Sheet

as of December 31, 2021

In CZK Millions

ASSETS:	Note	2021	2020
Plant in service		489,211	474,973
Less accumulated depreciation and impairment		(275,015)	(257,008)
Net plant in service		214,196	217,965
Nuclear fuel, at amortized cost		13,021	13,592
Construction work in progress, net		11,478	10,052
Total property, plant and equipment	3	238,695	241,609
Restricted financial assets, net	4	15,040	15,221
Other non-current financial assets, net	5	147,580	159,180
Intangible assets, net	6	1,047	3,367
Investment properties, net	7	406	-
Deferred tax assets	33	6,843	-
Total other non-current assets		170,916	177,768
Total non-current assets		409,611	419,377
Cash and cash equivalents, net	8	20,804	1,009
Trade receivables, net	9	136,039	58,501
Income tax receivable		-	305
Materials and supplies, net		10,415	7,682
Fossil fuel stocks		200	223
Emission rights	10	14,192	34,323
Other current financial assets, net	5	515,488	76,976
Other current assets, net	11	4,141	2,787
Assets classified as held for sale, net	12	-	31,209
Total current assets		701,279	213,015
TOTAL ASSETS		1,110,890	632,392
EQUITY AND LIABILITIES:	Note	2021	2020
Stated capital		53,799	53,799
Treasury shares		(1,423)	(2,845)
Retained earnings and other reserves		64,052	150,491
Total equity	13	116,428	201,445
Long-term debt, net of current portion	14	89,189	113,929
Provisions	17	97,707	91,125
Other long-term financial liabilities	18	34,173	8,728
Deferred tax liability	33	-	8,235
Total non-current liabilities		221,069	222,017
Short-term loans	19	25,115	800
Current portion of long-term debt	14	14,999	27,514
Trade payables		76,950	63,093
Income tax payable		1,696	-
Provisions	17	11,095	9,096
Other short-term financial liabilities	18	641,849	107,583
Other short-term liabilities	20	1,689	844
Total current liabilities		773,393	208,930
TOTAL EQUITY AND LIABILITIES		1,110,890	632,392

The accompanying notes are an integral part of these financial statements.

ČEZ, a. s.

Statement of Income

for the Year Ended December 31, 2021

In CZK Millions

	Note	2021	2020
Sales of electricity, heat and gas		114,896	84,374
Sales of services and other revenues		5,801	4,973
Other operating income		1,318	1,152
Total revenues and other operating income	22	122,015	90,499
Gains and losses from commodity derivative trading	23	(4,449)	6,313
Purchase of electricity, gas and other energies	24	(46,973)	(31,515)
Fuel and emission rights	25	(20,319)	(16,723)
Services	26	(10,106)	(9,462)
Salaries and wages	27	(8,418)	(7,642)
Materials and supplies		(1,867)	(1,646)
Capitalization of expenses to the cost of assets and change in own inventories		120	43
Depreciation and amortization	3, 6, 7	(17,869)	(13,641)
Impairment of property, plant and equipment and intangible assets		(52)	(27)
Impairment of trade and other receivables		(16)	(9)
Other operating expenses	28	(2,422)	(1,697)
Income before other income (expenses) and income taxes		9,644	14,493
Interest on debt, net of capitalized interest		(4,258)	(5,250)
Interest on provisions	17	(1,786)	(1,702)
Interest income	29	1,477	1,297
Impairment of financial assets	30	(12,816)	(5,129)
Other financial expenses	31	(387)	(666)
Other financial income	32	13,854	19,538
Total other income (expenses)		(3,916)	8,088
Income before income taxes		5,728	22,581
Income taxes	33	(1,321)	(1,504)
Net income		4,407	21,077
Net income per share (CZK per share):	36		
Basic		8.2	39.4
Diluted		8.2	39.4

The accompanying notes are an integral part of these financial statements.

ČEZ, a. s.

Statement of Comprehensive Income for the Year Ended December 31, 2021

In CZK Millions

	Note	2021	2020
Net income		4,407	21,077
Change in fair value of cash flow hedges		(85,679)	(8,198)
Cash flow hedges reclassified to statement of income		11,479	2,916
Change in fair value of debt financial instruments		(1,349)	202
Deferred tax related to other comprehensive income	33	14,354	965
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods		(61,195)	(4,115)
Change in fair value of equity instruments		(795)	(1,050)
Deferred tax related to other comprehensive income	33	151	199
Net other comprehensive income not to be reclassified from equity		(644)	(851)
Total other comprehensive income, net of tax		(61,839)	(4,966)
Total comprehensive income, net of tax		(57,432)	16,111

ČEZ, a. s.

Statement of Changes in Equity for the Year Ended December 31, 2021

In CZK Millions

	Stated capital	Treasury shares	Cash flow hedge reserve	Debt financial instruments	Equity financial instruments and other reserves	Retained earnings	Total equity
Balance as at January 1, 2020	53,799	(2,885)	(2,867)	277	(156)	155,311	203,479
Net income	-	-	-	-	-	21,077	21,077
Other comprehensive income	-	-	(4,279)	164	(851)	-	(4,966)
Total comprehensive income	-	-	(4,279)	164	(851)	21,077	16,111
Effect of business combination	-	-	-	-	3	-	3
Dividends	-	-	-	-	-	(18,163)	(18,163)
Sale of treasury shares	-	40	-	-	-	(25)	15
Exercised and forfeited share options	-	-	-	-	(14)	14	-
Balance as at December 31, 2020	53,799	(2,845)	(7,146)	441	(1,018)	158,214	201,445
Net income	-	-	-	-	-	4,407	4,407
Other comprehensive income	-	-	(60,102)	(1,093)	(644)	-	(61,839)
Total comprehensive income	-	-	(60,102)	(1,093)	(644)	4,407	(57,432)
Effect of merger	-	-	-	-	30	(402)	(372)
Dividends	-	-	-	-	-	(27,873)	(27,873)
Sale of treasury shares	-	1,422	-	-	-	(762)	660
Exercised and forfeited share options	-	-	-	-	(55)	55	-
Balance as at December 31, 2021	53,799	(1,423)	(67,248)	(652)	(1,687)	133,639	116,428

The accompanying notes are an integral part of these financial statements.

ČEZ, a. s.

Statement of Cash Flows

for the Year Ended December 31, 2021

In CZK Millions

	Note	2021	2020
OPERATING ACTIVITIES:			
Income before income taxes		5,728	22,581
Adjustments of income before income taxes to cash generated from operations:			
Depreciation and amortization	3, 6, 7	17,869	13,641
Amortization of nuclear fuel	3	4,079	4,168
(Gains) and losses on non-current asset retirements		(2,386)	(5,795)
Foreign exchange rate loss (gain)		(923)	(1,221)
Interest expense, interest income and dividend income		(4,829)	(6,939)
Provisions		2,223	563
Impairment of property, plant and equipment and intangible assets		52	27
Other impairment and other non-cash expenses and income		(25,682)	(5,861)
Changes in assets and liabilities:			
Receivables and contract assets		(81,417)	(4,318)
Materials, supplies and fossil fuel stocks		(2,775)	(1,039)
Receivables and payables from derivatives		23,406	13,092
Other assets		73,712	5,934
Trade payables		18,960	5,172
Other liabilities		830	11
Cash generated from operations		28,847	40,016
Income taxes paid		(23)	(935)
Interest paid, net of capitalized interest		(4,417)	(5,733)
Interest received		1,430	1,250
Dividends received	5, 32	7,605	10,869
Net cash provided by operating activities		33,442	45,467
INVESTING ACTIVITIES:			
Acquisition of subsidiaries, associates and joint-ventures		(5,054)	(4,126)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	12	36,207	719
Additions to non-current assets, including capitalized interest		(11,813)	(8,816)
Proceeds from sale of non-current assets		183	977
Loans made		(491)	(10,309)
Repayment of loans		3,850	2,206
Change in restricted financial assets		(1,013)	(723)
Net cash flow from investing activities		21,869	(20,072)
FINANCING ACTIVITIES:			
Proceeds from borrowings		310,770	157,340
Payments of borrowings		(317,330)	(176,909)
Payments of lease liabilities	21	(178)	(1,378)
Change in payables/receivables from Group cashpooling		(1,183)	10,860
Dividends paid		(27,813)	(18,116)
Sale of treasury shares		660	15
Net cash flow from financing activities		(35,074)	(28,188)
Net effect of currency translation and allowances in cash		(442)	286
Net increase (decrease) in cash and cash equivalents		19,795	(2,507)
Cash and cash equivalents at beginning of period		1,009	3,516
Cash and cash equivalents at end of period	8	20,804	1,009
Supplementary cash flow information:			
Total cash paid for interest		4,707	6,032

The accompanying notes are an integral part of these financial statements.

ČEZ, a. s.

Notes to the Financial Statements as of December 31, 2021

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1. Description of the Company

ČEZ, a. s. (ČEZ or the Company), company reg. No. 45274649, is a joint-stock company that came into existence by registration in the Commercial Register maintained by the Municipal Court in Prague (section B, file 1581) on May 6, 1992, and has its registered office at Duhová 2/1444, Praha 4, Czech Republic.

The main subject of the Company's business is the production of electricity, trade in electricity, production and distribution of thermal energy, trade in gas and other commodities. ČEZ is an energy company that generated approximately 58% of electricity produced in Czech Republic in 2021.

The average full-time equivalent number of employees was 5,704 and 5,489 in 2021 and 2020, respectively.

The majority stake in the Company is owned by the Czech Republic, represented by the Ministry of Finance of the Czech Republic. The Czech Republic held a 69.8% share in the Company's stated capital at December 31, 2021. The majority shareholder's share in voting rights was 69.9% at the same date.

2. Summary of Significant Accounting Policies

2.1. Financial Statements

These separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The financial statements are based on a historical cost approach, except where IFRS require a different measurement basis as disclosed in the description of accounting policies below.

Due to the economic substance of transactions and the environment in which the Company operates, the Czech crowns (CZK) is used as the functional currency and reporting currency.

The Company has also prepared CEZ Group's consolidated financial statements in accordance with IFRS for the same period.

Explanation Added for Translation into English

These financial statements represent a translation of financial statements originally issued in Czech.

2.2. Changes in Accounting Policies

2.2.1. Adoption of New IFRS Standards in 2021

The accounting policies adopted are consistent with those of the previous financial year, except for as follows. The Company has adopted the following new or amended standards and interpretations endorsed by EU as of January 1, 2021:

Interest Rate Benchmark Reform – Phase 2 – IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments)

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest. Also, the amendments introduce reliefs from discontinuing hedge relationships including a temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. There are also amendments to IFRS 7 Financial Instruments: Disclosures to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. While application is retrospective, an entity is not required to restate prior periods. The application of the reform did not have significant impact to the Company's financial statements.

IFRS 4: Insurance Contracts (Amendment)

The amendments to IFRS 4 change the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The application of the amendment did not have significant impact to the Company's financial statements.

2.2.2. New IFRS Standards and IFRIC Interpretations either not yet Effective or not yet Adopted by the EU

The Company is currently assessing the potential impacts of the new and revised standards and interpretations that will be effective or adopted by the EU from January 1, 2022 or later.

IFRS 17: Insurance Contracts

The standard is effective for annual periods beginning on or after January 1, 2021 with earlier application permitted if both IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments have also been applied. In its March 2020 meeting the Board decided to defer the effective date to 2023. IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance, and cash flows of an entity. This standard is not expected to have a material effect on the Company's financial statements.

IFRS 17: Insurance Contracts (Amendment)

The amendment to IFRS 17 is effective, retrospectively, for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendment aims at helping companies implement the standard. In particular, the amendment is designed to reduce costs by simplifying some requirements in the standard, make financial performance easier to explain and ease transition by deferring the effective date of the standard to 2023 and by providing additional relief to reduce the effort required when applying IFRS 17 for the first time. This amendment is not expected to have a material effect on the Company's financial statements.

IFRS 17: Insurance Contracts – Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment)

The amendment is effective for annual reporting periods beginning on or after January 1, 2023, with early application. For entities that first apply IFRS 17 and IFRS 9 at the same time, the amendment adds a transition option for a "classification overlay", relating to comparative information of financial assets. An entity applying the classification overlay to a financial asset shall present comparative information as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset. Also, in applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of IFRS 9. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. This amendment has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Company's financial statements.

Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint-ventures:

Sale or Contribution of Assets between an Investor and its Associate or Joint-venture (Amendments)

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint-venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. These amendments are not expected to have a material effect on the Company's financial statements.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendment)

The amendment was initially effective for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. However, in response to the covid-19 pandemic, the Board has deferred the effective date by one year, i.e., January 1, 2023, to provide companies with more time to implement any classification changes resulting from the amendment. The amendment aims to promote consistency in applying the requirements by helping companies determine whether, in the balance sheet debt and other liabilities with an uncertain settlement date should be classified as current or non-current. The amendment affects the presentation of liabilities in the balance sheet and does not change existing requirements around measurement or timing of recognition of any asset, liability, income, or expenses, nor the information that entities disclose about those items. Also, the amendment clarifies the classification requirements for debt which may be settled by the company issuing own equity instruments.

In November 2021, the Board issued an exposure draft (ED), which clarifies how to treat liabilities that are subject to covenants to be complied with, at a date after the reporting period. In particular, the Board proposes narrow scope amendment to IAS 1 which effectively reverses the 2020 amendment requiring entities to classify as current, liabilities subject to covenants that must only be complied with within the next twelve months after the reporting period if those covenants are not met at the end of the reporting period. Instead, the proposals would require entities to present separately all non-current liabilities subject to covenants to be complied with only within twelve months after the reporting period. Furthermore, if entities do not comply with such future covenants at the end of the reporting period, additional disclosures will be required. The proposals will become effective for annual reporting periods beginning on or after January 1, 2024 and will need to be applied retrospectively in accordance with IAS 8, while early adoption is permitted. The Board has also proposed to delay the effective date of the 2020 amendment accordingly, such that entities will not be required to change current practice before the proposed amendment comes into effect. This amendment, including ED proposals, has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Company's financial statements.

IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018–2020 (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:

- IAS 16 Property, Plant and Equipment (Amendment) prohibits a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment) specifies which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
- Annual Improvements 2018–2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

These amendments have not yet been endorsed by the EU. These amendments are not expected to have a material effect on the Company's financial statements.

IFRS 16 Leases: Covid-19 Related Rent Concessions beyond June 30, 2021 (Amendment)

The amendment applies to annual reporting periods beginning on or after April 1, 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022, provided the other conditions for applying the practical expedient are met. This amendment is not expected to have a material effect on the Company's financial statements.

IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The amendments have not yet been endorsed by the EU. These amendments are not expected to have a material effect on the Company's financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendment)

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. The amendment has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Company's financial statements.

IAS 12 Income Taxes: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendment)

The amendment is effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The amendment has not yet been endorsed by the EU. This amendment is not expected to have a material effect on the Company's financial statements.

The Company does not expect early adoption of any of the above-mentioned standards, improvements or amendments.

2.3. Estimates

The preparation of financial statements in accordance with IFRS requires Company management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date, the disclosure of information on contingent assets and contingent liabilities, and the amounts of revenues and expenses reported for a reporting period. Actual results may differ from such estimates. A description of key assumptions for significant estimates is included in the relevant sections of the Notes.

The Company makes significant estimates when determining the recoverable amounts of property, plant, and equipment and non-current financial assets (see Notes 3 and 5), for nuclear provisions (see Notes 2.21 and 17.1), provision for demolition and dismantling of coal-fired plants (see Notes 2.22 and 17.2) for provision for waste storage restoration (see Note 17.2), and when determining the fair value of commodity contracts (see Notes 2.14 and 15) and financial derivatives (see Notes 2.13 and 15) and incremental interest rates and lease terms to measure lease liabilities (see Notes 2.23 and 21).

In 2021, there were significant changes in some estimates in connection with the adoption of the accelerated strategy VIZE 2030, which takes into account the EU's decarbonization vision and sets out specific ambitions in the area of social responsibility and sustainable development. The most significant changes in estimates in 2021 concerned a shortening of the expected remaining useful life of coal-fired plants (see Note 2.7), the determination of the provision for demolition and dismantling of coal-fired plants and determining the recoverable amount of non-current financial assets.

2.4. Revenues and Other Income

Revenue is recognized, when the Company has satisfied a performance obligation and the amount of revenue can be reliably measured. The Company recognizes revenue at the amount of estimated consideration (less estimated discounts) that it expects to receive for goods transferred or services provided to the customer.

To apply this basic principle, the Company uses a five-level model:

1. Identify the contract(s) with a customer,
2. Identify the performance obligations arising from the contract,
3. Determine the transaction price,
4. Allocate the transaction price to the performance obligations arising from the contract,
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company recognizes revenue from sales of electricity, heat, and gas based on contract terms. Any differences between contracted amounts and actual supplies are settled through the market operator.

Sales are recognized net of value added tax.

Revenue from the sale of assets is recognized as soon as the delivery takes place and risks and associated benefits, as applicable, are transferred to the buyer.

Dividend income is recognized when the Company is awarded the right to the payment of the dividend.

Government and similar grants related to income are recognized in the income statement in the period in which the Company recognizes related expenses to be offset by the grant and is presented in the line Other operating income.

2.5. Fuel Costs

Fuel is recognized as costs when it is consumed. Fuel costs include the depreciation of nuclear fuel (see Note 2.8).

2.6. Interest

The Company capitalizes, as the cost of non-current assets, all interest associated with its investing activities that it would not have incurred if it did not pursue such investing activities. Interest is only capitalized for assets constructed or acquired over a substantial period of time.

2.7. Property, Plant and Equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and impairments. The cost of property, plant, and equipment comprises the purchase price and the related cost of materials and labor and the cost of debt financing used in the construction. The cost also includes the estimated cost of dismantling and removing a tangible asset to the extent specified by IAS 37, Provisions, Contingent Liabilities, and Contingent Assets. Government grants and similar subsidies received for the acquisition of property, plant, and equipment decrease the cost.

Self-constructed property, plant, and equipment are measured at the cost of constructing them. Expenditures on the repair, maintenance, and replacement of minor asset items are recognized as repair and maintenance expenses in the period when such repair is carried out. Improvements are capitalized. When an item of property, plant, and equipment or a part thereof is sold or disposed of, its cost, relevant accumulated depreciation, and any impairments are derecognized in the balance sheet. Any gains or losses arising from the sale or disposal of property, plant, and equipment are included in profit or loss.

At each reporting date, the Company assesses whether there are any indicators that an asset may have been impaired. Where there are such indicators of impairment, the Company checks whether the recoverable amount of the item of property, plant, and equipment is less than its depreciated cost. The recoverable amount is the higher of the fair value less costs to sell and the value in use. Any impairment of property, plant, and equipment is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

At each reporting date, the Company assesses whether there are any indicators that previously recognized impairments of assets are no longer justified or should be decreased. If there are such indicators, the Company determines the recoverable amount of non-current assets. A previously recognized impairment is recognized as an expense only if there has been a change in the assumptions used to estimate the non-current asset's recoverable amount since the last recognition of the impairment. If that is the case, the depreciated cost of the asset including the impairment is increased to the new recoverable amount. The new depreciated cost may not exceed the current carrying amount, less accumulated depreciation, that would be determined had no impairment been recognized in the past. A reversal of previously recognized impairment is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

The Company depreciates the cost of property, plant, and equipment less their residual value using the straight-line method over their estimated useful life. Each part of an item of property, plant, and equipment that is significant in relation to the total amount of the asset is recognized and depreciated separately. The estimated useful life of property, plant, and equipment is determined as follows:

	Useful lives (years)
Buildings and structures	13–60
Machinery and equipment	4–36
Vehicles	4–34
Furniture and fixtures	4–15

The average depreciation period depending on useful life is determined as follows:

	Average life (years)
Hydro plants	
Buildings and structures	48
Machinery and equipment	17
Fossil fuel plants	
Buildings and structures	29
Machinery and equipment	17
Nuclear power plant	
Buildings and structures	51
Machinery and equipment	38

Depreciation periods, residual values, and depreciation methods are annually reviewed and adjusted as appropriate. In 2021, the expected remaining useful life of the assets of coal-fired plants was reduced by 7–10 years. In 2020, the expected remaining useful life of the main assets of nuclear power plants was extended by 10 years.

2.8. Nuclear Fuel

The Company recognizes nuclear fuel as part of property, plant, and equipment because the period for which it is used for electricity generation exceeds 1 year. Nuclear fuel is measured at cost less accumulated depreciation and, if applicable, impairments. Nuclear fuel includes a capitalized portion of the provision for interim storage of spent nuclear fuel. The depreciation of nuclear fuel in a reactor is determined on the basis of the amount of energy generated and presented in the statement of income in the line item Fuel and emission rights. The depreciation of nuclear fuel includes additions to the provision for interim storage of spent nuclear fuel.

2.9. Intangible Assets

Intangible assets are measured at costs, including the purchase price and related expenses. Non-current intangible assets are amortized using the straight-line method over their estimated useful life, which ranges from 3–19 years. Amortization periods, residual values, and amortization methods are annually reviewed and adjusted as appropriate. Improvements are capitalized.

At each reporting date, the Company assesses whether there are any indicators that a non-current intangible asset may have been impaired. Non-current intangible assets under development are tested for possible impairment annually regardless of whether there are indicators of possible impairment. Any impairment of non-current intangible assets is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

At each reporting date, the Company assesses whether there are any indicators that previously recognized impairments of assets are no longer justified or should be decreased. If there are such indicators, the Company determines the recoverable amount of non-current assets. A previously recognized impairment is recognized as an expense only if there has been a change in the assumptions used to estimate the non-current asset's recoverable amount since the last recognition of the impairment. If that is the case, the amortized cost of the asset including the impairment is increased to the new recoverable amount. The new amortized cost may not exceed the current carrying amount, less accumulated amortization, that would be determined had no impairment been recognized in the past. A reversal of previously recognized impairment is recognized in profit or loss and presented in the line item Impairments of property, plant, and equipment and intangible assets.

2.10. Investment Property

Investment property is a property held to earn rentals or for capital appreciation, or both, rather than use for ordinary course of business. If the property is also used for ordinary business, it is an investment in property only if the owner-occupied portion is non-material.

Investment property is initially measured at cost, which consists of the purchase cost and any directly attributable transaction costs. Investment property should be recognized as an asset, when it is probable that the future economic benefits that are associated with the property will flow to the entity, and the cost of the property can be reliably measured. After initial recognition, investment property is recognized in accordance with the cost model. The Company depreciates the cost of investment property less their residual value using the straight-line method over its estimated useful life. The average depreciation period based on useful life is 49 years.

2.11. Emission Rights

The greenhouse gas emission right (hereinafter the emission right) represents the right of the operator of a facility that generates greenhouse gas emissions by its operation to emit the equivalent of a ton of carbon dioxide into the atmosphere in a given calendar year. The Company is obliged to determine and report the amount of greenhouse gas emissions from the facilities for each calendar year and this amount must be to be audited by an accredited person. The Company was allocated a certain amount of emission rights on the basis of the National Allocation Plan.

The Company is required to remit the number of emission rights corresponding to its actual amount of greenhouse gas emissions in the previous calendar year by no later than April 30 of the next calendar year.

Allocated emission rights are measured at nominal, i.e., zero value in financial statements. Purchased emission rights are measured at cost (except for emission rights held for trading). The Company makes a provision for covering released emissions corresponding to the difference between the actually released amount of emissions and its inventory of allocated emission rights. The provision is measured primarily at the cost of emission rights that were purchased with the intention of covering greenhouse gas emissions in the reporting period. The provision for released emissions exceeding such rights is measured at the market price effective at the end of the reporting period. Emission rights purchased for use in the next year are recognized as current assets in the line item Emission rights. Emission rights with a later planned time of use are recognized as part of non-current intangible assets.

The Company also purchases emission rights for the purpose of trading. The portfolio of emission rights held for trading is measured at fair value at the end of the reporting period, with any changes in fair value recognized in profit or loss and presented in the line item Gains and losses from commodity derivative trading. Emission rights purchased for the purpose of trading are recognized as current assets in the line item Emission rights.

At each reporting date, the Company assesses whether there are any indicators that emission allowances may have been impaired. Where there are such indicators, the Company checks whether the recoverable amount of cash-generating units that the emission rights were allocated to is less than their depreciated cost. Any impairment of emission rights is recognized in profit or loss and presented in the line item Other operating expenses.

Sale and repurchase agreements concerning emission rights are accounted for as collateralized loans.

2.12. Classification of Financial Instruments

Financial assets comprise primarily cash, equity instruments of another entity, or a contractual right to receive cash or another financial asset.

Financial liabilities are primarily contractual obligations to deliver cash or another financial asset.

Financial liabilities and assets are presented as current or non-current. Financial assets are classified as current if the Company intends to realize them within 12 months of the end of the reporting period or if there is not reasonable assurance that the Company will hold the financial assets for more than 12 months after the end of the reporting period.

Financial liabilities are presented as current if they are payable within 12 months of the end of the reporting period. Assets and liabilities held for trade are also presented as current assets and liabilities.

Financial assets and financial liabilities are offset and the resulting net amount is presented in the balance sheet if there is a legally enforceable right to set off the recognized amounts and the Company intends to settle on a net basis or to realize the financial assets and settle the financial liabilities simultaneously.

2.12.1. Financial Assets

Financial assets are classified into the categories of at amortized cost, at fair value depending on whether the financial assets are held for sale or whether they are held under a business model whose objective is to hold the assets to collect contractual cash flows, and at cost.

The Company classifies assets into the following categories:

a) Financial asset measurement at amortized cost

This category comprises financial assets for which the Company's strategy is to hold them to collect contractual cash flows, consisting of both principal and interest. Examples of such financial assets include loans, securities held to maturity, trade receivables.

Expected credit losses, exchange differences, and interest revenue are recognized in profit or loss.

b) Financial asset measurement at fair value through other comprehensive income

This category comprises financial assets where the Company's strategy is both to collect contractual cash flows and to sell the financial assets. This model differentiates between two types of accounting treatment:

– Without future transfer to profit or loss—used for equity financial assets

Impairments are neither calculated nor recognized. Changes in fair value are recognized in other comprehensive income. When a financial asset is sold, no gain or loss is recognized in profit or loss, so it never affects profit or loss. If an equity financial asset is sold, the accumulated revaluation amount is transferred to retained earnings. Exchange differences are recognized in other comprehensive income as part of the revaluation amount. Dividends on such financial assets are recognized in profit or loss provided that the payment of such dividends does not reduce the value of the investment.

– With future transfer to profit or loss—used for debt financial assets

Additions to impairment are recognized in profit or loss. Changes in fair value are recognized in other comprehensive income. On the disposal of a financial asset, the gain or loss is recognized in profit or loss (the gain/loss is transferred from other comprehensive income to profit or loss). Exchange differences in relation to revaluation surplus are recognized in other comprehensive income. Exchange differences in relation to impairment are recognized in profit or loss. Interest revenue is recognized in profit or loss.

c) Financial asset measurement at fair value through profit or loss

A category of financial assets for which the Company's strategy is to actively trade the asset. The collection of contractual cash flows is not the main objective of the strategy. Examples of such financial assets are securities held for trading and non-hedging derivatives. Impairments are neither calculated nor recognized. Changes in fair value and exchange differences are recognized in profit or loss.

Changes in the fair value of financial investments at fair value through profit or loss are recognized in Other financial expenses or Other financial income.

d) Financial asset measurement at cost

This category of financial assets comprises investments in subsidiaries, associates, and joint-ventures. Additions to impairment are recognized in profit or loss.

2.12.2. Financial Liabilities

Financial liabilities are classified into two core categories of at amortized cost and at fair value through profit or loss. Classification into those categories is determined analogously to financial assets.

For fair value option financial liabilities, i.e., those measured at fair value through profit or loss, a change in fair value that is attributable to changes in credit risk is presented in other comprehensive income; the remaining amount is presented in profit or loss. However, if the treatment of changes in fair value that are attributable to credit risk created or enlarged an accounting mismatch in profit or loss, the entity would present all gains or losses on such a liability in profit or loss.

2.12.3. Derivatives

Derivatives are a special category of financial assets and liabilities. The manner of recognizing gains or losses from the revaluation of derivatives to fair value depends on whether a derivative is classified as a hedging instrument and on the nature of the item being hedged. More information on the reporting of derivatives can be found in Note 2.13.

2.12.4. Impairment of Financial Assets

Following the application of the IFRS 9 approach, the impairment of financial assets is based on a model of expected credit losses (ECL), which applies to the following financial assets:

- a) debt assets at amortized cost (trade receivables, loans, debt securities),
- b) debt assets at fair value through other comprehensive income,
- c) lease receivables,
- d) financial guarantee contracts,
- e) bank accounts and term deposits.

The Company accounts for either 12-month expected credit losses or lifetime expected credit losses depending on whether there has been a significant increase in credit risk since initial recognition (or since the commitment was made or the guarantee was provided). The Company has used a simplified approach for some receivables, under which lifetime expected credit losses are always accounted for.

The portfolio of financial assets is broken down into 3 categories for the purposes of ECL calculation. At the date of initial recognition, financial assets are included in Category 1 with the lowest impairment, which is determined as a percentage of historically unpaid receivables. They are subsequently reclassified as Category 2 and 3 as the debtor's credit risk increases. If a financial asset is bearing interest, interest revenue in Category 3 is calculated from the net amount of the asset.

2.13. Derivatives

The Company uses financial derivatives, such as interest rate swaps and foreign exchange contracts, to hedge risks associated with interest rate and exchange rate fluctuations. Derivatives are measured at fair value. They are recognized as part of non-current and current other financial assets and liabilities in the balance sheet.

The manner of recognizing gains or losses from the revaluation of derivatives to fair value depends on whether a derivative is classified as a hedging instrument and on the nature of the item being hedged. For hedge accounting purposes, hedging transactions are classified either as fair value hedges where the risk of change in the fair value of a balance sheet asset or liability is hedged or as cash flow hedges where the Company is hedged against the risk of changes in cash flows attributable to a balance sheet asset or liability or to a highly probable forecast transaction.

At the inception of a hedge, the Company prepares documents identifying the hedged item and the hedging instrument used and documenting the risk management objectives and strategy for various hedging transactions. At the inception and throughout the duration of a hedge, the Company documents whether the hedging instruments used are highly effective in relation to changes in the fair values or cash flows of hedged items.

2.13.1. Fair Value Hedging Derivatives

Changes in the fair values of fair value hedging derivatives are recognized in expenses or income, as appropriate, together with the relevant change in the fair value of the hedged asset or liability that is related to the hedged risk. Where an adjustment to the carrying amount of a hedged item is made for a debt financial instrument, the adjustment is amortized in profit or loss over time until the maturity of such a financial instrument.

2.13.2. Cash Flow Hedging Derivatives

Changes in the fair values of derivatives hedging expected cash flows are initially recognized in other comprehensive income. The gain or loss attributable to the ineffective portion is presented in the statement of income in the item Other financial expenses or Other financial income.

Amounts accumulated in equity are recognized in profit or loss in the period when the expenses or income associated with the hedged items are accounted for.

When a hedging instrument expires or a derivative is sold or it no longer meets the criteria for hedge accounting, the cumulative gain or loss recognized in equity remains in equity until the forecast transaction is closed and then recognized in the statement of income. If a forecast transaction is no longer likely to occur, the cumulative gain or loss, originally recognized in other comprehensive income, is transferred to profit or loss.

2.13.3. Other Derivatives

Some derivatives are not intended for hedge accounting. A change in the fair value of such derivatives is recognized directly in profit or loss.

2.14. Commodity Contracts

According to IFRS 9, certain commodity contracts are considered to be financial instruments and accounted for in accordance with the standard. Most commodity purchases and sales carried out by the Company assume physical delivery of the commodity in amounts intended for use or sale in the course of the Company's ordinary activities. Therefore, such contracts (so-called "own use" contracts) are not within the scope of IFRS 9.

Forward purchases and sales with physical delivery of energy are not within the scope of IFRS 9 as long as the contract is made in the course of the Company's ordinary activities. This is true if all of the following conditions are met:

- Physical delivery of the commodity takes place under the contract;
- The amount of the commodity purchased or sold under the contract corresponds to the Company's operating requirements;
- The contract does not represent a sold option as defined by IFRS 9. In the specific case of electricity sales contracts, the contracts are substantially equivalent to firm forward sales or can be considered sales of generation capacity.

The Company considers transactions entered into with the aim of balancing electricity amounts purchased and sold to be part of an integrated energy group's ordinary activities; therefore, such contracts are not within the scope of IFRS 9.

Commodity contracts that are within the scope of IFRS 9 and that do not hedge cash flow are revalued to fair value, with changes in fair value recognized in profit or loss. The Company presents revenue and expenses related to trading in electricity and other commodities in the statement of income item Gains and losses from commodity derivative trading.

Changes in the fair values of commodity contracts that are within the scope of IFRS 9 and that hedge expected cash flows are initially recognized in other comprehensive income. The gain or loss attributable to the ineffective portion is presented in the statement of income in the item Gains and losses from commodity derivative trading.

Subsequently, in accordance with the description in Note 2.13.2, amounts accumulated in equity are recognized in profit or loss in the period when the expenses or income associated with the hedged items are accounted for.

When a hedging instrument expires or a commodity contract is sold or it no longer meets the criteria for hedge accounting, the cumulative gain or loss recognized in equity remains in equity until the expected transaction is closed and then recognized in the statement of income. If the expected transaction is no longer likely to occur, the cumulative gain or loss, originally recognized in other comprehensive income, is transferred to profit or loss.

2.15. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, current accounts with banks, and short-term financial deposits with maturity of no more than 6 months. Foreign currency cash and cash equivalents are translated to the Czech koruna at the exchange rate applicable at the end of the reporting period.

2.16. Restricted Financial Assets

Cash and other financial assets that are recognized as restricted funds (see Note 4) are intended for the funding of nuclear decommissioning, for the waste storage reclamation and rehabilitation of waste dumps, or are cash guarantees given to counterparties. Such funds are classified as non-current assets due to the time at which they are expected to be released for the Company's purposes.

2.17. Materials and Supplies

Purchased inventories are measured at actual cost, using the weighted average cost method. The costs of purchased inventories include all costs of purchase, including transport costs. Upon use, they are recognized in expenses or capitalized as non-current assets. Work in progress is measured at actual cost. The costs include, primarily, direct material and labor costs. Obsolete inventories are written down using impairments recognized in expenses. Impairments of inventories amounted to CZK 40 million and CZK 45 million at December 31, 2021 and 2020, respectively.

2.18. Fossil Fuel Stocks

Inventories of fossil fuels are measured at actual cost, determined on a weighted average cost basis.

2.19. Income Taxes

The amount of income taxes is determined in compliance with Czech tax laws and is based on the Company's profit or loss determined in accordance with Czech accounting regulations and adjusted for permanently or temporarily nondeductible expenses and untaxed income (e.g., a difference in the depreciation and amortization of non-current assets for tax and accounting purposes). The current income tax at December 31, 2021 and 2020, respectively, was calculated from income before tax in accordance with Czech accounting regulations, adjusted for some items that are nondeductible or nontaxable for tax purposes, using a rate of 19%. The applicable tax rate for 2022 and future years is 19%.

Deferred tax is calculated on the basis of the liability method based on a balance sheet approach. Deferred tax is calculated from temporary differences between accounting measurement and measurement for the purposes of determining the income tax base. Deferred tax is determined using rates and laws that have been enacted by the end of the reporting period and are expected to apply when the deferred tax asset is realized, or the deferred tax liability is settled.

A deferred tax asset or liability is recognized regardless of when the temporary difference is likely to be reversed. A deferred tax asset or liability is not discounted. A deferred tax asset is recognized when it is probable that the Company will generate sufficient taxable profit in the future against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. A deferred tax liability is recognized for all taxable temporary differences.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and, if necessary, the carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

If the current and deferred tax relate to items that are charged or credited directly to equity in the same or a different tax period, the tax is also recognized directly in equity.

Changes in the deferred tax due to a change in tax rates is recognized in profit or loss, except for items charged or credited directly to equity in the same or a different tax period, for which such a change is also recognized directly in equity.

2.20. Long-term Debt

Debt is initially measured at the amount of proceeds from the issue of the debt, less transaction costs. It is then carried at amortized cost, which is determined using the effective interest rate. The difference between the nominal amount and the initial measurement of debt is recognized in profit or loss as interest expense over the period of debt.

Transaction costs comprise commission paid to advisers, agents, and brokers and levies by regulatory agencies and securities exchanges.

For long-term debt that is hedged with derivatives hedging against changes in fair value, the measurement of hedged debt is adjusted for changes in fair value. Changes in the fair value of such debt are recognized in profit or loss and reported in the statement of income in Other financial expenses or Other financial income. The adjustment to the carrying amount of hedged long-term debt is subsequently recognized in profit or loss using the effective interest rate.

2.21. Nuclear Provisions

The Company makes a provision for nuclear decommissioning, a provision for interim storage of spent nuclear fuel and other radioactive waste, and a provision for the funding of subsequent permanent disposal of spent nuclear fuel and irradiated reactor components (see Note 17.1).

The provisions made correspond to the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The estimate, expressed at the price level at the date of estimate, is discounted using an estimated long-term real interest rate of 0.3% and 0.4% per annum as at December 31, 2021 and 2020, respectively, so as to take into account the timing of expenditure. Initial discounted costs are capitalized as part of property, plant, and equipment and then amortized for the duration of time for which nuclear power plants will generate electricity. The provision is increased by the estimated inflation and real interest rate annually. Such expenses are recognized in the statement of income in the line item Interest on provisions. The effect of the expected rate of inflation is estimated at 2.0% and 1.5% as at December 31, 2021 and 2020, respectively.

The process of nuclear power plant decommissioning is estimated to continue for approximately 50 years after the termination of electricity generation. It is assumed that a permanent repository for spent nuclear fuel will commence operation in 2065 and the disposing of stored spent nuclear fuel at the repository will continue until approximately 2090. Although the Company has made the best estimate of the amount of nuclear provisions, potential changes in technology, changes in safety and environmental requirements, and changes in the duration of such activities may result in actual costs varying considerably from the Company's current estimates.

Changes in estimates concerning the provisions for nuclear decommissioning and permanent disposal of spent nuclear fuel resulting from new estimates of the amount or timing of cash flows required to settle these obligations or from a change in the discount rate are added to, or deducted from, the amount recognized as an asset in the balance sheet. Should the amount of the asset be negative, i.e., should the deducted amount exceed the amount of the asset, the difference is recognized directly in profit or loss.

2.22. Provision for Demolition and Dismantling of Coal-fired Plants

The Company has recognized provision for demolition and dismantling of coal-fired plants (see Note 17.2). The provision was created in 2021 in connection with the deepening of decarbonization targets at the EU level and in connection with the updating of the Company's strategy and signing up to accelerate the decarbonization of the generation portfolio, including setting a commitment to decommission all coal-fired plants by 2038 at the latest and achieve carbon neutrality by 2050. The provision created correspond to the best estimate of the expenditures required to settle the present obligation at the balance sheet date. The estimate, expressed at the price level at the date of estimate, is discounted using an estimated real interest rate of (0.4)% per annum as at December 31, 2021, in order to take into account the timing of expenditure. Initial discounted costs are capitalized as part of property, plant, and equipment and then depreciated over the period during which coal power plants will generate electricity. The provision is updated annually with regard to the estimated inflation and real interest rate. These expenses are recognized in the statement of income in the line item Interest on provisions. The effect of the expected rate of inflation is estimated at 2.0% as at December 31, 2021.

Although the Company has made the best estimate of the amount of provision for demolition and dismantling of coal-fired plants, potential changes in technology, changes in safety and environmental requirements, and changes in the duration of such activities may result in actual costs varying considerably from the Company's current estimates.

Changes in estimates concerning the provision resulting from new estimates of the amount or timing of cash flows required to settle these obligations or from a change in the discount rate are added to, or deducted from, the amount recognized as an asset in the balance sheet. Should the amount of the asset be negative, i.e., should the deducted amount exceed the amount of the asset, the difference is recognized directly in profit or loss.

2.23. Leases

Determining whether a contract is, or contains, a lease is based on the economic substance of the transaction and requires an assessment of whether the fulfillment of the contractual obligation is dependent on the use of a specific asset or assets and whether the contract conveys a right to use the asset.

The Company does not apply IFRS 16 to leases of intangible assets.

2.23.1. Company as a Lessee

The Company uses a consistent approach to the reporting and measurement of all leases, except for short-term leases and leases of low-value assets. The Company accounts for future lease payments as lease liabilities and recognizes right-of-use assets, which represent a right to use the underlying assets. Lease payments for short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

a) Lease Liability

At the commencement date of a lease, the Company recognizes lease liabilities measured at the present value of the lease payments that are to be made over the lease term. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers those payments occurs.

When calculating the present value of lease payments, the Company uses an incremental interest rate at the commencement date of the lease because the interest rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased by accrued interest and decreased by the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a lease modification, i.e., a change in the lease term, a change in lease payments (e.g., changes in future payments resulting from a change in an index or a rate used to determine the amount of the lease payment), or a change in the assessment of the option to purchase the underlying asset.

The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the incremental interest rate using observable inputs, such as market interest rates.

The Company uses judgment to determine the expected lease term for contracts made for an indefinite time.

b) Right-of-Use Assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date when the underlying assets are available for use). Right-of-use assets are measured at cost less accumulated amortization and impairment losses and adjusted for any reassessment of lease liabilities. The cost of right-of-use assets comprises the amount of recognized lease liabilities, initial direct costs, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortized using the straight-line method over the lease term or the estimated life of the assets as follows:

	Depreciation period (years)
Lands	4–21
Buildings	8–12
Vehicles, machinery and equipment	3–42
Inventory and other tangible assets	10–17

2.23.2. Company as a Lessor

The Company leases out its tangible assets including own tangibles and right-of-use assets. The Company has classified the leases as financial or operating leases. Operating lease is a lease whereby the Company does not transfer substantially all the risks and rewards incidental to the ownership of assets.

Lease income from operating leases is recognized on a straight-line basis over the lease term and included as income in profit or loss due to their operating nature.

For the leases classified as finance leases, the Company recognizes a net investment in the lease measured at the present value of lease payments to be made over the lease term, increased by any unguaranteed residual value of the leased asset at the end of the lease, which is not conditioned by future cash flow. In calculating the present value of net investment in the lease, the Company uses the interest rate implicit in the lease. In the case of a sublease, if the interest rate implicit in the sublease is not readily determined, the Company uses the discount rate used for the head lease.

2.24. Treasury Shares

Treasury shares are reported in the balance sheet as an item reducing equity. The acquisition of treasury shares is recognized in the statement of changes in equity as a deduction from equity. No gain or loss is recognized in the statement of income on the sale, issue, or cancellation of treasury shares. Consideration received is recognized in financial statements as a direct increase in equity.

2.25. Foreign Currency Transactions

Assets and liabilities in foreign currencies are translated into the Czech currency at the exchange rate applicable at the date of the accounting transaction as published by the Czech National Bank for that date. In annual financial statements, such monetary assets and liabilities are translated at the exchange rate applicable at December 31. Exchange differences arising on the settlement of such transactions and from the translation of monetary assets and liabilities in foreign currencies are recognized in profit or loss, except when exchange differences arise in connection with a liability that is classified as an effective hedge of cash flows. Such exchange differences are recognized directly in equity.

Exchange differences on financial assets are described in Note 2.12.1.

The Company used the following exchange rates to translate assets and liabilities in foreign currencies at December 31, 2021 and 2020:

	2021	2020
CZK per 1 EUR	24.860	26.245
CZK per 1 USD	21.951	21.387
CZK per 1 PLN	5.408	5.755
CZK per 1 BGN	12.711	13.417
CZK per 1 RON	5.023	5.391
CZK per 100 JPY	19.069	20.747
CZK per 1 TRY	1.631	2.880
CZK per 1 GBP	29.585	29.190
CZK per 100 HUF	6.734	7.211

2.26. Assets Classified as Held for Sale

Assets and disposal groups of assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets and groups of assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is considered met only if the sale is highly probable and the asset or group of assets is available for immediate sale in its present condition. Company management must take steps toward the sale of the asset or group of assets so as to complete the sale within one year from the date of the classification of the assets or group of assets as held for sale.

Property, plant, and equipment and non-current intangible assets classified as held for sale are not depreciated or amortized.

3. Property, Plant and Equipment

The overview of property, plant and equipment, net at December 31, 2021 and 2020 was as follows (in CZK millions):

	Buildings	Plant and equipment	Land and other	Total plant in service	Nuclear fuel	Construction work in progress	Total
Cost at January 1, 2021	107,943	365,792	1,238	474,973	22,540	10,091	507,604
Additions	47	37	37	121	-	10,763	10,884
Disposals	(294)	(2,310)	(66)	(2,670)	(3,559)	(11)	(6,240)
Bring into use	1,552	4,611	17	6,180	3,138	(9,318)	-
Change in capitalized part of the provision	4,056	1,868	-	5,924	-	-	5,924
Effect of merger and other	3,330	1,035	318	4,683	-	17	4,700
Cost at December 31, 2021	116,634	371,033	1,544	489,211	22,119	11,542	522,872
Accumulated depreciation and impairment at January 1, 2021	(52,227)	(204,686)	(95)	(257,008)	(8,948)	(39)	(265,995)
Depreciation and amortization of nuclear fuel ¹⁾	(4,653)	(13,128)	(14)	(17,795)	(3,709)	-	(21,504)
Net book value of assets disposed	(122)	(277)	(46)	(445)	-	-	(445)
Disposals	294	2,310	54	2,658	3,559	-	6,217
Effect of merger and other	(1,527)	(812)	(45)	(2,384)	-	-	(2,384)
Impairment losses recognized	(53)	-	(2)	(55)	-	(25)	(80)
Impairment losses reversed	12	-	2	14	-	-	14
Accumulated depreciation and impairment at December 31, 2021	(58,276)	(216,593)	(146)	(275,015)	(9,098)	(64)	(284,177)
Total property, plant and equipment at December 31, 2021	58,358	154,440	1,398	214,196	13,021	11,478	238,695

¹⁾ The amortization of nuclear fuel as at December 31, 2021 also includes the creation of a provision for temporary storage of spent nuclear fuel in the amount of CZK 371 million.

	Buildings	Plant and equipment	Land and other	Total plant in service	Nuclear fuel	Construction work in progress	Total
Cost at January 1, 2020	117,209	357,419	1,252	475,880	23,547	9,524	508,951
Additions	76	71	17	164	-	8,233	8,397
Disposals	(5,454)	(759)	(7)	(6,220)	(4,180)	(1,188)	(11,588)
Bring into use	456	2,805	4	3,265	3,173	(6,438)	-
Change in capitalized part of the provision	18	15,400	-	15,418	-	-	15,418
Non-monetary contribution and other	(4,362)	(9,144)	(28)	(13,534)	-	(40)	(13,574)
Cost at December 31, 2020	107,943	365,792	1,238	474,973	22,540	10,091	507,604
Accumulated depreciation and impairment at January 1, 2020	(54,349)	(204,384)	(89)	(258,822)	(9,356)	(1,222)	(269,400)
Depreciation and amortization of nuclear fuel ¹⁾	(3,611)	(9,895)	(11)	(13,517)	(3,772)	-	(17,289)
Net book value of assets disposed	(3,351)	(43)	-	(3,394)	-	-	(3,394)
Disposals	5,454	759	4	6,217	4,180	1,183	11,580
Non-monetary contribution	3,631	8,877	1	12,509	-	-	12,509
Impairment losses recognized	(1)	-	-	(1)	-	-	(1)
Accumulated depreciation and impairment at December 31, 2020	(52,227)	(204,686)	(95)	(257,008)	(8,948)	(39)	(265,995)
Total property, plant and equipment at December 31, 2020	55,716	161,106	1,143	217,965	13,592	10,052	241,609

¹⁾ The amortization of nuclear fuel as at December 31, 2020 also includes the creation of a provision for temporary storage of spent nuclear fuel in the amount of CZK 396 million.

In 2021 and 2020, a composite depreciation rate of Plant in service was 3.7% and 2.8%, respectively.

In 2021 and 2020, capitalized interest costs amounted to CZK 280 million and CZK 273 million, respectively, and the interest capitalization rate was 3.3% and 3.4%, respectively.

Construction work in progress contains mainly investments related to the acquisition of nuclear fuel and refurbishments performed on Dukovany, Temelín, Prunéřov and Ledvice power plants.

The Company drew in 2021 and 2020 grants related to the property, plant and equipment in amount CZK 41 million and CZK 411 million, respectively. In 2021, the Company recognized a reversal of a previous draw of grant in the amount of CZK 375 million.

Company as a Lessee

The following table shows selected information as of December 31, 2021 and for the year ended 2021, respectively, relating to rights-of-use assets according to the classes of leased tangible fixed assets (in CZK millions):

	2021			
	Buildings	Plant and equipment	Land and other	Total plant in service
Additions of right-of-use assets	46	38	37	121
Depreciation charge for right-of-use assets	(122)	(9)	(12)	(143)
Carrying amounts as at December 31	679	67	106	852

The following table shows selected information as of December 31, 2020 and for the year ended 2020, respectively, relating to rights-of-use assets according to the classes of leased tangible fixed assets (in CZK millions):

	2020			
	Buildings	Plant and equipment	Land and other	Total plant in service
Additions of right-of-use assets	76	71	17	164
Depreciation charge for right-of-use assets	(3,389)	(44)	(3)	(3,436)
Carrying amounts as at December 31	813	381	79	1,273

Company as a Lessor

The carrying amounts of property, plant and equipment that are subject to an operating lease (in CZK millions):

	Buildings	Vehicles	Land and other	Total plant in service
Carrying amount as at December 31, 2021	2,148	233	428	2,809
Carrying amount as at December 31, 2020	583	-	278	861

Testing Assets for Impairment

The Company's generation assets are tested for potential impairment as a single cash-generating unit except for specific assets such as the CCGT plant at Počerady. The cash-generating unit of the Company's generation assets is characterized by portfolio management in the deployment of generating facilities, in their maintenance, and in the cash flows arising from this activity.

Testing of the recoverable amount of non-current assets of the ČEZ, a. s., cash-generating unit (hereinafter the ČEZ value) included an analysis of the sensitivity of test results to change in selected significant parameters of the model used – change in wholesale electricity prices (hereinafter the EE prices), the discount rate used in calculating the present value of future cash flows, and the CZK/EUR exchange rate.

A key assumption of the ČEZ value model is developments in commodity prices and, most importantly, developments in the wholesale price of electricity in Germany, which has a profound impact on developments in wholesale electricity prices in Czech Republic. Developments in wholesale prices are determined primarily by the EU's political decisions, developments in global commodity demand and supply, and technological progress.

Developments in EE prices are affected by a number of external factors, in particular changes in the structure and availability of generating facilities in Czech Republic and its neighboring countries, macroeconomic developments in the region of Central Europe, and energy sector regulation in the EU and Germany (fundamental impacts of the premature decommissioning of nuclear plants in Germany 2022, the EU's approved climate and energy targets for 2030). The model is built for a period matching the operating life of generating facilities, which means that its time frame greatly exceeds the period for which commodities, including wholesale electricity price contracts, are traded in public liquid markets. In addition, there have been structural changes in the electricity market ("Market Design") and substantial sector regulation, so it is really possible that market mechanisms for electricity pricing will be abandoned completely and alternative, centrally regulated payments for the availability and deliveries of generating facilities will be introduced within the lifetime of generating facilities.

Due to the long-term nature of the model, the sensitivity of the ČEZ value to developments in electricity prices is also affected by internal factors and assumptions. These are, in particular, generation portfolio deployment varying with different changes in the prices of electricity, emission rights, and variable generation costs and, in the longer term, also with respect to changes in fixed costs reflecting changes in the gross margin of generating facilities.

In determining the ČEZ value, estimates of the impacts of covid-19 were taken into account, which in 2021 was considered an indicator of a possible impairment of the Company's assets. All future cash flows reflect all factors, including covid-19. However, the reliability of the estimate of the long-term effects of the covid-19 on the Company is considerably limited due to the uncertainty of the extent of the effects of the pandemic itself and of countries' countermeasures on economic growth, unemployment and debt growth in relevant European countries.

The impact of covid-19 alone cannot be reliably quantified, as overall aggregate demand and supply and economies in general are affected by many more important macroeconomic factors, such as world commodity prices, national GDP developments and regulation at EU level.

From the point of view of the medium-term perspective, the negative impact of covid-19 is limited also with regard to the high level of cash flow hedging. As of December 31, 2021, approximately 88% of expected generation for 2022 has been contracted, for 2023 approximately 60% has been contracted and for 2024 approximately 28%. Along with these presales of electricity, the emission rights for emission sources have been contracted.

The impact of the covid-19 in the coming years will depend mainly on the measures taken in individual countries and their impact on the overall development of the economy in Europe.

The result of the sensitivity test shown below reflects an expert estimation of the status and changes of the abovementioned factors within the modeled period time frame and the status of price and currency hedges for future generation as at December 31, 2021.

The test is based on the business plan of ČEZ for 2022–2026 and on the assumptions of long-term development of relevant electricity prices. The business plan was prepared in the fourth quarter of 2021 based on market parameters from October 2021 (electricity prices on the EEX energy exchange in Germany, prices on the PXE energy exchange in Czech Republic, prices of emission rights, foreign exchange rates, interest rates, etc.). Electricity contracts traded on EEX are liquid for the whole period covering the business plan time frame and the interconnectedness of the German and Czech transmission grids makes them a fundamental market indicator for EE prices in Czech Republic. For the purposes of the sensitivity analysis, the input EE prices, emission rights prices and foreign exchange rates were applied to the relevant opened positions of ČEZ.

The Company did not recognize any impairment losses on generation assets in 2021 and 2020. A change in the assumed EE prices according to models by 1%, while other parameters remain unchanged, has an impact of approximately CZK 10.2 billion on the ČEZ value test result. Future cash flows were discounted at a rate of 4.7%. A change of 0.1 percentage point in the discount factor, while other parameters remain unchanged, would change the ČEZ value by approximately CZK 7.8 billion. A 1% change in the CZK/EUR exchange rate, while other parameters remain unchanged, would result in a change of approximately CZK 9 billion in the ČEZ value. Such changes in ČEZ value would not lead to an impairment.

4. Restricted Financial Assets, Net

The overview of restricted financial assets, net at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
Czech government bonds	12,922	13,737
Cash in banks, net	2,118	1,484
Total restricted financial assets, net	15,040	15,221

The Czech government bonds are measured at fair value through other comprehensive income. At December 31, 2021 and 2020, the most significant restricted financial assets are the financial assets to cover the costs of nuclear decommissioning totaled CZK 14,826 million and CZK 15,005 million, respectively, and financial assets to cover the costs for waste storage reclamation totaled CZK 160 million and CZK 158 million, respectively.

5. Other Financial Assets, Net

The overview of other financial assets, net at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021			2020		
	Non-current assets	Current assets	Total	Non-current assets	Current assets	Total
Loans granted	25,026	8,418	33,444	26,444	12,332	38,776
Receivables from Group cashpooling	-	5,044	5,044	-	2,085	2,085
Term deposits	-	-	-	-	2,755	2,755
Receivables from the sale of subsidiaries	2,410	-	2,410	2,360	2,415	4,775
Sublease receivables	132	38	170	-	-	-
Other financial receivables	783	38	821	582	66	648
Total financial assets at amortized costs	28,351	13,538	41,889	29,386	19,653	49,039
Equity financial assets (Inven Capital, SICAV, a.s., ČEZ sub-fund)	4,187	-	4,187	2,511	-	2,511
Commodity and other derivatives	240	500,568	500,808	208	57,039	57,247
Total financial assets at fair value through profit or loss	4,427	500,568	504,995	2,719	57,039	59,758
Equity financial assets (Veolia Energie ČR, a.s.)	599	-	599	1,394	-	1,394
Fair value of cash flow hedge derivatives	3,347	883	4,230	2,864	284	3,148
Debt financial assets	-	499	499	-	-	-
Total financial assets at fair value through other comprehensive income	3,946	1,382	5,328	4,258	284	4,542
Financial assets at cost – share on subsidiaries, associates and joint-ventures	110,856	-	110,856	122,817	-	122,817
Total	147,580	515,488	663,068	159,180	76,976	236,156

Derivatives balance comprises mainly positive fair value of commodity trading contracts. The increase of short-term receivables from commodity derivatives in 2021 is mainly due to an increase in the market prices of emission rights, electricity and gas. Related increase of short-term liabilities from commodity derivatives is disclosed in Note 18.

The Company concluded two put option agreements with Vršanská uhelná a.s. in March 2013. Under these contracts, the Company has the right to transfer 100% of the shares of its subsidiary Elektrárna Počerady, a.s., to Vršanská uhelná a.s. First option for the year 2016 was not exercised, second option could be exercised in 2024 for cash consideration of CZK 2 billion. The option agreement could have been inactivated until December 31, 2019, which the Company did not apply. These contracts represented derivatives that would be settled by the delivery of unquoted equity instrument. Elektrárna Počerady, a.s., is not quoted on any market. There was significant variability in the range of reasonable fair values for this equity instrument (there is no similar power plant in the Czech Republic for sale and also no similar transaction has taken place) and thus it was difficult to reasonably assess the probabilities of various estimates. As a result, the fair value could not be reliably measured. Consequently, the put option is measured at cost. No option premium was paid when the contracts were concluded and therefore the cost of these instruments is zero. The second put option expired on the exercise of the sale on December 31, 2020.

Movements in impairment provisions of financial assets at amortized costs were as follows (in CZK millions):

	2021	2020
Balance at January 1	(20,337)	(34,312)
Additions (see Note 30)	(12,703)	(5,138)
Reversals (see Note 30)	491	3
Derecognition of financial assets	843	2,417
Reclassification	-	(125)
Transfer to assets classified as held for sale	-	16,818
Balance at December 31	(31,706)	(20,337)

In 2021, an impairment loss of CZK 843 million was derecognized due to the merger of ČEZ Korporátní služby, s.r.o., with the company ČEZ, a. s.

In 2020, the provision for obligation in case of claim from guarantee for Akce group loans was reclassified to impairment provision following the cash contribution to the company Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. in the amount of CZK 125 million.

In 2020, an impairment loss of CZK 1,567 million was derecognized in connection with the sale of the share in ŠKODA PRAHA a.s. In addition, an impairment loss of CZK 850 million was derecognized in connection with the decrease in the share capital of the company Elektrárna Dětmarovice, a.s.

The contractual maturity of loans granted and other financial assets, net at December 31, 2021 is shown in the following table (in CZK millions):

	Loans granted	Receivables from Group cashpooling	Receivables from the sale of subsidiaries	Sublease receivables	Other financial receivables
Due in 2022	8,418	5,044	-	38	38
Due in 2023	1,424	-	2,399	38	589
Due in 2024	1,424	-	-	36	88
Due in 2025	1,285	-	11	34	26
Due in 2026	866	-	-	4	27
Thereafter	20,027	-	-	20	53
Total	33,444	5,044	2,410	170	821

The contractual maturity of loans granted and other financial assets, net at December 31, 2020 is shown in the following table (in CZK millions):

	Loans granted	Receivables from Group cashpooling	Term deposits	Receivables from the sale of subsidiaries	Other financial receivables
Due in 2021	12,332	2,085	2,755	2,415	66
Due in 2022	1,418	-	-	11	574
Due in 2023	1,424	-	-	2,349	2
Due in 2024	1,424	-	-	-	2
Due in 2025	1,285	-	-	-	4
Thereafter	20,893	-	-	-	-
Total	38,776	2,085	2,755	4,775	648

The structure of provided loans and other financial assets, net, according to effective interest rates as at December 31, 2021 is shown the following table (in CZK millions):

	Loans granted	Receivables from Group cashpooling	Receivables from the sale of subsidiaries	Sublease receivables	Other financial receivables
Less than 2.00%	6,666	5,044	11	131	672
From 2.00% to 2.99%	9,493	-	2,399	37	-
From 3.00% to 3.99%	17,285	-	-	2	149
Total	33,444	5,044	2,410	170	821

The structure of provided loans and other financial assets, net, according to effective interest rates as at December 31, 2020 is shown the following table (in CZK millions):

	Loans granted	Receivables from Group cashpooling	Term deposits	Receivables from the sale of subsidiaries	Other financial receivables
Less than 2.00%	10,194	2,085	2,755	2,426	648
From 2.00% to 2.99%	11,322	-	-	2,349	-
From 3.00% to 3.99%	17,260	-	-	-	-
Total	38,776	2,085	2,755	4,775	648

The structure of provided loans and other financial assets, net, by currency as at December 31, 2021 is shown in the following overview (in CZK millions):

	Loans granted	Receivables from Group cashpooling	Receivables from the sale of subsidiaries	Sublease receivables	Other financial receivables
CZK	26,489	1,246	2,410	53	800
EUR	6,955	2,088	–	117	21
PLN	–	1,710	–	–	–
Total	33,444	5,044	2,410	170	821

The structure of provided loans and other financial assets, net, by currency as at December 31, 2020 is shown in the following overview (in CZK millions):

	Loans granted	Receivables from Group cashpooling	Term deposits	Receivables from the sale of subsidiaries	Other financial receivables
CZK	27,983	1,537	–	4,770	645
EUR	10,793	355	2,755	5	3
PLN	–	193	–	–	–
Total	38,776	2,085	2,755	4,775	648

The investments in subsidiaries, associates and joint-ventures and other ownership interests at December 31, 2021 and 2020 are shown in the following overview:

Company	Country	% Interest ¹⁾	2021		2020	
			Interest, net in CZK millions	Dividends in CZK millions	Interest, net in CZK millions	Dividends in CZK millions
ČEZ Distribuce, a. s.	CZ	100.00	32,742	4,083	32,742	4,345
CEZ Holdings B.V.	NL	100.00	17,844	–	19,955	–
Energotrans, a.s.	CZ	100.00	13,370	–	17,731	810
Severočeské doly a.s.	CZ	100.00	11,770	–	14,343	1,707
ČEZ OZ uzavřený investiční fond a.s.	CZ	99.57	10,942	534	11,816	898
ČEZ ESCO, a.s.	CZ	100.00	7,066	–	6,041	–
ČEZ ICT Services, a. s.	CZ	100.00	4,454	60	3,849	201
ČEZ Bohunice a.s.	CZ	100.00	2,726	–	2,809	–
ČEZ Teplárenská, a.s.	CZ	100.00	2,527	20	2,527	–
Elektrárna Temelín II, a. s.	CZ	100.00	1,986	–	1,989	–
Elektrárna Dukovany II, a. s.	CZ	100.00	1,683	–	1,344	–
ČEZ Prodej, a.s.	CZ	100.00	1,396	2,371	1,396	1,100
CEZ Bulgarian Investments B.V.	NL	100.00	827	–	589	–
CEZ MH B.V.	NL	100.00	251	–	145	–
Energetické centrum s.r.o.	CZ	100.00	250	20	250	25
Ústav aplikované mechaniky Brno, s.r.o.	CZ	100.00	248	–	248	–
ÚJV Řež, a. s.	CZ	52.46	185	–	185	–
LOMY MOŘINA spol. s r.o.	CZ	51.05	133	–	133	4
CEZ Deutschland GmbH	DE	100.00	119	–	167	–
ČEZ Obnovitelné zdroje, s.r.o.	CZ	100.00	78	–	78	–
CEZ Hungary Ltd.	HU	100.00	61	–	–	–
VLTAVOŤYNSKÁ TEPLÁRENSKÁ a.s.	CZ	41.87	55	–	55	–
OSC, a.s.	CZ	93.25	54	–	13	–
ČEZ Korporátní služby, s.r.o. ²⁾	CZ	–	–	–	3,931	–
Elektrárna Dětmarovice, a.s.	CZ	100.00	–	–	400	–
Other			89	522	81	1,802
Total financial assets at cost			110,856	7,610	122,817	10,892
Inven Capital, SICAV, a.s., ČEZ sub-fund	CZ	99.81	4,187	–	2,511	–
Veolia Energie ČR, a.s.	CZ	15.00	599	–	1,394	–
Total financial assets at fair value			4,786	–	3,905	–
Total			115,642	7,610	126,722	10,892

¹⁾ Equity interest is equal to voting rights as at December 31, 2021.

²⁾ The company ČEZ Korporátní služby, s.r.o., merged with the succession company ČEZ, a. s., with the legal effective date of January 1, 2021.

Used country shortcuts: CZ – Czech Republic, DE – Germany, HU – Hungary, NL – Netherlands.

Movements in investments in share on subsidiaries, associates and joint-ventures at amortized costs in 2021 and 2020 were as follows (in CZK millions):

Net investments at January 1, 2021	122,817
Additions – newly acquired companies:	
CEZ Finance B.V.	7
Additions – cash and non-monetary contributions to equity:	
CEZ Holdings B.V.	2,078
ČEZ ESCO, a.s.	1,025
Elektrárna Dětmarovice, a.s.	700
ČEZ ICT Services, a. s.	450
Elektrárna Dukovany II, a. s.	368
Energotrans, a.s.	287
Other	147
Additions – merger:	
ČEZ OZ uzavřený investiční fond a.s.	2
Total additions	5,064
Decreases – decrease of equity with payment:	
ČEZ OZ uzavřený investiční fond a.s.	(876)
Decreases – merger:	
ČEZ Korporátní služby, s.r.o.	(3,931)
Total decreases	(4,807)
Impairment provisions – additions (see Note 30):	
Energotrans, a.s.	(4,648)
CEZ Holdings B.V.	(4,188)
Severočeské doly a.s.	(2,574)
Elektrárna Dětmarovice, a.s.	(1,100)
Other	(187)
Impairment provisions – reversals (see Note 30):	
CEZ Bulgarian Investments B.V.	238
ČEZ ICT Services, a. s.	155
Other	86
Total impairment provisions	(12,218)
Net investments at December 31, 2021	110,856

Net investments at January 1, 2020	149,883
Additions – newly acquired companies:	
Ústav aplikované mechaniky Brno, s.r.o.	248
Additions – cash and non-monetary contributions to equity:	
CEZ Holdings B.V.	1,986
ČEZ ESCO, a.s.	1,548
Energotrans, a.s.	1,106
Elektrárna Dukovany II, a. s.	316
Other	275
Total additions	5,479
Decreases – decrease of equity with payment:	
ČEZ OZ uzavřený investiční fond a.s.	(511)
LOMY MOŘINA spol. s r.o.	(36)
Decreases – sale:	
Elektrárna Počeradý, a.s.	(1,280)
ŠKODA PRAHA a.s.	(808)
Decreases – non-monetary contribution of the investment in subsidiary:	
ČEZ Asset Holding, a. s.	(9)
Decreases – reclassification to assets held for sale:	
Shares in Romanian companies	(26,514)
CEZ Towarowy Dom Maklerski sp. z o.o.	(41)
Total decreases	(29,199)
Impairment provisions – additions (see Note 30):	
Energotrans, a.s.	(1,361)
Tomis Team S.A.	(756)
Distributie Energie Oltenia S.A.	(537)
Elektrárna Dětmarovice, a.s.	(371)
Other	(196)
Impairment provisions – reclassification:	
Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	(125)
Total impairment provisions	(3,346)
Net investments at December 31, 2020	122,817

Sale of 100% Share in Subsidiary Elektrárna Počerady in 2020

On October 22, 2020, a share purchase agreement was signed for the sale of 100% share in subsidiary Elektrárna Počerady, a.s., (hereinafter EPC) to the company Vršanská uhelná a.s. The closing date of the transaction was on December 31, 2020 after the prior approval of Office for the Protection of Competition. At the same time this canceled the previous arrangement for the sale of a 100% share in EPC, which has already been concluded between the parties with the date of realization of January 2, 2024 for a purchase price CZK 2.0 billion. According to the new agreement the initial purchase price amounts to CZK 2.5 billion and is due on November 30, 2023.

The transaction includes an agreement between the parties to terminate the existing contract for the purchase of coal from the company Vršanská uhelná a.s., under which the company ČEZ, a. s., was obliged to purchase 5 million tons of coal per year by the end of 2023, and conclusion of a new contract for the purchase of 5 TWh of electricity per year by ČEZ, a. s., from subsidiary of the Vršanská uhelná group for the period from January 1, 2021 to December 31, 2023 for a fixed price of CZK 700/MWh plus the cost for the emission right required for the supply of 1 MWh of electricity.

The present value of the total contractual transaction price including adjustments to take into account the amount of working capital as at the closing date is CZK 8,861 million. The part of the transaction price attributable to the sale of shares is CZK 7,056 million, the remaining value of CZK 1,805 million corresponds to the fair value of the terminated contract for the purchase of coal and the new contract for the purchase of electricity. Part of the total transaction price in the amount of CZK 4,500 million was settled as of the closing date of the transaction by offsetting part of receivables from the sale and liabilities arising from Group's cashpooling.

In connection with the realization of this transaction, the contracts for the sale of electricity and purchase of emission rights, concluded in the past as cash-flow hedge for EPC operations for years 2021 to 2023 (so-called "own-use" contracts and hedging contracts abroad), were reclassified to derivatives, respectively hedge accounting was terminated, because future sales of electricity from the Company's own generation is no longer probable. The corresponding amounts of the hedge accounting were transferred from the other comprehensive income to the income statement. The current contracts for the supply of coal from the company Vršanská uhelná a.s., (originally an "own use" contract where the physical delivery for the needs of the Company was assumed, therefore such a contract was not within the scope of IFRS 9) was prematurely terminated by this transaction with financial settlement included in the total transaction price and for this reason the fair value of this contract was recognized in the income statement.

The total impact of the transaction on the income statement is given in the following table (in CZK million):

Statement of income line	Description	Impact in 2020
Gains and losses from commodity derivative trading	Termination of hedging including reclassification of "own-use" into derivatives	1,274
Gains and losses from commodity derivative trading	Reclassification of a contract for the purchase of coal into derivatives	(1,760)
Income before other income (expenses) and income taxes		(486)
Other financial income	Revenue from sale of shares	7,056
Other financial income	Cost of derecognition from consolidation	(1,280)
Income before income taxes		5,290
Income taxes		435
Net income		5,725

6. Intangible Assets, Net

Intangible assets, net, at December 31, 2021 and 2020 is as follows (in CZK millions):

	Software	Rights and other	Intangibles in progress	Emission rights	Total
Cost at January 1, 2021	2,248	1,703	417	2,259	6,627
Additions	-	-	256	-	256
Disposals	(61)	(35)	-	-	(96)
Bring to use	130	17	(147)	-	-
Effect of merger and other	4	(417)	-	(2,099)	(2,512)
Cost at December 31, 2021	2,321	1,268	526	160	4,275
Accumulated amortization at January 1, 2021	(2,067)	(1,193)	-	-	(3,260)
Amortization	(51)	(9)	-	-	(60)
Disposals	61	35	-	-	96
Effect of merger	(4)	-	-	-	(4)
Accumulated amortization at December 31, 2021	(2,061)	(1,167)	-	-	(3,228)
Net intangible assets at December 31, 2021	260	101	526	160	1,047

	Software	Rights and other	Intangibles in progress	Emission rights	Total
Cost at January 1, 2020	2,239	1,260	365	8,332	12,196
Additions	-	459	157	451	1,067
Disposals	(32)	(2)	(25)	-	(59)
Bring to use	53	27	(80)	-	-
Reclassification and other	(12)	(41)	-	(6,524)	(6,577)
Cost at December 31, 2020	2,248	1,703	417	2,259	6,627
Accumulated amortization at January 1, 2020	(2,005)	(1,177)	-	-	(3,182)
Amortization	(106)	(18)	-	-	(124)
Disposals	32	2	-	-	34
Non-monetary contribution	12	-	-	-	12
Accumulated amortization at December 31, 2020	(2,067)	(1,193)	-	-	(3,260)
Net intangible assets at December 31, 2020	181	510	417	2,259	3,367

Research and development costs, net of grants and subsidies received, that are not eligible for capitalization have been expensed in the period incurred and amounted to CZK 314 million and CZK 320 million in 2021 and 2020, respectively.

7. Investment Properties, Net

Investment properties, net at December 31, 2021 is as follows (in CZK millions):

	Buildings	Land	Construction work in progress	Total
Cost at January 1, 2021	-	-	-	-
Additions	-	-	13	13
Disposals	(3)	-	-	(3)
Bring into use	11	-	(11)	-
Effect of merger	741	44	1	786
Cost at December 31, 2021	749	44	3	796
Accumulated depreciation at January 1, 2021	-	-	-	-
Depreciation	(14)	-	-	(14)
Net book value of asset disposed	(1)	-	-	(1)
Disposals	3	-	-	3
Effect of merger	(399)	(3)	-	(402)
Impairment losses recognized	(1)	-	-	(1)
Impairment losses reversed	24	1	-	25
Accumulated depreciation at December 31, 2021	(388)	(2)	-	(390)
Investment properties, net at December 31, 2021	361	42	3	406

In December 2021, the most significant investments properties were subject to an expert assessment in order to determine their fair value. Considering the current situation on the real estate market, it was determined using the income method that the fair value of the assessed investments as at December 31, 2021 is CZK 88 million higher compared to their book value. Therefore, the best estimate of the fair value of investment property is CZK 494 million as at December 31, 2021.

Investment properties mainly represent investments in buildings and land, where an insignificant part is used by the Company in the ordinary course of business, whereas these assets are leased to the Group's companies.

The following are the amounts that are recognized in profit or loss (in CZK millions):

	2021
Rental income from investment properties	53
Direct operating expenses (including repairs and maintenance) related to investment properties generating rental	(34)
Total profit arising from investment properties	19

8. Cash and Cash Equivalents, Net

The overview of cash and cash equivalents, net at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
Cash on hand and current accounts with banks	20,807	1,009
Allowance	(3)	-
Total	20,804	1,009

At December 31, 2021 and 2020, cash and cash equivalents included balances in foreign currencies in the amount of CZK 20,009 million and CZK 780 million, respectively.

For the years 2021 and 2020, the weighted average interest rate was 0.4% and 0.5%, respectively.

9. Trade Receivables, Net

The overview of trade receivables, net at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
Trade receivables	136,212	58,657
Allowance	(173)	(156)
Total	136,039	58,501

The information about receivables from related parties is included in Note 34.

At December 31, 2021 and 2020, the ageing analysis of trade receivables, net was as follows (in CZK millions):

	2021	2020
Not past due	135,987	58,407
Past due:		
less than 3 months	48	79
3–6 months	1	7
6–12 months	3	8
Total	136,039	58,501

Receivables include impairment allowance based on the collective assessment of impairment of receivables that are not individually significant.

The overview of movements in allowance for doubtful receivables was as follows (in CZK millions):

	2021	2020
Balance at January 1	(156)	(166)
Additions	(75)	(43)
Reversals	63	39
Derecognition of impaired receivables	-	13
Non-monetary contribution and merger	(7)	3
Currency translation difference	2	(2)
Balance at December 31	(173)	(156)

10. Emission Rights

The following table summarizes the movements in the quantity (in thousand tons) and book value of emission rights and credits held by the Company during 2021 and 2020 (in CZK millions):

	2021		2020	
	in thousands tons	in CZK millions	in thousands tons	in CZK millions
Emission rights for own use:				
Emission rights for own use at January 1	25,867	11,736	47,503	18,650
Emission rights granted	130	-	1,749	-
Settlement with register	(11,482)	(4,586)	(19,568)	(5,155)
Return of part of the grant for 2020	(18)	(7)	-	-
Emission rights purchased	1,812	1,160	8,718	3,211
Emission rights sold	-	-	(8,493)	(2,911)
Emission rights reclassification ¹⁾	-	-	(2,977)	(1,657)
Non-monetary contribution in Energotrans, a.s.	-	-	(1,065)	(402)
Emission rights for own use at December 31	16,309	8,303	25,867	11,736
Thereof:				
Long-term	501	160	4,553	2,259
Short-term	15,808	8,143	21,314	9,477
Emission rights and credits held for trading:				
Emission rights and credits held for trading at January 1	29,069	24,846	22,496	14,008
Emission rights purchased	141,665	178,309	152,835	98,810
Aviation emission rights purchased	479	668	-	-
Emission rights reclassification ¹⁾	-	-	2,977	1,657
Emission rights sold	(168,314)	(246,927)	(149,408)	(102,742)
Emission credits purchased	162	2	231	13
Emission credits sold and disposed	(16)	-	(62)	(12)
Fair value adjustment	-	49,151	-	13,112
Emission rights and credits held for trading at December 31	3,045	6,049	29,069	24,846

¹⁾ The reclassification is related to the sale of the investment in the company Elektrárna Počerady, a.s.

At December 31, 2021 and 2020, emission rights for own use and held for trading amounted to CZK 14,192 million and CZK 34,323 million, respectively and are presented in current assets in the line Emission rights. Non-current emission rights for own use are presented as part of the intangible assets (see Note 6).

In 2021 and 2020, total emissions of greenhouse gases made by the Company amounted to an equivalent of 12,521 thousand tons and 13,081 thousand tons of CO₂, respectively. At December 31, 2021 and 2020, the Company recognized a provision for CO₂ emissions in total amount of CZK 5,448 million and CZK 4,592 million, respectively (see Notes 2.11 and 17). As at October 1, 2020, part of the business unit "Elektrárna Mělník" was invested in equity of Energotrans, a.s. The business unit part "Elektrárna Mělník" emitted 1,065 thousand tons for the period 1-9/2020, the subject of the non-monetary contribution were the emission rights corresponding to the emitted emissions.

11. Other Current Assets, Net

Other current assets, net at December 31, 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Prepayments	618	457
Taxes and fees, except income tax	929	748
Advances paid	865	995
Accruals	1,729	587
Total	4,141	2,787

12. Assets Classified as Held for Sale, Net

On June 20, 2019, an agreement was signed with Eurohold Bulgaria AD on the sale of shares in the Bulgarian companies CEZ Razpredelenie Bulgaria AD (including its share in CEZ ICT Bulgaria EAD), CEZ Trade Bulgaria EAD, CEZ Bulgaria EAD, CEZ Elektro Bulgaria AD, Free Energy Project Oreshets EAD and Bara Group EOOD. The sellers for CEZ Group are ČEZ, a. s., and CEZ Bulgarian Investments B.V. On October 29, 2020, the Bulgarian anti-trust authority approved the transaction for the sale of Bulgarian assets held for sale to Eurohold Bulgaria AD. The Bulgarian Energy Regulatory Authority approved the transaction on January 19, 2021. On July 27, 2021, a transaction of sale of Bulgarian assets was settled between the Group and Eurohold Bulgaria AD. The sale price for all the Group's shares in Bulgarian companies in the amount of EUR 335 million was repaid and the Group transferred control of the sold subsidiaries. As part of the transaction, the Group's outstanding loans provided to the sold Bulgarian companies were transferred.

On October 22, 2020, a share purchase agreement was concluded for the sale of the interests in Romanian companies Distribuție Energie Oltenia S.A., CEZ Vanzare S.A., CEZ Romania S.A. (including its interest in TMK Hydroenergy Power S.R.L.), Tomis Team S.A. (including its interest in M.W. Team Invest S.R.L.) and Ovidiu Development S.A. The sellers for CEZ Group are ČEZ, a. s., and CEZ Holdings B.V. On December 23, 2020, the buyer received the approval of the transaction granted by the European anti-trust authorities (Directorate-General for Competition) and on January 5, 2021, the transaction was also approved by the Romanian Supreme Council of National Defence (Consiliul Suprem de Apărare a Țării). Total selling price for the respective interests in the companies is stated in EUR as of December 31, 2019 (so called "locked-box date") and it bore interest 2% p. a. The transaction was settled on March 31, 2021. The total sale price for the shares in the Romanian companies was paid in full and the Group transferred control of the sold subsidiaries.

The following table summarizes total cash flows related to the proceeds from the sale of subsidiaries, associates and joint-ventures and the repayments of original investments at December 31, 2021 and 2020 (in CZK millions):

	2021	2020
Cash received from sale of shares in Romanian companies	24,641	-
Cash received from sale of shares in Bulgarian companies and from the transfer of loans provided	9,526	-
Cash received from sale of share in company Elektrárna Počerady, a.s. (see Note 5)	672	-
Cash received from other sales	454	142
Repayments of original investments	914	577
Total cash flow	36,207	719

The Company does not report any assets held for sale at December 31, 2021. The assets classified as held for sale, net for the comparable period at December 31, 2020 are as follows (in CZK millions):

	2020
CEZ Razpredelenie Bulgaria AD	6,529
Other Bulgarian companies	11
Shares in Bulgarian companies	6,540
Distribuție Energie Oltenia S.A.	10,027
Tomis Team S.A.	8,265
Ovidiu Development S.A.	5,492
CEZ Vanzare S.A.	759
CEZ Romania S.A.	85
Shares in Romanian companies	24,628
Other	41
Assets classified as held for sale	31,209

13. Equity

The Company's stated capital registered in the Commercial Register is CZK 53,798,975,900 as at December 31, 2021 and 2020. It consists of 537,989,759 shares with a par value of CZK 100. All shares are fully paid; they are dematerialized, bearer, quoted shares. They are common shares to which no special rights are attached.

Movements of treasury shares in 2021 and 2020 (in pieces):

	2021	2020
Number of treasury shares at beginning of period	2,516,240	2,551,240
Sales of treasury shares	(1,257,891)	(35,000)
Number of treasury shares at end of period	1,258,349	2,516,240

Treasury shares are recognized at cost in the balance sheet as an item reducing equity.

The payment of dividends of CZK 52 and CZK 34 per share, before tax, was approved in 2021 and 2020, respectively. Dividends for 2021 will be approved at the Company's shareholders' meeting that will be held in the first half of 2022.

Capital Structure Management

The primary objective of the Company's capital structure management is to maintain its credit rating at an investment grade and a level that is standard in the sector and to maintain a healthy ratio of equity to borrowed capital to support the Group's business and maximize value for shareholders. The Company monitors its capital structure and makes adjustments to it with a view to changes in the business environment.

The Company primarily monitors its capital structure using the net debt-to-EBITDA ratio. Considering the current structure and stability of its cash flows and its development strategy, the Group aims to keep the ratio at 2.5–3.0. The Company also monitors its capital structure using the total debt-to-total capital ratio. The Company aims to keep the ratio below 50% in the long term.

EBITDA comprises earnings before taxes and other expenses and revenues plus depreciation and amortization and impairment of property, plant, and equipment and intangible assets less gain (or plus loss) from sales of property, plant, and equipment.

Total debt comprises long-term debt including the current portion and short-term borrowings. Net debt represents total debt less cash and cash equivalents and highly liquid financial assets. For the purposes of capital structure management, highly liquid financial assets comprise short-term and long-term debt financial assets and short-term and long-term deposits. Total capital is equity attributable to parent company shareholders plus total debt. These calculations always include items relating to assets held for sale, which are reported separately in the balance sheet.

The calculation and evaluation of the ratios is done using consolidated figures (in CZK millions):

	2021	2020
Total long-term debt	112,571	150,843
Total short-term loans	25,310	984
Total long-term debt associated with assets held for sale	-	4,683
Total short-term loans associated with assets held for sale	-	37
Total debt	137,881	156,547
Less:		
Cash and cash equivalents	(26,640)	(6,064)
Cash and cash equivalents classified as held for sale	-	(4,105)
Highly liquid financial assets:		
Current debt financial assets	(499)	(111)
Non-current debt financial assets	-	-
Current term deposits	-	(2,755)
Total net debt	110,742	143,512
Income before income taxes and other income (expenses)	16,098	12,585
Depreciation and amortization	31,628	28,284
Impairment of property, plant and equipment and intangible assets	15,799	24,062
Gains and losses on sale of property, plant and equipment	(285)	(148)
EBITDA	63,240	64,783
Total equity attributable to equity holders of the parent	161,098	233,871
Total debt	137,881	156,547
Total capital	298,979	390,418
Net debt to EBITDA ratio	1.75	2.22
Total debt to total capital ratio	46.1%	40.1%

14. Long-term Debt

The overview of long-term debt at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
3.005% Eurobonds, due 2038 (JPY 12,000 million)	2,302	2,505
2.845% Eurobonds, due 2039 (JPY 8,000 million)	1,536	1,671
5.000% Eurobonds, due 2021 (EUR 541 million) ¹⁾	-	19,872
4.875% Eurobonds, due 2025 (EUR 750 million)	19,263	20,328
2.160% Eurobonds, due in 2023 (JPY 11,500 million)	2,210	2,405
4.600% Eurobonds, due in 2023 (CZK 1,250 million)	1,288	1,288
2.150%*IR CPI Eurobonds, due 2021 (EUR 100 million) ²⁾	-	2,688
4.102% Eurobonds, due 2021 (EUR 50 million)	-	1,315
4.375% Eurobonds, due 2042 (EUR 50 million)	1,246	1,314
4.500% Eurobonds, due 2047 (EUR 50 million)	1,243	1,312
4.383% Eurobonds, due 2047 (EUR 80 million)	2,017	2,130
3.000% Eurobonds, due 2028 (EUR 725 million)	18,627	19,713
0.875% Eurobonds, due 2022 (EUR 269 million) ³⁾	6,692	13,106
0.875% Eurobonds, due 2026 (EUR 750 million)	18,502	19,499
4.250% U.S. bonds, due 2022 (USD 266 million) ⁴⁾	5,897	6,226
5.625% U.S. bonds, due 2042 (USD 300 million)	6,621	6,448
4.500% Registered bonds, due 2030 (EUR 40 million)	987	1,040
4.750% Registered bonds, due 2023 (EUR 40 million)	1,036	1,092
4.700% Registered bonds, due 2032 (EUR 40 million)	1,026	1,083
4.270% Registered bonds, due 2047 (EUR 61 million)	1,500	1,583
3.550% Registered bonds, due 2038 (EUR 30 million)	764	806
Total bonds and debentures	92,757	127,424
Less: Current portion	(13,911)	(25,339)
Bonds and debentures, net of current portion	78,846	102,085
Long-term bank loans and lease liabilities:		
Less than 2% p. a.	10,600	13,383
2.00 to 2.99% p. a.	748	409
3.00 to 3.99% p. a.	59	174
4.00 to 4.99% p. a.	24	42
5.00 to 5.99% p. a.	-	11
Total long-term bank loans and lease liabilities	11,431	14,019
Less: Current portion	(1,088)	(2,175)
Long-term bank loans and lease liabilities, net of current portion	10,343	11,844
Total long-term debt	104,188	141,443
Less: Current portion	(14,999)	(27,514)
Total long-term debt, net of current portion	89,189	113,929

¹⁾ In April 2021, the original nominal value of the issue (EUR 750 million) was reduced by bond buyback in a nominal value of EUR 209 million. The remaining value of the issue (EUR 541 million) was repaid on the expiration date in October 2021.

²⁾ The interest rate was based on inflation realized in Eurozone Countries (Harmonized Index of Consumer Prices – HICP) and was fixed through the closed swap to the rate 4.553% p. a.

³⁾ In April 2021, the original nominal value of the issue (EUR 500 million) was reduced by bond buyback in a nominal value of EUR 231 million.

⁴⁾ In April and May 2021, the original nominal value of the issue (USD 289 million) was reduced by bond buyback in a nominal value of USD 23 million.

The interest rates indicated above are historical rates for fixed rate debt and current market rates for floating rate debt. The actual interest payments are affected by interest rate risk hedging carried out by the Company.

All long-term debt is recognized in original currencies while the related hedging derivatives are recognized using the method described in Note 2.13.

Future maturities of long-term debt are as follows (in CZK millions):

	2021	2020
Current portion	14,999	27,514
Between 1 year and 2 years	5,456	20,763
Between 2 and 3 years	1,569	6,109
Between 3 and 4 years	20,104	2,000
Between 4 and 5 years	19,800	21,176
Thereafter	42,260	63,881
Total long-term debt	104,188	141,443

The following table analyses long-term debt by currency (in millions):

	2021		2020	
	Foreign currency	CZK	Foreign currency	CZK
EUR	3,382	84,066	4,582	120,267
USD	570	12,518	593	12,674
JPY	31,722	6,048	31,719	6,581
CZK		1,556		1,921
Total long-term debt		104,188		141,443

Long-term debt exposes the Company to interest rate risk. The following table summarizes long-term debt by contractual reprising dates of interest rates at December 31, 2021 and 2020, without considering interest rate hedging (in CZK millions):

	2021	2020
Floating rate long-term debt with interest rate fixed from 3 months to 1 year	4,719	6,693
Fixed rate long-term debt	99,469	134,750
Total long-term debt	104,188	141,443

Fixed rate long-term debt exposes the Company to the risk of changes in fair values of these financial instruments. For related fair value information and risk management policies of all financial instruments see Notes 15 and 16.

The following table analyses changes in liabilities and receivables arising from financing activities in 2021 and 2020 (in CZK millions):

	Debt	Other long-term financial liabilities	Other short-term financial liabilities	Other current financial assets, net	Total liabilities / assets from financing activities
Amount at December 31, 2019	162,727	8,216	99,954	(75,602)	
Less: Liabilities / assets from other than financing activities	-	8,110	67,013	(72,030)	
Liabilities / assets from financing activities at January 1, 2020	162,727	106	32,941	(3,572)	192,202
Cash flows	(20,946)	-	(8,711)	1,454	(28,203)
Additions of leases	164	-	-	-	164
Foreign exchange movement	(1,182)	-	73	-	(1,109)
Changes in fair values	5,106	-	-	-	5,106
Early termination of lease liabilities ¹⁾	(3,277)	-	-	-	(3,277)
Declared dividends	-	-	18,163	-	18,163
Reclassification	-	(55)	55	-	-
Other ²⁾	(349)	-	(91)	3	(437)
Liabilities / assets from financing at December 31, 2020	142,243	51	42,430	(2,115)	182,609
Liabilities / assets arising from other than financing activities	-	8,677	65,153	(74,861)	
Total amount on balance sheet at December 31, 2020	142,243	8,728	107,583	(76,976)	
Less: Liabilities / assets from other than financing activities	-	8,677	65,153	(74,861)	
Liabilities / assets arising from financing activities at January 1, 2021	142,243	51	42,430	(2,115)	182,609
Cash flows	(6,738)	-	(26,034)	(2,962)	(35,734)
Additions of leases and early termination	139	-	-	-	139
Foreign exchange movement	(1,222)	(1)	(185)	-	(1,408)
Changes in fair values	(4,615)	-	-	-	(4,615)
Effect of merger	(211)	9	(594)	-	(796)
Declared dividends	-	-	27,873	-	27,873
Reclassification ³⁾	-	(46)	(7,443)	-	(7,489)
Other ²⁾	(293)	301	6	(5)	9
Liabilities / assets from financing at December 31, 2021	129,303	314	36,053	(5,082)	160,588
Liabilities / assets arising from other than financing activities	-	33,859	605,796	(510,353)	
Total amount on balance sheet at December 31, 2021	129,303	34,173	641,849	515,435	

¹⁾ In 2020, the energy rework contract with the company Elektrárna Počerady, a.s., was terminated (following the signing of an agreement on the sale of investment in the company Elektrárna Počerady, a.s.), which corresponds to a reduction in leasing liabilities in the amount of CZK (3,225) million.

²⁾ The item Other includes accrued interest, transfer of interest paid on leasing to operating activities and non-cash additions and decreases of liabilities.

³⁾ The item Reclassification includes the disconnection of Elektrárna Počerady, a.s., from Group cashpooling in the amount of CZK 7,495 million and subsequent set-off with the receivable from the sale of ownership interest in Elektrárna Počerady, a.s.

The column Debt consists of balance sheet items Long-term debt, net of current portion, Current portion of long-term debt and Short-term loans. In terms of financing activities, item Other long-term financial liabilities consists of long-term payables, which have the financing character, item Other short-term financial liabilities consists of dividend payables, payables from Group cashpooling and other short-term financial payables including current portion of long-term financial liability, item Other current financial assets, net consists of receivables from Group cashpooling and advanced payments to dividend administrator.

15. Fair Value of Financial Instruments

Fair value is defined as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction, which excludes a forced or liquidation sale. Fair value is determined as a quoted market price or a value obtained on the basis of discounted cash flow models or option pricing models.

The Company uses the following methods and assumptions to determine the fair value of each class of financial instruments:

Cash, Cash Equivalents and Short-term Investments

The fair value of cash and other current financial assets is deemed to be the carrying amount due to their relatively short maturity.

Securities Held for Trading

The fair value of current equity and debt securities held for trading is based on their market price.

Non-current Debt and Equity Financial Assets

The fair value of non-current debt and equity financial assets that are publicly traded in an active market is based on their quoted market price. The fair value of non-current and equity financial assets that are not publicly traded in an active market is determined using appropriate valuation techniques.

Short-term Receivables and Payables

The fair value of receivables and payables is deemed to be the carrying amount due to their relatively short maturity.

Short-term Borrowings

The fair value of these financial instruments corresponds to the carrying amount due to their short maturity.

Long-term Debt

The fair value of long-term debt is deemed to be the market value of identical or similar instruments, or the measurement is based on current interest rates on debt with the same maturity. The fair value of long-term debt with a variable interest rate is deemed to be the carrying amount.

Derivatives

The fair value of derivatives corresponds to their market value.

The overview of carrying amounts and the estimated fair values of financial assets (except for derivatives) at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets at amortized cost:				
Loans granted	25,026	24,037	26,444	26,941
Receivables from the sale of subsidiaries	2,410	2,410	2,360	2,360
Other financial receivables	915	915	582	582
Non-current assets at fair value through other comprehensive income:				
Restricted debt securities	12,922	12,922	13,737	13,737
Equity financial assets	599	599	1,394	1,394
Non-current assets at fair value through profit or loss:				
Equity financial assets	4,187	4,187	2,511	2,511
Current assets at fair value through other comprehensive income:				
Debt financial assets	499	499	-	-
Current assets at amortized cost:				
Loans granted	8,418	8,418	12,332	12,332
Term deposits	-	-	2,755	2,755
Receivables from the sale of subsidiaries	-	-	2,415	2,415
Other financial receivables	5,120	5,120	2,151	2,151

The overview of carrying amounts and the estimated fair values of financial liabilities (except for derivatives) at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term debt	(104,188)	(115,036)	(141,443)	(154,579)
Other long-term financial liabilities	(314)	(314)	(63)	(63)
Short-term loans	(25,115)	(25,115)	(800)	(800)
Other short-term financial liabilities	(36,053)	(36,053)	(34,936)	(34,936)

The overview of carrying amounts and the estimated fair values of derivatives at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Cash flow hedges:				
Short-term receivables	883	883	284	284
Long-term receivables	3,347	3,347	2,864	2,864
Short-term liabilities	(49,287)	(49,287)	(292)	(292)
Long-term liabilities	(33,253)	(33,253)	(7,776)	(7,776)
Commodity derivatives:				
Short-term receivables	499,982	499,982	56,203	56,203
Short-term liabilities	(556,026)	(556,026)	(71,766)	(71,766)
Other derivatives:				
Short-term receivables	586	586	836	836
Long-term receivables	240	240	208	208
Short-term liabilities	(483)	(483)	(589)	(589)
Long-term liabilities	(606)	(606)	(889)	(889)

15.1. Fair Value Hierarchy

The Company uses and discloses financial instruments with the following structure according to the manner in which the fair value is determined:

Level 1: Measured at fair value using the market prices of identical assets and liabilities quoted in active markets.

Level 2: Measured at fair value using methods under which significant inputs are directly or indirectly derived from data observable in active markets.

Level 3: Measured at fair value using methods under which significant inputs are not derived from data observable in active markets.

For assets and liabilities that occur regularly or repeatedly in financial statements, the Company reviews categorization in levels of the fair value hierarchy (according to the lowest input level that is significant to the measurement of fair value as a whole) at the end of each reporting period to determine whether there have been any transfers between levels of the fair value hierarchy.

There were no transfers between levels of financial instruments measured at fair value in 2021 and 2020.

As at December 31, 2021, the fair value hierarchy was the following (in CZK millions):

Assets measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	499,982	48,079	448,776	3,127
Cash flow hedges	4,230	100	4,130	-
Other derivatives	826	-	826	-
Restricted debt securities	12,922	12,922	-	-
Debt financial assets at fair value through other comprehensive income	499	499	-	-
Equity financial assets at fair value through other comprehensive income	599	-	-	599
Equity financial assets at fair value through profit or loss	4,187	-	-	4,187

Liabilities measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	(556,026)	(24,715)	(531,311)	-
Cash flow hedges	(82,540)	(22,744)	(59,796)	-
Other derivatives	(1,089)	-	(1,089)	-

Assets and liabilities for which fair value is disclosed:	Total	Level 1	Level 2	Level 3
Loans granted	32,455	-	32,455	-
Term deposits	-	-	-	-
Receivables from the sale of subsidiaries	2,410	-	2,410	-
Other financial receivables	6,035	-	6,035	-
Long-term debt	(115,036)	(98,088)	(16,948)	-
Short-term loans	(25,115)	-	(25,115)	-
Other financial liabilities	(36,367)	-	(36,367)	-

As at December 31, 2020, the fair value hierarchy was the following (in CZK millions):

Assets measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	56,203	3,813	52,390	-
Cash flow hedges	3,148	38	3,110	-
Other derivatives	1,044	-	1,044	-
Restricted debt securities	13,737	13,737	-	-
Equity financial assets at fair value through other comprehensive income	1,394	-	-	1,394
Equity financial assets at fair value through profit or loss	2,511	-	-	2,511

Liabilities measured at fair value:	Total	Level 1	Level 2	Level 3
Commodity derivatives	(71,766)	(4,116)	(67,650)	-
Cash flow hedges	(8,068)	(1,272)	(6,796)	-
Other derivatives	(1,478)	-	(1,478)	-

Assets and liabilities for which fair value is disclosed:	Total	Level 1	Level 2	Level 3
Loans granted	39,273	-	39,273	-
Term deposits	2,755	-	2,755	-
Receivables from the sale of subsidiaries	4,775	-	4,775	-
Other financial receivables	2,733	-	2,733	-
Long-term debt	(154,579)	(114,370)	(40,209)	-
Short-term loans	(800)	-	(800)	-
Other financial liabilities	(34,999)	-	(34,999)	-

The Company negotiates derivative financial instruments with various counterparties, especially large groups operating in the energy sector and large financial institutions with high credit ratings. Derivatives that are measured by means of techniques using market inputs include, in particular, commodity forward and futures contracts, foreign exchange forward contracts, interest rate swaps, and options. The most frequently applied valuation methods use commodity price curves, swap models, present value calculations, and option pricing models (e.g., Black-Scholes, Black-76). The models use various inputs including the forward curves of underlying commodities, foreign exchange spot and forward rates, and interest rate curves.

The following table shows roll forward of the financial assets measured at fair value – Level 3, for the years ended December 31, 2021 and 2020 (in CZK millions):

	Equity financial assets at fair value through profit or loss	Equity financial assets at fair value through other comprehensive income	Commodity derivatives
Balance at January 1, 2020	3,327	2,444	-
Disposals	(961)	-	-
Revaluation	145	(1,050)	-
Balance at December 31, 2020	2,511	1,394	-
Additions	1,000	-	-
Disposals	-	-	(1,604)
Revaluation	676	(795)	4,731
Balance at December 31, 2021	4,187	599	3,127

The most significant investment in the portfolio of Equity financial assets at fair value through other comprehensive income is a 15% interest in company Veolia Energie ČR, a.s. (see Note 5). The company's shares are not traded in any market. The fair value at December 31, 2021 and 2020 was determined using available public information on EBITDA and usual EBITDA multiples which corresponds to the purchase price of a 100% stake in a company in transactions observed in the market in the industry in question before adjustment for the amount of debt. The fair value at December 31, 2021 and 2020 was determined using 7 EBITDA multiple, 8 EBITDA multiple, respectively, as the best estimate of the fair value.

Equity financial assets at fair value through profit or loss include an investment in ČEZ's investment fund at Inven Capital, SICAV, a.s. (see Note 5). The fair value of the investment at December 31, 2021 and 2020 was determined by a valuation expert. The determination of fair value takes into consideration, in particular, capital contributions and other forms of funding recently provided by co-investors. In addition, the measurement takes into account future development and any subsequent significant events, such as received offers to buy a share.

Commodity derivatives measured at fair value in level 3 include cross-border electricity transmission rights (hereinafter referred to as "cross-border capacities"). Cross-border capacities are sold in auctions organized by auction offices covering transmission system operators or in auctions organized directly by transmission system operators. Cross-border capacities are not traded on an organized market. The fair value of cross-border capacities, which represents an estimate of the expected value of compensation for unused cross-border capacities, takes into account especially the acquisition price of purchased capacities and the forward prices of electricity in the respective countries.

15.2. Offsetting of Financial Instruments

The following table shows the recognized financial instruments that are offset, or subject to enforceable master netting agreement or other similar agreements but not offset, as of December 31, 2021 and 2020 (in CZK millions):

	2021		2020	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Derivatives	505,038	(639,655)	60,395	(81,312)
Other financial instruments ¹⁾	63,036	(65,965)	47,377	(43,332)
Collaterals paid (received) ²⁾	28,840	(9,352)	1,919	(2,452)
Gross financial assets / liabilities	596,914	(714,972)	109,691	(127,096)
Assets / liabilities set off under IAS 32	-	-	-	-
Amounts presented in the balance sheet	596,914	(714,972)	109,691	(127,096)
Effect of master netting agreements	(499,644)	499,644	(100,191)	100,191
Net amount after master netting agreements	97,270	(215,328)	9,500	(26,905)

¹⁾ Other financial instruments consist of invoices from derivative trading and are included in Trade receivables, net or Trade payables.

²⁾ Collaterals paid are included in Trade receivables, net and collaterals received are included in Trade payables.

The Company trades in derivatives under EFET and ISDA master agreements. The agreements allow mutual setoff of receivables and payables on early termination of contracts. The reason for early termination is the counterparty's insolvency or failure to fulfill agreed contract terms. All agreed contracts are settled financially on early termination. Their mutual setoff is either embedded in a contractual provision of the master agreements or results from the collateral provided. In addition, a CSA (Credit Support Annex) has been signed with several partners, defining the permitted limit of exposure between the partners. When the limit is exceeded, cash is transferred to reduce exposure below an agreed level. The deposited cash is also included in the final offset.

Short-term derivative assets are included in the balance sheet in Other current financial assets, net; long-term derivative assets are included in Other non-current financial assets, net; short-term derivative liabilities are included in Other current financial liabilities; and long-term derivative liabilities are included in Other non-current financial liabilities.

16. Financial Risk Management

Risk Management Approach

A risk management system is being successfully developed in order to protect the Group's value while taking the level of risk acceptable for the shareholders. In the Group, the risk is defined as a potential difference between the actual and the expected (planned) developments and is measured by means of the extent of such difference in CZK and the likelihood with which such a difference may occur.

A risk capital concept is applied within the Group. The concept allows the setting of basic cap for partial risk limits and, in particular, the unified quantification of all kinds of risks. The value of aggregate annual risk limit (Profit@Risk) is approved by the Board of Directors based on the Risk Management Committee proposal for every financial year. The proposed limit value is derived from historical volatility of profit, revenues and costs of the Group (the top-down method). The approved value in CZK is set on the basis of a 95% confidence level and expresses a maximum profit decrease, which is the Group willing to take in order to reach the planned annual profit.

The "Bottom-up" method is used for setting and updating the Risk frames. The Risk frames include the definition of risk and departments/units of the Group for which the frame is obligatory; definition of rules and responsibilities for risk management; permitted instruments and methods of risk management and actual risk limits, including a limit which expresses the share in the annual Profit@Risk limit.

The main Business Plan market risks are quantified in the Group (EBITDA@Risk based on MonteCarlo simulation in Y+1 to Y+5 horizon). The market risks are actively managed through gradual electricity sales and emission allowances' purchases in the following 6-year horizon, closed long-term contracts for electricity sale and emission allowances' purchase and the FX and IR risk hedging in medium-term horizon. In Business Plan horizon, the risk management is also based on Debt Capacity concept which enables to assess the impact of main Investment and other Activities (incl. the risk characteristics), on expected cash flow and total debt in order to maintain corporate rating. Since 2021, a new uniform Enterprise risk management scheme is adopted by the Group to be applied to all group-level significant risks. For this level of risks, the scheme integrates, across the process areas of the whole Group, all decentral risk management activities into one, uniform and centrally coordinated process of group-level significant risks management, with the use of the software tool.

Risk Management Organization

The supreme authority responsible for risk management in ČEZ, a. s., is the CFO, except for approval of the aggregate annual budget risk limit (Profit@Risk) within the competence of the ČEZ, a. s., Board of Directors. CFO decides, based on the recommendation of the Risk Management Committee, on the development of a system of risk management, on an overall allocation of risk capital to the individual risks and organizational units, he approves obligatory rules, responsibilities and limit structure for the management of partial risks.

The Risk Management Committee (advisory committee of CFO) continuously monitors an overall risk impact on the Group, including Group risk limits utilization, status of risks linked to Business Plan horizon, hedging strategies status, assessment of impact of Investment and other Activities on potential Group debt capacity and cash flow in order to maintain corporate rating. Since 2021, it also monitors overviews regarding new uniform Enterprise risk management scheme.

Overview and Methods of Risk Management

The Group applies a unified categorization of the Group's risks which reflects the specifics of a corporate, i.e., non-banking company, and focuses on primary causes of unexpected development. The risks are divided into four basic categories listed below.

1. Market risks	2. Credit risks	3. Operation risks	4. Business risks
1.1 Financial (FX, IR)	2.1 Counterparty default	3.1 Operating	4.1 Strategic
1.2 Commodity	2.2 Supplier default	3.2 Internal change	4.2 Political
1.3 Volumetric	2.3 Settlement	3.3 Liquidity management	4.3 Regulatory
1.4 Market liquidity		3.4 Security	4.4 Reputation

From the view of risk management, the Group activities can be divided into two basic groups:

- activities with the unified quantification of the share of respective activity in the aggregate risk limit of the Group (i.e., using specific likelihood, it is possible to objectively determine what risk is associated with an activity / planned profit). These risks are managed by the rules and limits set by the CFO of ČEZ, a. s., based on the recommendation of the Risk Management Committee and, concurrently, in accordance with governing documents of the respective units / processes of the Group;
- activities whose share in the aggregate risk limit of the Group has not been quantified so far or for objective reasons. These risks are managed by the responsible owners of the relevant processes in accordance with internal governing documents of the respective units / processes of the Group which are newly also subject to policies defined by new uniform Enterprise risk management scheme since 2021.

For all risks quantified on a unified basis, a partial risk limit is set whose continuous utilization is evaluated on a monthly basis and is usually defined as a sum of the actually expected deviation of expected annual profit from the plan and the potential risk of loss on a 95% confidence interval. The Group's methodologies and data provide for a unified quantification of the following risks:

- market risks: financial (currency, interest and stock price) risks, commodity prices (electricity, emission allowances, coal, gas, crude oil), volume (volume of electricity produced by wind power plants);
- credit risks: financial and business counterparty risk and electricity, gas and heat end customer risk;
- operational risks: risks of nuclear and fossil power plants operation, investment risks.

The development of quantified risks is reported to the Risk Management Committee every month through 3 regular reports:

- Annual budget risks (annual Profit@Risk limit utilization);
- Business plan risks (EBITDA@Risk based on MonteCarlo simulation);
- Debt capacity (actual deviation from the optimal debt within Y+5 horizon, derived from rating agency requirements on debt indicators in order to preserve the ČEZ rating).

16.1. Qualitative Description of ČEZ, a. s., Risks Associated with Financial Instruments

Commodity Risks

The development of electricity, emission allowances, coal and gas prices is a key risk factor of the ČEZ value. The current system of commodity risk management is focused on (i) the margin from the own electricity production sales, i.e., from trades resulting in optimizing the sales of ČEZ's production and in optimizing the emission allowances position for production (the potential risk is managed on the EaR, VaR and the EBITDA@Risk bases), and (ii) the margin from the proprietary trading of commodities (the potential risk is managed on the VaR basis).

Market Financial Risks (currency and interest risks)

The development of foreign exchange rates and interest rates is a significant risk factor of the ČEZ value. The current system of financial risk management is focused mainly on (i) the future cash flows and (ii) financial trades which are realized for the purposes of an overall risk position management in accordance with the risk limits (the potential risk is managed on the basis of VaR, EBITDA@Risk and complementary position limits). Own financial instruments (i.e., active and passive financial trades and derivative trades) are realized entirely in the context of an overall expected cash flows (including operational and investment foreign currency flows).

Credit Risks

Credit exposures of individual financial partners and wholesale partners are managed in accordance with individual credit limits. The individual limits are set and continuously updated according to the counterparty's credibility (in accordance with international rating and internal financial evaluation of counterparties with no international rating).

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Company's maximum exposure to credit risk to receivables and other financial instruments as at December 31, 2021 and 2020 is the carrying value of each class of financial assets except for financial guarantees.

In accordance with the credit risk methodology applied to the banking sector per Basel II, every month the expected and potential losses are quantified on a 95% confidence level. It means that the share of all the above credit risks in the aggregate annual Profit@Risk limit is quantified and evaluated.

Liquidity Risks

Liquidity risk is primarily perceived as an operational risk (risk of liquidity management) and a risk factor is the internal ability to effectively manage the future cash flows planning process and to secure the adequate liquidity and effective short-term financing (the risk is managed on a qualitative basis). The fundamental liquidity risk management (i.e., liquidity risk within the meaning for banking purposes) is covered by the risk management system as a whole. In any given period, the future deviations of the expected cash flows are managed in accordance with the aggregate risk limit and in the context of the actual and the targeted debt/equity ratio of ČEZ.

16.2. Quantitative Description of ČEZ, a. s., Risks Associated with Financial Instruments

Commodity Risks

The required quantitative information on risks (i.e., a potential change of market value resulting from the effects of risk factors as at December 31) was prepared based on the assumptions given below:

- the indicator of risk associated with financial instruments is defined as the monthly parametric VaR (95% confidence) which expresses a maximum potential decrease in fair value of contracts classified as derivatives under IFRS 9 (the underlying commodities in the Company's derivative transactions are: electricity, EUA emission rights, gas, coal ARA, Richards Bay, Newcastle and crude oil and crude oil products) on the given confidence level;
- highly probable forecasted future electricity generation sales with the delivery in the CZ power grid are included in the VaR calculation to reflect the hedging character of significant portion of the existing derivative sales of electricity with delivery in Germany;
- for the calculation of volatility and correlations (between commodity prices), the SMA (Simple Moving Average) method is applied to 60 daily time series;
- the source of market data is mainly EEX, PXE and ICE;
- the indicator VaR illustrates mainly the impact of revaluation of above-mentioned financial instruments to Income Statement.

Potential impact of the above risk factors as at December 31 (in CZK millions):

	2021	2020
Monthly VaR (95%) – impact of changes in commodity prices	11,320	5,635

Currency Risks

The required quantitative information on risks (i.e., a potential change of market value resulting from the effects of currency risk as at December 31) was prepared based on the assumptions given below:

- the indicator of currency risk is defined as the monthly VaR (95% confidence);
- for the calculation of VaR, based on volatility and internal correlations of each considered currency, the method of historical simulation VaR is applied to 90 daily historical time series;
- the relevant currency position is defined mainly as a value of foreign currency cash flows from all contracted financial instruments, from expected foreign currency operational revenues and costs in 2022 and from highly probable forecasted foreign currency revenues, costs or capital expenditures that are being hedged by financial instruments etc.;
- the relevant currency positions reflect all significant foreign-currency flows in the monitored basket of foreign currencies;
- the source of market FX and interest rate data is mainly IS Reuters and IS Bloomberg;
- the indicator VaR illustrates mainly the impact of revaluation of above-mentioned currency position to Income Statement.

Potential impact of the currency risk as at December 31 (in CZK millions):

	2021	2020
Monthly currency VaR (95% confidence)	437	231

Interest Risks

For the quantification of the potential impact of the interest risk was chosen the sensitivity of the interest revenue and cost to the parallel shift of yield curves. The approximate quantification as at December 31 was based on these assumptions:

- parallel shift of the yield curves (+10bp) was selected as the indicator of interest risk;
- the Income Statement sensitivity is measured as an annual change of the interest revenue and cost resulting from the interest-sensitive positions as at December 31;
- the considered interest positions reflect all significant interest-sensitive positions;
- the source of market interest rates is mainly IS Reuters and IS Bloomberg.

Potential impact of the interest rate risk as at December 31 (in CZK millions):

	2021	2020
IR sensitivity to parallel yield curve shift (+10bp)	1	1

Credit Exposure

The Company is exposed to credit risk on all financial assets presented in the balance sheet as well as credit risk from provided guarantees. Credit exposure from provided guarantees that are not included in the balance sheet, as at December 31 (in CZK millions):

	2021	2020
Guarantees provided to subsidiaries not recorded on balance sheet	8,059	3,767
Guarantees provided to joint-ventures not recorded on balance sheet	–	959
Total	8,059	4,726

Provided guarantees are, in particular, warranties for performed contracts and guarantees for bank loans and other liabilities of relevant companies. A beneficiary may only make a warranty claim under the conditions set out in the warranty document, usually following the nonpayment of an amount arising from the contract or on default. At present, companies whose obligations are covered by warranty meet their obligations. Warranties have various expiration dates; as at December 31, 2021 and 2020, the latest deadline for making a warranty claim is October 2053 and December 2030, respectively.

Liquidity Risk

Maturity profile of financial liabilities based on contractual undiscounted payments as at December 31, 2021 (in CZK millions):

	Bonds and debentures	Loans and lease payables	Derivatives ¹⁾	Other financial liabilities	Trade payables	Guarantees issued ²⁾
Due in 2022	15,333	1,117	1,454,223	36,052	76,950	9,966
Due in 2023	7,039	1,048	236,744	212	–	–
Due in 2024	2,476	1,592	59,698	94	–	–
Due in 2025	21,094	1,504	4,967	8	–	–
Due in 2026	20,055	1,325	839	–	–	–
Thereafter	51,528	5,006	26,212	–	–	–
Total	117,525	11,592	1,782,683	36,366	76,950	9,966

¹⁾ Contractual maturities for derivatives represent contractual cash out-flows of these instruments, but at the same time the Company will receive corresponding consideration. For fair values of derivatives see Note 15.

²⁾ Maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

Maturity profile of financial liabilities based on contractual undiscounted payments as at December 31, 2020 (in CZK millions):

	Bonds and debentures	Loans and lease payables	Derivatives ¹⁾	Other financial liabilities	Trade payables	Guarantees issued ²⁾
Due in 2021	27,892	2,212	543,714	34,937	63,093	5,993
Due in 2022	22,249	1,542	103,314	58	-	-
Due in 2023	7,402	1,458	33,551	7	-	-
Due in 2024	2,587	2,026	104,843	-	-	-
Due in 2025	22,234	1,549	850	-	-	-
Thereafter	74,721	5,444	27,856	-	-	-
Total	157,085	14,231	814,128	35,002	63,093	5,993

¹⁾ Contractual maturities for derivatives represent contractual cash out-flows of these instruments, but at the same time the Company will receive corresponding consideration. For fair values of derivatives see Note 15.

²⁾ Maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

The committed credit facilities available to the Company as at December 31, 2021 and 2020 amounted to CZK 15.2 billion and CZK 35.3 billion, respectively. In addition, in November and December 2021, the Company signed committed loan facility agreements with the European Investment Bank to support financing of the distribution grid renewal and further development program in the Czech Republic up to a total of EUR 400 million, which were not drawn as at December 31, 2021.

16.3. Hedge Accounting

The Company hedges cash flows arising from highly probable future revenue in EUR for the purposes of currency and interest risk hedging. The hedged cash flows are expected to occur in 2022–2026. The relevant hedging instruments as at December 31, 2021 and 2020 are the EUR denominated liabilities from the issued Eurobonds and bank loans in the total amount of EUR 3.3 billion and currency forward contracts and swaps. The fair value of these hedging derivatives was CZK (325) million and CZK (896) million at December 31, 2021 and 2020, respectively.

In addition, the Company hedges cash flows arising from highly probable future sales of electricity in Czech Republic, which will occur in 2022–2027. The relevant hedging instrument is futures and forward contracts for electricity sales in Germany. The fair value of these hedging derivatives was CZK (77,985) million and CZK (4,023) million at December 31, 2021 and 2020, respectively. The result of this hedging strategy as at December 31, 2021 is that for 2022 approximately 88% of expected production in the Czech Republic was hedged at an average price EUR 68.3 per MWh, for 2023 approximately 60% production at an average price EUR 61.5 per MWh, for 2024 approximately 28% of expected production at an average price EUR 61.8 per MWh and for 2025 approximately 6% at an average price EUR 64.6 per MWh.

In 2021 and 2020, cash flow hedging amounts transferred from equity were reported in the statement of income in Sales of electricity, heat, and gas; Gains and losses from derivative commodity trading; Other financial expenses; and Other financial income and in the balance sheet in non-current Intangible assets, net, and Emission rights. CZK 284 million and CZK 371 million was recognized in profit or loss in 2021 and 2020, respectively, due to ineffectiveness of cash flow hedging. In 2021 and 2020, the ineffectiveness was primarily caused by the fact that the hedged future cash flows were no longer highly probable.

17. Provisions

The following is a summary of the provisions at December 31, 2021 and 2020 (in CZK millions):

	2021			2020		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Nuclear provisions	91,102	2,073	93,175	88,928	2,368	91,296
Provision for demolition and dismantling of coal-fired plants	4,014	516	4,530	-	-	-
Provision for waste storage reclamation	497	15	512	480	22	502
Provision for CO ₂ emissions (see Note 10)	-	5,448	5,448	-	4,592	4,592
Provision for employee benefits	2,094	149	2,243	1,717	103	1,820
Provision for legal and commercial disputes	-	530	530	-	511	511
Provision for obligation in case of claim from guarantee for Akce group loans	-	1,907	1,907	-	1,267	1,267
Other provisions	-	457	457	-	233	233
Total	97,707	11,095	108,802	91,125	9,096	100,221

17.1. Nuclear Provisions

The Company operates two nuclear power plants. The Dukovany Nuclear Power Plant comprises four units commissioned for continuous operation in 1985 to 1987. The Temelín Nuclear Power Plant consists of two units that were commissioned for continuous operation in 2002 and 2003. The Nuclear Energy Act sets down obligations for nuclear facility decommissioning and disposal of radioactive waste and spent nuclear fuel. In accordance with the Nuclear Energy Act, all the nuclear parts and equipment of a nuclear power plant must be disposed of after the end of operation. For the purpose of determining the amount of nuclear provisions, it is estimated that the Dukovany Nuclear Power Plant will stop generating electricity in 2047; the Temelín plant in 2062. Studies for the Dukovany Nuclear Power Plant and for the Temelín Nuclear Power Plant from 2020 assume that the costs of decommissioning of these power plants will reach the amount CZK 26.5 billion and CZK 21.0 billion, respectively. The Company makes contributions to a restricted bank accounts in the amount of the nuclear provisions recorded under the Nuclear Energy Act. These funds can be invested in government bonds in accordance with legislation. These restricted financial assets are reported in the balance sheet as part of the line item Restricted financial assets, net (see Note 4).

The Ministry of Industry and Trade established the Radioactive Waste Repository Authority (SÚRAO) as the central organizer and operator of facilities for the final disposal of radioactive waste and spent fuel. The SÚRAO operates, supervises and is responsible for disposal facilities and for disposal of radioactive waste and spent fuel therein. The activities of the SÚRAO are financed through a nuclear account funded by the originators of radioactive waste. Contribution to the nuclear account is stated by Nuclear Energy Act at 55 CZK per MWh produced at nuclear power plants. In 2021 and 2020, the payments to the nuclear account amounted to CZK 1,690 million and CZK 1,652 million, respectively. The originator of radioactive waste and spent fuel directly covers all costs associated with interim storage of radioactive waste and spent fuel.

The Company has established provisions for estimated future expenses on nuclear decommissioning and interim storage and permanent disposal of spent nuclear fuel in accordance with the principles described in Note 2.21.

The following is a summary of the nuclear provisions for the years ended December 31, 2021 and 2020 (in CZK millions):

	Accumulated provision				Total
	Nuclear decommissioning	Spent fuel storage			
		Interim	Long-term		
Balance at January 1, 2020	34,499	8,657	32,237	75,393	
Discount accretion and effect of inflation	758	191	709	1,658	
Provision charged in profit or loss	-	618	-	618	
Effect of change in estimate recognized in profit or loss	-	253	-	253	
Effect of change in estimate added to fixed assets	3,344	-	12,056	15,400	
Current cash expenditures	-	(374)	(1,652)	(2,026)	
Balance at December 31, 2020	38,601	9,345	43,350	91,296	
Discount accretion and effect of inflation	734	178	823	1,735	
Provision charged in profit or loss	-	546	-	546	
Effect of change in estimate recognized in profit or loss	-	787	-	787	
Effect of change in estimate added to (deducted from) fixed assets	2,422	-	(1,037)	1,385	
Current cash expenditures	-	(884)	(1,690)	(2,574)	
Balance at December 31, 2021	41,757	9,972	41,446	93,175	

The use of the provision for permanent disposal of spent nuclear fuel in a current year comprises payments made to the government-controlled nuclear account and the use of the provision for interim storage represents, in particular, purchases of containers for spent nuclear fuel and other related equipment for these purposes.

In 2021, the Company recorded the change in estimate for interim storage of spent nuclear fuel in connection with the change in expectations of future storage cost and change in discount rate, the change in estimate in provision for nuclear decommissioning in connection with the change in discount rate and the change in long-term spent fuel storage in connection with the modification of the expected output of the nuclear power plants, change of expected contribution to the nuclear account per MWh in future years and change in discount rate.

In 2020, the Company recorded the change in estimate for interim storage of spent nuclear fuel in connection with the change in expectations of future storage cost and change in discount rate, the change in estimate in provision for nuclear decommissioning due to the update of the expert decommissioning studies for Dukovany Nuclear Power Plant and for Temelín Nuclear Power Plant and change in discount rate and the change in long-term spent fuel storage in connection with the extension of the expected production time of the nuclear power plants by 10 years and change in discount rate.

The actual costs of nuclear decommissioning, interim storage, and permanent disposal of spent nuclear fuel may vary substantially from the above estimates due to changes in legislation or technology or increase in labor costs and the costs of materials and equipment, as well as due to a different timing of all activities relating to nuclear decommissioning and storage and disposal of spent nuclear fuel.

17.2. Provision for Demolition and Dismantling of Coal-fired Plants, Waste Storage Reclamation and Employee Benefits

The following table shows the movements of the provisions for the years ended December 31, 2021 and 2020 (in CZK millions):

	Accumulated provision		
	Demolition and dismantling of coal-fired plants	Waste storage reclamation	Employee benefits
Balance at January 1, 2020	-	666	1,622
Discount accretion and effect of inflation	-	14	-
Provision charged in profit or loss	-	-	294
Change in estimate added to fixed assets	-	18	-
Non-monetary contribution	-	(165)	-
Current cash expenditures	-	(31)	(96)
Balance at December 31, 2020	-	502	1,820
Discount accretion and effect of inflation	18	9	-
Provision charged in profit or loss	-	-	466
Change in estimate and creation added to fixed assets	4,512	27	-
Effect of merger	-	-	44
Current cash expenditures	-	(26)	(87)
Balance at December 31, 2021	4,530	512	2,243

18. Other Financial Liabilities

Other financial liabilities at December 31, 2021 were as follows (in CZK millions):

	2021		
	Long-term liabilities	Short-term liabilities	Total
Payables from Group cashpooling	-	35,603	35,603
Other	314	450	764
Financial liabilities at amortized costs	314	36,053	36,367
Cash flow hedge derivatives	33,253	49,287	82,540
Commodity and other derivatives	606	556,509	557,115
Financial liabilities at fair value	33,859	605,796	639,655
Total	34,173	641,849	676,022

Other financial liabilities at December 31, 2020 were as follows (in CZK millions):

	2020		
	Long-term liabilities	Short-term liabilities	Total
Payables from Group cashpooling	-	34,549	34,549
Other	63	387	450
Financial liabilities at amortized costs	63	34,936	34,999
Cash flow hedge derivatives	7,776	292	8,068
Commodity and other derivatives	889	72,355	73,244
Financial liabilities at fair value	8,665	72,647	81,312
Total	8,728	107,583	116,311

The increase of short-term liabilities from commodity derivatives in 2021 is mainly due to an increase in market price of emission rights, electricity and gas. Related increase of short-term receivables from commodity derivatives is disclosed in Note 5.

19. Short-term Loans

Short-term loans as at December 31, 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Short-term bank loans	25,115	787
Bank overdrafts	-	13
Total	25,115	800

Short-term loans bear interest at variable interest rates. The weighted average interest rate was 0.02% and 0.01% at December 31, 2021 and 2020, respectively. For the years 2021 and 2020, the weighted average interest rate was 0.3% and 0.2%, respectively.

20. Other Short-term Liabilities

Other short-term liabilities as at December 31, 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Taxes and fees, except income tax	1,148	692
Deferred income	234	16
Advances received	307	136
Total	1,689	844

21. Leases

21.1. Company as a Lessee

The Company has lease contracts for various items of offices, vehicles, buildings and land used to place its own electricity and heat production facilities. The entire production factory was also leased until 2020. Leases of vehicles generally have lease terms between 3–4 years, while buildings and lands between 4–21 years.

The Company has entered into lease contracts with fixed and variable payments. The variable payments are regularly adjusted according to the inflation index or are based on use of the underlying assets.

The Company leases buildings, machinery or equipment with lease terms of 12 months or less or with low value. In this case the Company applies recognition exemption for these leases.

The net book values of the right-of-use assets presented under Property, plant and equipment are described in the Note 3.

The amounts of lease liability are presented under Long-term debt (see Note 14).

The following table sets out total cash outflows for lease payments (in CZK millions):

	2021	2020
Payments of principal	178	1,378
Payments of interests	22	130
Lease payments not included in valuation of lease liability	47	3,743
Total cash outflow for leases	247	5,251

The following are the amounts that are recognized in profit or loss (in CZK millions):

	2021	2020
Expense relating to short-term leases	72	181
Expense relating to low-value assets	1	3
Variable lease payments	47	3,743
Depreciation charge for right-of-use assets	143	1,214
Interest expenses	22	130

The most significant part of variable lease payments in 2020 are costs related with energy rework contract with the company Elektrárna Počerady, a.s.

Next year, the Company expects to pay lease payments that are not included in valuation of lease liability to be similar to the year 2021.

21.2. Company as a Lessor

Finance Lease

The most significant lease under finance lease is the lease of administrative premises to the Group's companies.

The following table sets out a maturity analysis of investment in finance lease, showing the undiscounted lease payments to be received after the reporting date (in CZK millions):

	2021
Up to 1 year	39
Between 1 year and 2 years	39
Between 2 and 3 years	37
Between 3 and 4 years	35
Between 4 and 5 years	5
Thereafter	21
Total undiscounted investment in finance lease	176
Unearned finance income	(6)
Net investment in the lease	170

The Company recognized interest income on lease receivables of CZK 2 million at December 31, 2021.

Operating Lease

Rental income recognized by the Company during 2021 and 2020 was CZK 619 million and CZK 109 million, respectively.

Investment property rental income are disclosed in the Note 7. In the following years, the Company expects rental income to be similar to the year 2021.

The net book values of the property, plant and equipment leased out under operating lease are disclosed in the Note 3.

22. Revenues and Other Operating Income

The overview of revenues and other operating income for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Sale of electricity, heat and gas:		
Electricity sales – domestic:		
OTE, a.s.	49,836	11,414
ČEZ Prodej, a.s.	28,390	24,281
Slovenské elektrárne, a.s.	5,636	4,098
E.ON Energie, a.s.	4,307	2,792
Entauri trading s.r.o.	2,395	-
Pražská energetika, a.s.	2,284	1,346
innogy Energie, s.r.o.	1,821	1,121
POWER EXCHANGE CENTRAL EUROPE, a.s.	1,654	2,220
Lumius, spol. s r.o.	1,198	671
Pražská plynárenská, a.s.	1,053	409
Veolia Energie ČR, a.s.	944	615
MND a.s.	631	503
Uniper Global Commodities SE	595	485
RWE Supply & Trading GmbH	579	1,085
ALPIQ ENERGY SE	509	894
CARBOUNION BOHEMIA, spol. s r.o.	441	290
ZSE Energia, a.s.	403	1,271
MVM Partner Zrt.	386	15
BOHEMIA ENERGY entity s.r.o.	368	119
Axpo Solutions AG	337	368
EDF Trading Limited	334	771
CENTROPOL ENERGY, a.s.	317	137
SSE CZ, s.r.o.	307	124
Energie ČS, a.s.	269	698
Other customers	5,285	10,323
Total sales of electricity – domestic	110,279	66,050
Sales of electricity – foreign	6,753	12,755
Effect of hedging – presales of electricity (Note 16.3)	(12,926)	(2,396)
Effect of hedging – currency risk hedging (Note 16.3)	1,422	277
Total sales of electricity	105,528	76,686
Sales of gas	7,433	5,610
Sales of heat	1,935	2,078
Total sales of electricity, heat and gas	114,896	84,374
Sale of services and other income:		
Distribution services	50	26
Sales of ancillary and other services	4,923	4,702
Rental income	672	109
Other revenues	156	136
Total sales of services and other revenues	5,801	4,973
Other operating income	1,318	1,152
Total revenues and other operating income	122,015	90,499

Revenues from contracts with customers for the years ended December 31, 2021 and 2020, were CZK 131,529 million and CZK 91,357 million, respectively, and can be linked to the figures in the previous table as follows:

	2021	2020
Sales of electricity, gas and heat	114,896	84,374
Sales of services and other revenues	5,801	4,973
Total revenues	120,697	89,347
Adjustments:		
Effect of hedging – presales of electricity	12,926	2,396
Effect of hedging – currency risk hedging	(1,422)	(277)
Rental income	(672)	(109)
Revenues from contracts with customers	131,529	91,357

23. Gains and Losses from Commodity Derivative Trading

The overview of gains and losses from commodity derivative trading for the years ended December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Electricity trading:		
Sales – domestic	14,088	14,429
Sales – foreign	254,493	252,266
Purchases – domestic	(15,369)	(10,370)
Purchases – foreign	(296,451)	(246,106)
Purchases and sales of cross-border capacities ¹⁾	1,604	–
Changes in fair value of derivatives	15,514	(6,558)
Gain (loss) from electricity derivative trading, net	(26,121)	3,661
Other commodity trading:		
Gain from gas derivative trading	8,392	1,092
Gain (loss) from oil derivative trading	(21)	7
Gain (loss) from coal derivative trading	430	(1,894)
Gain from emission rights derivative trading	12,871	3,447
Total gains and losses from commodity derivative trading	(4,449)	6,313

¹⁾ Purchases of cross-border capacities were not considered commodity derivatives until June 30, 2021 and were part of the line Purchase of electricity, gas and other energies. Any sales of cross-border capacities were reported on the line Sales of services and other revenues. From July 1, 2021, these contracts are considered as commodity derivatives in accordance with business strategy.

24. Purchase of Electricity, Gas and Other Energies

The overview of cost for the purchase of electricity, gas and other energies at December 31, 2021 and 2020 is as follows (in CZK millions):

	2021	2020
Purchase of electricity for resale	(36,411)	(19,962)
Purchase of gas for resale	(9,175)	(5,595)
Purchase of other energies	(1,387)	(2,231)
Energy rework contract ¹⁾	–	(3,727)
Total purchase of electricity, gas and other energies	(46,973)	(31,515)

¹⁾ The year-on-year decrease is due to the sale of Elektrárna Počerady, a.s., in 2020.

25. Fuel and Emission Rights

The overview of fuel cost and emission rights for production as at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
Fossil fuel and biomass consumption	(5,332)	(5,400)
Amortization of nuclear fuel	(4,080)	(4,168)
Gas consumption	(4,914)	(1,904)
Emission rights for production	(5,993)	(5,251)
Total fuel and emission rights	(20,319)	(16,723)

26. Services

The overview of services as at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
Repairs and maintenance	(4,336)	(3,737)
Technology and operation support services	(1,166)	(1,019)
Rental, property management and security	(725)	(686)
IT related services	(969)	(799)
Equipment operation services	(501)	(731)
Other services	(2,409)	(2,490)
Total services	(10,106)	(9,462)

Information about fees charged by independent auditor is provided in the annual report of CEZ Group.

27. Salaries and Wages

The overview of salaries and wages for the years ended December 31, 2021 and 2020 was as follows (in CZK millions):

	2021		2020	
	Total	Key management ¹⁾	Total	Key management ¹⁾
Salaries and wages including remuneration of board members	(5,803)	(136)	(5,328)	(134)
Social and health security	(1,798)	(30)	(1,674)	(21)
Other personal expenses	(817)	(13)	(640)	(15)
Total	(8,418)	(179)	(7,642)	(170)

¹⁾ Members of Supervisory Board and Board of Directors of the company. The remuneration of former members of key management is also included in personal expenses.

The individual components of the remuneration of the members of the Board of Directors are described in the Remuneration Policy of ČEZ, a. s., approved by the Company's shareholders' meeting on June 29, 2020.

At December 31, 2021 and 2020, the aggregate number of share options granted to members of Board of Directors and selected managers was 118 thousand and 1,421 thousand, respectively.

Members of the Board of Directors and selected managers were entitled until December 31, 2019 to receive share options based on the conditions stipulated in the share option agreement. Members of the Board of Directors and selected managers were granted certain quantity of share options each year of their tenure according to rules of the share option plan until the share option plan was terminated as of December 31, 2019. The exercise price for the granted options was based on the average quoted market price of the shares on the regulated exchange in the Czech Republic during one-month period preceding the grant date each year.

Beginning on January 1, 2020, the new program of long-term performance bonus has been started, replacing the options program. New options were no longer in 2020 be granted and the existing granted options as at December 31, 2019 in the number of 1,651 thousand were preserved, i.e., after a proportional reduction of the original annual allocations in 2019. The program of long-term performance bonus is based on performance units that will be allocated to each beneficiary every year. The number of performance units allocated is based on the defined yearly value of a given long-term bonus and the price of stocks before the allocation. The Supervisory Board sets out the performance indicators for each year's allocation of the performance units. The defined performance indicators will be evaluated by the Supervisory Board and number of performance units allocated to a beneficiary will be adjusted accordingly. Then a two-year holding period will follow. The long-term performance bonus will be paid three years after the initial allocation, and the amount will be based on the adjusted number of performance units as well as on the stock price at the end of the holding period and the amount of dividends distributed during the holding period.

The following table shows changes during 2021 and 2020 in the number of granted share options and the weighted average exercise price of these options:

	Number of share options			Weighted average exercise price (CZK per share)
	Board of Directors '000s	Selected managers '000s	Total '000s	
Share options at January 1, 2020	1,279	372	1,651	513.02
Options exercised ¹⁾	-	(35)	(35)	421.50
Options forfeited	(180)	(15)	(195)	442.83
Share options at December 31, 2020 ²⁾	1,099	322	1,421	524.90
Options exercised ¹⁾	(1,051)	(207)	(1,258)	524.95
Options forfeited	-	(45)	(45)	495.46
Share options at December 31, 2021 ²⁾	48	70	118	535.53

¹⁾ In 2021 and 2020, the weighted average share price at the date of the exercise for the options exercised was CZK 621.63 and CZK 508.00, respectively.

²⁾ At December 31, 2021 and 2020, the number of exercisable options was 118 thousand and 1,421 thousand, respectively. The weighted average exercise price of the exercisable options was CZK 535.53 per share and CZK 524.90 per share at December 31, 2021 and 2020, respectively.

At December 31, 2021 and 2020, the exercise prices of outstanding options (in thousands pieces) were in the following ranges:

	2021	2020
CZK 400–500 per share	-	310
CZK 500–600 per share	118	1,111
Total	118	1,421

The options granted which were outstanding as at December 31, 2021 and 2020 had an average remaining contractual life of 0.9 years and 1.1 years, respectively.

28. Other Operating Expenses

Other operating expenses as at December 31, 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Change in provisions	1,574	1,965
Taxes and fees	(2,078)	(2,042)
Costs related to trading of commodities	(482)	(460)
Insurance	(488)	(349)
Gifts	(107)	(139)
Other	(841)	(672)
Total	(2,422)	(1,697)

The taxes and fees include payment of the contributions to the nuclear account (see Note 17i). The settlement of the provision for long-term spent fuel storage is accounted for in the amount of contributions to nuclear account. Settlement of provision for long-term spent fuel storage is included in Change in provisions.

29. Interest Income

Interest income for each category of financial instruments for the years ended December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
CEZ Group cashpooling	228	227
Loans, receivables and other debt financial assets at amortized cost	1,005	819
Debt financial assets at fair value through other comprehensive income	193	215
Finance lease	2	-
Bank accounts	49	36
Total	1,477	1,297

30. Impairment of Financial Assets

Additions and reversals of impairment of financial assets for each category for the years ended December 31, 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Shares in subsidiaries, associates and joint-ventures (see Note 5)		
Additions	(12,697)	(3,221)
Reversals	479	-
Additions – shares in subsidiaries classified as assets held for sale	14	(1,886)
Loans granted	8	(21)
Financial guarantee for Akcez group loans	(616)	-
Other	(4)	(1)
Total	(12,816)	(5,129)

The Company is a guarantor for the liabilities of companies within the joint-venture Akcez Enerji Yatirimlari Sanayi ve Ticaret A.Ş. in the amount of USD 82.7 million and TRY 55.4 million as of December 31, 2021. Based on calculation of recoverable amount from future cash flows, a provision in the amount of CZK 1,907 million and CZK 1,267 million was recognized as of December 31, 2021 and 2020, respectively.

31. Other Financial Expenses

Other financial expenses for the years ended December 31, 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Foreign exchange rate loss	-	(589)
Loss on sale of debt financial assets	(4)	-
Loss from revaluation of financial assets	(10)	-
Creation and settlement of provisions	(19)	(21)
Bond buyback costs	(254)	-
Other	(100)	(56)
Total	(387)	(666)

32. Other Financial Income

Other financial income as at December 31, 2021 and 2020 was as follows (in CZK millions):

	2021	2020
Dividends received (see Note 5)	7,610	10,892
Gain on disposal of subsidiaries:		
Shares in Bulgarian companies (see Note 12)	2,065	-
Shares in Romanian companies (see Note 12)	5	-
Elektrárna Počerady, a.s. (see Note 5)	-	5,776
Other	12	(10)
Interest related to the refunded overpayment of gift tax on emission rights	1,499	1,463
Foreign exchange rate gain	923	1,221
Gain on revaluation of financial assets	679	145
Gain on sale of debt restricted financial assets	160	15
Derivative gains	872	-
Other	29	36
Total	13,854	19,538

33. Income Taxes

The Company calculated corporate income tax in accordance with the Czech tax regulations at the rate of 19% in 2021 and 2020.

The Company's management believes that the tax expense was recognized in the financial statements in an appropriate amount. However, it cannot be ruled out that the relevant tax authorities may take a different view on issues allowing for different interpretations of the law, which could have an impact on the reported income.

The components of the income tax provision were as follows (in CZK millions):

	2021	2020
Current income tax charge	(2,044)	(149)
Deferred income taxes	723	(1,355)
Total	(1,321)	(1,504)

The following table summarizes the differences between the income tax expense and accounting profit before taxes multiplied by the applicable tax rate (in CZK millions):

	2021	2020
Income before income taxes	5,728	22,581
Statutory income tax rate	19%	19%
"Expected" income tax expense	(1,088)	(4,290)
Adjustments:		
Non-deductible provisions, net	(2,257)	(975)
Non-tax gains/losses associated with changes in shareholding interest	396	1,473
Non-taxable income from dividends	1,446	2,070
Non-deductible provision	(117)	-
Tax incentives, tax discounts	1	1
Interest related to the refunded overpayment of gift tax on emission rights	285	278
Other non-deductible items, net	13	(61)
Income tax	(1,321)	(1,504)
Effective tax rate	23%	7%

Deferred income tax asset (liability), net at December 31, 2021 and 2020 was calculated as follows (in CZK millions):

	2021	2020
Nuclear provisions	15,453	15,253
Other provisions	2,509	1,361
Allowances	120	213
Revaluation of financial instruments	16,333	1,931
Lease liabilities	190	246
Other temporary differences	360	354
Total deferred tax assets	34,965	19,358
Tax depreciation in excess of financial statement depreciation	(26,499)	(25,408)
Revaluation of financial instruments	(129)	(131)
Right-of-use assets	(158)	(239)
Other temporary differences	(1,336)	(1,815)
Total deferred tax liability	(28,122)	(27,593)
Total deferred tax asset (liability), net	6,843	(8,235)

Movements in net deferred tax asset (liability) in 2021 and 2020 were as follows (in CZK millions):

	2021	2020
Balance at January 1	(8,235)	(8,044)
Merger and contribution of a part of a business	(150)	7
Deferred tax recognized in profit or loss	723	(1,362)
Deferred tax recognized in other comprehensive income	14,505	1,164
Balance at December 31	6,843	(8,235)

Tax impact related to individual items of other comprehensive income was as follows (in CZK millions):

	2021			2020		
	Before tax amount	Tax effect	Net of tax amount	Before tax amount	Tax effect	Net of tax amount
Change in fair value of cash flow hedges	(85,679)	16,279	(69,400)	(8,198)	1,558	(6,640)
Cash flow hedges reclassified to statement of income	11,479	(2,181)	9,298	2,916	(554)	2,362
Change in fair value of debt instruments	(1,349)	256	(1,093)	202	(39)	163
Change in fair value of equity instruments	(795)	151	(644)	(1,050)	199	(851)
Total	(76,344)	14,505	(61,839)	(6,130)	1,164	(4,966)

34. Related Parties

The Company purchases/sells products, goods and services from/to related parties in the ordinary course of business.

The following table shows receivables from related parties and payables to related parties as at December 31, 2021 and 2020 (in CZK million):

	Receivables		Payables	
	2021	2020	2021	2020
CEZ Bulgarian Investments B.V.	-	-	511	239
CEZ Deutschland GmbH	-	-	104	150
CEZ Erneubare Energien Beteiligungs GmbH	251	194	-	-
CEZ ESCO II GmbH	-	60	-	-
CEZ Holdings B.V.	6,666	7,048	296	324
CEZ Hungary Ltd.	968	319	291	45
CEZ Chorzów S.A.	426	424	775	78
CEZ MH B.V.	151	25	-	-
CEZ Polska sp. z o.o.	1,574	108	32	315
CEZ Razpredelenie Bulgaria AD ¹⁾	-	817	-	-
CEZ RES International B.V.	-	-	608	656
CEZ Romania S.A. ¹⁾	-	7	-	1,916
CEZ Skawina S.A.	662	292	1,586	75
CEZ Trade Bulgaria EAD ¹⁾	-	121	-	131
CEZ Vanzare S.A. ¹⁾	-	71	-	-
ČEZ Bohunice a.s.	-	-	158	171
ČEZ Distribuce, a. s.	26,750	28,037	7,143	10,177
ČEZ Energetické produkty, s.r.o.	498	305	379	320
ČEZ Energetické služby, s.r.o.	110	222	34	1
ČEZ Energo, s.r.o.	-	-	371	94
ČEZ ENERGOSERVIS spol. s r.o.	76	65	391	406
ČEZ ESCO, a.s.	96	96	1,485	1,220
ČEZ ICT Services, a. s.	61	3	419	361
ČEZ Korporátní služby, s.r.o. ²⁾	-	-	-	1,789
ČEZ LDS s.r.o.	-	-	48	53
ČEZ Obnovitelné zdroje, s.r.o.	19	13	312	423
ČEZ OZ uzavřený investiční fond a.s.	-	-	863	907
ČEZ Prodej, a.s.	7,027	3,969	13,104	11,912
ČEZ Teplárenská, a.s.	223	173	589	310
Elektrárna Dětmarovice, a.s.	1,782	1,017	2,127	340
Elektrárna Dukovany II, a. s.	11	14	115	38
Elevion GmbH	1	1,930	-	-
Elevion Group B.V.	1,723	100	-	-
Energotrans, a.s.	1,931	1,427	3,946	2,313
ENESA a.s.	105	320	20	22
Inven Capital, SICAV, a.s.	-	-	1,225	706
MARTIA a.s.	174	127	177	102
SD - Kolejová doprava, a.s.	1	1	158	64
Severočeské doly a.s.	73	97	4,491	3,370
Solární servis, s.r.o.	54	61	-	-
Telco Infrastructure, s.r.o.	149	31	-	-
Telco Pro Services, a. s.	142	2	29	52
TENAUR, s.r.o.	114	-	4	38
Tomis Team S.A. ¹⁾	-	-	-	52
ÚJV Řež, a. s.	14	415	354	321
Ústav aplikované mechaniky Brno, s.r.o.	-	-	75	58
VESER, s. r. o. "v likvidácii" ³⁾	-	181	76	20
Other	125	219	267	434
Total	51,957	48,311	42,563	40,003

¹⁾ Shares in Romanian and Bulgarian companies were sold in 2021.

²⁾ The company ČEZ Korporátní služby, s.r.o., merged with the succession company ČEZ, a. s., with the legal effective date of January 1, 2021.

³⁾ The name of ČEZ Slovensko, s.r.o., to VESER, s.r.o. "v likvidácii" was changed in 2021.

The following table provides the total amount of transactions (sales and purchases), which were entered into with related parties in 2021 and 2020 (in CZK millions):

	Sales to related parties		Purchases from related parties	
	2021	2020	2021	2020
Akenerji Elektrik Enerjisi Ithalat Ihracat ve Toptan Ticaret A.S.	-	4	67	25
CEZ Holdings B.V.	68	72	-	-
CEZ Hungary Ltd.	3,140	2,051	289	155
CEZ Chorzów S.A.	422	427	-	-
CEZ Polska sp. z o.o.	359	1,075	173	400
CEZ Skawina S.A.	661	292	30	52
CEZ Srbija d.o.o.	106	9	63	13
CEZ Trade Bulgaria EAD ¹⁾	581	892	618	784
CEZ Vanzare S.A. ¹⁾	236	731	-	5
ČEZ Distribuce, a. s.	1,704	1,085	119	59
ČEZ Energetické produkty, s.r.o.	51	34	1,081	1,139
ČEZ ENERGOSEKVIS spol. s r.o.	43	28	1,339	1,355
ČEZ ESCO, a.s. ⁴⁾	14,904	12,012	4,804	4,418
ČEZ ICT Services, a. s.	105	63	1,177	1,041
ČEZ Korporátní služby, s.r.o. ²⁾	-	56	-	191
ČEZ Obnovitelné zdroje, s.r.o.	38	16	401	427
ČEZ Prodej, a.s. ⁴⁾	21,784	17,829	2,009	765
ČEZ Teplárenská, a.s.	1,802	1,732	180	166
Distributie Energie Oltenia S.A. ¹⁾	184	283	-	-
Elektrárna Dětmorovice, a.s.	2,973	1,077	3,648	1,184
Elektrárna Dukovany II, a. s.	38	106	-	-
Elektrárna Počeradky, a.s.	-	5,706	-	4,240
Energotrans, a.s.	2,642	2,336	2,594	1,975
LOMY MORINA spol. s r.o.	-	-	274	219
MARTIA a.s.	10	8	620	604
OSC, a.s.	-	-	122	92
Ovidiu Development S.R.L. ¹⁾	-	1	60	252
SD - Kolejová doprava, a.s.	12	11	298	435
Severočeské doly a.s.	753	764	4,391	3,760
ŠKODA PRAHA a.s.	12	14	35	144
Telco Pro Services, a. s.	53	18	-	-
TMK Hydroenergy Power S.R.L.	-	-	15	72
Tomis Team S.A. ¹⁾	-	1	118	383
ÚJV Řež, a. s.	11	1	823	674
Ústav aplikované mechaniky Brno, s.r.o.	-	-	132	104
VESER, s. r. o. "v likvidácii" ³⁾	170	1,844	12	403
Other	197	192	103	54
Total	53,059	50,770	25,595	25,590

¹⁾ Shares in Romanian and Bulgarian companies were sold in 2021.

²⁾ The company ČEZ Korporátní služby, s.r.o., merged with the succession company ČEZ, a. s., with the legal effective date of January 1, 2021.

³⁾ The name of ČEZ Slovensko, s.r.o., to VESER, s.r.o. "v likvidácii" was changed in 2021.

⁴⁾ Due to re-invoicing in the company ČEZ Prodej, a.s., in 2021 and 2020, the relevant part of sales was transferred to the company ČEZ ESCO, a.s., in the amount of CZK 13,089 million and CZK 10,875 million, respectively.

The Company and some of its subsidiaries are included in the cash-pool system. Receivables from subsidiaries related to cashpooling are included in other financial assets, net (see Note 5), payables to subsidiaries related to cashpooling and similar borrowings are included in other financial liabilities (see Note 18).

Information on the remuneration of key management is included in Note 27. Information about guarantees provided is included in Note 16.2.

35. Segment Information

The Company is mainly engaged in the generation of electricity and trade in electricity and other commodities, which is a separate operating segment. The vast majority of the Company's activities takes place in the markets of the European Union. The Company did not identify other separate operating segments.

36. Net Income per Share

	2021	2020
Numerator (in CZK millions)		
Basic and diluted:		
Net income	4,407	21,077
Denominator (in thousands shares)		
Basic:		
Weighted average shares outstanding	536,280	535,470
Dilutive effect of share options	118	13
Diluted:		
Adjusted weighted average shares	536,398	535,483
Net income per share (CZK per share)		
Basic	8.2	39.4
Diluted	8.2	39.4

37. Commitments and Contingencies

Investment Plans

Capital expenditures for the next five years as at December 31, 2021 are estimated as follows (in CZK billion):

2022	14.5
2023	20.2
2024	28.1
2025	28.0
2026	30.8
Total	121.6

The above values do not include planned acquisitions of subsidiaries, associates and joint-ventures.

The Company reviews regularly investment plan and actual construction may vary from the above estimates. At December 31, 2021 significant purchase commitments were outstanding in connection with the investment plan.

Insurance Matters

The Nuclear Energy Act sets limits for liabilities for nuclear damages so that the operator of nuclear installations is liable for up to CZK 8 billion per incident. The Nuclear Energy Act limits the liability for damage caused by other activities (such as transportation) to CZK 2 billion. The Nuclear Energy Act also requires an operator to insure its liability connected with the operation of a nuclear power plant up to a minimum of CZK 2 billion and up to a minimum of CZK 300 million for other activities (such as transportation). The Company concluded the above-mentioned insurance policies with company Generali Česká pojišťovna a.s. (representing the Czech Nuclear Insurance Pool) and European Liability Insurance for the Nuclear Industry. The Company has obtained all insurance policies with minimal limits as required by the law.

The Company also maintains the insurance policies covering the assets of its coal-fired, hydroelectric, CCGT and nuclear power plants and general third-party liability insurance in connection with main operations of the Company.

38. Events after the Balance Sheet Date

In connection with the conclusion of an agreement, issue and repurchase of investment shares for the newly created sub-fund on January 3, 2022 with Inven Capital, SICAV, a.s., the issue price of the subscribed investment shares was paid in the amount of CZK 1 billion.

Since February 24, 2022, there has been a military conflict in Ukraine. The Company intensively evaluates the potential impacts, including the effects of the consequent sanctions, that have been imposed on the Russian Federation. The Company does not expect the immediate effects to be significant. In the short term, due to increased volatility in commodity markets, there is an increased liquidity need for so-called margin calls arising from counterparty requirements related to derivative contracts. The impacts on the Company in the medium term will depend on the further development of the conflict in Ukraine, on the specific form and duration of sanctions against the Russian Federation and their consequences for European and Czech energy sector. As the main risks for the Company are considered the potential impacts on securing supplies of nuclear fuel, ensuring the maintenance of generation facilities, securing gas purchases for end customers, and the risk that Russian companies will not be able to fulfill other concluded contracts or make financial settlements according to previously concluded contracts and agreed financial instruments. The Company has the highest credit exposure from the concluded commodity contracts for the purchase of electricity and gas from the company Gazprom Marketing & Trading with the seat in the United Kingdom, when, as at December 31, 2021, the fair value of commodity derivatives for the purchase of electricity was CZK 3,307 million and for the gas purchase was CZK 2,582 million. The Company also has a significant credit exposure from commodity gas contracts from Gazprom Export with the seat in the Russian Federation, when, as at December 31, 2021, the fair value of commodity derivatives for gas purchase was CZK 2,149 million. Up to the approval of these separate financial statements for issue, the obligations of these companies have been fulfilled, as have been the obligations arising from business contracts for the supply of goods and services by the suppliers from Russian Federation.

On March 14, 2022, the Company's Board of Directors approved a dividend proposal for 2021 in the amount of CZK 44 per share before tax.

These separate financial statements have been authorized for issue on March 14, 2022.

Daniel Beneš

Chairman of Board of Directors

Martin Novák

Member of Board of Directors

(Translation of a report originally issued in Czech - see Note 2 to the financial statements.)

The report below is an unsigned translation of an independent auditor's report which relates solely and exclusively to the official annual report prepared in XHTML format dated on 14 March 2022. Signed independent auditor's report relates to the financial statements and official annual report prepared in accordance with the provisions of Commission Delegated Regulation (EU) 2019/815 on the European single electronic format ("ESEF Regulation"). The attached annual report is a copy of the official annual report prepared in accordance with the ESEF Regulation and therefore does not constitute a statutory annual report and, as well as this copy of the auditor's report, is therefore not a legally binding document.

Independent Auditor's Report

To the Shareholders of ČEZ, a. s.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ČEZ, a. s. (hereinafter also the "Company") prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS EU"), which comprise the balance sheet as at 31 December 2021, and the statement of income, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Company, see Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of ČEZ, a. s. as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with the IFRS EU.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Impairment of assets

The Company conducts annual impairment tests of assets' balances. The impairment test involves determining the recoverable amount of the cash-generating unit as a whole or individual assets, which corresponds to the value in use or selling price less cost to sell. Value in use is the present value of the future cash flows expected to be derived from a cash-generating unit.

These calculations of potential impairment amounts are a key audit matter as there is a significant uncertainty in relation to regulatory matters or government support for renewable energy, which are, together with other significant assumptions included in the estimated future cash flows, main inputs to the calculations. Main assumptions that are subject to significant estimation uncertainty are projected future wholesale electricity prices, prices of emission allowances, market access, development of the regulatory environment and discount rates as well as the strategy of the Company. Future cash flows relate to events and actions that have not yet occurred and may not occur. Another reason for impairment to be a key audit matter is the fact that the determination of cash-generating unit is to some extent subject to management judgement.

Our procedures included assessing the assumptions and methodologies used by the Company in their value in use models and assessment of the selling price less cost to sell. We involved our internal valuation specialists in assessing the adequacy of the Company's model used for the calculation of weighted average cost of capital and we also evaluated mathematical accuracy, underlying data and assumptions used in the calculation. We evaluated main assumptions that are subject to significant estimates such as future wholesale electricity prices, prices of emission allowances, development of the regulatory environment and compared them to those observable on the market. We compared electricity prices as well as the prices of emission allowances to the contracts, which are actively traded on the market, and we assessed reasonableness of the Company's projections of these future prices for periods, for which the market data are not available. We also discussed the assumptions with our internal valuation specialists in the respective countries.

We analyzed the budgets and future cash flows of the cash-generating units. We compared the expected developments in budgeted cash flows to the expectations presented by the management while assessing the main assumptions of the models and discussing alternatives. We also assessed the adequacy of the model used for the impairment test calculation together with the definition of the cash-generating units and mathematical accuracy of the calculations.

We also focused on whether the Company's disclosures in the financial statements in relation to the impairment of assets, as presented and disclosed in Notes 3. Property, Plant and Equipment, 5. Other Financial Assets, Net and 30. Impairment of Financial Assets, are compliant with the IFRS EU.



Fair value measurement of financial instruments

Due to the significance of financial instruments measured at fair value, and a high degree of judgement related to their valuation, we consider this as a key audit matter.

We involved the internal valuation specialists to assist us in performing our audit procedures. We assessed the design and tested the operating effectiveness of internal controls over the valuation, data integrity, independent price verification and model approval.

For areas of higher risk and estimation, our audit procedures focused on the comparison of judgments made to market practice and reperformance of valuations over a selection of instruments, assessing the key inputs, assumptions and models used in the valuation process. We compared our results with the Company's valuation.

We also focused on whether the Company's disclosures in the financial statements in relation to the valuation of financial instruments, as presented and disclosed in Note 15. Fair Value of Financial Instruments, are compliant with the IFRS EU.

Classification of commodity contracts

The Company is entering into commodity contracts on different markets and platforms mainly in Central Europe and Germany. Commodity trading activities include trading with electricity, gas, emission allowances, oil and coal.

This is a key audit matter as the distinction between the contracts in scope of IFRS 9 Financial Instruments: Recognition and Measurement, which are treated as derivatives at fair value, and "own use" contracts, which are not remeasured to fair value, might be subject to a judgement and classification patterns set by the Company. This classification depends among other factors on the terms of the contract, whether the contract is considered to have been entered into as part of ordinary business activity, whether contract requires physical delivery of the commodity, and depends on various assumptions such as expected amount of commodity to be delivered, generation capacity of the portfolio mix and prices of commodities.

We tested the design and operating effectiveness of internal controls over the initial recognition of the contract, consistency of the commodity contract designation and the Company's ability to deliver the physical commodity over the contractual period.

We performed audit procedures focusing on the analysis and comparison of volume of commodities physically delivered during 2021 and the volumes of the "own use" contracts portfolio. We reviewed the ability of the Company to physically deliver the contracted future "own use" sales retrospectively and prospectively and the stability of portfolio to ensure that the contracts are not reclassified during their existence.

We also focused on whether the Company's disclosures in the financial statements in relation to the commodity contracts classification, as presented and disclosed in Notes 2.14. Commodity Contracts and 23. Gains and Losses from Commodity Derivative Trading, are compliant with the IFRS EU.



Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Board of Directors and the Audit Committee for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS EU and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of Auditor and Period of Engagement

We were appointed as the auditors of the Company by the General Meeting of Shareholders on 28 June 2021 and our uninterrupted engagement has lasted for 20 years.

Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 14 March 2022 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the annual report.

Statutory auditor responsible for the engagement

Jiří Křepelka is the statutory auditor responsible for the audit of the financial statements of the Company as at 31 December 2021, based on which this independent auditor's report has been prepared.

Ernst & Young Audit, s.r.o.

License No. 401

Jiří Křepelka, Auditor

License No. 2163

14 March 2022

Prague, Czech Republic

7. Identification of ČEZ, a. s.

ČEZ, a. s.

Duhová 2/1444
140 53 Praha 4
Czechia

Registered in the Commercial Register kept
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

Fax: +420 211 042 001

Internet: www.cez.cz

E-mail: cez@cez.cz

Closing date of the 2021 Annual Report: March 14, 2022

Annex 1 Relation Structure Diagram for the Period of January 1, 2021, to December 31, 2021

Name/Share	ID No.	Country	Registered Office Address
Czech Republic—Ministry of Finance	0006947	Czechia	Praha 1, Letenská 525/15, Malá Strana, postcode 118 10
69.78% CEZ, a. s.	45274649	Czechia	Praha 4, Duhová 2/1444, postcode 140 53
100% CEZ Distribuce, a. s.	24729035	Czechia	Děčín, Teplická 874/8, Děčín IV-Podmokly, postcode 405 02
100% CEZ Energetické produkty, s.r.o.	28255933	Czechia	Hostovice, Komenského 534, postcode 253 01
100% In PROJEKT LOUNY ENGINEERING s.r.o.	44569688	Czechia	Louny, Na Valích 899, postcode 440 01
Member of CEZ Concern since November 1, 2021			
100% 1. Opravná společnost, s.r.o.	47306891	Czechia	Kadaň, Tušimice 13, postcode 432 01
100% CEZ ENERGOSEKVIS spol. s r.o.	60698101	Czechia	Třebíč, Bráfova tř. 1371/16, Horka-Domky, postcode 674 01
100% CEZ ESCO, a. s.	03592880	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% CEZ Energetické služby, s.r.o.	27804721	Czechia	Ostrava, Václavská 1144/103, Vítkovice, postcode 703 00
100% MA-EM Ostrava, s.r.o.	47972033	Czechia	Ostrava, Na Jizdárně 2767/21a, Moravská Ostrava, postcode 702 00
Member of CEZ Concern since November 1, 2021			
100% CEZ Energo, s.r.o.	29060109	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
Member of CEZ Concern since November 1, 2021			
100% CEZ LDS s.r.o.	01873237	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% Solární servis, s.r.o.	27282074	Czechia	Praha 4, U plynárny 1388/18, Michle, postcode 140 00
100% ENES a. s.	27382052	Czechia	Praha 9, U Voborníků 852/10, Vysočany, postcode 190 00
Member of CEZ Concern since November 1, 2021			
100% AZ KLIMA a. s.	24772631	Czechia	Brno, Tufánka 1519/115a, Slatina, postcode 627 00
Member of CEZ Concern since November 1, 2021			
5% ŠKO-ENERGO FIN, s.r.o.	61675954	Czechia	Mladá Boleslav, Tr. Václava Klementa 869, Mladá Boleslav II, postcode 293 01
12% ŠKO-ENERGO, s.r.o.	61675938	Czechia	Mladá Boleslav 1, Tr. Václava Klementa 869, postcode 293 60
100% AirPlus, spol. s r.o.	25448931	Czechia	Modlany, Čev. 22, postcode 417 13
Member of CEZ Concern since November 1, 2021			
51% HORMEN CE a. s.	27154742	Czechia	Praha 4, Na dolních 168/6, Podolí, postcode 147 00
100% HORMEN SK s. r. o.	44021470	Slovakia	Bratislava, Hattalova 12, postcode 831 03
100% VESER, s. r. o. "v likvidácii"	36797332	Slovakia	Bratislava, Suché Myto 1, Staré Mesto, postcode 811 03
Name changed to VESER, s. r. o. (originally CEZ Slovensko, s.r.o) and entered into liquidation as at June 1, 2021			
100% Domat Control System s.r.o.	27189465	Czechia	Pardubice, U Panasonícu 376, Staré Čovice, postcode 530 06
100% Domat Control System s. r. o.	44570473	Slovakia	Bratislava, Ušerácká 11, postcode 851 01
100% KART, spol. s r.o.	45791023	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
Member of CEZ Concern since November 1, 2021			
100% KART TzB, spol. s r.o.	43002781	Czechia	Praha 10, V korytech 3234/18a, Straňnice, postcode 100 00
Company dissolved by merger with KART, spol. s r.o., January 1, 2021			
50% ESCO Slovensko, a. s.	52963659	Slovakia	Bratislava, Mlynské nivy 4956/42, Ružinov, postcode 821 09
Name changed as at February 16, 2021 (originally CEZ ESCO Slovensko, a.s.) as a result of the increase in share capital subscribed by the company outside the business group controlled by the Ministry of Finance of the Czech Republic, the stake of CEZ ESCO, a.s., was reduced to 50% as at February 18, 2021 (originally CEZ ESCO, a.s., 100%)			
51% e-Doma a. s.	47256265	Slovakia	Bratislava, Plynárenská 7/C, postcode 821 09
100% ESCO Distribučné systémy a.s.	47474238	Slovakia	Trnava, Františkánska 4, postcode 917 01
Name changed as at February 10, 2021 (originally CEZ Distribučné systémy a.s.)			
100% AZ KLIMA s.r.o.	35796944	Slovakia	Bratislava, Nová Ročňavská 3018/134/A, Nové Mesto, postcode 831 04
55% SPRÁVBYKOMFORT, a.s. Prešov	31785423	Slovakia	Prešov, Volgogradská 88, postcode 080 01
100% ESCO Servis, s. r. o.	31706053	Slovakia	Prešov, Volgogradská 88, postcode 080 01
Name changed as at February 10, 2021 (originally CEZ SERVIS, s.r.o.)			
100% CAPEXUS SK s. r. o.	35937190	Slovakia	Bratislava, Turčianska 2, postcode 821 09
Acquired as at December 13, 2021			
51% EHVZ, a. s.	07334214	Czechia	Havířov, Svornosti 86/2, Město, postcode 736 01
Sale of 49% stake as at July 29, 2021; name changed as at August 3, 2021 (originally CEZ Asset Holding, a.s.)			
100% EP Rožnov, a.s.	45193631	Czechia	Rožnov pod Radhoštěm, Boženy Němcové 1720, postcode 756 61
Acquired as at July 15, 2021			
100% EPIGON spol. s r.o.	18051081	Czechia	Rožnov pod Radhoštěm, Tvarůzkova 2740, postcode 756 61
Acquired as at July 15, 2021			
90% PIPE SYSTEMS, s.r.o.	25887815	Czechia	Rožnov pod Radhoštěm, Tvarůzkova 2740, postcode 756 61
Acquired as at July 15, 2021			
100% ELEKTROPROJEKT SLOVAKIA, s.r.o.	36230804	Slovakia	Piešťany, Vajanského 58, postcode 921 01
Acquired as at July 15, 2021			
100% Green energy capital, a.s.	14043505	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
Established as at December 7, 2021			
100% CAPEXUS s.r.o.	24131326	Czechia	Praha 4, Nuselská 419/92, Michle, postcode 140 00
Acquired as at December 13, 2021			
52.46% UJV Řež, a. s.	46356088	Czechia	Husinec, Hlavní 130, Řež, postcode 250 68
100% ŠKODA PRAHA a.s.	00128201	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% Výzkumný a zkušební ústav Plzeň s.r.o.	47718684	Czechia	Plzeň, Tylova 1581/46, Jižní Předměstí, postcode 301 00
100% Centrum výzkumu Řež s.r.o.	26722445	Czechia	Husinec, Hlavní 130, Řež, postcode 250 68
100% Ústav aplikovaná mechaniky Brno, s.r.o.	60716571	Czechia	Brno, Resislova 972/3, Veverí, postcode 602 00
Member of CEZ Concern since November 1, 2021			
100% CEZ Bohunice a. s.	28861736	Czechia	Praha 4, Duhová 2/1444, postcode 140 53
49% Jadrová energetická spoločnosť Slovenska, a. s.	45337241	Slovakia	Bratislava, Tomášikova 22, postcode 821 02
100% CEZ ICT Services, a. s.	26470411	Czechia	Praha 4, Duhová 1531/3, postcode 140 53
100% Telco Pro Services, a. s.	29148278	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
100% Telco Infrastructure, s.r.o.	08425817	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
Member of CEZ Concern since November 1, 2021			
100% CEZNET s.r.o.	26378191	Czechia	Tachov, Vilémovská 1602, postcode 347 01
Name changed as at May 14, 2021 (originally TelNET West s.r.o.), as a result of the merger of the dissolving company KTN Servis s.r.o., as the original owner of a 22.18% stake in CEZNET s.r.o., with this company as the successor as at July 1, 2021; Telco Pro Services, a. s., is a 100% stakeholder as at July 1, 2021			
60% TelNET Boronko s.r.o.	04589513	Czechia	Tachov, Vilémovská 1602, postcode 347 01
Dissolved by merger with CEZNET s.r.o., as a successor company as at July 1, 2021, resulting in the dissolution of the existing 40% stake of Telco Pro Services, a. s., in TelNET Boronko s.r.o.			
77.82% ISP West s.r.o.	03310159	Czechia	Tachov, Vilémovská 1602, postcode 347 01
Dissolved by merger with CEZNET s.r.o., as a successor company as at July 1, 2021, resulting in the dissolution of the existing 22.18% stake of KTN Servis s.r.o., in ISP West s.r.o.			
100% KTN Servis s.r.o.	03194043	Czechia	Tachov, Vilémovská 1602, postcode 347 01
Dissolved by merger with CEZNET s.r.o. as at July 1, 2021			
100% FDNet CZ, s.r.o.	27310531	Czechia	Frydlant, Brezová 1306, postcode 464 01
100% Telnet Holding s.r.o.	03845443	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
Acquired as at November 1, 2021			
100% CERBEROS s.r.o.	24237744	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
Acquired as at November 1, 2021			
100% HELIOS MB s.r.o.	27371123	Czechia	Praha 4, Duhová 1531/3, Michle, postcode 140 00
Acquired as at November 1, 2021			
85% Mergulining, s.r.o.	27547469	Czechia	Hradec Králové, Pražská třída 485/3, Kukuleň, postcode 500 04
Acquired as at November 1, 2021			
100% ADAPTIVITY s.r.o.	24156027	Czechia	Zlín, Tyršovo nábreží 5183, postcode 760 01
Acquired as at December 31, 2021			
69% INTERNEXT 2000, s.r.o.	25352288	Czechia	Vsetín, Pačákého 166, postcode 755 01
Acquired as at December 31, 2021			
100% Opjická Bělá s.r.o.	29960212	Czechia	Valešské Mezíříčí, Žalovská 778, Krásno nad Bečvou, postcode 757 01
Acquired as at December 31, 2021			
100% CEZ Korporátní služby, s.r.o.	26206803	Czechia	Ostrava, 28. října 3123/152, Moravská Ostrava, postcode 702 00
Dissolution by merger with CEZ, a. s., as at January 1, 2021			
100% CEZ Obnovitelné zdroje, s.r.o.	25938924	Czechia	Hradec Králové, Křížkova 788/2, postcode 500 03
99% CEZ Recyklace, s.r.o.	03479919	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
99.57% CEZ OZ uzavřený investiční fond a.o.	24135780	Czechia	Praha 4, Duhová 1444/2, postcode 140 53
Increase of the stake of CEZ, a. s., by the stake of CEZ Korporátní služby, s.r.o., as the dissolving company, into CEZ, a. s., as the successor company, as at January 1, 2021 (the original stake of CEZ, a. s., amounted to 99.56%)			
100% CEZ Prodai, a.s.	27232433	Czechia	Praha 4, Duhová 1425, postcode 140 53
100% TENAUR, s.r.o.	26349451	Czechia	Neuměř, č.p. 63, postcode 345 62
Member of CEZ Concern since November 1, 2021			
100% CEZ Toplárenská, a. s.	27309941	Czechia	Říčany, Bezručova 2212/30, postcode 251 01
100% MARTIA a.s.	25006754	Czechia	Ústí nad Labem, Mezni 2854/4, Severní Terasa, postcode 400 11
100% Toplo Klášterec s.r.o.	22307600	Czechia	Klášterec nad Ohří, Jana Amose Komenského 450, Miletice u Klášterce nad Ohří, postcode 431 51
100% Elektrárna Dětmorovice, a.s.	29452279	Czechia	Dětmorovice, č.p. 1202, postcode 735 71
100% Elektrárna Dukovany II, a. s.	04699207	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% Elektrárna Málinsk III, a. s. v likvidaci	24263397	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
Went into liquidation on July 1, 2021			
100% Elektrárna Temelín II, a. s.	04669134	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% Energetický centrum s.r.o.	2605818	Czechia	Jindřichův Hradec, Otín 3, postcode 377 01
100% Energotrans, a.s.	47115726	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% Areal Třeboradice, a.s.	29132282	Czechia	Praha 4, Duhová 1444/2, Michle, postcode 140 00
100% Inven Capital, SICAV, a.s.	02059533	Czechia	Praha 4, Pod křížkem 1773/2, Braník, postcode 147 00
These are founder's shares as defined in Sec. 158 et seq. of Act No. 240/2013 Sb., on investment companies and investment funds, as amended			
51.05% LOMY MOHINA spol. s r.o.	61465569	Czechia	Mořina, č.p. 73, postcode 267 17
93.25% OSC, a. s.	60714794	Czechia	Brno, Starčkova 557/18a, Ponava, postcode 602 00
Increase of stake by 26.58% as at June 30, 2021 (originally 66.67%)			
100% Severočeské doly a.s.	49901892	Czechia	Chomutov, Boženy Němcové 5359, postcode 430 01
100% PRODECO, a.s.	25020790	Czechia	Blina, Důlní čp. 429, Mostecké Předměstí, postcode 418 01
100% Revitrans, a.s.	25028197	Czechia	Blina, Důlní čp. 429, postcode 418 01
100% SD - Kolejová doprava, a.s.	25438107	Czechia	Kadaň, Tušimice 7, postcode 432 01

- Czech Republic—Ministry of Finance of the Czech Republic
- Subsidiaries of the Ministry of Finance of the Czech Republic (CEZ, a. s.)
- Subsidiaries of CEZ, a. s.
- Sub-subsidiaries of CEZ, a. s.
- Sub-sub-subsidiaries of CEZ, a. s.
- Sub-sub-sub-subsidiaries of CEZ, a. s.
- CEZ Concern member
- Dissolved—CEZ Concern member
- Dissolved

Annex 1 Relation Structure Diagram for the Period of January 1, 2021, to December 31, 2021

Name/Share	ID No.	Country	Registered Office Address
Czech Republic—Ministry of Finance			
69.78% CEZ, a. s.	00006947	Czechia	Praha 1, Letenská 525/15, Malá Strana, postcode 118 10
100% CEZ Bulgarian Investments B.V.	45274649	Czechia	Praha 4, Duhořská 1/1444, postcode 140 53
100% Free Energy Project Oresheha EAD	51661969	Netherlands	Amsterdam, Herikerbergweg 157, postcode 1101 CN
100% Bana Group EOOD	202620227	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ ESCO Bulgaria EOOD	120545968	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ Rozpredelenie Bulgaria AD	204516571	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ Trade Bulgaria EAD	13027958	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ Elektro Bulgaria AD	20357599	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ Trade Bulgaria EAD	113570147	Bulgaria	Sofia, 2 Pozitiano Sq., Office 7, floor 7, postcode 1000
100% CEZ Bulgaria EAD	131434768	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ Elektro Bulgaria AD	175133827	Bulgaria	Sofia, Mladost District, 159 Tsarigradsko Shosse Blvd., BenchMark Business Centre, postcode 1784
100% CEZ MH B.V.	24426342	Netherlands	Amsterdam, Herikerbergweg 157, postcode 1101 CN
50% Akcezi Enerji Yatirimlari Sanayi ve Ticaret A.Ş.	28317	Turkey	Zmit, Kocaeli, Yahyakaptan Mahallesi, Seval Sokak, No. 4/4, postcode 41050
100% Sakarya Elektrik Dagitim A.Ş.	10941-18573	Turkey	Adapazarı, Sakarya, Maltepe Mahallesi, Orhangazi Cad. No. 258, TEK Trafo Istasyonu PK. 160, postcode 54100
100% Sakarya Elektrik Perakende Satış A.Ş.	25281	Turkey	Zmit, Kocaeli, Yahyakaptan Mahallesi, Seval Sokak, No. 4/4, postcode 41050
37.36% Akenerji Elektrik Üretim A.Ş.	255055	Turkey	Istanbul, Miralay Şekif Bey Sokak, Akhan No. 15, Gumuşsuşu Beyoğlu, postcode 34437
100% Akenerji Doğalgaz İthalat İhracat ve Tüptan Ticaret A.Ş.	726921	Turkey	Istanbul, Miralay Şekif Bey Sokak, Akhan No. 15, Kat: 1, Oda: 1, Gumuşsuşu Beyoğlu, postcode 34437
100% Akenerji Elektrik Enerjisi İthalat İhracat ve Tüptan Ticaret A.Ş.	745367	Turkey	Istanbul, Miralay Şekif Bey Sokak, Akhan No. 15, Kat: 3, Oda: 3, Gumuşsuşu Beyoğlu, postcode 34437
99.99% Distributie Energie Oltenia S.A.	512971	Romania	Istanbul, Miralay Şekif Bey Sokak, Akhan No. 15, Kat: 3-4, Oda: 2, Gumuşsuşu Beyoğlu, postcode 34437
100% CEZ Romania S.A.	14491102	Romania	Craiova, jud. Dolj, 97, Calea Severinului, postcode 200731
100% TMK Hydroenergy Power S.R.L.	18969091	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
100% Tomia Team S.A.	27189093	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
100% MW Team Invest S.R.L.	18874690	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
100% CEZ Trade Romania S.R.L.	18526986	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
99.98% Ovidiu Development S.A.	21447890	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
100% CEZ Vanzura S.A.	18874682	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
100% CEZ Hungary Ltd.	21349608	Romania	Craiova, jud. Dolj, 97, Calea Severinului, postcode 200731
100% CEZ Srbija d.o.o.	13520970-4013-113-01	Hungary	Budapest, Rétkő utca 5, postcode 118
100% CEZ Ukraine LLC	20180650	Serbia	Beograd, Bulevar Zorana Đinđića 65, postcode 110 70
100% CEZ Deutschland GmbH	34728482	Ukraine	Kyiv, Yelyka Vasylkivska 5, postcode 01004
100% CEZ Produktų Energijos Polisa sp. z o.o.	HRB 140377	Germany	Hamburg, Am Sandtorkai 74, postcode 20457
100% CEZ Towarny Dom Maklerski sp. z o.o.	0000321795	Poland	Chorzów, ul. Mari Skłodowskiej-Curie 30, postcode 41-503
100% CEZ Finance B.V.	0000287855	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% Baltic Green Construction sp. z o.o.	24301380	Netherlands	Amsterdam, Herikerbergweg 157, postcode 1101 CN
100% Baltic Green II sp. z o.o.	0000568025	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% Baltic Green III sp. z o.o.	0000441363	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% A.E. Wind S.A.	0000409592	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% Baltic Green VI sp. z o.o.	0000516616	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% Baltic Green IX sp. z o.o.	0000610092	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% Eco-Wind Construction S.A. w upadłości	0000300426	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
99.53% CEZ Polska sp. z o.o.	0000226144	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% CEZ Skawina S.A.	0000203650	Poland	Skawina, ul. Piłsudskiego 10, postcode 32-050
100% CEZ Chorzów S.A.	0000054490	Poland	Chorzów, ul. Mari Skłodowskiej-Curie 30, postcode 41-503
100% CEZ Chorzów II sp. z o.o.	0000627827	Poland	Chorzów, ul. Mari Skłodowskiej-Curie 30, postcode 41-503
100% Elevation Group B.V.	65782267	Netherlands	Amsterdam, Herikerbergweg 157, postcode 1101 CN
77.68% OEM Energy sp. z o.o.	0000678975	Poland	Chorzów, ul. Skłodowa 17, postcode 41-500
99.85% ESCO City I sp. z o.o. w likwidacji	0000698269	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
99.85% ESCO City II sp. z o.o. w likwidacji	0000698507	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
99.85% ESCO City III sp. z o.o. w likwidacji	0000698805	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
99.83% ESCO City IV sp. z o.o. w likwidacji	0000743864	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
99.83% ESCO City V sp. z o.o. w likwidacji	0000742613	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
99.83% ESCO City VI sp. z o.o. w likwidacji	0000742714	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% E-City sp. z o.o.	0000616808	Poland	Poznań, Piłkowska 212, postcode 61-693
100% Baltic Green VIII sp. z o.o. w likwidacji	0000516701	Poland	Warszawa, Aleje Jerozolimskie 63, postcode 00-697
100% Euroklimat sp. z o.o.	0000788905	Poland	Suchy Las, Obornicka 68, postcode 62-002
100% Metrolog sp. z o.o.	0000071593	Poland	Czarnków, ul. Kościuszki 97, postcode 64-700
100% ETS Engineering Kft	01-09-469090	Hungary	Budapest, Rétkő utca 5, 3. em. 4, postcode 118
92% Elevation District Holding GmbH	HRB 153961	Germany	Jena, Göschwitzer Straße 56, postcode 07745
100% Elevation GmbH	HRB 45601	Germany	Jena, Göschwitzer Straße 56, postcode 07745
100% D-I-E Elektro AG	HRB 504087	Germany	Jena, Göschwitzer Straße 56, postcode 07745
100% EAB Elektroanlagenbau GmbH Rhein/Main	HRB 41069	Germany	Dietzenbach, Dieselstraße 8, postcode 63128
100% EAB Automation Solutions GmbH	HRB 23022	Germany	Pirmasens, Delaware Avenue 23-25, postcode 66953
100% ETS Efficient Technical Solutions GmbH	HRB 4844	Germany	Essen, Holstei 7-9, postcode 45141
100% ETS Efficient Technical Solutions Shanghai Co. Ltd.	HRB 509730	Germany	Schnaittenbach, Am Scherhubel 14, postcode 92253
100% Elektro-Technik-Fitstener GmbH	9131015791438905Y	China	Shanghai, Wuxing Road No. 385, Building 4, Pudong District
100% Rudolf Fritz GmbH	HRB 2454	Germany	Plattling, Dorfstraße 58, postcode 94447
100% Engipol GmbH	HRB 508518	Germany	Russelsheim am Main, Hans-Sachs-Straße 19, postcode 65428
100% Hermos AG	HRB 9335	Germany	Magdeburg, Joseph-von-Fraunhofer Straße 2, postcode 39108
100% Hermos Gesellschaft für Steuer-, Meß- und Regeltechnik mbH	HRB 3996	Germany	Mistelgau, Gartenstraße 19, postcode 95400
100% Hermos Systems GmbH	HRB 100983	Germany	Suhl, Pfützscherstraße 14, postcode 98527
41.44% HERMOS International GmbH	HRB 16037	Germany	Dietzenbach, Dieselstraße 8, postcode 63128
100% HERMOS SDL BHD	HRB 4187	Germany	Mistelgau, Gartenstraße 19, postcode 95490
100% Hermos sp. z o.o.	717709-H	Malaysia	Selangor Darul Ehsan, Petaling Jaya, 8 Avenue, Jalan Sep. Jernih 8/1, Seksyen 8, postcode 46050
100% Hermos Schaltanlagen GmbH	0000243856	Poland	Lesnica, ul. Powstańców Śląskich, lok. 1, postcode 47150
100% CEZ ESCO II GmbH	HRB 200647 B	Germany	Mistelgau, Gartenstraße 19, postcode 95490
100% Kofler Energies Ingenieurgesellschaft mbH	HRB 155983 B	Germany	Berlin, Geneststraße 5, postcode 10829
100% Kofler Energies Energieeffizienz GmbH	HRB 148611 B	Germany	Berlin, Geneststraße 5, postcode 10829
100% HX Facility Management GmbH	HRB 149310 B	Germany	Berlin, Geneststraße 5, postcode 10829
100% Hybridkraftwerk Culemyerstraße Projekt GmbH	HRB 159001 B	Germany	Berlin, Geneststraße 5, postcode 10829
100% WPG Projekt GmbH	HRB 183196 B	Germany	Berlin, Geneststraße 5, postcode 10829
100% Kofler Energies Systems GmbH	HRB 135379 B	Germany	Berlin, Geneststraße 5, postcode 10829
100% SYNECOTEC Deutschland GmbH	HRB 739111	Germany	Heidelberg, Sickingenstraße 39, postcode 69126
100% GWE Wärme- und Energietechnik GmbH & Co. KG	HRB 153703 B	Germany	Heidelberg, Sickingenstraße 39, postcode 69126
100% GWE Wärme- und Energietechnik GmbH & Co. KG	HRA 6488	Germany	Gütersloh, Am Anger 35, postcode 33332
100% GWE Wärme- und Energietechnik GmbH	HRB 12561	Germany	Gütersloh, Am Anger 35, postcode 33332
100% GWE Verwaltungen GmbH	HRB 8588	Germany	Gütersloh, Am Anger 35, postcode 33332
100% MWVS GmbH	HRB 110337 B	Germany	Berlin, An der Industriehöh 12-16, postcode 13088
100% Pell und Partner Ingenieure GmbH	HRB 208712 B	Germany	Berlin, Landsberger Allee 117 A, postcode 10407
100% IBP Verwaltungen GmbH	HRB 225124	Germany	München, Landsberger Straße 396, postcode 81241
100% IBP Ingenieure GmbH & Co. KG	HRA 105340	Germany	München, Landsberger Straße 396, postcode 81241
100% BELECTRIC GmbH	HRB 5161	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 100 GmbH & Co. KG	HRA 10310	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 100 Verwaltungen-GmbH	HRB 8580	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 101 GmbH & Co. KG	HRA 10311	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 101 Verwaltungen-GmbH	HRB 8581	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 102 GmbH & Co. KG	HRA 10312	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 102 Verwaltungen-GmbH	HRB 8584	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 103 GmbH & Co. KG	HRA 10313	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 103 Verwaltungen-GmbH	HRB 8585	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 104 GmbH & Co. KG	HRA 10314	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 104 Verwaltungen-GmbH	HRB 8582	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 17 GmbH & Co. KG	HRA 10183	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 18 GmbH & Co. KG	HRA 10184	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 19 GmbH & Co. KG	HRA 10187	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Belectric SP Solarprojekte 20 GmbH & Co. KG	HRA 10188	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Climagy PV-Sonnenanlage GmbH & Co. KG	HRA 9274	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Climagy PV-Sonnenanlage Verwaltungen-GmbH	HRB 6255	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Climagy Stromertrag GmbH Co. & KG	HRA 9465	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Climagy Stromertrag Verwaltungen-GmbH	HRB 6655	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% Photovoltaikwerk Groß Döln Infrastruktur GmbH & Co. KG	HRA 2504 NP	Germany	Templin-Groß Döln, Zum Flugplatz 9, postcode 17268
100% Photovoltaikwerk Groß Döln Infrastruktur Verwaltungen-GmbH	HRB 9623 NP	Germany	Templin-Groß Döln, Zum Flugplatz 9, postcode 17268
100% SP Solarprojekte 17 Verwaltungen-GmbH	HRB 8306	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% SP Solarprojekte 18 Verwaltungen-GmbH	HRB 8313	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% SP Solarprojekte 19 Verwaltungen-GmbH	HRB 8312	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
100% SP Solarprojekte 20 Verwaltungen-GmbH	HRB 8311	Germany	Kolitzheim, Wadenbrunner Straße 10, postcode 97509
49% Sunpow I Sp. z o.o.	388490	Poland	Warszawa, ul. Jana Pawła II 23, postcode 00-854
100% Elevation Holding Italia Srl	IT02936810213	Italy	Bolzano, Via Galileo Galilei 10, postcode 39100
100% Inewa consulting Srl	IT74956021	Italy	Bolzano, Via Galileo Galilei 10, postcode 39100
100% Inewa Srl	IT29344532	Italy	Bolzano, Via Galileo Galilei 10, postcode 39100
100% SYNECO PROJECT S.r.l.	2296040229	Italy	Bolzano, Via Galileo Galilei 10, postcode 39100
70% Budrio GFE 312 Società Agricola S.r.l.	219414208	Italy	Monghidoro (BO), Via Provinciale 31, postcode 40063
100% AxE AGRICOLTURA PER L'ENERGIA SOCIETA' AGRICOLA A R.L.	BO-47041	Italy	Bologna, Via delle Lame 118, postcode 40122
100% SOCIETA' AGRICOLA DEF S.r.l.	0252370218	Italy	Casaleone (VR), Via San Michele 3, postcode 37052
100% Belectric Italia S.r.l.	02406930590	Italy	Latina, Via Priverno 18, postcode 04100
99.98% CEZ ESCO Romania S.A.	39717494	Romania	Bucureşti, 28 Ion Ionescu de la Brad, Sector 1, postcode 013813
99.99% High-Tech Clima S.A.	16645925	Romania	Poepsti-Leordeni, Jud. Ilfov, 11 Sos. Bercei, postcode 077160
100% High-Tech Clima d.o.o.	21320315	Serbia	Novi Sad, Bulevar Oslobođenja 78, postcode 21000
100% Elevation Österreich Holding GmbH	FN 529923 Z	Austria	Absam, Salzbergstraße 13a, postcode 6067
100% Moser & Partner Ingenieurbüro GmbH	FN 252904 V	Austria	Absam, Salzbergstraße 13, postcode 6067
100% Syneco tec GmbH	FN 199510 V	Austria	Absam, Salzbergstraße 13a, postcode 6067
100% M&P Real GmbH	FN 37786 k	Austria	Absam, Salzbergstraße 13, postcode 6067
66% ZOHG Groep B.V.	862388430	Netherlands	Barneveld, Zwolleweg 9, postcode 3771 NR
100% Enagy SRIA B.V.	86239512	Netherlands	Barneveld, Zwolleweg 9, postcode 3771 NR
100% Zonnepanelen op het Dak B.V.	85147896	Netherlands	Barneveld, Zwolleweg 9, postcode 3771 NR
100% Zonnepanelen op het Dak Installaties B.V.	853131971	Netherlands	Barneveld, Zwolleweg 9, postcode 3771 NR
100% Belectric Israel Ltd.	514481241	Israel	Be'er Sheva, Ha-Kotser St 20, postcode 2280
100% Belectric France S.A.R.L.	514456078	France	Vendres, ZAÉ Via Europe Est Rue de Stockholm, postcode 34350
100% CEZ RES International B.V.	77019717	Netherlands	Amsterdam, Herikerbergweg 157, postcode 1101 CN
100% CEZ Erneuerbare Energien Verwaltungen GmbH	HRB 144626	Germany	Hamburg, Am Sandtorkai 74, postcode 20457
100% CEZ Erneuerbare Energien Beteiligungs II GmbH	HRB 157136	Germany	Hamburg, Am Sandtorkai 74, postcode 20457
100% CEZ France SAS	830572699	France	Toulouse 8 Esplanade Compans Caffarelli, Immeuble Astria, postcode 31000
100% Ferme Eolienne de la Piballe SAS	813057817	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne de Neuville-aux-Bois SAS	797905946	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne de Saint-Laurent-de-Céris SAS	807395454	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne de Thorigny SAS	813057981	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne des Brulais SAS	81797331	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne de Grand-Clos SAS	807395912	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne de Germaincé SAS	819634361	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne de Seligny SAS	819459017	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme Eolienne d'Andalaroc SAS	820979540	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme éolienne de Faullade et Souffrignac SAS	819576075	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme éolienne du Blossissement SAS	813057445	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme éolienne de Sauvignac SAS	819889992	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme éolienne de Genuoullis SAS	814322012	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme éolienne d'Allas-Nieul SAS	804574564	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95893, postcode 31506
100% Ferme éolienne de la Petite Valade SAS	805017115	France	Toulouse Cedex 5, 2 Rue du Libre Echange CS 95