



# DECISION ON DONATIONS BUDGET

## Donations Strategy for 2018

CEZ Group is a leader in corporate social responsibility in Czechia as well as an important member of the Business for Society platform. Unlike its competitors, CEZ Group does not focus on just a limited area of support but, according to its motto “We Help Where We Operate,” it covers support throughout all areas, such as health care, environmental protection, education, culture, sports, and last but not least community life.

Social responsibility is not just financial support for the not-for-profit sector. It also includes nonfinancial activities. The most important one in the past year was launching the World of Energy educational portal, which reveals the secrets and beauties of the energy industry to audiences from preschool children to seniors.

The ČEZ Foundation has stood by CEZ Group’s side for 15 years, being the cornerstone of its social responsibility and greatly improving the whole Group’s image. Throughout its existence, the Foundation has supported more than 7,600 projects with CZK 2.18 billion. This makes the ČEZ Foundation the biggest philanthropist among foundations in the country.

The year 2016 was marked by several milestones for the ČEZ Foundation. The EPP Move to Help mobile app celebrated its first anniversary. More than 260,000 contributors supported 438 projects with their energy, and the Foundation then supported the projects with CZK 31.3 million. Another milestone was the opening of the 400th Orange Playground. In addition, 26 hazardous crosswalks were fitted with lights, 11 schools had barrier-free accesses built for disabled students, and 58 new avenues of trees were planted.

We value our CEZ Group colleagues’ engagement in various societies and associations; therefore, the ČEZ Foundation supported 103 employee grants in the past year. Our employees then also demonstrated that they have their heart in the right place. They donated CZK 1,139,294 to people with sensory impairments during the Granting Wishes collection, and the ČEZ Foundation doubled the sum.

The 2016 Annual Report of ČEZ, a. s. includes a link to [www.cez.cz/dary](http://www.cez.cz/dary) on page 134. The Web page shows a list of all beneficiaries of donations made by the Company in 2016, including donation purposes. The list does not show the amounts of donations. This is to prevent the discrimination of beneficiaries that apply for donations or subsidies from other donors and institutions.

## Proposed conditions for monetary donations in 2018:

- We propose to transfer CZK 50 million to the ČEZ Foundation’s account in 2018 for projects undertaken through the Foundation.
- In the context of the operation, construction, and renovation of ČEZ generating facilities and distribution grids, we propose making donations of CZK 80 million to selected entities directly by ČEZ, a. s. rather than the ČEZ Foundation to maintain positive relations with the affected regions.

# DRAFT RESOLUTION

The General Meeting of ČEZ, a. s. approves a donations budget of CZK 130 million for 2018.

## Rationale:

The proposal made by the Board of Directors is a follow-up to CEZ Group's long-term philanthropic activities. Donorship reflects CEZ Group's social responsibility, while also being a means for promoting the Company's positive image.