

Contract for performing the role of Supervisory Board member

Entered into between

ČEZ, a. s.

and

Ing. Vladimír Říha

Contract for performing the role of Supervisory Board member

ČEZ, a. s., a company with its registered office in Prague 4, Duhová 1444/2, postal code: 140 53, ID No.: 45274649, Registered in the Commercial Register administered by the Municipal Court in Prague, Section B, File 1581, acting by Ing. Daniel Beneš, MBA, Chairman of the Board and Ing. Martin Novák, MBA, the Vice-Chairman of the Board,

/hereinafter referred to as the **"Company"**/

on behalf of one party

and

Ing. Vladimír Říha, born on May 9th, 1962, residing at Na Fialce II 1693/14, 163 00 Prague 6,

who was appointed by the Supervisory Board on June 27th, 2013 as a Supervisory Board member of the Company, effective as of August 1st, 2013 for the period until the next General Meeting, and who accepted this role,

/hereinafter referred to as the **"SB member"**/

on behalf of the other party,

have hereby agreed on the following conditions for performing the role of Supervisory Board member for the Company:

1. Subject of the Contract

- 1.1. The subject of this Contract includes a detailed specification of the conditions for performing the role of SB member and regulating mutual rights and obligations between the Contractual parties.
- 1.2. The rights and obligations related to performing the role arise from the legal regulations, from the Articles of Association of the Company, from the Rules of Procedure of the Supervisory Board of ČEZ, a. s., and from this Contract.

The SB member is obliged to perform his/her role with due professional care.

- 1.3. This Contract is concluded for the term of performing the role of SB member, which is regulated by the Articles of Association of the Company.

2. Remuneration, compensation and other benefits

- 2.1. The Company pledges to pay the SB member remuneration for performing the role pursuant to Appendix 1 to this Contract: "Rules for remuneration and the provision of other benefits to Supervisory Board members", (hereinafter referred to as "Appendix 1") except in instances whereby the law does not permit such remuneration be provided.
- 2.2. If the SB member undertakes a domestic or foreign trip or educational, promotional or other professional activity on behalf of the Company, s/he is entitled to receive reimbursement of the expenses pursuant to Appendix 1, under the conditions stipulated in the Rules of Procedure of the Supervisory Board of ČEZ, a. s., and in the respective management document of the Company.

- 2.3.** The SB member is entitled to receive reimbursement of other potential expenses related to performing his/her role. The amount of reimbursement is governed by the legal regulations, or potentially by the internal management documents of the Company.

3. Material conditions

- 3.1.** Upon his/her request, the Company pledges to provide the SB member with a car to perform the role of SB member. The conditions for providing and using a car are negotiated with the SB member in a separate contract.

If the SB member does not make use of the possibility to be provided with a car from the Company, s/he may use his/her own car to perform the role. The costs related to the use thereof are reimbursed by the Company to the Supervisory Board member pursuant to legal regulations.

The Company pledges to provide the SB member with the necessary items for him/her to perform the role (mobile phone, desktop or notebook, etc.). However, such items will not be provided to the SB member in the event that they have already been provided in connection with performing another role within the Company or in connection with a labor-law relationship towards the Company.

4. Non-competition Clause

- 4.1.** The SB member must not:
- a) Undertake business activities in the same or similar line of business to that of the Company, or enter into business relations with the Company.
 - b) Mediate or procure the Company's business for other persons.
 - c) Contribute to the business activities of another company as a partner with unlimited liability or as a controlling person with respect to another person with the same or similar line of business.
 - d) Perform the functions of a statutory body or a member of the statutory or other body of another legal entity with the same or similar line of business, unless this involves a trust.
- 4.2.** The SB member acknowledges that violation of the non-competition clause may constitute grounds for the dismissal.

5. Protection of certain facts

- 5.1.** The SB member pledges not to communicate or disclose without authorization to a third person any facts which the Company considers as the subject of a trade secret or which are of a confidential nature, the disclosure of which to third persons might cause damage to the Company, for the period of performing his/her role and for two subsequent years upon termination thereof. This restriction also applies to data recording devices and transfer media containing such facts. The SB member pledges to handle information classified pursuant to Act No. 412/2005 Coll., on the protection of classified information and security clearance, as amended, and pursuant to implementing regulations thereof, in accordance with these legal regulations.
- 5.2.** Violation of the obligation pursuant to Section 5.1 may constitute grounds for the dismissal of the SB member. This does not affect the right of the Company to claim damages, should the Company reasonably deem such damages were incurred in causal connection with the violation of this obligation by the SB member.

6. Obligations of the Company

- 6.1.** The Company pledges to:
- a) Remunerate the SB member within the scope and under the conditions stipulated in Section 2 and in Appendix 1 to this Contract,
 - b) Provide the SB member with material conditions within the scope stipulated in Section 3 of this Contract,
 - c) Upon his/her request, provide the SB member with data or other materials to perform the role via specialized departments,
 - d) Familiarize the SB member with classified information pursuant to Act No. 412/2005 Coll., as amended, and in accordance with its implementing regulations, if required to perform his/her role, provided the SB member is a person authorized to handle classified information
 - e) Familiarize the SB member with facts constituting the subject of a trade secret, if required to perform his/her function
 - f) Continuously familiarize the SB member with safety regulations, if required to perform his/her function.
- 6.2.** The Company shall deduct advances for income tax from dependent activities from the taxable income of the SB member and carry out potential mandatory insurance payments pursuant to the valid legal regulations.

7. Other provisions

- 7.1.** The Company pledges to take out liability insurance at its own expense for damages caused by the SB member to the Company or to third persons while performing the role of SB member or in connection therewith, up to the maximum amount of insurance indemnification according to the conditions of the insurance contract concluded with a reputable insurance company designated by the Board of Directors.
- 7.2.** The Company pledges to provide the SB member with information, materials and documents relating to the activities of the Company, pursuant to Section 197, Subsection 2 of the Commercial Code and the accepted system of providing materials and information to the Supervisory Board of ČEZ, a. s.
- 7.3.** Violation of Sections 4.1, 5.1, and Section 8 of this Contract shall be deemed a major violation of the conditions of this Contract.
- 7.4.** The conditions not regulated by this Contract are governed by the Commercial Code, the Articles of Association of the Company, and the Rules of Procedure of the Supervisory Board of ČEZ, a. s.
- 7.5.** Should the SB member at any time (even upon termination of his/her role as SB member) gain a justified impression that the right to protect his/her rights as a person, his/her civic honors, professional reputation or human dignity has been infringed by way of the press, radio, television or other mass media in connection with performing his/her role as SB member or in connection with the termination of this role, or should criminal proceedings be brought against the SB member, s/he may ask the Company to reimburse expenses to ensure protection from such infringement and to reimburse the costs of legal representation. In such case, the Company pledges to reimburse the SB member for expenses related to ensuring protection against such infringement,

including the reimbursement of the costs of legal representation, provided this does not violate the legal regulations. Should the SB member be lawfully convicted of committing a criminal offence, s/he shall reimburse the Company for expenses incurred in connection with the settlement of his/her legal representation.

8. Termination of service

- 8.1.** Performance of the role is terminated pursuant to the legal regulations and the Articles of Association of the Company.

In the event of terminating the role of SB member, the SB member is obliged to undertake such steps and measures so as to prevent damage incurred by the Company should he fail to do so.

- 8.2.** Within thirty days upon terminating the role, the SB member shall return the following to the authorized employee of the Company:

- All documents and papers provided to him/her in direct connection with performing the role, all duplicates, extracts, copies of these documents and papers, unless they have already been discarded, as well as data recording devices and transfer media owned by the Company.
- Other items provided to him/her in connection with performing the role, including potential documentation related to such items.

- 8.3.** If the Company provided the SB member with a car pursuant to Section 3.1 of this Contract, the SB member is obliged to return this car to the Company within one month following the end of the month in which the termination of his/her function occurred (see also Section 3 of this Contract).

9. Final Provisions

- 9.1.** This Contract comes into force on the date of its signing, and takes effect as of the date of its approval by the General Meeting of the Company.
- 9.2.** This Contract may only be changed or amended via written form.
- 9.3.** This Contract shall expire on the date the role terminates, with the exception of the provisions of Section 8 and Subsection 5.1.
- 9.4.** 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 August 22nd, 2013

Supervisory Board member:

Signature
Ing. Vladimír Říha

On behalf of the Company:

Signature
Ing. Daniel Beneš, MBA
Chairman of the Board of Directors

Signature
Ing. Martin Novák, MBA
Vice-Chairman of the Board of Directors

To the Contract for performing the role of Supervisory Board member, entered into on August 22nd, 2013

RULES FOR REMUNERATION AND THE PROVISION OF OTHER BENEFITS TO MEMBERS OF THE SUPERVISORY BOARD

I. Introductory Provisions

- 1.1. These rules regulate the conditions for providing remuneration and other benefits to members of the Supervisory Board of ČEZ, a. s. (hereinafter referred to as the "Company").
- 1.2. The Supervisory Board member is not entitled to receive remuneration, royalties and capital life insurance according to these rules should the law not permit the provision thereof.
- 1.3. The term Supervisory Board member also refers to the chairman and vice-chairman thereof, unless these Rules explicitly stipulate otherwise.

II. Remuneration

- 2.1. Members of the Supervisory Board are entitled to receive remuneration amounting to CZK 52,500 (in words: fifty two thousand, five hundred Czech crowns) per month, the vice-chairman of the Supervisory Board is entitled to receive CZK 84,000 (in words: eighty four thousand Czech crowns) per month, and the chairman of the Supervisory Board is entitled to receive CZK 105,000 (in words: one hundred and five thousand Czech crowns) per month.
- 2.2. Remuneration is paid to the members of the Supervisory Board after the end of the calendar month, on the payment day stipulated for paying wages to Company employees. The basis for paying remuneration is constituted by 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 respective department of the Company.
- 2.3. In case this Contract stipulates remuneration for a certain period (months, fiscal year), and the Supervisory Board member only performs his/her function for a part of such period, s/he is entitled to receive a proportional part of the said remuneration. If the function was terminated by dismissal during the course of the given period, the dismissing body may decide otherwise.
- 2.4. In the event that it becomes temporarily impossible to perform the role due to illness or prolonged absence, the Supervisory Board member is entitled to receive remuneration for the given period if s/he submits a written opinion on the discussed points to the Chairman of the Supervisory Board as of the time of the discussion at the latest, unless the Supervisory Board decides otherwise. The Supervisory Board decides on whether to grant remuneration in the event of a temporary inability to perform the role. Prolonged absence is understood as absence and failure to submit a written opinion for at least two consecutive months.

III. Royalties

- 3.1.** The Supervisory Board member is entitled to receive Royalties, as a share in the Company profits, if the payment thereof is approved by the General Meeting of the Company.

IV. Capital life insurance

- 4.1.** The Company pledges to promptly negotiate capital life insurance to the Supervisory Board member with a reputable insurance company designated by the Board of Directors at the expense of the Company, under the conditions approved by the General Meeting. Upon termination of the role, or in case the Company decides to withdraw from the contract on the capital life insurance as the policyholder, then this contract shall be transferred free of charge onto the Supervisory Board member.
- 4.2.** The Supervisory Board member acknowledges that premiums paid by the Company for capital life insurance are considered as income from employment and are subject to income tax and deductions pursuant to the valid legal regulations. The Supervisory Board member agrees with the advance payment for income tax from this income which is deducted in the month when the Company pays premiums to the insurance company. If it is not possible to deduct income tax, the Supervisory Board member pledges to pay the advance tax payment on the income tax derived from the paid capital insurance to the Company. The conditions and the dates of payment of the advance on income tax will be specified in a separate agreement. The Supervisory Board member pledges to conclude this agreement with the Company no later than within 30 calendar days once the premium payment has been made.

V. Reimbursement of travel expenses

- 5.1.** The Supervisory Board member may use his/her own car to perform his/her role. In such case, reimbursement of travel expenses shall be provided to the Supervisory Board member to the amount pursuant to Act No. 262/2006 Coll., the Labor Code, as amended, and pursuant to Act No. 586/1992 Coll. on Income Tax, as amended.
- 5.2.** In the event that the Supervisory Board member uses a car in accordance with Section 3.1 of this Contract, then the member of the Supervisory Board is entitled to be provided with an upper middle class car, and also with insurance against all risks throughout the period of utilization thereof by the Supervisory Board member, and with settlement of repair and maintenance costs regarding the car, and of fuel, except for fuel used for private purposes.
- 5.3.** In the event of undertaking business trips related to performing the role, the Supervisory Board member is entitled to receive meal allowances to twice the amount (except for the Chairman of the Supervisory Board, who is entitled to three times the amount of meal allowances) of the rates determined by Act No. 262/2006 Coll., the Labor Code, as amended, to receive reimbursement for other expenses related to a business trip to the documented amount, as well as to an air ticket in business class, and in the event of a business trip abroad, s/he is entitled to receive pocket money to twice the amount (except for the Chairman of the Supervisory Board, who is entitled to three times the amount of pocket money) of the rates determined by Act No. 262/2006 Coll., the Labor Code, as amended

In Prague, this August 22nd, 2013

Supervisory Board member:

Signature
Ing. Vladimír Říha

On behalf of the Company:

Signature
Ing. Daniel Beneš, MBA
Chairman of the Board of Directors

Signature
Ing. Martin Novák, MBA
Vice-Chairman of the Board of Directors