EP Infrastructure

Sustainability Report

2021

Year 2021 in review

ADJUSTED EBITDA

€ 1.3 billion

REVENUES

€ 2.8 billion*

GROUP CASH CONVERSION RATIO

61 %

ADJUSTED FREE CASH FLOW

€ 0.8 billion

PAID IN TAXES

€ 266 million*

YEAR-ON-YEAR SO_2 EMISSION REDUCTION

29 %

ELECTRICITY FROM RENEWABLE SOURCES

288 GWh

YEAR-ON-YEAR INCREASE IN ELECTRICITY PRODUCTION FROM RENEWABLES

41 %

HEAT FROM RENEWABLES

207 GWh

YEAR-ON-YEAR INCREASE IN HEAT PRODUCTION FROM RENEWABLES

20 %

TOTAL EPH FOUNDATION CONTRIBUTION

€ 1 million

* This data has received limited assurance from the independent auditing firm KPMG.

Report contents

Foreword

Dear Stakeholders,

It is our great pleasure to introduce to you the fourth Sustainability Report of EP Infrastructure, a.s. (“EPIF”), which covers the 2021 calendar year.

At the beginning, we need to address the recent events which fundamentally changed the security situation in Europe with ripple effects on many aspects of our lives. The unprecedented military aggression against Ukraine represents an attack against the principles and values, on which the modern European civilization has been built and to which our Group strictly adheres. We are appalled by the scale of human tragedy as innocent civilians in Ukraine are forced to flee from their country or risk their lives. We strongly support the efforts of the Czech government which, in cooperation with non-governmental organizations and countless volunteers, provided refuge and assistance to an unprecedented number of Ukrainian refugees. We consider it our duty to assume responsibility and join the ranks of the Czech corporations which provided financial and material support to refugees as well as those remaining within the territory of Ukraine. EP Corporate Group Foundation, of which EPIF is a major benefactor, released €2 million mainly aimed at assistance with housing and attaining necessary professional requalification enabling the refugees to enter the Czech labor market. Through EPH Foundation in Slovakia, EPIF further contributed with financial and material humanitarian aid to help refugees in Slovakia and people staying in Ukraine.

These events also had profound effects on the energy sector, within which we operate, and highlighted the importance of our energy infrastructure for security of supplies in Europe. It also revealed the challenges of the ongoing energy transition as security of supplies and affordability of basic commodities will likely be the key priorities in the near to medium term. Despite these challenges, we are convinced that the long-term decarbonization goals set by the European Union should not be questioned and we remain committed to participate in the process. Regardless of the actual path and technologies involved in the transformation, we aim to be at the forefront of these efforts. At the same time, we are convinced that any successful transition needs to be socially just with basic commodities remaining affordable. Hence, we strive to seek real solutions – not merely offloading (as sometimes conveniently done), but truly

Daniel Křetínský

decommissioning the most carbon-intensive sources while investing and actively converting our plants to low-carbon sources.

Our efforts are centered around formal ESG targets which we publicly announced in May 2021. We aim to achieve carbon neutrality by 2040 and support this long-term goal with several medium-term targets – (I) to achieve 60% reduction in CO_2 emissions from our existing heating plants by 2030 compared to 2020 levels, (II) to abandon coal as a primary source of generation by 2030 and (III) to become a frontrunner in the transition to a hydrogen economy, while already implementing projects guiding our assets to accomplishment of these objectives. In this sustainability report, we also address our methane footprint, which is an inherent part of transmitting, distributing, and storing natural gas. At the COP26 summit in November 2021, the leaders stressed the need to focus increasingly on methane which constitutes one of the most potent greenhouse gases. While already having made significant progress in identifying and managing methane emissions, we closely cooperate with or directly participate in international associations aimed at sharing best practices to further reduce methane leakages from our gas infrastructure.

Even though the cornerstone of EPIF operations is centered around midstream and downstream infrastructure assets with relatively limited carbon footprint (these segments contributed 92% of Adjusted EBITDA, but only produced 5% of EPIF's total CO_2 emissions in 2021), we are fully conscious of the carbon footprint of our heating plants and have laid down a clear transition roadmap setting us on path

Despite challenges posed by the latest events, we remain committed to decarbonization of our operations and aim to be at the forefront of energy transition which is socially just.

to substantial reduction of CO_2 emissions by 2030 when we expect to abandon coal as a primary source of energy generation. In 2021, we continued with decarbonization efforts at all our heating plants to ensure we are on the right track to fulfil our long-term goals, while ensuring continuity of affordable supplies to end consumers. The key investment projects included refurbishments of boilers at our heating plants in Plzeň and Komořany, enabling partial or full biomass combustion within these boilers which were formerly predominantly lignite based. This complemented the already existing biomass unit and a waste incinerator plant operated by Plzeňská teplárenská. At our heating plant in Opatovice nad Labem, we have commenced the process of decommissioning two lignite boilers. This will not endanger stability of heat supplies for more than 60 thousand customers in Hradec Králové and Pardubice Regions as the remaining boilers underwent major retrofit in 2014–2018 to comply with stricter EU limits. Development of our energy mix in the following years will be shaped by gradual replacement of the remaining lignite with fuels with lower carbon footprint such as biomass, communal waste, or natural gas.

We also believe that a vital link for successful energy transition are adequate capacities to store and transport the energy produced by intermittent renewable generation sources once these are deployed on a large scale. Should green gases such as hydrogen be the dominant technology to provide this missing link, we are convinced that our gas transmission, distribution, and storage assets are very well positioned to accommodate the excess energy. Therefore, we have embarked on several projects along our entire gas infrastructure to assess its compatibility with hydrogen. Our transmission network in Slovakia should accommodate low blends of hydrogen with natural gas already by 2023, while the distribution network operator SPP - distribúcia will perform hydrogen blending tests in an isolated part of the distribution network in a selected village starting in June 2022. In the medium term, our assets will continue to play a critical role in transit, storage, and distribution of natural gas which will likely remain an important bridging fuel enabling to accelerate reduction of CO_2 emissions without jeopardizing power grid stability and security of supplies. Within development projects focusing on the enhancement of energy security, we are working on the expansion of our network and on the construction of a gas transit pipeline interconnection to Poland which is scheduled to commence its operation in the first half of 2022. After extension of capacity at Lanžhot entry/exit point completed in 2020, the Poland interconnector will further support readiness of our pipeline to accommodate flows not only in the traditional east-west direction but also from north to south.

In April 2021, after recognizing the need to formalize our ESG efforts in a comprehensive set of policies, we extended the scope of polices to cover areas such as asset integrity management, cybersecurity, workforce diversity, whistleblowing, or biodiversity. Our continuous efforts to improve our ESG performance were reflected in strong ESG rating of 20.0 from Sustainalytics in June 2021, placing EPIF in the low-risk category, 6th out of 62 companies in the multi-utilities sector. In addition, in September 2021 EPIF obtained ESG rating score of 66 out of 100 points from S&P Global Ratings Europe Limited, slightly improving our inaugural rating of 65/100 from 2020. Our ongoing interactions with rating agencies help us further improve our disclosure to satisfy growing needs of all stakeholders.

Gary Mazzotti

After major challenges posed by the COVID-19 pandemic throughout 2020 and 2021, we are facing another unprecedented crisis creating major uncertainties for our operations. I am proud that we have managed to navigate through these crises without any interruptions in supplies of basic commodities and we confirmed our role of a reliable operator of critical energy infrastructure. Furthermore, we continue to participate in the humanitarian efforts aimed at those in need affected by the pandemic or latest events in Ukraine.

To conclude, we would like to express my honest thanks to our employees, investors and partners who have been participating in the realisation of our strategy and cooperating with us, thus supporting us to ensure a safe and reliable operation of the energy infrastructure at affordable prices, while being a leading player in true, socially acceptable decarbonization.

Sincerely,

Daniel Křetínský

Chairman of EPIF Board of Directors

Gary Mazzotti

Vice-chairman of EPIF Board of Directors and CEO

Powering Europe's ambition **towards a sustainable future**

* This data has received limited assurance from the independent auditing firm KPMG.

We **empower communities** all over Europe by safely transmitting and storing natural gas, as well as by generating and distributing affordable heat and electricity.

consolidated revenues

€ 2.8 bn*

We are committed to **transparently and effectively** communicating with our customers when faced with unplanned outages, unpredictable natural phenomena or international crises.

end consumers supplied

2,456 thousand

It is our responsibility to offer the **best working conditions** for our employees and to **minimise our impact on the environment**.

total number of employees

5,811 (FTEs)

Laying a pathway to energy transition and affordable energy

Gas for Europe

With a rapid increase in demand, but a decrease in domestic production, the eustream corridor has played a crucial role in supplying Europe with natural gas. As coal and nuclear sources are gradually phased out, meeting the basic needs of developed societies will require natural gas in the near to medium term before renewable gases such as hydrogen are deployed on a more significant scale. Our infrastructure is very well positioned to secure potential transit, storage, and distribution of hydrogen, which we expect to play a key role in storing energy from intermittent renewable sources.

41.6 bcm
Gas transmitted

2.3 thsnd. km
Natural gas corridor length

61.5 TWh
Gas storage capacity

59.2 TWh
Gas distributed

5,295 GWh
Total heat and power production

968 MWe
Installed power capacity

3,015 MWth
Thermal capacity of boilers

Figure 1: Value chain infographic.

Securing supplies

In today's climate of both social and political changes, having failsafe mechanisms in place is more important than ever before. We enhance the energy security of Central Europe by operating its most extensive, modern underground gas storage facilities. We operate alternative side pipelines to minimise interruptions in supply. The latest events in Ukraine further highlighted the importance of robust and flexible infrastructure for security of supplies.

Powering households

Essential social needs and access to basic services are non-negotiable foundations of any thriving society. We provide households and institutions with reliable gas, electricity and heat while minimising our environmental impact through cogeneration. It is our legal and moral obligation to provide access to basic services to vulnerable and disadvantaged groups.

2,456 thsnd.
Number of end consumers connected to our networks

5,811
Number of employees

27 registered / **0** fatal
Number of health and safety incidents

10 million
Hours worked by our employees

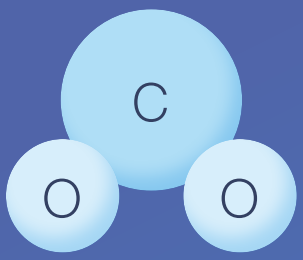
It's our employees, who create the value

Over the past 10 years, we have been offering stable working conditions to our talents. We have also remained committed to ensuring their health and safety, as well as their personal and professional development. We appreciate our mutual dependencies — our employees rely on EPIF's future sustainable development, however, innovation is not possible without the Group's top talents.

EPIF's Focus on reducing GHG emissions

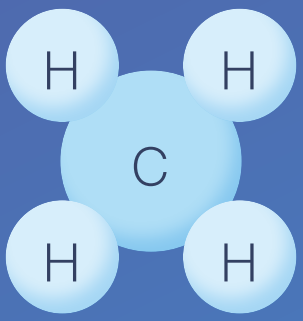
The Group acknowledges the serious threat posed by human-induced climate change and is ready to play a major role in the energy transition, while ensuring continuity and affordability of the supply of basic commodities. Despite near-term challenges posed by the military invasion of Ukraine for energy security in Europe, we are convinced that the energy system development will continue to be driven by long-term EU decarbonization goals.

EPIF's primary GHG emissions



Carbon dioxide (CO_2)

CO_2 is predominantly emitted within our heat infrastructure segment.

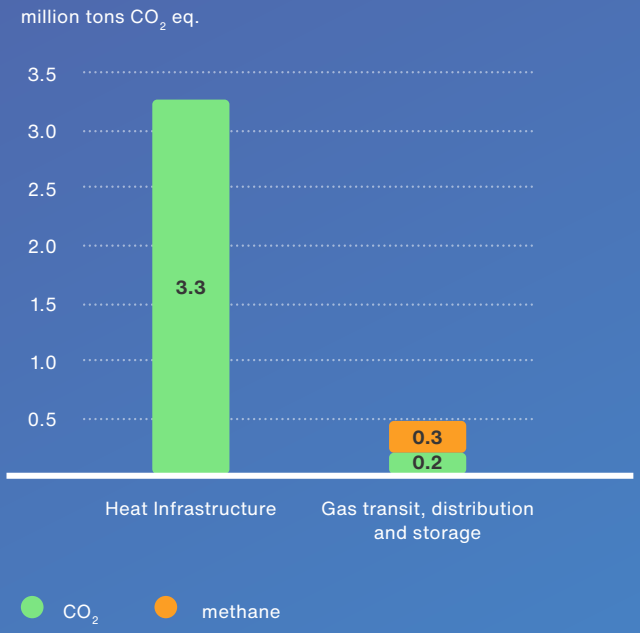


Methane (CH_4)[1]

CH_4 is predominantly emitted within our main business segments relating to gas infrastructure (transmission, distribution and storage).

Both CH_4 and CO_2 are produced through natural and human-related activities, making them the most common greenhouse gases and contributors to human-induced global warming.

1 Methane: For reporting and inventory purposes, we use 100-year time horizon global warming potentials (GWP) relative to CO_2 of 28. This value is recommended by the Intergovernmental Panel on Climate Change (IPCC) – the United Nations body for assessing the science related to climate change.



Graph 1: Breakdown of greenhouse gas emissions by segment.

3.7 mil. tonnes CO_2-eq.
total 2021 GHG emissions

REDUCTION ACTIVITIES

Heat infrastructure and power generation

Within this business segment, EPIF aims to implement concrete projects that will guide the Group in achieving carbon neutrality by 2040. These projects focus on **decommissioning the Group's most carbon intensive sources**, while investing and actively converting EPIF's plants to low carbon or renewable sources.

These projects have been categorised into **short and long-term commitments**. Information about these projects and our commitments can be found in the "Decarbonisation roadmap" section of this Report.

Gas infrastructure

Within these business segments, EPIF has been focusing its efforts on **proactively following developments and best practices** with regards to detecting, reporting and managing methane emissions. The Group's progress within these reductions can be partly attributed to our **close cooperation with and participation in a number of associations** that further support this topic specifically within the energy industry.

Information about methane and the Group's initiatives can be found in the "EPIF's focus on methane" section of this Report.

Commitments

EPIF aims to go beyond the official 2050 EU objective

carbon neutrality
by 2040

Reduce CO_2 emissions by 60% from existing generating plants by 2030

We have created a clear and resilient transition roadmap for our assets, thereby guiding our generating plants to a 60% reduction in CO_2 emissions compared to our 2020 levels[2]. The roadmap is illustrated on the following page.

Become a European frontrunner in the transition to a hydrogen future

EPIF believes that storage of energy in the form of green gases represents an important link to accelerate deployment of intermittent renewable power sources. Therefore, the Group has embarked on several projects to ensure that its midstream and downstream infrastructure is ready for large-scale transit, distribution and storage of hydrogen.

Zero coal as a primary source of generation by 2030

Our existing, and predominantly lignite-fired heating plants, will be converted to a balanced mix of gas and biomass units by 2030, and will potentially be complemented by waste incinerator plants. Although no official coal phase-out date has been announced by the Czech government, we strive to accelerate the transition and complete conversions of all our assets several years ahead of the coal exit deadline, which is currently expected to be set for 2033 or 2038.

Create a Green Finance Framework for use, where applicable, within EPIF Capital Structure Strategy

Once developed, the EPIF Green Finance Framework shall serve as a basis for the financing of any future eligible project, in line with the ICMA Green Bond and LMA Green Loan Guidelines.

2 For the purposes of setting a target, CO_2 emissions of entities disposed of during 2020 were excluded, thereby creating a comparable benchmark.

EPIF's Decarbonisation roadmap

EPIF's roadmap serves as a basis for planning and implementing conversion projects of our heating plants. These projects are focused on the Group's heat infrastructure because it is our most emission intensive business segment, but it also provides vital supplies of heat and grid-balancing services[3]. Therefore, we continually work to seek and implement real solutions, rather than merely offloading our emissions, so that we can continue to provide affordable services.

Short-term actions

Completed refurbishment of an existing lignite boiler at United Energy
The project allows for 100% biomass combustion within the boiler.

Completed refurbishment of a boiler at Plzeňská teplárenská
The share of biomass co-combusted (along with lignite) has a capacity of up to 80% within the boiler.

Disposal of BERT (CCGT technology) in December 2020
We achieved absolute reduction of our carbon footprint from Q4 2020, while this resulted in a temporary increase in emission intensity in 2021.

Gradual decommissioning of 2 lignite units (out of 6) at Elektrárny Opatovice commenced.[4]

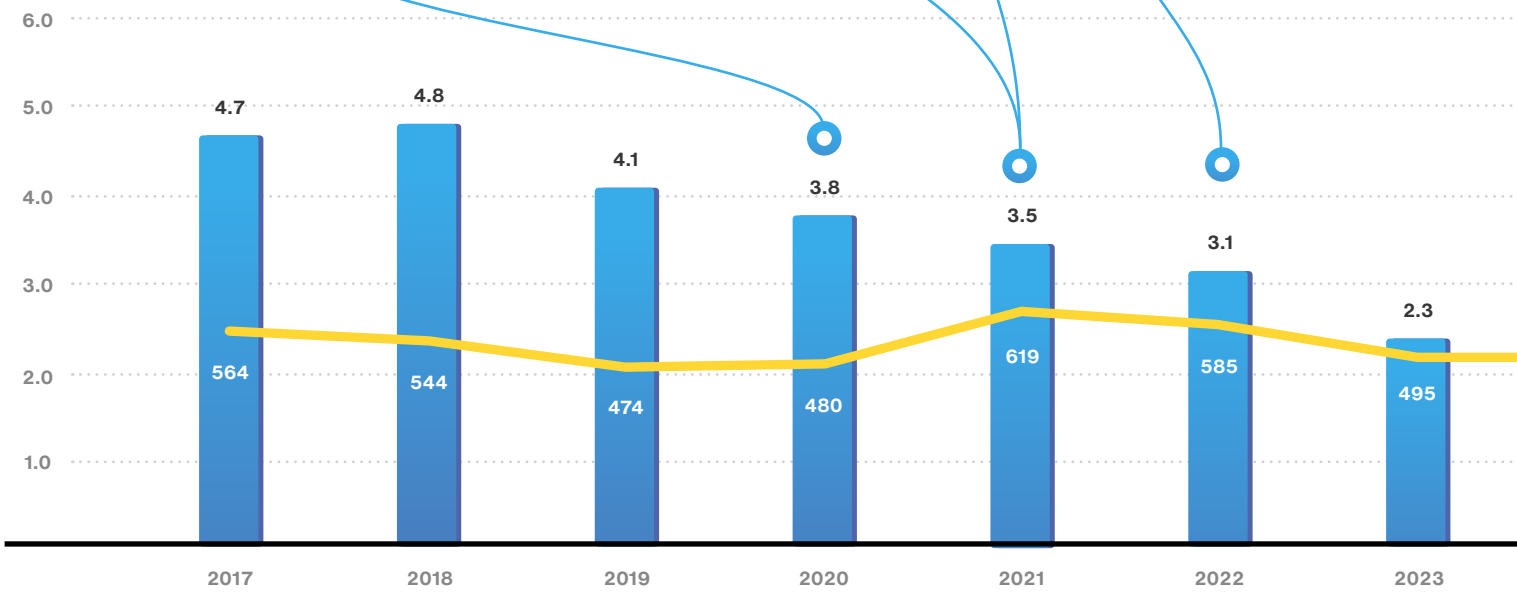


Figure 2: Decarbonisation roadmap.

CO_2 emissions (mil. tonnes)

Emission intensity (tonnes CO_2-eq./GWh)

As part of conversion to gas as one of the key transitional fuels, the gas turbines should be ready to combust certain share of renewable gases (such as hydrogen) with the envisaged full combustion of renewables gases in the long term. Technical criteria included in the current draft of the EU Taxonomy require 100% of renewable gases from 2035 which we consider as technologically feasible.

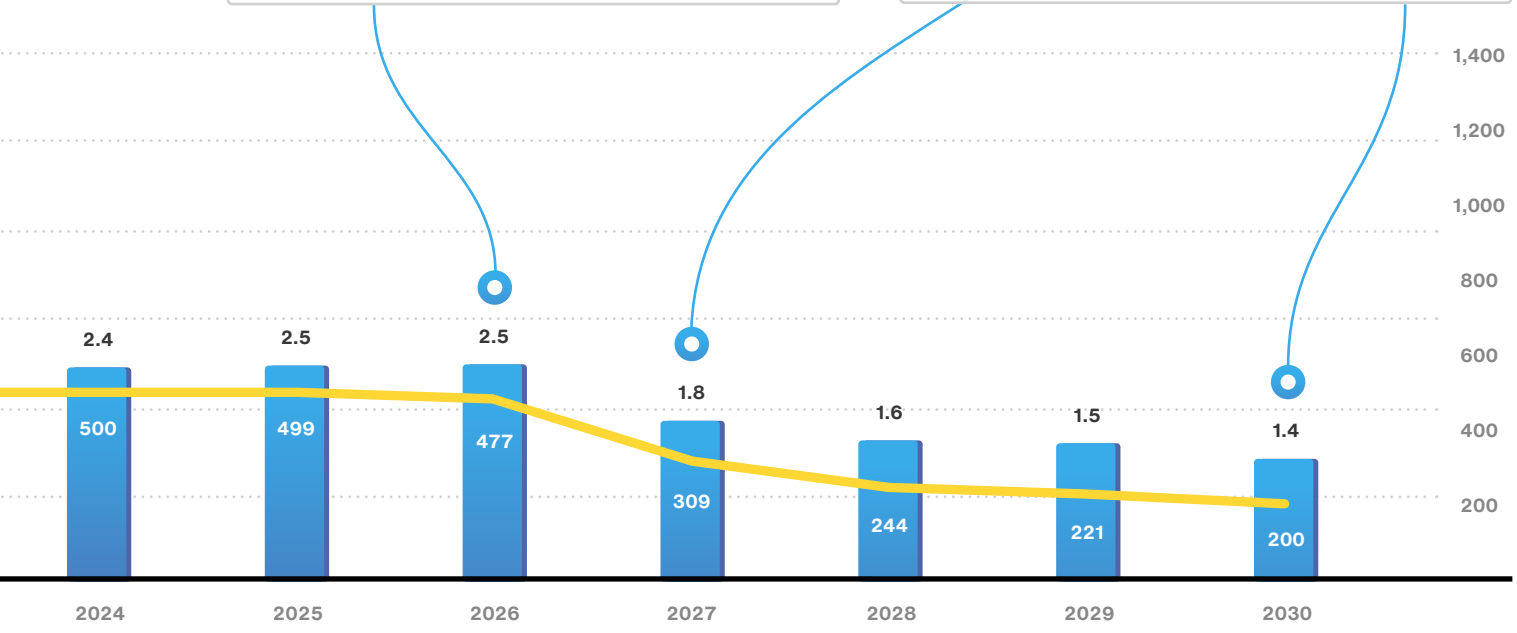
Medium-term actions

Gradual replacement of the 4 remaining lignite units at Elektrárny Opatovice
We strive to replace the remaining lignite units with several CCGT units by 2028 if feasible.

Gradual replacement of lignite units at Plzeňská teplárenská
By 2028, we aim to install CCGT units at both heating plants operated by PLTEP, complementing the existing biomass unit and waste incinerator plant.

Replacement of remaining lignite fired units at United Energy
We plan to commission a medium CCGT unit in 2026, which will complement the existing biomass boiler (came into operation in 2021).

Waste incinerator plants
Development plans are being discussed regarding waste incinerator at EOP and UE. Currently, discussions are being held with local authorities, with the commissioning expected by 2030.



3 Emission projections and future intensities are only indicative and are solely based on management estimates with respect to the Group's activities. This forward-looking information is subject to future management decisions, market developments, as well as other unpredictable risks and events.

4 The decommissioning of these boilers is subject to further developments as lignite plants might play an important role in the near term in case of major interruptions of Russian gas flows to Europe.

EPIF's Approach to reducing methane emissions

EPIF aims to align itself with the EU commitments for GHG reduction, in which methane plays a role within the Group's strategy. We therefore actively work towards managing our most methane-intensive activities, which are concentrated within the Group's gas infrastructure. Through our close cooperation or direct involvement in various international industry associations, we are also committed to continuously learning about methane developments and best practices for its detection and mitigation.

Categorisation of methane emissions

Methane is detected when gas is emitted through several activities associated with gas infrastructure operation, as highlighted below:

Fugitives

Unintentional gas leaks from infrastructure.

Incomplete combustion

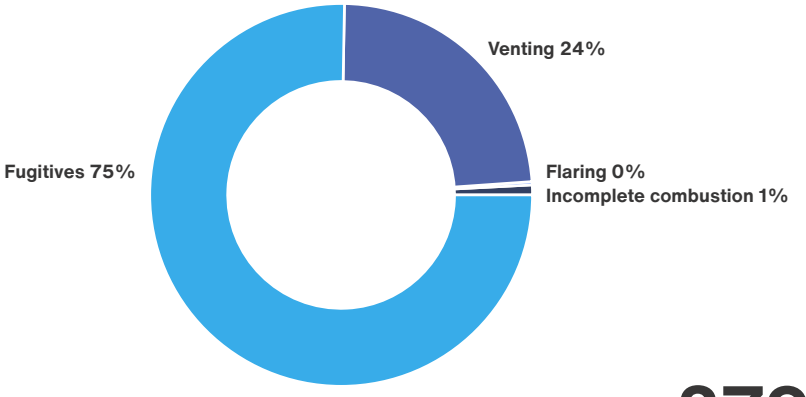
Gas that is emitted due to its improper combustion within compressors.

Venting

Intentional release of gas for the purpose of repair and maintenance of pipes and compressors.

Flaring

Gas that is emitted during flaring (burning), which is a limited activity within the Group.



Graph 2: Breakdown of methane emissions by source.

279 thsnd. tonnes CO_2-eq.

Total 2021 methane emissions

Methane emission reduction activities

The majority of the EPIF's methane emissions are linked to SPP-D, eustream and Nafta, which make up 68%, 26% and 4% of these emissions respectively.

Distribúcia SPP

Methane emissions contribution

The main activities of SPP-D include the sale of distribution capacities, development activities, and operation and maintenance of the gas distribution network, amounting to approximately 98% of the total distributed volume of natural gas in the Slovak Republic. SPP-D implements proactive measures to ensure the quality of their network through a ***Pipeline Integrity Management System***. This system utilises innovative and effective diagnostic systems that help **identify and manage methane emissions**, which include:

- Leak detection and repair (LDAR) program – conducting leak surveys (walking, by car) based on asset condition (risk-based approach),
- use of drones for leak detection when inspecting inaccessible areas,
- remote monitoring of effectiveness of automated corrosion protection of buried steel pipelines,
- internal pipe inspections of strategic high pressure pipelines conducted by in-line sensors,
- non-destructive localization of coating defects of steel pipes from the surface.

eustream
SLOVAK GAS TSO

Methane emissions contribution

Commitment:
By 2025, reduce absolute methane emissions by 55% compared to 2014 levels.

The main activity of eustream is the transportation of natural gas through a high-pressure transmission network in the Slovak Republic and to the European market. Therefore, eustream has made the reduction of its methane emissions a strategic objective for the coming years.

Eustream made **significant progress relating to methane emission reductions**, which was mainly **supported by the following activities**:

- significant modernisation of the network, with a focus on the efficiency of mainly compressor stations (decommissioning obsolete and less efficient technology),
- minimizing venting in operations through mobile pumping compressors that allow for the pumping of natural gas from a closed section of the pipeline to another part of the transmission network during maintenance activities, and
- implementation of a detailed and coordinated LDAR (Leak Detection and Repair) program, whose methodology is used to detect and quantify gas leaks, allowing for targeted maintenance activities.

The company goes beyond internal operations to focus on methane emission reduction. Eustream is a **member of various EU associations** that help with further identifying methane emission developments and practices within the industry. These associations include:

- Gas Infrastructure Europe (GIE),
- ENTSOG (European network of transmission system operators in gas),
- Industry Advisory Panel of the Energy Charter and European Clean Hydrogen Alliance (international cooperation and networking efforts), and
- Slovak Oil and Gas Association (allowing for further participation in MARCOGAZ association, International Gas Union (IGU) and OGMP 2.0).

Methane emissions contribution

Commitment:
By 2030, reduce methane emissions by 33% compared to 2016–2020 average level.

Nafta is the sixth largest gas storage operator in Europe. In 2021, the company committed to 2030 methane emission targets, ensuring alignment with energy-related methane emission developments and standards on the EU-level.

Nafta has several **pilot projects and proposals for reducing methane emissions**, including:

- replacement of natural gas actuating with compressed air for remote controlled devices *(done)*,
- LDAR (Leak Detection and Repair) program, whose objective is to locate (immediately) repair and quantify gas leaks *(established)*,
- seal gas recompression of compressor units TKG1-3 *(prepared concept)*,
- a collecting system for vented emissions due to maintenance/ investment works and their re-utilisation at Central Station *(prepared concept)*,
- replacement of injection pumps with electrical ones *(prepared concept)*,
- ventless systems for turbo compressors TK7 *(in realization)* and TK1-6 *(after pilot realization)*,
- emission reductions during the formation of hydrates within connections *(preparation of concept)*.

EPIF's Focus on hydrogen

EPIF operates infrastructure suitable for cost-efficient hydrogen adoption. Hydrogen adoption is widely recognized as an important step towards a low-carbon economy. This fuel of the future could serve as an effective medium for the transportation and storage of renewable energy.

The European gas industry is trying to find eco-friendly methods of distributing gas. While biomethane and synthetic methane are comparable substitutes to natural gas with similar attributes, hydrogen may be considered the front runner among renewable and low-emission gases. Storing energy surplus in hydrogen can be less expensive and more efficient than in conventional batteries. With some modifications, EPIF's existing gas infrastructure can be used to safely transport and store hydrogen.

10 $kgCO_2/kgH_2$

GREY HYDROGEN is the most common type of hydrogen with a high carbon emission intensity as generated carbon is not recaptured. This hydrogen is produced from natural gas or methane through steam reforming.

0.8 $kgCO_2/kgH_2$

HYDROGEN is labelled **BLUE** when industrial carbon capture and storage technology is employed during the production process, significantly decreasing carbon intensity.

0 $kgCO_2/kgH_2$

Clean or **GREEN HYDROGEN** with no carbon intensity is generated through the electrolysis of water with renewable energy sources.

Vision for hydrogen

The perception of hydrogen has dramatically changed in recent years. Renewable energy power generation is growing considerably, and new ways to store and transport energy are now a key focus.

Massive deployment of renewables inside the EU countries as well as at locations in close proximity such as North Africa or, despite uncertainties due to ongoing military conflict, Ukraine will need to be supported by adequate transport and storage infrastructure. More carbon capture and storage projects are under development to support low-carbon blue hydrogen. Recent hydrogen studies like the European Hydrogen Backbone initiative estimate that conversion of existing infrastructure and pipelines would be approximately 80 % cheaper than a newly built hydrogen network.[5]

EPIF's existing gas transmission, storage, and distribution infrastructure can be retrofitted to support hydrogen. To this end, we have already launched hydrogen-dedicated research and development projects. Our unique, geographically strategic position for future hydrogen transmission further positions EPIF to be a key player in hydrogen adoption.

Carbon capture and storage

Growth of Renewables

Retrofitting of existing pipeline

Favourable Location

5 https://gasforclimate2050.eu/sdm_downloads/extending-the-european-hydrogen-backbone

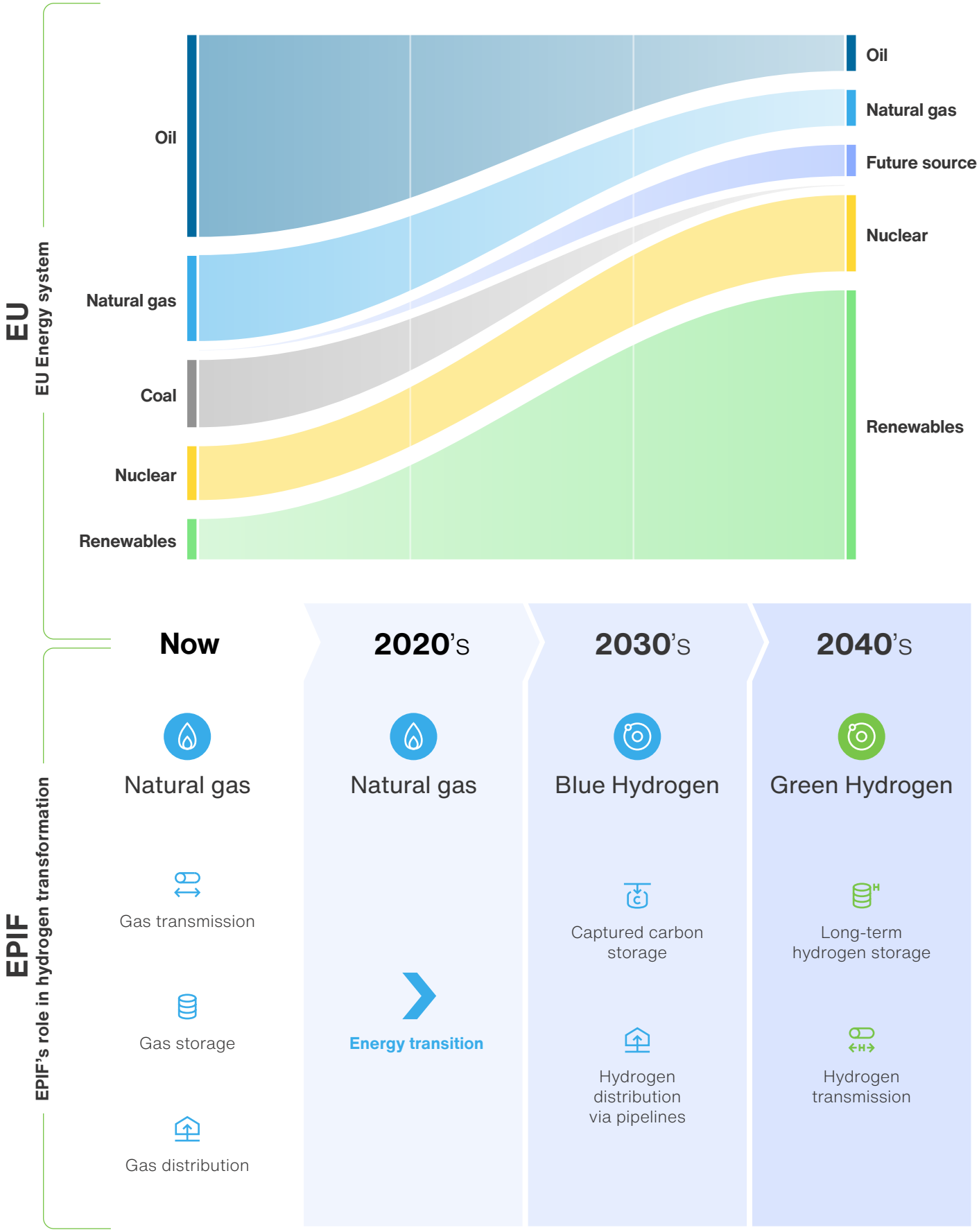


Figure 3: Role of hydrogen in energy transition.

Hydrogen synergies in EPIF

EPIF's ongoing projects aim to enable hydrogen readiness both midstream and downstream. This will facilitate the European transition away from fossil fuels and provide security of supply, which goes hand in hand with EPIF's ambitious goal to achieve carbon neutrality by 2040. Furthermore, complete vertical integration along the gas value chain allows for better demand management of hydrogen.

Gas Transmission

Competitive advantage

Hydrogen transmission assets are expected to play an important role in the adoption of hydrogen as a scalable fuel source in Europe, connecting hydrogen supply with demand in a cost-efficient way. Eustream's pipeline system consists of four to five parallel pipelines, making it suitable for potential simultaneous transport of natural gas and pure hydrogen in a dedicated line in the future. The system will also soon be ready to transport a blend of natural gas and hydrogen.

Projects and investments

Eustream works on technological readiness for hydrogen in the gas mix within the transmission system. By the end of 2023, eustream will be able to blend up to 5% of hydrogen. In the near future, Slovakia might be ready from a technological standpoint to transport approximately more than 2 bcm of hydrogen per year, putting us in a position that will allow us to accommodate the expected gradual increase in the supply and demand of hydrogen. A pilot project for green hydrogen production will be also launched at the Veľké Kapušany compressor station and the green energy produced will be used to drive compressors.

Hydrogen alliances and partnerships

Eustream joined **H2EU+Store**, an international partnership that aims to not only create the necessary capacities for renewable electricity and hydrogen production in Ukraine if not jeopardized by the current military conflict, but also expand storage volumes in Austria and Germany, which will be complemented by adaptations in the area of gas transport to Central Europe.[6]

The Central European Hydrogen Corridor initiative is being promoted by a group of four leading Central European gas transmission infrastructure companies in Ukraine, Slovakia, the Czech Republic, and Germany, working together to create a Central European hydrogen transport infrastructure.[7]

Eustream are also members of the pan-European alliances supporting hydrogen adoption **European Clean Hydrogen Alliance** and **European Hydrogen Backbone**.

6 OGE (2022). H2EU+Store – Green Hydrogen for Europe. https://oge.net/en/press-releases/2021/h2-eu-store-green-hydrogen-for-europe
7 CEHC (2022). Central European Hydrogen Corridor. https://www.cehc.eu/en/home/

Gas & power distribution

Competitive advantage

Gas distribution networks could be used to deliver hydrogen to end consumers, to be consumed much like natural gas is today. EPIF's SPP-D is expected to be ahead of its European peers in hydrogen readiness due to its unique competitive advantages, namely its modern network consisting of a high share of polyethylene pipes and its integration along the gas value chain, allowing for better hydrogen demand management and lowering the cost to convert the existing network for hydrogen distribution. The polyethylene pipes in the network are resistant to low blends of hydrogen, and their permeability and safety characteristics are superior to steel.

H2PILOT Project of SPP-D

SPP-D is in a position to significantly contribute to the reduction of our society's environmental footprint by combining natural gas with hydrogen, bio-methane or synthetic gas. Based on own tests performed by SPP-D and numerous studies and trials carried out abroad, SPP-D believes that the transported gas can contain up to 20% hydrogen without having to make major modifications to the existing gas grid. Blending 20% of hydrogen into the natural gas stream will eventually reduce the carbon footprint of consumption by 7%, given the lower calorific value of hydrogen.

The H2Pilot project is currently in its final phase, where in 2022, SPP-D will perform hydrogen blending tests on an isolated part of its distribution network in a selected village in Slovakia. Within this pilot project, SPP-D will supply gas to 300 household connection points with hydrogen blending levels up to 10%[8]. Success of the H2Pilot project could serve as a best practice example for accelerating the hydrogen transformation within the Slovakian distribution network.

Gas storage

Storage synergies

The transition towards low-carbon energy increases the demand for large-scale energy storage. Storing hydrogen is technically and economically more feasible than batteries or pumped storage. In the production of green gases such as hydrogen, biogas, synthetic methane, or blended gas (e.g., hydrogen/methane) underground storage facilities can be employed for renewable energy storage. The production of blue hydrogen demands the storage of captured carbon.

Nafta has already participated in several projects focused on storage innovations. Because of its experience in this field, Nafta has been able to commence internal projects focused on assessing the impact of various concentrations of hydrogen on gas storage facilities. Nafta is working on the assessment of hydrogen impact (2% vol.) on its infrastructure (reservoirs, wells and surface technology). At the national level, Nafta has also been finding success with its **H2-Infrastructure Storage & Distribution** project, which was submitted for further processing under Important Projects of Common European Interest (IPCEI). The first phase of H2I S&D has experts seeking an appropriate location for storing hydrogen mixed with natural gas. The second phase of the project involves constructing a pilot test of the technology to generate hydrogen through water electrolysis.

8 SPP-D (2022). H2Pilot. https://www.spp-distribucia.sk/spravy/novinky/spp-distribucia-spusta-pilotny-projekt-testovania-distribucie-vodiku-pre-vykurovanie-domacnosti/

EPIF's approach to sustainability

This is the fourth annual Sustainability Report published by EPIF. While the Group continues to align itself with the United Nations 2030 Agenda for Sustainable Development, we are also committed to our decarbonisation and overall GHG emission targets, which aim to guide EPIF to achieving carbon neutrality by 2040.

The aim of this Report is to highlight and address the environmental, social, and governance aspects of our operations. It was written in accordance with the Global Reporting Initiative standards,[9] while aligning with the United Nations Sustainable Development Goals and the 2030 Agenda. A condensed version of the information within this Report can also be found in the Sustainability Report of our parent company, EPH, who has annually been reporting since 2015.

We plan to issue our next Sustainability Report for 2022 in 2023.

9 GRI Standards: Core option (2016 edition).

Materiality matrix

EPIF's materiality matrix identifies eleven topics that reflect the Group's significant areas of impact on people, the economy and environment, as well as the influence they have on stakeholder decisions. The methodology used to identify these topics can be found within the Annex of this Report.

Within the materiality matrix, the two axes of the graph are as follows: the horizontal axis represents the significance of EPIF's economic, environmental, and social impacts, whereas the vertical axis represents the influence of the topics on stakeholder assessments and decision-making.

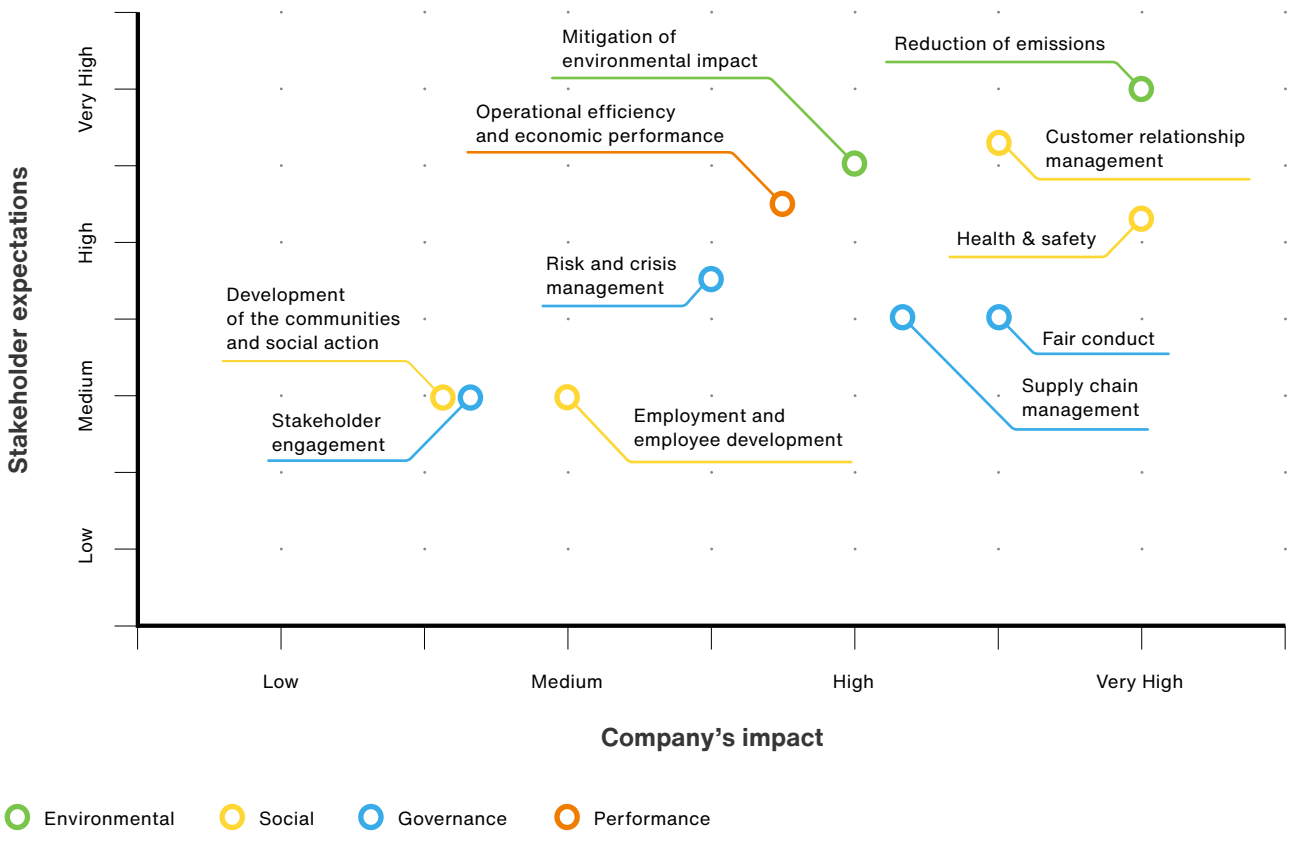


Figure 4: Materiality matrix.

ESG ratings

EPIF understands that addressing environmental, social and governance matters is vital in being able to achieve overall sound operations. EPIF's commitment to continuously improving its ESG rating has to-date consisted of implementing ESG policies and disclosures, as well as publicly disclosing and committing to a decarbonisation strategy.

In June 2021, EPIF obtained ESG rating of 20.0 from Sustainalytics, placing it in the low-risk category, 6th out of 62 companies in the multi-utilities sector. In addition, in September 2021 EPIF obtained ESG rating score of 66 out of 100 points from S&P Global Ratings Europe Limited, slightly improving our inaugural rating of 65/100 from 2020.

Agency	ESG rating
SUSTAINALYTICS	 **20.0 (low risk)** a lower score indicates better management of risks; at the time of receiving our score, we held the 6th position[10] out of 62 companies within the multi-utilities sector
S&P Global	**66/100** a higher score indicates better ESG performance

Table 1: Current ESG Group ratings.

10 Represents position at the time of the rating issuance.

Sustainable Development Goals

As part of EPIF's sustainability commitment, we report on our alignment with the United Nations Sustainable Development Goals and the 2030 Agenda. Working across all ESG fields, we strive to contribute to their timely fulfilment. We focus our efforts on strict regulatory compliance, modernisation of our facilities and robust monitoring. With the help of renowned ESG rating agencies, we will continue to identify every opportunity to further improve our performance.

To fully support our commitment to the 2030 Agenda, we continue to work towards achieving our Decarbonisation Strategy targets and goals, with the aim of reducing our CO_2 emissions substantially by 2030 compared to 2020 levels.

At the core of the 2030 Agenda for Sustainable Development are 17 Sustainable Development Goals (SDGs) that represent a set of globally agreed-upon targets. These targets address the environmental, social, and economic challenges that we face today, and will continue to face in the future.

Because of EPIF's energy focus, we have identified several SDGs that are highly relevant to our business and its operations, and which we believe we could significantly contribute to achieving.

SUSTAINABLE DEVELOPMENT GOALS

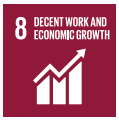
SDGs of high relevance

Ensure access to affordable, reliable, sustainable and modern energy for all

EPIF actively promotes the transition towards a new energy model, one that is more sustainable and inclusive for the energy and utilities sector. Around 92% of EPIF's Adjusted EBITDA is derived from gas transmission, gas and power distribution, and gas storage activities, which have relatively limited carbon footprint (more details provided in the Environmental section of this Report). In the heat infrastructure segment, EPIF puts significant effort into accelerating our transition to less emission-intensive sources of energy (e.g. biomass, municipal waste and natural gas).

Ensure sustainable consumption and production patterns

When providing services, EPIF thinks long-term, which is why we aim to promote energy efficiency. It is imperative to us to ensure quality pipelines, as well as the other parts of our distribution and transmission systems. We proudly employ people who are committed to contributing to the preservation of the environment by maintaining the highest level of infrastructure efficiency. Additionally, we are dedicated to raising customer awareness on responsible energy consumption and savings.



Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

As a major energy provider, EPIF contributes significantly to economic growth and fair employment. We pride ourselves on being able to create jobs for individuals and provide energy to families, companies, and other entities, all of which are crucial for a well-functioning society. Through our services, we promote sustainable and inclusive development and support socio-economic progress.

Take urgent action to combat climate change and its impacts

At EPIF, we are strongly committed to focusing our efforts on climate action. This is evident, for example, in our gradual shift towards a lower emission-intensive energy mix and our aim to reach carbon neutrality by 2040. We are also committed to continuously gathering data and pursuing strategies that will mitigate the impacts of climate change.

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

One of EPIF's major societal contributions is its operation of reliable, safe, and high-quality energy infrastructure. Notably, EPIF continues to be a key driver of innovation for sustainable industrialisation among its competitors. Our recent efforts include increased digitalisation of activities and services, and enhanced transparency. Furthermore, we invest in innovative solutions such as hydrogen, enabling future energy systems. We believe hydrogen is more than a low carbon product because it links different energy sectors and thus increases flexibility and resilience of our economies.

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels

At EPIF, ethics is at the core of our values. It is important for us to have moral principles at the forefront of all our work, so that we can continuously create inclusive opportunities. We do this, for example, by ensuring trust through inclusive governance, fostering collaborative relationships, and addressing social conflict.

EPIF and its business

EPIF is a leading European energy infrastructure and utility group with a large and diverse infrastructure asset base. Our business focuses mainly on gas transmission, gas and power distribution, heat infrastructure, and gas storage, with principal operations in the Czech Republic and Slovakia. Measured by EBITDA, EPIF is among the largest industrial groups based in the Czech Republic.

EPIF has grown through the acquisition of entities in different countries. Because every entity has its own standards, we have worked hard to align sustainability policies and processes across our Group. This has been challenging, but at EPIF, we understand the value of this commitment to the future of our business.

EPIF timeline

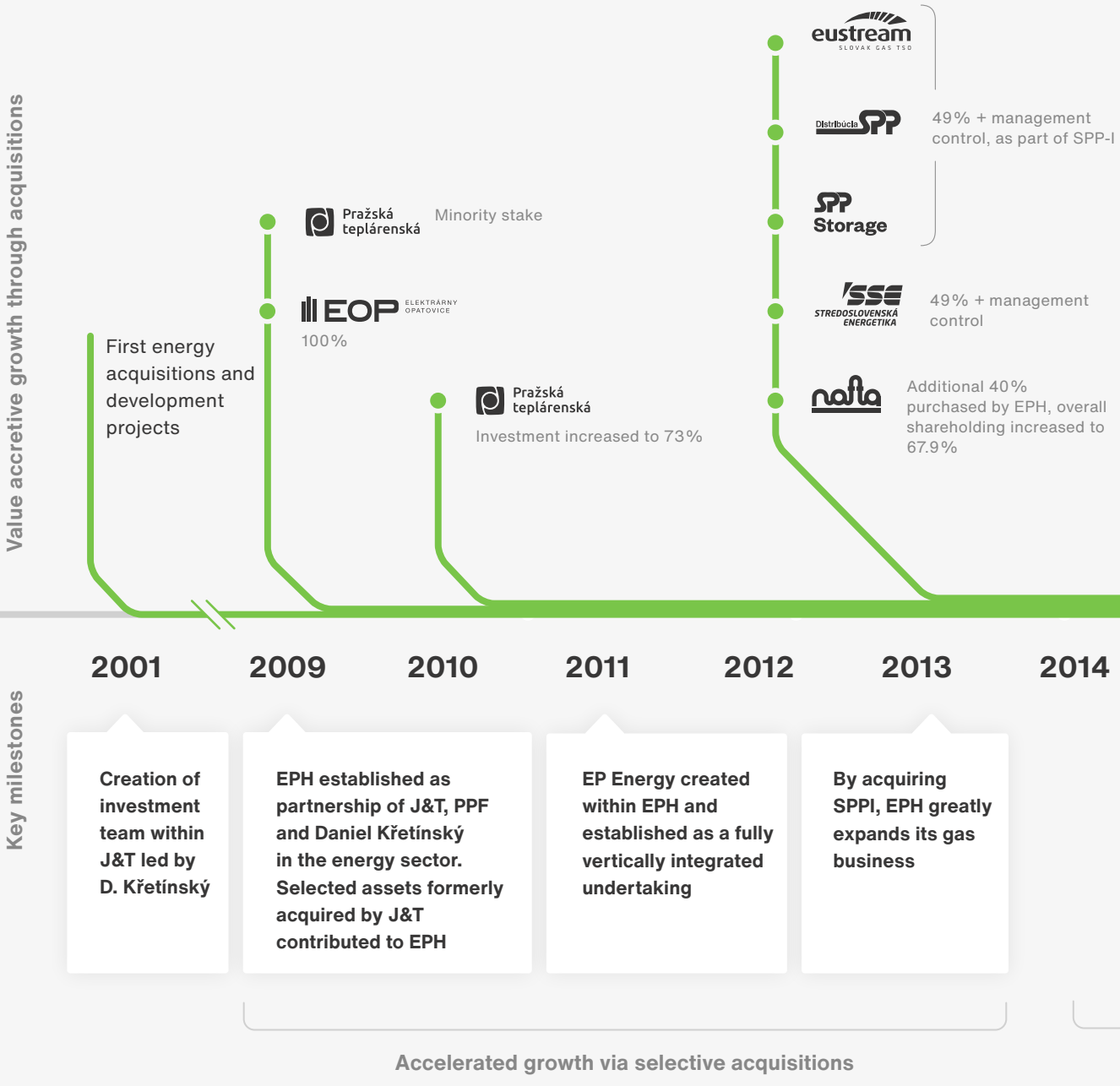
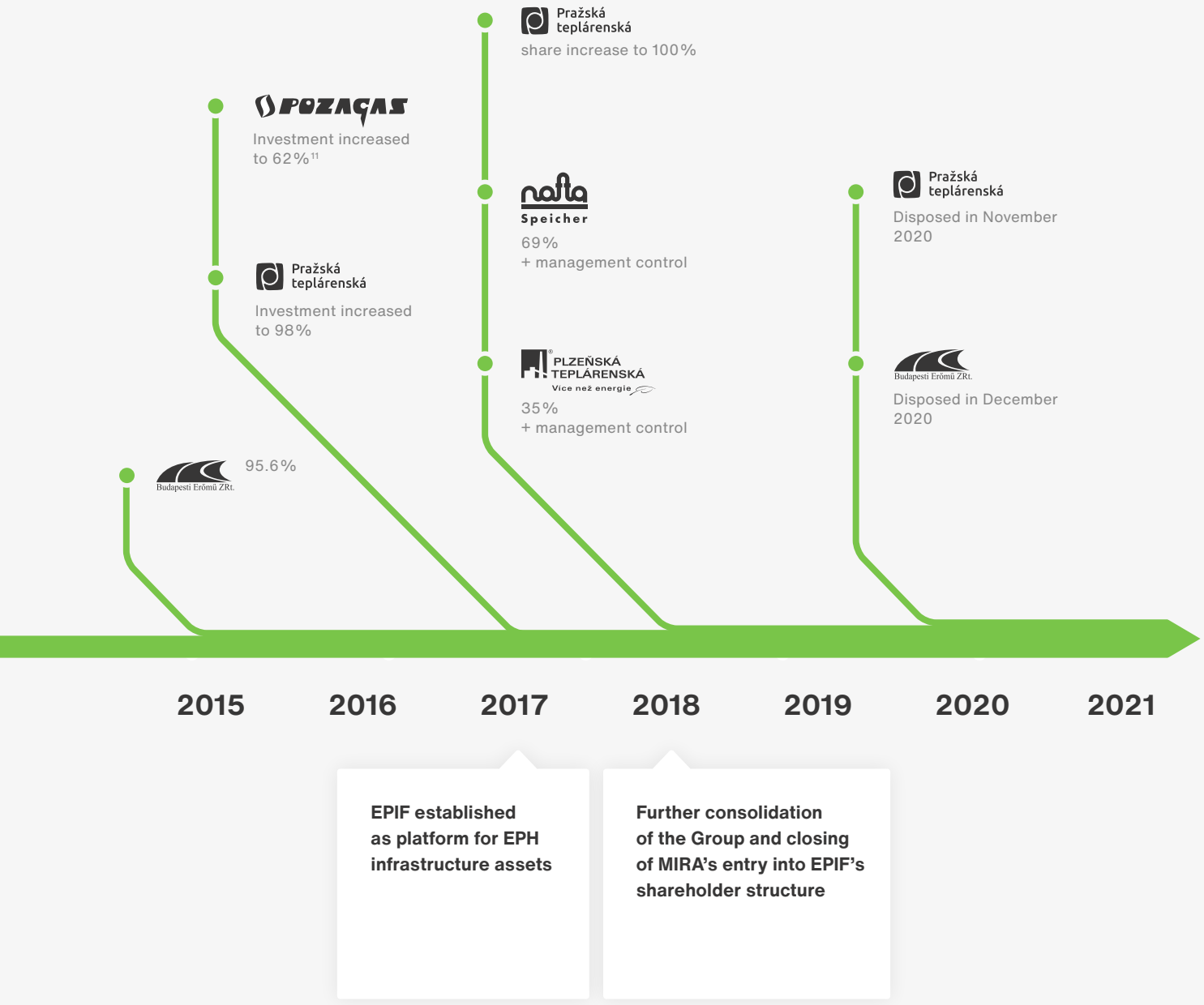


Figure 5: EPIF's timeline of development.

11 EPIF's effective shareholding.

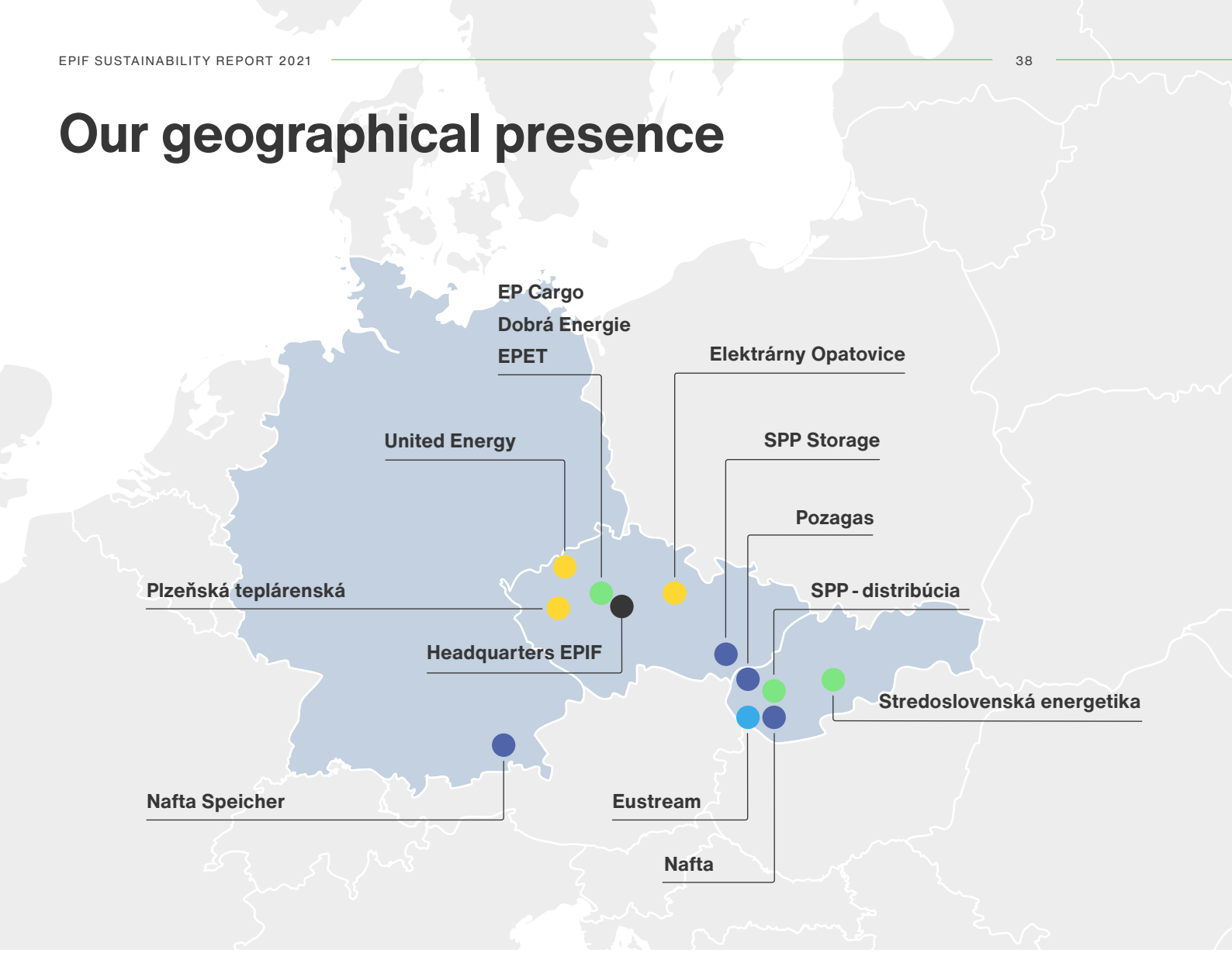


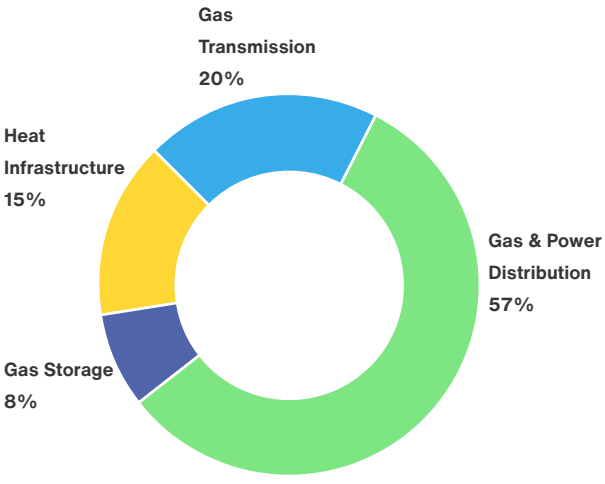
EPIF established as platform for EPH infrastructure assets

Further consolidation of the Group and closing of MIRA's entry into EPIF's shareholder structure

Optimization / smaller add-on transactions

Our geographical presence





€ 2.8 bn*
Total revenues in 2021

Graph 3: Revenues by business segment share.

- **Gas Transmission**
  - eustream
- **Gas & Power Distribution**
  - Distribúcia SPP
  - SSE HOLDING
  - epet
  - Dobrá Energie
- **Gas Storage**
  - nafta
  - nafta Speicher
  - SPP Storage
  - POZAGAS
- **Heat Infrastructure**
  - PLZEŇSKÁ TEPLÁRENSKÁ
  - UNITED ENERGY
  - EP Cargo
  - EP Sourcing
  - EOP ELEKTRÁRNY OPATOVICE

* This data has received limited assurance from the independent auditing firm KPMG.

Business segments overview

Gas Transmission

Overview

This business segment is operated through eustream, which is the owner and operator of one of the major European gas pipelines and is the only gas transmission system operator in Slovakia. The transmission network of eustream is part of the Central Corridor, which is one of the largest and most important piped gas import routes in Europe.

Highlights

We focus on the continual modernisation and upgrade of our infrastructure, thereby reducing environmental impacts.

Our subsidiary operates one of the largest corridors for gas suppliers to Central, Western and Southern Europe.

We are prepared to play a key role in the hydrogen energy transformation.

Companies

eustream SLOVAK GAS TSO

Gas & Power Distribution

Overview

This business segment consists of the following divisions: gas distribution, power distribution, and their supply. SPP - distribúcia and Stredoslovenská distribučná are the natural gas and power distributors for the Group respectively. The supply of power and natural gas to end-consumers is conducted through EP Energy Trading and Dobrá Energie, with supply throughout the Czech Republic and Slovakia, and Stredoslovenská energetika Group, with supply throughout Slovakia.

Highlights

We focus on traditional distribution services that reflect modern trends.

Our subsidiaries are industry leaders:

1. SSE, through its subsidiary SSD, is the second largest regional electricity distribution company and a major supplier of electricity and gas to end consumers in Slovakia.
2. SPPD is the leader in Slovak natural gas distribution.
3. EPET and Dobrá Energie are important suppliers of electricity, natural gas, and related services in the Czech Republic and Slovakia.

Companies

SSE HOLDING

Distribúcia SPP

epet.

Dobrá Energie

Heat Infrastructure

Overview

This business segment focuses on supply and generation facilities relating to heat. Notably, the Group owns and operates heat cogeneration plants including adjacent district heating networks in the Czech Republic. The Group has also become an important power producer and key provider of ancillary services in the Czech Republic, with significant contribution to the transmission network's stability.

Highlights

Our subsidiaries are significant heat distributors and producers in the Czech Republic.

1. Notably, we are the largest heat and power producer in western Bohemia of the Czech Republic.

We keep prices affordable for all our customers.

Our subsidiaries are involved in major modernisation investment projects that will lead to higher production efficiency and reduced environmental impacts from our operations.

Companies

United Energy

Plzeňská Teplárenská – Více než energie

EOP Elektrárny Opatovice

EP Cargo

EP Sourcing

Gas Storage

Overview

This business segment consists of subsidiaries that store natural gas under long-term contracts in underground storage (UGS) facilities.
The Group has become a key player of natural gas storage in the Czech Republic, Slovakia and Austria, with significant share in the German market.

Highlights

We operate the largest gas storage capacities in Central Europe.

We focus on optimising our processes by investing in operational security, modernising storage technology, enhancing automation and utilising our collected information.

Our subsidiaries are industry leaders:

1. Nafta and Pozagas represent the largest storage system operators in Slovakia.
2. Nafta is a leading company in the exploration and production of hydrocarbons.

Companies

nafta

nafta Speicher

SPP Storage

POZAGAS

Renewables

Overview

This business segment is primarily engaged in electricity generation from renewable sources; the Group operates solar, wind and biogas plants. Additionally, Stredoslovenská Energetika (SSE) and Plzeňská teplárenská conduct further activities in this business segment. SSE owns and operates hydropower plants, solar power plants, and a back-up gas power plant. Plzeňská teplárenská uses biomass as a key fuel for heat and power generation, gradually replacing lignite.

Highlights

Our subsidiaries are industry leaders:

1. VTE Pchery operates a wind power facility that has the highest unit capacity in the Czech Republic.
2. Alternative Energy uses the latest technology in energy exploitation of biodegradable waste.

EPIF also aims to pursue opportunities in the geothermal energy, mainly in Slovakia where it is already engaged in smaller geothermal projects. Harnessing geothermal energy can represent one of several steps to reduce Slovak dependence on fossil fuels primarily imported from Russia.

Companies

VTE Pchery

Triskata

Powersun

Alternative Energy

Arisun

Operational efficiency and economic performance

We provide reliable and affordable energy services that are delivered with efficiency and safety in mind.

EPIF works to ensure that all of the Group's subsidiaries operate in an efficient and failure-free manner. This is important throughout our Group, as our operations directly impact surrounding environments and communities.

Our operational activities are driven not only by our policies and principles, but also by our responsibility to adhere to national energy legislation and local operational regulations, which provide us with further efficiency guidance.

Our contribution to the SDGs:

EPIF strives to provide services that are not only affordable and more environmentally friendly, but that also bring real value and opportunity to people and their communities. We do this through our commitment to providing equal work opportunities, and supporting economic growth, sustainable development, and industry innovation.

Business performance

Our 2021 operational results proved that EPIF continues to be an industry leader. The reliability of our Group's performance has allowed us to continue to steadily grow our business through our customers.

Distribution and transmission

We continue to increase the efficiency of our distribution networks through continued monitoring, renovation, and reconstruction. This, for example, reduces the incidence of leaks in our gas distribution network and ensures a high level of security.

Generation assets

Our plants primarily operate in a highly efficient cogeneration mode, which allows us to simultaneously generate heat and electricity. In addition, as we strive to become less dependent on lignite, we continue to focus on shifting toward less emission-intensive fuels in our conventional power and heat production.

Pipeline protection and safety management

We believe it is imperative that we operate our pipelines and other parts of our transmission and distribution systems, with due diligence and the highest degree of operational excellence. We accomplished this through technical and third-party risk assessments that include, for example, network maintenance and monitoring.

Notably, since 2012, the key indicators measuring network reliability (SAIDI, SAIFI) in the power distribution segment of our business have been well within the requirements of the regulator.

In the gas distribution segment of our business, we have implemented predictive maintenance processes to help identify the most at-risk spots in our network, allowing us to appropriately allocate maintenance.

Renewable energy

We are aware of the significant role renewables have in the decarbonisation of our industry. That is why we are focused on further utilising renewables within our business operations.

2021 **Highlights**

€ 80 mil.

In 2021, the total capital expenditures in our Gas and Power Distribution services exceeded EUR 80 million.

49%

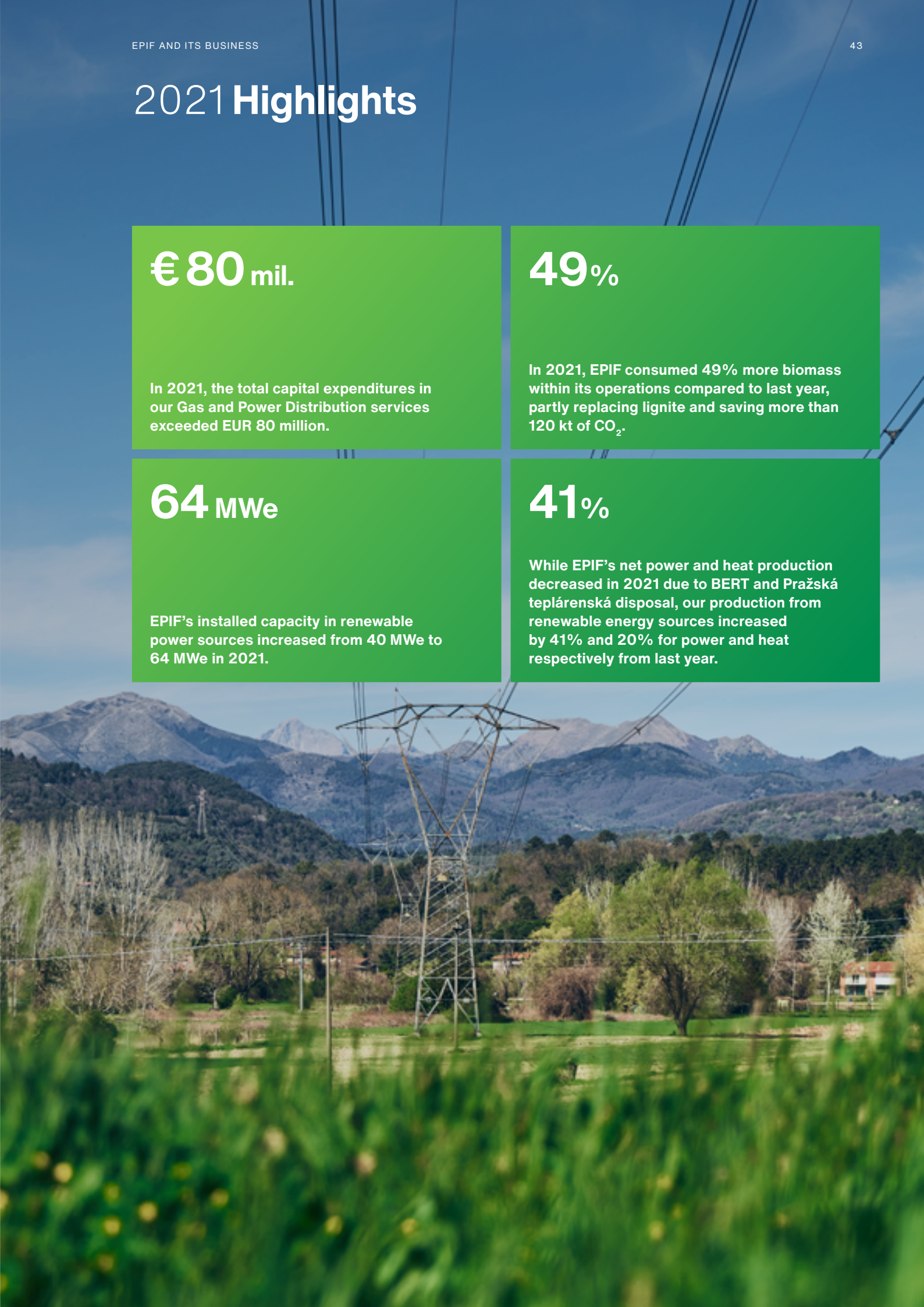
In 2021, EPIF consumed 49% more biomass within its operations compared to last year, partly replacing lignite and saving more than 120 kt of CO_2.

64 MWe

EPIF's installed capacity in renewable power sources increased from 40 MWe to 64 MWe in 2021.

41%

While EPIF's net power and heat production decreased in 2021 due to BERT and Pražská teplárenská disposal, our production from renewable energy sources increased by 41% and 20% for power and heat respectively from last year.



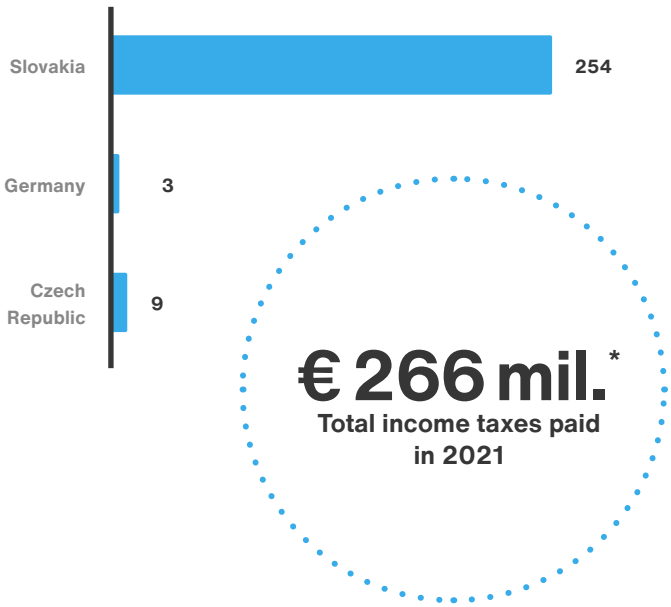
EPIF's 2021 Business performance

Adjusted EBITDA are earnings before interest, taxes, depreciation and amortisation. It is an important indicator to track because not only does it provide information on our operational profitability, but unlike revenues, standardised EBITDA can also allow for greater data analysis amongst our peers and competitors.

In 2021, EPIF recorded total Adjusted EBITDA and revenues at EUR 1,277 and 2,792 million[12] respectively, which are further broken down in the charts below.

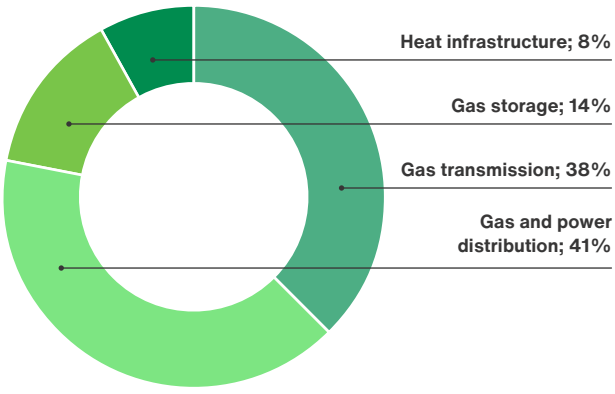
It should be noted that the Adj. EBITDA and revenues charts depicted do not include holding entities and intersegment-eliminations, but rather focus on our main areas of business: gas transmission, gas and power distribution, gas storage, and heat infrastructure.

2021 Taxes paid: country share [EUR million]



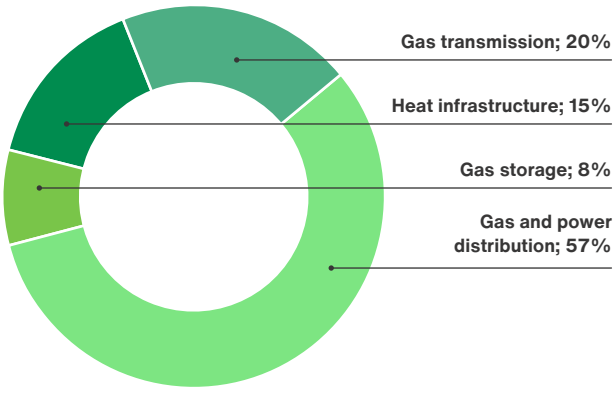
Graph 5: Taxes paid in 2021.

2021 Adjusted EBITDA: business segment share



€ 1.3 billion
Total Adjusted EBITDA in 2021

2021 Revenues: business segment share



€ 2.8 billion
Total revenues in 2021

Graph 4: 2021 financial results from the Group's main business segments.

12 Amounts after IC eliminations. When calculating indicators, we use Adjusted EBITDA without considering intercompany transactions.

* This data has received limited assurance from the independent auditing firm KPMG.

Distribution and transmission: Closer look

In 2015 to 2021, gas transmission, and gas and power distribution saw average volumes of 58.3 bcm, 52.7 TWh and 6.1 TWh respectively. Both gas and power distribution networks in Slovakia distributed higher volumes compared to 2020 as the economic activity recovered after the COVID-19 related slowdown in 2020. In addition, household gas demand was higher as people worked from home more frequently. On the other hand, the volume of gas transmitted declined as a result of lower overall flows from Russia to Europe in the second half of 2021 as well as lower flows in the reverse direction from Slovakia to Ukraine. Gas storage facilities in Ukraine were relatively full due to previous years' accumulation, limiting incentive to ship gas from Slovakia.

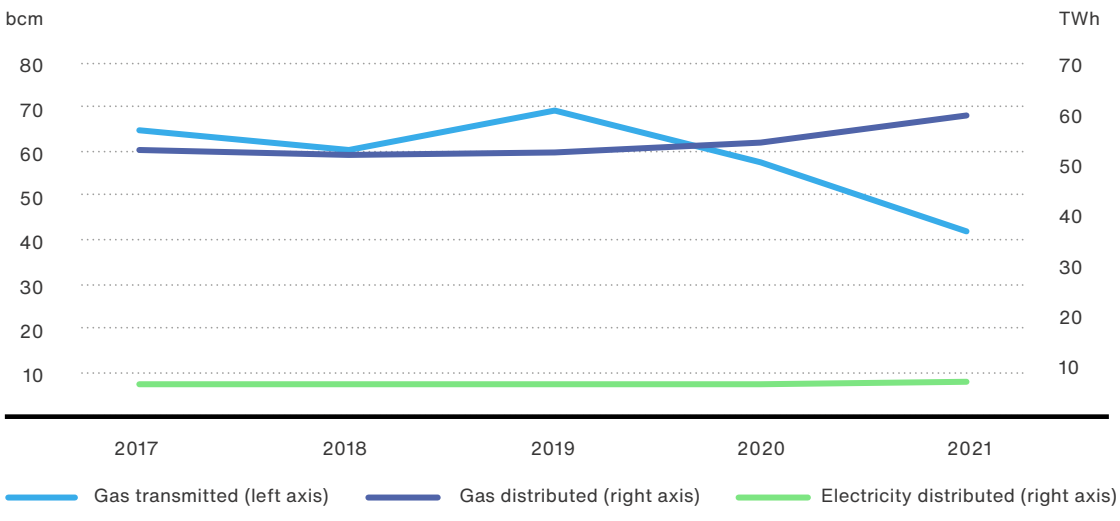
Electricity distribution losses

As one of the key electricity distributors in Slovakia, through our subsidiary Stredoslovenská distribučná ("SSD"), EPIF is conscious of the indirect environmental impact of technical losses caused by network inefficiencies, as these need to be covered by additional electricity generation. SSD purchases electricity to cover losses from renewable generation sources, while ensuring that they are aligned with Slovak legislation. Furthermore, SSD launched several initiatives to reduce their technical losses. As an example, they identified existing inefficient transformers and replaced them with modern transformers or installed smart metering systems to enable better voltage management. As a result, their combined average loss rate saw a reduction from 6.1% in 2016 to 5.6% in 2020.

SSD		2017	2018	2019	2020	2021
ELECTRICITY INFLOWS	GWh	7,935	7,751	7,758	7,542	7,991
LOSSES	GWh	429	425	414	421	442
LOSSES IN %	%	5.4%	5.5%	5.3%	5.6%	5.5%

Table 2: Distribution losses.

Distribution and transmission



Graph 6: Distribution and transmission.

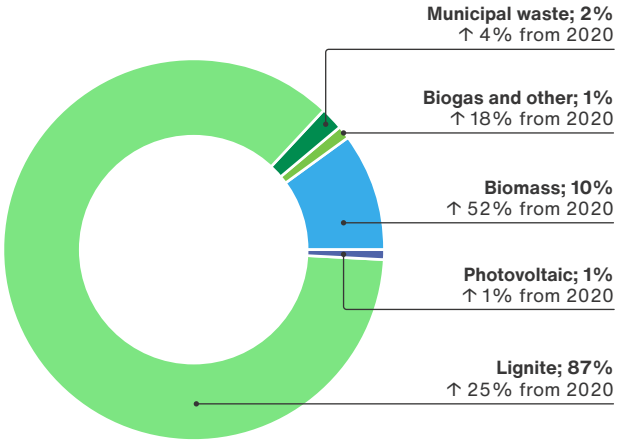
Generation assets: Closer look

Production

In 2021, EPIF experienced a significant decrease in its net power and heat production, with heat generation seeing the largest decrease of 33% compared to last year. The driver for this change was the disposal of Pražská teplárenská and Budapesti Erőmű at the end of 2020 which operate solely gas-fired plants, causing increased share of power and heat generation from lignite. Energy generation from lignite was further driven by the turbulent development in the energy market at the end of 2021 caused by lower availability and high price of natural gas in Europe. We find it important to highlight our production from these specific sources, as the Group aims to move away from the use of lignite towards less emission intensive sources and the increase in production from lignite is considered as temporary.

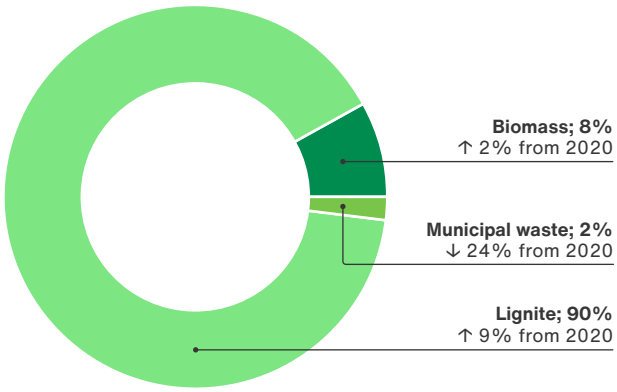
With regards to our renewable energy sources, EPIF experienced an increase this year in its power and heat production from almost every source, with biomass seeing the largest increase at 52% and 20% respectively. This highlights the Group's efforts towards relying more on production from cleaner energy sources. In 2021, we scaled up our use of biomass at Plzeňská teplárenská and refurbished a lignite boiler at United Energy to 100% biomass. Notably, while our net power and heat productions decreased this year following disposals of above mentioned entities, EPIF managed to improve its power and heat production from renewable energy sources by 41% and 20% respectively from last year.

Power production 2021[13]:
energy share



2,568 GWh
Total power production

Heat production 2021:
energy share



2,726 GWh
Total heat production

Graph 7: 2021 Power and heat production by energy source.

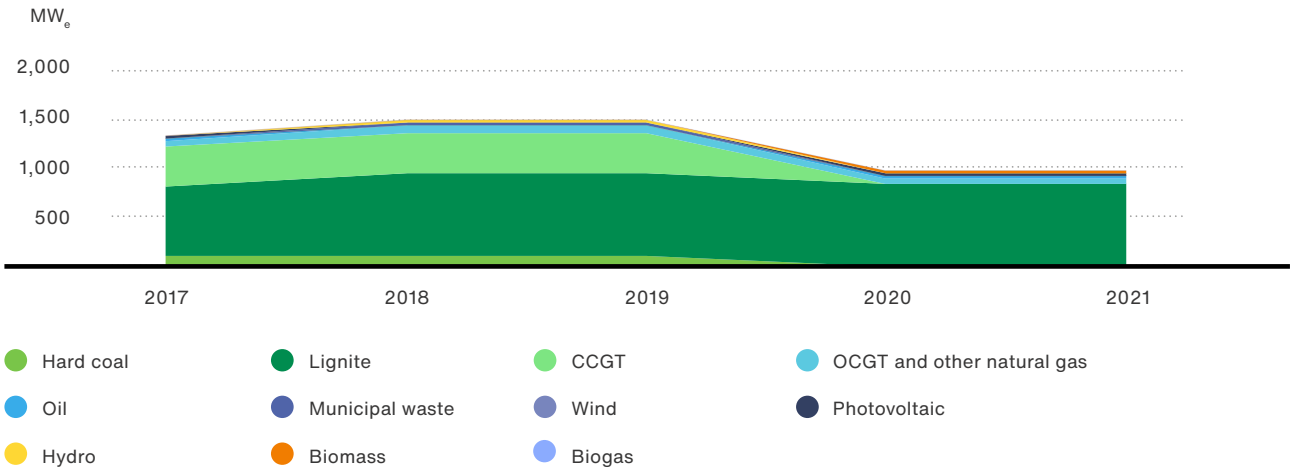
13 Despite increase in consumption of all fuels presented, there was a decline in overall energy consumption due to disposal of gas-fired units in Budapest in 2020.

Installed capacity

In comparison to the 2019 figures, we significantly decreased the Group's installed power and heat capacity, by 35% and 44% respectively. This was mainly due to the disposal of two of our entities at the end of the year 2020, Pražská teplárenská and Budapesti Erömü, which were part of the heat infrastructure segment of our Group. Both entities are industry leaders within their respective countries, making their disposal significant to our 2021 capacities, even though Pražská teplárenská primarily sourced heat externally. In 2021, EPIF did not acquire any new heat or power generation entities.

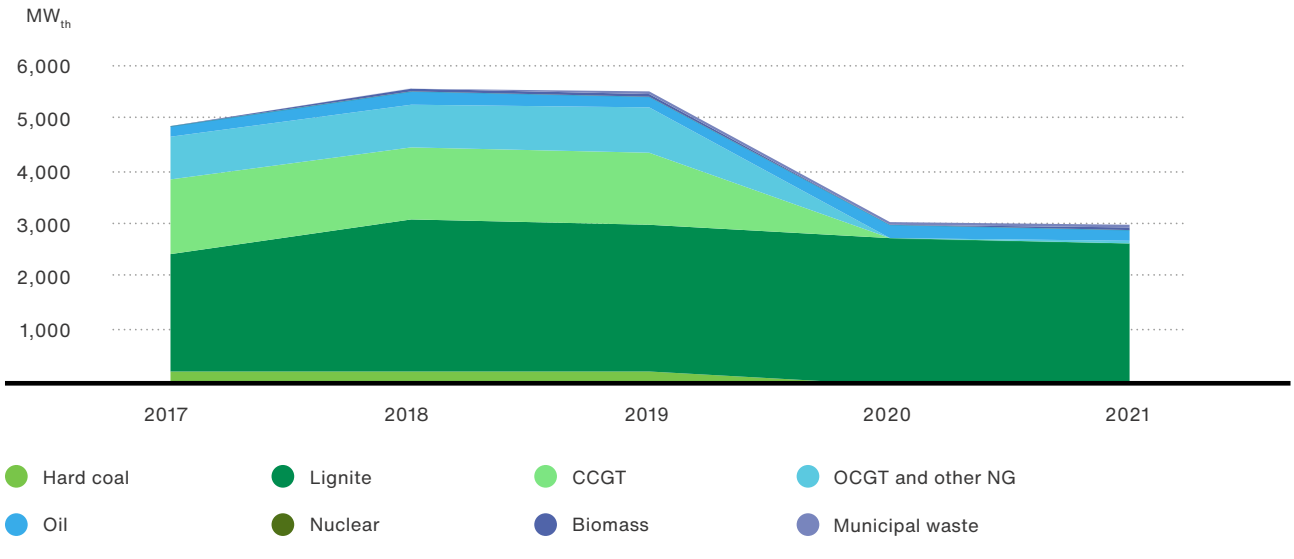
With regards to our renewable sources, there was an increase in capacities in 2021. Our renewable power capacities have grown to 64 MWe last year.

Net installed capacity – power



Graph 8: Net installed power capacity.

Net installed capacity – heat[14]



Graph 9: Net installed heat capacity.

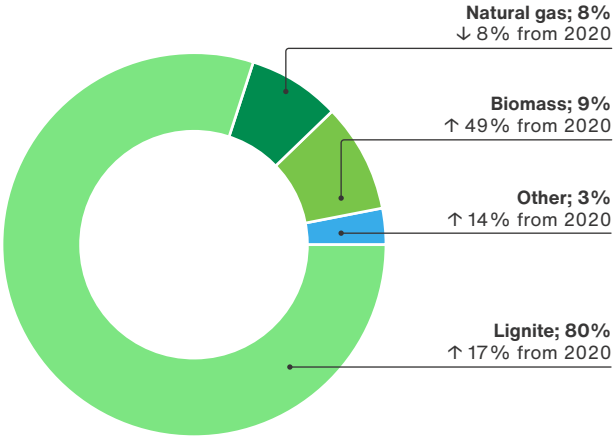
14 Represents thermal capacity of boilers.

Energy consumption and efficiency: Closer look

In 2021, EPIF's total energy consumption decreased by 13% compared to the last year. On average from 2017 to 2021, we produced 7,224 GWh of heat and power energy from a fuel equivalent of 15,695 GWh. EPIF also reported a solid energy efficiency of 44.7% in 2021 as high portion of energy is produced in cogeneration mode.

Notably, this year, 49% more biomass was consumed compared to last year in line with our long-term goal of gradual lignite replacement. We experienced a 78% decline in natural gas use because of the disposal of two of our gas sector entities at the end of the year 2020. Also, this resulted in an overall increase of lignite share in our fuel mix. In addition, our plants increased generation from lignite in the second half of 2021, reflecting the overall trend in Europe with low availability and high price of natural gas which positioned coal and lignite favourably in the power generation merit order. This also led to higher portion of power being produced in the less efficient condensation mode, reducing our overall energy efficiency. However, we are aware of the importance our business plays in the future of decarbonisation, especially since most of our assets fall into the traditional energy segments. Therefore, we are committed to continually aiming to accelerate our shift towards cleaner energy.

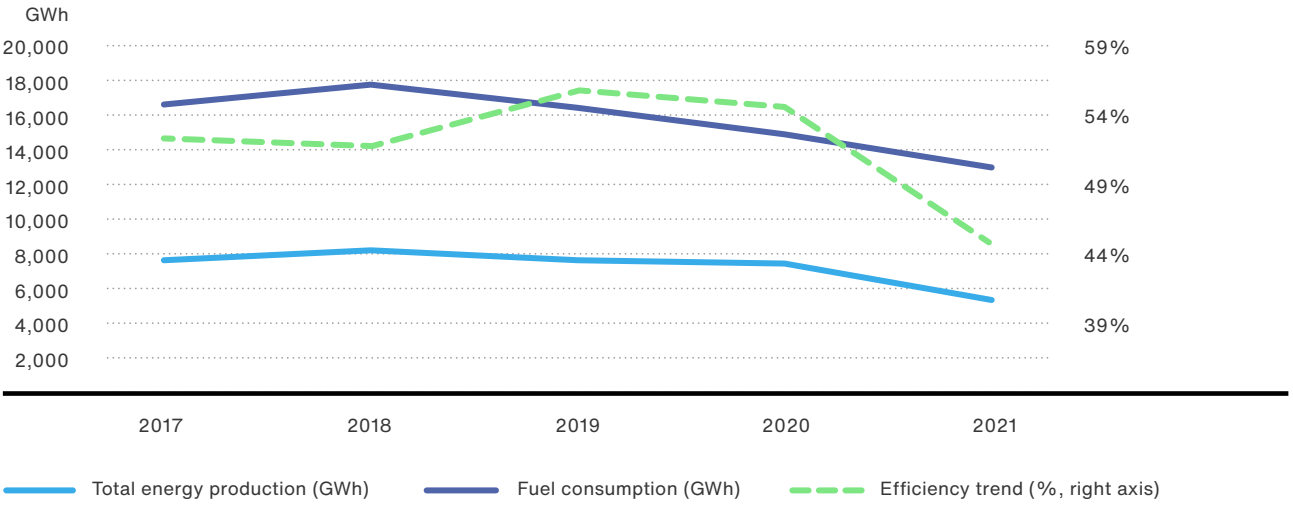
Energy consumption 2021: fuel share



12,945 GWh
Total energy consumption

Graph 10: 2021 Energy consumption by fuel share.

Energy efficiency



Graph 11: Energy efficiency trend.

Environment

EPIF is committed to conducting its business activities in an environmentally safe and responsible manner. Our aim is to continually monitor, identify and address any negative impacts our business may have on the environment.

EPIF understands the importance of managing our environmental risks, as the long-term success of our Group depends on the responsible and efficient use of natural resources. We are aware that historically our business sector has been labelled as an energy intensive industry with high carbon emissions. This is why we believe it is important to provide a comprehensive overview of our operations and to focus our efforts on changing the industry standards.

Reduction of emissions

EPIF recognises that we have an important role to play in reducing emissions within our industry. We have focused our efforts on internal policies, programs, and energy efficiency within the operations of our Group.

EPIF understands the extent to which climate change threatens the well-being of people and the environment. The reality of climate change and its impacts have been the leading drivers of our increasingly intense efforts to reduce emissions and increase operational efficiencies across the Group. Overall, EPIF puts a strong emphasis on internal policies and programs that aim to address the Group's GHG emission reductions.

The Group follows the global trends relating to climate change, noting that there has been increasing focus on methane emissions and their reduction strategies. Notably, at the 2021 United Nations Climate Change Conference (COP26), over 80 countries committed to reduce methane emissions by 30% by 2030. EPIF follows these global trends, as well as those specific to the industry, so as to be able to effectively continue to support our management of methane emissions and related reduction projects.

Our contribution to the SDGs:

EPIF is committed to continually track the consequences of climate change, especially when it is associated with harmful emissions. We believe it is important to work together to reverse the climate crisis, as it not only affects our well-being, but also that of our planet.

Climate change and common goals

We recognise the urgency to address climate change and as a result, commit the Group to participating in the joint efforts of lowering global temperatures through our decarbonisation strategy.

GHG emissions

We aim to fully understand the direct and indirect impact that our business has on GHG emissions. Through our continual monitoring and modernisation of our operations, EPIF aims to align the Group with the European decarbonisation goals and GHG emission reduction targets.

Carbon intensity and efficiency

We continually monitor the carbon intensity of our generation assets. Our focus has been on optimising our operational processes, thereby improving the efficiency of our Group's business segments.

Other air pollutants

We carefully monitor the air pollutants associated with our operations and are committed to decreasing these emissions. Our management approach focuses on the continual improvement, modernisation and optimisation of our business processes.

15 The number excludes the impact of entities disposed in Q4 2020 (PT, BERT).

2021 **Highlights**

-17 %

Since 2015, EPIF has reduced its total GHG emission intensity by 17%[15].

-29 %

In 2021, we reduced our SO_2 and dust emissions by 29% and 5% respectively compared to last year. Additionally, since 2015, we have reduced our SO_2, NO_x and dust emissions by 72%, 2% and 50% respectively.

5 %

In 2021, EPIF's most significant business segments, those that contribute to a total of 92% of our Adjusted EBITDA, only contributed to about 5% of our CO_2 emissions.

Climate change and common goals

The annual United Nations Conference on Climate Change brings focus to the international urgency in having a global commitment that addresses climate change. Notably, in 2015, the Paris Agreement, adopted at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21), jointly committed participating parties to lowering the global temperature increase to well below 2 degrees Celsius, compared to the pre-industrial levels.

EPIF embraces the Paris Agreement and fully supports its goal, as a broad international consensus is the only way to bring about genuine structural change at a global level and establish a more sustainable economic model. In 2021, we formalized our decarbonisation efforts by announcing formal medium-term decarbonisation targets which shall guide all our assets away from coal as a primary source by 2030 and set us on a path to carbon neutrality by 2040. At the same time, we assess the readiness of our infrastructure for transport, distribution, and storage of green gases, which we view as a prerequisite for a future world powered predominantly by renewable energy.

We believe that the transition needs to happen gradually, so as to minimise unnecessary risks that would hinder economic development or cause other unpredictable problems that could impact society as a whole (e.g. a long black-out period). We believe that:

1. while historically the environmentally friendly sources were primarily built on the back of huge state subsidies, development of renewables will accelerate owing to a continuous decline in construction costs,
2. deployment of intermittent renewable sources on a mass scale needs to be supported by dispatchable low-carbon conventional sources (biomass plants, waste incinerator plants, and gas units) and energy storage technologies such as power-to-gas; and
3. other important investments associated with infrastructure will be necessary to support this new system.

Carbon neutrality: EU Goals

In 2021, climate neutrality became a legally binding commitment by 2050 within the the European Union. Furthermore, the European Commission presented the Fit for 55 package which encompasses the concrete legislation that will allow the EU to reach the intermediate targets of the Green Deal. The EU committed to cutting down GHG emissions by at least 55% by 2030. This will allow European countries to work on other goals, such as circular economy and creating sustainable food systems[16]. Moreover, part of the EU carbon neutrality strategy includes a heavy focus on auctioning emissions, instead of free allowances, with a focus of decreasing free allocation each year. Notably, since 2014, existing power plants within the Czech Republic and other newly joined EU member states in that year, received a free, but continually decreasing, amount of allowances for a transitional period until 2019[17].

As such, a fully-fledged transition towards purely renewable and carbon free energy sources, that will be able to provide security of supply in reliable base load operations, will be a long and financially intensive process. However, EPIF is prepared to take an active part in this process in our markets of operation.

16 European Parliament (2022). EU responses to climate change. https://www.europarl.europa.eu/news/en/headlines/society/20180703STO07129/eu-responses-to-climate-change

17 European Commission (2022). Free allocation for the modernisation of the energy sector. https://ec.europa.eu/clima/policies/ets/allowances/electricity_en

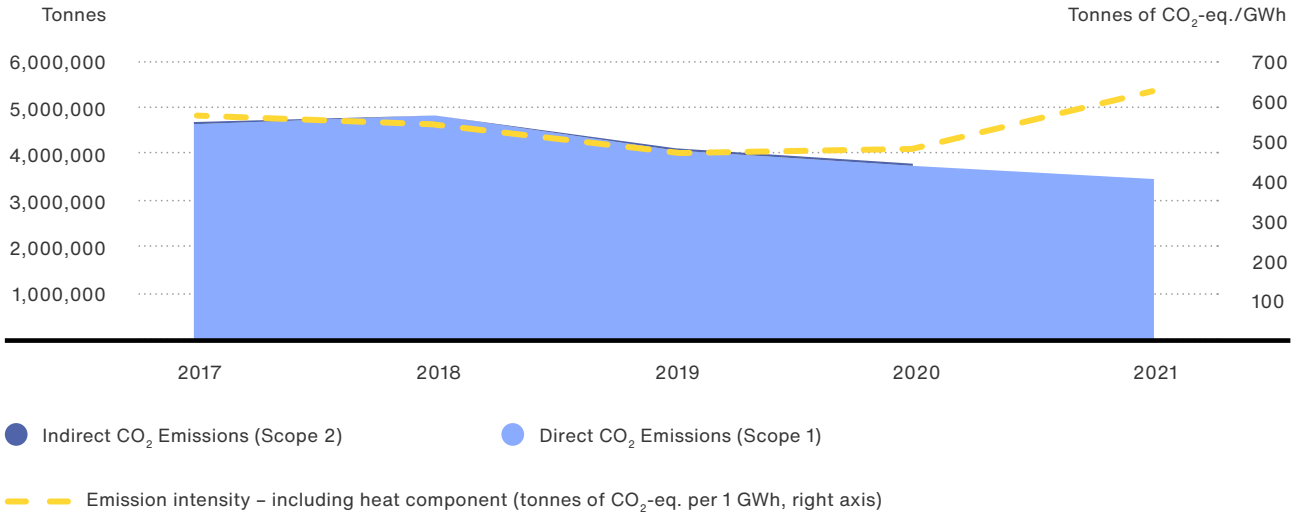
18 GHGs are those currently defined by the United Nations Framework Convention on Climate Change and the Kyoto Protocol; they include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and fluorinated gases. However, in our calculations of total emissions and emission intensity we consider only carbon dioxide, as it is the most significant.

GHG emissions

EPIF recognises that across its business segments, it emits greenhouse gases[18] and other air emissions. As a result, EPIF is committed to tracking and reducing its emissions as outlined in our Decarbonisation strategy. This will align us with the targets set out by the European decarbonisation goals and GHG emission targets, as well as overall reduce our carbon footprint. These goals are highlighted within our internal documents, such as our *Environmental Policy*, and through the modernisation of our operations for achieving greater efficiency.

In 2021, EPIF produced 3,459 thousand tonnes of CO_2-eq. direct GHG emissions. Additionally, in this report, we began addressing our methane emissions, which represent an additional 279 thousand tonnes of CO_2-eq. of our 2021 direct GHG emissions. We also produce a relatively insignificant amount of indirect GHG emissions, which is represented by a total of 18 thousand tonnes of CO_2-eq. in 2021. The breakdown of our primary GHG emissions is further elaborated upon in the "EPIF's Focus on reducing GHG emissions" section of this Report.

Direct and indirect CO_2 emissions



3.5 mil. tonnes
Total direct CO_2 emissions

18 thsnd. tonnes
Total indirect CO_2 emissions

3.3 mil. tonnes
Total procured emission allowances

205 thsnd. tonnes
Total granted emission allowances

619 tonnes of CO_2-eq./GWh
Direct CO_2 emission intensity, including heat component

5.1 tonnes of CO_2-eq./GWh
Indirect emission CO_2 intensity, including heat component

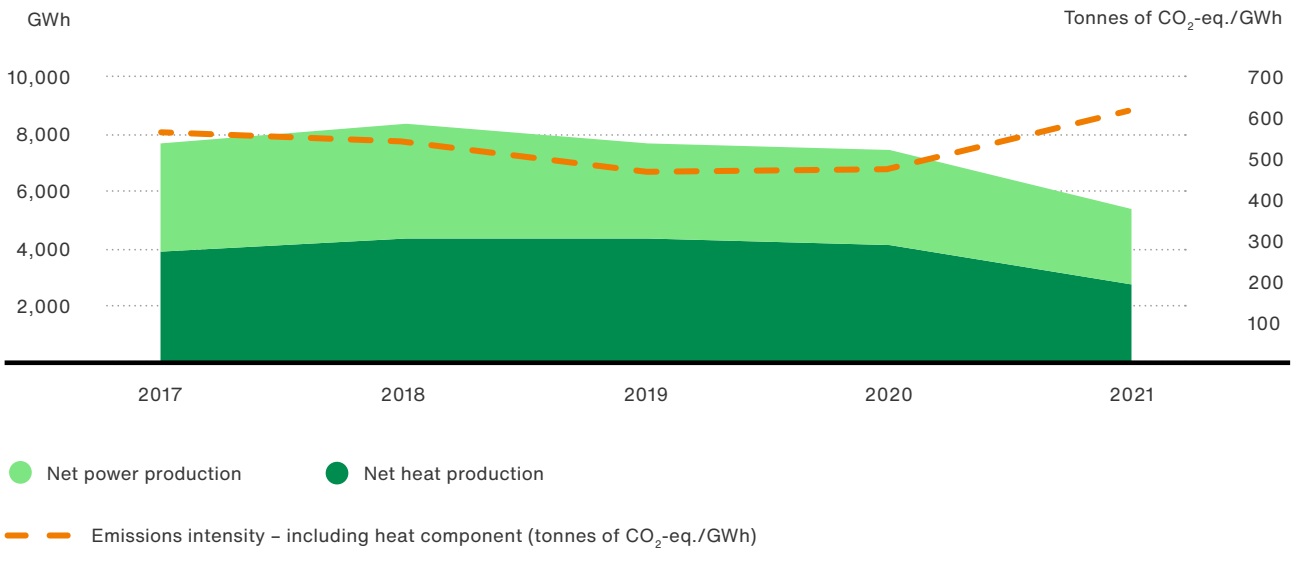
Graph 12: Scope 1 and 2 emissions.

Carbon intensity and efficiency

Due to their improved energy efficiency, cogeneration plants, those that simultaneously produce power and heat, are widely supported by the European Commission. EPIF has focused on centralised cogeneration systems within the Group because we understand the significant environmental advantage that they provide over regular systems, which is notably accomplished without compromising our ability to meet customer demands.

Overall, EPIF experienced a 29% increase across the Group with respect to its direct GHG emission intensity (Scope 1 emissions) from the last year. EPIF expected to experience these trends in 2021, as we disposed of BERT and PT at the end of 2020, which consisted of CCGT units that have lower emission intensity in general. Overall, these units allow for heat and electricity to be produced simultaneously, resulting in greater efficiencies (70–85%) compared to even the most efficient gas fired units (50–60%). EPIF aims to continue to invest in such units, where all of our heating plants will undergo refurbishments to transition away from lignite as a primary fuel and increase their production efficiency. This is further highlighted within the "EPIF's Decarbonisation roadmap" of this Report.

Net production and its emission intensity[19]



2,568 GWh
Net power production

2,726 GWh
Net heat production

619 tonnes of CO_2-eq./GWh
Total emission intensity

Graph 13: Emission intensity based on energy production.

19 Emission intensity only includes generating companies.

Case Study
Conversion projects at Plzeňská teplárenská

Teplárna project

The aim of the project is to replace the existing coal fired technology with **combined cycle power plant** consisting of a new gas turbine and HRSG as well as of the existing steam turbine TG2 and boiler K6 which will be modernized to burn 100% biomass.

The project also includes **decommissioning of the existing coal technology**, which will no longer be used and the relocation of relevant pipelines and selected auxiliary equipment.

Installed equipment might consist of the following (parameters indicative):

57 MWe
gas turbine

70 MWe
steam turbine

140 MWt
combined cycle

2 × 40 MWt
gas boilers

Energetika project

Within this project, the replacement of existing coal technology with a new combined cycle power plant of typical 2+1 multi-shaft configuration is being considered. Furthermore, this project phase also includes the installation of a new gas hot water boiler with power output of 60 MWt.

In parallel with the new technology, the existing gas boiler, with an output of 18 MWt, will be used to cover thermal peaks of heat supply. At the same time the three existing engine units with a total output of 21 MWe will remain installed and will be preferentially used to provide grid-balancing services.

Installed equipment might consist of the following (parameters indicative):

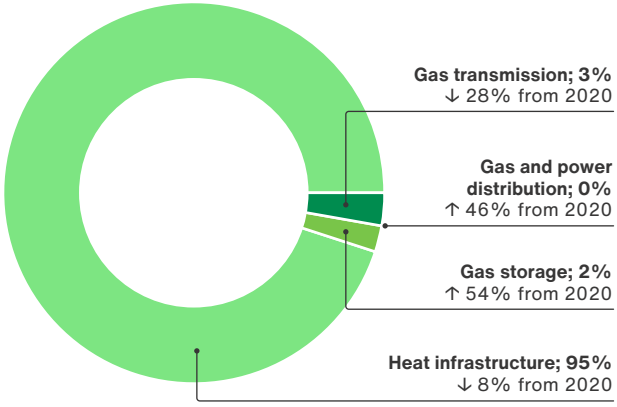
3 × 30 MWe
combined cycle

21 MWe
engine units

62 MWt
combined cycle

78 MWt
gas boilers

EPIF CO_2-eq. emissions: business segment share



3.5 mil. tonnes
Total direct CO_2 emissions

Graph 14: CO_2 emissions by the Group's main business segments.

Our most significant business segments based on Adjusted EBITDA, consisting of gas transmission, gas storage, and gas and power distribution (contributing to 92% of Adjusted EBITDA and 85% of revenues), only emitted about 5% of EPIF's total emissions.

Compared to last year, EPIF saw an overall slight drop in the amount of CO_2-eq. emissions within its business segments, by 7%, driven mainly by disposal of generations assets in Budapest operated by BERT. Notably, in 2021 as in the previous year, gas transmission saw a significant decrease in its CO_2-eq. emissions compared to last year by 28% due to lower volumes and different patterns of gas flows which required less gas combusted in the compressor stations. In heat infrastructure segment the total emissions were reduced by 8% compared to last year mainly as a result the aforementioned disposals.

Case Study
GHG emission reduction programmess
Increasing the biomass share in our energy production

Biomass transportation

To achieve a decrease in supply chain emissions, Plzeňská teplárenská is gradually increasing the share of rail transport on which it relies. This is especially important as the newly retrofitted boiler requires additional biomass, increasing the demand for the transportation of material.

In 2021, approximately **18% of the total volume of purchased biomass was transported by rail**. In 2022, despite projected growing biomass combustion, we envisage this share to increase to approximately 30% of the total volume. Due to the increased demand for transportation, we took into consideration the methods for biomass transportation in the tenders for our biomass suppliers.

18 %

18 % of the total volume of purchased biomass was transported by rail in 2021

Provided below is a summary of our current decarbonisation programmes, which are deployed at all our cogeneration plants, accounting for 95% of our 2021 CO_2 emissions.

United Energy

At our North Bohemian heating plant, one of the existing lignite boilers was refurbished to enable **100% biomass combustion**. The boiler was put into operation in the course of summer 2021 and **saved up to 50,000 tonnes of CO_2 emissions** by the end of the year by switching from coal to biomass as a main source of fuel.

Some minor design modifications are currently underway to ensure better fuel path control that enables more fluent biomass transport directly to the boiler. It is planned to save up to **150,000 tonnes of CO_2 and 80 tonnes of SO_2 emission** in 2022.

150 thsnd. tonnes

150 thsnd. tonnes of CO_2 reduction annually

Plzeňská teplárenská

We invested a total of **EUR 5 million** to refurbish the K6 fluid boiler at Plzeňská teplárenská. This successfully increased the share of **biomass that can be combusted in this boiler to 80%**, with the potential for a future transition to burning 100% biomass. This substantially limits the need for lignite as an energy source, decreasing the consumption of **coal by 95,000 tonnes** per year and the production of **CO_2 by 108,000 tonnes** per year.

This investment covered a new unloading station (fuel and biomass storage), internal and external fuel transport, new inputs into the combustion chamber of the boiler, and optimisation of the combustion process based on emissions.

108 thsnd. tonnes

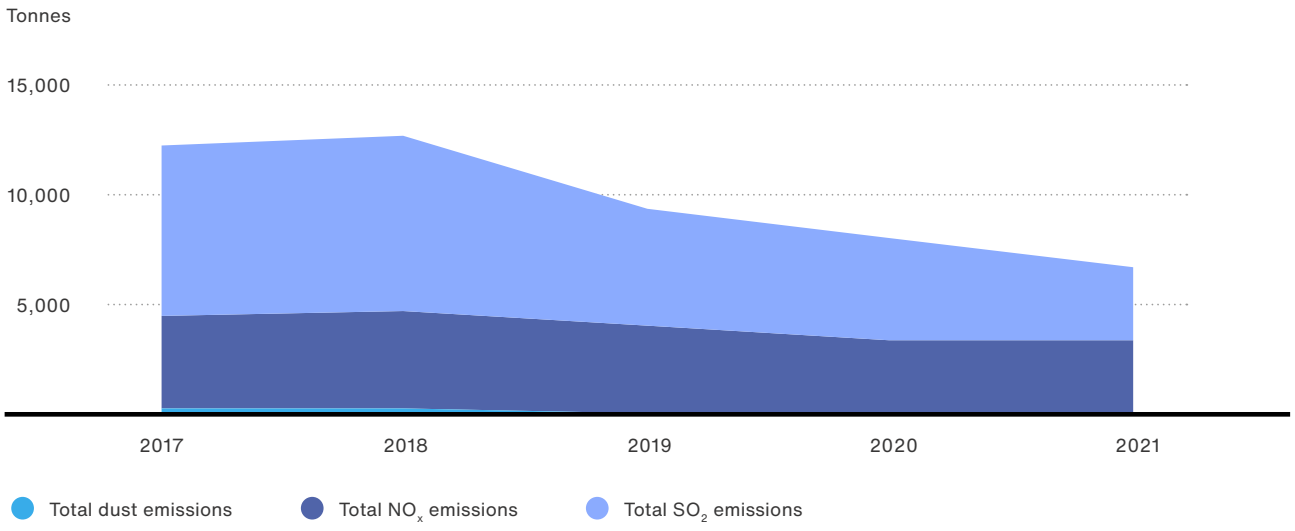
108 thsnd. tonnes of CO_2 reduction annually

Other air pollutants

Continually decreasing air pollution emissions

The most significant atmospheric pollutants associated with our activities are sulphur dioxide (SO_2), nitrogen oxides (NO_x) and dust. However, EPIF managed to reduce sulphur dioxide emissions from the last year by 29% and dust emissions by 5%. Figures for nitrogen oxides emissions saw no material change to the last year. Table 2 highlights EPIF's approach to achieving the emission reductions.

Total air emissions



Graph 15: Air emissions.

Investments in desulphurisation and denitrification technology

All of our heat and power plants are investing in refurbishments in order to reduce not only CO_2 but also other air emissions.

1. **EOP** – almost EUR 100 million investments made between 2014 and 2016 in desulphurisation and denitrification technology
2. **PLTEP Energetika** – almost EUR 15 million investments made between 2019 and 2020 in desulphurisation and denitrification technology
3. **PLTEP Teplárna** – in 2021, increased the share of biomass in its energy mix, which will result in the reduction of CO_2, sulphur dioxide and dust emissions
4. **UE** – commenced combustion of biomass in a dedicated boiler in summer 2021, which will result in the reduction of CO_2, sulphur dioxide and dust emissions

Emission source	% 2015–2021 change	% 2020–2021 change	EPIF's management approach
SO_2 emissions	72 % ↓	29 % ↓	The combustion of sulphurous coal is the primary source of our SO_2 emissions. EPIF addresses its SO_2 emissions through the improved desulphurisation of our equipment. We are also focusing our efforts on reducing the proportion of coal in our energy mix in favor of biomass or municipal solid waste.
NO_x emissions	2 % ↓	1 % ↑	Nitrogen oxide (NO_x) is mainly generated by the combustion of nitrogen contained in the air at high temperatures. EPIF addresses these emissions through the continued monitoring and analyses of stacks in our large power plants. We ensure the same type of commitment to stacks in our small plants, but on a more periodic basis, as we also rely on statistical parameters for analyses.
Dust emissions	50 % ↓	5 % ↓	Dust particles are primarily emitted through our coal-fired power plants. EPIF manages these emissions through highly sophisticated filters.

Table 3: The Group's approach to managing air emissions.

Mitigation of environmental impact

EPIF continually monitors its impact on the natural environment and targets its efforts accordingly. Within the core of our business, we focus on reducing the discharge of water pollutants, disposing of our waste responsibly, thoroughly cleaning any of our contaminated sites, and supporting the biodiversity surrounding our operations.

EPIF works to understand the direct and indirect impact that its activities have on the natural environment surrounding its business operations. This is important, as the majority of our impacts can be proactively addressed and managed.

Our environmental focus is not only guided by relevant legislation and regulations, but also by our internal policies. Notably, the *Environmental Policy* (introduced in 2020) and the *Biodiversity Policy* and the *Asset Integrity Management Policy* (introduced in 2021). We believe it is important to go beyond the local and national requirements, as this allows us to look past the standard thresholds and truly understand the potential our Group has in mitigating its environmental impact.

Our contribution to the SDGs:

EPIF works to promote and protect the environment through sustainable production patterns. Overall, our aim is to protect and restore our surrounding environment, rather than hinder its existence.

Water

We view water efficiency as a top priority across all of our operations, as we understand the increasing concern for water scarcity. Our aim is to continually find processes and systems by which we can consume less water, while reliably meeting our demand. Most notably, we ensure to discharge water at the same or better quality compared to when it was withdrawn.

Effluents and waste

The main principle underlying our approach to waste management can be summarised as 'avoidance, recovery and disposal'. Where we work to avoid excessive waste creation, recover waste with further purpose, and responsibly dispose of any remaining waste, with a focus on recycling when possible.

Biodiversity and reclamation

EPIF focuses on protecting local ecosystems and biodiversity surrounding our operations by monitoring and addressing the impacts of our activities. Our aim is to actively engage in projects that support and restore our surrounding environment.

Environmental management and monitoring

Our environmental management system is strategically developed to ensure that all of our entities across the Group protect the environment by proactively identifying potential risks and meeting legal requirements. EPIF is committed to maintaining standards equal to those at international levels.

2021 **Highlights**

71 %

Our continuous efforts to improve our water management have led to a 71% reduction in the amount of water withdrawn from 2017 to 2021.

46 %

In 2021, EPIF managed to significantly increase the share of non-hazardous waste recycled from 39% to 46%, while ensuring that the majority of hazardous waste was properly disposed of through expert third parties.

LIFE Award

EPIF understands the importance of promoting biodiversity programmes and initiatives within the Group. In 2021, this effort was recognised by the LIFE Award, where SSD supported the implementation of a project focused on installation of protective elements on power lines to divert birds from potentially fatal contact.

210 million EUR

In 2021, EPIF reported provisions of EUR 210 million to reclamation and decommissioning projects.

Water

EPIF understands the crucial role that access to clean water plays in our environment and society, be it on the global or local scale. Therefore, we have recognised that there is significant importance in protecting aquatic habitats and other ecosystems when supplying our thermal power plants with cooling water, which is an important aspect to our business.

Ultimately, the efficient use of water is a top priority for all of EPIF's operations. Our aim is to optimise our water consumption throughout our business, as we recognise that climate change will continue to pose a serious threat to water scarcity.

The majority of water that EPIF withdraws is from surface water, with minimal amounts sourced from groundwater. Since water is extensively used in the cooling process of our closed flow-based plants, the water withdrawal and discharge from our operations follow the same trend. This year, we experienced a decrease in our total water withdrawal and discharge, by 6% and 7% respectively compared to last year. However, due to the disposal of BERT and PT at the end of 2020, we reported an increase in water intensity in 2021 by 31% as the gas-fired plants operated by BERT required less cooling water per unit of energy produced.

Water stress analysis

In 2021, we began analysing and assessing the water-related risks of our operations, where areas with high risk were identified through the Water exploitation index plus (WEI+) for river basin districts. According to the European Environment Agency, the WEI+ aims to illustrate the threat posed for renewable freshwater sources of a defined territory (country, river basin, sub-basin etc.) during a specified period (e.g. seasonal, annual), as a result of water use for supporting human-related activities. Water stressed freshwater sources are identified by WEI+ values above 20%, where values above 40% indicate severe and unsustainable scenarios. We have analyzed the water stress situation in three areas in the Czech Republic where our heating plants are located and which accounted for 99.9% of water withdrawn in 2021. According to WEI+, all these locations represent areas with no or very low water stress with WEI+ values always below 7%.

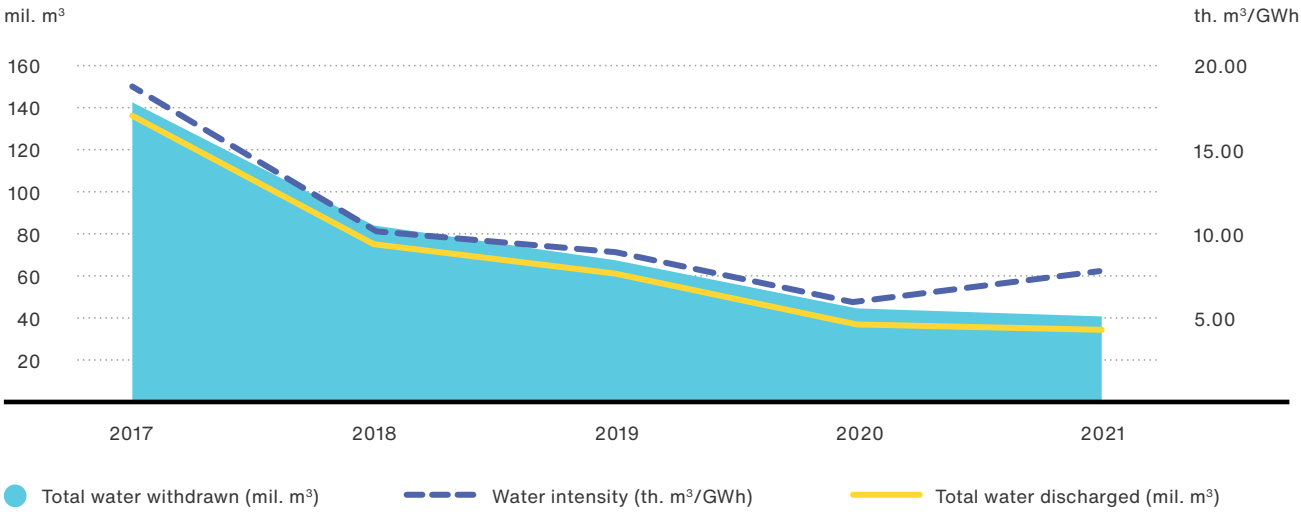
Our water management

EPIF has focused its efforts on reusing and recycling the water that we withdraw, with the ultimate goal of reducing our water footprint. Examples of these efforts include the use of collected rainwater and the reuse of water that already passed through our operations. Additionally, EPIF has an internal wastewater treatment and continuous monitoring system that ensures the quality of the water, thereby eliminating any possibility for contamination.

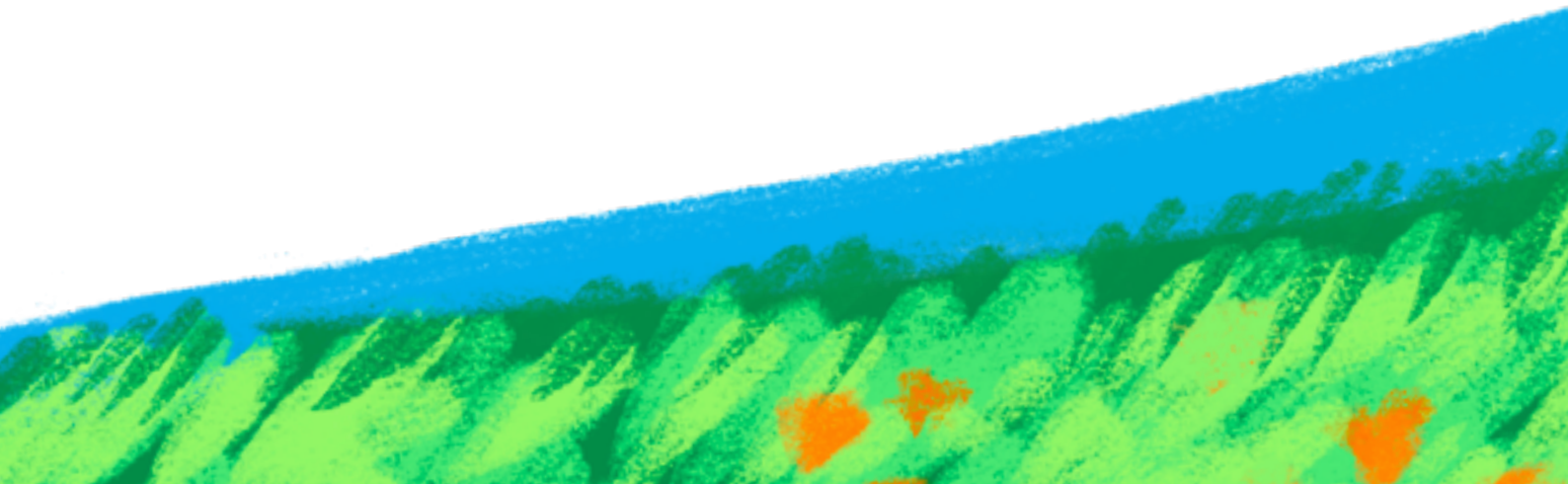
The amount of water discharged from our plants is not materially different from amount of water withdrawn, i.e. vast majority of water is returned back to the source. The cooling flow-based systems in the cogeneration heating plants represent closed systems, whereby the water discharged is of the same or better quality and similar temperature, at which it was withdrawn from the source.

At EPIF, we ensure that untreated water does not get disposed of into any body of water. We provide verifiable compliance with the statutory threshold values, thereby eliminating any potential for adverse impacts on the local environment and communities.

Water withdrawal and discharge



Graph 16: Water withdrawal and discharge.



Case Study
Water efficiency programmes
Focusing on the implementation of technical measures

Water withdrawn by EPIF Group companies is primarily represented by the cooling water used in our heating plants, accounting for 94.9% of the total water withdrawn in 2021. Therefore, our water efficiency programmes are concentrated in the Heat Infrastructure segment of our business.

Water basin	Total water withdrawn [thsnd. m^3]
Elbe River	**36,089**
Mže River	**2,478**
Ohře River	**2,085**
Others	**126**

Table 4: Total water withdrawn in 2021 by water basin.

Plzeňská teplárenská

Both heating plants operated by PLTEP fully rely on circular cooling through cooling towers, where water is sourced from the Mže River. Offtake is only required to compensate for the loss of water through evaporation within the circular cooling system and is therefore limited. The key measure to reducing offtake of surface water is further utilisation of discarded concentrated water from the circular system, as a cooling medium in other technological processes, rather than direct disposal. Concentrated water that is disposed of is cleaned and discharged back into the river, where there is constant control and appropriate parameterisation of the processes associated with the treatment and use of water.

United Energy

Similarly to PLTEP, cooling in the heating plant Komořany is ensured through a set of cooling towers, which is regularly replenished from the Ohře River.

Effluents and waste

EPIF aims to generate the least amount of waste as possible, while still meeting our business needs. As a result, we have been focusing our efforts more on recovering our waste and appropriately disposing of it based on its composition. It should be noted that we do not disclose by-products as part of our generated waste because the majority of our by-products have a lifecycle beyond our operations.

In 2021, EPIF increased its total waste production by 3% compared to last year. This slight increase in total generated waste corresponds to regular maintenance and replacement of our gas and power distribution networks to limit distribution losses and enhance reliability of supplies. At EPIF, we continue to focus on improving our efforts and subsequently reduce our generated waste.

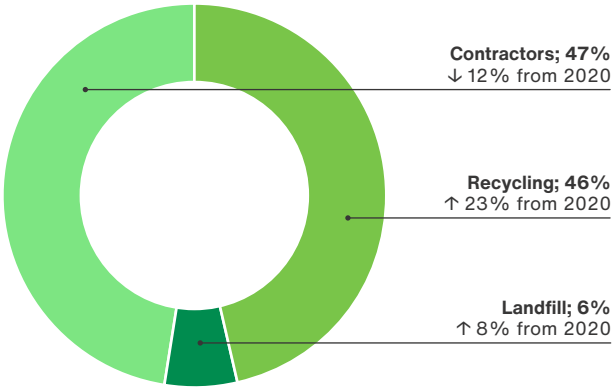
Our waste management

In 2021, EPIF continued to focus its efforts on limiting the amount of waste produced and properly disposing of inevitable waste. Overall, we try to mainly focus our efforts on recycling waste before sending it to landfill. This is a more attainable task when handling non-hazardous waste, which is why EPIF managed to increase share of recycled non-hazardous waste from compared 39% to 46% compared to last year. However, because hazardous waste is more difficult to dispose of properly, EPIF uses third parties who have the required expertise to properly dispose it. In 2021, the share of hazardous waste disposed of by third parties more than doubled when compared to last year. This portion of our waste disposal share is identified as "contractors" in the respective graphs below as EPIF has limited means to precisely track the final destination or further use of this waste. Overall, EPIF always tries to opt for the most appropriate means of waste disposal and we are committed to continually finding better methods for disposing of our produced waste.

As an example, SSD uses recycling facilities for their construction waste, ferrous and non-ferrous metals, cables, and discarded equipment, such as electrometers, batteries and oils. This approach to recycling is implemented across the Group where possible.

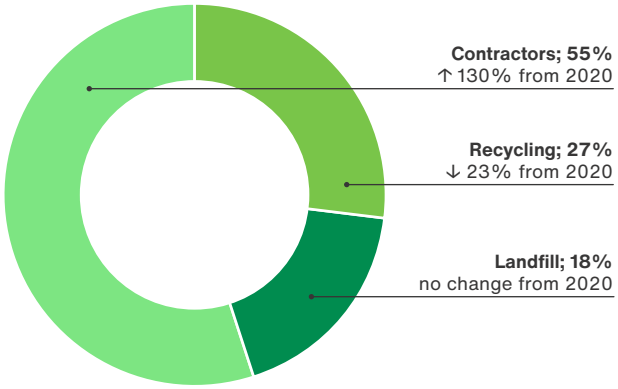
Notably, all residual waste is disposed of in compliance with respective regulations in which our Group operates.

Waste disposal 2021: non-hazardous share



47,272 tonnes
Total non-hazardous waste

Waste disposal 2021: hazardous share



1,134 tonnes
Total hazardous waste

Graph 17: Disposal method share of total waste produced in 2021.

Case Study

Waste management programmes and initiatives

Separating metal and creating energy from waste

Plzeňská teplárenská

At Plzeňská teplárenská, we invest in metal separation, having increased the volume of separated iron from slag by 20% compared to 2020. This investment also supports the continual research for being able to separate non-ferrous metal in the future (e.g. copper and aluminium).

The proposed ferromagnetic materials separation occurs in two stages. The first stage separates the coarse metal waste and in the second stage, the remaining slag passes through a permanent magnet, where finer metal particles are separated.

ZEVO: Elektrárny Opatovice & United Energy

At our heating plants in Opatovice nad Labem and Komořany, we are preparing for the development of projects that will replace the current coal fuel base with other sources. One of the planned alternatives is to partially replace coal with waste as the energy required for power and heat production.

In connection with the European Union's so-called circular economy package, the Czech legislation has adopted changes in waste management led by the new Waste Act No. 541/2020 Coll. Going forward, waste will be recycled and up to 25% of the remaining waste will be used as a renewable energy source.

SPP - distribúcia

As the largest contributor of waste produced by the EPIF Group (57% in 2021), SPP-D implements measures to not only reduce its waste, but to also maximise the share of waste that gets reused or recycled. The waste is mainly linked to the extension and modernisation of the gas distribution network, and it primarily consists of stone and soil. As we further develop our network, thereby work to ensure a reliable supply for all, construction waste will be unavoidable. Therefore, we concentrate our efforts on maximising the reusing and recycling of waste. As the majority of our construction waste is disposed of by our suppliers, who provide the construction services to our network, we include a binding condition in our supplier contracts. It emphasises a supplier's duty to always follow EPIF's waste disposal hierarchy and, whenever feasible, to first dispose of waste through methods of reusing and recycling over landfilling.

A successful certification audit in December 2021 confirmed that SPP - distribúcia met the requirements of ISO 9001, ISO 14001, and ISO 45001 standards.

Project timeline – ZEVO at Elektrárny Opatovice & United Energy

Project feasibility study preparation, including determination of capacity and waste balances in the region.

Negotiations with representatives of towns and municipalities in the region as waste generators.

Assessment of the project with regard to the dispositional and technological location of the equipment in the EOP area.

Submission of the application for financial support from the Modernization Fund and

Preparation for the Environmental Impact Assessment (EIA).

Expecting approval.

Getting ready for the implementation phase.

New waste management conditions applicable for the Czech Republic.

Implementation and commissioning.

Figure 6: Project timeline.

By-products

At EPIF, by-products are an inevitable part of our business operations, which is why we availably sell them for further commercial use. This allows us to reduce the by-product waste that we would have otherwise sent to the landfill. Furthermore, it allows us to provide an option for purchasing these products outside of their direct extraction. This not only eases the process for our stakeholders, but it provides them with further value. We have found that the majority of our by-products are sought out by the construction industry, but ultimately, they can be used by various other business segments. As an example, gypsum can be used as a fertilizer, but it can also be used as a retarder in cement. Overall, in 2021 EPIF's by-product generation increased by 19% due to the increased share of lignite within the Group's fuel mix.

Utilisation of secondary energy products

Our heat and power generation assets generate fly ash, slag and gypsum from the combustion of lignite as secondary energy products, which are further used towards reclamation and the adjustment of terrains or it is sold particularly for construction purposes. This is a common practice amongst our companies in the Heat Infra segment.

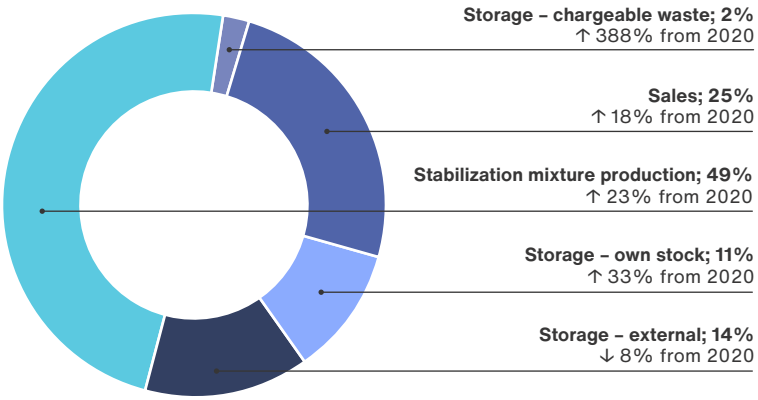
1. **Ash:** used mainly by construction companies for production of concrete, cement or bricks. Utilization of coal ash in the construction industry saves the primary materials which would be used instead (limestone, clay, sand). The major customers sourcing ash from our companies include concrete plants and cement plants. The ash from pure biomass combustion by PLTEP is also used by farmers as a fertilizer.
2. **Slag:** primarily used for production of bricks and underlayment of roads. Slag is used as a substitute for gravel which would have to be extracted instead. Key customers comprise of brick plants and road construction companies.
3. **Gypsum:** used to produce plasterboards or as a gypsum agricultural fertilizer (reduces gypsum volumes which need to be mined).

In addition to ash, slag and gypsum, EPIF's by-products also include additised granulate formed by combining several by-products and other additional material (hydrated lime and water). In 2021, EPIF generated 1,288 thousand tonnes of by-products. Our companies ensure that all secondary energy products are certified before they continue to explore other options for their use.

By-product management

EPIF's by-products are all subject to regular certification and third-party authorization. This is important in ensuring that our by-products do not contain dangerous elements, such as heavy metals. As a result, we have historically complied with the market requirements relating to the sale of our by-products. Notably, 98% of our by-products are further utilised.

By-products 2021: means of disposal share



1,288 thsnd. tonnes
Total by-products

Graph 18: Disposal method share of total by-product production 2021.

Biodiversity and reclamation

EPIF is well aware of the importance of protecting biodiversity, as we understand the value of ecosystems and the environmental benefits that they provide. Therefore, the direct and indirect impact of our activities on local ecosystems and biodiversity is monitored and evaluated. This process is complemented by expert consultations, allowing us to proactively identify and address the potential risks we pose. In addition to minimising our negative impacts on biodiversity, EPIF aims to actively support and protect ecosystems and endangered species. These commitments are highlighted in EPIF's Environmental Policy and newly implemented Biodiversity policy.

EPIF considers reclamation at all stages of its operations, from drilling to a power plant's decommissioning, we ensure to restore sites to their original state. As a result, EPIF created specific reclamation measures that are applied across the Group; all entities must have updated plans and contingencies for site closures and other rehabilitation activities.

Activities within the Group's reclamation process might potentially include:

1. dismantling and removing structures;
2. dismantling operating facilities;
3. closing plant and waste sites; and
4. restoring affected areas.

Within the Group, reclamation primarily affects the following entities, who booked provisions in the respective amounts [EUR million]:

Graph 19: Reclamation and decommissioning provisions.

Case Study
Biodiversity programmes and initiatives
Protecting biodiversity

SSE & SSD

As an unofficial partner of the LIFE Energy project, SSD took part in the installation of 154 pieces of diverters throughout the protected bird area of Poiplie, spanning a length of 5 kilometres. In 2021, the LIFE Energy project won the LIFE Award within the nature protection project category, where the awards recognise projects that are innovative and inspirational in life.

In cooperation with the State Nature Conservation of the Slovak Republic, SSD regularly takes part in activities that help assess and prevent serious bird injuries that often occur along distribution networks. As a result, we installed protective and diverting elements to reduce exposure to high-voltage power lines. Additionally, in cooperation with both the nature conservation and municipal authorities, SSD was able to relocate stork nests within our distribution network to areas within southern Slovakia.

In 2021, as part of Earth Day, SSE employees had the opportunity to take part in several activities, including open discussions on climate change. Additionally, during the health and safety week at SSE, employees could actively participate in online lectures focused on environmental topics, some of which were hosted by various external conservational experts.

Plzeňská teplárenská

Supporting the bee population

Plzeňská teplárenská has taken a proactive role in supporting the rapidly and continually declining bee population. The company placed beehives on the roof of the ZEVO Plzeň incinerator as a way of creating an environment in which the bees are able to thrive, and as a result boost their surrounding ecosystems.

Supporting the nesting of peregrine falcons

The rare and endangered peregrine falcon was regularly spotted on the company's complexes (Bory and Doubravka). Because this species only has about 60 pairs of falcons that nest in the Czech Republic, Plzeňská teplárenská decided it was important to cooperate with the Nature Conservation of Pilsen to ensure that the falcons could successfully and safely nest on the company's complexes. As a result of this cooperation, nesting boxes were placed on both complexes and are continually monitored to-date using digital photography.

In 2021, the company found that a young peregrine falcon could not yet leave the nest on the Doubravka complex, as it was unable to learn how to fly in the abnormally colder month of May. In order to ensure the falcon's well-being, Plzeňská teplárenská postponed all repairs and inspections on the complex until the bird was able to leave the nest.

Environmental management and monitoring

At EPIF, environmental management is governed by our Environmental policy, Biodiversity policy and our principles.

Certifications and standards depend on the scope of each business segment; however, ISO 14001 is the main certification used across the Group. As an example, the trading and supply companies EPET and EP sourcing have no physical operations, therefore they do not require any environmental certifications. Overall, in 2021, 93% and 85% of EPIF's EBITDA and revenues were covered by ISO 14001 respectively. In the area of quality management, 78% and 79% of EPIF's EBITDA and revenues were covered by ISO 9001 respectively, highlighting the emphasis placed on delivery of quality services to our customers.

In 2021, all entities in the Group were fully compliant with current legislation and regulations in their respective countries of operation. Additionally, compliance with all licensing regulations was ensured across our operations. Our entities also comply with our energy management systems and energy audits.

Certifications overview[20]

Certification Standards (environmental and safety)	EPIF Group companies
ISO 14001	eustream, SSE HOLDING, EOP, Distribúcia SPP, Plzeňská teplárenská, POZAGAS, nafta
ISO 50001	eustream
ISO 3834-2	eustream
ISO 9001	eustream, epet., Distribúcia SPP, Plzeňská teplárenská, POZAGAS, nafta, SSE Stredoslovenská energetika
OHSAS 18001 / ISO 45001	eustream, SSE HOLDING, EOP, Distribúcia SPP, POZAGAS, nafta

Table 5: Overview of the Group's certifications in 2021.

20 Despite not currently having the ISO 45001 certification, Plzeňská teplárenská defended the prestigious "Safe Enterprise" designation, which is guaranteed by the State Labor Inspection Office. Under this program, the company is under close supervision of the occupational safety inspectors.

Governance

Our well-established corporate policies and governance bring greater focus to ESG matters at the EPIF Group level.

Governance is a crucial pillar for corporate sustainability, as a result, we are committed to continuously assessing and improving our internal governance processes. By developing business principles that are aligned with our long-term strategy and supported by our internal policies, we are able to effortlessly transpose our strategy with our everyday business activities.

Corporate governance structure

EPIF management

EPIF's governance is based on a two-tier management structure consisting of the Board of Directors and the Supervisory Board.

The Board of Directors represents EPIF in all matters and is responsible for our day-to-day business management. The Supervisory Board is responsible for overseeing the Group's activities and the management provided by the Board of Directors, as well as addressing matters defined in the Czech Corporations Act and the Articles of Association. Under the Czech Corporations Act, the Supervisory Board may not make management decisions.

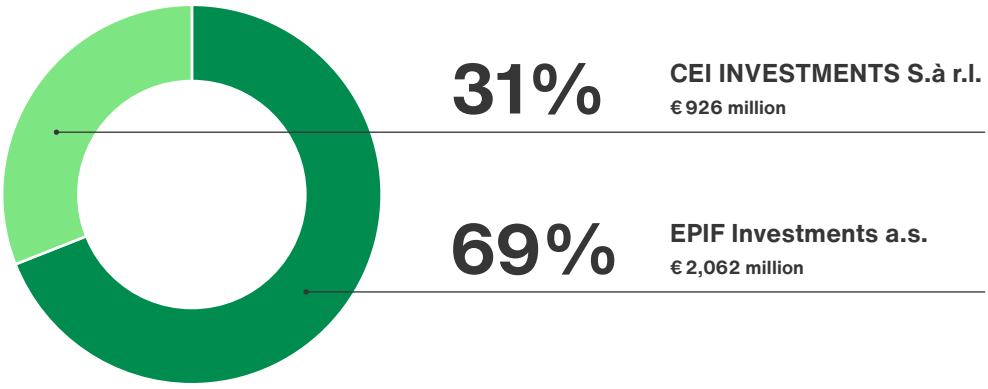
In August 2021, Gary Mazzotti was appointed as CEO of EPIF, replacing Daniel Křetínský who remains Chairman of the Board of Directors. This reflects (i) limited role of Mr. Křetínský in day-to-day management of the Group and (ii) EPIF's commitment to play a key role in the energy transition and ESG agenda as Gary simultaneously holds a position of ESG officer and represents a key person in implementation of our ESG targets and advancing decarbonization and hydrogen transition efforts across the Group.

Shareholder structure

EPIF is a sub-holding of EPH that was created as a result of reorganisation measures in 2016. In 2017, all the legal reorganisation steps within EPIF were completed. A separate layer of statutory bodies and executive management was established in 2017 and 2018.

On February 24th, 2017, EPH completed the sale of a 31% stake in EPIF, which was agreed upon with a consortium of global institutional investors led by MIRA. The remaining 69% of EPIF remains with EPH, which holds management control over EPIF. Robust corporate governance is reinforced by MIRA's strong minority shareholder rights in the Shareholder's Agreement. MIRA's infrastructure experience complements the regional industry expertise of EPH.

Interest in share capital and voting rights



Graph 20: Shareholder structure.

Governance

EPIF Board of Directors

Daniel Křetínský
Chairman of the Board of Directors

Stéphane Brimont
Vice Chairman of the Board of Directors

William David George Price
Member of the Board of Directors

Milan Jalový
Member of the Board of Directors

Gary Mazzotti
Vice Chairman of the Board of Directors

Pavel Horský
Member of the Board of Directors

Marek Spurný
Member of the Board of Directors

EPIF Senior Management

Gary Mazzotti
Chief Executive Officer

Václav Paleček
Finance Director

Tomáš Mišrácký
Director of Financing and Treasury

Martin Bartošovič
Director of Gas Storage

Daniel Křetínský
Chairman of the Board of Directors

František Čupr
Director of Gas and Power Distribution

Tomáš Mareček
Director of Gas Transmission

David Onderek
Director of Heat Infrastructure

EPIF Supervisory Board

Jan Špringl
Chairman of the Supervisory Board

Martin Gebauer
Vice Chairman of the Supervisory Board

Jan Stříteský
Member of the Supervisory Board

Rosa Maria Villalobos Rodriguez
Member of the Supervisory Board

Petr Sekanina
Member of the Supervisory Board

Jiří Feist
Member of the Supervisory Board

Figure 7: 2021 Governance structure.

Governance

EPIF Board of Directors

Has seven members.

Directs operations and acts on its behalf, represents EPIF in all matters related to daily business management.

Approves EPIF's sustainability commitment, top ESG challenges and annual sustainability reports.

Approves sustainability policies, corporate strategy and monitors progress to achieving targets.

EPIF Senior Management

Responsible for day-to-day operations as well as key business decisions.

Drives sustainability commitment, ensuring that it is embedded at every level of the business.

Monitors the ESG indicators and analyses the state of EPIF's progress towards its goals and targets through the Health, Safety and Environmental Committee.

Investment Committee (EPIF level)

Oversees and monitors the role over local (subsidiary level) investment committees, who are assessing material investments.

Decisions are driven by environmental requirements and long-term expectations of the Group. They are always carried out by subsidiary boards in the presence of an EPIF member.

Health, Safety and Environmental Committee (EPIF level)

Headed by František Čupr, the Committee reviews relevant policies, provides guidance, and makes recommendations regarding key safety, health, environment and security decisions; provides quarterly updates to the EPIF BoD and monitors targets.

Has five members appointed by the EPIF BoD for an indefinite period of time and it meets around five times a year.

Is responsible for gathering and investigating complaints related to unethical and damaging behaviour.

Figure 7: 2021 Governance structure (continues).

EPIF Supervisory Board

Has six members elected by the General Meeting of Shareholders.

Responsible for revising the activities of the Group and of the Board of Directors in its management of the Group.

Has the power to inquire into all documents concerning financial matters and reviews year-end financial statements, including profit allocation proposals.

Compliance Committee (EPH level)

Focuses on ensuring compliance with new legislation, especially the GDPR and the Market Abuse Regulation.

Reviews existing Group policies and identifies new areas that should be covered by those policies (tax governance policy, discussing how to further advance whistleblower protection on the Group level etc.).

Addresses several issues of non-compliance reported by the Group's operational companies and providing support regarding these incidents.

Audit Committee (EPIF level)

The Committee has three members appointed by the General Meeting of Shareholders of EPIF for an indefinite period of time and meets as necessary.

Oversees the external audit processes, the effectiveness of internal controls and informs the supervisory body.

Risk Committee (EPIF level)

Headed by Pavel Horský, the Committee oversees that the executive team has identified and assessed all the risks that the organisation faces.

Defines risk review activities regarding the initiatives and risk exposures, discusses the Group's major risk exposures with the management, and reviews the steps management has taken to monitor and control such exposures.

This risk assessment, as well as the mitigation measures, are subject to regular reviews and are continuously refined and improved.

Key people

EPIF Board of Directors

Daniel Křetínský

Chairman of the Board of Directors

Daniel Křetínský´s professional career is closely tied to Energetický a průmyslový holding, a.s. (EPH): he is majority shareholder and Chairman of the Board of Directors (executive position). He is responsible for strategy, key human resources topics, and negotiation processes for EPH, including top M&A transactions.

He represents the companies in several statutory and supervisory boards.

Mr. Křetínský also holds a majority stake in Vesa Equity Investment. Vesa's portfolio includes stakes in J. Sainsbury, Royal Mail, PostNL, French retailer Casino, and U.S. retailer Foot Locker, among others. EPH subsidiary EP Global Commerce is the largest shareholder in German wholesaler Metro AG.

Mr. Křetínský is also Chairman of the Board of Directors of Czech Media Invest a.s., a holding company that focuses on acquisitions and management of media assets in Central and Western Europe. He is a significant shareholder and Chairman of the Board of the football club AC Sparta Prague and holds a stake in English club West Ham United F.C.

Until 2009, Mr. Křetínský worked for Czechoslovak investment group J&T (former shareholder of EPH), where he joined as a lawyer in 1999. He soon took over responsibility for projects in asset management and became head lawyer of the corporate finance department. In 2003, he became a partner of J&T Group responsible for the corporate finance department in the Czech Republic and energy sector in general.

Mr. Křetínský graduated in 1998 from the Faculty of Law of Masaryk University in Brno, where he also obtained a doctorate in 1999. In 1997, he earned a bachelor's degree in political science from the Faculty of Philosophy of Masaryk University in Brno. Mr. Křetínský participated in several study programs and training courses abroad, including one semester at the Faculty of Law of the Université de Bourgogne, France.

Gary Mazzotti

Vice Chairman of the Board of Directors (independent Director), Chief Executive Officer and ESG Officer

Gary Mazzotti is CEO and Vice Chairman of the Board of Directors of EP Infrastructure a.s. He also holds positions throughout the group, namely Vice Chairman of the Supervisory Boards of Nafta and SSD, member of the Supervisory Board of SPP-D, and member of the Board of EOP, UE, EPC, EP Power Europe, and Czech Grid Holding. He is also a trustee of the International School of Prague.

Gary Mazzotti has more than 30 years of experience in finance and operations. Before joining EPIF, Mr. Mazzotti was a member of the board of Vienna Insurance Group, CFO of Kooperativa and Česká podnikatelská pojišťovna, and was responsible for VIG Group's operations in Ukraine. He previously held the positions of Senior Investment Director and CFO of PPF Private Equity Division. Mr. Mazzotti graduated in economics from the University of Reading in the United Kingdom and is a member of the Institute of Chartered Accountants (ACA).

Stéphane Brimont

Vice Chairman of the Board of Directors

Stéphane Brimont is a representative of CEI Investments S.à r.l., a consortium managed by Macquarie Infrastructure and Real Assets (MIRA), which owns a 31% stake in EPIF.

Mr. Brimont has been a member of the Board of Directors since February 2017. After a short break in 2020 and 2021, he was reappointed as a Vice Chairman in November 2021. Mr. Brimont is the head of MIRA's French and Benelux operations, and is a Director of Autoroutes Paris-Rhin Rhône (APRR). He is also a Director of the Brussels Airport and Chairman of the Supervisory Board of MacqPisto. He began his career with the French government where he spent a total of eight years. In 2004, he joined Gaz de France as Chief Strategy Officer and in 2007, he became their Chief Financial Officer. Following the integration of Gaz de France and Suez, Mr. Brimont moved into a general management role.

Mr. Brimont graduated from Ecole Polytechnique and the Ecole Nationale des Ponts et Chaussées.

William David George Price

Member of the Board of Directors

William Price is a representative of CEI Investments S.à r.l., a consortium managed by Macquarie Infrastructure and Real Assets (MIRA), which owns a 31% stake in EPIF. Mr. Price has more than 10 years of experience in infrastructure investment and management, primarily in the utilities and energy sector, which he gained across the UK, Germany, and Central Europe. He also holds non-executive board positions at various MIRA-managed investments.

Mr. Price holds a bachelor's degree in economics and politics from the University of Bristol and a Master of Finance from INSEAD Business School.

Marek Spurný

Member of the Board of Directors

Mr. Spurný has been working for EPH Group and its legal predecessors since 2004. He has a legal background and now holds the position of Chief Legal Counsel for the Group. His main responsibilities include transaction execution, negotiations and implementation of merger and acquisition transactions, restructurings, and legal support in general. He also chairs the EPH compliance committee. Mr. Spurný is a member of the boards of directors of EPH and EP Energy the supervisory board of EPIF. Before joining the Group, Mr. Spurný worked for five years for the Czech Securities Commission, the former capital markets regulatory authority in the Czech Republic.

Mr. Spurný holds a law degree from Palacky University in Olomouc.

Pavel Horský

Member of the Board of Directors

Mr. Horský has been working for EPH since 2009. As Chief Financial Officer of the Group, his main responsibilities are in the areas of financing, treasury, tax, risk management, and the coordination and management of Group companies. Mr. Horský is also a member of the Management Board of Energetický a průmyslový holding, a.s., EP Infrastructure, a.s., and EP Power Europe, a.s. as well as several subsidiaries of the Group. Prior to joining EPH, Mr. Horský held a market risks advisory position at RBS. Mr Horský is a member of the Board of Directors of English football club West Ham United.

Mr. Horský holds a master's degree in mathematics and physics from Masaryk University in Brno.

Milan Jalový

Member of the Board of Directors

Milan Jalový is the Controlling Director and head of the Analytical Team at EPH. He has been working within the Group since its establishment. He is also a member of the Supervisory Board of Lausitz Energie Bergbau AG and Lausitz Energie Kraftwerke AG.

Mr. Jalový holds a master's degree from the University of Economics in Prague, as well as a CEMS MIM degree.

EPIF Senior management

Václav Paleček

Finance Director

Mr. Paleček has been the Finance Director since 1 June 2020 and has been employed in the EPH group since 2014. Currently, Mr. Paleček also serves on the EPIF's risk committee and SSE and SPPI audit committee. In his previous role in the EPH group, Mr. Paleček served as the Head of Group Controlling and Financial Reporting in EP Power Europe, a.s.

Before joining EPH, Mr. Paleček spent five years at KPMG, where he held various positions focused on audit and financial reporting under IFRS, US GAAP or Czech accounting standards. His portfolio of clients comprised namely energy, utility, telco and automotive segments.

Mr. Paleček holds a master's degree in economics from the University of Economics in Prague, is a fellow of Association of Chartered Certified Accountants (FCCA) and holds an Advanced Diploma in Accounting and Business.

Tomáš Mareček

Director of Gas Transmission

Mr. Mareček is the Chairman of the Board of Directors of eustream. In his previous roles, Mr. Mareček was a senior Mergers and Acquisitions analyst at J&T and held the position of Chief Financial Officer at Kablo Elektro.

Mr. Mareček holds a master's degree from the Faculty of Finance of the University of Economics in Prague.

Tomáš Mišrácký

Director of Financing and Treasury

Mr. Mišrácký has been with the EPH Group since November 2012. In 2017, he took on his current role as Director of Financing and Treasury. He is also Deputy CFO of EPH and holds other positions outside of the Group.

Mr. Mišrácký is a member of the Board of Directors of Pozagas and serves on EPIF's Risk Committee. Prior to joining the Group, Mr. Mišrácký worked for more than eight years in different positions at the Royal Bank of Scotland (previously ABN AMRO Bank).

Mr. Mišrácký holds a master's degree in law from Masaryk University in Brno and a bachelor's degree in business administration from the University of New York in Prague.

František Čupr

Director of Gas and Power Distribution

Mr. Čupr is the Chairman of the Board of Directors of SPP Infrastructure, SPP - distribúcia and Stredoslovenská distribučná. He was previously a member of the Supervisory Boards of Pražská energetika and Pražská teplárenská, and focused on energy sector projects at J&T, especially energy trading, supply, and renewables. He also serves on the EPIF's risk committee and leads the EPIF's health and safety committee. He also holds positions outside of the EPIF Group, such as chairman of the board of directors of AC Sparta Praha fotbal, a.s.

Mr. Čupr holds a master's degree in economics from the Faculty of Business and Economics of Mendel University in Brno and an M.B.A. from Nottingham Trent University.

David Onderek

Director of Heat Infrastructure

Mr. Onderek has been the Director of the Heat Infrastructure Segment since May 2016. Since March 2013, Mr. Onderek has also served as the Director of the Heat and Cogeneration Division and the head of the Investment Committee of EPE.

Mr. Onderek is the Chairman of the Board of Directors of UE, EVO – Komořany, a.s., Severočeská teplárenská, a.s., United Energy Invest, a.s., and PT měření, a.s., and serves on the Boards of Directors of several other companies.

Prior to joining the Group, Mr. Onderek worked as the head of Portfolio Development at ČEZ a.s., a leading Czech energy company.

Mr. Onderek holds a M.Sc. degree in management of power generation and distribution from the Faculty of Electrical Engineering of the Czech Technical University in Prague and a master of business administration degree from the University of Pittsburgh.

Martin Bartošovič

Director of Gas Storage

Mr. Bartošovič serves as CEO of Nafta, a member of the Board of Directors of Pozagas, and Managing Director of SPP Storage. Prior to joining EPIF, Mr. Bartošovič was a member of the Board of Directors of SPP - distribúcia, Senior Executive Director of SPP, Chairman of the Supervisory Board of the SPP Foundation, and Chairman of the Board of Directors of SLOVGEOTERM. He previously worked for A.T. Kearney and ING Barings.

Mr. Bartošovič holds a master's degree from the Faculty of Economics and Management of the Slovak University of Agriculture in Nitra. During his university studies he was awarded scholarships at West Virginia University and took part in Cornell University's Institute of Economic Studies programme.

Fair conduct

We have built our business on moral principles and values, and we continue to ensure that they are effectively promoted throughout the Group. It is imperative that we unify our business approach across the Group, which is why we support it by a shared culture, internal policies and strong governance.

EPIF's approach to fair conduct encompasses the implementation of strong principles and values, transparency throughout our business activities, and compliance with local laws and regulations. We have ensured to support these approaches with preventative mechanisms, internal governance and policies.

We embed these high standards of business behaviour into the day-to-day activities of all our employees, as they create the foundation on which the Group's performance and reputation are built. We have found this to be key in successfully implementing fair conduct throughout the Group.

Our contribution to the SDGs:

EPIF works to enhance its commitment to ethics through various mechanisms, such as effective governance, specialised committees and internal policies. The aim is to promote strong institutions throughout our Group by means of inclusivity, accountability and justice.

Compliance

We always ensure that we act in accordance with the local legislation in which we operate, as well as readily cooperate with regulators. However, we believe it is important to go beyond mere compliance. This is why we have created and largely implemented internal Group policies, thereby ensuring responsible business and activities throughout EPIF.

Principles and business ethics

We are committed to upholding the highest standards of business ethics, set out by our principles, throughout the Group. We take our commitment very seriously, as it not only ensures good business practices, but also good standing relationships with all of our stakeholders.

ESG governance

In 2021, EPIF largely completed the implementation of all approved policies across the Group. We ensure compliance with these policies through various committees, specifically by our HSE Committee. The implementation is ultimately overseen by the ESG Officer, Gary Mazzotti.

Lobbying and political engagement

We ensure that our funding is transparently managed, that it does not support any illegal or unethical activities, and that it is aligned with our sustainability commitments. We consider ourselves responsible investors, as we do not support political parties, neither directly or through the funding of other groups' activities. We also actively participate in discussions with governments and organisations regarding the development of proposed legislation and regulations that affect our business.

Investigations, litigations and sanctions

To our knowledge, all companies are fully compliant with the current legislation and regulation in their respective countries of operation. Currently, there are no open material cases of investigation, litigation or sanction. For further details, please refer to the EPIF Annual Report 2021.

2021 **Highlights**

At EPIF, we ensure compliance with all licensing regulations across our Group's operations. As a result of our commitment to oversee our subsidiaries' legal requirements, in 2021, our subsidiaries did not face any incidents or material fines.

As we continue to further develop our sustainability commitment, in 2021, EPIF largely completed the implementation of the new set of policies that were introduced in 2020 and 2021.

- **Assets integrity management policy**
- **Whistle-blower policy**
- **Biodiversity policy**
- **IT Cybersecurity policy**
- **Diversity policy**

Our principles and business ethics

The Group is committed to conducting business activities in a transparent and operationally excellent manner. To continue developing and improving our internal and external interactions, we commit to following our principles and values, which are the foundation on which we build relationships with our partners, employees and society.

EPIF is committed to managing behavioural standards within our day-to-day business. These standards set employee expectations, which are naturally reflected in the performance and reputation of the Group, while also ensuring a good standing relationship with all our stakeholders.

High ethical standards are maintained throughout the Group. We do not tolerate corruption or inappropriate behaviour of any sort, as ethical breaches can lead to major and serious reputational damage. We therefore perform regular bribery and corruption risk assessments, which are overseen by the HSE Committee.

ESG governance

EPIF CEO, Gary Mazzotti, holds the role of ESG Officer within the Group, further highlighting the importance of our ESG commitment. In this role, he oversees the sustainability responsibilities of EPIF and the Group's overall ESG agenda. The HSE Committee, alongside Garry Mazzotti, supervise compliance with the values and principles laid out in all EPIF policies. We ensure that principles embedded in our policies are regularly shared with employees across the Group.

All of our subsidiaries have their own Code of Conducts in place, which are provided in their local languages. Therefore, EPIF's *ESG Master Policy* and *Code of Conduct* are not designed to replace these, but rather to bring general concepts to the Group level. This also ensures that this information is easily accessible on one platform and also available in English.

In 2021, the EPIF Group largely completed the implementation process the Group-wide set of policies.

Environment

- Environmental protection
- Mitigating climate change
- Quality standards and certifications
- Sustainable operations and products
- Efficient use of resources
- Environmental education

Society

- Value creation
- Respecting human rights
- Economic and social development
- Access to basic services
- Stakeholder dialogue
- Sustainable development principles
- Equal opportunities
- Transparent communication and accountability
- Health and safety

Governance

- Promoting ethics
- Economic sustainability
- Risk management
- Progress on goals and commitments
- Responsible finance
- Responsible funding
- Regulatory compliance
- Efficient management

Figure 8: Group principles.

	Policy description
ESG Master policy	The document sets out a comprehensive policy framework and basic guidelines for the EPIF Group as well as defining the core principles for sustainability related policies within the EPIF Group and its subsidiaries. Specific policies described below act as add-ins to this Master policy.
Environmental policy	The policy describes basic principles we follow in terms of the climate change and carbon footprint reduction, protection of biodiversity, Environmental Management System, environmental impacts of the product portfolio, customer efficiency, regulatory compliance, renewable and clean energy promotion, resource and energy efficiency, waste management and end cycle management.
Biodiversity policy	Protecting biodiversity in the areas where the EPIF Group operates is among the top goals of the EPIF Group. The purpose of the policy is to provide a comprehensive and consistent framework of commitments and underlying principles in the area of biodiversity.
Operational policy	The policy covers the basic principles we follow in matters of the access to basic services, health and safety management, environmentally safe operation of facilities, social impacts of our products, innovation and modernisation, emergency management, stakeholder engagement and responsible marketing.
Procurement policy	The policy is focused especially on the monitoring of our supply chain and encouraging that our suppliers, as well as our customers, are compliant with local regulations and with our internal policies related to human rights, employees, and environmental matters.
IT Cyber security policy	The EPIF Group companies follow as minimum the key group cybersecurity principles (security governance, access control management, malware protection, network security, cyber resilience, ICS, remote workplace, etc.) and are responsible for a selection and implementation of specific security measures to meet these principles.
Code of Conduct	The EPIF Group Code of Conduct contains standards of behavior to be upheld by all employees and is designed to ensure good relationships with all stakeholders.
Tax Governance policy	The purpose of the policy is to ensure compliance with tax rules in various countries and territories in which the Group operates, prevention and reduction of significant tax risks and strengthening of the relationships with tax authorities.
KYC Directive	The directive outlines the process that seeks to verify and validate the business partner's identity and suitability in order to support EPH's actionable decisions to mitigate against financial, regulatory and reputational risk and ensure regulatory compliance.
Equality, diversity and inclusion policy	The purpose of this policy is to provide equality, fairness and respect for all in our employment and to oppose and avoid all forms of unlawful discrimination.
Whistleblower policy	The purpose of this policy is to provide EPIF employees with the means of reporting compliance concerns and compliance violations without fear of retaliation or retribution.
Asset integrity management policy	The policy outlines the principles and practices that govern decisions on asset management at EPIF to ensure that EPIF responsibly manages asset integrity risks across all facilities that we design, construct or operate.
Anti-corruption and anti-bribery policy	Acceptance of gifts and donations including charitable donations is regulated. Receipt or payment of bribes including facilitation payments is strictly prohibited.
Anti-money laundering policy	The so called four-eyes principle is applicable for business transactions, and cash payments above a predefined cash limit.
Sanctions policy	We do not establish or maintain business relations with persons, entities or countries that are subject to economic or financial sanctions, trade embargoes or other restrictive measures imposed by the European Union, the United Nations, the United States of America, or the United Kingdom.
Anti-trust policy	All employees and directors are obliged to observe anti-trust laws and are aware of serious consequences that any infringement of anti-trust laws may have.

Figure 9: Group ESG policies.

Supply chain management

We are continuously reflecting on our long-term targets so that we may create and maintain meaningful partnerships within our supply chain. We have determined that regular monitoring and close management of our end-to-end processes will only benefit our business value.

EPIF's procurement goals consider the social and environmental aspects of our individual subsidiaries, specifically how decisions at a Group level can affect business practices.

EPIF has a centralised procurement function managed by **EPH Group Procurement**. The key role of EPH Group Procurement is to develop and apply best practices across the supply chain of the entire Group. Their aim is to minimise the total cost of ownership of external purchases within our individual subsidiaries, thereby allowing for strategic procurement.

Our contribution to the SDGs:

EPIF promotes sustainable and inclusive economic growth while also ensuring access to basic services. We accomplish this by managing the equality, justice and ethical conduct of our Group's supply chain, thereby creating inclusive institutions.

Procurement practices

To improve our previous procurement practices and processes, EPIF implemented a *Procurement Policy* and *KYC Directive*, both of which are applied on the Group level. As a result, we are in a position that helps us better understand and manage risks associated with our supply chain, as well as help guide our business partners.

We thoroughly screen our potential suppliers in an effort to understand how we can become fully aligned in our business approaches. Screening includes our commitments to laws and regulations, ethical business conduct, human rights and working conditions, health and safety, and environmental protection.

2021 **Highlights**

In 2021, EPIF implemented a Group wide KYC Directive, which outlines the process by which business partners' identity and suitability are verified and validated. The aim is to mitigate financial and reputational risk, as well as ensure regulatory compliance.

What do we expect from our suppliers?

In 2021, there were no significant changes to EPIF's supply chain. Additionally, there were no reported environmental incidents this year.

Risk and crisis management

Strong mechanisms for evaluating risks and coordinating an effective response helps to enhance the resilience of business activities communities, and create a foundation for sustainable development. Effective risk and crisis management practices are expected by Group's investors, as well as local communities and municipalities.

EPIF takes risks associated with its operation very seriously. Apart from our activities in reducing environmental impacts and subsequent risks, we analyse and mitigate financial, operational and strategic risks.

Our contribution to the SDGs:

Enhancing the resilience of business activities and communities, and creating a standard for sustainable development through strong risk evaluation and response mechanisms.

Response to the military invasion of Ukraine

In February 2022, following the military invasion of Ukraine, EPIF Group promptly implemented measures to support the EPIF's liquidity position. EPIF also continuously assessed all sanctions imposed on Russian Federation to ensure compliance while conducting transactions with our counterparties.

Risk Committee

The Committee helps to develop a culture of the enterprise risk, integrate risk management into the organisation's goals and create a corporate culture such that people at all levels manage risks rather than reflexively avoid or heedlessly take them.

Financial risks

The most important types of financial risks to which the Group is exposed are credit risk, liquidity risk, interest rate risk, commodity price risk, foreign exchange risk and concentration risk. To minimise this exposure, the Group enters into derivatives contracts to mitigate or manage the risks associated with individual transactions and overall exposures, using instruments available on the market.

Operational risks

Operational risk is the risk of loss arising from fraud, unauthorised activities, error, omission, inefficiency or system failure. It arises from all activities and is faced by all business organisations. Operational risk also includes legal risk.

Strategic risks

The Group's business is exposed to various risks arising from political, economic and social developments in countries where it operates. We monitor and evaluate risks associated with employees and customers and do our best to ensure ongoing competitiveness.

Climate change related risks

We identified two types of climate related risks, physical and transitional risk. Physical risk arises from extreme weather events, which may lead to health supply interruptions. Transition risk poses a threat of increasing operating costs if not being ready for the new energy system to come.

2021 Highlights

Strategies

From various perspectives, EPIF's senior management analyses possible risks, assesses possible development scenarios, and prepares contingency strategies and plans.

Information

We understand it is our obligation to provide information to our stakeholders regarding the safety risks of our power plants and industrial sites, emergency plans, gas safety of network operations, and electrical safety.

Group culture

EPIF's Committees work to develop a group culture in which all of the risks we face are fully integrated into the management of our business. The goal is to ensure that we manage our risks rather than avoid them.

Figure 10: Risk matrix.

Financial risks	Management approach to risk mitigation
Credit risk The primary exposure to credit risk arises from conducting business with unreliable counterparts.	▪ The Group has established a *Credit policy*. ▪ Each new customer requesting products/services over a certain limit (which is based on the size and nature of the particular business) is analysed individually for creditworthiness. ▪ The Group uses credit databases for analysis of creditworthiness of new customers, who are also subject to Risk Committee approval.
Liquidity risk Lack of liquid financial resources poses great risk on everyday activities of the Group, including the ability to pay suppliers and employees.	▪ The Group's management focuses on methods used by financial institutions, e.g. diversification of sources of funds. ▪ This diversification makes the Group flexible and limits our dependency on one financing source. ▪ Various methods of managing liquidity risk are used by individual companies in the Group.
Commodity risk The Group's primary exposure to commodity price risk arises from the nature of its physical assets, namely power plants.	▪ In the case of favourable power prices, the Group manages the natural commodity risk connected with its electricity generation by selling the power it expects to produce in the cogeneration power plants and in ancillary services on an up to two-year forward basis. ▪ In the case of low power prices, instead of entering into forward contracts, the Group uses the flexibility of its own power generating capacities to react to current power prices. The aim is to achieve a more favourable average selling price.

Operational risks	Management approach to risk mitigation
Failures, breakdowns, outages and natural disasters Delays or interruptions in our supply can increase capital expenditures, negatively impact the Group's business and reputation, or cause significant harm to the environment.	▪ Predictive maintenance processes are in place, allowing us to proactively identify and respond to vulnerable areas of our networks. ▪ In the case of a network breakdown, we have emergency plans in place to ensure the continuity of supplies. ▪ We ensure that our key infrastructure is adequately insured.
Cyber risk and system failure As part of our critical infrastructure, information systems must have proper security measures in place that are aligned with regulation, while maintaining the highest degree of industry standards.	▪ The Group's cyber security is adopted with regular reviews of risks and selection of corresponding measures for the most effective protection. ▪ The Group's companies follow the requirements of several information security standards and frameworks, as well as laws, e.g. the GDPR (General Data Protection Regulation) or EU NIS Regulations (Network and Information Systems Regulations 2018). ▪ EPIF's security of 'critical infrastructure assets' is managed according to relevant legislation and regulation. This prevents damage or destruction caused by natural disasters, and threats posed by terrorism and criminal activities that may result in nationwide consequences.
Regulatory risk Apart from the regulated tariffs, risks also arise from the changes in the European energy legislation, which affects the scope and market price of the European Emission Allowance and Green Deal package.	▪ Trusted and open relationships with regulatory bodies. ▪ Active participation in dialogues with regulators regarding tariff structure. ▪ Geographic focus on countries with stable and established regulatory regimes.

Table 6: Overview of the Group's risk management.

Strategic risks	Management approach to risk mitigation
Socio-economic and political risk The Group's business is exposed to political, economic and social developments in Slovakia, Czech Republic, Central and Eastern Europe regions, and elsewhere.	▪ Open dialogue with local communities and authorities, with timely communication of our business intentions.
Concentration risk A large part of our gas transmission, gas and power distribution, and gas storage revenues, are concentrated to a small number of customers.	▪ Strict control of counterparty credit risk. ▪ We have a *KYC Directive* in place to ensure that all potential business partners are thoroughly checked prior to committing to a business relationship or transaction.
Reputational risk Reputational damage may arise from miscommunication, or lack thereof, and low transparency with stakeholders.	▪ We only present information about our business that is based on facts, and we do so in a clear and reliable manner. ▪ We constantly monitor public media so that we may be able to timely warn our stakeholders about any false information related to EPIF and the Group that was released. ▪ We promote a responsible marketing approach, making all information regarding our business, such as our services and their possible risks, available and factual.
Competition risk Many of the markets in which the Group's business operates are increasingly competitive and as such, the Group is exposed to the risk of not being able to compete effectively on an on-going basis.	▪ Focus on transmission, distribution and storage of key commodities where the existing infrastructure cannot be easily replicated by competitors. ▪ Within the heat infrastructure segment of our business, we keep prices of heat affordable to attract and retain customers. At the same time, we emphasise environmental benefits of district heating compared to decentralised local boilers.
Employment related risk The Group's ability to maintain its competitive position and to implement its business strategy is largely dependent on its ability to attract and retain qualified personnel, such as managers and senior executives.	▪ Regular dialogue with employees and union representatives (94% of our employees are covered by collective bargaining agreements). ▪ We ensure to delegate main responsibilities across multiple executives to reduce the amount of risk managed by one position. ▪ Engagement with schools, universities and talent recruitment programmes at our subsidiaries and with our union representatives.

Table 6: Overview of the Group's risk management (continue).

Climate change related risks	Management approach to risk mitigation
Physical risks More frequent and extreme weather events are a risk as they can cause damage to our infrastructure assets, leading to interruptions in the supply of vital commodities. In some of our operating regions, the offtake of cooling water may be reduced, which could affect our heat and power generation capacities.	▪ Guided by our *Asset Integrity Policy*, we ensure that the decisions we make consider all life-cycle stages of our assets, thereby recognizing the interconnectedness of the systems. ▪ Our short-term investment decisions are always based on the rigorous analysis of long-term projections of investment needs. ▪ There are predictive maintenance processes in place to identify spots in our network where maintenance should be preferentially performed. ▪ We adequately insure key infrastructure. ▪ We continuously monitor the water offtake at our individual sites and consult with local water authorities. ▪ We continuously implement measures to reduce our water offtake and limit our reliance on flow-based cooling.
Transition risks Growing operating costs due to pricing pressures on emission allowances. Substitution of existing products and technologies with lower emission alternatives.	▪ We continuously work to reduce the overall carbon footprint and emission intensity of our business activities, such as through our gradual shift in energy mix towards biomass and municipal waste. ▪ We aim to focus pilot projects on testing the compatibility of our infrastructure with green gases (gas transmission, distribution and storage) to support integration of new renewable capacities. ▪ Regular update and public announcements relating to our plant conversion plans.

Table 6: Overview of the Group's risk management (continue).

Social

We recognise the value in all of our relationships, with great emphasis on those which we hold with our employees, customers and communities. Our social goal is to continue to build strong relations so that we may not only contribute to the transformation of the energy market, but to sustainable development as a whole.

The Group focuses on protecting its employees' rights by maintaining a good standing relationship with its trade and labour unions. Additionally, we accentuate our respect to employees' human rights through the implementation of non-discriminatory guidelines. Overall, EPIF not only commits itself to creating a work environment that is friendly, but one that is also safe and promotes the well-being of our employees. This is achieved through the quality of our health and safety management. We also ensure to play an active role in supporting and developing the communities in which we operate by providing access to basic services, and by creating and implementing impactful social initiatives.

Health & safety

We make the health and safety of our stakeholders top priority by constantly learning, sharing and improving our approach to embedding a “health and safety first” culture throughout the Group.

EPIF understands that safety can only be achieved if well-being is firstly addressed. That is why we have strong commitments for both the well-being and safety of our stakeholders, which include providing training, and ensuring that regular improvements are made to our governance and internal policies.

We continuously work to improve and monitor the health and safety mechanisms within our Group, as we understand the risk associated with their mismanagement. As a result, we are highly focused on identifying, mitigating and preventing such risks.

Our contribution to the SDGs:

EPIF ensures that the health, safety and well-being of all of our stakeholders is at the core of the Group’s business activities.

Health & safety management

We have implemented high standards for the health and safety management of our stakeholders, as we are constantly looking to improve the attention to well-being and level of safety within the Group. We also understand the possible risks associated with mismanagement, such as those arising from poorly managed equipment or avoidable human errors.

We are continuously working towards improving our management of H&S. Our largest focus within EPIF’s operations remains on our plants, as they pose a much greater risk to our stakeholders’ health and safety.

We ensure that our employees are provided with the training required to meet the expectations of our H&S policies and governance. Therefore, we strive to implement management that is complemented by appropriate and guiding measures.

Health & safety certifications

The Group is compliant with the certification standards and legislative requirements for health and safety within the countries that we operate. These requirements may differ amongst the Group’s entities, but our commitment to meet best practices and legal expectations is consistent throughout.

We ensure that our employees are properly informed about the laws and regulations relating to the H&S of their business activities. This ensures alignment in meeting legal requirements, even though they vary across the entities of our Group.

Overall, we are committed to creating and maintaining healthy and safe working conditions that go beyond mere regulation.

2021 **Highlights**

OHSAS 18001/ ISO 45001 certifications highlight the health and safety management systems in place within the Group. In 2021, 81% of EPIF's employees worked in companies that held these certifications[21].

2021: Employees covered by OHSAS 18001/ISO 45001

4,696 total employees covered
5,811 total FTE
81% covered employees
36% increase of total covered employees from 2020

EPIF ensures to continuously uphold a safe working environment. This is accomplished by ensuring all personnel have a clear understanding of the Group's policies and undergo the internal trainings related to occupational health and safety.

Injuries overview[22]

2021	Employees	Contractors
Total worked hours	**10 mil.** 9% decrease from 2020	**14 thsnd.** 1% decrease from 2020
Registered injuries	**27** decreased by 3 from 2020 (absolute value)	**3** increased by 2 from 2020 (absolute value)
Fatal injuries	**0** no change from 2020	**0** no change from 2020
Injury freq. rate	**2.80** 0.03 point decrease from 2020	**0.22** 0.15 point increase from 2020

Figure 11: 2021 Injury data within the Group for employees and contractors.

21 This is not an indication of unsafe and unhealthy environments at our other locations.
22 Injury frequency rate for own employees is calculated per million hours worked. Frequency rate for contractors is calculated per thousand hours worked."

Health and safety management at EPIF

Each year, EPIF further strives and commits to maintaining a "**zero harm**" environment throughout all of our business activities. Because of the extensive scope of our Group, this is not an easy feat, but we are committed to ensuring a safe environment in which all aspects of our business are conducted – for all of our stakeholders.

The health of our employees is as important to us as their safety. This is why we are committed to implementing proper policies pertaining to healthy environments, promoting their well-being throughout our Group, and at some of our entities, even offering medical examinations.

These commitments are embedded within our *Code of Conduct*, thereby further aligning us with our ultimate H&S goals. We also continue to support our entities, such as through the reinforcement of strong governance, effective H&S protocols, sharing of best practices, and eliminating unsafe and unhealthy work behaviour.

At EPIF, we pride ourselves on the fact that our top priority is the health and safety of our employees. In 2021, we recorded no fatal injuries.

Regrettably, in April 2022, a fatal injury occurred at SSE involving own employee who was hit by an electric shock during maintenance works at the distribution network. Investigation into causes of the incident has not yet been completed.

8 Pillars of health & safety management

Commitment from top management	We take the reporting on H&S issues very seriously; top management is actively involved in H&S issues and ensures that they are carefully considered in every decision-making process. This level of commitment is expected from all of our entities. Additionally, semi-annual and annual reports on H&S are presented directly to the Board of Directors. As an example, SSE has weekly updates on its H&S indicators, which are discussed at management meetings.
H&S integration into our remuneration system	We integrate H&S into our incentive schemes, such as within our employee performance assessments. We believe that this allows for greater insight on employee approaches to maintaining a safe and healthy working environment. It also allows us to identify any gaps within our H&S training or even policies.
Prevention	We aim to not only reduce the number of accidents within our Group, but also prevent them from ever occurring. As a result, several of our entities focus their preventive based approaches on keeping detailed recounts of all accidents and "near-misses," and defining the remedial actions taken to prevent similar reoccurrences. We also focus on reducing near-misses and incidents through monitoring and analyses processes, as we believe that reduction will ultimately lead to the prevention of severe and even fatal accidents.

Table 7: Pillars of health and safety management within the Group.

Risk control and reduction

At EPIF, H&S management requires regular on-site risk assessments and inspections.

As an example, SPP - distribúcia receives third-party safety inspections relating to the H&S of its projects and technological processes.

Focus on behaviour

Studies show that 80–90% of accidents are caused by human error (Heinrich et al, 1980). At the same time, changing unsafe behaviours is one of the most difficult challenges a company can face when trying to achieve a goal of "zero harm." Behaviour Based Safety (BBS) can reinforce corrective action that should be taken by an organisation's management to address unsafe work behaviour.

BBS aims to understand the root causes of unsafe behaviour and apply corrective measures accordingly.

Training and communication

At EPIF, H&S training, as well as communication, are recognised as important channels for distributing relevant knowledge, awareness and expectations amongst our employees and contractors; we ensure to facilitate periodical retraining.

The EPIF Group also provides general training programmes on employee safety. When selecting or assessing potential suppliers, the Group also takes into account their approach and attitude towards safety issues.

Emergency response and fire protection procedures

EPIF's entities have dedicated fire protection and emergency response plans. We continuously work to improve our preparation for these situations, such as through regular drills and training sessions.

As an example, eustream and Nafta regularly perform controlled emergency drills through their HSEQ department. These drills are conducted in collaboration with the dispatch department and fire safety brigades.

Health protection

EPIF's entities have various initiatives that aim to promote the health and well-being of its employees while at work.

As an example, SPP - distribúcia regularly provides medical examinations for its employees.

Case Study

EPIF's response to the COVID-19 pandemic: protecting our people

In 2021, the Group continued to implement safety measures for those working on our premises, with the aim of effectively reducing the risk of exposure to the virus. We make it a priority to implement safety measures that not only protect our personnel, but that make the processes as convenient as possible.

Promoting social distancing

Whenever possible, we promote **remote work**, such as videoconferences and working from home. We understood that this was not always practical, which is why we tried to accommodate our workplaces as much as possible. For example, critical employees worked in **smaller teams** in order to reduce their exposure to other employees.

We encouraged our employees to **avoid non-essential business travel**, both domestic and foreign. Companies with direct relationships with end consumers **developed online applications** and offered other options to help customers reduce their physical contact.

Ensuring on-site safety

Protective equipment was provided to staff whose on-site presence was deemed essential. We abided by **strict sanitary regimes**, including mandatory use of face masks and thorough disinfection of working areas. We actively promote **testing** for our employees and followed all local testing regulations. We also ensured that we adhered to **Public Health Authority recommendations**.

The Group actively monitored the developments of the pandemic, ensuring that we continually aligned our internal and external practices accordingly.

Employment and employee development

EPIF believes that diversity within our talent makes our work stronger. We recognise that our people are at the core of what we do. We encourage openness and honesty amongst our employees, so that we may understand how to better support them in reaching their full potential within the Group.

At EPIF, we approach employment practices and procedures with inclusion and equal opportunity in mind. It is important that we not only hire the best talent, but also the right talent, regardless of personal differences and backgrounds.

We understand that a healthy work environment is essential for the development of talent, increased productivity and the overall sustainable growth of human capital. That is why we work hard to create an environment in which our employees feel supported in their continuous professional growth and development.

Our contribution to the SDGs:

EPIF commits to inclusive and fair employment, coupled with unparalleled learning opportunities for all. We ensure our employment decisions and behaviour towards employees is fair and just across the entire Group.

Our employees

We believe that effective management of employees is essential to the successful operation of our Group. EPIF promotes meaningful employee engagement at an entity level, but ensures that it is adequately supported by corporate policies. This is important to maintaining the same level of standard of business behaviour that we expect across our Group.

As a result, EPIF's human resources are decentralised at an entity level. This is essential, as our operations differ quite substantially, especially when it comes to the location, size and needs of our talent.

Training and development

We are aware of the ever growing competition for top talent across the markets in which we operate. It is therefore important that EPIF places great importance on creating and maintaining an attractive working environment, one where all of our employees can develop and grow, in the most appropriate roles, across the organisation.

EPIF recognises its employees as the Group's top asset, and as a result, we place great emphasis on their development. Our hope is to highlight the importance our Group places on our most precious asset – our people.

2021 Highlights

164 persons

EPIF does not discriminate within its employment process, and as a result, we proudly employed 164 persons with various disabilities in 2021, by 7% more than last year. We commit to fully understanding their working needs so that we may provide the most appropriate support for their day-to-day activities.

5,811 professionals

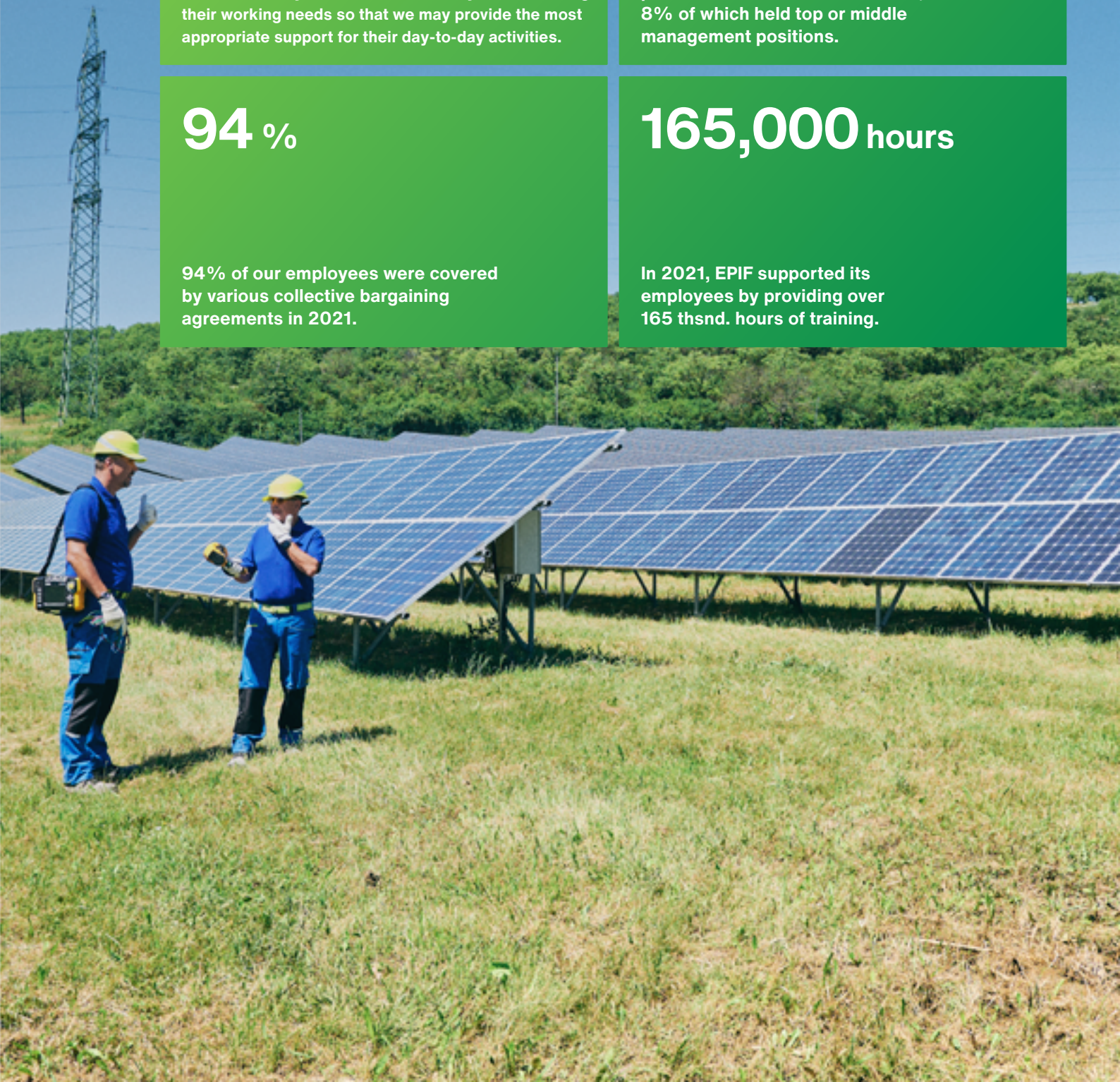
In 2021, EPIF employed 5,811 professionals across 4 countries, 8% of which held top or middle management positions.

94 %

94% of our employees were covered by various collective bargaining agreements in 2021.

165,000 hours

In 2021, EPIF supported its employees by providing over 165 thsnd. hours of training.



EPIF employment and employee standards

In 2021, EPIF further committed to upholding fair employment and treatment of its employees through the implementation of the Equality, Diversity and Inclusion Policy. Its implementation throughout the entire Group was completed in 2021.

We offer equal and fair employment and ensure to treat all of our employees with respect and inclusion. EPIF's commitments are highlighted in our *Code of Conduct* and *Equality, Diversity and Inclusion Policy*, and echo the expectations set out by the International Labour Organization's *Declaration on Fundamental Principles and Rights at Work*. These commitments include avoiding unlawful discrimination based on age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex and sexual orientation.

In addition to our internal policies, EPIF aligns itself with relevant labour codes and legal regulations when conducting employment processes. This ensures that we promote employment, recruit and treat talent on the sole basis of their qualifications, thereby avoiding discrimination of any kind. Our employment practices and procedures are reviewed at least once a year, thereby ensuring that any internal changes, or those imposed by new legislation, are appropriately updated within the policy.

As much as we ensure to equally employ our talent, we still see a disproportionate number of women to men in our Group. As in most energy focused fields, this is currently the norm, where most positions held in this particular industry are typically occupied by men. This is further represented in the rates experienced by our peers[23], with roughly 25% and 20% of women in non-executive, and top and middle management respectively. In 2021, this was represented by a 21% and 18% breakdown within EPIF, with an overall ratio of 4:1 of men to women within the Group. At EPIF, we continually encourage our female employees to take on leadership roles while supporting their personal and professional growth.

Headcount by country[24]

Figure 12: Headcount by country.

23 Based on the analysis of 5 main comparable energy groups in Europe (based on 2020 report analyses).

24 The figures represent average full-time equivalent employees in 2021.

Employee data by gender[25]

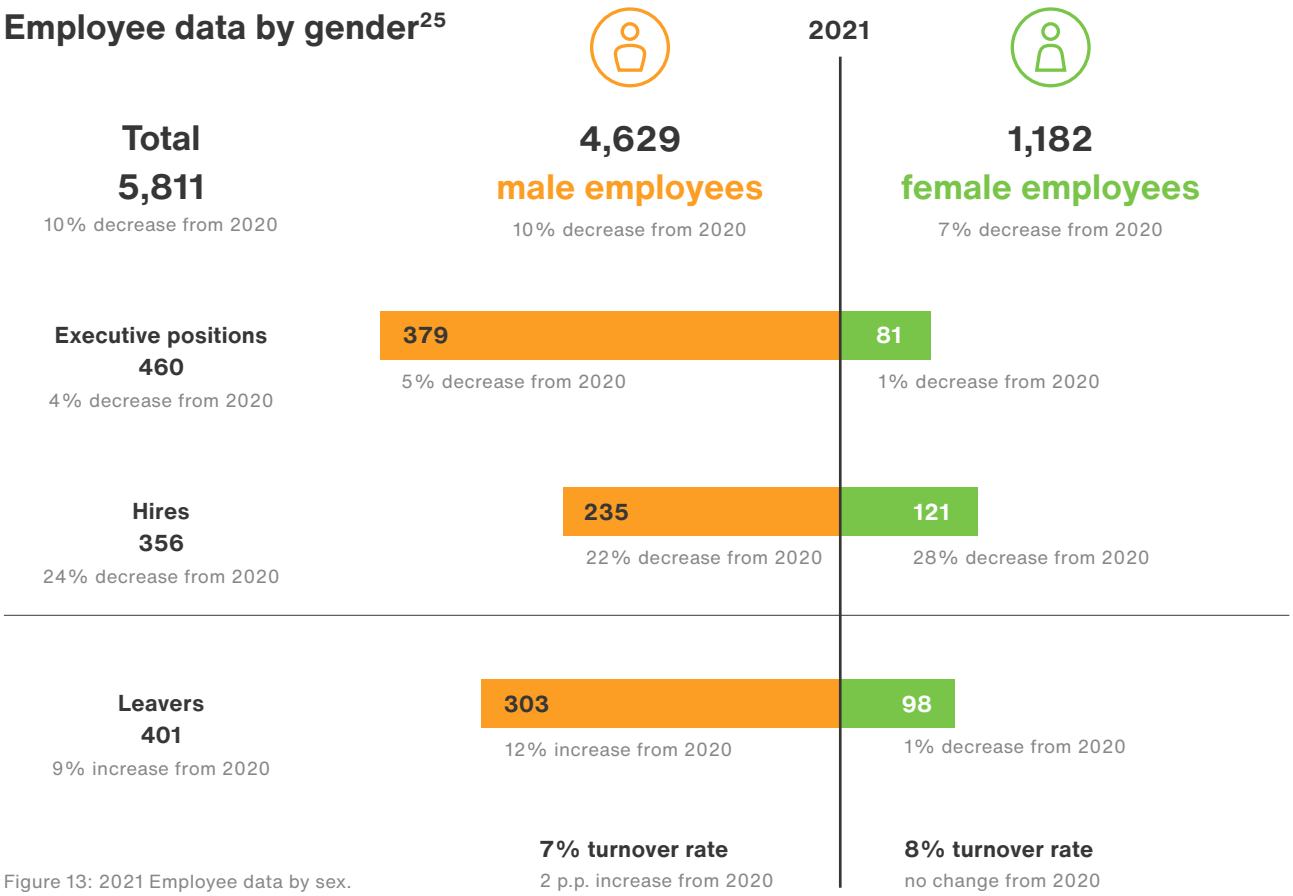


Figure 13: 2021 Employee data by sex.

2021 Total employees by age group

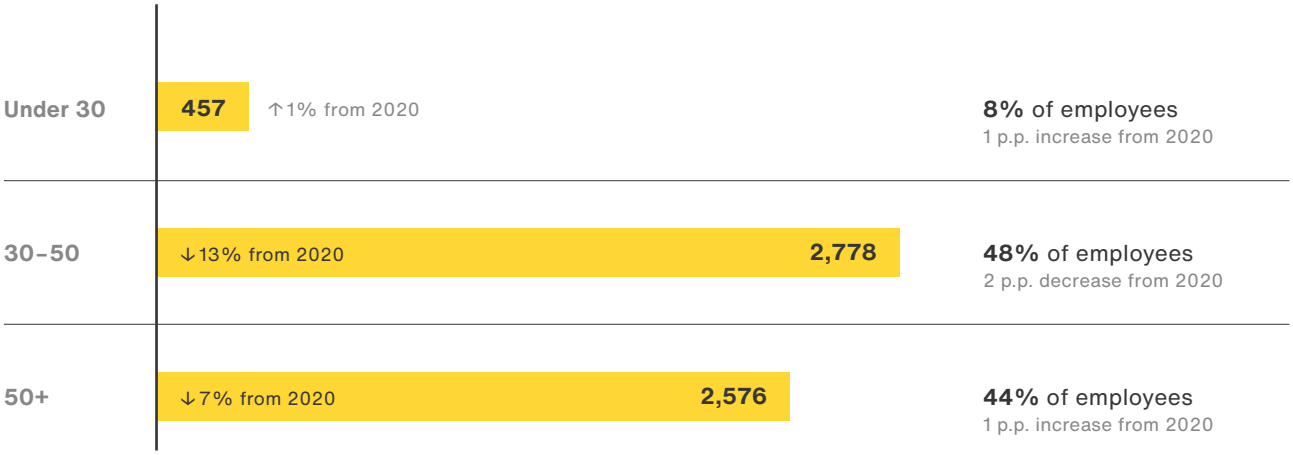


Figure 14: 2021 Employee data by age groups.

25 Executive positions refer to workers in top or middle management.management.

Employee development

At EPIF, we also support freedom of association throughout the Group. This is not only due to our compliance with European and national regulations, but it is also due to the value we see in allowing employees coordinate and negotiate with their employers.
The Group respects its employees' rights to participate and engage with trade unions, and we do not tolerate any type of retaliation or hostile action towards employees that choose to do so.

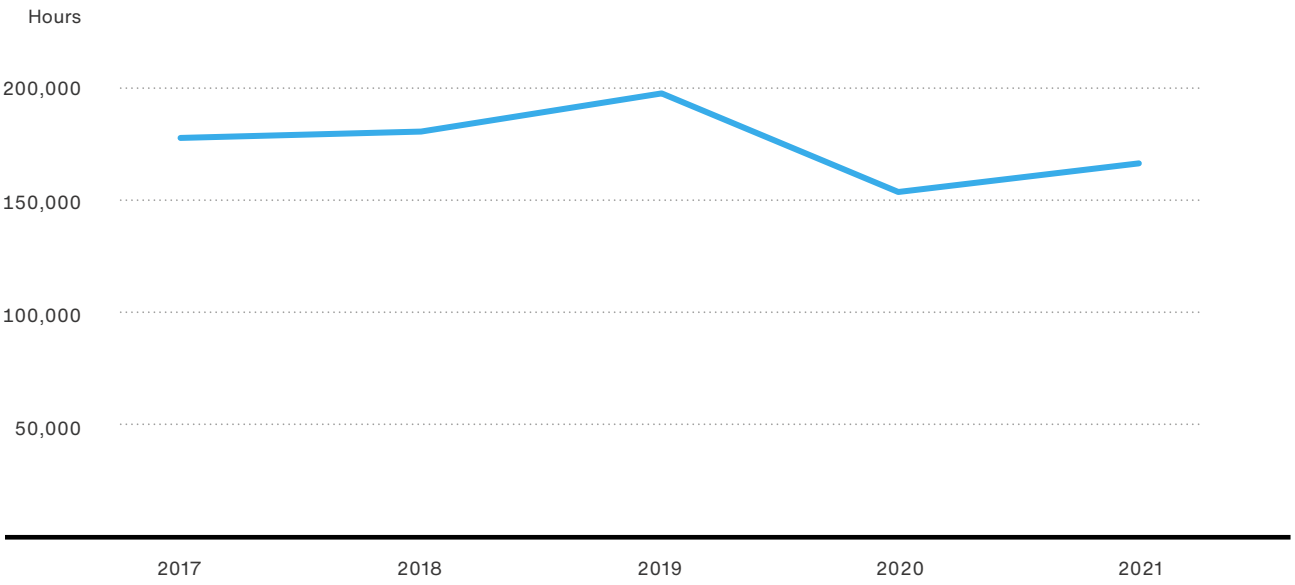
We are committed to providing our employees with the right tools and environment in which they can professionally grow and develop. In an effort to better understand the strengths of our employees, we provide them with regular work assessments and evaluations. This not only allows us to better allocate their talents within the Group, but it allows us to understand where our employees could benefit with further support.

In 2021, we saw a slight increase of 9% in the total amount of employee training hours when compared to last year. This increasing trend can be attributed to the easing up of COVID-19 restrictions. Even though the majority of our training sessions were transferred to online platforms during the pandemic, the majority of the technical trainings could not be provided without physical attendance.

166 thsnd. hrs.
of employee training
↑ 9% from 2020

28.6
training hrs. / employee
↑ 20% from 2020

Total employee training



Graph 21: Employee training hours within the Group.

Case Study
Employee and employment programmes
Attracting talent

Stredoslovenská distribučná (SSE subsidiary)

In 2021, we continued to support the professional development of our employees through internal trainings, including:

1. Vocational training focused on safe work procedures for employees working with electrical equipment or within maintenance, such as electricians, maintenance technicians and foreman.
2. Training focused on working under electricity voltage for employees that operate or perform maintenance of electrical equipment or those involved in construction assembly activities.
3. Online GDPR training called “News in GDPR,” which was designed for employees who work with personnel data.
4. E-learning training on cyber security for employees working on assigned personal laptops or desktop computers.

SPP - distribúcia

At SPP-D, programmes are not only aimed at further advancing our talent through our Gas Academy, but they are also focused on attracting and providing professional energy experience to students through our Young Gas Worker programme.

The Young Gas Worker programme is designed to prepare students for positions within maintenance and measurement (assembly part of our services).
In September 2021, 5 new students from two secondary schools in Trnava and Levice started their internships, where successful students will be offered jobs within these roles. The programme will be evaluated in May 2022.

The new Gas Academy programme, approved in November 2019, will soon begin training specialists, project managers, and those in lower management to be able to fill technical roles within SPP-D. For employees seeking to advance to management and technical positions, newly recruited staff, and recently promoted managers and technicians, the Gas Academy will provide an opportunity to develop both hard and soft management skills. The programme runs over the course of 12 to 18 months and focuses on teambuilding, mentoring, and rotations. Two training groups are set to begin in March 2022, consisting of 17 internal employees who have passed an internal selection process and have been approved by the company's management as well as newly hired participants (maximum 24 programme participants, divided into two training groups).

Customer relationship management

We understand our leading role in the supply and distribution of power, gas and heat. That is why we work hard to ensure that we reliably meet our customer demands with quality products and services.

EPIF not only ensures compliance with regulatory standards, but we also aim to go beyond the imposed expectations. We do this by taking the time to understand our customers' demands and provide affordable access to basic services accordingly.

The Group is committed to regularly implementing and improving our products and services. Our goal is to be a business that can be a viable option for all.

Our contribution to the SDGs:

EPIF strives to ensure affordable access to modern energy, uphold sustainable consumption patterns and promote inclusive societies. This is accomplished through our continuous interactions with customers.

Customer and product approach

Energy is essential for a country's economic and social development, as well as for facilitating and enriching people's daily lives in the modern world. We have focused on the use of new technologies and developing projects specifically targeted towards creating shared value, so that we can provide access to basic services to all of the communities in which we operate.

Even though our business is regulated by the state in which we operate, we always ensure to offer our customers reasonable prices. Notably, we offer better prices to vulnerable and disadvantaged customers in Slovakia as required by local legislation.

Communication

The companies in the Group have local Ethics Manuals or Codes of Conduct, which follow the *EPIF Group Code of Conduct* as a minimum. It contains processes regarding the expected ethical and transparent business conduct with our customers. Because we place such great importance on providing exceptional services, we have created clear and easily accessible communication channels for our customers. communication channels for our customers.

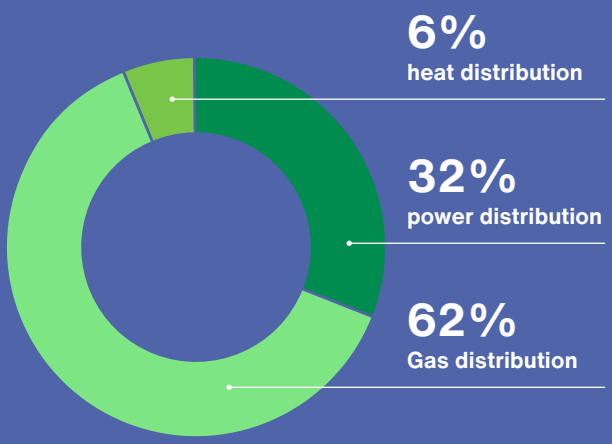
Access to basic services and responsible marketing

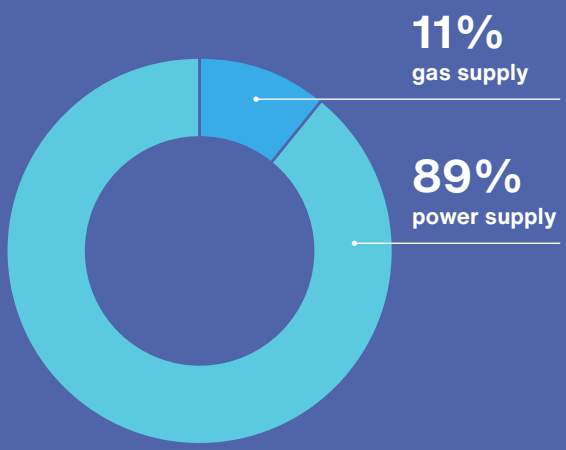
We take various measures to regularly update our customers on information relating to the safety risks associated with our products and services. As an example, our companies have hotlines in place where customers can call in case of emergencies. Additionally, our subsidiaries' websites are frequently updated with important and relevant customer information, such as planned outages. In the case of an emergency, the EPIF Group communicates quickly and transparently with all involved stakeholders and governmental bodies. Our emergency plans include an analysis of possible risks and are designed to incorporate best practices with regards to safety management.

2021 **Highlights**

Our customer service is not exclusively limited to the supply or distribution of our commodities (gas, power and heat). We understand that it is equally important to provide sustainable products along with energy savings in order to achieve EPIF's decarbonisation goals.

2021 scope of our customer relationships





2,456 thsnd.
Total connection points

853 thsnd.
Total customer accounts (supply)

Customer programmes are an effective way for the Group to strengthen its ties with surrounding communities. The positive response to these programmes reinforces EPIF's commitments to their further development and implementation.

Access to basic services

As operators of key infrastructure for transmission, storage and distribution of gas and distribution of electricity and heat, we are aware of our duty to ensure reliable supply of basic commodities, particularly in distribution segments, through which we deliver them to more than 2 million end consumers.

SPP - distribúcia

In our gas distribution business in Slovakia, SPP - distribúcia continues to connect new households or commercial customers every year, although Slovakia is already heavily gasified with 94% of population being connected to the gas distribution network. SPP-D also fulfils the duties of the Slovak national gas dispatching and is responsible for the physical balancing of the network.

Stredoslovenská energetika

Through our subsidiary Stredoslovenská energetika, we operate 2nd largest electricity distribution network in Slovakia. Similarly to SPP-D, the number of connection points has been continuously growing since 2015, while continuity of supplies was ensured through a modern asset base with stable and relatively low SAIDI and SAIFI indices achieved (key indicators measuring network reliability). As some end consumers may critically depend on continuous connection to electricity due to their illness or disability, SSE preferentially communicates with these consumers regarding potential interruptions.

Responsible marketing

Through our subsidiaries EP Energy Trading and Stredoslovenská energetika, we supply electricity and gas to more than 700 thousand customers in Slovakia and the Czech Republic. We strongly refuse to engage in any aggressive sales techniques to enhance customer retention or acquire new customers. EPET is a signatory to the ANDE declaration[26] which obliges all its members to enable all their customers a smooth and prompt change of the energy supplier without unnecessary complications. In addition, as EPET is fully conscious of the customers' weak position in contract negotiations, it voluntarily imposes restrictions in respect of maximum contract length and prolongation periods. Similarly, SSE acts in line with its internal code of conduct, refusing any unethical behaviour as part of its customer acquisition process. As an example, SSE never consciously exposes a newly acquired customer to the risk of sanctions for preliminary termination of the contract with their existing energy supplier.

26 ANDE (2022). Deklarace o společném postupu v oblasti změny dodavatele. https://andecr.cz/deklarace/

Case Study

Customer energy efficiency programmes

Working with our communities to reduce and optimise energy consumption

Stredoslovenská energetika

At Stredoslovenská energetika, we are dedicated to building our online communication through our *Hints and Tips* webpage. This page is dedicated to providing our customers and communities with energy efficiency and energy-related advice.

On our webpage, customers receive practical advice on how to quickly and effectively reduce energy consumption within their homes. They also have the opportunity to learn about other household energy tips, such as the most affordable rates for their homes, how much their electrical appliances consume and the difference between modern LEDs and classical incandescent bulbs.

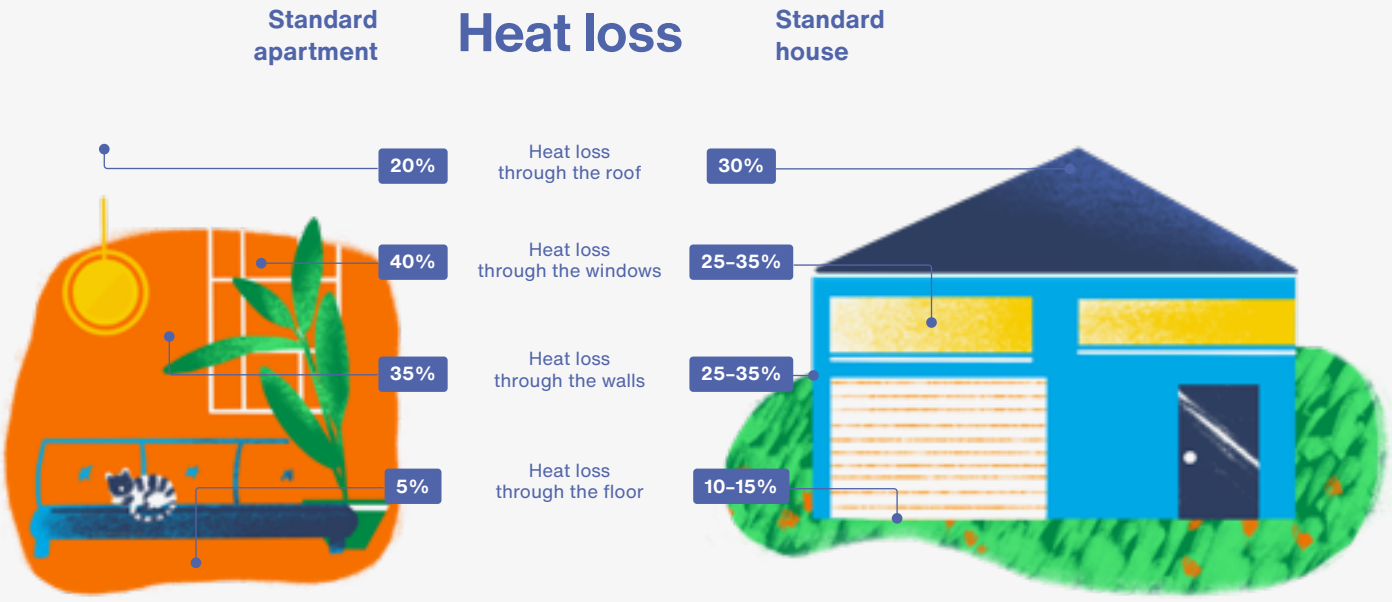


Figure 15: Heat loss infographic for Stredoslovenská energetika.

Our online programme is enriched with SEO content series. They include various article topics, such as the advantages and disadvantages of electrical and gas hobs in Slovakian homes or methods on how to responsibly prepare for the heating season. Overall, we find that our customers show greater interest in renewable sources, along with tips on how to further reduce electricity and gas consumption.

Overall, Stredoslovenská energetika is committed to further educating households in Slovakia about the path to practical and easy to achieve energy efficiency.

Plzeňská teplárenská

At Plzeňská teplárenská, we continuously work on extending the portfolio of services we offer our customers.

We currently provide a monitoring service that collects data relating to energy consumption; it also serves as an alert system in the case of energy failures or accidents. This service allows customers to optimise their energy consumption and reduce energy costs.

As an example, this service is available in several buildings in the Pilsen region. In 2021, energy consumption monitoring devices were installed in two more kindergartens in the city of Pilsen. The project “Monitoring of energy consumption in kindergartens” was awarded the Crystal Chimney prize by the Association for District Heating of the Czech Republic in 2019 during the District Heating and Energy Days.

Development of communities and social action

We recognise the opportunities associated with inclusive and strong community partnerships. Not only does it provide a platform on which we can support each other's growth, but it also aligns us in our efforts to achieving sustainable development.

EPIF is proactive in its community and social efforts, which can be identified through the EPH Foundation.

It is important for us to be a valued member of the communities in which we operate. That is why we continuously seek to create and implement initiatives where we believe we can actively help communities grow and ultimately thrive.

Our contribution to the SDGs:

EPIF works to support community development through social action and partnerships. These partnerships are important in being able to contribute to, and ultimately achieving, sustainable development.

Community development programmes and initiatives

As a key stakeholder, we believe it is important to support and develop the communities in which we operate. Because children are our future, we put greater emphasis on investing in resources that work towards educating our youth, especially with regards to energy efficiency.

EPH Foundation

The EPH Foundation is the main facilitator of all of our Group's community activities, such as those relating to the support of local charities, social initiatives and community development programmes.

Response to 2022 global events:

The Group has taken an active role in assisting Ukrainian refugees, as well as those remaining within the territory of Ukraine during the 2022 Russian invasion.

In Slovakia, the EPH Foundation concentrated its efforts on providing humanitarian aid to those in Slovakia and within the territory of Ukraine. This was mainly in the form of supplies, such as sleeping bags and food.

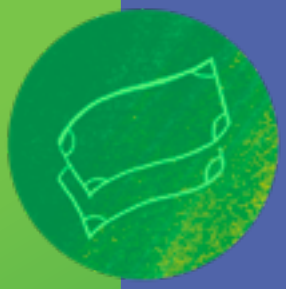
In Czech Republic, the EPH Corporate Group concentrates its efforts on refugees registered within the country, mainly by assisting with housing and professional requalification for them to be able to enter the country's labour market. EPCG allocated EUR 2 million to these efforts, with continued support through a Czech non-profit organisation, once selected by the Group.

Overall, EPH employees continue to contribute funds collected by EPCG to be able to increase the amount of assistance provided to Ukraine.

2021 **Highlights**

In 2021, the EPH Foundation allocated over EUR 1 million and supported over 180 projects categorised as grant and partnership programmes, where:

Grant programmes



€ 666 thsnd.
contributed to projects

Supported over
140 projects

Partnership programmes

€ 361 thsnd.
contributed to projects

Supported over
40 projects

EPH Foundation

Nadácia EPH

EPIF is the founder and primary benefactor of the EPH Foundation, established at the parent company level, which mainly distributes funds amongst grant and partnership programmes.

Grant programmes allow the Group to allocate funds to projects within specific areas of focus.

Through our partnerships, we support public benefit projects in 6 key areas: education and innovation, culture, health and sport, disadvantaged groups, environment, and regional development. Additionally, our partnerships focus on innovation, having a nationwide reach and creating lasting impacts in people's lives.

The Foundation was established mainly to support projects related to:

1. Development and protection of spiritual and cultural values
2. Realization and protection of human rights or other humanitarian goals
3. Protection and creation of the environment
4. Preservation of natural values
5. Health protection
6. Protection of children's and youth's rights
7. Development of science, education and sports
8. Implementation of individually targeted humanitarian aid for an individual or group of persons who have found themselves in danger of death or in need of urgent assistance in the event of a natural disaster

Grant programmes

In 2021, the majority of the programme's contributions were allocated to the programs titled "Municipality,""Oporný bod" and "Podpora jednotlivcov" where approximately:

EUR 266 thsnd.
was contributed to "Municipality"

EUR 150 thsnd.
was contributed to "Oporný bod"

EUR 110 thsnd.
was contributed to local charities in Slovakia

Partner	Project	Activities and project goals	Contribution
APPA Association that assists individuals with disabilities	Improving health through rehabilitation	Our support helps financially disadvantaged families afford rehabilitation at selected centres, as well as medical devices required to help with treatment.	**€ 60,000**
DOM Božieho milosrdenstva, n.o. Hospice for senior citizens	Supporting the facility financially	The facility, with a capacity for 53 seniors, provides the necessary social services and care that occupants require to live healthy lives.	**€ 4,000**
Municipality of Gajary	Alley cropping	The project aims to protect the environment and improve the quality of life for citizens by extending the green infrastructure by developing two areas for alley cropping within the municipality of Gajary.	**€ 30,000**
City of Brezno	Constructing a playground for kindergarteners	The project created a play zone for children from 2–6 years of age and further improved the quality of the facilities in which the children practiced physical activity.	**€ 10,000**

Table 8: Additional information on a few selected grant programme projects in 2021.

Partnership programmes

In 2021, the majority of contribution was allocated to individual partnership projects and the J&T Foundation, where approximately:

EUR 185 thsnd.
was contributed to individual partnership projects

EUR 170 thsnd.
was contributed to the J&T Foundation

Partner	Project	Activities and project goals	Contribution
Zdravie pre Záhorie n.o. Healthcare centre	Improving the healthcare provided to ischaemic stroke patients	Introducing new medical methods to improve the diagnostic process provided to ischaemic stroke patients, thereby helping to provide more effective treatment.	**€ 15,000**
Kolégium Antona Neuwirtha College in Slovakia	Preparing undergraduate students for their future professional endeavours	Providing a programme in which students learn to think critically and apply practical skills within their academics. This is supported by experienced lecturers and seminars based on western practices.	**€ 20,000**
HARMONY, n.o. Rehabilitation centre	Providing new methods of treatment to children with cerebral palsy and musculoskeletal disorders	Providing robotically assisted locomotor (activity-based therapy to help improve walking), assisted, and upper limb therapy, in combination with other dynamic therapy. This project has proven to help patients with varying degrees of disability and improve their functionality.	**€ 30,000**
PHYSIO CANIS, o.z. Therapy centre	Providing physiotherapy and animo therapy (animal assisted) for children with cerebral palsy	Integrating animo therapy into rehabilitation programmes at the Žilina outpatient centre, with a focus on children with neurological diseases in combination with other diseases.	**€ 30,000**
Drahuška a my... o.z. Social centre	Providing employment and supporting the future development of young orphans	Employing young orphans in Drahuškova and providing them with support to help with their future development. This was, for example, accomplished through helping them further explore their personal interests.	**€ 20,000**

Table 9: Additional information on a few selected partnership programme projects in 2021.

Case Study
Long-term partnerships
Working with our regions

Elektrárny Opatovice

EOP is involved in several long-term partnerships, including those with regional universities, hospitals and the non-profit sector. Annually, EOP contributes CZK 400 thousand to education, making investments in scholarship programs and information systems within university libraries. Within the regional health care system, the company contributed CZK 1 million to help with the annual modernisation of equipment. With the non-profit sector, EOP has provided their decommissioned infrastructure (heating substations) to an organisation that focuses on helping those with mental disabilities. The space is used as a café and workshop, where their products, for example, have been provided to medical staff to help boost morale during the pandemic. As a result of EOP's support, this organisation allows for the employment and social support of individuals with disabilities.

CZK 400 thsnd.

Annually, EOP contributes CZK 400 thousand to education

CZK 1 million

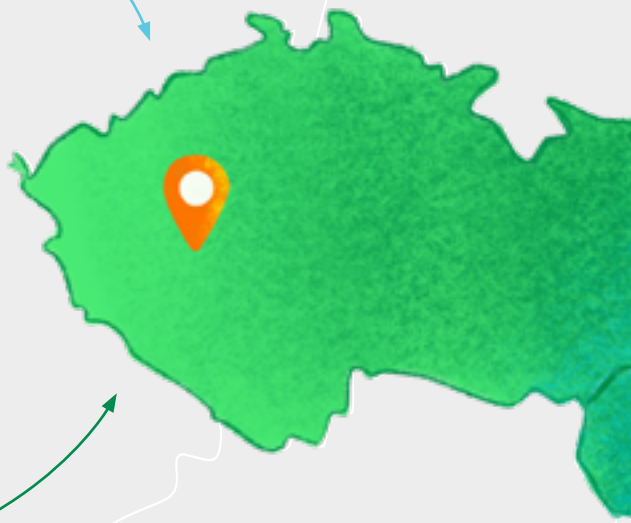
Within the regional health care system, the company contributed CZK 1 million to help with the annual modernisation of equipment.

Community development programmes and initiatives

Public waste-to-energy plant tours

At Plzeňská teplárenská, we organise regular excursions for schools and the general public. These excursions are accompanied by educational programmes (additionally made available in English).

The educational programme is aimed at highlighting **waste as an important secondary source for heat and power production**, with a potential to save primary non-renewable sources.



Green City of Pilsen

The project “Green city” aims to improve the quality of life for Pilsen residents. Particular goals of the project are to have clean air, **clean water, green transport, responsible and environmentally friendly waste management, and a greener city centre.**

This intention united **7 entities**: the city of Pilsen, Pilsen region, company Plzeňské městské dopravní podniky a.s., company Vodárna Plzeň, a.s., company **Plzeňská teplárenská, a.s.**, company Škoda Transportion, a.s., and company Plzeňský Prazdroj, a. s. All of these entities strive to minimise their impact on the environment, while supporting environmental protection.

The ambition of the association is not only to open up the discussion about this topic, but to also expand the association with other entities that could further help **implement the measures for meeting the Green City goals.**

Figure 16: Community programmes and initiatives within the Group.

Educating our youth on energy efficiency

The SSE education programme has established itself as one of Slovakia's most influential energy-related educational activities. The energy efficiency education contest, which is further raising awareness among young professionals about energy efficiency, reaches an average of **100 schools a year**. We have found that this has increased the interest in sustainable energy practices among thousands of young students in Slovakia.

Assurance

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Agreed-Upon Procedures Report

Board of Directors
EP Infrastructure, a.s.
Pařížská 130/26, 110 00
IC: 02 413 507
Prague 1

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Based on the engagement letter dated 25 February 2022 we have been engaged to perform agreed upon procedures relating to below defined indicators included in the EP Infrastructure, a.s. group sustainability report for the year 2021 (hereinafter "the Report") to assist Board of Directors in indicators testing. Our engagement with EP Infrastructure, a.s. (hereinafter "the Company", or in aggregate with its subsidiaries referred as "the Group") was conducted in accordance with the International Standards on Related Services applicable to agreed-upon procedures engagements ISRS 4400.

Our procedures were limited in nature and scope to those defined by you as those are most fitting to your current information needs, and as such may not necessarily identify all significant matters relating to the Company or detect any errors or deviations from the norm in the supporting materials.

Our report is solely for the purpose set forth in the first paragraph of this report. Our report is not to be used for any other purpose or to be distributed to any other parties except for inclusion in the sustainability report for the year 2021 of the Company. This report relates only to Specified Indicators defined above and does not extend to any financial statements of the Company.

Responsibilities of the Engaging Party

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

The sufficiency of the procedures is solely the responsibility of the Company Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which our report is being prepared or for any other purpose.

Responsibility for the sufficiency of the performed procedures rests exclusively with the recipients of this report The procedures that we have carried out are designed to satisfy the Company's information needs.

Practitioner's Responsibilities and Professional Ethics and Quality Control

Our engagement to apply agreed-upon procedures has been performed in accordance with the International Standard on Related Services (ISRS) 4400 – Engagements to Perform Agreed-Upon Procedures Regarding Financial Information as well as with the Code of Ethics for Professional Accountants issued the International Ethics Standards Board for Accountants.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on financial statements of the Company.

Had we performed additional procedures or had we performed an audit or review of the Company's statutory financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Procedures and Findings

Procedures:

We understand that you required us to carry out the procedures on below specified indicators for Czech Republic and Slovakia or at group combined basis (further "Specified Indicators"):

- Total Energy consumption based on GRI standard 302-1, on page 162 of the Report,
- Total Quantity of water withdrawal based on GRI standard 303-1, on page 168 of the Report,
- Total Quantity of water discharged based on GRI standard 306-1, on page 169 of the Report,
- Total Registered injuries – Employees based on GRI standard 403-2 on page 174 of the Report.

Our procedures are defined as follows:

1. Recalculation of Specified Indicators as included in Group support source data file (test of mathematical accuracy of the data collected from individual entities and summarized in the Report).
2. Comparison of the methodology used for calculating the Specified Indicators presented in the Report to relevant guidance of GRI Standards: Core option as defined for such indicators including the GRI reporting limitations stated in the Report on page 143.

3. On sample basis, defined at minimum one company from Czech Republic and Slovakia, compare that data provided by individual companies of the Group were properly transferred to the Group support source data file and compare the values reported by the companies to the underlying documentation.

4. For economic and financial data that consist of Total Sales and Income tax paid as of 31 December 2021 and for the year then ended as presented on the pages 1, 9, 38 and 44 in the Report, marked with ("*") (hereinafter "Selected Financial data") reconcile to the Company`s consolidated financial statements as of 31 December 2021 that form part of the Company`s 2021 Annual Report.

Findings:

1. We recalculated data for the Specified Indicators. Calculation was provided to us by the Company in the form of Group support source data file. We recalculated amounts included in the file and then traced the amounts of Specified Indicators from Group support source data file to respected pages of the Report.

   We did not note any differences.

2. We compared the methodology used by the Group for calculation of Specified Indicators to relevant paragraph of GRI Standards: Core option methodology including the limitations disclosed in the Report on page 143. The Group methodology is defined in the calculation questionnaire. Calculation questionnaire is provided to all companies of the Group.

   The methodology used by the Group for calculation of Specified Indicators, as included in the calculation questionnaire, is in line with the definitions of GRI Standards No. 302 -1, 303 – 1, 306 -1, 403 – 2, Core option including disclosed limitations in the Report on page 143.

3. Based on the table "EPIF reporting scope entities" included in the Report on the pages no. 143 and 144 and minimum scope requirement as described above, the following entities were selected for the testing: Eustream, a.s. (Slovakia), Elektrárny Opatovice, a.s. (Czech Republic) and Plzeňská teplárenská a.s. (Czech Republic) hereinafter "the Entities ".

   We compared data reported by the Entities to the Group in respect of Specified Indicators to the Group support source data file. We did not note any differences.

   We compared data relevant to Specified Indicators as reported in questionnaires prepared by the Entities to the relevant supporting documentation available at the Entities. Relevant supporting documentation included protocols or minutes from measuring signed by relevant persons responsible for the measuring, invoices from energy or water supplier, details from HR system and reports from internal systems.

   We did not note any differences.

4. We reconciled Selected Financial data presented in the Report to Company's consolidated financial statements as of 31 December 2021, as included in the 2021 Annual report, with no difference noted expect effect of rounding, if applicable.

Prague, 9 May 2022

KPMG Česká republika, s.r.o.

Annex

Abbreviations

AA1000	Accountability Stakeholder Engagement Standards
BBS	Behaviour Based Safety
BERT	Budapesti Erőmű
CE	Central Europe: represents a region of the Czech Republic, Slovakia and Austria
CH_4	Methane
CO_2	Carbon dioxide
COP 21	Paris Climate Conference
ADJ. EBITDA	Adjusted EBITDA (”Adj. EBITDA“) represents operating profit plus depreciation of property, plant and equipment and amortisation of intangible assets less negative goodwill (if applicable), adjusted for selected items
EIA	Environmental Impact Assessment
EMS	Environmental Management System
EOP	Elektrárny Opatovice a.s.
EPC	EP Cargo a.s.
EPCG	EP Corporate Group
EPET	EP Energy Trading a.s.
EPH	Energetický a průmyslový holding, a.s. (Parent company)
EPIF	EP Infrastructure a.s.
EPPE	EP Power Europe a.s.
ESG	Environment, Social, Governance
EU	European Union
EUR	Euro currency
GDPR	General Data Protection Regulation
GHG	Greenhouse gases are those currently required by the United Nations Framework Convention on Climate Change and the Kyoto Protocol. These GHGs are currently: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3)
GRI	Global Reporting Initiative
H&S	Health and safety
HSEQ	Health, Safety, Environment, and Quality
IPCC	Intergovernmental Panel on Climate Change
IPCEI	Important Projects of Common European Interest
ISRS 4400	International Standard on Related Services, Engagements to Perform Agreed-Upon Procedures Regarding Financial Information
ISO 14001	Certification of Environmental management system
J&T	J&T Finance Group SE
KYC	“Know your customer” is the process of a business, identifying and verifying the identity of its customers
N_2O	Nitrous oxide
Nafta	NAFTA a.s.
NF_3	Nitrogen trifluoride
NG	Natural gas
NGOs	Non-governmental organisations
NO_x	Nitrogen oxide emissions
O&M	Operation & Maintenance
OHSAS 18001	Occupational Health and Safety Management Systems (superseded by ISO 45001)
PLTEP	Plzeňská teplárenská a.s.
PT	Pražská teplárenská a.s.

SDGs	Sustainable development goals
SF_6	Sulphur hexafluoride
SO_2	Sulphur dioxide
SPP	Slovenský plynárenský priemysel, a.s.
SPP-D	SPP - distribúcia, a.s.
SSE	Stredoslovenská energetika, a.s.
SSD	Stredoslovenská distribučná, a.s. (Subsidiary of SSE)
UE	United Energy a.s.
VIG	Vienna Insurance Group

Units

#	number
%	percentage
p.p.	percentage point
bcm	billion cubic meters
CO_2-eq.	carbon dioxide equivalent
GWh	gigawatt-hour
k	thousand
km	kilometer
m	million
mcm	cubic meter
mil. tonnes	million tonnes
MW	megawatt
MWe	megawatt electrical
MWh	megawatt hour
MWt	megawatt thermal
PJ	petajoule
TJ	terajoule
tkm	tonne-kilometre
TWh	terawatt hour

List of graphs, tables and figures

Restatements of information

1. In previous years, waste intensity was calculated using energy production, this year we made the calculations using EBITDA (data index), as our most waste intensive business activities do not generate energy.

2. Scope 1 GHG emissions reported in previous sustainability reports (2018–2020) did not include direct methane emissions. In this Report, we have included methane emissions for the first time and adjusted data retrospectively from 2017.

Methodology notes

Supporting information related to the 2021 reporting process

Reporting period

EPIF reports on operational data and information that has been collected throughout the 2021 calendar year (same as the fiscal year). Comparative analyses are completed using data from previous calendar years.

Financial and non-financial information is presented within this Report. The information acquired follows the logic of IFRS consolidated financial statements. Therefore, a company acquired on June 30th will be included in the financial performance data that is presented in the period from July 1st to December 31st.

The Report content includes all of our operations in the Czech Republic, Slovakia and Germany. For more information on our countries of operation and legal entities, please refer to the 'EPIF and its Business' section of this Report.

Changes in reporting

Last year, our reporting strategy was to place most of our supporting data into the Annex. This allowed us to condense the narrative for our readers, without compromising the information we wanted to convey. Additionally, we incorporated more infographics and relevant case studies to further engage our readers and aid in the comprehension of the information presented within the Report.

This year, we focused on further condensing the Report for our readers by removing graphs with repetitive information (historical data is represented within the 'Data tables' section of the Annex).

Further information regarding our reporting process can be found in the graphic below.

Reporting process

Figure 17: Reporting process.

Reporting standards

This Report has been prepared in accordance with the GRI Standards[25]: Core option. It was created with **GRI's principles for content and quality** in mind. Further information regarding our materiality and stakeholder engagement approach can be found in the following sections of the Annex.

Principles for report content

	Stakeholder inclusiveness	Sustainability context	Materiality	Completeness
EPIF Group approach	Mapping stakeholders at a local and global level. Assessing stakeholder relevance and engagement. Analysing stakeholder concerns and expectations.	Analysing sustainability frameworks at a global, European and country level. Studying trends in the utility and energy sector, and benchmarking with peers and competitors. Defining future risks and challenges at a local and global level.	Identifying material topics and defining the approach to creating our materiality matrix. Analysing the material topics at all major entities in the scope of our operations.	Conducting a detailed analysis of the data provided by all major entities under management control. Including information on newly acquired companies.

Principles for report quality

	Balance	Comparability & Accuracy	Timeliness	Clarity & Reliability
EPIF Group approach	Identifying the strengths and weaknesses of our operations based on 2021 assessments and long-term goals.	For the majority of indicators, identifying 2017–2021 trends. As well as providing comments on changes made to the scope of the report and any further restatements. Conducting an internal quantitative analysis of identified material topics.	Issuing the 2021 Sustainability Report around the same time as the 2021 Annual Report.	Consulting the accuracy of collected data with entities that closely interact with stakeholders. Engaging with external assurance providers.

Figure 18: GRI principles for report content and quality.

25 GRI Standards 2016 edition.

Report boundaries

The Report boundaries are based on operational control and are applied to all GRI Indicators, except GRI 200 Economic and GRI 400 Social data. To align the financial data within this Report and the EPIF 2021 Annual Report, the data was reported using financial control. As a result, EPIF collected consolidated data from all controlled entities that were deemed material for the purposes of this Report. The list of entities covered by this Report can be found in in the table below.

This Report focuses on the topics that are most material to our business and stakeholders. These topics are addressed in different sections of the Report, with supporting information in the GRI Content Index, which can be found in the Annex of the Report. Further detail on our stakeholder analysis and engagement approaches are provided in the "Stakeholder engagement" section of the Annex.

Organisational boundaries

The table below identifies all of the entities within EPIF's portfolio that were deemed material for the Report. According to EPIF's reporting approach, if entities are acquired within the first two quarters of the reporting period, then their data is included in the consolidated report.

Entity name	Country	Ownership Share	Financial Control	Operational Control
Gas storage				
NAFTA Speicher GmbH & Co. KG	DE	69.0%	Yes	Yes
NAFTA a.s.	SK	69.0%	Yes	Yes
POZAGAS a.s.	SK	62.0%	Yes	Yes
SPP Storage, s.r.o.	SK	49.0%	Yes	Yes
Gas transmission				
eustream, a.s.	SK	49.0%	Yes	Yes
Gas and Power distribution				
EP ENERGY TRADING, a.s.	CZ	100.0%	Yes	Yes
Dobrá Energie, s.r.o.	CZ	100.0%	Yes	Yes
SPP-distribúcia, a.s.	SK	49.0%	Yes	Yes
Stredoslovenská energetika a.s.	SK	49.0%	Yes	Yes
Stredoslovenská distribučná a.s.	SK	49.0%	Yes	Yes

Note: We only included the entities that have a major impact on our operations. For a complete list of entities, please refer to our 2021 consolidated Annual Report.

Table 10: EPIF reporting scope entities.

Entity name	Country	Ownership Share	Financial Control	Operational Control
Heat Infra				
Elektrárny Opatovice, a.s.	CZ	100.0%	Yes	Yes
EP Cargo a.s.	CZ	100.0%	Yes	Yes
EP Sourcing, a.s.	CZ	100.0%	Yes	Yes
United Energy, a.s.	CZ	100.0%	Yes	Yes
Severočeská teplárenská, a.s.	CZ	100.0%	Yes	Yes
Plzeňská teplárenská a.s.	CZ	35.0%	Yes	Yes
Renewables				
Powersun a.s.	CZ	100.0%	Yes	Yes
Triskata, s.r.o.	CZ	100.0%	Yes	Yes
VTE Pchery, s.r.o.	CZ	100.0%	Yes	Yes
Arisun, s.r.o.	SK	100.0%	Yes	Yes
Alternative Energy, s.r.o.	SK	90.0%	Yes	Yes

Table 10: EPIF reporting scope entities (continues).

Note: We only included the entities that have a major impact on our operations.
For a complete list of entities, please refer to our 2021 consolidated Annual Report.

Operational boundaries

For subsidiaries, we set the boundary as the core business operations relating to environmental indicators. This means that we excluded some data from administrative and other non-core facilities, such as electricity for administrative buildings, as we deemed these immaterial. In some circumstances, this information was included, as it could not be separated from underlying data. Additionally, boundaries for environmental indicators are restricted to the physical locations of core operations. Therefore, we excluded data from facilities not located in the physical location of their main operation and whose environmental impact was not deemed material compared to the impact of the main operation.

For our future reporting, we will consider these issues as an area in which we can improve our approach.

Assurance

External assurance was obtained for the material information included in this Report. Additionally, financial information regarding our energy consumption, water withdrawal and discharge, and injury data relating to our facilities located in the Czech Republic, Slovakia, and Hungary, were assured by an independent auditor in accordance with the ISRS 4400 (Agreed-Upon Procedures Engagements). Supplementary assurance statements can be found in the Annex of this Report.

Materiality matrix

In 2021, EPIF reviewed the materiality topics and matrix presented within this Report to ensure that it continues to encompass our impact on people, the economy, and environment, as well as the expectations of our stakeholders. The Group's impacts were mapped based on a deep analysis of external and internal factors, which included analyses at a global, European and country level. Additionally, trends in the utility and energy sector were studied and our performance was benchmarked against our peers and competitors. EPIF also worked to identify future risks and challenges, as further highlighted in the "Governance" section of this Report. Influence on stakeholder assessments and decision-making was mapped through our stakeholder engagement, as highlighted within the "Stakeholder engagement" section of the Annex.

Stakeholder engagement

EPIF considers open and transparent stakeholder dialogue to be an important part of the Group's business activities, as it ensures that we fully understand and effectively address stakeholder concerns.

We are committed to continuously monitoring our stakeholders throughout the year and we ensure to regularly engage with them through a range of channels, as summarised in the table below. The stakeholder analysis performed by EPIF on the Group level is based on input from local stakeholders. In consultation with relevant companies and Group subsidiaries, the main expectations and concerns raised by local stakeholders have been identified.

Stakeholder group	Description	Means of communication	Main expectations
Investors and lenders	These stakeholders are predominantly banks, bond holders and financial institutions whose capital is crucial for EPIF's successful development. Their interest in EPIF's sustainability performance is demonstrated at both the EPIF level and local level, depending on their involvement in financing within the Group.	▪ Investor relations ▪ Annual reports ▪ Presentations	▪ Transparent communication (financial and non-financial reporting) ▪ Risk management ▪ Environmental management
Customers	These stakeholders are very important for EPIF's business, as their decisions determine the Group's success.	▪ Customer service ▪ Satisfaction surveys ▪ EPIF website	▪ Efficient heat, gas and power distribution ▪ Security of supply
Suppliers and contractors	These stakeholders can have both a local and global reach (social and economic performance), which can affect EPIF at the Group or subsidiary level. This holds especially true for contractors who are engaged in centralised processes (e.g. large tenders, IT procurement and pipeline work).	▪ Technical briefings ▪ EPIF website ▪ Informative training	▪ Procurement requirements (environmental and social) ▪ Fair and transparent procurement practices
Labour and trade unions	These stakeholders have a relatively moderate interest in the economic and environmental performance of EPIF's entities. They have a greater interest in EPIF's social performance, both at a local and global level. Strategies that EPIF defines for its labour relations (e.g. employment), involve all entities, therefore they are expressed at the Group level.	▪ Dedicated meetings	▪ Open dialogue and collaboration ▪ Policies relating to human resources ▪ Legislative compliance
Local communities and municipalities	These stakeholders have varying interests in EPIF's sustainability activities, which is based on their origins. EPIF often interacts with these stakeholders during local consultation, as their concerns tend to be legislation-based (e.g. building permits and EIA). The location of these stakeholders determines the level of their interest in EPIF's sustainability activities.	▪ Focus groups ▪ Consultations with opinion makers	▪ Transparency with regards to business activities and their impacts ▪ Local community involvement (active participation) ▪ Crisis risk management

Table 11: Overview of stakeholder engagement.

Stakeholder group	Description	Means of communication	Main expectations
Media	These stakeholders are active at both a local and global level (particularly in the Czech Republic, where EPIF is headquartered).	▪ Press releases ▪ Press conferences ▪ EPIF website	▪ Information transparency ▪ Quick inquiry responses
NGOs	These stakeholders are predominantly Environmental NGOs, therefore there is significant emphasis on environmental activities at both a local and global level. These stakeholders provide valuable information regarding the concerns and expectations of the general public.	▪ Brochures ▪ Bulletins ▪ Conferences	▪ Accountability and transparency ▪ Safety and security of facilities ▪ Environmental management ▪ Reduction of emissions ▪ Fair business practices
Competitors	These stakeholders are concerned with EPIF's economic performance and business environment. Their interest depends on their size and business focus.	▪ Conferences ▪ Sharing of best practices	▪ Compliance and absence of anti-competitive behaviour ▪ Fair business practices ▪ Exchange of best practices
Government and regulators	These stakeholders consist of various national and transnational institutions, making their interest in EPIF's sustainability commitments quite broad. Therefore, both policy decisions and social change strongly influence EPIF's business activities. For example, local groups are concerned with the performance of individual EPIF entities, while European institutions are concerned with EPIF's business from a transverse perspective.	▪ Letters to institutions ▪ Direct meetings ▪ Annual reports	▪ Access to services (continuity of supply) ▪ Regulatory compliance ▪ Transparency and independence
Employees	These stakeholders are engaged in day-to-day business activities. Employees are essential to the operations and growth of our business.	▪ Internal communication ▪ Training	▪ Safe and stable work environment ▪ Equal opportunity ▪ Work-life balance ▪ Professional development ▪ Freedom of association

Table 11: Overview of stakeholder engagement (continue).

GRI Content Index

GRI 102 *General disclosures 2016*

Organisational profile

GRI Standard	Description	Section of the Report	Reference page
102-1	Name of the organization	1 Foreword	4–7
102-2	Activities, brands, products and services	3 EPIF and its business: Business segments overview	39–41
102-3	Location of headquarters	3 EPIF and its business	38
102-4	Location of operations	3 EPIF and its business: EPIF Group Highlights	38
102-5	Ownership and legal form	Annual report reference	EPIF Annual report 2021
102-6	Markets served	3 EPIF and its business: Business segments overview	38
102-7	Scale of the organization	3 EPIF and its business: Business segments overview	38
102-8	Information on employees and other workers	6 Social: Our employees	108–113
102-9	Supply chain	5 Governance: Supply chain management	92–93
102-10	Significant changes to the organization and its supply chain	5 Governance: Supply chain management	92–93
102-11	Precautionary Principle or approach	5 Governance: Risk management at EPIF	94–99
102-12	External initiatives	6 Social: Community involvement and selected social initiatives	120–127
102-13	Membership of associations	–	EPH Foundation Annual report 2021

Strategy

GRI Standard	Description	Section of the Report	Reference page
102-14	Statement from senior decision-maker	1 Foreword	4–7
102-15	Key impacts, risks, and opportunities	2: EPIF's approach to sustainability: Materiality matrix	30
		5 Governance: Risk management at EPIF	94–99

Ethics and integrity

GRI Standard	Description	Section of the Report	Reference page
102-16	Values, principles, standards, and norms of behavior	5 Governance: Our principles and business ethics	86–88
102-17	Mechanisms for advice and concerns about ethics	5 Governance: ESG governance at EPIF	88–89

Governance

GRI Standard	Description	Section of the Report	Reference page
102-18	Governance structure	5 Governance: Corporate governance structure	78–81
102-19	Delegating authority	5 Governance: Corporate governance structure	78–81
102-20	Executive-level responsibility for economic, environmental, and social topics	5 Governance: Corporate governance structure	78–81
102-22	Composition of the highest governance body and its committees	5 Governance: EPIF Board of Directors	82–83
102-23	Chair of the highest governance body	5 Governance: Key people	82
102-33	Communicating critical concerns	5 Governance: ESG governance	89–91

Stakeholder engagement

GRI Standard	Description	Section of the Report	Reference page
102-40	List of stakeholder groups	8 Annex: Stakeholder engagement	146–147
102-41	Collective bargaining agreements	6 Social: Employment and employee development	109
102-42	Identifying and selecting stakeholders	8 Annex: Stakeholder engagement	146–147
102-43	Approach to stakeholder engagement	8 Annex: Stakeholder engagement	146–147
102-44	Key topics and concerns raised	2 EPIF's approach to sustainability: Materiality matrix	30

Reporting practices

GRI Standard	Description	Section of the Report	Reference page
102-45	Entities included in the consolidated financial statements	8 Annex: Methodology notes	143–144
102-46	Defining report content and topic Boundaries	8 Annex: Methodology notes	143–144
102-47	List of material topics	2 EPIF's approach to sustainability: Materiality matrix	30
102-48	Restatements of information	8 Annex: Restatements of information	140
102-49	Changes in reporting	8 Annex: Methodology notes	141
102-50	Reporting period	8 Annex: Methodology notes	141
102-51	Date of most recent report	Colophon	184
102-52	Reporting cycle	8 Annex: Methodology notes	141
102-53	Contact point for questions regarding the report	investorrelations@epinfrastructure.cz	
102-54	Claims of reporting in accordance with the GRI Standards	8 Annex: Reporting standards	142
102-55	GRI content index	GRI Content Index	148–154
102-56	External Assurance	7 Assurance	130–133

GRI 300 *Environment Standards 2016*

Energy

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	4 Environment: Environmental management and monitoring	74–75
103-3	Evaluation of the management approach	5 Governance	76
302-1	Energy consumption	3 EPIF and its business: Energy consumption and efficiency	48–49

Water and Effluents

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	4 Environment: Environmental management and monitoring	74–75
103-3	Evaluation of the management approach	4 Environment: Environmental management system	76
303-1	Quantity of water withdrawn	4 Environment: Water	64–65

Emissions

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	4 Environment: Environmental management and monitoring	74–75
103-3	Evaluation of the management approach	5 Governance	76
305-1	Direct GHG Emissions	4 Environment: GHG emissions	55
305-4	Emissions intensity – electricity only + Emissions intensity – including heat component	4 Environment: Carbon intensity and efficiency	56
305-7	Emissions	4 Environment: Other air pollutants	60–61

Effluents and waste

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	4 Environment: Environmental management and monitoring	74–75
103-3	Evaluation of the management approach	5 Governance	76
306-1	Quantity of water discharged	4 Environment: Water	64–65
306-2	Waste produced/Byproducts production	4 Environment: Effluents and waste	67
		4 Environment: By-products	70–71

Environmental compliance

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	4 Environment: Environmental management and monitoring	74–75
103-3	Evaluation of the management approach	5 Governance	76
307-1	Environmental fines	5 Governance: Fair conduct	86–87

GRI 400 *Social Standards 2016*

Employment

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	6 Social: Employment and employee development	108
103-3	Evaluation of the management approach	5 Governance	76
401-1	New hires and employee turnover	6 Social: Employment and employee development	111

Occupational health and safety

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	6 Social: Health and safety management at EPIF	104–105
103-3	Evaluation of the management approach	5 Governance	76
403-2	Employee on the job injuries, contractors on the job injuries	6 Social: Health & safety	102–103

Training and education

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	6 Social: Employee development	112–113
103-3	Evaluation of the management approach	5 Governance	76
404-1	Training	6 Social: Employee development	112–113

Marketing and labeling

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	6 Social: Customer relationship management	114
103-3	Evaluation of the management approach	5 Governance	76
417-2	Incidents of non-compliance concerning product and service information and labeling	5 Governance: Fair conduct	86–87

Socioeconomic compliance

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	5 Governance: Risk and crisis management	94
103-3	Evaluation of the management approach	5 Governance	76
419-1	Other significant fines	5 Governance: Fair conduct	86–87

GRI 200 *Economic Standards 2016*

Economic performance

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	Annual report reference	EPIF Annual report 2021
103-3	Evaluation of the management approach	5 Governance	76
201-1	Direct economic value generated and distributed	Annual report reference	EPIF Annual report 2021
201-3	Defined planned obligations and other retirement plans	Annual report reference	EPIF Annual report 2021

Anti-corruption

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 EPIF's approach to sustainability: Materiality matrix	30
103-2	The management approach and its components	5 Governance: ESG governance	89–91
103-3	Evaluation of the management approach	5 Governance	76
205-2	Communication and training about anticorruption policies and procedures	5 Governance: ESG governance	89–91

Performance indicators

Data reported for the whole year or from date of acquisition of particular plant excluding share participations. For more information please refer to the Methodology note in the Annex, pages 143–144, Table 10.

EP Infrastructure and its business

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Electricity – Total**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	900	900	1,031	1,031	868	–	0%
	Slovakia	MW	68	68	68	67	67	0	0%
	Hungary	MW	–	–	396	396	396	–	
	Total – EP Infrastructure	**MW**	**968**	**968**	**1,495**	**1,494**	**1,331**	**0**	**0%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Electricity – Conventional sources**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	854	878	1,008	1,008	859	(24)	(3%)
	Slovakia	MW	50	50	50	50	50	–	0%
	Hungary	MW	–	–	396	396	396	–	
	Total – EP Infrastructure	**MW**	**904**	**928**	**1,454**	**1,454**	**1,305**	**(24)**	**(3%)**

EP Infrastructure and its business

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Electricity – Renewable sources**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	47	23	23	23	9	24	106%
	Slovakia	MW	18	18	18	17	17	0	0%
	Germany	MW	–	–	–	–	–	–	–
	Hungary	MW	–	–	–	–	–	–	–
	Total – EP Infrastructure	**MW**	**64**	**40**	**40**	**40**	**26**	**24**	**59%**

Note: Lynemouth biomass conversion project was in progress from 2016. Production from biomass started in 2018.

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Heat**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	3,015	3,085	4,136	4,223	3,519	(70)	(2%)
	Hungary	MW	–	–	1,401	1,401	1,401	–	
	Total – EP Infrastructure	**MW**	**3,015**	**3,085**	**5,537**	**5,624**	**4,920**	**(70)**	**(2%)**

Fuel

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Electricity – Total**								
EU1	**EP Infrastructure**								
	Conventional sources	MW	904	928	1,454	1,454	1,305	(24)	(3%)
	Renewable sources	MW	64	40	40	40	26	24	59%
	Total – EP Infrastructure	**MW**	**968**	**968**	**1,495**	**1,494**	**1,331**	**0**	**0%**

EP Infrastructure and its business

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Electricity – Conventional sources**								
EU1	**EP Infrastructure**								
	Hard coal	MW	–	–	110	110	110	–	
	Lignite	MW	824	848	848	848	707	(24)	(3%)
	CCGT	MW	–	–	396	396	396	–	
	OCGT and other NG	MW	50	50	71	71	71	–	0%
	Oil	MW	20	20	20	20	21	–	0%
	Other	MW	11	11	11	11	–	–	0%
	Total – EP Infrastructure	**MW**	**904**	**928**	**1,454**	**1,454**	**1,305**	**(24)**	**(3%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Electricity – Renewable sources**								
EU1	**EP Infrastructure**								
	Wind	MW	6	6	6	6	6	–	0%
	Photovoltaic	MW	15	15	15	15	15	0	0%
	Hydro	MW	3	3	3	3	3	(0)	(3%)
	Biomass	MW	37	14	14	14	–	24	177%
	Other	MW	3	3	3	3	3	0	6%
	Total – EP Infrastructure	**MW**	**64**	**40**	**40**	**40**	**26**	**24**	**59%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU1	**Net installed capacity – Heat**								
EU1	**EP Infrastructure**								
	Hard coal	MW	–	–	242	242	242	–	
	Lignite	MW	2,600	2,767	2,767	2,872	2,239	(167)	(6%)
	CCGT	MW	–	–	1,401	1,401	1,401	–	
	OCGT and other NG	MW	18	18	822	804	804	–	0%
	Oil	MW	229	229	234	234	234	–	0%
	Biomass	MW	136	39	39	39	–	97	252%
	Other	MW	32	32	32	32	–	–	0%
	Total – EP Infrastructure	**MW**	**3,015**	**3,085**	**5,537**	**5,624**	**4,920**	**(70)**	**(2%)**

EP Infrastructure and its business

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net power production – Total**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	2.5	2.0	1.9	2.6	2.3	0.5	26%
	Slovakia	TWh	0.0	0.0	0.0	0.0	0.0	0.0	7%
	Hungary	TWh	–	1.3	1.4	1.2	1.3	(1.3)	(100%)
	Total – EP Infrastructure	**TWh**	**2.6**	**3.3**	**3.4**	**3.9**	**3.7**	**(0.8)**	**(23%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net power production – Conventional sources**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	2.3	1.8	1.8	2.5	2.3	0.4	25%
	Slovakia	TWh	0.0	0.0	0.0	0.0	0.0	0.0	328%
	Hungary	TWh	–	1.3	1.4	1.2	1.3	(1.3)	(100%)
	Total – EP Infrastructure	**TWh**	**2.3**	**3.1**	**3.2**	**3.7**	**3.7**	**(0.9)**	**(27%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net power production – Renewable sources**								
EU2	**EP Infrastructure**								
	Czech Republic	GWh	256	174	155	176	11	81.8	47%
	Slovakia	GWh	32	31	30	28	29	1.5	5%
	Total – EP Infrastructure	**GWh**	**288**	**205**	**184**	**204**	**40**	**83.4**	**41%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net heat production**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	2.7	2.6	2.6	2.6	2.0	0.2	6%
	Hungary	TWh	–	1.5	1.7	1.7	1.9	(1.5)	(100%)
	Total – EP Infrastructure	**TWh**	**2.7**	**4.0**	**4.3**	**4.3**	**3.9**	**(1.3)**	**(33%)**

EP Infrastructure and its business

For the year ended 31 December 2021

Fuel

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net power production – Total**								
EU2	**EP Infrastructure**								
	Conventional sources	TWh	2.3	3.1	3.2	3.7	3.7	(0.9)	(27%)
	Renewable sources	TWh	0.3	0.2	0.2	0.2	0.0	0.1	41%
	Total – EP Infrastructure	**TWh**	**2.6**	**3.3**	**3.4**	**3.9**	**3.7**	**(0.8)**	**(23%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net power production – Conventional sources**								
	EP Infrastructure								
	Lignite	TWh	2.2	1.8	1.7	2.4	2.3	0.4	25%
	CCGT	TWh	–	1.3	1.4	1.2	1.3	(1.3)	(100%)
	OCGT and other NG	TWh	0.0	0.0	0.0	0.0	0.0	0.0	328%
	Oil	TWh	–	–	(0.0)	(0.0)	(0.0)	–	
	Other	TWh	0.0	0.0	0.0	0.0	–	0.0	4%
	Total – EP Infrastructure	**TWh**	**2.3**	**3.1**	**3.2**	**3.7**	**3.7**	**(0.9)**	**(27%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net power production – Renewable sources**								
EU2	**EP Infrastructure**								
	Wind	GWh	5	8	9	7	7	(3)	(35%)
	Photovoltaic	GWh	17	17	16	17	17	0	1%
	Hydro	GWh	6	7	6	5	5	(1)	(8%)
	Biomass	GWh	247	162	142	166	–	85	52%
	Other	GWh	13	11	10	10	10	2	18%
	Total – EP Infrastructure	**GWh**	**288**	**205**	**184**	**204**	**40**	**83**	**41%**

EP Infrastructure and its business

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Net heat production**								
EU2	**EP Infrastructure**								
	Lignite	TWh	2.5	2.3	2.3	2.3	1.9	0.2	9%
	CCGT	TWh	–	1.5	1.7	1.7	1.9	(1.5)	(100%)
	CCGT & other natural gas	TWh	0.0	0.1	0.0	0.1	0.2	(0.1)	(99%)
	Oil	TWh	0.0	0.0	0.0	0.0	0.0	(0.0)	(67%)
	Biomass	TWh	0.2	0.2	0.2	0.2	–	0.0	20%
	Other	TWh	0.1	0.1	0.1	0.1	–	(0.0)	(24%)
	Total – EP Infrastructure	**TWh**	**2.7**	**4.0**	**4.3**	**4.3**	**3.9**	**(1.3)**	**(33%)**

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
EU2	**Total net energy production**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	5.3	4.6	4.5	5.2	4.4	0.7	15%
	Slovakia	TWh	0.0	0.0	0.0	0.0	0.0	0.0	7%
	Hungary	TWh	–	2.8	3.1	2.9	3.2	(2.8)	(100%)
	Total – EP Infrastructure	**TWh**	**5.3**	**7.4**	**7.6**	**8.2**	**7.6**	**(2.1)**	**(28%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-9	**Heat supplied**								
102-7	**EP Infrastructure**								
	Czech Republic	PJ	8.4	13.9	16.5	16.5	15.2	(5.5)	(40%)
	Hungary	PJ	–	5.6	6.0	6.2	6.7	(5.6)	(100%)
	Total – EP Infrastructure	**PJ**	**8.4**	**19.4**	**22.5**	**22.7**	**21.9**	**(11.1)**	**(57%)**

EP Infrastructure and its business

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-9	**Number of connection points**								
	Gas distribution								
	Residential	#	1,451,567	1,450,070	1,445,885	1,442,984	1,438,423	1,497	0%
	Industrial	#	699	707	717	715	705	(8)	(1%)
	Commercial & Institutional	#	79,838	79,731	79,290	79,189	78,891	107	0%
	Total	**#**	**1,532,104**	**1,530,508**	**1,525,892**	**1,522,888**	**1,518,019**	**1,596**	**0%**
	Power distribution								
	Residential	#	681,749	674,885	669,224	663,641	658,327	6,864	1%
	Mid-size	#	86,208	5,255	5,287	5,337	5,347	80,953	1540%
	Large	#	5,220	85,602	85,604	85,128	85,018	(80,382)	(94%)
	Total	**#**	**773,177**	**765,742**	**760,115**	**754,106**	**748,692**	**7,435**	**1%**
	Heat distribution								
	Total	**#**	**151,015**	**150,179**	**383,800**	**381,300**	**333,800**	**836**	**1%**
	Total number of connection points	**#**	**2,456,296**	**2,446,429**	**2,669,807**	**2,658,294**	**2,600,511**	**9,867**	**0%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-9	**Number of customer accounts – Supply**								
	Electricity supply								
	Residential	#	672,288	564,885	555,689	555,831	563,260	107,403	19%
	Mid-size	#	63,486	86,926	54,265	53,667	53,369	(23,440)	(27%)
	Large	#	22,565	25,150	24,442	22,637	23,591	(2,585)	(10%)
	Total electricity	**#**	**758,339**	**676,961**	**634,396**	**632,135**	**640,220**	**81,378**	**12%**
	Gas supply								
	Residential	#	88,492	55,149	22,075	13,546	9,898	33,343	60%
	Mid-size	#	5,200	7,661	2,713	2,312	1,977	(2,461)	(32%)
	Large	#	629	878	212	226	265	(249)	(28%)
	Total gas	**#**	**94,321**	**63,688**	**25,000**	**16,084**	**12,140**	**30,633**	**48%**
	Total number of customer accounts	**#**	**852,660**	**740,649**	**659,396**	**648,219**	**652,360**	**112,011**	**15%**

Environment / Climate change and energy

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN3	**Energy consumption**								
302-1	**EP Infrastructure**								
	Czech Republic	PJ	42.7 (*)	36.0 (*)	35.2 (*)	44.5 (*)	38.7 (*)	6.7	19%
	Slovakia	PJ	3.5 (*)	4.2 (*)	9.0 (*)	6.5 (*)	7.1	(0.7)	(18%)
	Germany	PJ	0.5	0.2	0.3	–	–	0.3	129%
	Hungary	PJ	–	13.0	14.3 (*)	12.9 (*)	14.1	(13.0)	(100%)
	Total – EP Infrastructure	**PJ**	**46.6**	**53.3**	**58.7**	**63.9**	**59.9**	**(6.7)**	**(13%)**

(*) This data has received limited assurance from the independent auditing firm KPMG. Scope in 2021: CZ: 2 companies. SK: 1 company

Fuel

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN3	**Energy consumption**								
302-1	**EP Infrastructure**								
	Hard Coal	PJ	–	–	–	2.4	6.0	–	–
	Lignite	PJ	37.3	31.7	31.2	37.7	31.5	5.5	17%
	Natural Gas	PJ	3.8	17.6	23.9	20.0	22.1	(13.8)	(78%)
	Oil	PJ	0.0	0.0	0.0	0.0	0.2	(0.0)	(5%)
	Diesel	PJ	0.0	0.0	0.0	0.0	0.0	(0.0)	(13%)
	Purchased Electricity	PJ	0.3	0.2	0.2	0.1	0.1	0.2	118%
	Biomass	PJ	4.1	2.8	2.4	2.7	–	1.3	49%
	Other	PJ	1.0	1.0	1.0	0.9	0.0	(0.0)	(1%)
	Total – EP Infrastructure	**PJ**	**46.6**	**53.3**	**58.7**	**63.9**	**59.9**	**(6.7)**	**(13%)**

Environment / Climate change and energy

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Direct GHG Emissions (Scope 1) by segment**								
305-1	**EP Infrastructure**								
	CO_2 emissions	million tons CO_2 eq.	3.5	3.8	4.1	4.8	4.7	(0)	(8%)
	Methane emissions	million tons CO_2 eq.	0.3	0.4	0.3	0.3	0.3	(0.1)	(0.2)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.7**	**4.1**	**4.4**	**5.1**	**5.0**	**(0.4)**	**(0.1)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Natural gas emissions**								
305-1	**EP Infrastructure**								
	Gas emissions – fugitive	thsnd. m^3	11,402	15,387	11,472	12,141	13,421	(3,985)	(26%)
	Gas emissions – venting	thsnd. m^3	3,592	4,473	4,155	3,955	4,469	(0.882)	(20%)
	Gas emissions – flaring	thsnd. m^3	0.026	0.004	0.003	0.004	0.003	0.022	596%
	Gas emissions – incomplete combustion	thsnd. m^3	0.106	0.101	0.159	0.130	0.152	0.005	5%
	Gas emissions – other	thsnd. m^3	–	–	–	–	–	–	
	Total – EP Infrastructure	**thsnd. m^3**	**15,126**	**19,965**	**15,789**	**16,230**	**18,045**	**(4,840)**	**(24%)**

Environment / Air emissions

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Methane emissions**								
305-1	**EP Infrastructure**								
	Gas transmission	ton	2,574	3,108	2,494	2,343	3,243	(534)	(17%)
	Gas distribution	ton	6,819	9,497	7,208	7,477	7,797	(2,678)	(28%)
	Gas storage	ton	581	612	763	954	904	(31)	(5%)
	Total – EP Infrastructure	**ton**	**9,974**	**13,217**	**10,465**	**10,773**	**11,944**	**(3,243)**	**(25%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Methane emissions as CO_2 equivalent**								
305-1	**EP Infrastructure**								
	Gas transmission	ton CO_2 eq.	72,072	87,031	69,831	65,605	90,807	(14,959)	(17%)
	Gas distribution	ton CO_2 eq.	190,935	265,910	201,826	209,344	218,303	(74,975)	(28%)
	Gas storage	ton CO_2 eq.	16,269	17,141	21,355	26,698	25,311	(872)	(5%)
	Total – EP Infrastructure	**ton CO_2 eq.**	**279,276**	**370,082**	**293,012**	**301,647**	**334,421**	**(90,806)**	**(25%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Direct CO_2 emissions (Scope 1) by segment**								
305-1	**EP Infrastructure**								
	Gas transmission	million tons CO_2 eq.	0.1	0.2	0.4	0.3	0.3	(0.0)	(28%)
	Gas and power distribution	million tons CO_2 eq.	0.0	0.0	0.0	0.0	0.0	0.0	46%
	Gas storage	million tons CO_2 eq.	0.1	0.0	0.1	0.0	0.0	0.0	54%
	Heat Infrastructure	million tons CO_2 eq.	3.3	3.5	3.6	4.5	4.3	(0.3)	(8%)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.5**	**3.8**	**4.1**	**4.8**	**4.7**	**(0.3)**	**(8%)**

Environment / Air emissions

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Direct CO_2 Emissions (Scope 1)**								
305-1	**EP Infrastructure**								
	Czech Republic	million tons CO_2 eq.	3.3	2.8	2.8	3.7	3.5	0.5	16%
	Slovakia	million tons CO_2 eq.	0.2	0.2	0.4	0.3	0.4	(0.0)	(22%)
	Germany	million tons CO_2 eq.	0.0	0.0	0.0	–	–	0.0	187%
	Hungary	million tons CO_2 eq.	–	0.7	0.8	0.7	0.8	(0.7)	(100%)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.5**	**3.8**	**4.1**	**4.8**	**4.7**	**(0.3)**	**(8%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**Procured and granted emissions consumed**								
305-1	**EP Infrastructure**								
	Procured allowances consumed	million tons CO_2 eq.	3.3	3.3	3.0	3.2	2.8	(0.0)	0%
	Granted allowances consumed	million tons CO_2 eq.	0.2	0.5	1.1	1.6	1.9	(0.3)	(58%)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.5**	**3.8**	**4.1**	**4.8**	**4.7**	**(0.3)**	**(8%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN15	**CO_2 Emissions intensity – Including heat component**								
305-1	**EP Infrastructure**								
	Czech Republic	ton CO_2 eq./GWh	623	617	625	714	797	6	1%
	Slovakia	ton CO_2 eq./GWh	17	5	8	9	26	11	206%
	Germany	ton CO_2 eq./GWh	–	–	–	–	–	–	
	Hungary	ton CO_2 eq./GWh	–	260	258	247	250	–	
	Total – EP Infrastructure	**ton CO_2 eq./GWh**	**619**	**480**	**474**	**544**	**564**	**139**	**29%**

Environment / Air emissions

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN3	**Indirect CO_2 Emissions (Scope 2)**								
305-2	**EP Infrastructure**								
	Czech Republic	ton CO_2 eq.	8,698	32,960	24,726	28,540		(24,262)	(74%)
	Slovakia	ton CO_2 eq.	6,837	5,719	6,193	6,187		1,119	20%
	Germany	ton CO_2 eq.	2,216	2,651	1,354	–		(435)	(16%)
	Hungary	ton CO_2 eq.	–	**2,751**	**3,026**	**5,149**		**(2 751)**	**(100%)**
	Total – EP Infrastructure	ton CO_2 eq.	**17,751**	**44,080**	**35,299**	**39,876**	**–**	**(26 329)**	**(60%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN18	**GHG Emissions intensity in respect of total sales (Scope 1 + Scope 2)**								
	EP Infrastructure	tonne CO_2 eq./EURm	**1,247**	**1,188**	**1,182**	**1,570**	**1,499**	**59**	**5%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN21	**Total SO_2 emissions**								
305-7	**EP Infrastructure**								
	Czech Republic	thousand tons	3.3	4.6	5.3	7.8	7.7	(1.4)	(29%)
	Slovakia	thousand tons	0.0	0.0	0.0	0.0	0.0	(0.0)	0%
	Hungary	thousand tons	–	–	0.0	0.0	–	–	
	Total – EP Infrastructure	**thousand tons**	**3.3**	**4.6**	**5.3**	**7.8**	**7.7**	**(1.4)**	**(29%)**

Environment / Air emissions

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN21	**Total NO_x emissions**								
305-7	**EP Infrastructure**								
	Czech Republic	thousand tons	3.1	2.7	3.0	3.8	3.4	0.4	17%
	Slovakia	thousand tons	0.2	0.2	0.4	0.3	0.3	(0.0)	(5%)
	Hungary	thousand tons	–	0.4	0.4	0.4	0.5	(0.4)	(100%)
	Total – EP Infrastructure	**thousand tons**	**3.3**	**3.2**	**3.8**	**4.5**	**4.2**	**0.0**	**1%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN21	**Total dust emissions**								
305-7	**EP Infrastructure**								
	Czech Republic	thousand tons	0.1	0.1	0.1	0.2	0.3	(0.0)	(5%)
	Slovakia	thousand tons	0.0	0.0	0.0	0.0	0.0	(0.0)	(11%)
	Hungary	thousand tons	–	–	0.0	–	0.0	–	–
	Total – EP Infrastructure	**thousand tons**	**0.1**	**0.1**	**0.1**	**0.2**	**0.3**	**(0.0)**	**(5%)**

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN21	**SO_2 emissions intensity**								
305-7	**EP Infrastructure**								
	Czech Republic	ton/GWh	0.62	1.02	1.19	1.50	1.75	(0.4)	(39%)
	Slovakia	ton/GWh	0.09	0.10	0.01	0.01	0.01	(0.0)	(6%)
	Hungary	ton/GWh	–	–	0.00	0.00	–	–	
	Total – EP Infrastructure	**ton/GWh**	**0.62**	**0.63**	**0.70**	**0.95**	**1.01**	**(0.0)**	**(2%)**

Environment / Water

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN21	**NO_x emissions intensity**								
305-7	**EP Infrastructure**								
	Czech Republic	ton/GWh	0.59	0.58	0.66	0.71	0.78	0.0	2%
	Slovakia	ton/GWh	0.40	0.44	0.57	0.61	0.56	(0.0)	(10%)
	Hungary	ton/GWh	–	0.14	0.14	0.15	0.15	(0.1)	(100%)
	Total – EP Infrastructure	**ton/GWh**	**0.59**	**0.41**	**0.45**	**0.51**	**0.52**	**0.2**	**42%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN21	**Dust emissions intensity**								
305-7	**EP Infrastructure**								
	Czech Republic	ton/GWh	0.02	0.02	0.03	0.04	0.06	(0.00)	(17%)
	Slovakia	ton/GWh	0.02	0.02	0.02	0.02	0.02	0.00	0%
	Hungary	ton/GWh	–	–	0.00	–	0.00	–	
	Total – EP Infrastructure	**ton/GWh**	**0.02**	**0.01**	**0.02**	**0.03**	**0.03**	**0.00**	**33%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN8	**Quantity of water withdrawn**								
303-1	**EP Infrastructure**								
	Czech Republic	million m³	40.7 (*)	30.6 (*)	52.7 (*)	72.9 (*)	127.2	10.1	33%
	Slovakia	million m³	0.0 (*)	0.0 (*)	0.0 (*)	0.0 (*)	0.0	0.0	28%
	Germany	million m³	0.0	0.0	0.0	–	–	(0.0)	(29%)
	Hungary	million m³	–	12.9	14.4 (*)	10.4 (*)	14.8	(12.9)	(100%)
	Total – EP Infrastructure	**million m³**	**40.8**	**43.6**	**67.1**	**83.3**	**142.1**	**(2.8)**	**(6%)**

(*) This data has received limited assurance from the independent auditing firm KPMG. Scope in 2021: CZ: 2 companies. SK: 1 company

Environment / Water

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN22	**Quantity of water discharged**								
306-1	**EP Infrastructure**								
	Czech Republic	million m³	34.1 (*)	23.8 (*)	46.4 (*)	65.3 (*)	122.0	10	43%
	Slovakia	million m³	0.1 (*)	0.2 (*)	0.1 (*)	0.1 (*)	0.1	(0)	(30%)
	Germany	million m³	0.0	0.0	0.0	–	–	0	198%
	Hungary	million m³	–	12.9	13.8 (*)	9.8 (*)	14.4	(13)	(100%)
	Total – EP Infrastructure	**million m³**	**34.2**	**37.0**	**60.4**	**75.3**	**136.5**	**(3)**	**(7%)**

(*) This data has received limited assurance from the independent auditing firm KPMG. Scope in 2021: CZ: 2 companies. SK: 1 company

Type

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN8	**Quantity of water withdrawn**								
303-1	**EP Infrastructure**								
	Surface water	million m³	40.7	42.9	65.6	82.0	140.5	(2.3)	(5%)
	Ground water	million m³	0.1	0.1	0.1	0.1	0.1	0.0	7%
	Municipal water supplies or other water utilities	million m³	0.1	0.1	0.8	0.7	0.9	(0.1)	(43%)
	Other	million m³	–	0.5	0.6	0.5	0.7	(0.5)	(100%)
	Total – EP Infrastructure	**million m³**	**40.8**	**43.6**	**67.1**	**83.3**	**142.1**	**(2.8)**	**(6%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN8	**Cooling Water**								
303-1	**EP Infrastructure**								
	Cooling water – withdrawal	million m³	38.7	41.2	64.1	79.9	138.8	(2.5)	(6%)
	Cooling water – discharge	million m³	32.0	34.2	57.3	71.7	133.2	(2.2)	(6%)
	Total – EP Infrastructure – Usage	**million m³**	**6.7**	**6.9**	**6.8**	**8.2**	**5.6**	**(0.2)**	**(3%)**

Environment / Water

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN8	**Water intensity in respect of energy produced (all segments)**								
303-1	EP Infrastructure	thousand m^3/GWh	7.7	5.9	8.8	10.1	18.7	1.8	31%

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN8	**Water intensity in respect of revenues**								
303-1	EP Infrastructure	thousand m^3/EURm	14.6	13.6	19.3	27.0	45.8	1.0	7%

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Byproducts – Total production**								
306-2	**EP Infrastructure**								
	Czech Republic	thousand tons	1,288	1,084	1,119	1,488	1,496	205	19%
	Hungary	thousand tons	–	0	0	0	0	(0)	(100%)
	Total – EP Infrastructure	**thousand tons**	**1,288**	**1,084**	**1,119**	**1,488**	**1,497**	**204**	**19%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Waste other than byproducts – Total production**								
306-2	**EP Infrastructure**								
	Czech Republic	thousand tons	2	3	2	3	2	(1)	(28%)
	Slovakia	thousand tons	45	44	42	36	40	1	3%
	Germany	thousand tons	2	1	1	–	–	1	277%
	Hungary	thousand tons	–	0	0	0	0	(0)	(100%)
	Total – EP Infrastructure	**thousand tons**	**48**	**47**	**44**	**39**	**43**	**2**	**3%**

Environment / Effluents and waste

For the year ended 31 December 2021

Type

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Byproducts – Total production**								
306-2	**EP Infrastructure**								
	Additised granulate	thousand tons	326	238	215	332	479	88	37%
	Ash	thousand tons	522	481	489	564	487	40	8%
	Slag	thousand tons	185	150	161	224	188	35	24%
	Gypsum	thousand tons	163	119	139	172	155	44	37%
	Additional material – hydrated lime	thousand tons	9	10	15	28	23	(1)	(12%)
	Additional material – water	thousand tons	74	84	97	168	165	(10)	(12%)
	Other own production	thousand tons	2	2	2	2	–	0	29%
	Total – EP Infrastructure	**thousand tons**	**1,288**	**1,084**	**1,119**	**1,488**	**1,497**	**204**	**19%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Byproducts – Total means of disposal**								
306-2	**EP Infrastructure**								
	Sales	thousand tons	318	268	169	128	136	49	18%
	Storage – own stock	thousand tons	145	109	157	209	149	36	33%
	Storage – external	thousand tons	176	193	211	214	82	(16)	(8%)
	Stabilizate production	thousand tons	627	509	578	930	1,127	118	23%
	Storage – chargeable waste	thousand tons	23	5	3	7	2	18	388%
	Total – EP Infrastructure	**thousand tons**	**1,288**	**1,084**	**1,119**	**1,488**	**1,497**	**204**	**19%**

Environment / Effluents and waste

For the year ended 31 December 2021

Type

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Waste other than byproducts – Total production**								
306-2	**EP Infrastructure**								
	Non-hazardous waste	thousand tons	47.3	45.9	42.8	36.7	41.1	1.4	3%
	Hazardous waste	thousand tons	1.1	0.9	1.7	1.8	1.7	0.3	30%
	Total – EP Infrastructure	**thousand tons**	**48.4**	**46.8**	**44.5**	**38.5**	**42.7**	**1.6**	**3%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Waste other than by products – Non-hazardous – Disposal**								
306-2	**EP Infrastructure**								
	Recycling	thousand tons	21.8	17.7	19.1	14.5	6.2	4.1	23%
	Landfill	thousand tons	3.0	2.8	3.9	4.2	3.1	0.2	8%
	Other	thousand tons	22.4	25.4	19.8	18.0	31.8	(3.0)	(12%)
	Total – EP Infrastructure	**thousand tons**	**47.3**	**45.9**	**42.8**	**36.7**	**41.1**	**1.4**	**3%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Waste other than by products – Hazardous – Disposal**								
306-2	**EP Infrastructure**								
	Recycling	thousand tons	0.3	0.4	0.3	0.2	0.7	(0.1)	(23%)
	Landfill	thousand tons	0.2	0.2	1.1	1.4	0.5	0.0	0%
	Other	thousand tons	0.6	0.3	0.3	0.3	0.4	0.4	130%
	Total – EP Infrastructure	**thousand tons**	**1.1**	**0.9**	**1.7**	**1.8**	**1.7**	**0.3**	**30%**

Environment / Effluents and waste

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
G4-EN23	**Waste intensity in respect of revenues**								
306-2									
	EP Infrastructure	tonnes per EURm	17.4	14.6	12.8	12.5	13.8	2.7	19%

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
	Fines								
	EP Infrastructure								
307-1	Environmental Fines	EURm	0.0	0.0	0.0	0.0	0.0	(0.0)	(98%)
417-2	Use of Products/ Services Fines	EURm	–	–	–	–	–	–	
419-1	Other Significant Fines	EURm	0.0	0.1	–	–	–	(0.1)	(67%)
	Total – EP Infrastructure	**EURm**	**0.0**	**0.1**	**0.0**	**0.0**	**0.0**	**(0.1)**	**(67%)**

Social / Occupational health and safety

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Fatal injuries – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	–	–	–	–	–	–	
	Slovakia	#	–	–	–	–	1	–	
	Germany	#	–	–	–	–	–	–	
	Hungary	#	–	–	–	–	–	–	
	Netherlands	#	–	–	–	–	–	–	
	Total – EP Infrastructure	**#**	**–**	**–**	**–**	**–**	**1**	**–**	

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Registered injuries – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	13 (*)	11 (*)	16 (*)	11 (*)	12	2	18%
	Slovakia	#	14 (*)	19 (*)	20 (*)	13 (*)	15	(5)	(26%)
	Hungary	#	–	–	1 (*)	3 (*)	2	–	
	Total – EP Infrastructure	**#**	**27**	**30**	**37**	**27**	**29**	**(3)**	**(10%)**

(*) This data has received limited assurance from the independent auditing firm KPMG. Scope in 2021: CZ: 2 companies, SK: 1 company.

Note: Registered injury – in order to be able to report standardised injury data from across all our operations, for the purpose of this Sustainability Report, all injuries that resulted in at least 3 lost working days have been reported. This is a stricter definition than many companies use for their respective national reporting.

Social / Occupational health and safety

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Worked hours – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	million hours	2.6	3.3	3.4	3.7	3.2	(0.7)	(21%)
	Slovakia	million hours	7.0	6.9	6.9	6.8	6.9	0.0	1%
	Germany	million hours	0.1	0.1	0.1	0.1	–	0.0	9%
	Hungary	million hours	–	0.3	0.4	0.4	0.4	(0.3)	(100%)
	Netherlands	million hours	–	–	0.0	0.0	0.0	–	
	Total – EP Infrastructure	**million hours**	**9.6**	**10.6**	**10.7**	**11.0**	**10.4**	**(1.0)**	**(9%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Worked hours – Contractors**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	million hours	0	0	0	0	0	(0)	(1%)
	Slovakia	million hours	–	–	–	–	–	–	
	Germany	million hours	–	–	–	–	–	–	
	Hungary	million hours	–	–	–	–	–	–	
	Netherlands	million hours	–	–	–	–	–	–	
	Total – EP Infrastructure	**million hours**	**0**	**0**	**0**	**0**	**0**	**(0)**	**(1%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Injury Frequency Rate – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	index	5.0	3.4	4.8	3.0	3.7	1.7	50%
	Hungary	index	–	–	2.7	8.3	5.1	–	
	Total – EP Infrastructure	**index**	**2.8**	**2.8**	**3.5**	**2.5**	**2.9**	**(0.0)**	**(1%)**

Note: Injury frequency rate reported on per 1 million hours worked basis.

Social / Occupational health and safety

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Fatal injuries – Contractors**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	–	–	–	–	–	–	
	Slovakia	#	–	–	1	–	–	–	
	Germany	#	–	–	–	–	–	–	
	Hungary	#	–	–	–	–	–	–	
	Netherlands	#	–	–	–	–	–	–	
	Total – EP Infrastructure	**#**	**–**	**–**	**1**	**–**	**–**	**–**	

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
403-2	**Registered injuries – Contractors**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	1	–	–	–	1	1.0	
	Slovakia	#	2	1	–	1	–	1.0	100%
	Germany	#	–	–	–	–	–	–	
	Hungary	#	–	–	–	–	–	–	
	Netherlands	#	–	–	–	–	–	–	
	Total – EP Infrastructure	**#**	**3**	**1**	**–**	**1**	**1**	**2.0**	**200%**

Social / Employment

For the year ended 31 December 2021

Country

GRI/EUSS	KPI	Unit	Total	Male	Female
102-7	**Headcount (FTE)**				
G4-9	**EP Infrastructure**				
	Czech Republic	FTE	1,459	1,168	291
	Slovakia	FTE	4,289	3,406	883
	Germany	FTE	61	54	7
	Hungary	FTE	–	–	–
	Netherlands	FTE	2	1	1
	Total – EP Infrastructure	**FTE**	**5,811**	**4,629**	**1,182**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
102-7	**Males – members of top and middle management**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	51	59	66	69	66	(8)	(14%)
	Slovakia	FTE	326	331	358	345	361	(5)	(1%)
	Germany	FTE	1	1	1	1	–	–	0%
	Hungary	FTE	–	5	5	5	6	(5)	(100%)
	Netherlands	FTE	1	1	1	1	–	–	0%
	Total – EP Infrastructure	**FTE**	**379**	**398**	**431**	**421**	**433**	**(19)**	**(5%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
102-7	**Females – members of top and middle management**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	21	18	13	18	15	3	16%
	Slovakia	FTE	59	62	62	62	61	(2)	(4%)
	Germany	FTE	–	–	–	–	–	–	
	Hungary	FTE	–	1	1	1	1	(1)	(100%)
	Netherlands	FTE	1	1	1	1	1	–	0%
	Total – EP Infrastructure	**FTE**	**81**	**82**	**77**	**82**	**78**	**(1)**	**(1%)**

Social / Employment

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
102-7	**Male employees**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	1,168	1,530	1,595	1,713	1,506	(362)	(24%)
	Slovakia	FTE	3,406	3,402	3,353	3,352	3,385	4	0%
	Germany	FTE	54	51	51	52	–	3	6%
	Hungary	FTE	–	173	173	168	168	(173)	(100%)
	Netherlands	FTE	1	1	1	1	–	–	0%
	Total – EP Infrastructure	**FTE**	**4,629**	**5,158**	**5,173**	**5,286**	**5,059**	**(529)**	**(10%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
102-7	**Female employees**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	291	359	386	397	377	(68)	(19%)
	Slovakia	FTE	883	870	856	847	832	13	2%
	Germany	FTE	7	7	7	8	–	(0)	(2%)
	Hungary	FTE	–	34	35	35	42	(34)	(100%)
	Netherlands	FTE	1	1	1	1	1	–	0%
	Total – EP Infrastructure	**FTE**	**1,182**	**1,271**	**1,285**	**1,288**	**1,252**	**(89)**	**(7%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
102-41	**Employees covered by OHSAS 18001 / ISO 45001**								
G4-11	**EP Infrastructure**								
	Czech Republic	FTE	423	861	963	1,079	1,141	(438)	(51%)
	Slovakia	FTE	4,273	2,946	2,903	2,894	2,284	1,327	45%
	Total – EP Infrastructure	**FTE**	**4,696**	**3,807**	**3,866**	**3,973**	**3,425**	**889**	**23%**
	Covered in % of total headcount	FTE	*81%*	*59%*	*60%*	*60%*	*54%*	*0*	*36%*

Social / Employment

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
102-41	**Employees with collective bargining agreements**								
G4-11	**EP Infrastructure**								
	Czech Republic	FTE	1,200	1,672	1,783	1,919	1,641	(472)	(28%)
	Slovakia	FTE	4,236	4,220	4,158	4,137	4,184	16	0%
	Germany	FTE	54	51	52	–	–	3	5%
	Hungary	FTE	–	206	207	204	210	(206)	(100%)
	Total – EP Infrastructure	**FTE**	**5,489**	**6,148**	**6,200**	**6,260**	**6,034**	**(659)**	**(11%)**
	Covered in % of total headcount	FTE	*94%*	*96%*	*96%*	*95%*	*96%*	**(0)**	**(1%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Number of new hires – Total**								
	EP Infrastructure								
	Czech Republic	FTE	112	193	198	206	230	(81)	(42%)
	Slovakia	FTE	235	263	327	295	175	(28)	(11%)
	Germany	FTE	9	5	4	5	–	4	84%
	Hungary	FTE	–	7	24	15	12	(7)	(100%)
	Netherlands	FTE	–	–	–	2	1	–	
	Total – EP Infrastructure	**FTE**	**356**	**468**	**553**	**523**	**418**	**(112)**	**(24%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Number of leavers – Total**								
	EP Infrastructure								
	Czech Republic	FTE	131	165	204	331	263	(34)	(21%)
	Slovakia	FTE	263	184	276	286	247	79	43%
	Germany	FTE	7	2	5	–	–	5	260%
	Hungary	FTE	–	18	12	13	61	(18)	(100%)
	Netherlands	FTE	–	–	–	1	–	–	
	Total – EP Infrastructure	**FTE**	**401**	**369**	**497**	**631**	**571**	**32**	**9%**

Social / Employment

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017
401-1	**New hires rate**						
	EP Infrastructure						
	Czech Republic	%	8%	10%	10%	10%	12%
	Slovakia	%	5%	6%	8%	7%	4%
	Germany	%	15%	2%	2%	2%	0%
	Hungary	%	0%	12%	42%	25%	
	Netherlands	%	0%	0%	0%	100%	100%
	Total – EP Infrastructure	**%**	**6%**	**7%**	**9%**	**8%**	**7%**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017
401-1	**Employee turnover rate**						
	EP Infrastructure						
	Czech Republic	%	9%	9%	10%	16%	14%
	Slovakia	%	6%	4%	7%	7%	6%
	Germany	%	12%	1%	3%	0%	0%
	Hungary	%	0%	31%	21%	22%	
	Netherlands	%	0%	0%	0%	50%	0%
	Total – EP Infrastructure	**%**	**7%**	**6%**	**8%**	**10%**	**9%**

Social / Training

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Total training hours – all employee**								
	EP Infrastructure								
	Czech Republic	#	13,988	18,332	25,082	17,872	9,832	(4,344)	(24%)
	Slovakia	#	151,231	128,965	170,036	159,925	165,749	22,266	17%
	Germany	#	1,142	335	463	–	–	807	241%
	Hungary	#	–	5,472	2,047	2,653	2,361	(5,472)	(100%)
	Total – EP Infrastructure	**#**	**166,360**	**153,104**	**197,627**	**180,449**	**177,942**	**13,256**	**9%**

GRI/EUSS	KPI	Unit	Permanent contract	Temporary contract
102-8	**Employees: permanent and temporary contract**			
	EP Infrastructure			
	Czech Republic	%	95%	5%
	Slovakia	%	91%	9%
	Germany	%	97%	3%
	Netherlands	%	100%	0%
	Total – EP Infrastructure	**%**	**92%**	**8%**

GRI/EUSS	KPI	Unit	Employees under 30 years old	Employees between 30 and 50 years old	Employees over 50 years old
405-1	**Employees: age pyramid**				
	EP Infrastructure				
	Czech Republic	% FTE	7%	50%	43%
	Slovakia	% FTE	8%	47%	45%
	Germany	% FTE	10%	39%	52%
	Netherlands	% FTE	0%	100%	0%
	Total – EP Infrastructure	**% FTE**	**8%**	**48%**	**44%**

Social / Training

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Employees: part-time job**								
	EP Infrastructure								
	Czech Republic	FTE	31	20	67	57	–	11,1	54%
	Slovakia	FTE	12	12	14	15	–	1	6%
	Germany	FTE	1	2	2	2	–	(1)	(61%)
	Hungary	FTE	–	205	205	202	–	(205)	(100%)
	Netherlands	FTE	2	2	2	2	–	–	0%
	Total – EP Infrastructure	**FTE**	**46**	**241**	**290**	**278**	**–**	**(194)**	**(81%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Employees: full-time job**								
	EP Infrastructure								
	Czech Republic	FTE	1,428	1,870	1,916	1,537	–	(441,3)	(24%)
	Slovakia	FTE	4,277	4,260	4,185	4,173	–	17	0%
	Germany	FTE	60	56	56	57	–	4	7%
	Hungary	FTE	–	2	3	2	–	(2)	(100%)
	Total – EP Infrastructure	**FTE**	**5,765**	**6,188**	**6,159**	**5,770**	**–**	**(422)**	**(7%)**

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Employees with disabilities**								
	EP Infrastructure								
	Czech Republic	FTE	13	18	15	8	–	(5)	(30%)
	Slovakia	FTE	148	133	126	132	–	15	11%
	Germany	FTE	4	3	3	3	–	1	17%
	Total – EP Infrastructure	**FTE**	**164**	**154**	**144**	**143**	**–**	**10**	**7%**

Social / Training

For the year ended 31 December 2021

GRI/EUSS	KPI	Unit	2021	2020	2019	2018	2017	2021-2020	%
401-1	**Number of not directly employed workforce**								
	EP Infrastructure								
	Czech Republic	FTE	29	19	28	9	–	10	51%
	Slovakia	FTE	4	4	6	7	4	–	0%
	Germany	FTE	–	1	1	2	–	(1)	(100%)
	Total – EP Infrastructure	**FTE**	**33**	**24**	**35**	**18**	**4**	**9**	**36%**

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Map of Europe with Countries – Single Color by FreeVectorMaps.com

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