



CLEAN
ENERGY OF
TOMORROW

Service Contract of a Supervisory Board Member

Service Contract of a Supervisory Board Member

between

ČEZ, a. s.

and

.....

Service Contract of a Supervisory Board Member

ČEZ, a. s., a company having its registered office at Duhová 1444/2, 140 53 Prague 4, Company Reg. No.: 45274649, registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 1581,

(hereinafter referred to as the **“Company”**)

on the one part

and

.....,

born on, domiciled at,

who was elected as a member of the Supervisory Board of the Company / appointed as a substitute member of the Supervisory Board of the Company / elected by the employees of the Company¹, and accepted the position,

(hereinafter referred to as the **“SB Member”**)

on the other part

(hereinafter also collectively referred to as the **“Contracting Parties”**)

have hereby agreed on the following terms and conditions of service on the Company’s SB:

1. Subject Matter of the Contract

- 1.1. This Contract specifies in detail the terms and conditions for serving on the SB and regulates mutual rights and obligations between the Contracting Parties both during the term of service and thereafter.
- 1.2. The SB Member’s rights and obligations relating to service on the SB arise from legal regulations, the Company’s Articles of Association, the Rules of Procedure of the SB, SB resolutions, and this Contract.

The SB Member is obliged to perform his/her role with due diligence.

The SB Member shall regularly perform his/her duties at the following address: Duhová 425/1, Duhová 1444/2, and Duhová 1531/3, 140 00 Prague 4, and shall undertake domestic and foreign travel outside the place of regular service if required by due performance of his/her duties.

¹ Select as appropriate

2. Remuneration and Other Consideration

2.1. The Company undertakes to provide the SB Member with:

- a) Monthly remuneration for his/her service
- b) Benefits
- c) Profit share (royalty)
- d) Material resources for the performance of office duties
- e) Reimbursement of costs related to the performance of duties

(hereinafter collectively referred to as "Consideration")

all in the amount and under the terms and conditions set forth in Annex 1 hereto, "Rules for Providing Consideration to SB Members" (hereinafter referred to as "Annex 1 hereto"), except where the law does not permit the provision of such consideration.

3. Non-Competition Clause and Conflict of Interests

3.1. The SB Member shall not:

- a) undertake business within the scope of activities of the Company, not even for the benefit of third parties, or to mediate the Company's business for third parties,
- b) be a member of the statutory body of another legal entity with the same or a similar subject of activity or a person in a similar position, unless it is a concern or a person controlled by the Company,
- c) participate in the business activities of another business corporation as a member with unlimited liability or as the controlling entity of another entity engaged in the same or similar line of business,

unless such competitive activity is approved in advance by the General Meeting at the time of election or in the course of holding office.

3.2. The SB Member shall abide by any other restrictions arising from the Business Corporations Act as well as from other provisions of generally binding legal regulations and the Company's Articles of Association concerning non-competition.

3.3. The SB Member shall abide by rules for conflict of interest within the statutory scope.

4. Protection of Certain Facts

4.1. For the term of service as well as after termination thereof, the SB Member undertakes not to disclose or make available to a third party without authorization any facts that constitute the Company's trade secret, the Company's internal information, or that are of a confidential nature and whose disclosure to third parties might cause harm to the Company (or its business partners). This restriction also applies to data recording and data transfer media containing such facts. The SB Member undertakes to handle the information classified pursuant to Act No. 412/2005 Coll., on the protection of classified information and on security clearance, as amended (hereinafter referred to as the "Classified Information Protection Act"), and its implementing regulations in accordance with these legal regulations.

5. Obligations of the Company

5.1. The Company undertakes to:

- a) provide the SB Member with consideration within the scope and under the terms and conditions set forth in Article 2. hereof and in Annex 1 hereto, except where the law does not permit providing such consideration,
- b) provide the SB Member with information, documents, and papers concerning the Company's activities pursuant to Section 447(1) of the Business Corporations Act and in compliance with the adopted system for providing documents and information to the Supervisory Board of ČEZ, a. s.,
- c) disclose classified information to the SB Member in accordance with the Classified Information Protection Act and its implementing regulations, if the performance of the SB Member's duties so requires and provided that the SB Member is a person designated for access to classified information,
- d) disclose facts constituting the subject of a trade secret to the SB Member if his/her service so requires,
- e) keep the SB Member informed of safety regulations if his/her service so requires,
- f) comply with the information and instruction obligation towards the SB Member pursuant to Section 19(5) of Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse, as amended (hereinafter referred to as the "Market Abuse Regulation"), concerning the transactions of persons with managerial authority.

6. Handling Insider Information and Trading Rules

- 6.1. The SB Member undertakes to comply with the obligations arising for him/her as a person with managerial authority in the Company under the Market Abuse Regulation, generally binding legislation in the field of market abuse, and the related internal documentation of the Company.
- 6.2. The SB Member acknowledges that he/she may, due to the nature of his/her activities within the Company, be an insider under the Market Abuse Regulation and that he/she may, depending on the circumstances, be included in the list of insiders sent to the Czech National Bank in respect of specific internal information of the Company. By signing the Service Contract, the SB Member undertakes to comply with the legal and regulatory obligations of insiders under the Market Abuse Regulation, generally binding market abuse legislation, and related internal documentation of the Company. The SB Member declares that he/she has understood the sanctions related to insider trading and unauthorized disclosure of insider information.
- 6.3. By signing the Service Contract, the SB Member declares that he/she has become acquainted with the Company's internal documentation and agrees to comply with it. The Company shall also inform the SB Member of any changes to the Company's internal documentation in accordance with Section 5.1.(f) hereof.

7. Indemnity

7.1. In case:

- a) the SB Member at any time (including after the termination of his/her service on the SB) gets a justified impression that his/her right to protection of person, civic honor, professional reputation, or human dignity has been infringed by a third party by means of the press, radio, television, or other mass media in connection with his/her service on the SB or termination thereof, and the SB Member initiates appropriate legal proceedings to protect himself/herself, or
- b) the SB Member faces criminal prosecution or action by law enforcement authorities in connection with his/her service on the SB or termination thereof,

(hereinafter collectively referred to as "Proceedings"),

the Company shall reimburse the SB Member, under the terms and conditions specified below, for reasonable costs incurred by the SB Member in connection with such Proceedings or imminent Proceedings, i.e. including costs incurred in connection with the assertion of any claim that may become the subject matter of such Proceedings (hereinafter referred to as "Compensation"), namely remuneration for the services of legal and other advisors, court and administrative fees, and/or other payments approved by the Company (hereinafter collectively referred to as "Costs").

- 7.2. The SB Member shall become entitled to Compensation upon the delivery of a written request for Compensation from the SB Member to the Company, which must also include relevant information and documentation concerning the Proceedings (i.e. concerning the amount and intended use of Compensation requested and the subject matter of the Proceedings) and meet other conditions set forth herein. If the specified conditions are met, the Company shall pay the Compensation within thirty (30) days of the commencement date of entitlement to the Compensation.
- 7.3. The SB Member may ask the Company for a payment to cover Costs incurred on a running basis after the SB Member becomes liable to pay such Costs (hereinafter referred to as "Advance" or "Advances"), including when the Company or an entity controlled by the Company is or may be the SB Member's counterparty in the Proceedings. The Company shall provide the Advance to the SB Member within fifteen (15) days of the SB Member's written request. Together with the request, the SB Member shall submit the relevant information and documents for the payment in accordance with Section 7.2. If, on the day when the Proceedings are lawfully terminated, the conditions for entitlement to the Compensation prove to be unmet or if the amount of payment that the Company is thus obligated to pay to the SB Member is less than the amount of money provided to the SB Member as an Advance, the SB Member shall return the Advance or a pro rata portion thereof at the Company's request and within the time specified therein.
- 7.4. The SB Member shall notify the Company of the commencement or imminent commencement of Proceedings pursuant to Section 7.1. hereof without undue delay.
- 7.5. The SB Member undertakes to make every effort and to take all necessary steps to obtain reimbursement from third parties of the consideration paid out of the Advance or the Compensation, as the case may be, in accordance with the law or the agreed obligations; for the avoidance of doubt, the Parties agree that for the purposes of this Article, third-party reimbursement shall also mean insurance benefits, irrespective of the person of the policyholder. Provided that the SB Member has previously received an Advance or Compensation for the same from the Company, the SB Member shall transfer any indemnification awarded and paid to him/her to the Company within thirty (30) days of the payment thereof. If the SB Member is indemnified for his/her costs by a third party before he/she receives a corresponding Advance or Compensation, the Company's obligation to provide such Advance or Compensation shall cease to exist to the relevant extent.
- 7.6. Irrespective of other provisions herein, the SB Member shall not become entitled to the Compensation:
 - a) if the Company is not allowed to provide such payment under the law applicable at the time in question;
 - b) if the entitlement to the Compensation relates to an act for which the SB Member is adjudged guilty of a crime upon a final judgment;
 - c) if the Company or an entity controlled by the Company is the SB Member's counterparty in the Proceedings, unless such Proceedings are initiated and conducted by the Company or an entity controlled by the Company and the court rejects or partially or fully dismisses the motion of the Company or the entity controlled by the Company upon final judgment. If the SB Member succeeds partially in such Proceedings, the SB Member shall be entitled to Compensation on a pro rata basis.

8. Termination of Service

- 8.1. Service shall be terminated in compliance with legal regulations and the Company's Articles of Association. Upon the termination of his/her service, the SB Member shall take such steps and measures whose non-performance might harm the Company.
- 8.2. Within thirty days after the termination of his/her service, the SB Member shall return the following to an authorized employee of the Company:
 - all documents and papers provided to him/her in direct connection with his/her service, all duplicates, extracts, and copies of such documents and papers, unless they have already been destroyed, as well as data recording and data transfer media provided by the Company,
 - other items provided to him/her in connection with his/her service, including any documentation relating to such items.
- 8.3. If the Company has provided a SB Member with a car pursuant to Section 2.1. and Annex 1 hereof, the SB Member shall be obliged to return the car to the Company upon termination of his/her office, but no later than the end of the following calendar month.

9. Final Provisions

- 9.1. This Contract comes into force and effect on the date of its signing by both Contracting Parties. The SB member is also entitled to all remuneration, compensation, and other consideration under this Contract for the period from the commencement of his/her service to the entry into effect of this Contract. [Upon its entry into force, this Contract shall replace in its entirety the service contract concluded between the Parties on xx.xx.xxxx.]²
- 9.2. The terms and conditions not regulated hereby shall be governed by Act No. 90/2012 Coll., on business corporations and cooperatives (Business Corporations Act), as amended (hereinafter referred to as the "Business Corporations Act"), Act No. 89/2012 Coll., the Civil Code, as amended (the "Civil Code"), and the Company's Articles of Association. Unless otherwise provided in this Contract, the relevant provisions of the Civil Code regarding mandate shall apply.
- 9.3. Annex 1 hereto constitutes an integral part of this Contract. This Contract may only be modified or amended in writing.
- 9.4. Rights and obligations under this Contract, with the exception of the provisions of Section 4.1. and Article 8. hereof, shall expire on the date of termination of service on the SB.
- 9.5. The Parties have entered into this Contract in good faith, voluntarily, solemnly and having fully understood the text, which they confirm by adding their signatures.

In Prague, on

SB Member:

On behalf of the Company:

.....
Name:

.....
Name:

Title:

.....
Name:

Title:

² This does not apply to a new SB Member who has not yet concluded the Service Contract.

Annex 1

to the Service Contract of a Supervisory Board Member

Rules for Providing Consideration to Supervisory Board Members

(hereinafter referred to as “Rules”)

I. Introductory Provisions

- 1.1. These Rules govern the terms and conditions of benefits provided to members of the Supervisory Board of ČEZ, a. s. (hereinafter referred to as the “Company”) in accordance with Article 2. hereof.
- 1.2. A member of the Supervisory Board is not entitled to the Consideration specified in these Rules if the law does not permit the provision thereof.
- 1.3. A member of the Supervisory Board also means the chairman and vice-chairman thereof unless these Rules provide otherwise.
- 1.4. The “Contract” shall mean the Service Contract made by and between a Supervisory Board member and the Company.

II. Monthly Remuneration

- 2.1. Supervisory Board members are entitled to remuneration for their service amounting to CZK 68,000 (that is: sixty-eight thousand Czech korunas) per month, the vice-chairman of the Supervisory Board is entitled to remuneration of CZK 109,000 (that is: one hundred and nine thousand Czech korunas) per month, and the chairman of the Supervisory Board is entitled to remuneration of CZK 136,000 (that is: one hundred and thirty-six thousand Czech korunas) per month.
- 2.2. Remuneration is paid to members of the Supervisory Board after the end of the calendar month in which they performed the duties of a Supervisory Board member, on the payday set for wage payments to the Company’s employees. Remuneration is paid on the basis of a written document signed by the chairman and the vice-chairman of the Supervisory Board (or by another member of the Supervisory Board should either be absent) and by the chairman or the vice-chairman of the Board of Directors, submitted to the competent department of the Company.
- 2.3. Where this Contract provides that a Supervisory Board member is entitled to remuneration for a certain period (months, accounting year) and the Supervisory Board member serves for just a portion of such period, he/she shall receive said remuneration on a pro rata basis. If his/her service in a given period was terminated by removal, the removing body may decide otherwise.
- 2.4. If a Supervisory Board member is temporarily unable to perform activities associated with service on the Supervisory Board because of sickness, he/she remains entitled to the full monthly remuneration, pursuant to Section 2.1. of these Rules, for the first 30 calendar days of his/her inability to perform activities associated with service on the Supervisory Board due to the above reasons. If such inability to perform activities associated with service on the Supervisory Board lasts longer than 30 calendar days without interruption, the amount of monthly remuneration for every calendar month in which the member is unable to serve on the Supervisory Board, from the 31st calendar day to the end of his/her inability, is 50 % of the monthly remuneration stipulated in Section 2.1. of these Rules.

III. Share in Profits

- 3.1. A member of the Supervisory Board is entitled to a share in profits (royalty) if such payment is approved by the Company’s General Meeting and under the conditions approved by the Company’s General Meeting.

IV. Benefits

4.1. A Supervisory Board member is entitled to the following benefits:

- 4.1.1. mobile phone provided by the Company for office duties of a member of the Supervisory Board and for private purposes;
- 4.1.2. SIM card including related voice and data services without financial limit;
- 4.1.3. car provided for office duties of a member of the Supervisory Board and for private purposes. A member of the Supervisory Board is entitled to a premium mid-range car with an acquisition value of max. CZK 1,900,000 excl. VAT, in accordance with the current CEZ Group Car Policy, for the duration of service and with appropriate all-risk insurance coverage throughout the period of use, to reimbursement for car repair and maintenance costs, and to reimbursement for fuel costs except for fuel costs incurred in connection with the private use of the car. In the event that a member of the Supervisory Board does not make use of the provided car, the member of the Supervisory Board is entitled to a car allowance of CZK 20,000 per month (that is: twenty thousand Czech korunas), which will be paid together with the monthly remuneration.

If a member of the Supervisory Board uses a private car for business travel as specified in Section 5.1.1. of these Rules, he/she shall be entitled to reimbursement of travel costs, which shall be provided to the Supervisory Board member under the conditions and at the amount specified in Sections 157– 160 and 167 of Act No. 262/2006 Coll., the Labor Code, as amended (hereinafter referred to as the “Labor Code”), and Act No. 586/1992 Coll., the Income Tax Act, as amended;

- 4.1.4. capital life insurance, which the Company arranges at its own expense for the benefit of a Supervisory Board member with an insurance period of 4 years, amounting to CZK 2,550,000 (that is: two million five hundred and fifty thousand Czech korunas) for a member of the Supervisory Board, CZK 3,050,000 (that is: three million fifty thousand Czech korunas) for the vice-chairman of the Supervisory Board, and CZK 4,050,000 (that is: four million fifty thousand Czech korunas) for the chairman of the Supervisory Board. Upon termination of service or the Company’s withdrawal from the endowment life insurance contract as the policyholder, the policy shall be transferred to the member of the Supervisory Board free of charge.

V. Material Resources for the Performance of Office Duties

5.1. The Company undertakes to provide the SB Member with:

- 5.1.1. reimbursement for travel expenses if the SB Member undertakes domestic or foreign travel in relation to his/her service on the SB outside the place of regular service specified in Section 1.2. hereof, or study travel, promotional travel, or travel undertaken in relation to other professional activities on behalf of the Company (hereinafter referred to as “business travel”); reimbursement for the cost of training or other courses relating to his/her service on the SB, promotional or other professional activities on behalf of the Company; as well as reimbursement for costs incurred in relation to his/her attendance at SB meetings or in relation to his/her service on the SB at the place of regular service pursuant to Section 1.2. (hereinafter referred to as “travel to meetings”);
- 5.1.2. work equipment required for his/her service (a mobile phone, a desktop or laptop computer, where appropriate a tablet, etc.). However, said items, as well as the SIM card, will not be provided to the SB Member if they have already been provided in connection with his/her service in another role within the Company or in connection with a labor relation with the Company;
- 5.1.3. reimbursement of expenses in accordance with the conditions set out in Section 4.1.3. hereof when using a private car for the performance of duties (unless the SB Member does not take advantage of the option of the Company’s private car);
- 5.1.4. reimbursement for costs incurred by the SB Member pursuant to Article 7. hereof.

5.2. Throughout his/her term of service on the Supervisory Board, a Supervisory Board member is covered by travel insurance taken up by the Company for short-term foreign business travel in relation to service on the Supervisory Board.

VI. Statutory Deductions from Income

6.1. The Company shall deduct advance tax on employment income and premiums for mandatory insurance from the taxable income of a Supervisory Board member (i.e. including the premium paid by the Company for endowment life insurance and the relevant part of the purchase price of the provided car in accordance with the relevant tax regulations) and transfer them to the relevant institutions pursuant to applicable law. The Supervisory Board member acknowledges that advance tax and statutory insurance on paid endowment life insurance shall be deducted in the month in which the Company pays the premium to the insurance company. If the statutory deductions cannot be made, the Supervisory Board member undertakes to reimburse the Company for the advance income tax and the mandatory insurance premium arising from the paid endowment insurance to be paid by the Supervisory Board member. The conditions and date for paying the withholding income tax shall be specified in a separate agreement. The Supervisory Board member undertakes to enter into such agreement with the Company no later than within 30 calendar days of the payment of the premium.

VII. Reimbursement for Travel Expenses

- 7.1. When on a business travel, a member of the Supervisory Board is entitled to:
- domestic meal allowances under the conditions specified in Section 163 of the Labor Code at the following rates multiplied by 2 (except for the chairman of the Supervisory Board who is entitled to meal allowances multiplied by 3, and except for Supervisory Board members that are not allowed to be provided the higher consideration by law, which is then 1-fold) compared to the minimum rates set out in Section 163 of the Labor Code,
 - foreign meal allowances at maximum rates specified in Section 170 of the Labor Code multiplied by 2 (except for the chairman of the Supervisory Board who is entitled to meal allowances multiplied by 3, and except for Supervisory Board members that are not allowed to be provided the higher consideration by law, which is then 1-fold),
 - per diem allowances in the event of foreign business travel at maximum rates specified in Section 180 of the Labor Code multiplied by 2 (except for the chairman of the Supervisory Board who is entitled to per diem allowances multiplied by 3, and except for Supervisory Board members that are not allowed to be provided the higher consideration by law, which is then 1-fold),
 - a plane ticket in business class, and
 - reimbursement for other expenses (i.e. accommodation expenses under the conditions specified in Sections 162 and 169 of the Labor Code, necessary additional expenses under the conditions specified in Section 164 and Section 171 of the Labor Code) related to business travel at face value; this reimbursement is also due in the case of travel to meetings.

In Prague, on

SB Member:

On behalf of the Company:

.....
Name:

.....
Name:

Title:

.....
Name:

Title: