



CLEAN
ENERGY OF
TOMORROW

Decision to Amend the Company's Articles of Association



Draft resolution:

With effect from the day following the day when this General Meeting ends, the General Meeting of ČEZ, a. s., decided to amend the Company's Articles of Association as follows:

The current wording of Article 2 (1) of the Articles of Association is replaced by the following wording:

"1. The scope of the company's business is as follows:

- a) power generation;*
- b) power trading;*
- c) thermal energy generation;*
- d) thermal energy distribution;*
- e) gas trading;*
- f) production, business and services not stated in annexes 1 to 3 of the Trade Licensing Act, specifically:*
 - (i) Provision of services for agriculture, horticulture, fishing, forestry and hunting;*
 - (ii) Professional forest management and production of forest management plans and outlines;*
 - (iii) Publishing, printing, binding and copying;*
 - (iv) Manufacture of building materials, porcelain, ceramic and plaster products;*
 - (v) Manufacture of measuring, testing, navigation, optical and photographic instruments and equipment;*
 - (vi) Manufacture of electronic components, electrical equipment, and the manufacture and repair of electrical machinery, appliances and electronic equipment powered by low voltage;*
 - (vii) Manufacture, repair and maintenance of sport products, games, toys and prams and pushchairs;*
 - (viii) Operation of water supply and wastewater services, and water treatment and distribution;*
 - (ix) Waste management (except hazardous waste);*
 - (x) Preparatory and finishing work, specialized construction activities;*
 - (xi) Intermediation in trade and services;*
 - (xii) Wholesale and retail trade;*
 - (xiii) Maintenance of motor vehicles and accessories;*
 - (xiv) Storage, packaging of goods, cargo handling and technical activities in transport;*
 - (xv) Forwarding and representation in customs procedure;*
 - (xvi) Accommodation services;*
 - (xvii) Provision of software, information technology consulting, data processing, hosting and related activities and web portals;*
 - (xviii) Real estate services, facility management and maintenance;*
 - (xix) Leasing and loaning of movables;*
 - (xx) Guidance and consulting activities, production of expert studies and opinions;*

- (xxi) *Preparation and production of technical designs, graphic and drawing work;*
- (xxii) *Design of electrical equipment;*
- (xxiii) *Research and development in the field of natural and technical sciences or social sciences;*
- (xxiv) *Testing, measurement, analysis and inspections;*
- (xxv) *Administrative services and services of an organizational and economic nature;*
- (xxvi) *Extra-curricular education, organization of courses, training, including instructor services;*
- (xxvii) *Operation of cultural, educational and entertainment facilities, organization of cultural productions, events, exhibitions, fairs, festivals, sales and similar events;*
- (xxviii) *Provision of technical services;*
- (xxix) *Repair and maintenance of household goods, items of a cultural nature, precision equipment, optical equipment and measuring devices;*
- (xxx) *Provision of services for legal entities and trusts;*
- g) *production, installation and repairs of electrical machinery and devices, electronic and telecommunication equipment;*
- h) *electrical equipment installation, repairs, reviews, and testing;*
- i) *pressure equipment and gas vessels installation, repairs, reviews, and testing;*
- j) *hazardous waste management business;*
- k) *machining;*
- l) *plumbing, heating;*
- m) *insulation installations;*
- n) *catering;*
- o) *production of hazardous chemicals and hazardous chemical mixtures and sale of chemicals and chemical mixtures classified as very toxic and toxic;*
- p) *psychological advisory services and diagnostics;*
- q) *services in the area of occupational health and safety and health;*
- r) *technical-organizational activities in the area of fire protection;*
- s) *acting as accountants, bookkeeping, tax recordkeeping;*
- t) *provision of technical services to protect property and individuals;*
- u) *security of property and individuals;*
- v) *lifting equipment installation, repairs, reviews, and testing;*
- w) *locksmithing, toolmaking;*
- x) *registry keeping;*
- y) *construction, alteration and removal of buildings;*
- z) *production and processing of fuels and lubricants and distribution of fuels;*
- aa) *road motor transport – passenger transport operated by vehicles designed to carry not more than 9 persons including the driver;*
- bb) *real estate intermediation;*
- cc) *installation, repair, inspection and testing of gas equipment and the filling of vessels with gas; and*
- dd) *property, flat and non-residential premises rental.”*

In Article 14 (9) letter (r) and in Article 14 (10) letter (i) of the Articles of Association the words “ pursuant to the Public Procurement Act” are replaced by the words “pursuant to the Act on Public Contracts Award”.

The current wording of Article 14 (11) letter (d) of the Articles of Association is replaced by the following wording:

“d) long-term agreements for the purchase, sale and transit of electricity concluded for a period exceeding 3 years or if their value in each individual case exceeds CZK 3,000,000,000 (in words: three billion Czech crowns), agreements for the purchase of distribution and transmission services concerning electricity, agreements on the provision of supporting services under the Power Act, agreements for the purchase and sale of commodity derivatives and on the provision of commodity trade services, agreements for the purchase and sale of greenhouse gas emission allowances, agreements for purchase, sale, storage and transit of natural gas, agreements for the purchase of distribution and transmission services concerning natural gas and agreements for the purchase and sale of heat, all the foregoing if their value in each individual case exceeds CZK 3,000,000,000 (in words: three billion Czech crowns); in addition, the board of directors is obligated to advise members of the supervisory board in advance about the intent to make such agreement;”

Rationale:

The Board of Directors submits a proposal to amend the Articles of Association of the Company in accordance with Section 421 (2) letter a) of the Business Corporations Act and Article 8 (1) letter a) of the Articles of Association.

The purpose of the proposed amendment to the Articles of Association is:

- (a) Adapting the regulation of the scope of the company’s business to the requirements resulting from the Supreme Court’s decision of May 12, 2021, case No. 27 Cdo 3549/2020, consisting in particular in a closer specification of the scope of business previously included under “production, business and services not stated in annexes 1 to 3 of the Trade Licensing Act”, which the Company currently carries out, as well as the addition of certain scope of business which the Company carries out or intends to carry out;
- (b) Adjustment of the limits for the Board of Directors’ decision and information to the Supervisory Board (including information to the Supervisory Board members on the previous intent) on commodity trades due to the extraordinary increase in electricity and natural gas prices that occurred in 2021 and in the first quarter of 2022, where the most traded electricity and natural gas products increased up to several times. A similar situation to electricity and natural gas is also occurring in trading with greenhouse gas emission allowances, which has seen significant increases in market prices over the last two years. In the case of trades with these products, the value of the volumes usually traded on the market often exceeds the original limit set by Article 14 (11) letter (d) of the Company’s Articles of Association, which could lead to losses in cases where it is necessary to react quickly to market developments, and it is therefore proposed to increase these limits;
- (c) Updating the designation of the act regulating awarding of public contracts to reflect the effective Act No. 134/2016 Coll., on Public Contracts Award.

The effectiveness of the amendments to the Articles of Association is proposed from the day following the day when this General Meeting ends. The proposed amendments to the Articles of Association are set out directly in the draft resolution and if the draft resolution is adopted, the Board of Directors will draw up a new full version of the Articles of Association in accordance with the law. In addition, the Board of Directors has prepared a working document outlining all amendments to the current wording of the Articles of Association – this document is published on the Company’s website at www.cez.cz under the link “For Investors” in the section “General Meetings”, in the part related to the 2022 General Meeting. In this context, the Board of Directors points out that this working document is not intended to be used for voting and is intended only to improve shareholder orientation and information.