

PRE-ISSUANCE REVIEW

Sustainability Quality of the Issuer's European Green Bond Factsheet

ČEZ, a. s.

2 April 2026

VERIFICATION PARAMETERS

Name and date of issuance of the bond	<ul style="list-style-type: none">European Green BondsInformation on the issuance date was not available at the time the External Review was completed.
Relevant standards	<ul style="list-style-type: none">European Green Bond Standard Regulation (EU 2023/2631) (as of January 2024)EU Taxonomy Complementary Climate Delegated Act (June 2023)EU Taxonomy Climate Delegated Act (June 2023)Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
Scope of verification	<ul style="list-style-type: none">ČEZ, a. s. European Green Bond Factsheet (as of April 2, 2026)ČEZ, a. s. Selection Criteria (as of April 2, 2026)
Issuer legal entity identifier	<ul style="list-style-type: none">529900S5R9YHJHYKKG94
Competent authority that approved the bond prospectus	<ul style="list-style-type: none">The Commission de Surveillance du Secteur Financier (CSSF)
Validity	<ul style="list-style-type: none">Valid as long as the cited Factsheet remains unchanged

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SCOPE OF WORK

ČEZ, a. s. ("the Issuer", "the Company", or "ČEZ") commissioned ISS-Corporate to assist with its European Green Bonds by assessing two core elements to determine the sustainability quality of the instruments:

- ČEZ's European Green Bond Factsheet (as of April 2, 2026) – benchmarked against the European Green Bond (EuGB) Regulation.
- The alignment of the project categories with the EU Taxonomy based on ISS-Corporate's methodology — whether the nominated project categories are aligned with the EU Taxonomy Technical Screening Criteria (including Substantial Contribution to Climate Change Mitigation Criteria and Do No Significant Harm Criteria) and Minimum Safeguards requirements as included in the EU Taxonomy Climate Delegated Act (June 2023)¹ and the EU Taxonomy Complementary Climate Delegated Act² (June 2023).

INTRODUCTORY AND ALIGNMENT STATEMENTS – SUMMARY

ISS-Corporate has assessed:

- ČEZ's completed European Green Bond Factsheet laid down in Annex I to Regulation (EU) 2023/2631 of the European Parliament and of the Council.
- The alignment of the project categories with the EU Taxonomy based on ISS-Corporate's methodology — whether the nominated project categories are aligned with the EU Taxonomy Technical Screening Criteria (including Substantial Contribution to Climate Change Mitigation Criteria and Do No Significant Harm Criteria) and Minimum Safeguards requirements as included in the EU Taxonomy Climate Delegated Act (June 2023)³ and the EU Taxonomy Complementary Climate Delegated Act⁴ (June 2023).

This review represents an independent opinion of the external reviewer and is to be relied upon only to a limited degree. No conflicts of interest related to ISS-Corporate providing the external review have been identified.⁵

¹ Commission [Delegated Regulation \(EU\) 2023/2485](#) of 27 June 2023 amending [Delegated Regulation \(EU\) 2021/2139](#).

² Commission Delegated Regulation (EU) 2020/852, URL <https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:32022R1214>.

³ Commission [Delegated Regulation \(EU\) 2023/2485](#) of 27 June 2023 amending [Delegated Regulation \(EU\) 2021/2139](#).

⁴ Commission Delegated Regulation (EU) 2020/852, URL <https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:32022R1214>.

⁵ For additional services obtained by the Issuer, please refer to [ISS-Corporate public repository](#).

ISS-Corporate considers the transactions under this bond(s) to meet the requirements of Regulation (EU) 2023/2631 as regards the use of proceeds, and the uses of proceeds to be aligned with Regulation (EU) 2020/852, based on the information provided by ČEZ to ISS-Corporate.

ČEZ, A. S. OVERVIEW

ČEZ, a. s. is a parent company of the CEZ Group which engages in the generation, distribution, trade and sale of electricity and heat in Western, Central and Southeastern Europe ("ČEZ"). The company operates through four segments: Generation, Distribution, Sales and Mining. It operates hydro (including pump storage), wind, solar, nuclear, coal, natural gas, biogas, and biomass power plants, as well as a combined cycle gas turbine plant and small combined heat and power units. The company is also involved in the trade and sale of natural gas; mining of coal (supply of lignite to its Czech coal power plants); quarrying and processing of construction aggregates and limestones; commodity trading business; and provision of complex energy services. It also holds interest in the lithium ore mining project in Cinovec. ČEZ, a. s. was incorporated in 1992 and is headquartered in Prague, the Czech Republic.

ESG risks associated with the Issuer Industry

ČEZ is classified in the Electric Utilities industry, as per ISS Sustainability's sector classification. Key sustainability issues faced by companies in this industry are protection of human rights and community outreach, accessibility and reliability of energy supply, environmentally safe operation of plants and infrastructure, and promotion of a sustainable energy system.

This report focuses on the sustainability credentials of the issuances.

ASSESSMENT SUMMARY

EXTERNAL REVIEW SECTION	SUMMARY	EVALUATION ⁶
Part I: Alignment with EuGB Regulation	ISS-Corporate is of the opinion that ČEZ follows the requirements spelled out in Articles 4 to 8 of Regulation (EU) 2023/2631.	Aligned
Part II: Alignment with EU Taxonomy	<p>ČEZ's project characteristics, due diligence processes and policies have been assessed against the requirements of the EU Taxonomy (Climate Delegated Act of June 2023⁷ and Complementary Climate Delegated Act of June 2023), based on ISS-Corporate's methodology. The nominated project categories are considered to be:</p> <ul style="list-style-type: none"> ▪ Aligned with the Climate Change Mitigation Criteria ▪ Aligned with the Do No Significant Harm Criteria ▪ Aligned with the Minimum Safeguards requirements 	
Other Information	ISS-Corporate is of the opinion that ČEZ's European Green Bond Factsheet complies with the four pillars of the ICMA Green Bond Principles (as of June 2025), namely Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting. The Taxonomy-aligned categories to be funded by ČEZ are also eligible UoP categories as defined by the ICMA Green Bond Principles.	

⁶ The evaluation is based on the ČEZ's European Green Bond Factsheet (April 2, 2026).

⁷ While the Taxonomy Regulation entered into force in June 2021, its Annexes were updated and published in June 2023; therefore, this report refers to the 2023 version.

EXTERNAL REVIEW ASSESSMENT

PART I: ALIGNMENT WITH EUGB REGULATION

This section evaluates the alignment of ČEZ's European Green Bond Factsheet with Regulation (EU) 2023/2631 (as of January, 2024).

EUGB REGULATION	ALIGNMENT	OPINION
Article 4:	✓	The Issuer's green categories align with the project categories as per the EuGB Regulation. Criteria are defined in a clear and transparent manner. The Issuer uses a Gradual Approach. The Issuer deducts and justifies estimated issuance costs.
Article 5:	N/A	All project categories align with the EU Taxonomy.
Article 6:	N/A	The Issuer confirms that no proceeds will be allocated to financial assets.
Article 7:	N/A	The Issuer does not plan to publish a Capex plan in relation to the European Green Bonds as ČEZ does not allocate proceeds in line with articles 4.1 b and c of the Regulation.
Article 8:	✓	The Issuer confirms that the proceeds are allocated in alignment with the applicable technical screening criteria at the time of issuance and in case of future amendments, any unallocated proceeds will be allocated in alignment with the future applicable technical screening criteria no later than seven years after the date of application of the new criteria.
Annex I:	✓	The Issuer provides the statistical classification of financed activities and provides a justification for not estimating the anticipated environmental impacts. Disclosure of the distribution of proceeds by project category for nuclear and fossil gas activities has been provided, including a breakdown at enabling/transitional activity level.

		<p>A description of the processes by which the Issuer determines how projects align with taxonomy requirements and the relevant technical screening criteria, as well as Minimum Social Safeguards, associated to each project category is provided.</p> <p>The Issuer discloses the estimated date by which the proceeds are expected to be fully allocated.</p> <p>ČEZ has disclosed the type of information that will be reported and explains that the level of expected reporting will be at least at project category level.</p> <p>The Issuer states how the bond(s) contribute to its strategy and the EU objectives. The Issuer discloses the manner in which bond proceeds are intended to contribute to funding and implementing transition plans.</p> <p>The Issuer provides a description of how and to what extent bond proceeds are expected to contribute to the Issuer's key performance indicators, in line with best market practices.</p>
Articles 11 and 12:	✓	<p>The Issuer commits to disclose the allocation of proceeds and to report in an appropriate frequency, using the template laid down in Annex II. The reporting will be publicly available on the Issuer's website. Moreover, the Issuer commits to report annually, until the proceeds have been fully allocated and to obtain an external review. ČEZ commits to providing an impact report at least once during the lifetime of the bond and once the full allocation of proceeds has been achieved, using the template laid out in Annex III.</p>
Article 16-18:	N/A	<p>Not applicable as the Issuer is not issuing a securitization bond.</p>

PART II: ALIGNMENT OF THE SELECTION CRITERIA WITH THE EU TAXONOMY CLIMATE DELEGATED ACT AND THE EU TAXONOMY COMPLEMENTARY CLIMATE DELEGATED ACT

The alignment of ČEZ's project characteristics, due diligence processes and policies for the nominated Use of Proceeds project categories have been assessed against the relevant Substantial Contribution to Climate Change Mitigation, and Do Not Significant Harm (DNSH) Technical Screening Criteria, and against the Minimum Safeguards requirements of the EU Taxonomy Climate Delegated Act⁸ (June 2023) and the EU Taxonomy Complementary Climate Delegated Act⁹ (June 2023) based on information provided by ČEZ. Where ČEZ's project characteristics, due diligence processes and policies meet the EU Taxonomy Criteria requirements, a tick is shown in the table below.

ČEZ's project selection criteria overlap with the following economic activities in the EU Taxonomy:

- 4.1 Electricity generation using solar photovoltaic technology (EU Taxonomy Climate Delegated Act).
- 4.3 Electricity Generation from Wind Power (EU Taxonomy Climate Delegated Act).
- 4.5 Electricity Generation from Hydropower (EU Taxonomy Climate Delegated Act).
- 4.9 Transmission and distribution of electricity (EU Taxonomy Climate Delegated Act).
- 4.10 Storage of electricity (EU Taxonomy Climate Delegated Act).
- 4.15 District heating/cooling distribution (EU Taxonomy Climate Delegated Act).
- 4.24 Production of heat/cool from bioenergy (EU Taxonomy Climate Delegated Act).
- 4.28 Electricity Generation from Nuclear Energy in Existing Installations (EU Taxonomy Complementary Climate Delegated Act, Annex I).
- 4.29 Electricity generation from fossil gaseous fuels (EU Taxonomy Complementary Climate Delegated Act, Annex I).
- 4.30 High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels (EU Taxonomy Complementary Climate Delegated Act, Annex I).
- 4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system (EU Taxonomy Complementary Climate Delegated Act, Annex I).
- 6.15 Infrastructure enabling low-carbon road transport and public transport (EU Taxonomy Climate Delegated Act).
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (EU Taxonomy Climate Delegated Act).

⁸Commission Delegated Regulation (EU) 2020/852, URL https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en.

⁹ Commission Delegated Regulation (EU) 2020/852, URL <https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:32022R1214>.

All projects financed under the Issuer's Factsheet are and will be located in the EU, with the majority located in Czechia.

Note: To avoid repetition, the evaluation of the alignment of ČEZ's assets to the Do No Significant Harm Criteria (DNSH) to Climate Change Adaptation is provided in Section o. Similarly, the evaluation of the alignment of the DNSH to Sustainable Use and Protection of Water and Marine Resources in Section p, the DNSH to Pollution Prevention and Control Regarding Use and Presence of Chemicals in Section q, and Protection and Restoration of Biodiversity and Ecosystems is given in Section r.

Furthermore, this analysis only displays how the EU Taxonomy criteria are fulfilled/not fulfilled. For ease of reading, the original text of the EU Taxonomy criteria is not shown. Readers can recover the original criteria at the following [link](#).

a) 4.1 – Electricity generation using solar photovoltaic technology

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁰	ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
The activity generates electricity using solar photovoltaic (PV) technology.	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
See n)	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
N/A — there is no EU Taxonomy criteria for the category.	
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
<p>The activity assesses the availability of and, where feasible, uses equipment and components of high durability and recyclability and that are easy to dismantle and refurbish.</p> <p>The Issuer confirms that a process is in place for assessing and selecting components and equipment, considering durability, reparability, and recyclability at the procurement phase. All major PV projects were assessed for compliance with the requirements of the Czech Modernization Fund in line with applicable calls, such as Call 2/2021 and Call 2/2022. The quality assurance requirements included in these calls support longer service life, maintainability, and reduced replacement needs. For example, photovoltaic modules are required to meet a minimum 20-year linear performance warranty with a maximum reduction to 80% of original performance guaranteed by the manufacturer. ČEZ operates a certified Environmental Management System, which is embedded into all contracts, terms, and conditions and is equally binding for suppliers. Through this system, the company promotes maximum reuse and recycling at the end of the asset’s service life.</p> <p>ČEZ has a waste management system in place to ensure financed assets systematically adhere to a waste management hierarchy that focuses on minimizing the impact of waste on the environment. ČEZ has measures in place to systematically ensure assets financed under this activity can be taken back and recycled at the end of their lives.</p> <p>Decommissioned electrical equipment is transferred for environmentally sound recovery through an established end-of-life take-back scheme.</p>	✓

¹⁰ This column is based on input provided by the Issuer.

¹¹ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

Specifically for PV panels, there is a collective system for the collection operated by its subsidiary, ČEZ Recyklace s.r.o., which applies the principles of the circular economy when taking back discarded PV panels.	
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	
N/A — there is no EU Taxonomy criteria for the category.	
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
See q)	
ČEZ confirms that for new PV installations exceeding a significant capacity threshold of 50 MW, an Environmental Impact Assessment (EIA) is conducted, as required under Annex 1 of Act No. 100/2001 Coll. This Act transposes the requirements of Directive 2011/92/EU (as amended by Directive 2014/52/EU) into Czech national law. ČEZ further confirms that this is only relevant for the Ralsko Solar PV power plant (55.76329 MWp) currently.	✓

b) 4.3 – Electricity generation from wind power

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹²	ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
The activity generates electricity from wind power.	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
See n)	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
N/A — the financed projects are/will be only onshore wind.	
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
The activity assesses the availability of and, where feasible, uses equipment and components of high durability and recyclability, and that are easy to dismantle and refurbish.	
The Issuer confirms that a process is in place for assessing and selecting components and equipment, considering durability, reparability, and recyclability at the procurement phase. The Issuer reports that all of its activities follow the waste hierarchy, which includes procurement. ČEZ confirms	✓

¹² This column is based on input provided by the Issuer.

¹³ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

that the projects comply with [Act No. 542/2020 Coll.](#), which establishes binding requirements governing the management of products throughout their life cycle, including provisions supporting durability, reparability, disassembly, reuse, refurbishment, and recycling or other recovery at the end of life. The Act transposes relevant EU legislation, including [Directive 2012/19/EU](#) and [Directive 2006/66/EC](#). Furthermore, components and equipment that fall within the scope of [Regulation \(EU\) 2024/1781](#) are subject to a binding Ecodesign framework aimed at improving durability, reparability, dismantlability, refurbishment potential, reusability, and recyclability of products across the life cycle.

In addition, ČEZ confirms that all financed activities will be subject to one of the following measures:

- an environmental management system (e.g., ISO14001) that is aligned with the waste hierarchy, and which applies a full lifecycle perspective, and includes operational controls applicable to external providers.
- a contract with a collective system or waste-management company for the take-back or subsequent recovery of technologies and products at the end of their service life. The treatment of waste prioritizes reuse, recycling, and recovery, with disposal applied only as a last resort in line with the waste hierarchy.
- a waste management plan in accordance with the relevant legislation in place, which sets procedures for segregation, compliant handover to only authorized operators, and waste hierarchy-based treatment.

5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA

N/A — there is no EU Taxonomy criteria for the category.

6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA

See q)

The financed projects are/will be only onshore wind.



c) 4.5 Electricity Generation from Hydropower

PROJECT CHARACTERISTICS AND SELECTION PROCESSES¹⁴	ALIGNMENT WITH THE EU TAXONOMY’s technical screening criteria
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¹⁴ This column is based on input provided by the Issuer.

¹⁵ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>ČEZ confirmed that the financed projects comply with at least one of the following criteria:</p> <ul style="list-style-type: none"> ▪ the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; ▪ the power density of the electricity generation facility is above 5 W/m²; ▪ the life-cycle GHG emissions from the generation of electricity from hydropower are lower than 100gCO₂e/kWh. The life-cycle GHG emissions are calculated using Recommendation 2013/179/EU or, alternatively, using ISO 14067:2018, ISO 14064-1:2018 or the G-res tool. Quantified life-cycle GHG emissions are verified by an independent third party. 	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
See n)	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
<p>1) The Issuer confirms that the activity complies with the provisions of Directive 2000/60/EC,¹⁶ in particular with all the requirements laid down in Article 4 of the Directive.</p> <p>2) For the operation of existing hydropower plants, the Issuer confirms that they monitor water use and discharge, and that they conduct EIAs, in accordance with Article 4 and 11 of Directive 2000/60/EC. When an impact is identified, the Issuer will implement the relevant mitigation measures that are technologically and ecologically feasible. For example, hydropower facilities operate under a water management permit that defines the authorised volume of retained water and the required minimum outflow / residual flow downstream of the plant, ensuring ecological functions and the protection of ecosystems dependent on the watercourse. Compliance with the permitted values is continuously monitored.</p> <p>In addition, where relevant, measures to ensure minimum ecological flow (including mitigation of rapid, short-term variations in flow or hydro-peaking operations) are implemented: Each large peak-load hydropower plant is complemented by a smaller downstream facility that stabilizes the outflow. All smaller plants operate in run-of-river mode with a predefined minimum flow secured at all times. Further mitigation measures include:</p> <ul style="list-style-type: none"> ▪ the regular monitoring of the concentration of petroleum substances in discharged water; 	✓

¹⁶ [Directive 2000/60/EC](#) was transposed into Czech legislation primarily through amendments to the national Water Act (zákon č. 254/2001 Sb., o vodách). In 2003, the Czech Republic carried out the *Euro-amendment* of the Water Act. This amendment finalized the full transposition of the WFD into Czech law. The amendment entered into force on 23 January 2004 as Act No. 20/2004 Coll.

- the treatment of seepage water from equipment areas within the plants before being released into watercourses as a precautionary measure;
- emergency response plans for accidental spills, and the regular conduct of emergency drills to practise spill response;
- gradual replacement of mineral oils used in the plants with new, biodegradable alternatives.

In addition, the Issuer confirms that at small hydropower plants, where technically feasible, fish protection systems and fish passages are installed (e.g., Bukovec hydropower plant). At some sites, fish passages form part of the water structures managed by state river basin authorities. The Issuer also affirms that most hydropower reservoirs contribute to improving oxygen conditions in downstream watercourses during the summer period through controlled flow augmentation. The Hnětkovice hydropower plant improves oxygenation by operating aeration turbines.

Moreover, the Issuer confirms that all measures imposed through the permitting procedures are implemented and regularly evaluated. The River Basin Management Plans, which are prepared and assessed by the river basin authorities, assert that the operation of the hydropower plants is not a cause of failure to achieve good status of any water body. 3) At the date of the external review, the Issuer does not have any plans for the construction of new hydropower plants. Nevertheless, the Issuer confirms that, should new hydropower plants be constructed under this Factsheet, they will comply with the following criteria:

(i) In accordance with Article 4 of Directive 2000/60/EC and in particular paragraph 7 of that Article, prior to construction, an impact assessment of the project is carried out to assess all its potential impacts on the status of water bodies within the same river basin and on protected habitats and species directly dependent on water, considering in particular migration corridors, free-flowing rivers or ecosystems close to undisturbed conditions.

The assessment is based on recent, comprehensive, and accurate data, including monitoring data on biological quality elements that are specifically sensitive to hydromorphological alterations, and on the expected status of the water body as a result of the new activities, as compared to its current one.

It assesses in particular the cumulated impacts of this new project with other existing or planned infrastructure in the river basin.

(ii) On the basis of that impact assessment, it has been established that the plant is conceived, by design and location and by mitigation measures, so that it complies with one of the following requirements:

- the plant does not entail any deterioration nor compromises the achievement of good status or potential of the specific water body it relates to;
- where the plant risks to deteriorate or compromise the achievement of good status/potential of the specific water body it relates to, such deterioration is not significant, and is justified by a detailed cost-benefit assessment demonstrating both of the following:
 - the reasons of overriding public interest or the fact that benefits expected from the planned hydropower plant outweigh the costs from deteriorating the status of water that are accruing to the environment and to society;
 - the fact that the overriding public interest or the benefits expected from the plant cannot, for reasons of technical feasibility or disproportionate cost, be achieved by alternative means that would lead to a better environmental outcome (such as refurbishing of existing hydropower plants or use of technologies not disrupting river continuity).

(iii) All technically feasible and ecologically relevant mitigation measures are implemented to reduce adverse impacts on water as well as on protected habitats and species directly dependent on water.

Mitigation measures include, where relevant and depending on the ecosystems naturally present in the affected water bodies:

- measures to ensure downstream and upstream fish migration (such as fish friendly turbines, fish guidance structures, state-of the-art fully functional fish passes, measures to stop or minimize operation and discharges during migration or spawning);
- measures to ensure minimum ecological flow (including mitigation of rapid, short-term variations in flow or hydro-peaking operations) and sediment flow;
- measures to protect or enhance habitats.

The effectiveness of those measures is monitored in the context of the authorization or permit setting out the conditions aimed at achieving good status or potential of the affected water body.

<p>(iv) The plant does not permanently compromise the achievement of good status/potential in any of the water bodies in the same river basin district.</p>	
<p>(v) In addition to the mitigation measures referred to above, and where relevant, compensatory measures are implemented to ensure that the project does not increase the fragmentation of water bodies in the same river basin district. This is achieved by restoring continuity within the same river basin district to an extent that compensates the disruption of continuity, which the planned hydropower plant may cause. Compensation starts prior to the execution of the project.</p>	
<p>4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA</p>	
<p>N/A — there is no EU Taxonomy criteria for the category.</p>	<p>✓</p>
<p>5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA</p>	
<p>N/A — there is no EU Taxonomy criteria for the category.</p>	
<p>6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA</p>	
<p>See q)</p>	
<p>In addition, the Issuer confirms that, where relevant, the facility has been issued a valid positive EIA statement, holds a valid operating permit, and the compensatory measures specified in the EIA statement have been implemented. This applies to the Orlík hydropower plant. For all other facilities, projects or activities, an EIA or a screening procedure was not required, and they hold valid operating permits.</p>	<p>✓</p>

d) 4.9 Transmission and distribution of electricity

<p>PROJECT CHARACTERISTICS AND SELECTION PROCESSES¹⁷</p>	<p>ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA</p>
<p>1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION</p>	
<p>The activity transmits and distributes electricity through a system interconnected to the European system, any infrastructure with a connection over 100gCO₂e/kWg GHG intensity will be excluded from financing under Czechia’s national law Zákon č. 249/2025 Sb, transposed from EU Directive 2019/944 requires metering infrastructure in the country, where ČEZ operates in, to meet the requirements of smart metering systems of Article 20 of Directive (EU) 2019/944. ČEZ confirmed that any smart metering that does not meet the EU directive will be excluded from financing under the Factsheet.</p>	<p>✓</p>
<p>2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA</p>	

¹⁷ This column is based on input provided by the Issuer.

¹⁸ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

See n)	
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
N/A- there is no EU Taxonomy criteria for the category.	
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
ČEZ has environmental management systems (EMS) certified with ISO 14001 Standard, which certifies the maximal reuse or recycling of such waste at the end of life in accordance with the waste hierarchy under the current EMS. ČEZ also states that decommissioned electrical equipment is handed over for recovery through the take-back scheme for end-of-life products.	✓
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	
Construction site activities for overground high voltage lines are governed by the principles of the IFC General Environmental, Health, and Safety Guidelines (which represent international good practice, especially for developing countries, and which CEZ has implemented in the EU/CZ legal framework).	✓
For Work at height, there is safe work system in place in accordance with Government Regulation No. 362/2005 Coll., on detailed requirements for occupational safety and health at workplaces with a risk of falling from height or into depth.	
The activity complies with applicable standards and regulations aimed at limiting the impact of electromagnetic radiation on human health. For activities carried out within Czechia, this includes adherence to the Council Recommendation on limiting the exposure of the general public to electromagnetic fields (0 Hz to 300 GHz).	
ČSN EN 50647, Act No. 258/2000 Coll., and Government Regulation No. 291/2015 Coll. laid out limit values of the electromagnetic fields within 0Hz to 300 GHz, derived from the 1998 Guidelines of International Commission on Non-Ionizing Radiation Protection ICNIRP.	
CEZ regularly evaluates risks associated with exposure to non-ionizing radiation risk factors.	
CEZ has confirmed that Polychlorinated biphenyls are not used in any activities.	
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
See q)	✓

e) 4.10 Storage of electricity

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁹	ALIGNMENT WITH THE EU TAXONOMY'S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>The activity involves the construction and operation of facilities that store electricity and return it in the form of electricity, involving stationary battery storage and pumped hydropower storage</p> <p>ČEZ confirms that they will not finance activities including chemical energy storage nor using hydrogen or ammonia as electricity storage.</p>	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
<p>See n) for the “Generic DNSH in climate change adaptation” for the respective answers.</p>	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
<p>The Issuer confirms that this activity covers the financing of both pumped hydropower storage connected to a river body and pumped hydropower storage not connected to a river body.</p> <p>For pumped hydropower storage projects connected to a river body, the Issuer confirms that the projects comply with the criteria for DNSH to sustainable use and protection of water and marine resources specified under activity 4.5 Electricity production from hydropower.</p> <p>For pumped hydropower storage projects not connected to a river body, the Issuer confirms that the projects comply with the generic DNSH on sustainable use and protection of water and marine resources. See Section d) of this report.</p>	✓
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
<p>ČEZ confirms to adhere to all relevant EU legislation, including the Waste Framework Directive 2008/98/EC.</p> <p>Additionally, ČEZ confirms that, for each specific project and reflected in project documentation, a waste management plan is in place that ensures maximal reuse or recycling at end of life in accordance with the waste hierarchy, including through contractual agreements with waste management partners, reflection in financial projections or official project documentation.</p>	✓
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	

¹⁹ This column is based on input provided by the Issuer.

²⁰ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.



N/A — there is no EU Taxonomy criteria for the category.	
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
See q)	✓

f) 4.15 District heating/cooling distribution


PROJECT CHARACTERISTICS AND SELECTION PROCESSES ²¹	ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>The activity involves the construction, operation, and refurbishment of pipelines and associated infrastructure for distributing heating and cooling. The system is audited and published annually on Přehled účinných soustav eru.gov.cz, it meets the definition of efficient district heating and cooling systems laid down in Act No. 165/2012 Coll. Act on Supported Energy Sources and on Amendments to Certain Acts, transposed into the requirement of Article 2, point 41, of Directive 2012/27/EU.</p> <p>For the refurbishment of pipelines and associated infrastructure for distributing heating and cooling, the investment that makes the system meet the definition of efficient district heating or cooling laid down in Article 2, point 41, of Directive 2012/27/EU starts within a three year period as underpinned by a contractual obligation, the alignment with Act No. 165/2012 Coll. Act (transposed from Article 2, point 41, of Directive 2012/27/EU) is reviewed and published annually, or an equivalent in case of operators in charge of both generation and the network.</p> <p>The activity will also include both (i) modification to lower temperature regimes; (ii) advanced pilot systems (control and energy management systems, Internet of Things).</p>	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
See n)	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
See o)	
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
N/A - there is no EU Taxonomy criteria for the category.	
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	

²¹ This column is based on input provided by the Issuer.

²² The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

<p>CEZ confirms that the fans, compressors, pumps and other equipment used which is covered by Directive 2009/125/EC,²³ comply, where relevant, with the top-class requirements of the energy label, and otherwise comply with implementing regulations under that Directive and represent the best available technology (BAT), through either with energy label class A, or equipment with declaration of Conformity.</p>	
<p>6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA</p>	
<p>See q)</p>	

g) 4.24 Production of heat/cool from bioenergy

<p>PROJECT CHARACTERISTICS AND SELECTION PROCESSES²⁴</p>	<p>ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA</p>
<p>1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION</p>	
<p>CEZ confirms that Agricultural biomass used in the activity for the production of heat and cool complies with the criteria laid down in Article 29, paragraphs 2 to 5, of Directive (EU) 2018/2001.²⁶ CEZ confirms that only criteria meeting the Directive will be sourced. Forest biomass used in the activity complies with the criteria laid down in Article 29, paragraphs 6 and 7 of that Directive.</p> <p>CEZ confirms that the greenhouse gas emission savings from the use of biomass are at least 80 % in relation to the GHG emission saving methodology and relative fossil fuel comparator set out in Annex VI to Directive (EU) 2018/2001, where the measurement will be complied during the sourcing of material.</p> <p>For the above requirements, CEZ confirms that heat generation installations will not apply to a total rated thermal input below 2MW and will not use gaseous biomass fuels.</p> <p>CEZ confirms that the installation will not rely on anaerobic digestion of organic material.</p>	
<p>2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA</p>	

²³ Directive 2009/125/EC is transposed into Czech law through: Act No. 406/2000 Sb. (Energy Management Act), § 8a; Decree No. 319/2019 Sb. (Ecodesign & Energy Labelling Regulation)

²⁴ This column is based on input provided by the Issuer.

²⁵ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.


²⁶ RED II is transposed in the Czech Republic primarily through: Transport-related parts; Zákon č. 201/2012 Sb., o ochraně ovzduší; Nařízení vlády č. 189/2018 Sb; (Advanced biofuels, renewable energy share in fuels, sustainability criteria) Electricity, heating/cooling, industry: Zákon č. 165/2012 Sb. (POZE) – “law on supported energy sources” (RES targets, renewable heating/cooling, biogas/biomethane, guarantees of origin, etc.).

See n)	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
See o)	✓
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
N/A-there is no EU Taxonomy criteria for the category.	
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	
<p>ČEZ will assess the bioenergy plant installations against the best available techniques (BAT-AEL) as part of the integrated permit procedure to ensure the emission will be lower than the standard required. The permit is issued at the commissioning and is reviewed in regular periods, every 8 years, by regional authority, and the reports regarding compliance with the IPPC permit will also be issued regularly for the permitting authority.</p> <p>ČEZ will also ensure no significant cross-media effects will occur through obtaining the IPPC permit. It is also noted that the IPCC Permit will be renewed according to Art. 20 of the EU Directive 2010/75/EU for any substantial change of operation.</p> <p>In addition, for combustion plants with thermal input greater than 1 MW but below the thresholds for the BAT conclusions for large combustion plants, the new installations for 1-50 MW will require a permit in accordance with EU Directive 2015/2193 transposed by Annex II of decree No. 415/2015 Collective,²⁷ on medium combustion plant installation from the national authority to comply with the requirement.</p> <p>CEZ confirms that all plants within the zone will comply with air quality limit values laid down in Directive 2008/50/EC, results of the information exchange, which are published by the Commission in accordance with Article 6, paragraphs 9 and 10 of Directive (EU) 2015/2193 are taken into account.</p> <p>CEZ confirmed that anaerobic digestion will not be utilized in the installations.</p>	✓
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
See q)	
<p>CEZ also confirms that the facility under this activity underwent a screening procedure and concluded with a determination of having only a minor impact on the environment (i.e., without the need to undergo a full EIA) as required by the ministry of environment's methodological guidance, Act No. 100/2001 Collective Annex 1, depending on project and location of the plant. For plants to be built in Natura 2000-sensitive project or a sub-threshold project in protected areas, the plant will require an EIA screening Alternatively, the facility</p>	✓

²⁷ Decree No. 415/2012 Collective, <https://www.zakonyprolidi.cz/cs/2012-415#>

did not require either an EIA or a screening procedure and holds valid operating permits, as depicted by the Ministry of Environment's methodological guidance for biogas permitting.

h) 4.28 – Electricity generation from nuclear energy in existing installations²⁸

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ²⁹	ALIGNMENT WITH THE EU TAXONOMY'S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>ČEZ has confirmed that the financed activities will operate in the Dukovany and Temelin plants, which are in Czechia and comply with the following requirements (1,4,5,7) through Act No. 263/2016 Collective³¹ of the July 14, 2016, Atomic Act, which transposes the relevant Euratom and EU regulations:</p> <p>1.(a) Czechia has fully transposed Council Directive 2009/71/Euratom and Council Directive 2011/70/Euratom through Act No. 263/2016 Collective³² of the July 14, 2016, Atomic Act.</p> <p>(b) Czechia complies with the Euratom Treaty and with legislation adopted on its basis, specifically Directive 2009/71/Euratom, Directive 2011/70/Euratom and Directive 2013/59/Euratom. Czechia also complies with applicable Union environmental law adopted under Article 192 TFEU, specifically Directive 2011/92/EU (transposed from Act No. 100/2001)³³ and Directive 2000/60/EC (transposed from Act No. 254/2001 Coll. Water Act and on Amendments to Certain Acts).³⁴</p> <p>(c) ČEZ has in place, as of the approval date of the project, a radioactive waste management fund and a nuclear decommissioning fund in accordance with the Policy for Radioactive Waste Management and Spent Fuel Management in the Czech Republic, Government Resolution No. 597/2019, ensuring compliance with EU and international requirements. ČEZ has set up an escrow</p>	

²⁸ Please note that the assessment is only limited to the refurbishment of two existing nuclear plants, Temelin and Dukovany in Czechia.

²⁹ This column is based on input provided by the Issuer.

³⁰ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

³¹ Act No. 263/2016 of Collective, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/zakony/Act_263_2016_web.pdf

³² Act No. 263/2016 of Collective, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/zakony/Act_263_2016_web.pdf

³³ Act No. 100/2001, https://portal.cenia.cz/eiasea/dokumenty/dokumentSoubor/145/EIA%20Act%2001_2018%20ENG_amendments_clean.pdf?lang=en

³⁴ Water Act No. 254/2001, <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC124878/#:~:text=Czechia-Water%20Act%20No.,sections%20divided%20into%2011%20Parts.>

account, in accordance with Trade No. 250/2020, as a financial reserve for nuclear facilities decommissioning and a nuclear account for radioactive waste management, both administered by the Ministry of Finance.

(d) ČEZ has demonstrated that it will have resources available at the end of the estimated useful life of the Dukovany and Temelin plants corresponding to the estimated cost of radioactive waste management and decommissioning. This is accomplished by accumulating compliant financial reserves in the nuclear and escrow accounts, respectively. The balance of the escrow account is subject to annual adequacy checks by SURAO, the Radioactive Waste Repository Authority,³⁵ which covers the expense on current and future nuclear spent fuel disposal. The Atomic Act, which requires the accumulation of decommissioning reserves, is also in compliance with Recommendation 2006/851/Euratom. The accumulated reserves for nuclear decommissioning are disclosed publicly in ČEZ's annual financial report,³⁶ while the account dedicated to permanent nuclear storage is shown on SURAO's website³⁷ with a balance of CZK 36.56 billion as of Dec. 31, 2022.

For potential future plants, decommissioning studies will be regularly updated to ensure that decommissioning costs will be in line with the expected costs.

(e) ČEZ has operational interim spent-nuclear storage for all very low-, low- and intermediate-level radioactive waste for both nuclear plants, constructed in 1987 and commissioned by 1995. At that time, no notification to the commission was required. ČEZ is in charge of interim spent-nuclear storage (Dukovany, an interim repository managed by SURAO), and radioactive waste will eventually be stored in a deep geological site that is currently under development by SURAO, and with an expected timeline no later than 2040 will be notified to the Commission under Article 41 of the Euratom Treaty or under Article 1(4) of Council Regulation 2587/1999 and included in the national program updated under Council Directive 2011/70/Euratom.

(f) For projects authorized after 2025, SURAO, the Radioactive Waste Repository Authority of Czechia, has assessed the possibility of operating a permanent deep geological repository until 2050 in accordance with the requirements of the Atomic Act 236/2016, transposing Directive 2011/70/Euratom:³⁸

³⁵ <https://www.surao.cz/en/about-us/who-we-are/>

³⁶ Unconsolidated accounts, p.34, ČEZ Group Annual Report 2022, [https://www.ČEZ.cz/webpublic/file/edee/ospol/fileexport/investori/vz-2022/ČEZ-group-annual-financial-report-2022-pdf](https://www.cez.cz/webpublic/file/edee/ospol/fileexport/investori/vz-2022/CEZ-group-annual-financial-report-2022-pdf)

³⁷ SURAO, <https://www.surao.cz/o-nas/nase-poslani/>

³⁸ Evaluation of the influence of the EU commission nuclear energy taxonomy regulation on the radioactive waste management in the Czech Republic, <https://www.surao.cz/wp-content/plugins/surao-downloader/linker.php?file=9034&page=//www.surao.cz/dokument-kategorie/koncepcnidokumenty/>

(i) ČEZ will remove and store the spent fuel in the spent fuel storage pools located in the main production blocks of both the Dukovany and Temelin plants for several years. The spent fuel will then be transferred to dry spent fuel storage facilities, where it will be put in transport and storage packaging sets. The Dukovany plant has a storage capacity of approximately 45 years from the start of operations in 1995. The Temelin plant has a storage capacity of approximately 30 years from the start of operations in 2010. A permanent deep geological repository is currently in the planning, with SURAO responsible for outlining the detailed steps leading to the construction of the repository beginning in 2041 and operations beginning in 2050.

(ii) The concepts or plans for the radioactive waste repositories post-facility closure will be determined by the requirements of obtaining a closure permit according to the Atomic Act, section 9, paragraph 3 (b) on the closure of radioactive waste repositories. Currently, technical studies in the pre-licensing phase of the deep geological repository development process, including repository decommissioning and closure planning, are in development by SURAO.

(iii) SURAO is responsible for the disposal capacity of the low- and intermediate-level waste repository, while ČEZ is responsible for the disposal capacity of the high-level waste repository and spent fuel. SURAO is responsible for the development of the deep geological repository and the timeline, and the government of Czechia will be regularly updated on the progress of the initiatives.

(iv) SURAO is responsible for the disposal of radioactive waste, treatment, and disposal of spent fuel from ČEZ's nuclear plants according to the Atomic Act and regulation of the Government of the Czechia Republic No. 35/2017. ČEZ, the waste generator, is responsible for depositing funds into the nuclear account, which funds the cost of radioactive waste disposal.

2. ČEZ confirmed that both the Dukovany and Temelin plants' activities will use the best available technologies, following Euratom requirements to prevent accidents and, in the event of an accident, to mitigate its consequences and prevent: (a) early radioactive releases that would require off-site emergency measures, with insufficient time to carry them out; (b) large radioactive releases that would require protective measures that cannot be limited by location or time.³⁹

The equipment of both the Dukovany and Temelin plants use the best available technologies in accordance with the requirements of the International Atomic Energy Agency (IAEA), especially the requirements of documents SSR 2/1,

³⁹ See Directive 2009/71/Euratom of 25 June 2009, as amended by Directive 2014/87/EURATOM of 8 July 2014, Article 8a(1).

Rev.1 - Safety of Nuclear Power Plants: Design,⁴⁰ Commissioning, and Operation.⁴¹ Both plants are subject to regular Operational Safety Review Team (OSART) audits organized by the IAEA. Both plants also use the best available methodologies according to the Western European Nuclear Regulators' Association (WENRA) requirements, in particular, the WENRA Safety Reference Levels for Existing Reactors.⁴² In addition, ČEZ has committed to use accident-tolerant fuel (ATF) after 2025 if the technology is certified and approved by national safety regulators.

3. ČEZ has indicated that if the financed project concerns new installations and replacements or conversions involved in the industrial activities listed in Annex II of the Euratom Treaty, where such projects have a direct influence on production or productivity while respecting nuclear safety, the Commission will be notified accordingly. However, because only small-scale life-extension projects will be financed for both the Dukovany and Temelin plants, the Commission will not be notified.

4. Czechia has committed to report to the Commission every five years for each project on each of the following through evaluation by SURAO, where the contribution to regular reporting of the national program will be implemented if necessary:

- (a) The adequacy of the accumulated resources referred to in point 1(c);
- (b) Actual progress in the implementation of the plan referred to in point 1(f).

Based on the reports, the Commission will review the adequacy of the accumulated resources of the radioactive waste management fund and the nuclear decommissioning fund referred to in point 1(c), as well as the progress in the implementation of the documented plan referred to in point 1(f), and it may address an opinion to the Member State concerned.

5. The operation of the Dukovany and Temelin plants complies with national legislation that transposes the legislation referred to in point 1(a) through Act 263/2016 the Atomic Act and (b), regarding the evaluation (through stress tests) of the resilience of the Union plants against extreme natural hazards, including earthquakes. Accordingly, the activity takes place on the territory of Czechia, where ČEZ, the operator of a nuclear installation, adheres to the

⁴⁰ Safety of Nuclear Powers: Design, IAEA, <https://www.iaea.org/publications/10885/safety-of-nuclear-power-plants-design>

⁴¹ Safety of Nuclear Power Plants: Commissioning and Operation, IAEA, <https://www.iaea.org/publications/10886/safety-of-nuclear-power-plants-commissioning-and-operation>

⁴² WENRA Safety Reference Levels for Existing Reactors, WENRA, https://www.wenra.eu/sites/default/files/publications/wenra_safety_reference_level_for_existing_reactors_2020.pdf

Atomic Act 263/2016, transposing requirements from Directive 2009/71/Euratom:

(a) has submitted a demonstration of nuclear safety, whose scope and level of detail is commensurate with the potential magnitude and nature of the hazard relevant for the nuclear installation and its site (Article 6, point (b), of Directive 2009/71/Euratom);

(b) has taken defense-in-depth measures to ensure, that the impact of extreme external natural and unintended man-made hazards is minimized (Article 8b (1), point (a), of Directive 2009/71/Euratom);

(c) has performed an appropriate site- and installation-specific assessment when the operator concerned applies for a license to construct or operate a nuclear power plant (Article 8c(a) of Directive 2009/71/Euratom).

In addition, the site suitability is assessed per Decree No. 378/2016 Collective, which considers natural and climate hazards. The recommendations of Safety Reference Levels WENRA (SRL WENRA) are also considered when assessing the suitability of the locations of the nuclear plants.

6. ČEZ's Dukovany and Temelin plants within this activity fulfill the requirements of Directive 2009/71/Euratom through site assessments in accordance with Decree No. 378/2016 Collective,⁴³ which incorporates the 2009/71/Euratom legislation, supported by the latest international guidance from the IAEA and WENRA, contributing to increasing the resilience and the ability of new and existing nuclear plants to cope with extreme natural hazards, including floods and extreme weather conditions. Future nuclear plants will also be required to go through a regular licensing process with the State Office for Nuclear Safety (SUJB).⁴⁴

ČEZ has Operation Safety Reports (PrBZ) for both the Dukovany and Temelin plants, which outline the resilience of the Nuclear Sources to natural and climate hazards. The suitability of these sites is continuously assessed and documented annually by a regulatory body⁴⁵ through the criteria listed in Decree No. 378/2016 Collective, which covers natural and climatic hazards risks. The resistance to both climatic and meteorological phenomena is also documented in the PrBZ of both the Dukovany and Temelin plants.

⁴³ Decree No. 378/2016 Collective of 7th November 2016 on siting of a nuclear installation, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/vyhlasaky/Decree_378_2016.pdf.

⁴⁴ State Office for Nuclear Safety, <https://sujb.gov.cz/en/nuclear-non-proliferation/requirements-for-the-application-for-license-for-export-import-of-nuclear-items>.

⁴⁵ Evaluation of operational and safety indicators, SUJB, <https://sujb.gov.cz/jaderna-bezpecnost/hodnoceni-jaderne-bezpecnosti>

Furthermore, stress tests have been conducted on both the Dukovany and Temelin plants since 2011 to evaluate the safety and safety margins after the Fukushima Daiichi nuclear power plant was destroyed.⁴⁶ A one-off stress test was conducted and documented in the National Action Plan (NACp) on Strengthening Nuclear Safety of Nuclear Facilities in the Czech Republic,⁴⁷ while the implementation of recommendations and following steps are ongoing and continual with ENSREG and SUJB control.

7. ČEZ states that radioactive waste referred to in points 1(e) and (f) is disposed in Radioactive Waste Repository Authority's (SURA) facilities in Czechia, the country where it was generated, and it will only be transported out for the purpose of reprocessing before depositing in Czechia.

ČEZ has also confirmed that the life-cycle greenhouse gas emissions from the generation of electricity from nuclear energy are below the threshold of 100 gCO_{2e}/kWh in the next 50 years. The Joint Research Center (JRC) Study on nuclear power declares that the two facilities will stay within the threshold even in the next 50 years, consistent with the conclusions in the IPCC (2014) and UNECE (2022) assessments. The emissions have been calculated through independent study from the University of Science and Technology in Ostrava (2017) and University of Chemistry and Technology and ÚJV Řež (2020), where the latter study used the EU Product Environmental Footprint (PEF) 2.0 methodology, a guideline according to the Recommendation 2013/179/EU.

2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA

See n)

ČEZ also complies with Decree No.378/2016 Collective, which incorporates the requirements laid down in Article 6(b), Article 8b(1), point (a), and Article 8c(a) of Directive 2009/71/Euratom.

The site suitability of the Dukovany and Temelin plants is continuously assessed by the National Office of Nuclear Safety (SUJB) in accordance with No. 378/2016 Collective, which takes into account natural and climate hazards. Assessments are also conducted according to IAEA's Specific Safety Requirements No. SSR-1⁴⁸ and recommendations of Safety Reference Levels



⁴⁶ National Report on "Stress Tests" NPP Dukovany and NPP Temelín Czech Republic-Evaluation of Safety and Safety Margins in the light of the accident of the NPP Fukushima, State Office for Nuclear Safety Czech Republic, December 2011, https://www.ensreg.eu/sites/default/files/CZ%20-%20National_Report_CZ.pdf.

⁴⁷ Post Fukushima National Action Plan (NACp) on Strengthening Nuclear Safety of Nuclear Facilities in the Czech Republic, State Office for Nuclear Safety, 2022, https://www.ensreg.eu/sites/default/files/attachments/stress_test_nacp_czech_republic_2022.pdf.

⁴⁸ IAEA Safety Standards for protecting people and the environment, Site Evaluation for Nuclear Installations, Specific Safety Requirements No. SSR-1, International Atomic Energy Agency, https://www-pub.iaea.org/MTCD/Publications/PDF/P1837_web.pdf.

WENRA,⁴⁹ both of which cover measures relating to natural hazards, including floods and extreme weather conditions.

3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA

See o)

ČEZ identified and addressed environmental degradation risks related to preserving water quality and avoiding water stress, in accordance with a water use and protection management plan and developed in consultation with relevant stakeholders. Independent assessment is performed as part of the permitting process through the State Office for Nuclear Safety (SUJB), and the results are publicly disclosed.⁵⁰

ČEZ has confirmed that the Dukovany and Temelin plants do not use flow-through cooling of waste heat. Waste heat is evaporated in the cooling towers instead of being discharged through wet cooling by taking water from a river or a lake control, limiting thermal anomalies of wastewater discharge. There is a limit for the temperature of the discharged water for the Temelin plant, though there is no limit for the Dukovany plant as this is not a material topic identified by the river management authority. The temperature control is further monitored by T.G. Masaryk Water Research Institute⁵¹ to be implemented in accordance with the specific operations.



The International Finance Corporation (IFC) has published an interoperability assessment concluding that the EU Taxonomy DNSH Water and Marine Resources requirement is broadly in line with IFC's Environmental and Social Performance Standards.⁵² In addition, ČEZ has confirmed that non-compliant IFC standard projects at the Dukovany and Temelin plants will not be financed under this Factsheet. ČEZ ensures that both the Dukovany and Temelin plants operate in compliance with requirements on water intended for human consumption of Directive 2000/60EC (implemented in Water Act No. 254/2001 Collective)⁵³ and Directive 2013/51/Euratom (transposed from No. 422/2016 Collective),⁵⁴ outlining requirements for the protection of public health regarding radioactive substances in water intended for consumption. ČEZ will

⁴⁹ WENRA Safety Reference Levels for Existing Reactors 2020, WENRA RHWG, https://www.wenra.eu/sites/default/files/publications/wenra_safety_reference_level_for_existing_reactors_2020.pdf

⁵⁰ State Office for Nuclear Safety, Radiation of Radiation Situation, <https://sujb.gov.cz/en/radiation-situation-monitoring>

⁵¹ T.G. Masaryk Water Research Institute, <https://www.iahr.org/org-center/user?id=12234>.

⁵² IFC, Promoting Interoperability Across Environmental and Social Risk Management Frameworks, <https://www.ifc.org/content/dam/ifc/doc/2023-delta/ifc-epa-research-promoting-interoperability-across-es-risk-management-frameworks.pdf>.

⁵³ Water Act No. 254/2001 Collective, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/vyhlasiky/422_Radiation_safety_fin.pdf


⁵⁴ No.422/2016 of 14th of December 2016 on Radiation Protection and Security of a Radioactive Source, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/vyhlasiky/422_Radiation_safety_fin.pdf.

also abide by government regulation No. 401/2015 Collective,⁵⁵ which sets the limit for radioactive levels in water intended for human consumption.

4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA

ČEZ has environmental management systems certified with ISO 14001 Standard for non-radioactive waste, which promotes the maximal reuse or recycling of such waste at the end of life in accordance with the waste hierarchy at the Dukovany and Temelin plants.

ČEZ manages radioactive waste by following the Czech Republic National Report under the Joint Convention on the safety of Spent Fuel Management and on the Safety of Radioactive Management⁵⁶ to ensure maximal reuse or recycling of such waste at the end of life in accordance with the waste hierarchy, including through contractual agreements with waste management partners.

ČEZ will operate the intermediate nuclear waste repository (URAO Dukovany) for both the Dukovany and Temelin plants. The Dukovany repository site is operated by ČEZ, owned by SURAO, and is designed for low and intermediate levels of radioactive waste, while there is no specific repository within the Temelin plant due to its volume of nuclear waste. The waste from the waste repository is then under storage by SURAO, organizational unit of state under contract No. 2603/12/1999/074. 

ČEZ minimizes the amount of radioactive waste and maximizes the number of free-release materials during operation and decommissioning by complying with Act No. 263/2016, Atomic Act,⁵⁷ which incorporates the requirements of Directive 2011/70/Euratom, and radiation protection requirements outlined in Directive 2013/59/Euratom.

ČEZ also has a financing reserve in place to ensure adequate funding for all decommissioning activities and demolition activities for both the Dukovany and Temelin plants through contribution to a restricted bank account invested in government bonds and the Nuclear Account for the management of spent fuel and radioactive waste in accordance with Act No. 263/2016, Atomic Act, which incorporates the requirements of Directive 2011/70/Euratom and Recommendation 2006/851/Euratom.

⁵⁵ Government Regulation on indicators and values of permissible pollution of surface water and wastewater, requirements for permits for discharge of wastewater into surface waters and into sewers, and sensitive areas, <https://www.zakonyprolidi.cz/cs/2015-401>.

⁵⁶ 2.2 Radioactive Waste Management and Spent Fuel Management Policy, The Czech Republic National Report under the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, <https://www.iaea.org/sites/default/files/czech-republic-7rm.pdf>.

⁵⁷ Act No.263/2016 of Collective. Atomic Act, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/zakony/Act_263_2016_web.pdf.

ČEZ states that EIA has been conducted for the Dukovany⁵⁸ and Temelin⁵⁹ plants prior to construction in accordance with Act No. 100/2001 Collective,⁶⁰ transposing Directive 2011/92/EC, in which the mitigation and compensatory measures have been implemented to obtain permitting and licensing documentation.

The requirements in this section are also covered by Czechia's reports to the Commission in accordance with Article 14(1) of Directive 2011/70/Euratom, which is reported every three years. A sample report can be found [here](#).

5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA

See p)

Since both the Dukovany and Temelin Nuclear Power plants are not large combustion plants, hence only back up diesel generators are relevant and the requirement of non-radioactive emissions thresholds do not apply. No significant cross-media effects are expected.

ČEZ states that the emission output from the backup diesel generators within both the Temelin and Dukovany plants complies with the emission limit set out in Annex II, Part 2, to Directive 2015/2193.

ČEZ obliges Decree 422/2016 on Radiation Protection and Security of a Radioactive Source⁶¹ which transposes the requirement of Directive 2013/51/Euratom and Directive 2013/59/Euratom to ensure radioactive discharges to air, water bodies and ground (soil) comply with individual license conditions for the specific operations, where applicable, or national threshold values.

ČEZ ensures the spent fuel and radioactive waste from the Dukovany and Temelin plants are safely and responsibly managed by obliging to the Czech Republic National Report under the Joint Convention on the safety of Spent Fuel Management and on the Safety of Radioactive Management,⁶² which covers the requirement of 2011/70/Euratom and Directive 2013/59/Euratom.




⁵⁸ A new nuclear source in the Dukovany location, https://portal.cenia.cz/eiasea/detail/EIA_MZP469

⁵⁹ A nuclear source in the Temelin locality, including output to the Kocin substation, https://portal.cenia.cz/eiasea/detail/EIA_MZP230.

⁶⁰ Act No. 100/2001 Collective of 20th February, 2001 on the Environmental Impact Assessment and amending some related laws (the EIA Act), https://portal.cenia.cz/eiasea/dokumenty/dokumentSoubor/145/EIA%20Act%2001_2018%20ENG_amendments_clean.pdf?lang=en.

⁶¹ No.422/2016 on Radiation Protection and Security of a Radioactive Source, https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/vyhlasaky/422_Radiation_safety_fin.pdf.

⁶² 2.2 Radioactive Waste Management and Spent Fuel Management Policy, The Czech Republic National Report under the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, <https://www.iaea.org/sites/default/files/czech-republic-7rm.pdf>.

<p>ČEZ operates the nuclear waste repository, owned by SURAO, (SURAO Dukovany), designed for low and intermediate levels of radioactive waste from the Dukovany and Temelin plants. There is no specific repository within the Temelin plant due to its volume of nuclear waste. The waste from the waste repository is then sent under storage to SURAO, organizational unity of state under contract No. 2603/12/1999/074. In addition, ČEZ holds a nuclear account for the management of spent fuel and radioactive waste in accordance with Act No. 263/2016, Atomic Act, which incorporates the requirements of Directive 2011/70/Euratom and 2013/59/Euratom.</p> <p>While the Dukovany repository site currently acts as an interim storage solution for nuclear disposal, SURAO, the regulatory body of radioactive waste, is considering the possibility of operating a permanent deep geological repository, with a trial operation by 2050 in accordance with Directive 2011/70/Euratom.</p>	
<p>6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA</p>	
<p>See q)</p> <p>ČEZ states that EIA has been conducted for the Temelin⁶³ and Dukovany⁶⁴ plants prior to the construction of new nuclear power plants in accordance with Act No. 100/2001 Collective,⁶⁵ transposing Directive 2011/92/EC, in which the mitigation and compensatory measures have been implemented to obtain permitting and licensing documentation.</p> <p>As the Dukovany plant is located in or near biodiversity-sensitive areas, appropriate biological surveys and assessments have been conducted in accordance with Directives 2009/147/EC and 92/43/EEC. Based on the results, mitigation measures have been implemented if required.</p>	

i) 4.29 – Electricity generation from fossil gaseous fuels

<p>PROJECT CHARACTERISTICS AND SELECTION PROCESSES⁶⁶</p>	<p>ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL</p>
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⁶³ A new nuclear source in the Temelin locality, including output to the Kocin substation, EIA Information System, <https://www.ČEZ.cz/en/energy-generation/nuclear-power-plants/new-nuclear-power-sources/temelin-ii/environment-impact-assessment-of-temelin-ii>.

⁶⁴ A new nuclear source in the Dukovany location, EIA Information System, <https://www.ČEZ.cz/en/energy-generation/nuclear-power-plants/new-nuclear-power-sources/dukovany-ii/environment-impact-assessment>.

⁶⁵ Act No. 100/2001 Collective of 20th February, 2001 on the Environmental Impact Assessment and amending some related laws (the EIA Act), https://portal.cenia.cz/eiasea/dokumenty/dokumentSoubor/145/EIA%20Act%2001_2018%20ENG_amendments_clean.pdf?lang=en.

⁶⁶ This column is based on input provided by the Issuer.

⁶⁷ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

	SCREENING CRITERIA
<p>1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION</p>	
<p>ČEZ will construct natural gas power plants, for which construction permits are granted by Dec. 31, 2030, with the following requirements:</p> <p>(i) Annual direct greenhouse gas emissions of the activity do not exceed an average carbon budget of 550 kgCO₂e/kW of the facility's capacity over 20 years, where the carbon budget will be used with frontloading during the operating period for natural gas until 2035. During the project design stage, ČEZ will set carbon budgets and trajectories for facilities to calculate allowed emissions and the residual carbon budget to meet the 550 kgCO₂e/kW budget for 2035 and beyond. The company also commits to and plans for fuel switch by 2035.</p> <p>(ii) The power to be replaced cannot be generated from renewable energy sources, based on a comparative assessment with the most cost-effective and technically feasible renewable alternative for the same capacity identified. ČEZ will publish the comparative assessment and publicly discuss it with permitting procedures (Environmental Impact Assessment (EIA) or Integrated Permitting Procedure (IPPC)) with local and public engagement. The stakeholder consultation will be part of the permitting procedure and is part of a formal process. If the power replaced is generated from renewable energy, the project will not be reported within the green capex portfolio.</p> <p>(iii) The activity replaces an existing high-emitting electricity generation activity that uses solid or liquid fossil fuels. ČEZ will replace the existing 11 coal-firing plants with new natural gas installations within a period of +/- three-years to time of coal asset decommissioning.</p> <p>(iv) The newly installed natural gas power plant's production capacity does not and will not exceed the capacity of the replaced coal-firing power plant's facility by more than 15%. Through project design and transition trajectories, the Company will ensure that the installation's size limit and the metric is controlled and reviewed before installing the Natural Gas plants.</p> <p>(v) The facility is designed and constructed to use at least 10% hydrogen gas and the switch to full use of hydrogen gas takes place by Dec. 31, 2035, with a commitment⁶⁸ and verifiable plan approved by the management body of the undertaking. The plan is submitted during the tendering process, which includes the technology and layout solution, including the definition of</p>	<p style="text-align: right;">✓</p>

⁶⁸ P.32 ČEZ Group plans to increase generation in renewables, nuclear and gas, <https://www.čez.cz/webpublic/file/edee/ospol/fileexport/investors/investment-stories/2023-12-investment-story-published-en.pdf>.

hydrogen proportion in the mixture with natural gas. The plan will be shared as part of the public tender document before the procurement process. ČEZ ensures that the new natural gas plants under this activity will be ready for hydrogen gas conversion by 2035, and the plants are designed with such conversion considered.

(vi) The replacement leads to at least a 55% reduction in greenhouse gas emissions over the lifetime of the newly installed production capacity. ČEZ will ensure the new natural gas installation will reduce emission by 55% via 1) emission intensity comparison, where the new facility will have an emission intensity at or lower than 45% of the original coal firing plants (calculated by operation and permit data by ČEZ and verified by its external ESG auditor) or 2) calculating the outlook of co-combustion of natural gas and hydrogen gas until 2035 (calculated by ČEZ and verified by an ESG external auditor), and the production using 100% hydrogen gas from 2036 onward compared to the existing coal firing plant greenhouse gas emission.

(vii) Where the activity takes place on the territory of a member state in which coal is used for energy generation, that member state has committed to phase out the use of energy generation from coal and has reported this in its integrated national energy and climate plan, referred to in Article 3 of Regulation (EU) 2018/1999 of the European Parliament and of the Council or in another instrument. ČEZ's assets under this activity are located within the Czechia territory, where the Government has approved a coal phase-out plan by 2033.⁶⁹ Such commitment is also integrated into the Just Transitions Plans and Funds from the European Commission⁷⁰ and the proposed version of the State Energy Policy and Climate Protection Policy. The government of Czechia is also the majority owner of ČEZ.

ČEZ will verify the above compliance through an independent third-party verification by Deloitte, with a statement certifying the information in the annual sustainability report. The report will consist of:

- Certifying the level of direct greenhouse gas emissions referred to (i) above.
- Where applicable, assessing whether annual direct greenhouse gas emissions of the activity are on a credible trajectory to comply with the average threshold over 20 years referred to in (i) above.

⁶⁹ Coal mining in Czech Republic to be phased out by 2033, Radio Prague International, <https://english.radio.cz/coal-mining-czech-republic-be-phased-out-2033-8739143>.

⁷⁰ The Just Transition Mechanism: making sure no one is left behind, European Commission, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism_en.

<ul style="list-style-type: none"> Assessing whether the activity is on a credible trajectory to comply with (v) above. <p>In addition, ČEZ will ensure that methane leakage measurement and monitoring equipment is installed during the construction phase, where such requirement is documented in the design criteria for public tender.⁷¹</p> <p>ČEZ has indicated that the replacement plants are intended for hydrogen gas conversion. The gaseous fossil fuels that blend with gaseous or liquid biofuels are not currently in use; however, if biomass will be used, the plants will be certified by Directive (EU) 2018/2001, on the promotion of the use of energy from renewable sources.⁷²</p>	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
<p>See n)</p> <p>In addition, ČEZ states that the current coal-firing plants within the scope of this activity are subject to robust risk management processes, and the planned locations were under groupwide assessment for climate risks under different scenarios.</p>	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
<p>See o)</p> <p>In addition to the DNSH generic requirement, ČEZ has indicated that the natural gas plants financed will undergo an Environmental Impact Assessment (EIA) and/or Integrated Permitting Procedure (IPCC). River basin managers will participate in the water impact assessments.</p>	✓
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
N/A: There is no EU Taxonomy criteria for the category	
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	
<p>See p)</p> <p>In addition, ČEZ will assess the natural gas power plant installations against the best available techniques (BAT-AEL) as part of the integrated permit procedure to ensure the emission will be lower than the standard required. The permit is issued at the commissioning and is reviewed in regular periods by regional authority, and the reports regarding compliance with the IPPC permit will also be issued regularly for the permitting authority.</p>	✓

⁷¹ Construction of steam-gas heating source 1 in the heating locality of Mělník, National Infrastructure for electronic public procurement (NIPEZ), [Výstavba paroplynového teplárenského zdroje 1 v teplárenské lokalitě Mělník | Národní elektronický nástroj \(nipez.cz\)](https://nipez.cz).

⁷² Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG&toc=OJ:L:2018:328:TOC

<p>ČEZ will also ensure no significant cross-media effects will occur through obtaining the IPPC permit. It is also noted that the IPCC Permit will be renewed according to Art. 20 of the EU Directive 2010/75/EU for any substantial change of operation.</p> <p>ČEZ has confirmed that financed projects will be over 50MW and the emission levels will be within the best available techniques (BAT) threshold.</p> <p>ČEZ states that the current permitting process will apply to current and future projects to ensure criteria are met systematically.</p>	
<p>6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA</p>	
<p>See q)</p> <p>In addition, EIA and a biological assessment will be conducted by environmental and conservation specialists during the construction permit process. The EIA document is usually prepared by an independent third party and the EIA process is steered by regional authority.</p>	<p>✓</p>

j) 4.30 – High-efficiency co-generation of heat/cool and power from fossil gaseous fuels⁷³

<p>PROJECT CHARACTERISTICS AND SELECTION PROCESSES⁷⁴</p>	<p>ALIGNMENT WITH THE EU TAXONOMY'S TECHNICAL SCREENING CRITERIA</p>
<p>1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION</p>	
<p>ČEZ will construct natural gas power plants for which the construction permit is granted by Dec. 31, 2030, to comply with the following:</p> <p>1.b(i) the new natural gas plants will achieve primary energy savings of at least 10% compared with the references to separate production of heat and electricity. The primary energy savings are calculated on the basis of the formula provided in Directive 2012/27/EU. The assessment is conducted internally and will be available for external audit. The saving percentage is also subjected to annual testing. In addition, the parameters of cogeneration and fuel combustion are reported monthly.</p> <p>1.b(ii) direct greenhouse gas emissions of the natural gas plants are and will be lower than 270 gCO₂e/kWh of the output energy, with design values for the</p>	<p>✓</p>

⁷³ The activities under this taxonomy alignment only concern the new installation of natural gas power plants.

⁷⁴ This column is based on input provided by the Issuer.

⁷⁵ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

<p>plant installations in the range of 220-270g/kWh. These design and operational values are within the plant tendering procedures and will be subjected to external audit.</p> <p>For requirements 1. b(iii)-(ix), and 2. please refer to section 4.29 1. b(ii)-(vii) and 2. above.</p>	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
Please refer to section 4.29 #2	✓
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
Please refer to section 4.29 #3	✓
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA	
N/A: There is no EU Taxonomy criteria for the category	
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	
Please refer to section 4.29 #5.	
<p>In addition, for combustion plants with thermal input greater than 1 MW but below the thresholds for the BAT conclusions for large combustion plants, the new installations for 1-50 MW will require a permit in accordance with EU Directive 2015/2193 transposed by Annex II of decree No. 415/2015 Collective,⁷⁶ on medium combustion plant installation from the national authority to comply with the requirement.</p>	✓
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
Please refer to section 4.29 #6	✓

k) 4.31 – Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling systems

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁷⁷	ALIGNMENT WITH THE EU TAXONOMY'S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>ČEZ will construct natural gas power plants for which the construction permit is granted by Dec. 31, 2030, to comply with all of the following:</p> <p>1.b(i) The thermal energy generated by the activity is used in an efficient district heating and cooling system as defined in Czechia's legislation Act. 165/2012</p>	✓

⁷⁶ Decree No. 415/2012 Collective, <https://www.zakonyprolidi.cz/cs/2012-415#>

⁷⁷ This column is based on input provided by the Issuer.

⁷⁸ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

Collective, transposable to Directive 2012/27/EU, verified annually by the Czech Energy Regulatory Office.

1.b(ii) direct greenhouse gas emissions of the activity are lower than 270 gCO_{2e}/kWh of the output energy, with design values for the plant installations in the range of 219-222 g/kWh. These values are currently within the plan tendering procedures and will be subjected to external audit.

1.b(vii) ČEZ has conducted an emission intensity comparison between the new natural gas plant and the original coal firing plant, the new facility will achieve 45% of the original greenhouse gas emission intensity (CO_{2e}/kWh of output energy). The calculation is completed on the project level by ČEZ's technical and engineering team using design values in the tendering procedures. Both the design and operational values will be subject to external audit. The reduction represents a reduction in emission intensity since Year 1 after switching from coal firing to natural gas plants.

1.b(viii) The refurbishment will replace the existing coal-firing facility with hydrogen gas-ready natural gas plants, which are ready for combustion of hydrogen gas at a level of 17%, and will be converted to 100% of hydrogen gas by the end of 2035. The facility size threshold is a design element requirement in the tender process to ensure the refurbishment will not lead to an increase in production capacity compared to the existing facility. In addition, there are internal processes planned within ČEZ to dedicate CAPEX towards fuel switch to meet this requirement.

For requirements 1. b(iii)-(vi), (ix) and 2. please refer to section 4.29 1. b(ii)-(v), (vii) and 2. above.

2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA

Please refer to section 4.29 #2



3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA

Please refer to section 4.29 #3



4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA

N/A: There is no EU Taxonomy criteria for the category

5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA

Please refer to section 4.30 #5



6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA

Please refer to section 4.29 #6



l) 6.15 Infrastructure enabling low-carbon road transport and public transport

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁷⁹	ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA	
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION		
<p>The Issuer confirmed that its activity consists of installing a hydrogen fueling station and electric charging points dedicated to the operation of vehicles with zero tailpipe CO₂ emissions, thus meeting the following criteria: the infrastructure is dedicated to the operation of vehicles with zero tailpipe CO₂ emissions: electric charging points.</p> <p>The Issuer confirms that the infrastructure will not be dedicated to the transport or storage of fossil fuels.</p>	✓	
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA		
See n)	✓	
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA		
See o)	✓	
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA		
<p>ČEZ confirms that projects financed under this specific activity comply with the EU Waste Framework Directive as well as the EU Construction and Demolition Waste Management Protocol, which relates to operators’ limiting waste generation in the process of construction and demolition. The Issuer states that the requirements below are integrated into the construction work permits, which contractors must follow:</p> <ul style="list-style-type: none"> ▪ Ensuring at least 70% (by weight) of non-hazardous construction and demolition waste generated on the construction site is prepared for reuse, recycling, or other material recovery. ▪ That the waste hierarchy covers prevention, reuse, recycling, recovery, and disposal. ▪ That contractors facilitate reuse and high-quality recycling by selective removal of materials. <p>ČEZ operates a certified Environmental Management System, which is embedded into all contracts, terms, and conditions and is equally binding for suppliers. Through this system, the company promotes maximum reuse and recycling at the end of the asset’s service life. ČEZ has a waste management system in place to ensure financed assets systematically adhere to a waste</p>		✓

⁷⁹ This column is based on input provided by the Issuer.

⁸⁰ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

<p>management hierarchy that focuses on minimizing the impact of waste on the environment. ČEZ has measures in place to systematically ensure assets financed under this activity can be taken back and recycled at the end of their lives.</p> <p>Furthermore, the Issuer confirms that they employ the best available techniques and use selective demolition as per the taxonomy requirements for each project.</p>	
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA	
<p>The Issuer confirms that measures are taken to reduce noise, dust and polluting emissions during construction or maintenance work. Examples of these measures include working within permit conditions, applying the OHS protocols, and implementing routine controls. These measures comply with Directive 2002/49/EC⁸¹ and are met as part of the Issuer’s valid construction permits and occupational, health, and safety (OHS) measures.</p>	✓
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
<p>See q)</p>	✓

m) 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁸²	ALIGNMENT WITH THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA
1. SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION	
<p>ČEZ has confirmed that they will install, maintain and/or repair charging stations for electric vehicles.</p>	✓
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
<p>See n)</p> <p>Climate-risk considerations for charging stations are addressed as part of the broader climate-risk assessment conducted across the wider group’s asset locations.</p>	✓


⁸¹ Zákon č. 258/2000 Sb. (Act No. 258/2000 Coll.) — framework for noise assessment/management in public health law + specific END provisions referenced as §78, §80, §81–§81c; Vyhláška č. 315/2018 Sb. (Decree No. 315/2018 Coll.) — strategic noise mapping + action plans + public information/participation (implements END operationally); Vyhláška č. 561/2006 Sb. — defines the agglomerations for END purposes; Vyhláška č. 55/2022 Sb. — amendment updating Decree 315/2018, including open-data publication rules and EU reference updates.

⁸² This column is based on input provided by the Issuer.

⁸³ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA
N/A — there is no EU Taxonomy criteria for the category.
4. CIRCULAR ECONOMY – DO NO SIGNIFICANT HARM CRITERIA
N/A — there is no EU Taxonomy criteria for the category.
5. POLLUTION – DO NO SIGNIFICANT HARM CRITERIA
N/A — there is no EU Taxonomy criteria for the category.
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA
N/A — there is no EU Taxonomy criteria for the category.

n) Generic Criteria for DNSH to Climate Change Adaptation

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁸⁴	ALIGNMENT WITH THE EU TAXONOMY
2. CLIMATE CHANGE ADAPTATION – DO NO SIGNIFICANT HARM CRITERIA	
<p>ČEZ uses the Task Force on Climate-Related Financial Disclosures⁸⁶ (TCFD) and ESRS (Sustainability Report)⁸⁷ to identify, manage, and report climate risks. Regarding acute physical risks, the exposure to an increased frequency and severity of climate hazards — specifically water stress, heatwaves, and cold waves — will impact production capacity of the plants and the health and safety of the workforce. Extreme weather events might also lead to reduced production capacity, disruptions in the supply chain, and higher costs from negative impacts on workforce. ČEZ has also identified chronic physical risks such as changes in precipitation, changes in weather patterns, and rising mean temperatures as risks to the assets. Moreover, physical risks affecting water supply can also disrupt hydroelectric power generation and cooling for thermal and nuclear power generation.</p> <p>In 2024, ČEZ has also conducted a material physical climate risk assessment with outlook to 2040 and 2050, depending on the lifetime of assets) time horizons. In the long run, the risk of rising mean temperature can impact power plant efficiency through warming and availability of cooling water. To mitigate such physical climate risks, ČEZ has adopted e.g. alternative cooling systems in several plants to avoid once-through cooling. According to ČEZ, there are no potential high physical climate risks, such as flood and drought risks, identified in the planned locations for the natural gas plant installations. However, flood and drought risks persist in other locations such as the Hodonin biomass plant. For all coal locations subject to demolition activity, ČEZ has risk screening in</p>	

⁸⁴ Ibid.

⁸⁵ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

⁸⁶ CEZ Group Task Force on Climate-Related Financial Disclosures (TCFD), <https://www.cez.cz/webpublic/file/edee/esg/documents/reports/tcfdf.pdf>

⁸⁷ CEZ Group Sustainability Reports, <https://www.cez.cz/sustainability/en/our-data/documents?category=sustainability-reports&>

place. However, for the actual demolition activities, only potential impact in temporary delay in timeline with subject to potential natural hazards is relevant.

The projected lifespan of generation assets in the activities is over 10 years. ČEZ has also screened the top 100 power plant installations using climate scenarios including the Intergovernmental Panel on Climate Change's Representative Concentration Pathways (RCP) RCP2.6/RCP4.5/RCP 8.5, and Shared Socioeconomic Pathways (SSP): SSP1/SSP2/SSP5 in time horizons of 2030, 2040 and 2050. ČEZ has also performed an assessment for all 1,600 reference locations using RCP4.5/8.5. For Global Climate Models (GCM), ČEZ has used RCP 2.6-RCP 8.5 scenarios with assessment provided by S&P Global's Sustainable¹ service. For Regional Climate Models (RCMs), ČEZ has used the RCP4.5/8.5 scenarios with assessment provided by CRIF and REDrisk. There are two main climate risk assessments for the ČEZ Group: one conducted by an external consultant service (a one-time collaboration) and one conducted through a partnership with CRIF and REDrisk (an ongoing collaboration on an annual basis).

For the Dukovany and Temelin plants, physical risks are assessed and reported to the regulatory body annually. As part of the reporting requirement to the European Nuclear Safety Regulators Group (ENSREG), adaptation solutions and resilience upgrades are checked and documented. For potential new nuclear plant sites and enlargement of both the Dukovany and Temelin plants, natural characteristics, including climatic and meteorological phenomena, are assessed as part of the regulation under Decree No. 378/2016 Collective.⁸⁸ Specific natural hazards and assessments are documented with track record provided to regulators.


For current natural gas plant sites, ČEZ has robust risk management in place, which includes screening against natural hazards and international reference with stress tests. The current natural gas plants are not negatively impacted by climate risk. Within the natural gas plants at the Melnik site, EIA was conducted and measures such as water retention to soil and water tanks have been set up on-site as part of an upgrade on flood protection measures and water protection measures to avoid spills during extreme precipitation. Construction materials are also selected by technical standards to minimize and prevent the effects of potential heat stress in the area. Any future improvement of the natural gas assets will be part of the Environmental Management System and operational risk management.

⁸⁸ Decree No. 378/2016 Coll, on siting of a nuclear installation, https://subj.gov.cz/fileadmin/sujb/docs/legislativa/vyhlasaky/Decree_378_2016.pdf.

ČEZ has also confirmed that future adaptation solutions, subject to independent audit within the EIA, are in line with national and regional adaptation plans, and national flood prevention plans, which meet regulatory planning requirements.

ČEZ confirms that climate-related risks are thoroughly and comprehensively assessed across all relevant company locations once added, and new locations are added annually. The Issuer monitors risks for projects when the model/scenario is updated or there is a change in the activities performed at the site. Based on their latest assessment, ČEZ finds that no location associated with this economic activity was identified as having unmanaged material climate-related risks.

o) Generic Criteria for DNSH to Sustainable Use and Protection of Water and Marine Resources

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁸⁹	ALIGNMENT WITH EU TAXONOMY
3. WATER AND MARINE RESOURCES – DO NO SIGNIFICANT HARM CRITERIA	
<p>ČEZ has confirmed that environmental degradation risks related to preserving water quality and avoiding water stress are identified and addressed with the aim of achieving good water status and good ecological potential during the permit process as defined in Article 2, points (22) and (23), of Regulation (EU) 2020/852, in accordance with Directive 2000/60/EC⁹¹ of the European Parliament and of the Council.</p> <p>A water use and protection management plan is developed thereunder for the potentially affected water body or bodies, in consultation with relevant stakeholders. The plan is part of the water permit process, which includes authoritative bodies such as the city authority, river basin authority, regional authority, national authority, conservation agency, mining regulatory body, construction permitting authority and other stakeholders with reasonable declared interest.</p> <p>For example, both the Dukovany and Temelin plants oblige by specific parameters for water abstraction as part of the water permitting process after consultation with the Department of Environment of the Municipality of Týn nad Vltavou No. 08915/2010 of 14.6.2010 (valid until 31.12.2026), and</p>	

⁸⁹ Ibid.

⁹⁰ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

⁹¹ Directive 2000/60/EC was transposed in Czechia as Act No. 254/2001 Coll., on Waters (Water Act).

Department of the Environment and Agriculture of the Regional Authority Vysočina Ref. No. KUJI 56462/2018, file No. Zn. OŽPZ 1146/2018 PP-5, dated Aug. 14, 2018 (valid until Dec. 31, 2025) respectively:

Temelin has the maximum permitted amount of raw water abstracted from the waterworks: minimal residual flow in the downstream river, physio-chemical indicators in wastewater from the operation.

Dukovany has maximum permitted amount of raw water abstracted from the water works, emission limits for pollution of discharged wastewater from the operation.

Both plants have an independent professional organization, T.G. MASARYK, to monitor and assess the impacts of the operations to the environment, where reports of "Nuclear Power Plants on environmental protection" are published each year.

In addition, ČEZ has Environmental Impact Assessments (EIA) carried in accordance with Directive 2011/92/EU⁹² of the European Parliament and of the Council, and includes an assessment of the impact on water in accordance with Directive 2000/60/EC⁹³ during the permitting process for activities 4.29 to 4.31, and lifetime extension projects for 4.28. For activities within 4.28, since there are no new installations and no substantial changes in location and technology for the nuclear plants, full EIA will not be conducted.


ČEZ has confirmed the activities will not hamper the achievement of good environmental status of marine water or do not deteriorate marine waters that are already in good environmental status as defined in the Water Framework Directive, 2000/60/EC,⁹⁴ as part of the permitting structure that covers Point 5 of Article 3 of Directive 2008/56/EC of the European Parliament and of the council.

⁹² Directive 2011/92/EU was transposed in Czechia as Zákon č. 100/2001 Sb. (EIA Act) — core transposition framework; Zákon č. 39/2015 Sb. — major compliance amendment strengthening binding effect + follow; Vyhláška č. 457/2001 Sb. (historical implementing decree on expert competence; repealed 2017).

⁹³ Directive 2000/60/EC was transposed into Czech legislation primarily through amendments to the national Water Act (zákon č. 254/2001 Sb., o vodách). In 2003, the Czech Republic carried out the *Euro-amendment* of the Water Act. This amendment finalized the full transposition of the WFD into Czech law. The amendment entered into force on 23 January 2004 as Act No. 20/2004 Coll

⁹⁴ Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for community action in the field of marine environmental policy (Marine Strategy Framework Directive), <https://eur-lex.europa.eu/eli/dir/2008/56/oj>.

p) Generic Criteria for DNSH to Pollution Prevention and Control Regarding Use and Presence of Chemicals

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁹⁵	ALIGNMENT WITH EU TAXONOMY
5. POLLUTION AND PREVENTION CONTROL – DO NO SIGNIFICANT HARM CRITERIA	
<p>ČEZ confirmed that the financed activities do not lead to the manufacture, placing on the market or use of the following substances:</p> <ul style="list-style-type: none"> ▪ Substances listed in Annexes I or II to Regulation (EU) 2019/1021 of the European Parliament and of the Council, except in the case of substances present as an unintentional trace contaminant. ▪ Mercury and mercury compounds, their mixtures and mercury-added products as defined in Article 2 of Regulation (EU) 2017/852 of the European Parliament and of the Council. ▪ Substances listed in Annexes I or II to Regulation (EC) No. 1005/2009 of the European Parliament and of the Council, whether on their own, in mixtures or in articles. For the construction of Natural Gas Plants, the supplier will be required to provide proof of compliance assessment with EU Taxonomy as part of the tendering documentation. ▪ Substances listed in Annex II to Directive 2011/65/EU⁹⁷ of the European Parliament and of the Council, whether on their own, in mixtures or in articles, except where there is full compliance with Article 4(1) of that Directive. For the construction of Natural Gas Plants, the tendering documentation will require the supplier to provide documentation for compliance assessment with EU Taxonomy. ▪ Substances listed in Annex XVII to Regulation (EC) 1907/2006 of the European Parliament and of the Council, whether on their own, in mixtures or in articles, except where there is full compliance with the conditions specified in that Annex. Potential asbestos use will be handled in line with requirements, and only handled by licensed professionals. ▪ Substances, whether on their own, in mixtures, or in articles, that meet the criteria laid down in Article 57 of Regulation (EC) 1907/2006, except where their use has been proven to be essential to society. <p>In addition, ČEZ states that for potential cases of regulated substances to be used in operating conditions within the nuclear power plants, there is chemical</p>	

⁹⁵ Ibid.

⁹⁶ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.

⁹⁷ RoHS 2 (Directive 2011/65/EU) was transposed in Czechia by Government Regulation No. 481/2012 Coll., effective 2 January 2013, issued under Act No. 22/1997 Coll. on technical requirements for products.

management in place to ensure regulatory oversight, and no spillage or entrance to outer area and environment.

q) Generic Criteria for DNSH to Protection and Restoration of Biodiversity and Ecosystems

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ⁹⁸	ALIGNMENT WITH EU TAXONOMY
6. BIODIVERSITY AND ECOSYSTEMS – DO NO SIGNIFICANT HARM CRITERIA	
<p>ČEZ confirmed that Environmental Impact Assessments (EIA) or screening has been completed in line with Act No. 100/2001 Coll.,¹⁰⁰ fully transposed to Directive 2011/92/EU. ČEZ also confirmed that the required mitigation and compensation measures will be in place to reach construction for protecting the environment and are implemented accordingly, and the nuclear power plants also have biological monitoring in place throughout the construction period. Mandatory measures defined by EIA are implemented to obtain construction permit and/or water permit and integrated permit. In addition, biological assessments are conducted by an independent third party every three to four years. A sample of EIA conducted for the Dukovany plant can be found here. For nuclear plants, there will be continuous monitoring and active cooperation with ornithologists and conservation specialists in place after the site starts operation. As an example, at both nuclear plants, there are currently endangered species identified in the surrounding areas and beekeeping activities are in place. Activities in localities always take into account conservation requirements of protected species of animals and plants.¹⁰¹</p> <p>For sites/operations located in or near biodiversity-sensitive areas, an appropriate assessment will be conducted. Based on the results, mitigation measures will be implemented if required.</p> <p>For small-scale installations without new impact on zoning and soil, ČEZ can obtain a first phase EIA decision without scoping. All activities financed under activities 4.29 to 4.31 are subject to EIA in accordance to Act. No 100/2001. For activities under 4.28, since only life-extending activities will be completed on both existing plants, no new nuclear plants will be installed, therefore EIA will not be conducted.</p>	

⁹⁸ Ibid.

⁹⁹ The Issuer confirms that the countries in which the projects will be located will have transposed the relevant EU Directives into their national legislation.


¹⁰⁰ Act No. 100/2001 Coll., of 20th February, 2001 on the Environmental Impact Assessment and amending some related laws (the EIA Act),

https://portal.cenia.cz/eiasea/dokumenty/dokumentSoubor/145/EIA%20Act%2001_2018%20ENG_amendments_clean.pdf?lang=en

¹⁰¹ CEZ’s Sustainability Report 2023, 3.5. Biodiversity and Ecosystems, <https://www.cez.cz/webpublic/file/edee/esg/documents/sustainability-reports/zour-2023-en.pdf>

Minimum Safeguards

The alignment of the project characteristics and selection processes with the EU Taxonomy Minimum Safeguards as described in Article 18 of the Taxonomy Regulation¹⁰² has been assessed. The results of this assessment are applicable for every activity financed under this Factsheet and are displayed below:

PROJECT CHARACTERISTICS AND SELECTION PROCESSES ¹⁰³	ALIGNMENT WITH THE EU TAXONOMY REQUIREMENT
<p>ČEZ has incorporated into its Code of Conduct and the Ethical Conduct Policy the principles of the Universal Declaration of Human Rights, the U.N. Global Compact,¹⁰⁴ and the core conventions of the International Labour Organization (ILO) to establish measures on anti-discrimination, forced and child labor, standards of health and safety, and fair working conditions. Additionally, the Issuer also has a policy for the Ethical Conduct of Suppliers (the “Commitment”) in place, which ensures that suppliers are also prescribing to the standards established for occupational health and safety and working conditions.¹⁰⁵</p> <p>To ensure compliance with the commitment, ČEZ performs remote or onsite audits of the suppliers following the auditing principles of ISO 19011 (Guidelines for Auditing Management Systems). The Company’s Compliance Department is responsible for routine compliance checks. The compliance checks are valid for six to 12 months, depending upon the materiality and the risk assessment of the outcome. With respect to suppliers in the nuclear industry, ČEZ continuously conducts initial and repeated audits.¹⁰⁶ Additionally, all ČEZ sites that are certified to ISO 14001 (Environmental Management System) have routine EMS inspections and records of supplier environmental factors.</p> <p>Regarding human rights due diligence, the Issuer reports publicly on its human rights practices and disclosures through annual reports. In addition, ČEZ will regularly monitor risks related to their operations on human rights to conform with the requirements of the EU Corporate Sustainability Due Diligence Directive (CSDDD). Such requirements are implemented via in-depth interviews of key departments and careful analysis of internal process documentation in cooperation with an external partner. The Issuer upholds stakeholder relationships through its Community Relations Policy, aiming for</p>	

¹⁰² EU Taxonomy Regulation, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R0852>

¹⁰³ This column is based on input provided by the Issuer.

¹⁰⁴ UN Global Compact, ČEZ Group, <https://unglobalcompact.org/what-is-gc/participants/150200-ČEZ-Group>

¹⁰⁵ ČEZ, “Business Conduct”, at: <https://www.ČEZ.cz/sustainability/en/governance/business-conduct>

¹⁰⁶ ČEZ, “Sustainability Report”, at: <https://www.ČEZ.cz/webpublic/file/edee/esg/documents/sustainability-reports/ČEZ-zour-aj-2022.pdf>

trust, open communication and transparency among stakeholders. ČEZ upholds further transparency and accountability in its operations, communicating human rights and ethical performance indicators, processes, and actions within its annual Sustainability Reports. Additionally, Data management with regards to addressing security incidents and data breaches is compliant with GDPR.

ČEZ operates within a well-established Compliance Management System (CMS) that incorporates human rights and ethics. The Audit and Compliance Department plays a central role in this system, executing several critical functions. Firstly, it maps, evaluates, and reports risks of breaches of the Code of Ethics through a meticulous Compliance Risk Assessment process. Subsequently, it ensures the implementation of corrective measures for compliance incidents, including conducting compliance audits of selected ČEZ suppliers to verify the existence and effectiveness of their compliance management systems. Additionally, it facilitates the reporting of events related to ethical agenda implementation and specific breaches, contributing to regular Compliance Reporting to the Board of Directors. Remedial measures, such as the introduction of procedural or systemic mechanisms to prevent compliance incidents, are implemented based on risk area maps derived from the Compliance Risk Assessment process.

The Issuer employs a comprehensive approach to track the implementation of these actions, ensuring ongoing effectiveness and adherence to ethical standards. The Corporate Compliance Committee evaluates current and potential compliance risks, assessing their impact and management level. Regular communication with the Board of Directors ensures transparency and oversight. Moreover, compliance activities undergo regular review based on compliance risk analysis, approved by the Board of Directors, ensuring continuous improvement and alignment with organizational goals. The Corporate Compliance Committee provides regular reports on CMS status and activities to the Board of Directors, fostering accountability and strategic decision-making. Processes for responding to compliance checks, including risk evaluation, recommendation evaluation, and notification of measures taken, are documented meticulously, ensuring transparency and adherence to established protocols. Additionally, in cases of unacceptable risk, communication with relevant authorities or management is prioritized, and decisions regarding measures taken or not taken are duly recorded, maintaining accountability and compliance with regulatory requirements.

The Issuer has a Compliance Management System ("CMS") in place that adheres to international compliance standards and requirements, such as ISO 37001 Anti-Bribery Management System and ISO 370301 Compliance Management System. The ISO 37001 system provides organizations with a

framework to prevent, detect, and address bribery through an anti-bribery policy, and conducting compliance, training, risk assessments, and due diligence on projects and relevant stakeholders.¹⁰⁷ The ISO 37301 system provides guidance such as the promotion of ethical business practices, reducing the risk of non-compliance, and corporate governance and responsibility.¹⁰⁸ The CMS undergoes external reviews to incorporate all elements of prevention, detection and response to risks.

ČEZ provides a whistleblowing hotline for concerned stakeholders (i.e., employees, customers and business partners) to report violations of the Code of Conduct.¹⁰⁹ Upon receiving a report through the hotline, ČEZ's Audit and Compliance Department conducts an investigation. Based on the findings, the Issuer takes corrective action.

Additionally, the Issuer organizes regular meetings among relevant stakeholders, including local governments, NGOs, municipalities and local communities to address issues arising from community grievance mechanisms.

In reference to nuclear activity specifically, suppliers must comply with the requirements of the Atomic Energy Act No. 263/2016,¹¹⁰ and the decrees of the State Office for Nuclear Safety. Nuclear suppliers must undergo initial and repeated audits to continue monitoring compliance with the noted legislation. Furthermore, suppliers' human resources management must also be verified in line with the Atomic Energy Act, which stipulates that only authorized supplier personnel with confidential security clearance can enter vital zones in nuclear power plants. The Issuer regularly conducts meetings with suppliers to communicate requirements and identify remediation actions when necessary.

¹⁰⁷ ISO, "ISO 37001 Anti-Bribery Management Systems", at: <https://www.iso.org/iso-37001-anti-bribery-management.html>

¹⁰⁸ ISO, "ISO 37301:2021 Compliance Management Systems", at: <https://www.iso.org/standard/75080.html>.

¹⁰⁹ ČEZ, "Whistleblowing Hotline", at: <https://www.ČEZ.cz/sustainability/en/governance/whistleblowing-hotline>.

¹¹⁰ The Government of Czech Republic, "Act No. 263/2016 of Coll. Of 14th July 2016 Atomic Act", at https://sujb.gov.cz/fileadmin/sujb/docs/legislativa/zakony/Act_263_2016_web.pdf.

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ANNEX 1: SOURCES, ASSESSMENT METHODOLOGIES, AND KEY ASSUMPTIONS

The ISS-Corporate External Review provides an assessment of labelled transactions against international standards using ISS-Corporate proprietary methodology.

This review is based on the Issuer's disclosures and supporting documentation, assessed against the EU Taxonomy and the European Green Bond Regulation. The methodologies applied rely on assumptions regarding the environmental sustainability of the underlying economic activities, which are subject to inherent limitations and uncertainties. Based on the information provided, and to the extent that verification was feasible, ISS-Corporate considers the quality and completeness of ČEZ's data sufficient to perform this review and has undertaken reasonable efforts to verify the accuracy and consistency of the information presented.

EU Green Bond Standard

The assessment evaluates whether the information contained in the European Green Bond Factsheet meets the requirements of the European Green Bond Regulation.

ISS-Corporate is authorized by the European Securities and Markets Authority (ESMA) to provide external review services for European Green Bonds during the transitional period ending on June 21, 2026.

ISS-Corporate complies with its established procedures intended to avoid conflicts of interest and safeguard the independence of the external review.

EU Taxonomy

The assessment evaluates whether the details of the nominated projects and assets or project selection eligibility criteria included in the European Green Bond Factsheet meet the criteria listed in relevant Activities in the EU Taxonomy Climate Delegated Act (June 2023) and the EU Taxonomy Complementary Climate Delegated Act (June 2023).

The evaluation is structured in two steps:

The first step requires establishing whether the economic activity qualifies as taxonomy-eligible. This implies checking whether the activity is listed in the EU taxonomy and whether it contributes to one of the six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, or the protection and restoration of biodiversity and ecosystems.

The second step constitutes the core of the assessment, and it consists in evaluating (i) the compliance of the activity with the relevant substantial contribution criteria, (ii) whether the activity does not harm other environmental objectives, meeting the Do No Significant Harm requirements, assessing for instance industry-specific sustainability thresholds, mitigation measures, compliance with international environmental standards, and any history of relevant

controversies, and (iii) the adherence with the Minimum Safeguards, ensuring that operations comply with recognized human rights, labor rights, and governance standards. These safeguards ensure that the activity is conducted responsibly and ethically.

The evaluation shows if the client's project categories are indicatively in line with the entirety (or some of) the requirements listed in the EU Taxonomy Technical Annex. If both steps are carried out with a positive outcome, the activity is assessed as aligned (with final output being aligned/not aligned for each component of the second step).

The evaluation is carried out using information and documents provided on a confidential basis by ČEZ, including due diligence reports, questionnaires' responses, internal policies and processes, as well as public documents. Further, international, national, and local legislation and standards, depending on the project category location, are drawn on to complement the information provided by the Issuer.

Sources

- ČEZ European Green Bond Factsheet (as of April 2, 2026)
- ČEZ [Annual Financial Report](#)
- [EU Taxonomy Compass](#)
- ISS-Corporate European Green Bond Assessment and EU Taxonomy Proprietary Methodology

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

ČEZ commissioned ISS-Corporate to compile a European Green Bond External Review. The External Review process includes verifying whether the Issuer's European Green Bond Factsheet aligns with Regulation (EU) 2023/2631 and to assess the sustainability credentials of its European Green Bond.

CRITERIA

Relevant Standards for this External Review:

- European Green Bond Standard Regulation (EU 2023/2631) (as of January 2024)
- EU Taxonomy Climate Delegated Act (June 2023)
- EU Taxonomy Complementary Climate Delegated Act (June 2023)
- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)

ISSUER'S RESPONSIBILITY

ČEZ's responsibility was to provide information and documentation on:

- Factsheet
- Selection criteria

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, of which ISS-Corporate is a part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

This independent External Review of the European Green Bond to be issued by ČEZ has been conducted based on a proprietary methodology and in line with the EU GBS Regulation (EU) 2023/2631 (as of January 2024).

The engagement with ČEZ took place in February and April 2026.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS STOXX Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS STOXX.

About this External Review

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk, and manage the needs of a diverse shareholder base by delivering best-in-class data, tools, and advisory services.

We assess alignment with external principles (e.g. the European Green Bond Standard) and analyse the sustainability quality of the assets. Following these two steps, we draw up an independent External Review so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

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