EPH

Sustainability Report

2020

Year in review

EBITDA
€ 2,150 million

REVENUES
€ 8,531 million*

CASH CONVERSION[1]
61.4 %

PAID IN INCOME TAXES
€ 438 million*

CO_2 EMISSIONS INTENSITY DECREASE COMPARED TO 2015 LEVELS
42 %

ELECTRICITY FROM RENEWABLE SOURCES
3,668 GWh

HEAT FROM RENEWABLES
173 GWh

COVID-19 RELATED DONATIONS
€ 8 million

TOTAL EPH FOUNDATION CONTRIBUTION
€ 1.3 million

1 Cash conversion = (EBITDA – CAPEX – Tax paid)/EBITDA
* This data has received limited assurance from the independent auditing firm KPMG.

Report contents

Foreword

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Dear Friends,

I am pleased to introduce you to the 2020 EPH sustainability report. Amid the unprecedented challenges of the previous year, our key focus was to ensure the stability and reliability of critical services which our infrastructure and power generation assets provide to public, commercial and individual customers in many European countries and make their everyday efforts and lives possible. While we delivered on that mission without compromise, I am proud to say that we have not lost sight of our long-term goals in the environmental and social area and, on top, we have set new ambitious targets for the future.

Carbon footprint reduction is our key priority. Vast majority (81%) of net power produced in 2020 by the whole EPH Group was either from zero or low carbon-intensive sources, and this figure is set to grow over the next years. We have already realized material efforts and decreased our emission intensity by 47% compared to 2014, meaning that we saved approx. 21 Mt of CO_2 p.a. and invested more than EUR 1,000,000,000 into low and zero emission powerplants in the same period.

We are accelerating the transition from coal to zero or low carbon technologies. We have made significant efforts in accelerating the needed energy transition based on which we are committed to replace the use of coal as source of power and heat generation by 2030 outside of Germany. In Germany, we are proceeding fully in line with the Coal Phase-out Act (Kohleausstiegsgesetz), a national legislation aiming to end coal-fired power generation by 2038 at the latest. We are planning to end the operations of German powerplants Deuben and Mehrum (subject to review by the transmission system operators and German Federal Network Agency). In France, service of Provence 5 has been already terminated in the second quarter of 2021 while Emile Huchet 6 will serve the French energy needs until the first quarter of 2022. Hard coal and oil units of the Northern Irish Kilroot will be replaced by the state-of-the-art OCGT and other complement technologies in 2023, and Italian hard coal plant Fiume Santo aims to be decommissioned in 2025 (subject to cooperation from the Italian grid and regulator side). Our lignite-based combined heat and power plants in the Czech Republic are planned to be refurbished to a more environmentally friendly heat and power source by 2028/2029 at latest.

By 2050, we will be carbon neutral. And by 2030, our CO_2 emissions from existing power generating plants will be down by 60%. We are accelerating the transition from coal by actively seeking and implementing solutions that convert our existing plants to low-carbon units and are constantly on the lookout for opportunities in the renewable segment. These efforts are primarily concentrated in EP New Energies, a subsidiary specialized in development of large-scale renewable projects to be realized on former mining sites and other land plots held by our subsidiaries in Germany. Since its establishment in 2019, EP New Energies already developed a massive pipeline of onshore wind energy projects, ground-mounted photovoltaics (PV), rooftop PV and floating PV projects.

We will be leaders in hydrogen solutions. It is obvious that future energy systems will need flexible power generation capacities, ideally combined with storage solutions, as a key pillar complementing the intermittent renewable generation. This role will be satisfied in the first transition period by natural gas, which will be, when affordable and implementable, replaced by hydrogen and eventually other green gases. We are convinced that our strategically located gas transmission, distribution, and storage assets combined with strong technical expertise on one hand and our strong position and know-how in the domain of power generation of all relevant forms on the other hand put us naturally in the ideal position and even mission to be a leading European player in this field and present holistic and

Our plans go beyond mere decommissioning of carbon intensive sources and contain clear development scenarios to ensure that there are alternative adequate new capacities of zero or low-emission controllable generation assets, creating new opportunities for energy workers.

highly competitive hydrogen solutions with EU-wide importance. We have already embarked on several projects, partly immediately implementing smaller scale hydrogen technologies connected to our gas infrastructure and proving the feasibility of the concept and partly preparing robust solutions which could help EU accelerating the transition to hydrogen in large scale once the decision is taken. Meanwhile, our gas assets will continue to play a critical role in transit, storage, and distribution of natural gas which we view as the key bridging fuel enabling to accelerate reduction of CO_2 emissions without jeopardizing power grid stability and security of supplies.

We look at our business from social perspective. We are conscious of the social implications of the energy transition and its impact on employees in the energy sector. Our plans go beyond mere decommissioning of carbon intensive sources and contain clear development scenarios to ensure that there are alternative adequate new capacities of zero or low-emission controllable generation assets, creating new opportunities for energy workers. Socially just energy transition implies not only environmentally responsible, reliable and affordable energy supply, but also job continuity and support of local economies in the affected regions.

We formalized our social and environmental commitments. We have created and implemented a set of policies, applicable in the whole EPH Group, covering environment, health and safety, asset integrity management, cybersecurity, workforce diversity, whistleblowing or biodiversity. The management of all group companies has received clear instruction to implement and abide by these policies, and all of the policies are accessible to our employees and other stakeholders via our webpage.

We help. In February and March 2020, we participated in a large-scale humanitarian aid providing vital medical supplies to hospitals and healthcare facilities, municipalities, and others in need especially in Slovakia and the Czech Republic. This on top of our systematic and long-term sizeable charity activities across the regions we operate in. We intend to make additional significant structural progress in the field of charity this year.

To conclude, I would like to emphasize our commitment to support the European energy transition to a carbon neutral production while keeping the security of supply, respecting the need of energy affordability and the social sensitivity of energy operations in certain European regions.

Finally, allow me to express my most sincere and honest thanks to all the colleagues, investors and business partners for their hard work and support on the way to our goal – becoming a leading player in true, socially acceptable energy transition.

Sincerely,

Daniel Křetínský

Chairman of the Board of Directors and CEO

Actively transforming the energy system **and bringing real-world solutions**

Taking a genuine approach to our responsibility within the energy system requires applicable solutions. At EPH, we are committed to tackling both global challenges and satisfying our stakeholders' needs. We believe it is their sustainable fulfilment that creates a solid foundation for any structural change.

We take initiative in transforming the energy system through an active decarbonisation strategy, investment in renewable power generation and strengthening the security of European energy infrastructure and supplies.

By thoughtfully transforming and developing the infrastructure that the Group owns throughout Europe, we aim to enrich the local regions, people and environment, by giving these properties, and future ones, further function and meaning.

11,281
Number of employees

60 registered | **0** fatal
Number of H&S incidents

18 million
Hours worked by our employees

It's our employees, who create the value

Over the past 11 years, we have been offering stable conditions for our professionals in eleven countries. We keep their health and safety as well as their personal and career development at the forefront. We fully appreciate our mutual dependencies – as our employees rely on EPH future sustainable development, no innovation is possible without their top talent.

A workday in EP Commodities.

Laying a pathway to Energy Transition and Affordable Energy

Investing in renewable power generation

On top of operating a vast number of low carbon power plants, in 2020, we committed to further investing in natural gas storage facilities and to continue increasing the 0.8 GW share of renewables currently in our portfolio.

Natural gas for Europe

With a steady increase in demand, but a decrease in domestic production, the eustream corridor plays a crucial role in supplying the west, center and south of Europe with natural gas. As coal and nuclear sources are gradually phased out, meeting the basic needs of developed societies will require natural gas, without it, this task becomes virtually impossible.

64.2 TWh
Gas storage capacity

2.3 ths km
Natural gas corridor length

57.0 bcm
Gas transmitted

53.9 TWh
Gas distributed

Powering households

Essential physiological 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 deliveries 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.

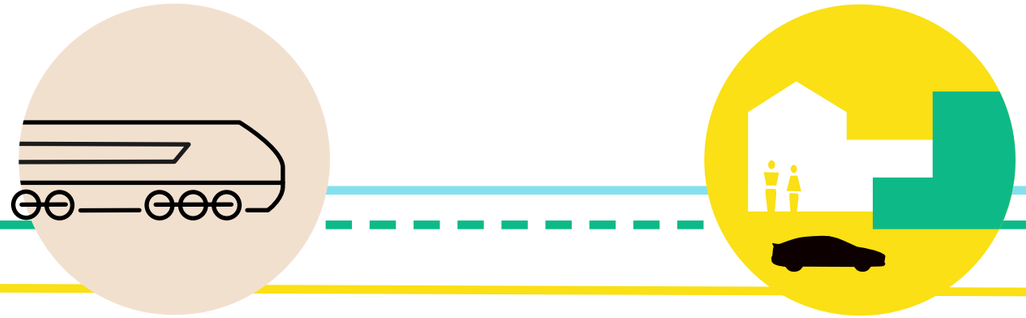
2,446,429
Number of connection points

740,649
Power and gas supply customers

Figure 1: Value chain infographic

Connecting business partners

When it comes to transporting goods and material, we are constantly increasing the share of rail transport, as it is known to release the least amount of GHGs, as well as being the most fuel-efficient freight system. We offer premium services and complex logistic solutions, including professional railway employee training.



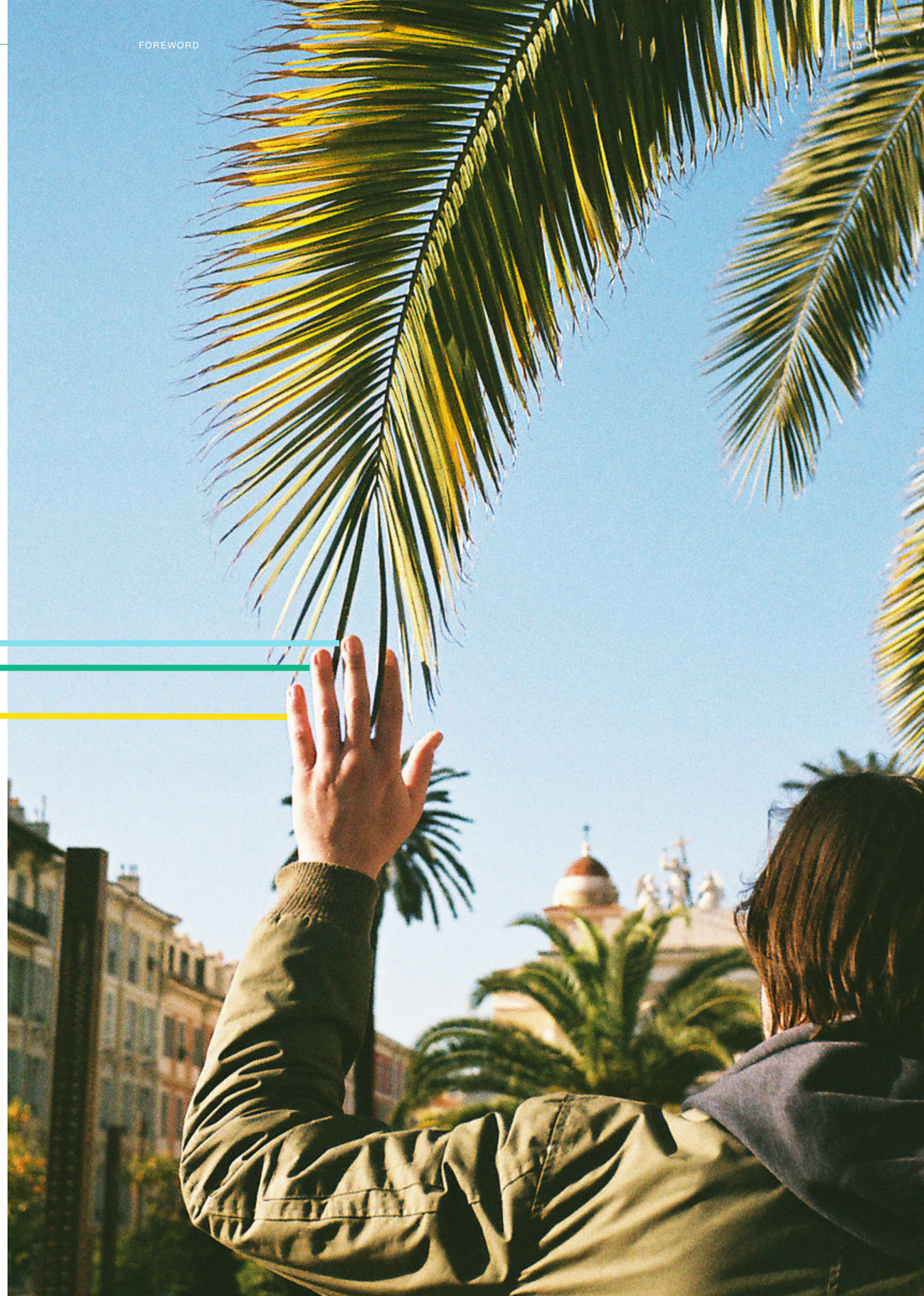
Securing reliable and affordable energy supply

The flexibility of natural gas makes it an ideal partner for renewables while transitioning to a low-carbon future. We massively invest in better interconnections within the European natural gas market to further strengthen the infrastructure while increasing production efficiency by implementing state-of-the-art technologies. Moreover, we enhance the energy security of Central Europe by operating its most extensive, modern underground gas storage facilities, and we keep ourselves busy looking into innovative ways of storing power.

42,376 GWh
Total energy production

11,594 Mwe
Total installed capacity in electricity

3,241 MWth
Thermal capacity of boilers at heating plants



EPH's ESG Targets and Decarbonisation Strategy

In 2021, the EPH Group announced its ESG targets aimed at reinforcing its ongoing decarbonisation efforts. EPH acknowledges the serious threat posed by climate change and is ready to play a major role in the energy transition, while ensuring continuity and affordability of supplies of basic commodities. **EPH aims to achieve carbon neutrality by 2050**, in line with the official 2050 EU climate-neutrality objective. This long-term goal is further supported by following medium-term and more specific targets

carbon neutrality
by 2050

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

EPH 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 EPH 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. In addition, we are evaluating and participating in several projects relating to hydrogen production and subsequently using hydrogen as a fuel in power generation.

Zero coal as a primary source of generation by 2030 outside of Germany, and in line with the Coal Phase-out Act (Kohleausstiegsgesetz) in Germany, as approved by the German government

EPH has established a clear plan to to undergo transformation process with its lignite and hard coal power plants outside of Germany until 2030 and in Germany by 2038 (while 2035 is set as a target year for fully consolidated companies, plants operated by our equity participations are scheduled to operate until 2038), and in line with deadlines dictated by the Coal Phase-out Act. Some of these power plants will be converted to zero or low-emission fuels, like gas or biomass, depending on the specific conditions of each site.

Create a Green Finance Framework for use, where applicable, within EPH capital structure strategy

Once developed, the EPH 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 Emissions from entities disposed of in 2020 are excluded from the calculation of 2020 emissions, which serve as a benchmark level for our reduction target.

Decarbonisation roadmap

By 2030, EPH aims to reduce its CO_2 emissions by 60% compared to its 2020 levels at existing assets. We have created clear and resilient transition strategies and decommissioning plans for our assets, thereby guiding our entire Group to the successful achievement of our goal, while keeping in mind the importance of controllable electricity production for society and economies.[3, 4]

In our decarbonisation efforts, we strive to seek real solutions. Our aim is not to merely offload our emissions, but to truly **decommission our most carbon intensive sources, while investing and actively converting our plants to low carbon or renewable sources.**

Conversion plans

Gradual conversion of lignite cogeneration heating plants in the Czech Republic to be completed by 2030

Deuben lignite power production suspension

Decommissioning of coal power plants operated by Gazel Energie to be completed by Q1/2022

Mehrum hard coal power plant production suspension

Kilroot coal units replacement in Northern Ireland

Decommissioning of coal power plant Fiume Santo in Italy

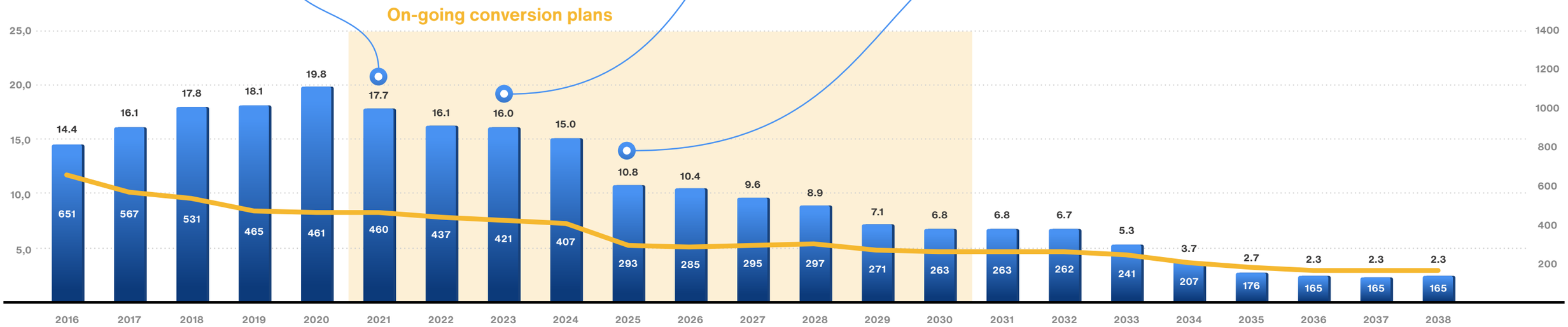


Figure 2: Decarbonisation strategy infographic

3 Projections of future development of emissions and emission intensity are only indicative and are based solely on management estimates in respect of closures and refurbishments of individual plants. This forward-looking information is subject to future management decisions, market development as well as numerous risks and uncertainties.

4 Potential new builds are not included in the projected figures. However, EPH expects to develop renewable sources in line with its long-term goal of carbon neutrality by 2050.

Conversion plans

Lignite cogeneration heating plants in the Czech Republic

Lignite-fired units operated by United Energy (239 MW) are planned to be replaced by state-of-the-art CCGT technology around 2025, complemented by a biomass boiler after refurbishment of an existing boiler for lignite combustion (expected to be in operation from summer 2021, project works already started) and potentially a waste incinerator plant.

Two out of six lignite units operated by Elektrárny Opatovice will be shut down in 2021. The remaining units (4 × 65 MW) are expected to be gradually replaced with 4 CCGT units (4 × 75 MW) targeting realization in period 2025 to 2028. Similarly to United Energy, discussions on development of a waste incinerator plant with local authorities are ongoing.

Plzeňská teplárenská operates two heating plants:

1. “Teplárna” where we expect to gradually increase share of biomass in the energy mix (40 MW planned for biomass units) with the remaining lignite units expected to be fully replaced with CCGT units (75 MW) between 2026 and 2030.
2. “Energetika” where the lignite units are planned to be replaced with a CCGT unit (75 MW) around 2029.

0.9 GWe

Lignite mining and power generation of MIBRAG

Deuben power plant decommissioning is planned for 2021 based on a successful coal phase-out auction in Germany. The EPH Group will no longer be entitled to market the electricity generated in this plant after 8 December 2021. Development plans for the subsequent use of thi site are being further evolved in cooperation with regional stakeholders.

The second MIBRAG’s lignite power plant Wahlitz is expected to be in operation until 2035. Wahlitz is projected to deliver 240 GWh of electricity annually, along with 650 TJ of heat produced in efficient cogeneration mode.

0.1 GWe

Coal power plants operated by Gazel Energie

After an agreement with trade unions was reached, the company has decided it will decommission Provance 5, located in Bouches du Rhone, in Q2 2021 being one year ahead of the official French coal phase out announced for 2022; The decommissioning of Emile Huchet 6, located in Moselle, is expected in Q1 2022.

1.2 GWe

Mehrum hard coal power plant

We are planning to end the operations of German powerplant Mehrum, subject to review by the transmission system operators and German Federal Network Agency. Our steps have been closely coordinated with the federal German government to ensure that grid stability is not endangered and that social impacts in affected regions are considered. Moreover, development plans for the subsequent use of thi site are being further evolved in cooperation with regional stakeholders.

0.7 GWe

Coal power plant Fiume Santo in Italy

Due to the shortage of power generation capacities in Sardinia, Fiume Santo is operating in must run mode until 2024. The Italian government announced the coal phase-out deadline in 2025, which we fully support in relation to Fiume Santo. Subsequent development plans for this site are being considered.

0.6 GWe

Kilroot coal power plant in Northern Ireland

Kilroot power plant is expected to be decommissioned in 9/2023 ahead of the coal phase-out deadline set at 2024/2025 by the UK government. Current power production from coal is driven by a capacity contract to ensure grid stability. The closed coal capacity (dual boilers combusting coal + oil) is planned to be replaced by two highly efficient and flexible Siemens OCGTs with a combined capacity of app. 700 MW, of which substantial portion is supported by already secured capacity contracts (557 MW) with the remaining capacity to be tendered.

0.5 GWe

EPH's Approach to coal phase-out

We understand the urgency for phasing out coal, as it is the most carbon intensive fossil fuel used in energy generation. At EPH, we have adopted an individual approach for each of our energy markets in which we operate and have carefully considered their respective situations.

As part of EPH's strategy for transitioning the energy system, we must focus on initiatives that not only phase-out coal, but also continue to support our employees and respect the needs of the individual markets for the controllable eletricity generation. As highlighted by the following case studies, our efforts are spread across the entire Group and are tailored to the specific circumstances of our companies.

Each of the markets in which we operate, or aim to establish operations, has specific and unique determinants for its current and prospective energy mix (e.g. geography, natural resources and legislation). In order to preserve the security of supply and economic continuity of a given country, it is our view that any change to our energy mix needs to happen gradually and with involvement from market participants, legislators, energy companies and financing institutions; we all need to behave rationally and responsibly in order to make such a transition successful.

EP New Energies: Cooperation for renewable energy

Since EP New Energies' foundation in 2019, its team has been working on the project planning of potential projects for CO_2-neutral energy generation. From their office in the heart of Berlin, they develop our project pipeline of onshore wind energy projects, ground-mounted PV, rooftop PV and floating PV projects. For further growth, the existing operational areas of our partner companies offer a lot of potential. The goal of our work is to create added value for everyone in the mining area – owners, residents, industrial and commercial partners.

EPNE's goal is to make a decisive contribution to maintaining economic strength in Lusatia and the Central German Mining District. For this purpose, we are in close cooperation with our stakeholders. Together we will continue to shape and maintain the energy industry in our home regions in the future. In doing so, we are opening a new chapter in renewable energy supply in the EPH Group.

EPPE

Decommissioning as a result of environmental studies

Leading to their decommissioning, environmental studies were completed at Gazel Energie's Lucy and Hornaing sites. As a result, an action plan to remove asbestos is in progress (delayed because of COVID-19), with an expense of approximately EUR 5.5 million in 2020–2021.

Additionally, through Gazel Energie's environmental study, "Plan de Gestion", the company is anticipating and preparing to dismantle their Saint Avold site. This will help depollute the site after the coal power plant closure and develop new projects according to local territory pacts, "Pacte de Territoire".

Social plan "plan de sauvegarde de l'emploi," following the coal phase-out

In September 2020, the company started to finance and launch a social plan to help with decommissioning of Provance 5 in Q2 2021 and Emile Huchet 6 in Saint-Avold in Q1 2022. The goal of the social plan is to help company employees with the loss of their jobs through various means, such as training, several months of paid leave, and job transition services. Additionally, through negotiations with the government, the company secured state support. This, as specified by the French government in 2020, will be provided in the form of reclassification leave.

EPPE

Commitment to be a part of the solution for the future through coal phase-out

In Sardinia (EP Produzione), much of the energy that powers the island is generated by two coal-fired power plants, both operating in must run regimes, and by one gasification plant of the refinery production residues. As a result, the phase out of coal in 2025 creates an interesting challenge for Sardinia. Proposed action post 2025:

1. Converting current units into natural gas units. This presumes the finalisation of the methanisation project (through coastal deposits of transported liquefied natural gas), as well as the definition of a non-discriminatory regulatory framework (in terms of tariffs), with respect to gas consumption on the mainland.
2. Converting current units into biomass units.
3. Relying on the three-terminal electricity connection: Continent-Sicily-Sardinia (Tyrrhenian Link).

The proposed scenarios are not only alternatives to coal, but also guarantee an adequate and safe energy supply for the island beyond 2025.

EPH's Choice in natural gas

As we continue to commit our Group to lowering its emissions, we believe that natural gas is an excellent energy source for helping us achieve our long-term emission reduction goals. By relying more on natural gas and potentially on green gases, such as hydrogen, we can help transform the European Energy System into climate-neutral one in the long-term. The EPH Group has commenced several projects along its entire value chain to ensure that its infrastructure is ready for large-scale transit, distribution and storage of hydrogen.

Livorno Ferraris CCGT power plant.

At EPH, we have focused on several programmes and initiatives that we believe will bring long-term and transformational solutions to the energy system, as highlighted below. Our aim is to focus on initiatives that will complement green energy sources, while creating energy accessibility and security.

EPPE

Projects that will stress the importance of natural gas as a transition fuel

EP Produzione is supporting the energy transition through the development of additional capacity projects:

1. A new 800 MW CCGT unit at Tavazzano and Montanaso power plant, for a total investment of about EUR 380 million.
2. A new CCGT unit with a capacity of approximately 900 MW at Ostiglia power plant, for a total investment of about EUR 400 million.
3. 2 OCGT units, each with approximately a 63 MW capacity at Centro Energia Ferrara (CEF).
4. A new 10–17 MW PV plant at Fiume Santo (FS) power plant.
5. 4 new OCGT units totaling 220 MW at Trapani power plant, for a total investment of about EUR 120 million.

All the projects are in line with the energy transition and decarbonisation path outlined by the EU Integrated National Energy and Climate Plan (ENCP).

EPIF

Storage innovations:

Hydrogen pilot projects

EPIF entities are constantly seeking innovations that could further help the Group achieve its decarbonisation goals. As an example, we have found that adequate energy storage capacities are important for intermittent electricity generation sources, such as solar and wind. As well, power to gas technology enables the conversion of electricity to hydrogen, which can be subsequently stored for longer periods of time and used for power production when needed.

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 (reservoirs, as well as related technology). NAFTA is working on the assessment of hydrogen impact (2% vol. – share in the mix) on its infrastructure (reservoirs, wells and surface technology).

Near future challenges:

Identifying suitable locations for hydrogen storage in Slovakia.

NAFTA is a partner in the H2-Infrastructure (H2-I) project, which is a joint project with eustream, SPPD and NAFTA, who have all applied for IPCEI (Important Project of Common European Interest) status.

NAFTA's focus on the project is divided into 3 main phases:

Phase 1	Phase 2	Phase 3
Selecting suitable reservoirs for storing hydrogen in Slovakia. This will be based on laboratory research of core samples. Additionally, the maximum allowable hydrogen concentration will be defined.	Building, designing and operating plant technology.	Evaluating project result.

The project is scheduled to start in 2022 and finish in 2029; however, this is dependent on access to public funding.

Our role:

Leverage our long-term experience in the traditional gas storage business segment through NAFTA, and position ourselves as a leader in the storage of renewable energy.

EPIF

Ensuring energy supply stability through EPH's gas storage facilities

New legislation in Germany (within the frame of the "Energiewende") intends to **phase-out nuclear (until 2022) and coal fired power plants (until 2038)**, currently representing approximately 1/5 of the total installed electricity generation capacity[5].

Near future challenges:

1. Significant reduction of nuclear and coal-fired power plants will lead to an increase of both the volume of consumed gas, and its volatility on the electricity and gas markets. This will drive demand for additional services to balance out this network.
2. The share of renewables (mainly photovoltaics and wind) will increase in the primary energy mix, meaning that there will be a significant increase of the share of intermittent sources of energy.

Our role:

Securing supplies

These trends will naturally lead to an increased demand for gas storage. EPIF gas storage facilities (**6 underground sites, with an overall capacity of 62 TWh**) provide very cost-effective, flexible and reliable energy storage. Inherently, we will be supporting the development of renewable energy sources, leading to an affordable energy mix in the coming decades.

In 2020, EPH acquired another underground gas storage facility located in the UK. This UGS has a capacity of 3.5 TWh and was integrated within EPPE.

5 https://www.bundesnetzagentur.de/EN/Areas/Energy/Companies/SecurityOfSupply/GeneratingCapacity/PowerPlantList/PubliPowerPlantList_node.html;jsessionid=F76838E8AF8C940FC6D8E8498761D1F7

EPH's Choice in biomass

Biomass is a renewable source of energy, and its combustion offers an economical alternative to fossil fuels. Biomass is widely accessible, and it can be used also in cogeneration units to produce both heat and power. In comparison to other renewable sources, it is a stable source of energy since power plants can create large stocks of pellets and provide constant output to the grid.

Available Energy

Except for deserts and polar areas, biomass is growing almost everywhere, and in some urban regions, biomass is collected as waste from gardens, parks or farms. The wood processing industry also produces a large amount of biomass.

Carbon Neutral

In the long-term biomass fuels release the same amount of carbon into the atmosphere as what was absorbed by plants during their growth.

Stable Renewable Source

In comparison to other renewables, biomass is a stable source of energy since power plants can create large stocks of pellets.

EPPE

Working with local authorities

Gazel Energie, in cooperation with state and the local authorities, signed territory pacts, "Pactes de Territoire." This was pursued in order to prepare sites for the coal exit and the decarbonisation of the industry. The gap in supply will be covered by the biomass and hydrogen-fueled power production.

In 2020, the company approved development plans (for both sites) in respect of Saint Avold site:

1. Heat production from a new biomass power plant that will decarbonise local industries,
2. hydrogen production to decarbonise local mobilities and industries, with electrolysis and carbon capture,
3. creating a sustainable structure for the local biomass sector and on the development of a sawmill, and
4. heat recovery systems from the biomass power plant in order to address the urban network in renewable heat.

Our goal:
To transform and rehabilitate existing coal sites into local platforms of green energy production.

Increasing the biomass share in our energy production

EPIF

Plzeňská teplárenská

We will invest a total **of EUR 4.5 million in the K6 fluid boiler refurbishment** at Plzeňská teplárenská. It will allow us to increase the share of biomass combusted in this boiler to 80%, substantially limiting the need for lignite as an energy source. We will decrease the consumption of coal by 95,000 tonnes per year and the production of CO_2 by 108,000 tonnes per year.

The investment will cover a new unloading station (fuel and biomass storages), internal and external fuel transport, new inputs into the combustion chamber of the boiler, and optimisation of the combustion process based on emissions.

Biomass transportation

To ensure 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 there will be an increased demand for the transportation of material (additional biomass for the boiler).

In 2020, approximately **16%** of the total volume of purchased biomass was transported by rail. In 2022, this should increase to approximately **30%** of the total volume. Notably, because of the increased demand for transportation, we took into consideration the methods for biomass transportation in the tenders for our biomass suppliers.

EPIF

United Energy

At our north Bohemian heating plant, one of the existing lignite boilers will be refurbished to enable **100% biomass combustion**. Work has already commenced on its refurbishment, with expected full operating capacities in the summer of 2021.

From a technical standpoint, the investment mainly focuses on making adjustments to the fuel and combustion air feeding systems of UE's operations. As a result, the **share of biomass in the fuel mix is projected at approximately 40%**. This should translate into **130,000 tonnes of CO_2 saved annually**, with a substantial decline in sulphur dioxide emissions and dust particles.

95 ths tonnes

We will decrease the consumption of coal by 95,000 tonnes per year and the production of CO_2 by 108,000 tonnes per year.

16%

In 2020, approximately 16% of the total volume of purchased biomass was transported by rail.

130 ths tonnes

Increased share of biomass in the fuel mix should translate into 130 thousand tonnes of CO_2 saved annually.

About this report

This is the sixth annual Sustainability Report published by the EPH Group where environmental, social, and governance aspects of our operations are highlighted and addressed. The aim of this Report is to respond to the expectations of our stakeholders and to provide information on our commitment to sustainability, especially as our operations continue to grow.

Data and case studies from our operations can also be found in the Sustainability Reports of our subsidiary, the EPIF Group, who have annually been reporting since 2018. This Report allows EPH to provide further detail on the information regarding our business strategy, operations, and commitments, while following Global Reporting Initiative standards, GRI, and incorporating EPH alignment with the United Nations Sustainable Development Goals, SDGs, and the 2030 Agenda.

2

Changes in reporting

At EPH, we are committed to continually improving the public communication of our Group's business activities and performance.

Last year, our reporting strategy was to ensure that all relevant information was included in the body of our Report. After thorough analyses, we determined that this strategy made key information hard to find, and ultimately created a long narrative for our readers.

This year, we have taken a different approach to creating our Report. As you read through it, you will find that the majority of our supporting data can now be found in the Annex. This allows for a condensed, yet still informative read. Additionally, we have incorporated more infographics and relevant case studies, as we believe this further adds to the ease of read and information comprehensibility.

Overall, our reporting process this year had a greater emphasis on the identification and mapping of material topics. This was important in ensuring that all stakeholder concerns and EPH impacts were considered, and respectively reflected in our Report. Additionally, we heavily focused on the visualisation of our Report, to create a more inviting read. Further information regarding our reporting process can be found in the graphic below.

Our reporting process

Figure 3: Reporting process infographic

Reporting period and information

EPH reports on operational data and information that has been collected throughout the 2020 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 30th June will be included in the financial performance data that is presented in the period from 1st July to 31st December.

The Report content includes all of our operations in the Czech Republic, Slovakia, Hungary, Germany, the United Kingdom, Italy, France, Ireland, Poland and Switzerland. For more information on our countries of operation and legal entities, please refer to the EPH and its Business section of this Report.

We plan to issue our next Sustainability Report for 2021 in 2022.

Restatements of information and improved transparency of provided information

- Heat supplied by MIBRAG in 2019 was restated (1,000 times smaller), as a result emission intensity (including heat component) in 2019 improved.
- Gas distributed and gas storage capacities have been recalculated to TWh historically.
- Scope 2 emissions reported by EP Energy Trading in 2019 were restated from 40 kt of CO_2-eq. to 33 tonnes of CO_2-eq.
- Water withdrawn and discharged at Plzeňská teplárenská in 2018–2019 was restated to exclude the water resold as drinking water to its customers (i.e., not consumed by Plzeňská teplárenská in the technological process).
- Gas consumption of eustream for 2019 was restated to also include gas consumed during trials and also gas lost through network leakages.
- Waste intensity calculation: For some non-generating companies such as SPP-D, SSD or NAFTA, there is not a strong link between waste production and energy generation. Therefore, we decided to exclude the non-generating companies from the calculation of waste intensity and we also added another KPI for waste intensity per revenues to Output tables in the Annex.
- The logistics operations of LEAG were removed from the Output tables (2015–2017) regarding energy consumption from EPPE in Germany to follow the fact that LEAG is equity accounted (not controlled) investee.

Reporting standards

This Report has been prepared in accordance with the GRI Standards[6]: 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 this chapter and the Annex.

Principles for report content

	Stakeholder inclusiveness	Sustainability context	Materiality	Completeness
EPH 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
EPH Group approach	Identifying the strengths and weaknesses of our operations based on 2020 assessments and aspiring long term goals.	For the majority of indicators, identifying 2016–2020 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 2020 Sustainability Report around the same time as the 2020 Annual Report.	Consulting entities that closely interact with stakeholders on the accuracy of data that is, and should be, collected. Engaging with external assurance providers.

Figure 4: GRI principles for report content and quality

6 GRI Standards 2016 edition.

Our stakeholders

Hand in hand with our subsidiaries, across different businesses and geographies, we consider open and transparent stakeholder dialogue to be an important part of our business activities.

EPH's strategy to maintaining strong and effective relationships with our stakeholders is to manage the majority of our cooperation at a local level. This not only allows for greater insight into the particular interests of our stakeholders, but it also allows us to address issues in a timely manner. Overall, we actively engage with our stakeholders at a local and global level, thereby ensuring that we communicate with stakeholders that are interested in the operations of our subsidiaries.

Because stakeholder groups can be interested in different sets of sustainability issues, EPH is committed to continuously monitoring their needs stakeholders throughout the year. This ensures that we fully understand and effectively address the concerns of our stakeholders.

In 2020, EPH was not involved in any major media cases or controversies.

Further information regarding our stakeholders and monitoring approach can be found in section 'Stakeholder engagement' of the Annex.

Our key stakeholders
and their expectations

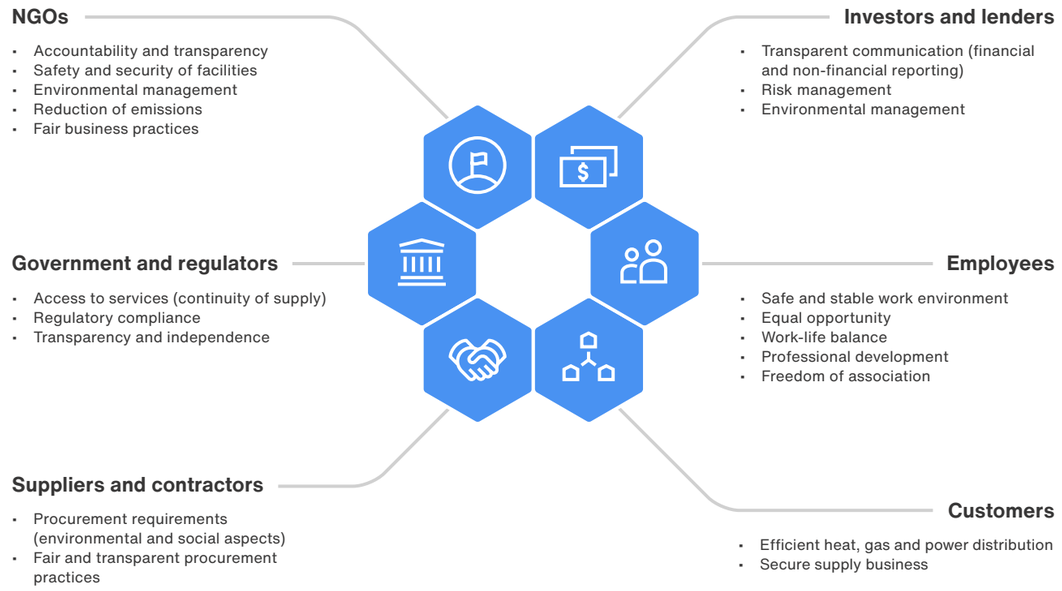


Figure 5: Key stakeholders infographic

Materiality matrix

In 2020, we updated our Materiality matrix so that it considered EPH's impact on people, the economy and environment, along with the expectations of our stakeholders. The finalised list of material items provided the framework for the content of this Report.

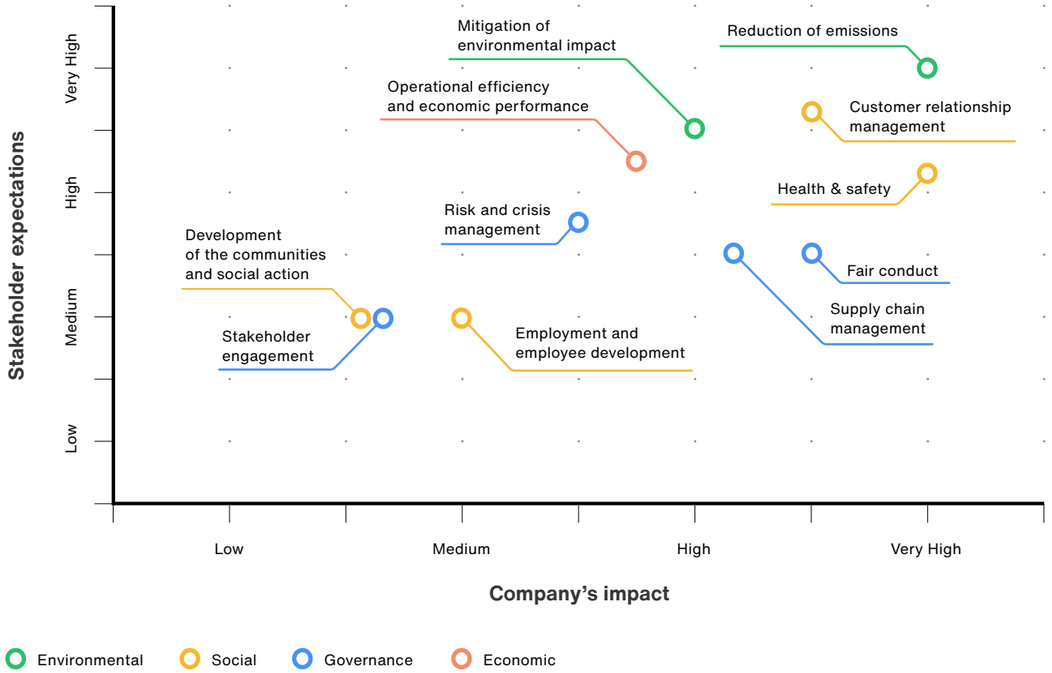


Figure 6: Materiality matrix

Notes on the Materiality matrix

EPH identified eleven topics that we consider to be material, from both the perspective of the Group's impacts and influence on stakeholders' decisions. Within these topics, there are various material aspects under the GRI Standards that have formed both the quantitatively and qualitatively basis of this Report.

The horizontal axis demonstrates the significance of EPH's economic, environmental, and social impacts. EPH conducted a deep analysis of the external and internal factors at a global, European, and country level. We also studied trends in the utility and energy sector and benchmarked our performance with peers and competitors. In addition, we identified future risks and challenges, as further discussed in the section EPH and its Business.

The vertical axis represents the influence of the topics on stakeholder assessments and decision-making. EPH mapped its stakeholders and updated the assessment of their relevance. Results of this process were analysed, and stakeholders' concerns and expectations were translated into the vertical axis of the matrix.

In the process of updating this year's Report, the topics of economic performance and operational efficiency were merged due to their interrelation. At the same time, the importance of particular topics has been increased in reaction to growing expectations of our stakeholders.

Sustainable Development Goals

As part of EPH's sustainability commitment, we report on our alignment with the United Nations Sustainability 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 improve our performance further.

To fully support our commitment with the 2030 Agenda, we approved our decarbonisation strategy goals. **We aim to achieve carbon neutrality by 2050**, in line with the official 2050 EU climate-neutrality objective and to reduce CO_2 emissions from our existing plants by 60% by 2030 compared with 2020 levels. These long-term goals are further supported with medium-term and more specific targets listed in the EPH's ESG Targets and Decarbonisation Strategy section.

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

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

SUSTAINABLE DEVELOPMENT GOALS

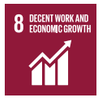
SDGs of high relevance

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

EPH actively promotes the transition towards a new energy model, one that is more sustainable and inclusive for the energy and utilities sector. The Group puts significant efforts into new build of renewable energy facilities as well as into accelerating our transition to less emission-intensive sources of energy (e.g. biomass and natural gas) through decommissioning and conversion of our assets.

Ensure sustainable consumption and production patterns

When providing services, EPH 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, EPH significantly contributes to economic growth and fair employment. We pride ourselves on being able to create jobs for individuals, and provide energy for families, companies and other entities, all of which are critical for a well-functioning society. Through our services, we promote sustainable and inclusive development, and support socio-economic progress in communities, cities, and countries.

Take urgent action to combat climate change and its impactss

At EPH, we are strongly committed to focusing our efforts on climate action. This, for example, is evident in our gradual shift towards a lower emission-intensive energy mix and our aim to reach carbon neutrality at latest by 2050. We are also committed to continuously gathering data and pursuing strategic approaches that would allow us to mitigate the impacts of climate change.

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

One of EPH's major societal contributions is its operation of reliable, safe, and high-quality energy infrastructure. Notably, EPH 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.

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 EPH, 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.

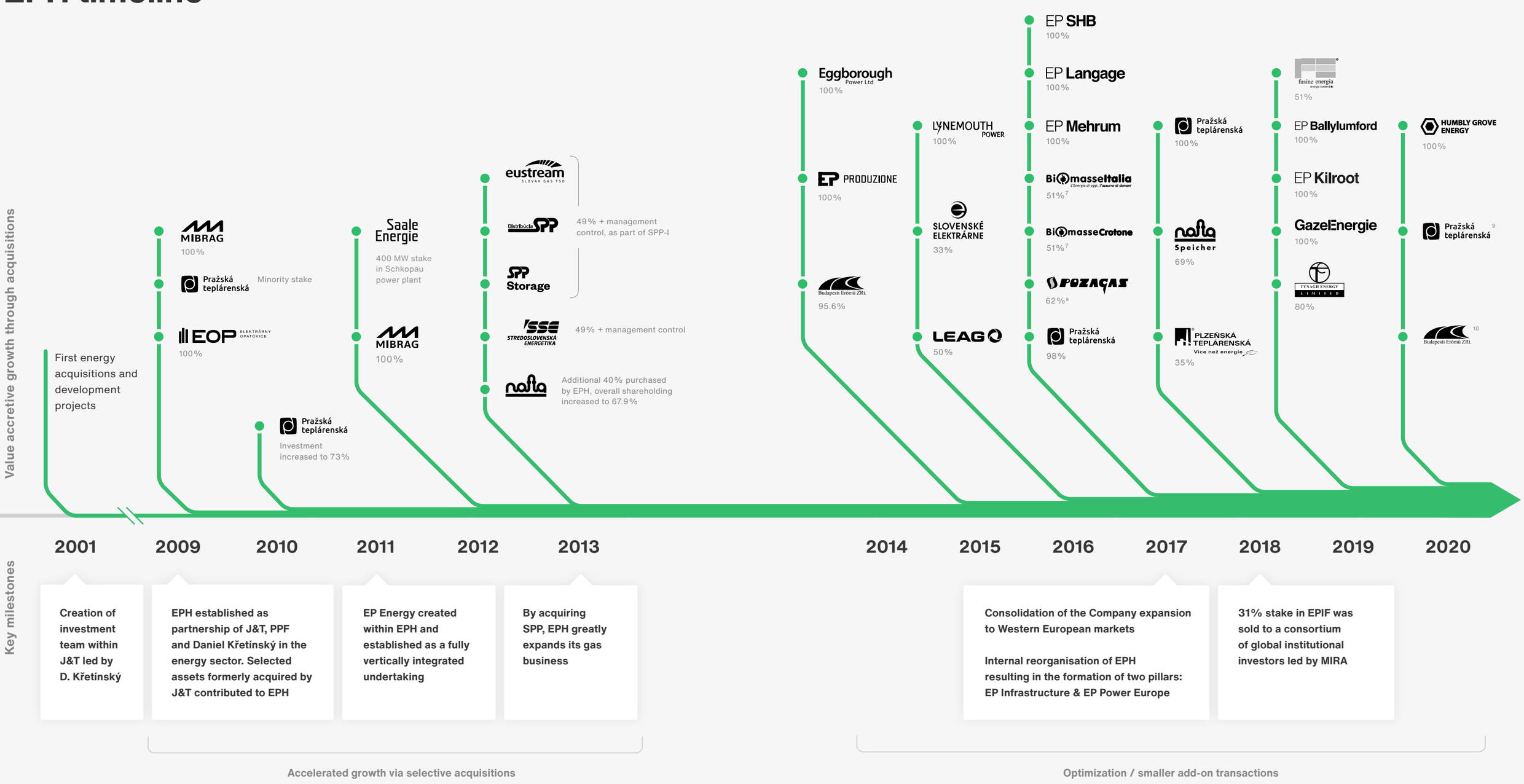
EPH and its Business

EPH is a leading Central Europe based energy company operating in multiple European countries with the headquarters in Prague, Czech Republic.

EPH is a vertically integrated energy company covering the complete value chain in the energy sector, including more than 50 companies operating in electricity and heat production from renewable and conventional sources, electricity and heat distribution, electricity and gas trading and their supply to final customers, gas transmission, gas storage, lignite extraction, and logistics. The Group is a particularly important regional player in the gas industry, operating critical midstream and downstream gas infrastructure. EPH is one of the 5 largest industrial groups based in the Czech Republic in terms of EBITDA.

3

EPH timeline



Formation of EPH

The core of the current EPH management team began to take shape in 2001 headed by Daniel Křetínský. Shortly after its formation, the team began to focus on corporate investments in the energy business and changed its approach from being a financial investor to being a strategic investor. The formal foundation of EPH took place in 2009, when its original shareholder (J&T) contributed certain assets and cash to the Company in order for EPH to become a platform for strategic investments in the energy and ancillary industries, headed by Daniel Křetínský who at that time had a 20% stake in EPH.

* The timeline is excluding our logistics Group, EPLI. There is a dedicated section describing the Group further in the report.

7 49% share of Biomasse Italia, Biomasse Crotone and Fusine was sold to LEAG in July 2019.
8 EPIF's effective shareholding.
9 Disposal of Pražská teplárenská in November 2020.
10 Disposal of BERT in December 2020.

EPH Company Structure

Key Infrastructure and Generation Companies

EPH

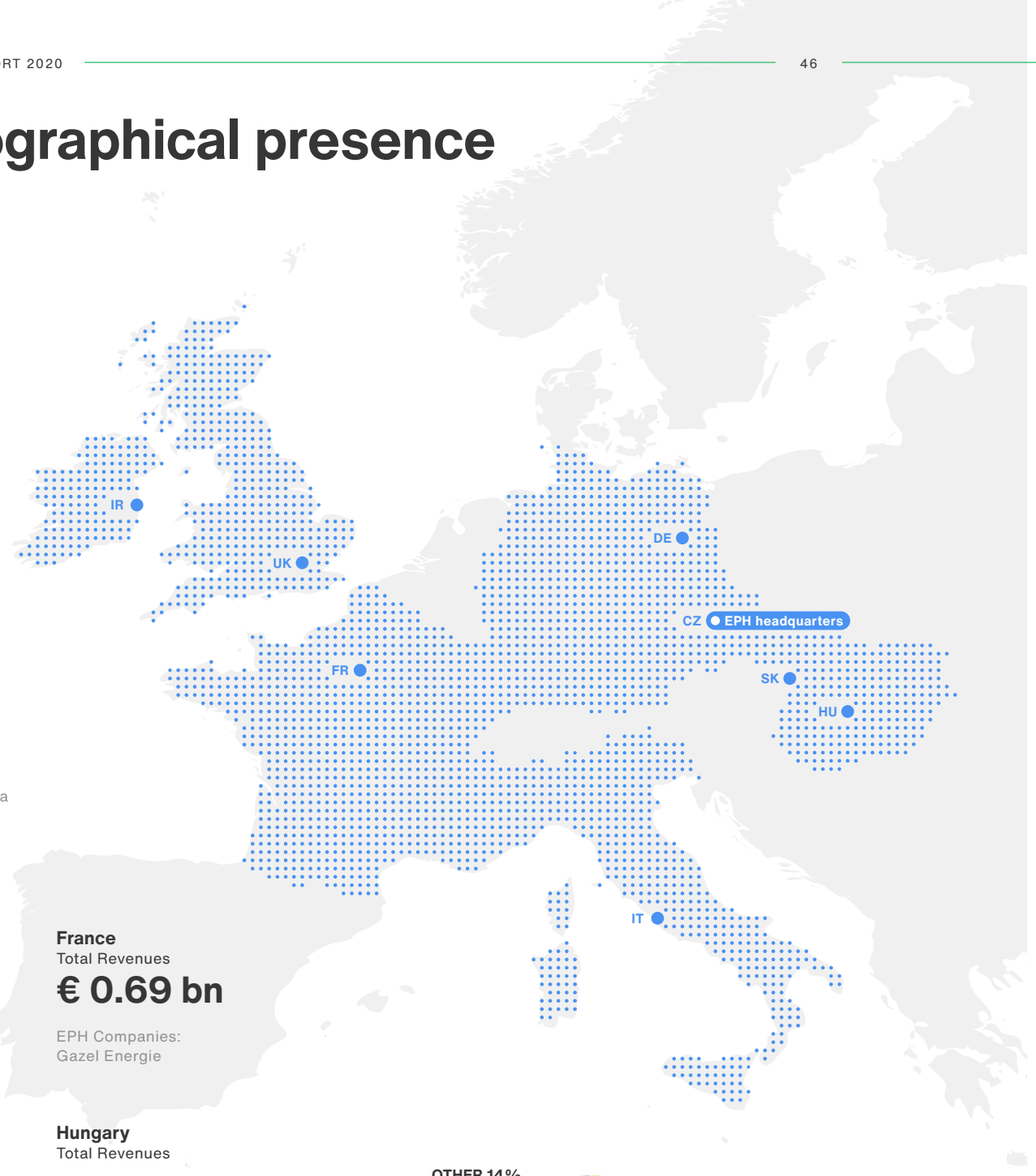
- 69% EP Infrastructure
  - Gas Transmission
    - 49%[11] eustream SLOVAK GAS TSO
  - Gas & Power Distribution
    - 49%[11] SSE HOLDING
    - 49%[11] Distribúcia SPP
    - 100% eget.
  - Heat Infrastructure
    - 95.6%[12] Budapesti Erőmű ZRt.
    - 100%[12] Pražská teplárenská
    - 100% EOP ELEKTRÁRNY OPATOVICE
    - 100% UNITED ENERGY
    - 35% PLZEŇSKÁ TEPLÁRENSKÁ Více než energie
  - Gas Storage
    - 69% nafta
    - 69% nafta Speicher
    - 62% POZAGAS
    - 49%[11] SPP Storage
  - Renewables
    - 100% Arisun
    - 100% Triskata
    - 100% Powersun
    - 100% VTE Pchery
    - 90% ALTERNATIVE ENERGY
- 100% EP Power Europe
  - Germany
    - 100% MIBRAG
    - 100% Kraftwerk MEHRUM
    - 100% HELMSTEDTER REVIER
  - Italy
    - 100% EP PRODUZIONE
    - 51%[13] BiomasseItalia L'Energia di oggi, l'azzurro di domani
    - 51%[13] BiomasseCrotone
    - 51%[13] fusine energia energia sostenibile
  - United Kingdom
    - 100% LYNEMOUTH POWER
    - 100% EP SHB
    - 100% EP Langage
    - 100% EP Ballylumford
    - 100% EP Kilroot
    - 100% HUMBLY GROVE ENERGY
  - Czech Republic
    - 100% EP Commodities
    - 100%[14] EP Resources (CZ)
  - France
    - 100% GazelEnergie
  - Republic of Ireland
    - 80% TYNAGH ENERGY LIMITED
  - Poland
    - 100%[14] EP Resources (PL)
  - Switzerland
    - 100% EP Resources (AG)
  - Equity consolidated participations
    - 50% LEAG
    - 33% SLOVENSKÉ ELEKTRÁRNE
    - 50% ergosud
- 100% EP Logistics International
  - 100% EP Cargo Trucking
  - 100% EP Cargo (DE)
  - 100% EP Cargo (PL)
  - 100%[15] EP Cargo (CZ)
  - 100%[15] EP Sourcing
  - 100% EP Intermodal
  - 65% LokoTrain
  - 100% LOCON
  - 84% SPEDICA THE SPEDICA GROUP COMPANIES

11 49% including management control.
12 Note that PT and BERT were disposed of in November and December 2020 respectively

13 49% share of Biomasse Italia, Biomasse Crotone and Fusine was sold to LEAG n July 2019.
14 EP Resources CZ and PL, which fell under the EPLI Group in 2020, have been under the management of the EPPE Group as of January 2021, as represented in the EPH Group structure. EP Resources also has an entity in Switzerland.

15 EP Cargo and EP Sourcing, which fall under the EPIF Group, are categorised under Logistics, representing the management overview.

Our geographical presence



United Kingdom
Total Revenues
€ 1.55 bn

EPH Companies:
Lynemouth Power
Eggborough Power
EP SHB
EP Langage
EP Ballylumford
EP Killroot

Slovakia
Total Revenues
€ 1.45 bn

EPH Companies:
eustream
SPP - distribúcia
Stredoslovenská Energetika
Nafta

Italy
Total Revenues
€ 1.30 bn

EPH Companies:
EP Produzione
Fusine Energia
Biomasse Crotone
Biomasse Italia

France
Total Revenues
€ 0.69 bn

EPH Companies:
Gazel Energie

Germany
Total Revenues
€ 1.13 bn

EPH Companies:
MIBRAG
Saale Energie
Kraftwerk Mehrum
Helmstedter Revier

Hungary
Total Revenues
€ 0.19 bn

EPH Companies:
BERT

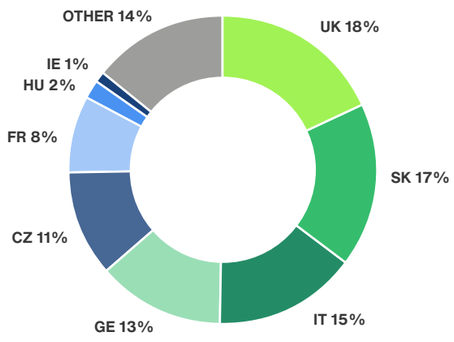
Republic of Ireland
Total Revenues
€ 0.10 bn

EPH Companies:
Tynagh Energy

Czech Republic
Total Revenues
€ 0.97 bn

EPH Companies:
Pražská teplárenská
Elektrárny Opatovice
United Energy
Plzeňská energetika
SPP Storage

Other revenues
Total Revenues
€ 1.17 bn



€ 8.53 bn*
Total revenues in 2020

Figure 7: Key operating entities of EPH

Note: Fully consolidated core companies are listed here as at 2018.
SE and LEAG are not included as they are equity consolidated only.
* 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 sourcing ecological energy and reducing environmental impacts.

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

We continually investigate the feasibility of using hydrogen in our infrastructure.

EP Infrastructure

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, with distribution throughout the Czech Republic and Slovakia, and Stredoslovenská energetika group, with distribution throughout Slovakia.

Highlights

We focus on traditional distribution services that reflect modern trends.

Our subsidiaries are industry leaders:

1. SSE is the second largest regional electricity distribution company in Slovakia.
2. SPP-D is the leader in Slovak natural gas distribution.
3. EPET is an important supplier of electricity, natural gas, and related services in the Czech Republic and Slovakia.

EP Infrastructure

SSE HOLDING

Distribúcia SPP

epet.

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.

EP Infrastructure

Budapesti Erőmű ZRt.[16]

Plzeňská teplárenská – Více než energie[16]

Pražská teplárenská

United Energy

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 shares 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.

EP Infrastructure

nafta

nafta Speicher

SPP Storage

POZAGAS

Renewables

Overview

EPH is active in generating energy from renewable sources and investing in projects to further expand this segment of business. EPIF owns and operates three solar power plants and a biogas facility, with a minority and majority interest in a solar plant and wind farm respectively. EPPE owns a portfolio of primarily biomass fired plants, wind farms and photovoltaics.

Highlights

EPH operates two modern woodchip biomass power plants in Calabria, Italy. A total installed capacity of 73 MW and one operating PV plant with a capacity of 1.24 MW. The plants produce about 600 GWh of power annually.

Our subsidiaries are industry leaders:

1. Lynemouth Power underwent a major conversion programme that converted the former coal-fired power station to 100% biomass power generation, powering approximately 450,000 homes.
2. Gazel Energie has a generation portfolio of:
(I) six operating onshore wind farms, which represent 82 MW of net installed capacity located in Northern France, and
(II) 2 solar parks in Brigadel and Le Lauzet (South-Eastern France) with a combined net installed capacity of 11 MW.

EP Power Europe

GazelEnergie

Lynemouth Power

BiomasseItalia – L'Energia di oggi, l'azzurro di domani

fusine energia – energia sostenibile

BiomasseCrotone

EP Infrastructure

VTE Pchery

Triskata

Powersun

Arisun

ALTERNATIVE ENERGY

16 Note that Pražská teplárenská and Budapesti Erőmű were disposed of in November and December of 2020 respectively.

EP Logistics International

Overview

This business segment consists of subsidiaries whose core services support the Group's operations, primarily with regards to their transportation needs. This range of activities includes, but is not limited to, rail freight, freight forwarding, and railway training and staffing.

Highlights

EPLI employs over 400 people, operates 60 locomotives, 1,600 railway wagons, and 60 silo tanks.

Our subsidiaries are industry leaders:

1. EP Cargo, through its national and international rail services, moved around 4 million tonnes of material in 2020.
2. EP Cargo Trucking CZ has over 100 of its own vehicles that are active in the Czech Republic, Slovakia, Poland, Germany and Austria.

EP Cargo Trucking CZ s.r.o.

EP Cargo Invest

EP Intermodal

EP Cargo Trucking

EP Cargo (CZ)

EP Cargo (PL)

LokoTrain

SPEDICA THE SPEDICA GROUP COMPANIES

LOCON

Generation and Mining

Overview

Our generation segment is primarily represented by investments in assets that generate electricity in condensation mode and located in active or soon to be active capacity markets. Our mining segment is represented by subsidiaries extracting lignite from surface mines in Germany.

Highlights

Our subsidiaries are industry leaders:

1. The penetration of renewable energy in the UK will increase the need for fast and flexible generation. EPUKI and its gas plants are ready to cooperate on ensuring grid stability.
2. Through its assets, EP Produzione is one of the most important players in Italy with regards to electricity generation.
3. Gazel Energie is a significant energy producer and supplier of gas and electricity in France. Through their CO_2 emission reductions, they play an important role in France's decarbonisation strategy.
4. Tynagh Energy is the only steam power plant on the Irish market to reliably supply large amounts of electricity to customers.

EP Power Europe

HUMBLY GROVE ENERGY [17]

Kraftwerk MEHRUM

TYNAGH ENERGY LIMITED

EP Kilroot

EP Ballylumford

EP PRODUZIONE

EP Commodities

EP Langage

EP SHB

GazelEnergie

HELMSTEDTER REVIER

MIBRAG

17 Note that Humbly Grove Energy Limited was acquired at the end of March in 2020.

EPIF Group overview

EP Infrastructure (EPIF) is a leading European entity with large and diverse infrastructure asset base focused on gas transmission, gas and power distribution, heat infrastructure, and gas storage. The EPIF Group principal operations are located in the Czech Republic, Slovakia and Germany. Measured by EBITDA, the EPIF Group believes to be among the five largest industrial groups based in the Czech Republic. Notably, in 2020, there were no significant acquisitions made by the Group, however, EPIF did dispose two of its heat infrastructure entities, Pražská teplárenská and Budapesti Erőmű, which occurred in November and December respectively.

Significantly, in 2020, EPIF further focused on its development of internal policies and governance, which is elaborated upon in greater detail in the *ESG governance at EPH* section of this Report. Additionally, the policies can be accessed on the EPIF Group website.[18]

EPIF 2020

Net installed capacity – power
968 MW

Thermal capacity of boilers
3,085 MW

Net production – power
3,337 GWh

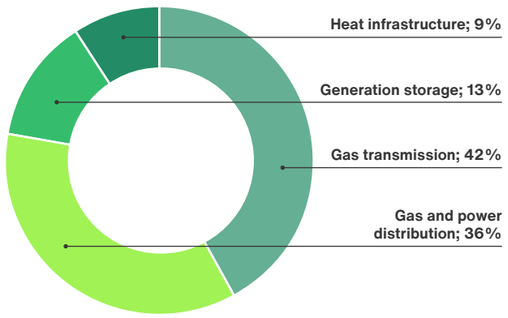
Net production – heat
4,046 GWh

Total net energy production
7,383 GWh

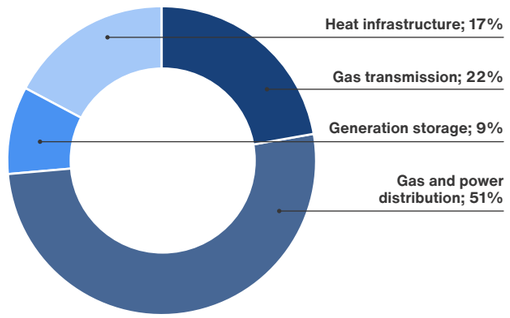
Table 1: EPIF's key operations indicators

EBITDA and revenues[19]

2020 EBITDA: EPIF



2020 Revenues: EPIF



Graph 1: EPIF's financial indicators

18 https://www.epinfrastructure.cz/en/esg/
19 Amounts before IC eliminations. When calculating indicators, we use EBITDA without considering intercompany transactions.

2020 Highlights

Gas and electricity distribution

Market leader in gas and electricity distribution in Slovakia.

Gas transmission

Operates the longest gas transmission route in Europe.

Heating infrastructure

Significant supplier of heat in the Czech Republic.

Gas storage

Market leader in gas storage in the Czech Republic, Slovakia, and Austria.

EPPE Group overview

EP Power Europe (EPPE) is a unique energy utility, focusing mainly on power generation from renewable and conventional sources (primarily highly efficient CCGT units combusting natural gas, while coal generation limited and steadily declining). Additionally, the company is active in coal mining and commodity trading. EPPE operates on eight European markets: Germany, Italy, Switzerland, the United Kingdom, the Republic of Ireland, the Czech Republic, France and Slovakia. Notably, in 2020, EPPE acquired Humbly Grove Energy Limited at the end of March.

EPPE operates a balanced portfolio of primarily natural gas, coal, biomass and other renewables power plants. Through strategic gradual transformation of mining activities and coal-related operations, as well as massive investments in low-emission and green alternatives, EPPE aims to actively transform the energy system.

Notably, EPPE started implementing internal policies developed under the EPH Group and is expected to have them fully adopted in 2021. This is further elaborated upon in the *ESG governance at EPH* section of this Report; additionally, the policies can be accessed here.

EPPE 2020

Net installed capacity – power
10,626 MW

Net production – power
34,720 GWh

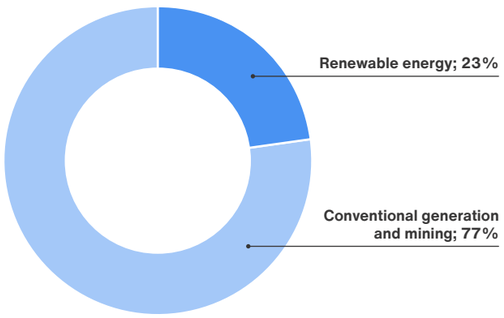
Net production – heat
273 GWh

Total net energy production
34,993 GWh

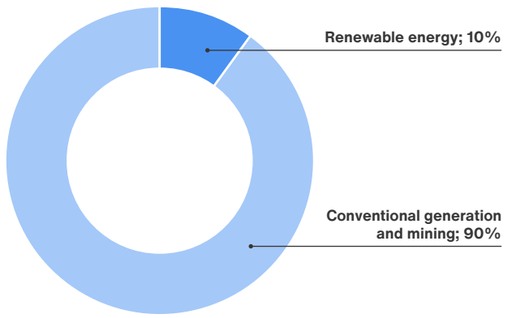
Table 2: EPPE's key operations indicators

EBITDA and revenues[20]

2020 EBITDA: EPPE



2020 Revenues: EPPE



Graph 2: EPPE's financial indicators

20 Amounts before IC eliminations. When calculating indicators, we use EBITDA without considering intercompany transactions.

2020 Highlights

749 MW
We have a total of 749 MW of installed power capacities in renewable energy sources across our various regions of business, with further planned investments.

We operate **the only CCGT plant**
on the Irish market and highly efficient CCGTs with leading positions in the UK merit order.

We are aligned with the **Energiewende efforts** and fulfilling our role in the program.

We operate **modern biomass** plants in Italy that uses biomass made from wood chips and agro-food residuals.

We have a clear **decarbonisation plan** for our hard coal units, notably making us a decarbonisation leader in France.

We focus on **sustainable power generation,**
which is highlighted through the establishment of EP New Energies, EPH's renewable energy developer.

EPLI Group overview

EP Logistics International (EPLI) was created around EPH's subsidiaries, handling the logistics associated with our business partners' transport needs. Our business focuses on rail, road and intermodal transport. We additionally provide staffing and employee training, related to railway work, within our services. Overall, EPLI focuses on providing premium logistical services and solutions. Since its inception, EPLI has achieved steady and dynamic growth. To-date, it has transformed into a profitable company with a well-established reputation.

EPLI has a strong representation in the Czech Republic and Poland, and additionally cooperates with logistics companies in Germany. Notably, in 2020, there were no major acquisitions made by the Group.

Notably, EPLI started implementing internal policies developed under the EPH Group and is expected to have them fully adopted in 2021. This is further elaborated upon in the *ESG governance at EPH* section of this Report; additionally, the policies can be accessed here.

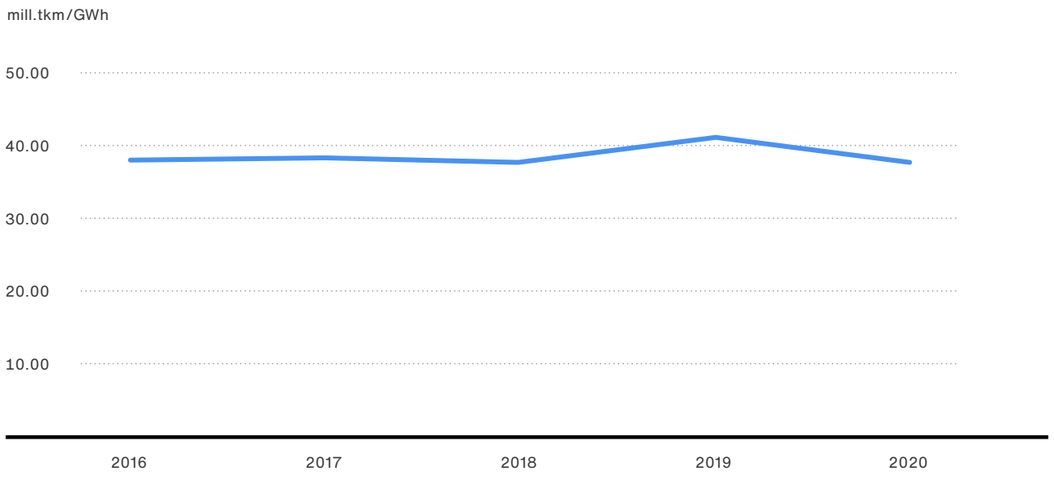
In 2020, the EPH Group experienced a 9% decrease in its transport efficiency compared to last year. This is caused by lower volumes transported due to COVID-19 impact.

The increase in energy consumption and tonne kilometres is driven mainly by the fact that in 2020 is firstly fully included LOCON, our 2019 acquisition. In 2019, it only influenced part of the year as the acquisition was completed in July 2019.

3,605 mill. tkm
driven
↑ 53% increase compared to 2019

96 GWh
total energy consumption
↑ 67% increase compared to 2019

Transport efficiency



Graph 3: EPPE's financial indicators

21 2016 was the start of data collection for this indicator.
22 2016 was the start of data collection for this indicator.

2020 Highlights

1,600 railway wagons
We operate 60 of our own locomotives, and more than 1,600 railway wagons and 60 silo tanks.

400 people
We employ over 400 people, with zero road fatalities of drivers or third parties since 2016[21].

0 fines
Since 2016[22], we have experienced

Vision
Our vision is to become the leading European rail and road transporter and freight forwarder.

Equity participations

Slovenské elektrárne

Shareholder Structure

EPH completed the first phase of the acquisition of Slovenské elektrárne, the largest power generator in the Slovak Republic, on 28 July 2016. Slovenské elektrárne ("SE") had two shareholders as of 31 December 2020, with the majority shareholder being Slovak Power Holding BV ("SPH"), owning a 66% share in the company's registered capital. 50% of the registered capital was owned by EP Slovakia B.V. (a subsidiary of the EPH Group) and the remaining 50% was owned by Enel Produzione S.p.A. (a subsidiary of the Enel Group). The company's minority shareholder was the Slovak Republic, with a 33% share in the registered capital, represented by the Ministry of Economy of the Slovak Republic.

The Enel Group is a leading multinational energy company and a prominent integrated player in the global electricity and gas markets. The Enel Group is present in 31 countries across five continents, operating more than 83 GW of installed capacity and having an electricity and gas transmission grid of 21 million kilometres. With 65 million end customers, Enel has the largest customer base compared to other European competitors and is one of the leaders in the European energy market in terms of installed capacity and EBITDA.

Portfolio of Slovenské elektrárne

The portfolio of SE represents the critical energy infrastructure in Slovakia and in the Central European region, which also includes the Czech Republic, Hungary and Poland. It accounts for the majority of the installed capacity and generated power in Slovakia and represents 8% of installed capacity and 7% of generated electricity in this region. EPPE plays a key role in the region given its stakes in the power generation and supply in the Czech Republic and power generation, power and gas distribution and supply in Slovakia.

As of 2020, Slovenské elektrárne owned and operated a power plant portfolio with 3.8 GW of net installed capacity. This installed capacity consists of 1.8 GW of nuclear power plants, 1.6 GW of hydroelectric plants and 0.4 GW of coal power plants. These power plants together generated almost 19 TWh, which accounted for approximately 65% of the electricity generation in Slovakia in 2020[23].

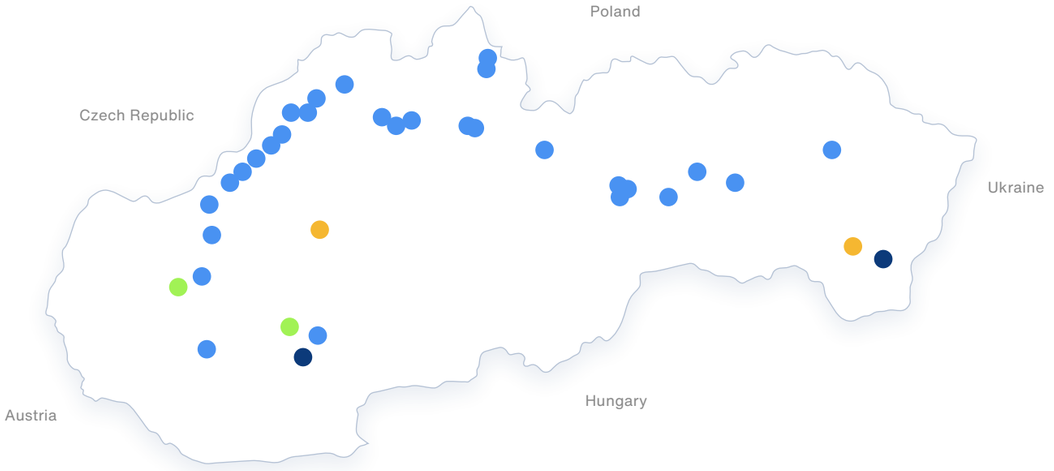
The SE remains fully committed to sustaining its investment plan for the upcoming years 2020–2024, focusing on the completion of Units 3 and 4 of the Mochovce Nuclear Power Plant. The vast majority of SEs' investments was directed at the construction of Units 3 and 4 in Mochovce also in 2020.

Role of the assets in the Slovak energy market

In 2020, SE supplied 95% of its electricity without GHG emissions, thus proving the importance of its nuclear and hydroelectric assets for an environmentally-friendly and sustainable future.

The nuclear power plants of SE operate in a baseload mode, guaranteeing the stability of the electricity supply. They are complemented by a group of flexible run-of-river and pump storage hydroelectric power plants providing ancillary services for the grid. By contrast, lignite technologies are perceived as crucial for the transitional period in the upcoming years (the end of domestic lignite combustion in Slovakia is expected in 2023).

The SE portfolio represents critical and indispensable energy infrastructure in Slovakia



31×	Hydroelectric power plants	1,590 MW
2×	Nuclear power plants	1,814 MW
2×	Thermal power plants	414 MW
2×	Solar power plants	1.8 MW

Figure 8: Portfolio of Slovenské Elektrárne

23 Measured on gross electricity production.

Case Study
Sustainability initiatives

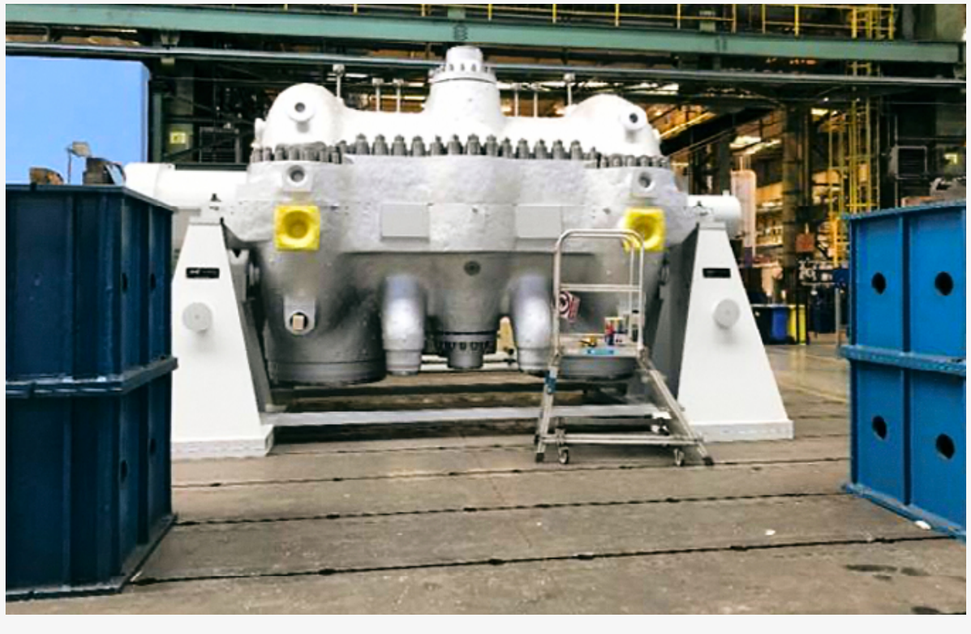
EPIF

Operational efficiencies

Slovenské elektrárne has been increasing the efficiency of its EMO12 units by better utilising the heat produced in their reactors. This increases the electrical output without increasing the costs associated with nuclear fuel, personnel and maintenance (obsolete equipment is replaced with more efficient models rather than undergoing extensive repair and maintenance). In 2020, the electrical output from Unit 2 of EMO increased from 470 MW to 500 MW.

This was a result of modernising the power plant's turbines (two), their oil regulation, electronic turbine regulators, both block transformers and other equipment in the power plant's secondary circuit.

In 2021, similar modernisation activities will be implemented at Unit 1 of EMO, where the same increase in electrical power is expected.



Picture 1: High pressure part of the turbine.

Lausitz Energie Verwaltungsgesellschaft (LEAG)

LEAG's operations include opencast mines in Jänschwalde, Welzow-Süd, Nochten and Reichwalde as well as the three large lignite power plant sites Jänschwalde, Schwarze Pumpe and Boxberg and one block in Lippendorf, together representing an installed capacity of 8 GW.

On 30 September 2016, a Consortium of EPPE and PPF Investments (the "Consortium") completed the acquisition of German mining and generation assets in Saxony and Brandenburg from Vattenfall. Following the acquisition, EPPE now owns a 50% stake in the holding entity Lausitz Energie Verwaltungs GmbH, which is the majority owner of the two key operating subsidiaries – Lausitz Energie Bergbau AG (former Vattenfall Europe Mining AG) and Lausitz Energie Kraftwerke AG (former Vattenfall Europe Generation AG), all together rebranded to LEAG.

LEAG power plants provide a stable and reliable supply of electricity and heat in Eastern Germany, with the crucial task of reacting flexibly to the fluctuating feed-in of wind and solar power and ensuring grid stability. As such, these assets represent a significant part of the flexible and dependable capacity in Germany.

Both socially and economically, the lignite assets are of vital importance for the mining regions. About 7.7 thousand people work in LEAG's opencast mines, power plants, administrative offices and service sectors. Additionally, a large number of jobs are created indirectly. Based on the interrelations with the wholesale, consumer and capital goods industry as well as other purchasing power effects, it can be assumed that for every direct job in the lignite industry, there is one more indirect or induced job directly in the district and one more outside the narrower geographical boundaries[24]. The lignite industry is a reliable business partner for many suppliers and subcontractors.

Taking into account the development of the political and economic boundary conditions, LEAG decided to revise its long-term mining and power plant operation concept dating back to 2007. The revised concept, published in March 2017, entailed a significant reduction in long-term mining volumes, especially affecting the Jänschwalde and Nochten sites. In 2019/2020, this concept was again severely affected by the politically accelerated German coal phase-out. Accordingly, LEAG adapted its concept again in early 2021, renouncing the utilization of Section II of the Welzow-Süd opencast mine but also confirming the necessity of the Mühlrose section of the opencast mine Nochten.

24 Source: Commission for Growth, Structural Change and Employment final report, p. 52.

Role of the assets in the German energy market

The electricity supply in Germany is based on a mix of conventional and an increasing part of renewable energy sources. Conventional energy sources are lignite, hard coal, natural gas, oil and nuclear power. Today, these cover slightly more than half of Germany's electricity consumption. The renewable energies are primarily wind power, photovoltaic, biomass and hydro power. While renewables and lignite are domestic energy resources in Germany, the remaining fossil energy resources (hard coal, oil and gas) and uranium for nuclear power plants, are mainly imported.

The rule for a stable electricity system is that the amount of electricity produced and consumed must be in continuous balance. Due to the fluctuating wind and solar availability and in the absence of sufficient electricity storage capacities, which are yet to be developed on a large and commercially feasible scale, the system, including the network infrastructure, requires power plants that can balance out the fluctuations during the course of a day.

While in the past, lignite-fired power plants primarily provided stable baseload generation, today their flexibility is increasingly required. Electricity generation from PV and wind cannot cover consumer demand due to the variation in wind intensity and solar radiation. Since capacities for electricity storage are still limited, the contribution from wind and PV plants for the security of supply is considerably lower compared to conventional power plants. It amounts to less than 10% of the installed capacity that can be regarded as assured capacity, whereas around 90% is achieved in coal-fired power plants.

Additionally, due to the substantial geographic distances between the production areas of renewables (e.g. wind from the north / eastern regions of Germany) and the industrial consumption regions in the south / western parts of Germany, still insufficient grid extensions and congestions play a decisive role for the integration of the renewables. Until solutions can be found for these challenges, controllable conventional power production in both directions (up-regulating as well as down-regulating) is essential for stability of the grid in Germany and neighboring countries and stability of the economic and social environment.

Given the dynamic growth of renewable energies, and their legally granted priority dispatch, the balancing tasks of conventional power plants are increasingly complex.

Coal phase out in Germany

Due to Germany's climate protection law from December 2019, further updated in 2021, CO_2 emissions are to be decreased by 65% by 2030 compared to 1990. By 2045, Germany aims to be largely climate neutral. The law contains annual reduction targets for the industry, building, mobility and agricultural sectors for the period up to 2030. The energy sector is expected to contribute between 61 to 62% reduction to reach the overall target of 2030. For this, a politically accelerated phase-out of coal power production plays a central role. As early as in the summer of 2018, the Federal Government set up the "Commission for Growth, Structural Transformation and Employment" with representatives from various economic and societal groups to make recommendations for the phase-out with the necessary economic and social support for the German coal regions. In January 2019, the Commission presented its final report, recommending a gradual reduction and an end of coal-fired electricity generation by the end of 2038 at the latest. At the same time, the Commission made proposals to support sustainable structural development in the regions affected.

Based on the Commission's report, the Federal Government has passed a law to end coal power production, including an annual phase-out plan for all lignite power plants and compensatory payments. The law is accompanied by a public contract between the German Federal Government and the lignite plant operators including LEAG, which includes detailed regulation of the decommissioning and the compensatory payments. Due to concerns regarding the financial compensation for lignite power plant operators, the EU Commission has suggested the necessity for a formal state aid investigation in December 2020 which is expected to last at least 9–12 months. According to the coal phase-out law, which entered into force in August 2020, the exit scenario for the Lusatian mining region is as follows: The 500 MW lignite power plant units Jänschwalde A-D and Boxberg N/P operated by LEAG are to be phased out between end of 2025 and 2029, as regards Jänschwalde A/B using the "prolongated decommissioning" mechanism, comparable to the former "security stand-by mechanisms". The Schwarze Pumpe power plant and the two most modern units at the Boxberg power plant, units Q and R, are to follow by the end of 2038. The Lippendorf power plant in Saxony is scheduled for closure at the end of 2035. In 2026, 2029 and 2032 it will be checked whether units that are still in operation after 2030 can be decommissioned three years earlier. Compared to LEAG's previous mining concept from 2017, this leads to significant structural adjustments and serious interventions in the activities and planning procedures of LEAG as mentioned above. Against this backdrop the Eastern German lignite sector is once again making a large contribution to German CO_2 reduction targets. Between 1990 and 2019 the lignite power plant fleet of LEAG and its predecessor companies had already reduced CO_2 emissions by more than half. LEAG will nevertheless support this agreement by taking responsibility for its employees simultaneously.

Until these phase-out dates, German lignite will continue to contribute significantly to maintaining a secure, economically and environmentally sound energy supply. Also, for achieving long-term prospects for regional development, an active mining industry as an anchor point is of great impor-tance. On this basis, LEAG is further developing its business fields with energy technologies for a secure energy transition ("Energiewende"[25]), such as battery storage systems like the BigBattery Lausitz, renewable energies and the potentials of hydrogen. Also, existing business fields are enhanced and opened up for third parties such as engineering, steel construction and maintenance for rail vehicles performing under the brand name MCR engineering Lausitz. LEAG will remain an important pillar for energy supply security and proceed to become an innovative and versatile energy company providing jobs and value to the region.

In Germany, lignite is currently essential to the transition to renewable energies along the route to more sustainable, yet secure electricity supply. Both, socially and economically, lignite assets are still of vital importance for the Lusatia region.

25 A German term for energy transition.

Sustainability initiatives of LEAG

Large scale opencast mining has a significant impact on the landscape. Therefore, LEAG puts special emphasis on initiatives to minimise the impact and to recultivate the sites in a high-quality way to fulfil the requirements of future users and the ecology of the land. The recultivation processes focus on the restoration of forest, agricultural land and nature reserves in order to maintain biodiversity. This presents a unique opportunity for large-scale forest reconstruction. Such tasks can normally be achieved only by successive generations of forestry activity. Since the mid-1990s, more than 30 million trees have been planted on Lusatian mine sites. One recultivation focus in 2020 was the creation of forest areas in the Brandenburg opencast mines with around 214 hectares and in the Saxon opencast mines with 60 hectares of other use in the priority area for nature conservation.

About 10% of the post-mining landscape areas are being reserved and prepared for agricultural use. LEAG transfers the land to the subsequent users only when the soil can be guaranteed to sustain crops and can be used for earning a living. Until then, the company and its contractors, mostly regional farmers, develop the land, supported by scientific monitoring. Since 2020, the cultivation of new crops such as hemp, lavender or pepper has also been tested. They are to be processed in Lusatia, too.

Groundwater withdrawal is inevitable in the case of opencast mining. About 6 to 7 m^3 of water have to be pumped out to obtain one tonne of lignite. By constructing sealing walls wherever technologically and geologically possible the water withdrawal and its effect on the surrounding landscape is minimized. By reusing a significant amount of this water for operating the power plants the total ecological impact is minimised and the electricity production is secured even in dry periods. About 70% of the groundwater is fed back into the regional rivers Spree, Schwarze Elster and Neiße, mostly after being treated in one of LEAG's seven water treatment plants.

In the post-mining landscape lakes will have a share of about 25%. In the past years LEAG laid the foundation to develop the former opencast mine Cottbus-Nord into the lake Cottbuser Ostsee. Flooding started in April 2019 and the process should be finalized in the mid-2020s. In the post-mining landscape of the Nochten opencast mine, the more than 200-hectare Hermannsdorfer Lake has been flooded since 2018. It is part of a 16 square kilometre recultivation area reserved solely for nature conservation. With the "New Jeseritzen", a moor initial founded on peat from the opencast mine forefield is being developed in the direct vicinity of the lake.

About 2,500 hectares of agricultural land have been created on former mining dumps so far. The post-mining landscape of the opencast mines Welzow-Süd and Jänschwalde offers particularly favourable conditions for agricultural areas.

Responsibility and future actions

Through other activities in Germany and elsewhere the Consortium, has proven that it is well positioned to fulfill all technical, legal and financial responsibilities related to the acquired assets. LEAG takes over all regulatory obligations related to the operations, including provisions for recultivation. Further models to guarantee the fulfilment of post-mining obligations, so-called "Precautionary agreements", have been concluded by Lausitz Energie Bergbau AG with the responsible mining authorities in Saxony and Brandenburg.

"The Consortium and EPH fully respect the long-term targets of the "Energiewende" set by the government and are committed to operating their portfolio to support these targets, gradually reducing the climate footprint.

The Lusatia lignite mining region

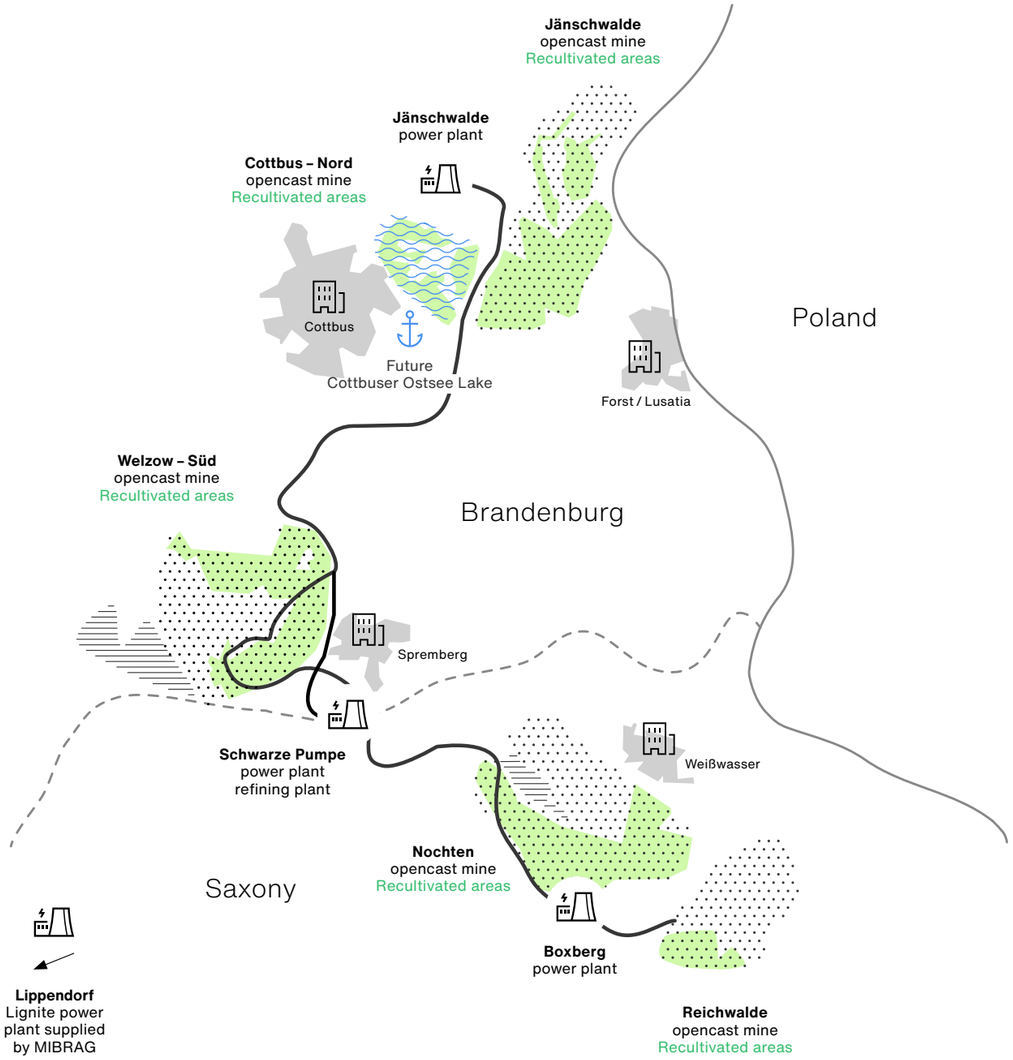


Figure 9: Lusatia lignite mining region overview

Progress on reclamation in 2020

Land creation and regeneration total (ha)	444
Agricultural	90
Forest	267
Other uses for nature protection	88

Table 1: Reclamation data 2020

Case Study
LEAG's BigBattery Lausitz Storage Project

Electricity drives our economy and forms the basis of our society. The "Energiewende" confronts the system with major challenges: Electricity from renewable sources is low-emission, but it is not continuously available.

LEAG is embarking on new paths and has built a battery storage facility with a utilization capacity of 53 MWh at the Schwarze Pumpe power plant industrial site. BigBattery Lausitz combines modern power plant infrastructure with storage technology in a completely new order of magnitude. In this constellation the project is the only one of its kind in Europe, to date. The storage facility, which is based on lithium-ion technology, will make power generation more flexible, help protect the power grid from fluctuations and thus support the system integration of renewable resources.

The BigBattery was built next to the Schwarze Pumpe power plant. Within the area of 110 by 62 metres, 13 containers house the lithium-ion batteries. There are also 13 converter containers, a unit transformer and medium and low voltage switchgear. They are the key features of the storage site. Equally significant are the battery and energy management systems as well as the internal control, protection and fire alarm technologies. The battery storage facility is connected to the grid at the high voltage level (110 kilovolts). This also provides the connection to the extra-high voltage grid on site.

In July 2019, the symbolic ground-breaking ceremony for the BigBattery was held. After completion of the construction work and assembly of all 8,840 battery modules, commissioning began in March 2020. This was followed by trial operations. At the end of 2020, the BigBattery began continuous operation.

The investment in the BigBattery Lausitz amounts to approximately EUR 25 million. The main contractor for the construction was the Czech energy company EGEM, in cooperation with regional service providers from Lusatia. The project was funded by the Federal State of Brandenburg.

53 MWh

LEAG is embarking on new paths and has built a battery storage facility with a utilization capacity of 53 MWh at the Schwarze Pumpe power plant industrial site.

Selected GHG reduction activities and initiatives in EPPE

EPH's position in Germany is also influenced by our acquisition of a 50% non-controlling stake in LEAG.

“

Regarding LEAG's CO_2 emissions, we plan to save more than 100 million tonnes in comparison with the previous owner until 2030. This amount corresponds to nearly two years of current production.

Case Study
A Lake in Sight – the Cottbuser Ostsee will be the Largest Post-mining Lake in Germany

The Cottbus-Nord opencast mine restoration works are under way in order to convert the former mine into the Cottbuser Ostsee lake that will expand recreational opportunities in the Cottbus region, and create new nature conservation areas.

From a mine to Cottbuser Ostsee lake

The Cottbus-Nord opencast mine, together with the neighbouring Jänschwalde opencast mine, supplied the Jänschwalde power plant with lignite for over three decades. Preliminary preparations for opening up the opencast mine began in the mid-1970s. The first coal train entered the power plant on 8 April 1981, the last one on 23 December 2015.

Parameteres of Cottbuser Ostsee:

Future water level
61.8 – 63.5 m
above sea level

Target water level
62.5 m
above sea level

Final lake volume
126 million m³

Shore length
26 km

Removing and dismantling the large-scale equipment

In order to be able to begin with the landscaping of the large-scale Cottbuser Ostsee project, the complete infrastructure of the opencast mine and all large-scale equipment were dismantled, scrapped or disassembled for resale immediately after the end of the coal mining. The dismantling of the railway facilities alone comprised 30,000 tonnes of track ballast, 18,000 sleepers, 26 points, 11 kilometres of tracks and four bridges. The overburden conveyor bridge with its bridge excavators and two bucket chain excavators formerly used in the pit were scrapped.

Lake basin created and banks secured

Between 2016 and 2018 around 140 earth-moving machines were in use at the Cottbuser Ostsee lake construction site to move a total of 20 million cubic metres of earth. The soil removal ensures a two metres minimum water depth of the lake. The excavated earth masses were used to fill the former coal railway exit and to shape the future Bärenbrücker Bay.

Bank profiling took place in the south, west and north of the lake. In the east, the shore zones and offshore islands created with soils deposited using large-scale opencast mining equipment were stabilised by vibrocompaction measures in order to create a safe post-mining landscape. Between 2012 and 2019, a total of 46 million cubic metres of soil were compacted.

Infrastructure ready for flooding

The Cottbuser Ostsee lake is flooded with water from the Spree River which comes via the Hammergraben at the Lakoma Weir. For this purpose, a new diversion dam was built on the watercourse and an inlet structure on the lake's embankment. The two buildings are connected by an underground pipeline. A fish screen on the diversion dam meets the ecological requirements for fish protection. Flooding started in April 2019.

Filling of the lake is steered over the flooding management system of the Lusatian Lakelands. The extraction of water from the Spree River is only carried out if there is sufficient water in the river after primarily ensuring the interests of the people living along the Spree River and the protection of flora and fauna. Due to the dry weather, only few periods could be used for flooding so far. Nevertheless, the end of flooding will still be possible by the mid-2020s. The flooding plan is based on various weather situations with different amounts of precipitation, including dry periods, too.

In 2020, no decline in the water level occurred despite a stop to flooding. There are several reasons for this: Firstly, only about 80% of the lake is filled with Spree river water. That means the remaining 20% is groundwater. This includes groundwater of good quality, which LEAG is pumping via filter wells in the future shore areas of the lake in order to still maintain the stability of the embankments of the former opencast mine. This is the only way LEAG can prevent the groundwater at the edges of the lake from rising too quickly, which would lead to the instability of the embankments. This pumped water is reintroduced again and thus contributes to the flooding.

An outlet structure will integrate the Cottbuser Ostsee lake into the regional water network via the Schwarzer Graben ditch. The steerable structure is to be erected from 2022. A fish ladder with several basins ensures ecological continuity for aquatic life.

Good quality lake water

With rapid flooding and the high proportion of Spree River water it has been calculated that the quality of the lake water will be sufficient, needing no additional improvement measures. The pH value is estimated to be 7.5 to 8.

After the end of the flooding the groundwater inflow and precipitation will help to compensate for evaporation losses on an annual average according to calculations. Thereby the geographical location of the lake in the Baruth glacial valley below the Lusatian border wall is an advantage.

Communal projects

The number of ideas developed to expand the tourist infrastructure of the lake are an indicator of the great interest the people from the surrounding areas are showing. They are planning ports or water sports facilities, getting involved in the cycle path network around the lake or are already thinking about guidelines for the navigability. The first of these ideas is already becoming reality: In the autumn of 2019, the piling wall to secure the banks of the future city port was completed.

Oasis for nature protection

The future east banks of the Cottbuser Ostsee lake will be characterized by diverse features, islands and shallow waters. There is considerable potential for developing a wide variety of habitats and making it a suitable nature conservation area.

LEAG as a brand stands jointly for two key operating companies and their subsidiaries: Lausitz Energie Bergbau AG and Lausitz Energie Kraftwerke AG. The main area of operation is the Lusatian mining district – the second largest mining district in Germany.

LEAG is the largest power plant operator in eastern Germany, and also among the biggest private employers in this area. The portfolio comprises mining, refining and generating electricity and heat from lignite. LEAG operates four mines (Jänschwalde, Welzow-Süd, Nochten and Reichwalde), four power plants (Jänschwalde, Lippendorf, Schwarze Pumpe and Boxberg) and one refining plant (Schwarze Pumpe).

Additionally, LEAG is expanding their business areas. Therefore, the focus is set on future-oriented energy technologies in the fields of renewable energy, electricity storage and cross-sectoral cooperation as well as energy and industrial services for the market. With the BigBattery Lausitz, a power storage facility was established at the Schwarze Pumpe site that is unique in Europe. Continuous operations started at the end of 2020. With the virtual power plants "LEAG energy cubes" there is the opportunity of connecting assets of different sizes and functions to agile, virtual units for the electricity market. In addition, there are the services of the subsidiaries of Lausitz Energie Bergbau AG: Transport- und Speditionsgesellschaft Schwarze Pumpe mbH (TSS GmbH), is a full-service provider for logistics, material and warehouse management, GMB GmbH is a planning and engineering service company.

Case Study
Cooperation for renewable energy

With the German phase-out of coal-fired power generation by the end of 2038 at the latest, mining regions like Lusatia now face a transformation. Based on their traditional strengths, new ideas and investments, they will be able to continue to develop into versatile energy regions. LEAG regards itself as part of this structural development.

The company is one of the largest landowners in Lusatia – therefor there is significant potential especially for the land-intensive expansion of electricity generation from renewable energies. It is part of the transformation process that LEAG is driving. For example, the company's first own PV park went into operation at the end of 2019 on an area of over 16 hectares on the Welzow airfield, near the Welzow-Süd opencast mine.

LEAG is working together closely with EP New Energies, the EPH Group's centre of excellence for renewable energies founded in 2019, to expand capacity. EPNE, partly-owned by Lausitz Energie Bergbau AG holding 20% of its company shares, pools know-how for the development and construction of PV and onshore wind plants. LEAG is providing its expertise as a major energy producer and marketer in Germany.

EPNE has already been particularly successful with its first participation in an innovation tender by the Federal Network Agency for plants under the Renewable Energies Act (EEG). The young company was awarded the contract for the Zschornewitz solar park in Saxony-Anhalt. The innovation tenders of the Federal Network Agency promote plants that are intended to lead to more competition and more grid and system efficiency.

The site of the planned solar park in Zschornewitz has a rather interesting history. This was the site of one of the oldest power plants in Germany, which went into operation in 1915. After the power plant was decommissioned in 1992, electricity is now to be produced again in Zschornewitz – this time CO_2-free. Construction will begin in February 2021. The PV park will have an installed capacity of 4.5 MW. With a production of about 4.6 million kWh per year, it can thus supply around 1,150 four-person households with green electricity in purely mathematical terms.

Projects already realised include two new rooftop PV plants at LEAG's Lübbenau and Cottbus sites. An intelligent swarmBOX from the Dresden-based start-up "Die Energiekoppler", with which LEAG is cooperating, is being used for generation and consumption analysis. The smart box optimises the marketable power. This is made available to the market via the LEAG energy cubes, LEAG's virtual power plants – an energy service that LEAG also offers to other plant operators throughout Germany. The innovative approach is to network small plants and adapt them in such a way that they make an economic contribution to stabilising the decentralised energy system and thus the energy transition.

4.5 MW

The PV park will have an installed capacity of 4.5 MW.

4.6 mil kWh

With a production of about 4.6 million kWh per year, it can thus supply around 1,150 four-person households with green electricity in purely mathematical terms.

Picture 2: Small box, big effect. With the help of artificial intelligence, generation, self-consumption and marketing of electricity are optimised.

Picture 3: 56 solar modules on the roof of the LEAG headquarters in Cottbus were installed and commissioned in 2020.

Picture 4: LEAG's first solar park with 10 MW capacity went into operation in 2019. 10,620 MWh were generated in 2020.

Case Study
Waste becomes energy

The safe and environmentally sound disposal of waste is one of the key requirements for modern societies. If the amount of waste is broken down per capita, each German produces 615 kilos of waste per year (source: europarl.eu, 2018), and the trend is rising. This places Germany in the top 10 when compared to other European countries in terms of municipal waste alone.

There is a five-level hierarchy for dealing with waste throughout the EU. It also forms the basis for the Closed Substance Cycle Waste Management Act in Germany. Avoidance comes first, followed by reuse and recycling. Energy recovery comes in fourth before waste disposal completes the hierarchy in fifth place. LEAG's lignite-fired power plants have been playing an important role in energy recovery since the 2000s. At the four power plant sites, up to 1 million tonnes of capacity is available for the co-incineration of waste from the region and the surroundings. Thermal utilisation is mainly of extensively processed secondary fuels and sewage sludge. In accordance with existing permits, the materials are added to the lignite stream and burnt together with the lignite in the power plant boiler. The actual throughput is therefore dependent on the existing volume and the operation of the power plants.

The establishment of sufficient thermal utilisation capacities was already a central prerequisite for the closure of landfills for non-pretreated municipal waste in 2005. Thermal treatment saves about 450 hectares of landfill space per year in Germany. This is equivalent to around 620 football pitches. (Source: Energy Brainpool, 2017)

With the German phase-out of lignite-fired power generation, these methods of thermal utilisation will also cease to exist in the foreseeable future. A recent study concludes that without further expansion, there will be a shortage of thermal waste treatment capacities by 2040 (source: Prognos, Prof. Martin Faulstich, TU Dortmund University, 2020). However, these are important for the environmentally sound disposal of waste that cannot currently be sorted or recycled.

Picture 5: Waste management follows a five-level waste hierarchy.

Case Study

EVA Jänschwalde creates new capacities for thermal utilisation

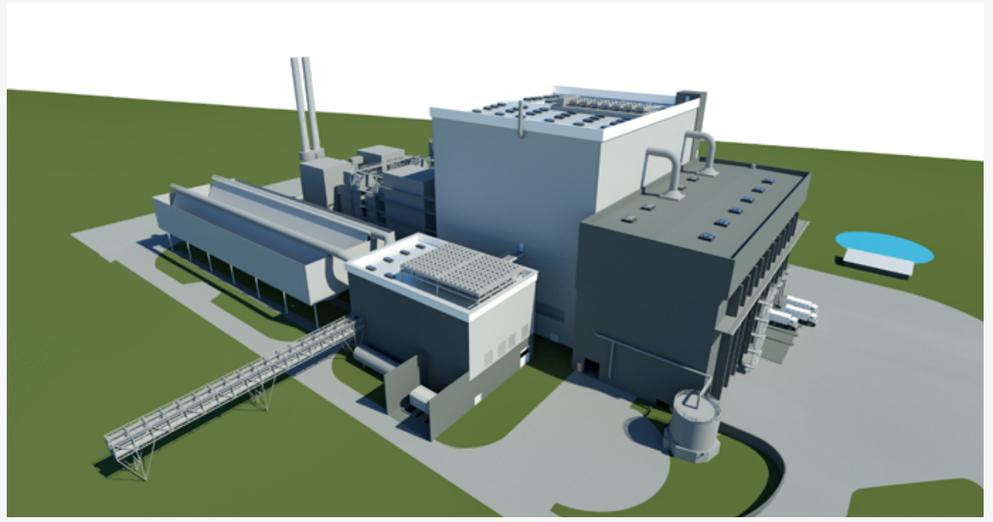
At the Jänschwalde site, LEAG is planning to build a new RDF plant (refuse derived fuel) called Energie- und Verwertungsanlage (EVA) together with the environmental services provider Veolia. With the EVA Jänschwalde, LEAG is creating new capacities for thermal waste utilisation.

Here, substitute fuels produced from municipal and commercial waste in a multi-stage treatment process are utilised. In addition, the plant is also capable of processing other non-hazardous waste such as sewage sludge. In this process the energy contained in the waste is converted into electricity (approx. 50 MW), district heating (up to 100 MWth) and process steam (up to 150 t/h), while maintaining high environmental standards. In the long term, this will also reliably secure the regional heat supply.

The fuel throughput of EVA Jänschwalde will be a maximum of 480,000 tonnes per year, including a maximum of 40,000 tonnes of sewage sludge. This will cover the disposal needs in the region and surroundings (approx. 200 kilometres).

In addition, EVA will compensate for the gradual loss of co-incineration capacities at LEAG's lignite plants as a result of the coal phase-out. For the Jänschwalde site, whose lignite-fired power plant will be gradually taken off the grid and decommissioned between the end of 2025 and 2028, it creates an impetus for structural development and the establishment of further manufacturing companies by providing 50 new jobs and energy.

The approval procedure for the Jänschwalde RDF plant is currently underway. Once approval has been granted, the start of preparatory construction measures east of the Jänschwalde lignite-fired power plant, Unit F, is planned for 2021. Commissioning is planned for the end of 2024 after a construction period of three years.



Picture 6: 3D representation of the planned EVA Jänschwalde RDF plant.

Operational efficiency and economic performance

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

EPH 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 not only driven by our policies and principals, 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:

EPH strives to provide services that are not only affordable and clean, 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 2020 operational results proved that EPH 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.

Operations overview

When discussing our operational data, the following business segments are included in the Group's analysis: gas transmission, gas and power distribution, gas storage, heat infrastructure, generation and mining, renewables, and others, including logistics.

Pipeline protection and safety management

We operate our pipelines, and other parts of our transmission and distribution systems, with the highest degree of due diligence and operational excellency; it is imperative to our business. This is accomplished 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 below the requirements of regulators.

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, thereby allowing us to appropriately allocate maintenance.

Energy consumption and efficiency

EPH is continually focused on improving its operational efficiency across the Group and takes various approaches towards advancing its efforts, such as through modernising **existing equipment and making good use of innovative technologies**.

Renewable energy

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

2020 Highlights

€86 mil

In 2020, the total capital expenditures in our Gas and Power Distribution services exceeded EUR 86 million.

8%

In 2020, EPH experienced a significant increase in power production from some of its renewable sources, with a 99% increase from wind, a 30% increase from photovoltaic and a 29% increase from hydro. Overall, the Group saw an 8% increase in energy production from its renewable sources compared to last year.

EPH's 2020 Business performance

For the year ending in December 2020, the EPH Group recorded total consolidated revenues and an EBITDA[26] of EUR 8,531 million and EUR 2,150 million[27] respectively.

2020 Income taxes paid: country share [EUR million]

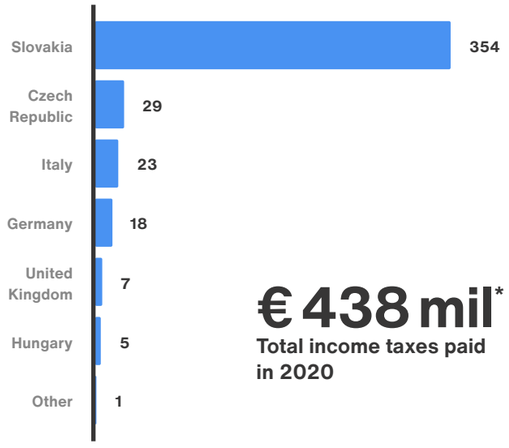
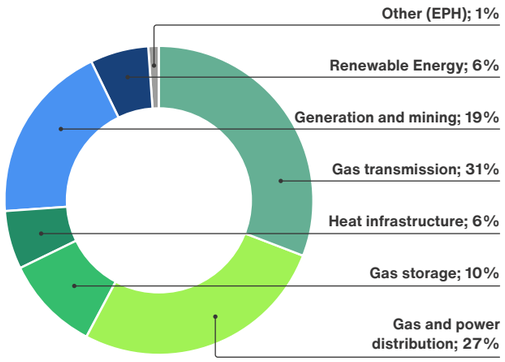


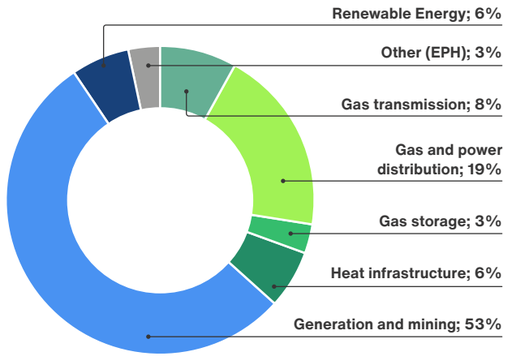
Figure 10: Tax paid by country 2020

2020 EBITDA:
business segment share



€ 2,150 mil
Total 2020 EBITDA

2020 Revenues:
business segment share



€ 8,531 mil*
Total 2020 revenues

Graph 4: EPIF's 2020 business results[28]

26 EBITDA is defined as profit from operations plus depreciation and amortisation, and is further netted for eventual impact of negative goodwill.
27 Amounts after IC eliminations. When calculating indicators, we use EBITDA without considering intercompany transactions.

28 Charts do not include holding entities and intersegment-eliminations, but rather focus on the main areas of business.
* This data has received limited assurance from the independent auditing firm KPMG.

Transmission, storage and distribution: closer look

EPIF

Power, gas and heating systems are essential for a country's economic and social development, as well as for facilitating and enriching people's daily lives in the modern world. As a result, the primary goal of the Group is to provide access to these energy systems, and other basic services, to the communities in which we operate. We make it our responsibility to guarantee a continuous and safe energy supply through our business as a transmission system operator, distributor and storage facilitator.

EPH, in coordination with its partners, continuously works to develop and improve distribution and transmission infrastructure, and overall networks, as this not only ensures the quality of supply, but also its reliable and efficient delivery. This continual improvement is represented in our management of distribution networks, thereby reducing the number of leaks and increasing network security. Additionally, the continued renovations and reconstruction being implemented to the backbone of our electricity distribution network ensures our continued traditional distribution services that reflect today's modern trends.

EPH's gas storage facilities serve as a supporting element; they compensate for fluctuations in the transmission network and, at the same time, serve as an effective tool in supporting trading on the gas market. During low consumption seasons, the storage facilities are used to store natural gas supplied from abroad and before high consumption seasons, the storage facilities are adequately topped to ensure to meet demand. Overall, EPH works to ensure that there is a supply of natural gas in storage, so as to continually meet network and market demand. Gas storage is not only important to meeting the fluctuations in demand, but it is also important in the case of unexpected emergency situations. In Slovakia, the storage capacity operated by NAFTA represents more than half of Slovakia's annual natural gas consumption. The proximity of NAFTA's storage facilities to the pipelines transmitting Russian gas to Europe also contributes to the continent's energy security.

Pipeline protection and risk evaluation

In EPH we take protection and safety operation of our pipelines very seriously. For this reason, we provide an overview of our activities in NAFTA and eustream.

NAFTA's policies

NAFTA has implemented a policy and a chain of processes connected to the evaluation of integrity risks of the gas pipelines. The risk analysis sorts the parts of the pipelines per their threat level and based on that derives frequency of periodical checks. Analytical process assesses over 25 data categories per each pipeline segment. These categories include, for instance, type of isolation, soil, repairs, and types of materials used, ground resistance, local pressure or amount of ground on top of the pipe. Even low risk segments are checked on foot at least every month. High risk segments are checked every week to detect possible issues.

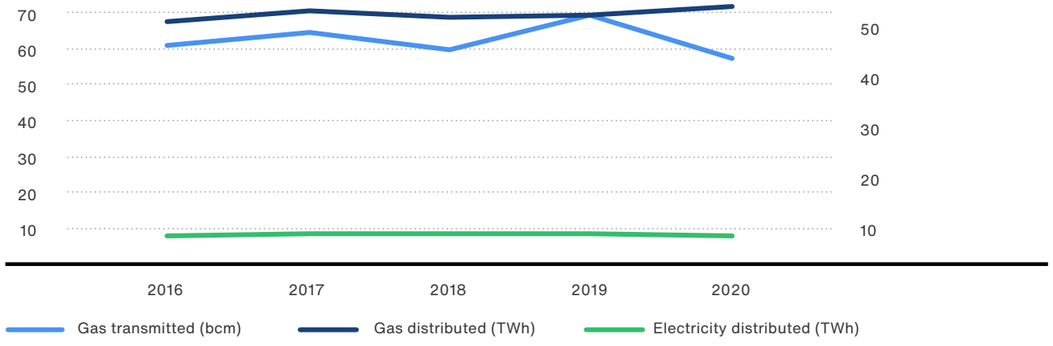
Eustream's policies

Eustream has a similar approach, where a set of policies exist that govern the protection, risk analysis and periodicity of the pipeline check-ins. In general, risk analyses consist of evaluating data points regarding the age of the pipe, the type of isolation, aggressivity (toxicity) of the surrounding ground or the number of repairs on a particular section.

Tensometric policy	This policy governs the usage and process of analysing the pressure on steel pipes.
Internal check-in	This policy governs the usage of a machine that goes internally through the pipe, so called pigging, where it can assess any possible defects inside of the pipe.
Aerial check-in	The transmission pipeline is also frequently checked by a helicopter to minimise any potential risk by third parties.

Table 2: Exapmles of policies related to the protection of the pipes

Distribution and transmission



Graph 5: Distribution and transmission

From 2015 to 2020, gas transmission, and gas and power distribution saw an average of 61.1 bcm, 51.6 TWh and 6.1 TWh respectively. Overall, these averages did not significantly deviate from last year, which indicates a steady demand for these segments of our Group's business. Compared to last year, we experienced the greatest change in the volume of gas transmission, with a decrease of 17%. This change was the result of front-loading volumes at the end of 2019, which would have normally occurred in the beginning of 2020. This change in operational activity was caused by preparation of major gas players for a potential Russian – Ukrainian crisis, which ultimately did not materialise, as a new gas transit agreement was signed between respective parties in December 2019.

Electricity distribution losses

As one of the key electricity distributors in Slovakia, through our subsidiary Stredoslovenská distribučná ("SSD"), the EPIF Group 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 of 6.1% in 2016 to 5.3% in 2019. The losses reported by SSD have been well below the limits set by the regulator for each voltage level.

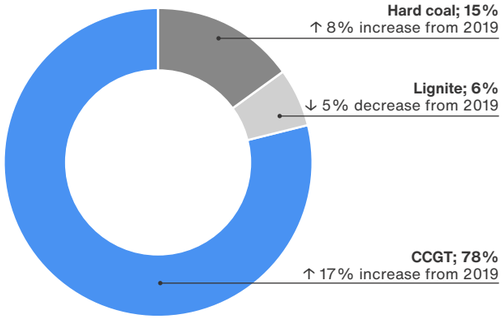
SSD		2015	2016	2017	2018	2019	2020
ELECTRICITY INFLOWS	GWh	7,820	7,951	7,935	7,751	7,758	7,542
LOSSES	GWh	456	482	429	425	414	421
LOSSES IN %	%	5.8%	6.1%	5.4%	5.5%	5.3%	5.6%

Table 3: Distribution losses

Power and heat production from conventional sources: Closer look

In 2020, EPH experienced a 15% increase and 5% decrease in its power and heat production from conventional sources respectively when compared to last year, resulting in an overall 12% increase of energy production. As the production from conventional sources increased, EPH focused on increasing its share from natural gas[29], which saw an increase of 16% from 2019 to 2020. Alternatively, the Group also focused on decreasing its share from lignite and hard coal, resulting in minimal change, with an 8% increase and 5% decrease in power production respectively and a 2% decrease in heat production from lignite. Even though the change from year to year is minimal, EPH has decreased its energy production from hard coal and lignite by 21% and 28% respectively since 2015. This highlights the importance that EPH emphasises on its production from less emission intensive sources and is further supported by its conversion strategies, where, for example, we aim to replace lignite-fired units with CCGT ones, such as at United Energy.

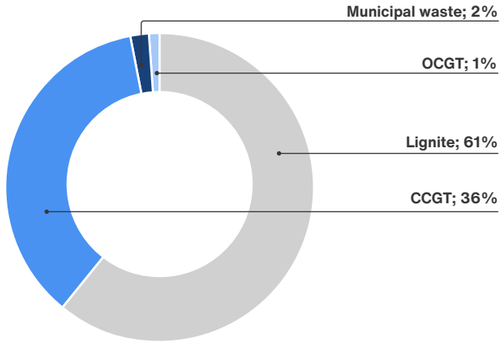
Power production 2020:
conventional energy share



34,389 GWh
Conventional net power production 2020

Graph 6: Power production by energy source

Heat production 2020:
conventional energy share

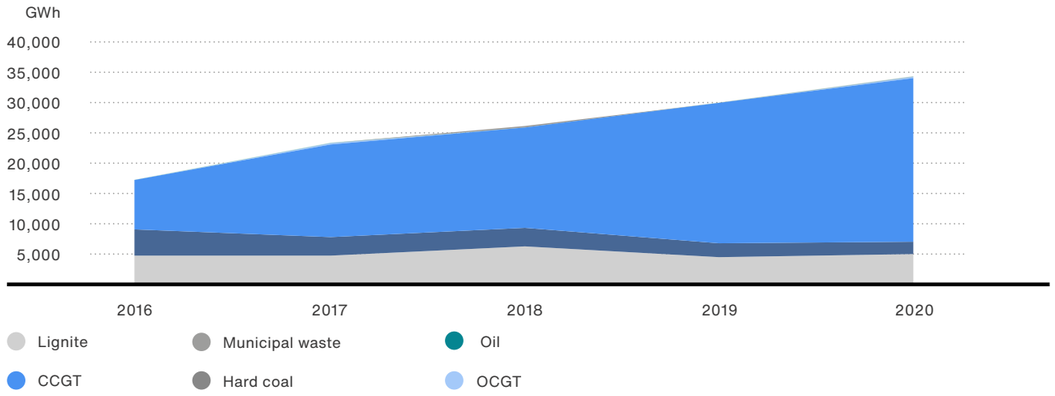


4,146 GWh
Conventional net heat production 2020

Graph 7: Heat production by energy source

29 Natural gas is calculated from the combined CCGT and OCGT units. This methodology for calculating natural gas is upheld throughout this Report.

Net power production: conventional sources

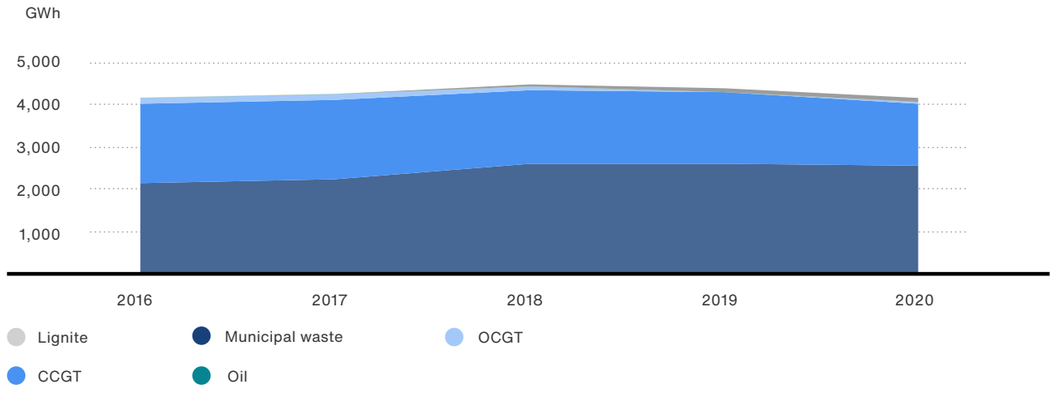


38,057 GWh
Total net power production 2020

34,389 GWh
Conventional sources 2020

Graph 8: Net power production trend

Net heat production: conventional sources



4,319 GWh
Total net heat production 2020

4,146 GWh
Conventional sources 2020

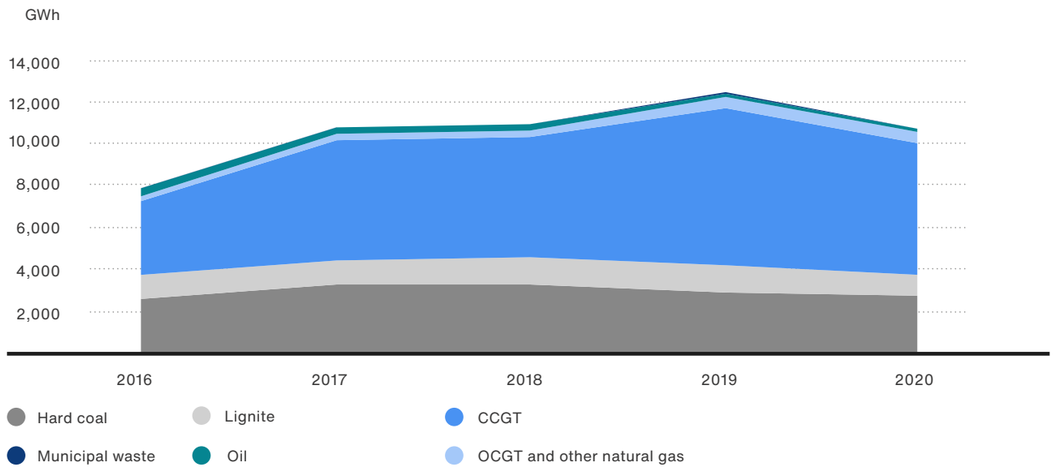
Graph 9: Net heat production trend

Installed capacity of power and heat from conventional sources

In comparison to last year, we saw a decrease in the Group's installed power and heat capacity for conventional sources, by 14% and 43% respectively. The extensive decrease in our installed heat capacity is mainly due to the disposal of two of our entities, Pražská teplárenská and Budapesti Erőmű, which were part of the heat infrastructure segment of the EPIF Group. Both entities are industry leaders within their respective countries, making their disposal significant to our capacities, even though Pražská teplárenská primarily sourced heat externally. With their disposals, EPH saw a complete removal of hard coal heat capacities, with a decrease in natural gas capacities by 99%. With regards to EPH's installed power capacities, we saw a decrease in hard coal and lignite capacities when compared to last year, with a 4% and 27% reduction respectively.

Overall, EPH expects that the installed capacities for hard coal and lignite will continue to significantly decrease over the years, while natural gas capacities will start to increase. This is reflected in the Group's decarbonisation roadmap as we aim to decommission our coal power plants and convert existing lignite-fired units to lower emission intensive ones. These decommissioning projects can be seen across our Group, such as in Germany, France, Italy and the UK. For example, in France, Gazel Energie will be closing its Provence 5 operations in 2021 with Emile Huchet 6 closing in 2022 and EP Kilroot will be decommissioning its power plant in 2023. Additionally, MIBRAG's Deuben power plant and the Mehrum power plant are planned to be decommissioned in the course of 2021 and Mehrum is subject to final assessment from the transmission system operator and German Federal Network Agency respectively. With regards to our conversion projects, which are mainly focused in the Czech Republic, we aim to decommission lignite-fired units or replace them with CCGT ones, which is the expected case at Elektrárny Opatovice. Notably, in 2020 EPH did not acquire any new major entities.

Net installed power capacity: conventional sources

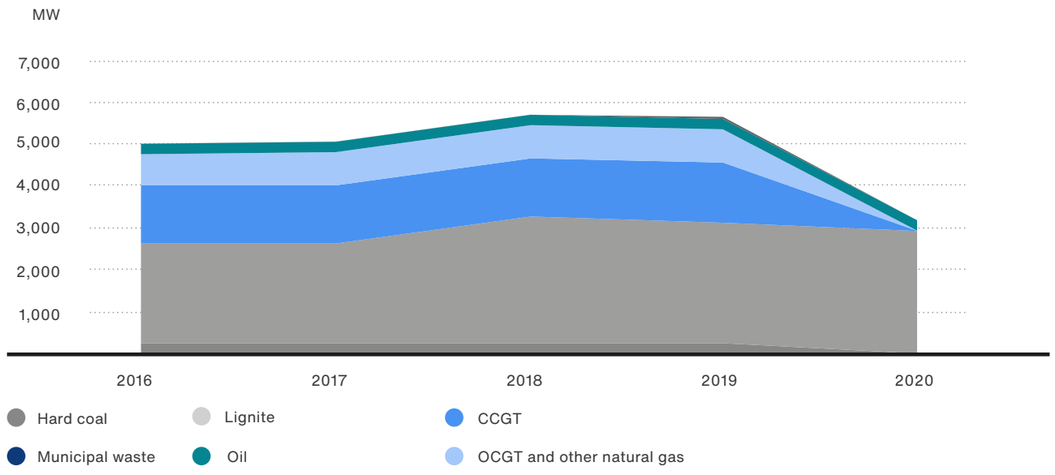


11,594 MW
Total net installed power capacity 2020

10,804 MW
Conventional sources 2020

Graph 10: Net installed capacity for power

Net installed heat capacity: conventional sources



3,241 MW
Total net installed heat capacity 2020

3,202 MW
Conventional sources 2020

Graph 11: Net installed capacity for heat

Renewable energy:
Closer look

EPH seeks to take an active role in the transition towards a sustainable energy system. This is demonstrated through the various investments we have made throughout our years of operation, such as introducing biomass in 2018 into our heat production, or through our current and future investments, such as the Kilroot Energy Park, with its first phase ready in 2023. Even though the majority of EPH's assets are categorised under the traditional energy segment, we are aware of the important role this area plays and will play in our decarbonisation strategy. Therefore, EPH will continue its efforts in increasing the portfolio of our renewable energy sources.

Our renewable activities in EPPE and EPIF

EPH holds its renewable capacities in EPIF and EPPE, each with their own focus and strategy. EPIF focuses on smaller power capacities and heat production from biomass cogeneration, while EPPE focuses on continually increasing its larger power capacities, especially through wind and biomass sources. EPPE additionally holds more investments in other types of renewable sources, such as battery storage.

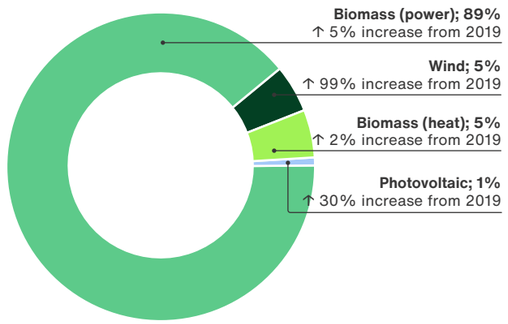
Production and installed capacities from renewable sources

In 2020, EPH saw an 8% and 2% increase in power and heat production from renewable sources when compared to last year, with an overall 8% increase in total energy production. EPH experienced the largest change in its power production from wind, which increased by 99% from 2019, with photovoltaic and hydropower sources both increasing by 30% and 29% respectively. The significant increase in power production from wind is linked to the acquisition of wind power plants in France, which occurred in the middle of 2019 (thus, 2020 is the first year where our French portfolio is fully included). Overall, EPH's installed capacities in renewable sources slightly changed when compared to last year, however, we expect our capacities and overall production to increase with our upcoming projects. These projects include the Kilroot Energy Park in Northern Ireland (first phase expected to be done by 2023), our transition of open-cast mines in Germany into onshore wind farms (construction starting in 2023), MIBRAG's photovoltaic and wind projects (operations to start in 2021 and 2024 respectively), and our overall shift towards the increased use of biomass, which for example, we are currently seeing at Lynemouth Power.

Net installed capacities	EPH [MW]	EPIF [MW]	EPPE [MW]
Wind	95	6	89
Photovoltaic	28	15	13
Hydro	5	3	2
Biomass (power)	649	14	636
Biomass (heat)	39	39	-
Other	13	3	10
Total	**828**	**79**	**749**

Table 4: Installed capacity renewables

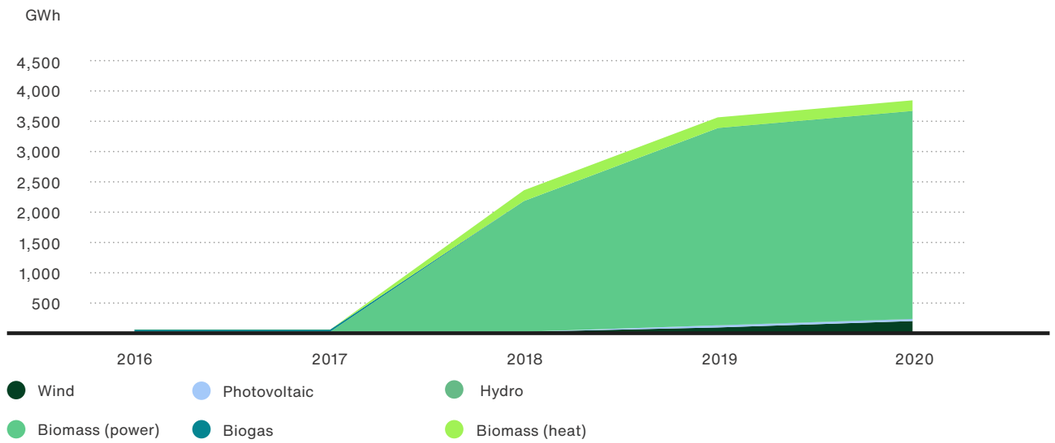
Power and heat production 2020:
renewable source share



3,841 GWh
Total net production 2020

Graph 12: Power and heat production

Net power and heat production: renewable sources



38,057 GWh
Total net power production 2020

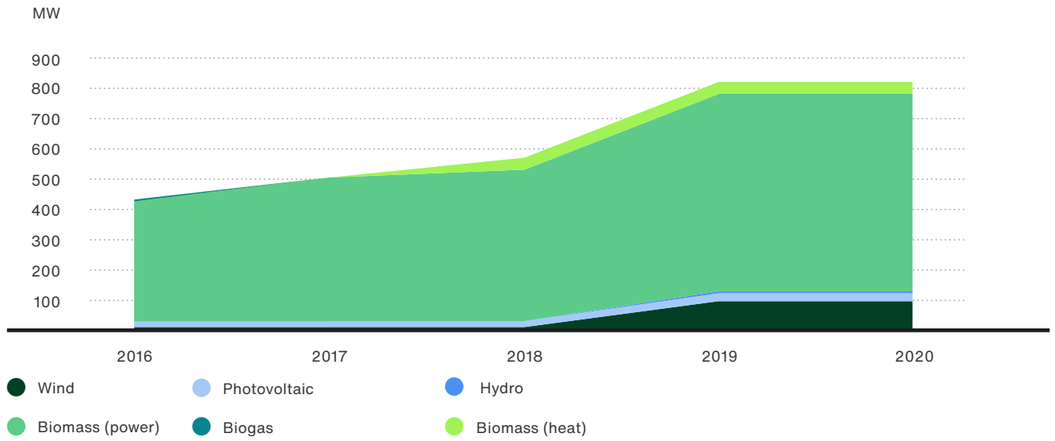
3,668 GWh
Renewable sources 2020

4,319 GWh
Total net heat production 2020

173 GWh
Renewable sources 2020

Graph 13: Net power and heat production

Net installed power and heat production: renewable sources



11,594 MW
Total net installed power capacity 2020

789 MW
Renewable sources 2020

3,241 MW
Total net installed heat capacity 2020

39 MW
Renewable sources 2020

Graph 14: Installed capacity renewables

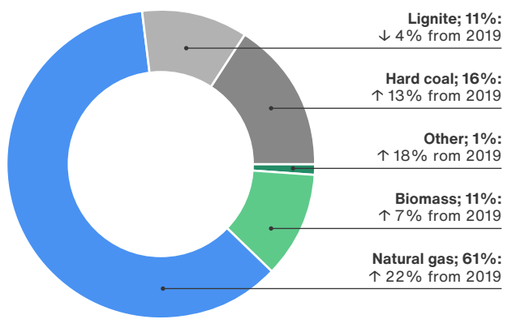
Energy consumption and efficiency: Closer look

In 2020, EPH's total energy consumption increased by 15% compared to last year, which corresponds to the overall increased energy production. From 2015 to 2020, we saw an average of 29,986 GWh of energy produced and 68,704 GWh of fuel consumed. EPH experienced an energy efficiency of 44% in 2020, this value corresponds to our long-term average. At EPH, we also strive to modernise our existing units and equipment, and make good use of innovative technologies, while decommissioning anything obsolete.

When further analysing our fuel consumption in 2020, we saw the largest increase in natural gas and hard coal at 22% and 13% respectively, with lignite consumption decreasing by 4% and biomass increasing by 7% when compared to last year. In 2020, 61% of EPH's fuel share consisted of natural gas, which has consistently made up the majority of the fuel share since 2016. Overall, with our conversion investments (lignite-fired units to gas-fired units) and further use of CCGT units, EPH expects to continue to see an increase in natural gas and biomass consumption, and a decrease in lignite consumption. With regards to hard coal, the increase this year is mainly linked to the acquisition of EP Kilroot, which saw its first full year within the Group in 2020. Due to the limited capacities in Northern Ireland, the Kilroot power plant is critical in securing market stability for the country. Notably, EPH plans to rebuild the source from hard coal and oil to gas, which is expected to be up and running at the latest in 2023. Additionally, this trend is also linked to Mehrum, which will be decommissioned after final assesment by the transmission system operators and German Federal Network Agency, and Gazel Energie, where coal plants will be put offline by Q1 2022. Overall, EPH acknowledges the increased use of hard coal and has concrete plans in place to decrease consumption of this specific fuel.

The commitment to improving energy efficiency across our operations not only helps us align the Group with the European climate protection targets adopted under the Paris Agreement at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21), but it also makes good business sense. Improving efficiency allows us to decrease our combustion fuel costs, which is one of our main cost drivers, and reduce our GHG emissions for each unit of energy. Additionally, this also helps to reduce the amount of emission allowances that our installations need to buy.

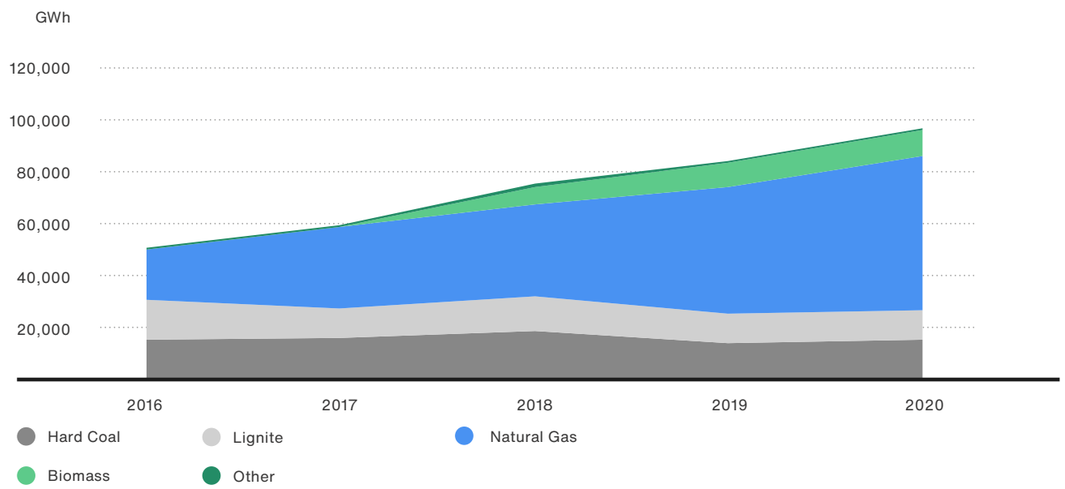
Energy consumption 2020:
fuel share



97,072 GWh
Total energy consumption 2020

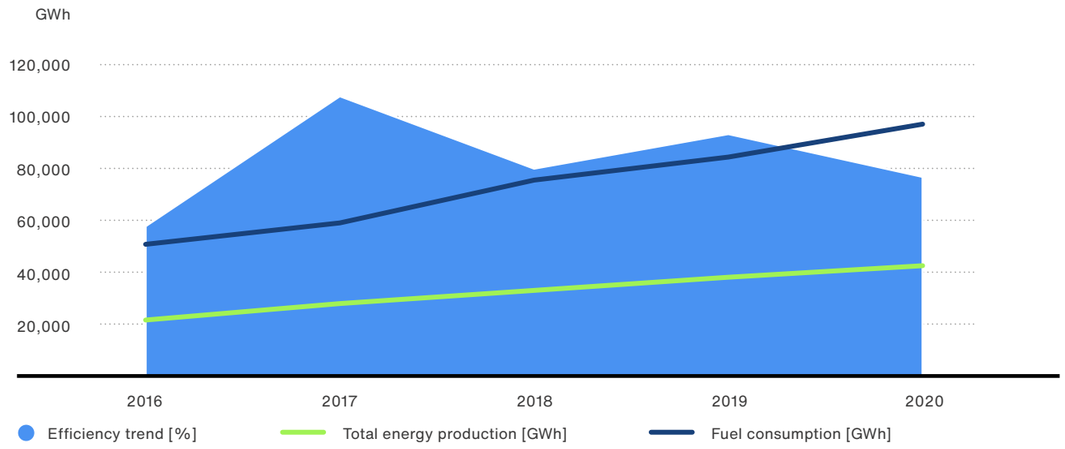
Graph 15: Energy consumption by fuel

Energy consumption



Graph 16: Energy consumption by fuel

Energy efficiency[30]



42,376 GWh
Total energy production 2020

97,072 GWh
Total fuel consumption 2020

44%
Energy efficiency 2020

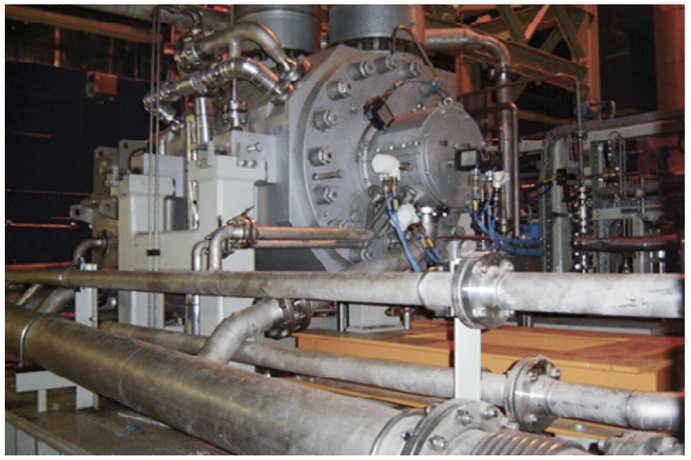
Graph 17: Energy efficiency

30 Only includes generating companies.

EPPE

Reduced power consumption due to operational efficiency

Although gas storage is the main business activity of Humbly Grove, there is also some oil produced from the reservoir for onward sale. Humbly Grove have three compressors available for use in extracting oil. Historically, output has been maximised; however, in 2020, Humbly Grove underwent a review of how these compressors were collectively used during oil production and found that the average power consumption per barrel could be significantly reduced by focusing on the efficient use of compressors, rather than on maximising output. While total oil production reduced by only 18%, the power consumption to produce a single barrel of oil was reduced by 58%. Based on an output of over 85,000 barrels during 2020, power consumption was reduced by more than 14 GWh. Notably, this also had a beneficial impact on profitability.



Picture 7: Compressor

Supporting the transition of the energy system

EPPE

Energy Park

The Kilroot Energy Park will deliver new highly flexible gas generation alongside a range of renewable energy sources that are currently being explored, such as solar, battery storage, hydrogen and a Multi Fuel Combine Heat and Power (CHP) facility. This is in an effort to complement the high level of renewable energy on the electricity system in Northern Ireland, thereby aligning with the strategic ambitions of the Northern Ireland system, which aims to generate almost 70% of its electricity requirement from renewable resources by 2030. The Energy Park will also provide additional opportunities for investment and employment in data centres, or similar third-party businesses, with high energy needs close to the generation source.

Altogether, these proposals could produce over 450 MW of lower carbon and renewable energy, which will power up to 50,000 homes and represent an investment of up to GBP 600 million in the site. It will also have the potential to provide over 200 high quality jobs during construction and over 150 full time operational jobs. The first phase of this park is expected to be ready in 2023.

As a forward looking company, EPH's long-term strategy is to support the transition of the energy system through all of its business segments. As highlighted by the following case studies, to successfully achieve this transition, EPH must diversify its approaches across the Group through a number of different and innovative projects.

Picture 8: The conceptual layout of Kilroot Energy Park

Shift from conventional power generation to renewable energy in Germany[31]

EPH Group' renewable energy strategies to transform real estate capabilities and former open-cast mining areas into onshore wind energy and photovoltaics. As part of the Group's strategy, EPH will be contributing to German energy transition and the deployment of renewable energies by transforming former open-cast mines into onshore wind farms, consisting of 50 turbines with an installed capacity of 6 MW each. These wind farms are currently being developed by EP New Energies (EPNE), an EPH Group owned renewables developer, who selected GE Renewable Energy (GE) to supply the wind turbines. The approval procedures are set to start in 2021, with construction starting in 2023.

The turbine technologies are some of the most modern ones on the market. GE 6.0-164 turbines are a complement of GE's well-established Cypress platform. With a hub height of 167 meters and a rotor diameter of 164 meter, they drive an impressive six megawatts generator, efficiently using the wind resource while being environmentally friendly. For comparison, the Statue of Liberty has a height of 93 m, making these turbines almost double the height of this national monument.

EPH seeks to take an active role in transforming the energy system with real solutions for transition towards sustainable power generation. Currently, EPH operates both directly and via its equity participations, 1,500 MW of renewables and almost 1,000 MW of energy storage capacities.

Photovoltaic power plant and wind farm projects

MIBRAG plans to build a photovoltaic power plant on the property located next to its Zeitz headquarters. The solar park will have a capacity of approximately 800 kWp and will provide power to the headquarters' buildings and facilities. Construction will take approximately 1.5 months and the project will start feeding power into the grid in the third quarter of 2021.

Furthermore, MIBRAG intends to establish and operate two wind farms on parts of the United Schleenhain mine (wind farm Breunsdorf I) and Profen mine (wind farm Profen II). Both wind farms will be in areas which either have already been reclaimed or which are currently under reclamation.

Up to 17 and 12 wind turbines can be placed on the land by Breunsdorf I and Profen II respectively. The exact number of wind turbines per wind farm will be determined by the German Federal Immission Act (BImSchG). Given numbers represent the maximum of wind turbines currently planned. These wind turbines shall be put into SPVs (Windpark Breunsdorf I GmbH and Windpark Profen II GmbH) of the entities established under the precaution concepts. Operations of both wind farms are expected to start in 2024.

31 https://www.epholding.cz/en/press-releases/eph-and-ge-renewable-energy-sign-300-mw-onshore-wind-purchase-agreements-in-germany/.

	Wind farm Breunsdorf I	Wind farm Profen II
Area	275 ha	324 ha
District, Federal state	Landkreis Leipzig, Saxony	Burgenlandkreis, Saxony-Anhalt
Capacity	102 MW*	72 MW*
Number of wind turbines	17 × 6 MW	12 × 6 MW
Electricity generation p.a.	cca. 230 GWh/a*	cca. 190 GWh/a*
Expected completion	2024	2024
Operational time	25 years	25 years
Status approval process	Preparation application for BImschG-approval	Preparation application for BImschG-approval
Business Case	EEG Tender	EEG Tender

Table 5: Wind farms details

* Data correspond to the current planning status

EPLI

Sustainability on rails

EP Cargo Invest (EPCI), in its role as the fleet manager for EP Logistics International (EPLI), selects the targets for more economical fleet operations that will not only enable energy savings, but will also be more environmentally friendly. This includes modernisation of the Group's fleet, with the current priority being the utilisation of electric locomotives where possible. From 2017 to 2020, EPCI acquired 10 new modern locomotives:

1. 8 Siemens Vectron multi-system locomotives, which are used for transport throughout Central European countries where the EPLI group operates; and
2. 2 Bombardier Traxx single system locomotives, which operate in Germany and carry freight trains operated by EP Cargo Deutschland and LOCON.

Furthermore, EPCI refinanced 2 Siemens BR 189 electric locomotives for LOCON, which are the predecessors of Siemens Vectron locomotives.

Siemens Vectron locomotives excel not only in their economical operation, but also in their production. Siemens focuses on energy savings in its factories and uses environmentally friendly materials where possible, such as using water-based paints. Notably, the materials from which the locomotives are made are 98% reusable at the end of the equipment's service life. Siemens is also considerate of its surroundings in terms of noise, as it meets the criteria set for the noise of new vehicles by the European Railway Authority ("ERA") within the "Technical Specification for Interoperability" by equipping its locomotives with silent brakes.

Additionally, when transporting freight trains, the locomotives are able to recover and use the excess kinetic energy when braking and convert it into electrical energy for reuse within the system. Locomotives also save energy while waiting at stations by disconnecting unnecessary circuits, such as the transformer refrigerant pump or switching off the electric rectifier, thereby also making the locomotives even quieter while waiting.

Overall, the use of modern electric locomotives in the Group's transport leads to significant savings in electricity consumption. As well, it is more beneficial to invest in one strong locomotive, such as the Siemens Vectron, as it is significantly more energy-efficient than connecting two weaker ones.

Picture 9: EP Cargo illustration

Environment

EPH 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 pose on the environment.

EPH understands the importance of managing our environmental risks, as the long-term success of our Group depends on the responsible and efficient use of our 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 how we aim to focus our efforts on changing the industry standards.

4

Reduction of emissions

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

EPH continues to understand the extent to which climate change threatens the wellbeing of people and the environment. The reality of climate change and its impacts has been the leading driver in increasing the intensity of our efforts through reduced emissions and increased operational efficiencies across the Group.

This year, EPH has put a stronger emphasis on internal policies and programmes that aim to address the Group's carbon footprint and GHG emission reductions.

Our contribution to the SDGs:

EPH is committed to continually learning about the consequences of climate change, especially when it relates to 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 management

We aim to fully understand the direct and indirect impact that our business has through GHG emissions. Through our continual monitoring and modernising of our operations, EPH 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.

2020 Highlights

1 %

We continue to focus on identifying measures that will allow for further improvement in the Group' direct emission intensity. In 2020, this resulted in a 1% decrease when compared to last year.

42 %

From 2015 to 2020, EPH improved its total GHG emission intensity by 42%.

45 %

Since 2015, EPH has decreased its overall emissions from SO_2, NO_x and dust by 45%.

58 %

In 2020, EPH's gas transmission and storage business segments significantly decreased their CO_2-eq. emissions by 58% and 41% respectively compared to last year.

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.

The EPH Group welcomes the Paris Agreement and fully supports its goal and as of 2021, the we announced long-term ESG targets aimed at reinforcing its ongoing decarbonisation efforts. We **aim to achieve carbon neutrality by 2050**, in line with the official 2050 EU climate-neutrality objective. As laid out in the introductory section of this Report, we support our long-term goal by medium-term and more specific targets:

1. Reduce CO_2 emissions by 60% from existing generating plants by 2030
2. Zero coal as a primary source of generation by 2030 outside of Germany and in Germany in line with the Coal Phase-out Act (Kohleausstiegsgesetz) as approved by the German government
3. Create a Green Finance Framework for use, where applicable, within EPH capital structure strategy.
4. Become a European frontrunner in the transition to a hydrogen future

We believe that the transition process 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).

GHG emissions

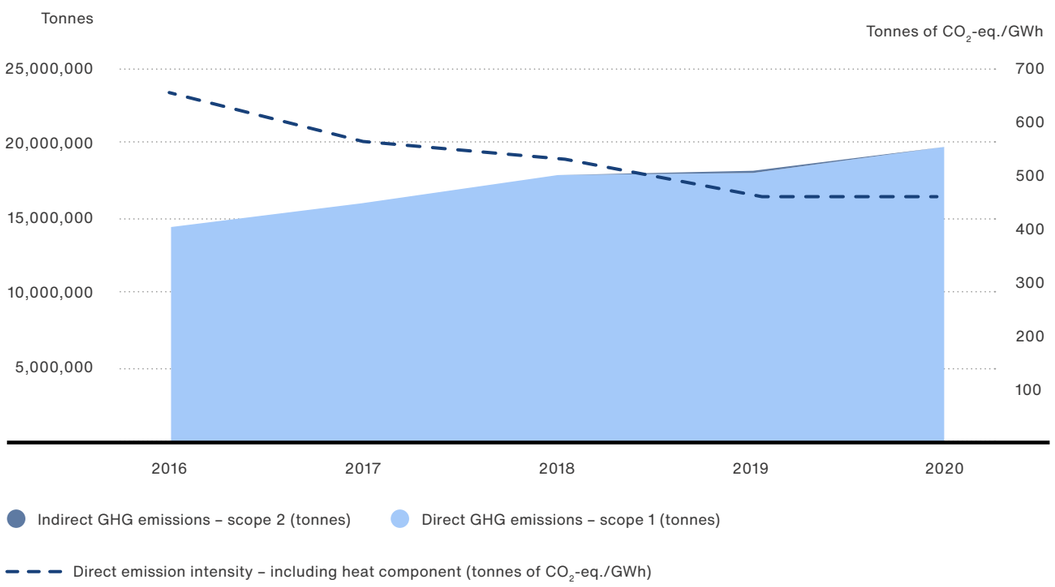
EPH recognises that across its business segments, we emit greenhouse gases[32] (“GHG”) and other air emissions. As a result, EPH is committed to tracking and reducing its emissions as outlined in our decarbonisation roadmap. This will align us with the targets set out by the European decarbonisation 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.

EPH’s 2020 direct (Scope 1) emissions saw a slight increase of 9% when compared to last year. The Group was granted, and then additionally procured, 3% and 97% of these Scope 1 emissions respectively. We also saw a 1% increase in our indirect (Scope 2) emissions from the power and heat we purchase, which we have only been measuring since 2018. Overall, EPH experienced minimal change across the Group with respect to its direct and indirect GHG emission intensities when compared to last year, both decreasing by 1% and 11% in Scopes 1 and 2 respectively. This highlights EPH’s commitment to addressing the intensities from its direct and indirect emissions through its various modernisation and conversion programmes, as highlighted in the *GHG emission reduction programmes* section of this Report.

Due to our scope, EPH has variable impact within its business segments on the environment. Some EPH companies have a relatively small impact on the environment, resource usage and GHG emissions, as they primarily function as an intermediary. Overall, companies with direct energy production are responsible for the biggest share of our GHG emissions, which is why the following section takes a closer look into the environmental impacts and management from the EPIF and EPPE Groups.

32 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.

Direct and indirect GHG emissions[31]



19,763,212 tonnes
Total direct emissions 2020

78,039 tonnes
Total indirect emissions 2020

504,672 tonnes
Total granted emission allowances 2020

19,258,540 tonnes
Total procured emission allowances 2020

461 tonnes of CO_2-eq./GWh
Direct emission intensity, including heat component 2020

2 tonnes of CO_2-eq./GWh
Indirect emission intensity, including heat component 2020

Graph 18: Scope 1 and 2 emissions[19]

31 Emission intensity only includes generating companies.

EP Infrastructure: closer look

In 2020, GHG emissions from EPIF accounted for 19% of the total EPH's total emissions, where notably, 94% of EPIF's emissions come from its heat infrastructure business segment. Compared to last year, EPIF saw an 8% reduction in its emissions, with an increase of 1% in its emission intensity.

Overall, EPIF is an environmentally responsible operator, as we are committed to continually seeking opportunities in which we can further decrease our GHG footprint. As an example, all of our lignite-fired units at United Energy will be replaced with CCGT units by 2025.

EP Power Europe: closer look

In 2020, GHG emissions from EPPE accounted for 81% of EPH's total emissions, where notably, 99% of EPPE's emissions come from its generation and mining business segment. This highlights the importance of EPPE's future strategies and management of the Group's emissions. Compared to last year, EPPE saw a 14% increase in its emissions, but showed a 1% improvement in its emission intensity. This increase is mainly caused by the fact that in 2019 we acquired companies whose first full data sets were incorporated for the year 2020.

EPPE's high share of emissions in EPH are a result of the number of carbon intensive assets. This is a result of the lack of viable alternative technologies in some areas that we operate and time needed to close these assets. As a matter of fact, overall, EPH has only acquired hard coal or lignite-fueled power plants in markets that are or will physically be unable to secure stable power supplies from alternative sources or with aim to close these and convert them in other fuel source when possible. This, for example, is the case in Sardinia, where due to a shortage of power generation capacities, they will operate in a must run mode until Italy's planned coal-phase out in 2025. This demonstrates that at EPPE, we are fully committed to fulfilling European and local emission targets, however, we are also prepared to take on a role that is not so highly viewed, so as to provide basic services to all of the communities and regions in which we operate. To accompany these assets, we have a number of low or zero carbon ones. To put it into perspective, EPPE makes up 90% of the installed capacities in renewables within the EPH Group.

Case Study
GHG emission reduction programmes

EPPE

Emission reductions through coal-fired unit replacement

EPH acquired EP Kilroot in June 2019. It is primarily a coal-fired power station, but it also has four distillate fired units and a battery storage facility. Overall, it plays a critical role in providing a secure and stable power supply to Northern Ireland due to the limited interconnection between the Republic of Ireland and the United Kingdom.

Emission	Annual reduction in tonnes
CO_2	1.1 million
NO_x	458
SO_x	367

Table 6: Emission reductions

In compliance with the Grid Code obligations, EP Kilroot served a closure notice for its coal-fired units in 2020, thereby confirming its intention to cease all coal operations by the end of September 2023. This was ahead of the UK Government's commitment to phase-out coal powered electricity generation by 2025. The coal-fired generation capacity will be replaced by the first phase of the Kilroot Energy Park, which will include modern gas turbines peaking plant to support the electricity grid in periods of low wind or very high demand. Subsequently, the replacement of the coal-fired units by gas units will significantly reduce emissions from the system.

Picture 10: The EP Kilroot power station

Case Study
GHG emission reduction programmes

Emission reductions:
transition from road to rail

As indicated by the table below and further highlighted by following examples, EPH understands that more trucks would be required to cover the same amount of distance as trains for our various operations, resulting in greater emissions of CO_2. This is why the Group is increasingly focusing on transportation by rail than road.

Route	Distance [km]	# of trucks for same volume transport	Truck **tonnes of CO_2 emissions** for same volume transport	Train **tonnes of CO_2 emissions** for same volume transport
EP Cargo (energy gypsum)	CZ / NL / CZ	2,000	50	99.60	10.12
EP Cargo (biomass)	CZ	400	6	2.39	2.02
EP Intermodal	SK / HU / SK	1,200	17	20.32	6.07
EP Intermodal	IT / CZ / IT	1,800	25	44.82	9.11
Kronospan project	DE / SK / DE	2,200	56	122.71	11.13

Table 7: Truck vs. train emission intensity

EP Cargo

In 2020, EP Cargo transported energy gypsum from the Elektrárny Opatovice power plant in the Czech Republic to the city of Oss in the Netherlands. In the Netherlands, the cargo is further transferred to a ship that transports the energy gypsum to another factory. Furthermore, EP Cargo transports wood chips to the Plzeňská teplárenská plant in the Czech Republic via rail from various parts of the country. The plant has been relying on this renewable source for its operations, as it helps in lowering its CO_2 emissions.

EP Intermodal

EP Intermodal trains transport containers twice a week from Koper, Slovakia to Budapest, Hungary and Trieste, Italy to Paskov, Czech Republic.

Kronospan project

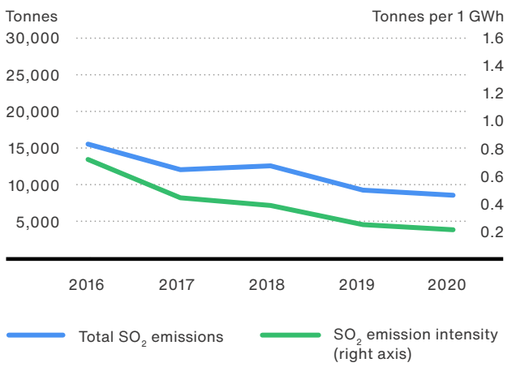
In June 2021, the Kronospan project has been launched. It will transport wood waste from Germany (mainly Bavaria or Frankfurt) to Zvolen, Slovakia. Recycling companies in Germany will collect various wood waste, such as that resulting from construction waste, branches, etc. The material will be loaded in its original state, or in the form of wood chips, and transported to Zvolen where it will be processed into boards for the manufacturing of furniture.

Other air pollutants

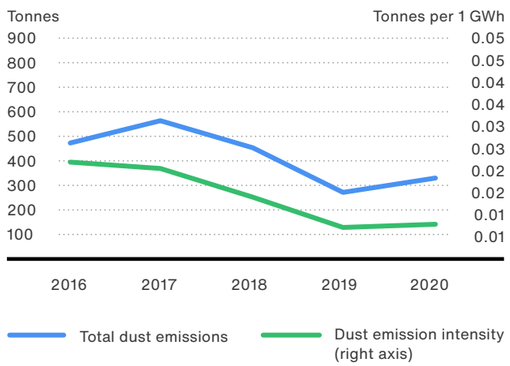
The most significant atmospheric pollutants associated with our activities are sulphur dioxide (SO_2), nitrogen oxides (NO_X) and dust. Overall, EPH saw a slight increase in these emissions, by 7% when compared to last year. This increase is mainly linked to the activities of EP Kilroot and Lynemouth Power. This was the first complete year in which data for EP Kilroot, which produced power mainly from hard coal in 2020, was incorporated into our reporting following its acquisition in 2019. With regards to Lynemouth Power, the company experienced their first full year of production after commissioning their biomass plant, which was completed in 2019. Even though there was a slight increase in these emissions within the Group, overall since 2015, EPH has managed to decrease these emissions by 45%. A specific breakdown and management approach to these specific emissions is highlighted in the following table.

Moreover, the following other air emission intensities measured in tonnes per 1 GWh of energy produced were recorded: 17% decrease in SO_2 intensity, 6% increase in NO_X intensity and 9% increase in dust intensity in 2020 compared to 2019. However, compared to 2015 it is 86% improvement in SO_2 intensity, 63% in NO_X intensity and 83% in dust intensity.

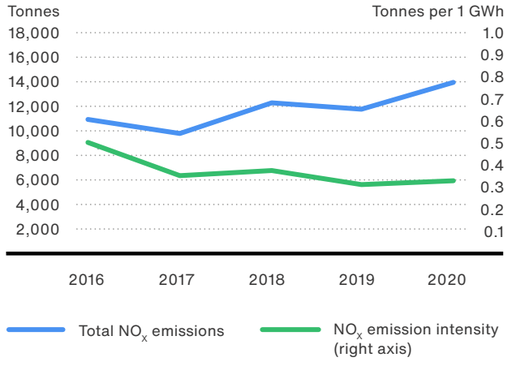
Total SO_2 emissions and specific SO_2 emissions



Total air emissions



Total NO_X emissions and specific NO_X emissions



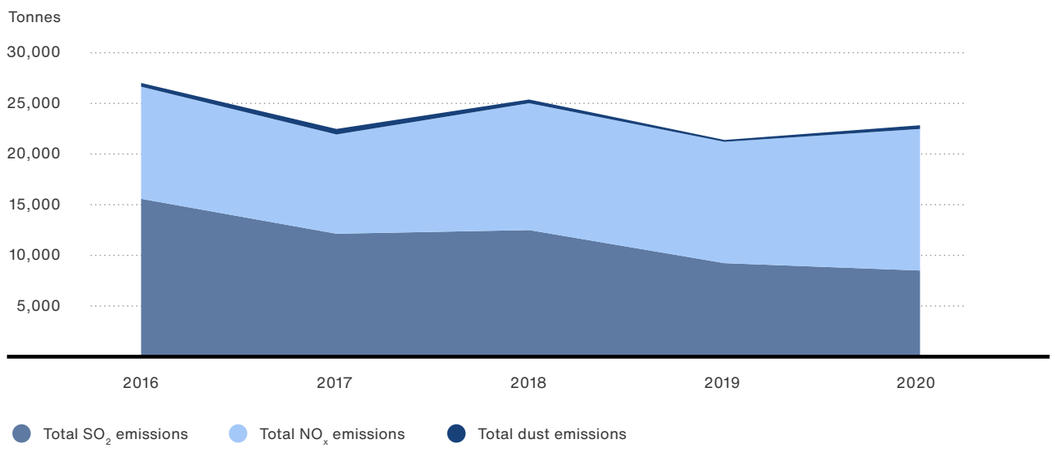
86% improvement vs 2015
SO_2 emission intensity

63% improvement vs 2015
NO_X emission intensity

83% improvement vs 2015
Dust emission intensity

Graph 19: Relevant air emissions and EPH's improvements

Total air emissions



22,863 t
Net air emissions 2020

13,913 t
NO_x emissions 2020

8,619 t
SO_2 emissions 2020

331 t
Dust emissions 2020

Graph 20: Air emissions

Emission source	% 2015–2020 change	% 2019–2020 change	EPH's management approach
SO_2 emissions	45 % ↓	8 % ↓	The combustion of sulphurous coal is the primary source of our SO_2 emissions. EPH addresses its SO_2 emissions through the improved desulphurisation of our equipment. We are also focusing our efforts on increasing the proportion of natural gas in our energy mix.
NO_x emissions	27 % ↑	18 % ↑	Nitrogen oxide (NO_x) is mainly generated by the combustion of nitrogen contained in the air at high temperatures. EPH 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	30 % ↓	22 % ↑	Dust particles are primarily emitted through our coal-fired power plants. EPH manages these emissions through highly sophisticated filters.

Table 8: Air emissions management approach

Mitigation of environmental impact

EPH 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.

EPH 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 updated in 2021) 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:

EPH 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

EPH 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, especially the areas impacted by mining activities.

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. EPH is committed to maintaining standards equal to those at international levels.

2020 Highlights

98%

In 2020, EPH recycled 98% of its produced hazardous waste.

25 km

25 kilometers of our power lines in critical areas with presence of protected species of birds in Slovakia were equipped with protective elements.

40%

Since 2018, we recultivated 186 ha of land, out of which almost 40% accounted for forest reclamation.

Water

EPH 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 throughout our operations. For EPH, water is extremely important to our energy production, heat distribution and coal mining activities.

Ultimately, the efficient use of water is a top priority for all of EPH'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.

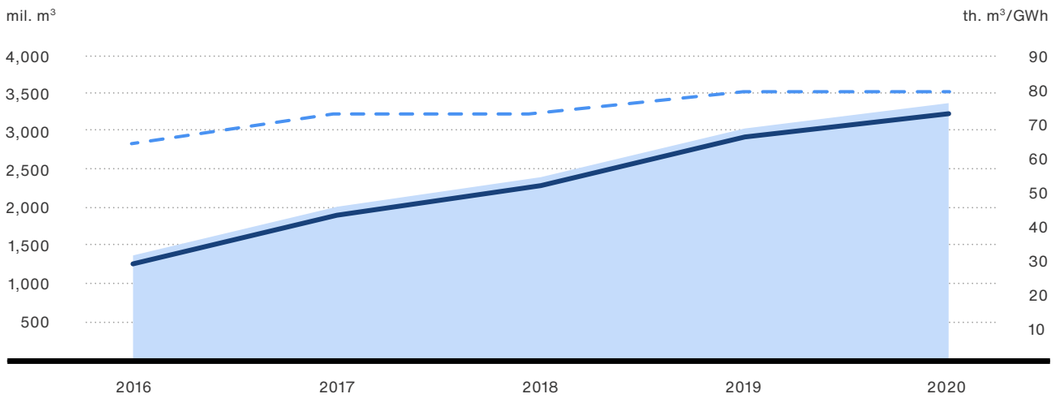
The majority of water that EPH withdraws is from surface water, with minimal amounts sourced from groundwater and municipalities. For example, water is used in the cooling process during energy generation. At EPPE, surface and underground water are also withdrawn at MIBRAG's opencast mines. Notably, through the water purification programmes at MIBRAG, water is extensively recovered and released into neighboring water systems.

Compared to last year, in 2020, EPH's water withdrawal and discharge both saw an increase of 10%, which corresponds to the increase in our total energy production, however, our water intensity decreased by 2%. Even though these changes are minimal, it represents EPH's continual commitment to efficiently using water across the entire Group's operations.

Our water management

At EPH, we have focused on several methods to help in our water footprint reduction efforts. These efforts include a more intensive use of pumped water from open-cast mines and collected rainwater, and further recovering, reusing and recycling processed water from our operations. Additionally, we have focused our efforts on internal wastewater treatment and continuous monitoring of the process, as we have found that this eliminates any potential for water contamination. Overall, at EPH, we ensure that we provide verifiable compliance with the statutory threshold values, as this not only ensures that we adhere to the local standards in which we operate, but it also ensures that we avoid any potential for negative impacts on our surrounding communities and natural habitats.

Water withdrawl and discharge



3,369 mil. m³
Total water withdrawn 2020

80 th. m³/GWh
Water intensity 2020

3,226 mil. m³
Total water discharged 2020

Graph 21: Water withdrawal and discharge

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

EPIF

Elektrárny Opatovice

The reduction efforts are primarily concentrated at our Elektrárny Opatovice heating plant (80% of the EPIF Group's total water offtake, if the disposed entities in 2020 are excluded). The water consumption at EOP has experienced a declining trend in recent years, especially between 2015 and 2020. While the immediate water consumption was around 4–6 m³/s prior to 2015, the current water offtake from the Elbe river is 0.5–2 m³/s. While this reduction can be partly explained by declining condensation production, one of the main reasons is our continuous effort to treat water as a precious resource and reduce its consumption. As the heating plant is situated in a protected area under the Natura 2000 network, EOP is also fully conscious that not only EOP relies on the Elbe river, but local communities and the environment require this water system to thrive as well. Furthermore, recent years were often characterized by exceptional droughts and water scarcity.

EOP has significantly reduced its water offtake from the Elbe River since 2015.

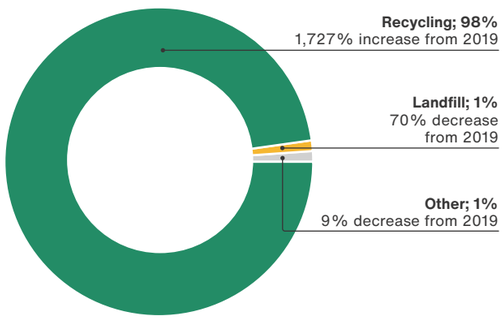
Effluents and waste

In 2020, EPH increased its total waste production by 31% compared to last year, where non-hazardous and hazardous waste saw an increase of 18% and 983% respectively.

The substantial increase in total hazardous waste production is linked to EP Kilroot, accounting for 95% of the total hazardous waste produced. The company is currently in the process of preparing the area allocated for the Kilroot Energy Park, therefore the hazardous waste produced by EP Kilroot in 2020 primarily stemmed from land preparation that involved demolition of existing infrastructure for the new OCGT. As the project progresses, waste will continue to be generated, especially through its construction phase, however, EPH is focused on recovering, reusing and appropriately disposing of the waste produced. This project, once complete, will positively impact EPH's presence within the energy sector, as it will deliver highly flexible gas generation alongside a range of renewable energy sources. Notably in 2020, EPH recycled 98% of its hazardous waste.

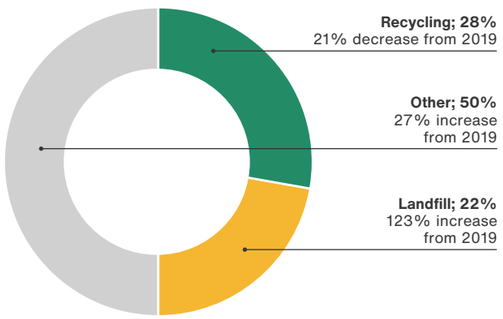
The increase in total non-hazardous waste is also linked to EP Kilroot's activities, which make up 11% of EPH's total non-hazardous waste produced. Additionally, we experienced an increased total non-hazardous waste production from MIBRAG's activities, which accounts for 67% of EPH's total in 2020. MIBRAG covers the mining operations of the Group, where the majority of the non-hazardous waste produced is overburden, a non-economical soil. Notably, the Group reuses this layer of soil to further aid in the reclamation of its sites. Overburden is classified as "other" under waste disposal methods, which notably accounted for 50% of the Group's non-hazardous waste disposal in 2020.

Total disposed hazardous waste



43,863 tonnes
Hazardous waste

Total disposed non-hazardous waste



369,938 tonnes
Non-hazardous waste

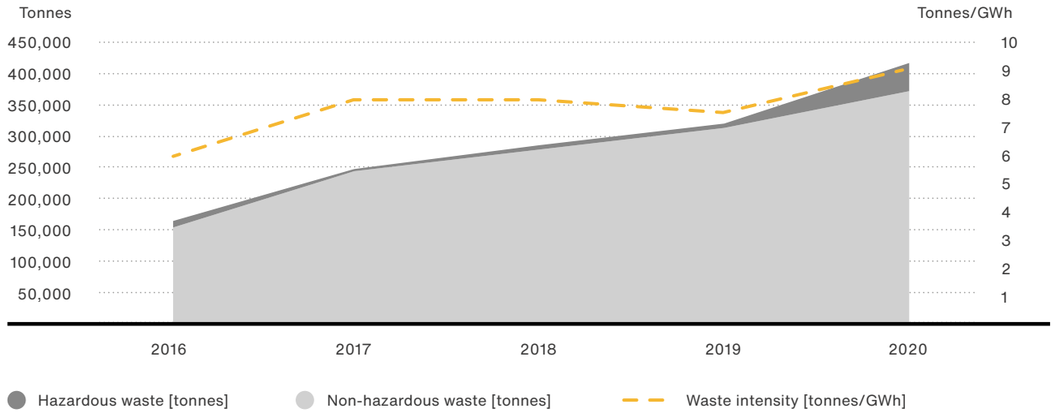
Graph 22: Waste disposal by type

Our waste management

EPH aims to generate the least amount of waste as possible, while further investing in decommissioning and conversion strategies. As a result, we have been focusing our efforts on the recovery of our waste and appropriately reusing or 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.

Overall, EPH saw a 20% waste intensity increase from generating companies in 2020 when compared to last year. Through the above mentioned methods, EPH aims to decrease its waste intensity, as further depicted by the selected case studies within this section of the Report. In addition to our waste disposal through recycling and use of the landfill, EPH also disposes of its waste through third parties, where we are limited in tracking its final destination or further use. This aspect of our waste disposal share is identified as "other" in graph 22. Overall, EPH always tries to opt for the most appropriate means of waste disposal.

Total waste production and intensity[34]



413,947 tonnes
Total produced waste 2020

43,933 tonnes
Hazardous waste 2020

370,013 tonnes
Non-hazardous waste 2020

9 tonnes/GWh
Waste intensity 2020

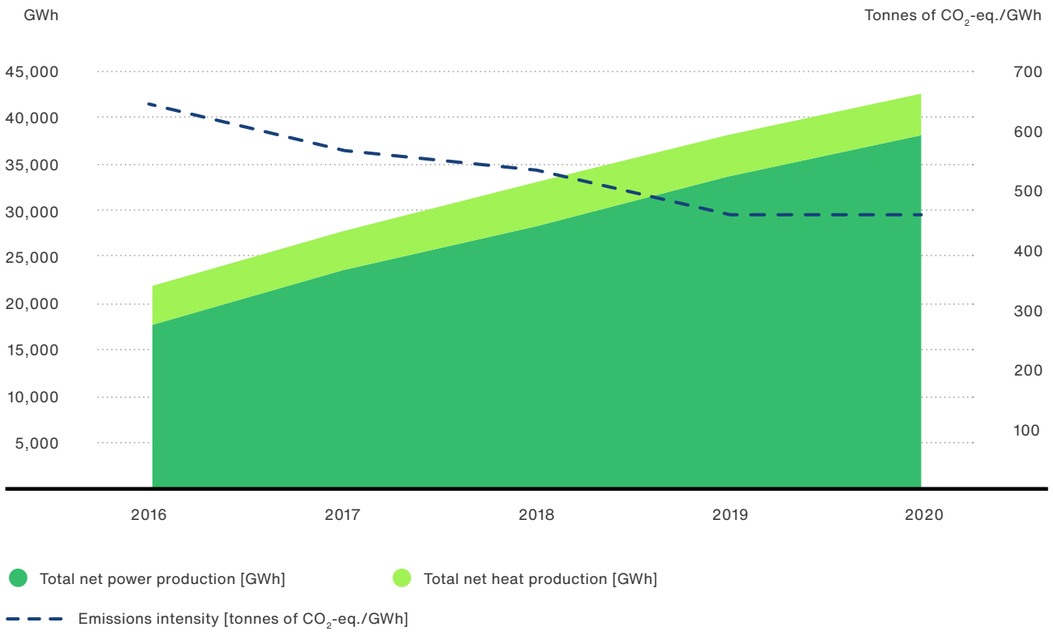
Graph 23: Waste production and intensity

34 Waste intensity only includes generating companies.

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. EPH has focused on centralised cogeneration systems within the EPIF 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. Additionally, EPH has overall focused on increasing its production of energy from less emission intensive sources, such as renewables and natural gas, and aims to continue to follow this trend with its decommissioning and conversion strategies.

Total net production and its emission intensity[35]



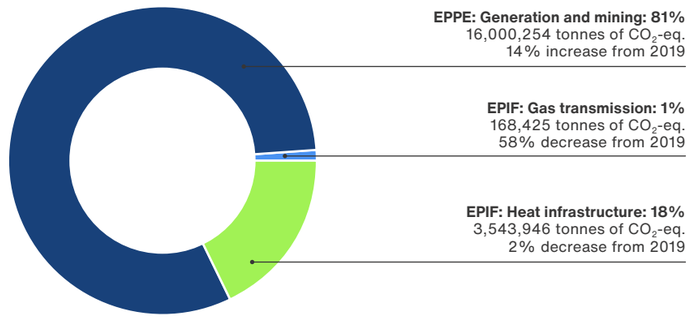
38,057 GWh
Total net power production 2020

4,319 GWh
Total net heat production 2020

461 tonnes of CO_2-eq./GWh
Emission intensity 2020

Graph 24: Emission intensity of the production

EPH CO_2-eq. emissions 2020:
business segment share



Graph 25: CO_2 emissions by segments

In 2020, EPH saw the largest emission outputs from its generation and mining and heat infrastructure segments, which contribute to 99% of EPH's overall emissions, but notably only make up 25% of the Group's total EBITDA. Compared to last year, EPH saw a minimal increase of 9% in the amount of CO_2-eq. emissions produced by the Group. Overall, emissions from EPH's remaining business segments are negligible, however, it is interesting to note that gas transmission saw a significant decrease in its CO_2-eq. emissions compared to last year, by 58%. This is linked to the front-loading of volumes in 2019 in preparation for a potential Russian – Ukrainian crisis.

Overall, in 2020, carbon intensity decreased by 1%, while energy production increased by 12% compared to last year. More specifically, EPH saw a 4% and 3% decrease in the carbon intensity from its power and heat production respectively. This increase in emission efficiency is linked to the reduced production at our coal plants, as well as the CCGT plants acquired in 2019, which, for the first time, had an impact on the data collected for a complete year. Emission efficiency is also correlated to the use of cogeneration plants within the Group. These units have cogeneration sources, meaning that they produce heat and power simultaneously, allowing for much higher overall efficiencies (70–85%) compared to even the most efficient gas fired units (50–60%). Compared to the average competitor, this has allowed us to reach significantly higher efficiencies within our plants[36].

35 Emission intensity only includes generating companies.
36 Based on the average efficiency of presented technologies.

Case Study

Waste management programmes and intiatives

Separating metal and creating energy from waste

EPIF

Plzeňská teplárenská

At Plzeňská teplárenská, we are investing in metal separation, which will increase by 20% compared to 2020. This investment is in part a preparation for the possibility of future non-ferrous metal separation (e.g. copper and aluminium).

The proposed ferromagnetic materials separation will occur in two stages. The first stage separates the coarse fraction of metal waste and in the second stage, remaining slag will pass through the permanent magnet, where other finer metal particles will be separated.

EPIF

ZEVO – Elektrárny Opatovice & United Energy

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

Forthcoming changes in waste management are led by European legislation, respectively changes made in Czech legislation, which will help realize the potential of different energy sources. Legislation is already considering an increase in recycling and reduction, with the elimination of landfilling starting in 2030. Waste should be preferentially recycled, with the remaining waste used as an energy source.

Project timeline – ZEVO at Elektrárny Opatovice

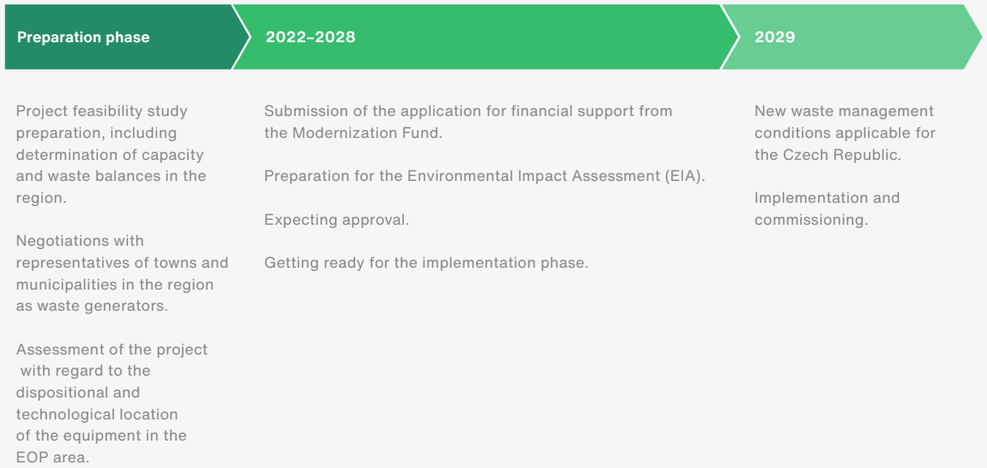


Figure 11: Project timeline

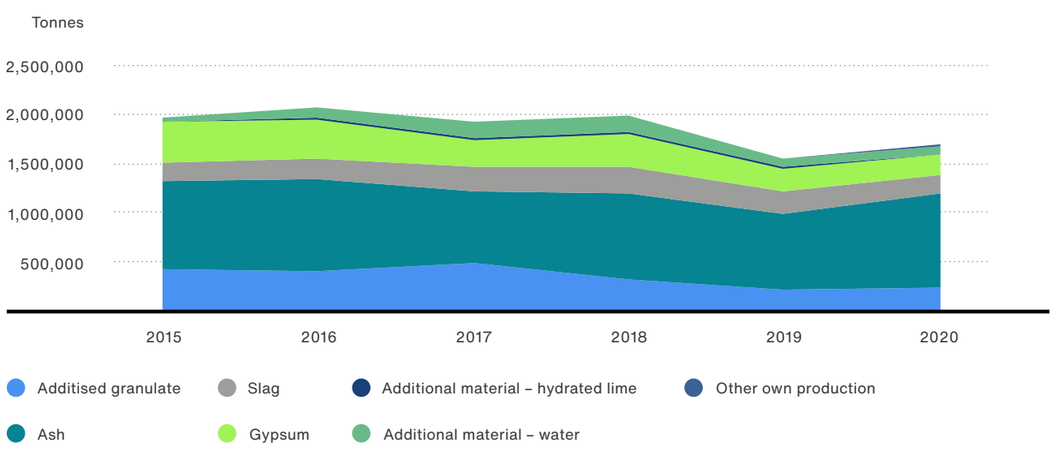
By-products

At EPH, 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, EPH saw minimal increase of 8% in its by-product generation from operations when compared to last year.

Our by-product management

EPH'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.

By-products generation[37]

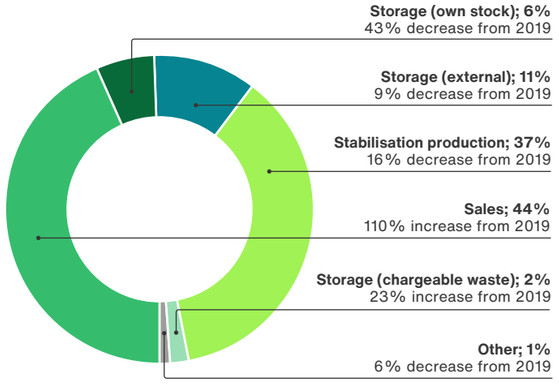


1,690,250 tonnes
Net generated 2020

Graph 26: By-products generation

37 By-product and waste generation are reported separately.

By-products: means of disposal share in 2020



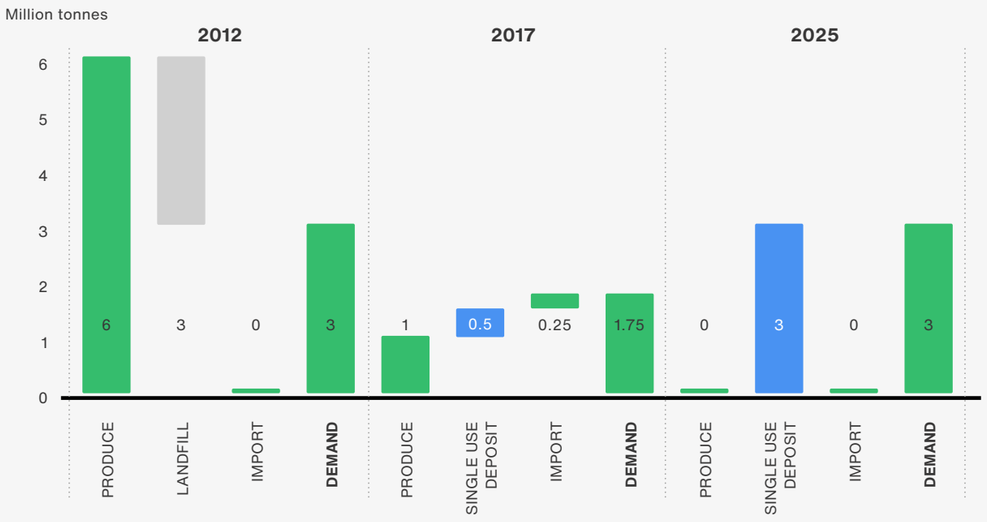
1,785,476 tonnes
Total means of disposal 2020

Graph 27: By-products by use

Case Study
Preserving coal derived fly ash for future use

EPPE

Fly ash derived from coal in single use deposits can be further utilised after primary screening within secondary mineral and cementation applications. Currently, more than 60 million tonnes and 40 million tonnes get split between mineral and cementitious applications respectively. Currently, the UK locations of single use deposits, in operating or recently closed power stations, include Kilroot, Lynemouth and Eggborough.



In 2012, some 50% of fly ash generation was landfilled. This has now become a future mineral resource defined as coal derived Fly Ash in single use deposits.

Since 2016, there has been a net extraction of fly ash from single use deposits to help meet demand as coal fired power generation declines. This is augmented by imports.

By 2025, all fly ash demand likely to be sourced from single use deposits.

Figure 12: Fly ash use outlook

Case Study
Gale Common extraction project

EPPE

Gale Common is EPPE's ash disposal site located in North Yorkshire, UK. This site has historically accepted waste ash from the now closed Eggborough and Ferrybridge 'C' coal-fired power stations. This ash, known as pulverised fuel ash (PFA) can be used to replace primary aggregates, such as sand and clay, and reduce the carbon footprint of construction materials.

EP UK Investments plans to increase the rate of PFA extraction at Gale Common from 30,000 tonnes per annum (tpa) to 1 million tpa. The large deposit of PFA available would be used in the construction industry, including the manufacture of concrete building blocks and cement. EPUKI has already noticed considerable interest from potential customers.

An assessment has been undertaken to identify the lifecycle sustainability benefits of using the PFA extracted at Gale Common as an alternative to the use of the following materials:

1. primary aggregates (e.g. sand) from other sites in the UK, and
2. imported PFA, as the demand for PFA exceeds current UK supply.

The various potential applications of PFA will have different GHG emission savings associated with them.

The potential total carbon savings over the proposed 25 year operational period of extraction at Gale Common are estimated to be around 84,240 tonnes of CO_2-eq. when used in 100% non-cementitious applications. Far greater carbon savings are achievable if the PFA extracted at Gale Common is used in cementitious applications. For instance, if 50% of PFA extracted each year is used in cementitious applications and the remainder in non-cementitious applications, the potential carbon savings could amount to almost 11 million tonnes of CO_2-eq. during the same period.

However, regardless of exactly how the Gale Common PFA is used in the construction industry, significant carbon savings will be achieved. Increasing the extraction of PFA from Gale Common will therefore make a positive contribution to the UK's decarbonisation targets.

In addition to carbon savings, other sustainability benefits have been identified, including reducing the use of primary aggregates, and restoring the site back to its original state for ecological use, landscape and community benefits. Furthermore, increased extraction at Gale Common will help maintain the PFA secondary aggregate business and further create employment opportunities.

During its 25 years of operation, restoration will slowly take place in phases at Gale Common. Therefore, once extraction is complete, the site will be restored to a mixture of grassland, woodland and mixed vegetation, allowing for the site to open up as a country park, providing further benefit to the local community. It should be noted that approximately 50% of the site has been previously restored (mixture of grassland and woodland) and the above mentioned ash extraction project will not interfere with this area, which will be open to the public once ash extraction commences.

Use of the by-products

By-product	Uses
Fly ash	It is mainly used as a filler in concrete (it replaces a certain amount of production-intensive cement). Our fly ash has the ČSN-EN-450 standard, which indicates the fineness of fly ash grain size and is considered one of the best in the Czech Republic and Slovakia. It is also used as a filler in asphalt strips (cardboard, shingles, etc.) and in the production of brick products.
Slag	It is mainly used in line constructions, such as embankments, backfills, dumps, roads, etc. It also serves as road grit for winter maintenance. It can also be used as a binder in the production of brick products.
Energy gypsum	It is mainly used to produce plasterboard and aerated concrete blocks. It is also an integral part in the production of cement, where it is used as a setting stabiliser. It can also be used to produce anhydrite screeds.

Table 9: By-product uses

As mentioned in the table above, by-products are sold for further use, however, they do not always get completely bought out. However, the trend is positive and higher portion of fly ash mixture is sold than stored.

Gazel Energie

Gazel Energie's subsidiary Surschiste, developed its activities on the evaluation of ashes produced from its coal and biomass power plants for public works companies. As a result, a few areas are being looked into with regards to securing ash availability beyond March 2022. In 2020, Surschiste successfully evaluated 590,000 tonnes vs 724,000 tonnes in 2019. However, all these volumes do not come from our production, it is also sourced externally.

Considered to be inert or not dangerous, the ashes are used to replace products that consume large amounts of energy and emissions, or to replace natural products from quarries. In addition, the exploitation of the deposits and therefore the massive destocking contributes to the reconquest of the sites. Given their lightness and their density in place, they also allow savings in transport. Finally, bringing durability to the structures, they often lead to a general saving over time.

Biodiversity and reclamation

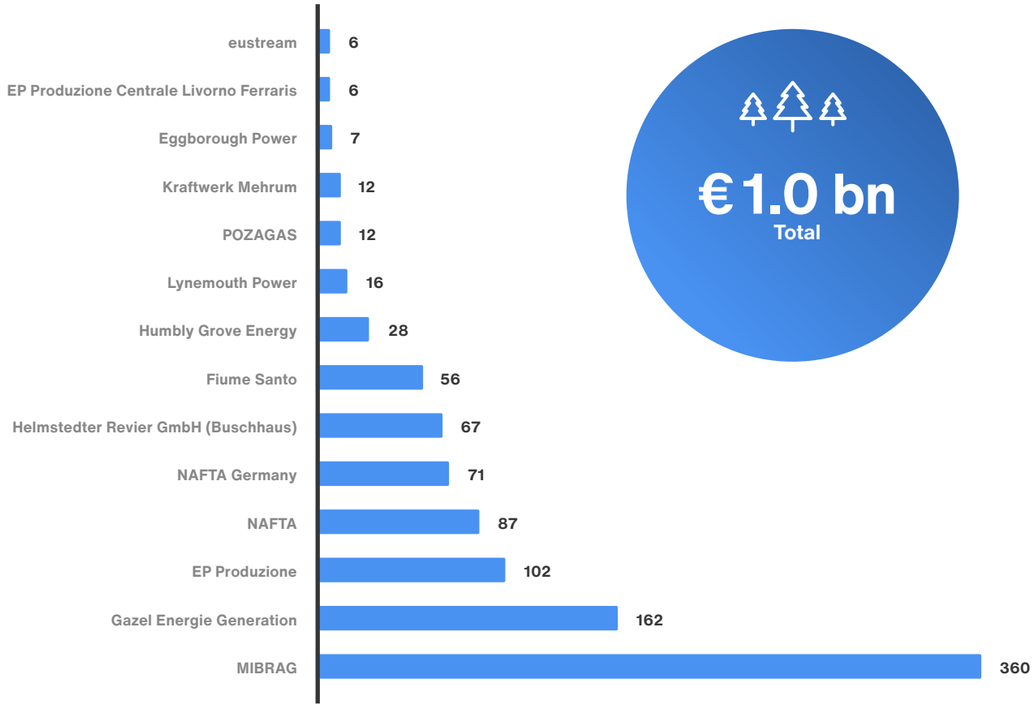
EPH is well aware of the importance of protecting biodiversity, as we understand the value of ecosystems and the environmental benefits that they provide. Therefore, the direct and indirect impact of our activities on local ecosystems and biodiversity is monitored and evaluated. This process is complemented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

EPH considers reclamation at all stages of its operations, from mining and drilling to a power plant's decommissioning, we ensure to restore sites to their original state. As a result, EPH 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 our reclamation process include:

1. restoration and reclamation of affected areas, incl. soil preparation and treatment for subsequent agricultural and forest use;
2. dismantling and removing structures;
3. dismantling operating facilities;
4. closing plant and waste sites.

Within the Group, reclamation or restoration primarily affects the following entities, who created revisions in respective amounts (EUR million):



Graph 28: Reclamation provisions in 2020

Case Study
Biodiversity programmes and initiatives
Protecting natural biodiversity

EPIF

SSE & SSD

In 2020, we applied protective elements to our power lines in Slovakia that had a total length of 25 km in high-risk sections and to those in nature protected areas.

Protective elements were installed to power lines in critical localities of the Tatra National Park. The aim was to create safe zones in the electrical network and reduce the risk of death posed to raptors, a protected species in Slovakia. In cooperation with the State Nature Conservation, we installed bird diverters on power lines over the Váh River in 5 sections.

In addition, for 12 years we have been cooperating, and continue to cooperate, with the Zázrivá Rescue Station, a rescue centre for injured animals. Despite the COVID-19 pandemic, we still managed to organize volunteer activities at the Zázrivá Rescue Station. At least twice a year, we take part in activities that help prevent serious bird injuries that often occur along our distribution networks. By taking an active stance, our partnership is not limited to financial assistance.

Case Study
Progress on the reclamation of mining areas
MIBRAG

EPPE

The planning of the new landscapes after mining begins long before the first excavator shovel extracts lignite. Planning of recultivation develops in close dialogue with neighbors and in cooperation with specialist authorities for environmental protection as well as agriculture and forestry. The focus is on the return of an ecologically intact landscape. In many cases, the mining company creates even more forest and water areas, scenic diversity and habitats for endangered animal and plant species than before the beginning of the mining.

At MIBRAG, a team of environmental engineers as well as farmers and foresters ensure that all planned work is carried out carefully. During this time, the soils are upgraded for later agricultural use by means of a specific recultivation crop rotation. In addition, drainage ditches are being dug, path systems are being created and field trees are being planted.

	Recultivated until 2020	Outstanding
Land creation and regeneration total	**1,849 ha**	**136 ha**
Agricultural	1,164 ha	11 ha
Forest	572 ha	121 ha
Water areas	37 ha	0 ha
Other uses	76 ha	4 ha

Case Study
Reclamation of mines
Landscape design activities
at Schöningen South mine: lake creation

EPPE

In August 2016, final lignite reserves at the Schöningen South (Helmstedter Revier) mine were exploited with plans of turning it into endlake or “Elmsee.” Flooding will be implemented via groundwater growing, as there is no river in the region, for a period of approximately 80 years. Notably, during the final mining periods, security standby status for the Buschhaus power plant commenced which was now ended in 2020 when the power plant was finally decommissioned.

Challenges:

1. Slope stability is a major challenge on the reclamation project due to the type of overburden, which consists mainly of marl, loam, silt, clay and fine sand, its incline, and the hydrology.
2. Stabilising “slipping” contact zones that will be saturated after flooding. The idea is to cut out trenches into the stable layer zone and drill between the trenches to knock out unstable layers, with sealing material, such as bentonite and concrete mix, in the trenches and drill holes for stabilisation.
3. Moving approximately 13 million m^3 of material from different areas of the mine, with a maximum transportation length of 5 km.
4. Reintroducing discontinued mining technology and equipment, such as shovels, trucks and dozers. The equipment is ideal due to its availability and flexibility in the given geotechnical circumstances. Additionally, such equipment has high ground pressure, thereby sufficiently compacting material in its operation.

Current status:

1. Landscape design activities have yet to be completed, as specialised mining services are required in two areas: slope stability and the utilisation of mobile equipment for earth movement operations. A specialised team comprised of MIBRAG mbH subsidiaries, HSR and GALA- MIBRAG Service GmbH (GALA), will implement these services between 2023 and 2025.
2. Detailed land engineering plan for earth movement services within the mine needs to be implemented. Earth movement operations (via mining) are required to achieve a stable final slope design, according to geotechnical requirements, avoiding any potential for landslides once saturated.
3. The permitting process has to be approved by the local mining authority.

Simultaneously, during the landscape design, other reclamation activities were implemented. As an example, earth movement services, at the abandoned mining area, called “RKW,” were conducted, including top soil transportation and dozing at dumping areas, for the purposes of agriculture and foresting. Additionally, partial demolition of facilities commenced based on relevant mining law.

Picture 11: Schöningen South mine, with Buschhaus Power plant in the background.

Picture 12: Earthwork activities with shovel and truck technologies in Schöningen South mine.

Case Study

Upholding soil quality for sustainable reclamation in the Central German lignite region

EPPE

Soil quality and conditions create the foundation on which successful land reclamation and rehabilitation can be accomplished after the life of a mine. Significant organisational, technical, and financial efforts have been taken by MIBRAG to start creating these foundations, including special engineering within its mining activities, dumping and soil material treatment, soil upgrading measures, and tailor-made reclamation plans.

Process of overburden removal at both MIBRAG Profen and United Schleenhain mines:

1. Overburden is removed by large mining equipment (bucket wheel excavators) to uncover lignite,
2. the overburden is fed onto conveyors and shipped to designated dumping sites, and
3. a spreader dumps the material, and in the process, creates the layout of the dump site by relocating and mixing large volumes of soil.

Process of topsoil removal at both MIBRAG Profen and United Schleenhain mines:

1. To maintain its high quality, topsoil is separately removed by bucket wheel excavators in thinner layers than the overburden,
2. it has been engineered so that topsoil dumping occurs at the top layer of a dump structure (about 2 meters thick), and
3. a light-weight dozer is used within the grading process to minimise the load input and compaction of the soil.

During soil upgrading, which follows the dumping process, parameters, such as the composition of materials, bulk density, organic carbon, pH levels, etc., are determined by a soil-geological expert report. Through this process, further requirements for soil treatment are defined. Criteria, such as a neutral pH-level, low bulk density, and high shares of organic materials are important for fertile soil. To achieve this, soil upgrading and subsequent recultivation, which occurs over several years, do not only include liming of the ground to increase and stabilize the pH-level of the soil, but also include subsoiling and enrichment of organic material by crops incorporated into the soil.

Intended use	Action for reclamation
Agricultural post dump site	A 7-year recultivation period is followed by a crop rotation; field crops are not harvested, but rather incorporated into the ground for enriching organic materials.
Forestry post dump site	Soil upgrades are implemented prior to forest-related undersowing, thereby creating a cover of protective plants. Robust pioneer species of a documented origin are then planted.
Nature and landscape post mined land	Creating such areas requires compliance with nature conservation requirements. Rehabilitation can include the creation of open and half-open landscapes, and extensive use of green land and bare ground areas, with delayed succession, can act as habitats for protected animal and plant species.

Well-targeted compensation measures are also applied on land intended for agricultural and forestry use. Such measures include planting and placing of field hedges, flower strips and edge areas, and are additionally upgraded by deadwood and stone piles so as to serve as nesting sites for birds. Simultaneously, they contribute to the abundance of insects, which numerous other species use to feed on. Naturally, these measures have multifunctional effects; they not only promote biodiversity, but they also help to structure agricultural land, and subsequently, protect soil against erosion.

Table 10: Types of reclamation

Case Study
Rehabilitation of the Ostrava lagoons

EPLI

In December 2020, the last train with the final volumes of sludge from the Ostramo lagoons in Ostrava departed. This is significant, as rehabilitation of the lagoons is one of the most followed rehabilitation projects in the Czech Republic, as it is associated with one of the largest environmental burdens in the country (long-term pollution of the soil and surrounding natural habitats). The lagoons, which are near the Mariánské Hory district, previously stored unusable products from the oil treatment from both the former Ostramo refinery in Ostrava and from the entire country.

The renovation itself began more than ten years ago; however, since 2017, EPH companies, such as AVE CZ (waste management), EP Cargo (rail transport), EP Cargo Trucking CZ, formally EOP & HOKA (loading), and a number of other cooperating companies, have been involved in implementing the remediation process. The aim was to remove sludge stored in the R3 lagoon, with as little impact on local residents. There was a total of 91,562 tonnes of sludge that had to be extracted and relocated.

Most of the treated sludge was transported in large quantities to Sokolovské uhelné, a pressure gas plant in Vresove. Usable treated raw sludge was first removed by gasification in coal generators. Energy gas emerged from the gasification process and was used in the production of heat and electricity. At the time, this was not only a unique process, but it was also the most environmental-friendly method of disposing of the waste in the Czech Republic. The facility's operations ended in August 2020, which resulted in AVE CZ importing the sludge to Germany for final disposal until its depletion. In Germany, the waste was incinerated at the Schwarze Pumpe (LEAG power plant), which is also part of the EPH Group.

Currently, the site is undergoing a detailed survey of the contamination, which will be followed by next steps for remediation. Notably, the rehabilitation process was made to be as open and transparent as possible. As an example, open days at the site were regularly organised for the general public and real-time monitoring was available online through AVE CZ, where progress reports could also be found.

Picture 15: Waste loading and incineration from Ostrava at Schwarze Pumpe (LEAG)

Picture 13: Treatment of the sludge

Picture 14: Transport of the sludge

Picture 16: State of the R3 lagoon before and after the overbalanced sludge removal

Case Study
Environmental management and monitoring

At EPH, 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 2020, 76% and 72% of EPH's EBITDA and revenues were covered by ISO 14001 respectively.

In 2020, 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.

Certification Standards	EPH coverage EBITDA coverage	EPH coverage Sales coverage
ISO 14001 Environmental management	76%	72%
ISO 45001 OHSAS 18001 Health & safety management system	73%	70%
ISO 50001 Energy management system	36%	17%
ISO 9001 Quality management	59%	28%

Table 11: Key certifications overview

Key certifications overview[38]

Certification Standards	EPIF Group companies	EPPE Group companies	EPLI Group companies
ISO 14001 Environment	eustream, nafta, Pražská teplárenská, Fozaças, Plzeňská teplárenská, SSE Holding, EOP	Tynagh Energy Limited, EP Ballylumford, EP Produzione, Lynemouth Power, Gazel Energie, BiomasseItalia, BiomasseCrotone, fusine energia, EP Langage, EP SHB, EP Kilroot	
ISO 50001 Energy management	eustream	MIBRAG, Lynemouth Power	
ISO 9001 Quality management	eustream, nafta, Fozaças, epet., Budapesti Erőmű ZRt., Distribúcia SPP, SSE Stredoslovenská energetika	Tynagh Energy Limited, Gazel Energie, BiomasseItalia, BiomasseCrotone	LOCON, SPEDICA, EP Cargo Trucking
OHSAS 18001/ ISO 45001 Health & safety	eustream, EOP, Plzeňská teplárenská, nafta, SSE Holding, Pražská teplárenská, Fozaças	Tynagh Energy Limited, MIBRAG, EP Produzione, fusine energia, Lynemouth Power, Gazel Energie, BiomasseItalia, BiomasseCrotone, EP Ballylumford, EP Langage, EP Kilroot	

38 Note that Pražská teplárenská and Budapesti Erőmű were disposed of in November and December of 2020 respectively. SPP - distribúcia, a.s. is in the process of obtaining its ISO 14001 certification.EP Cargo Trucking represents both CZ and SK branches.

Governance

Our well established corporate policies and governance bring greater focus to ESG matters and prove the commitment of the EPH Group.

Governance is a crucial pillar for corporate sustainability. By developing business principles that are aligned with our long-term strategy, as well as supported by our internal policies, we are able to effortlessly transpose our long-term strategy into our everyday business activities. In 2020 and 2021, EPH introduced sustainability-related corporate policies, together with the centralisation of ESG matters, at the Group level.

Corporate governance structure

EPH management

The governance of EPH and its sub-holdings is based on a two-tier management structure consisting of the Board of Directors and the Supervisory Board. The Board of Directors represents the EPH Group in all matters and is responsible for its day-to-day business management, while the Supervisory Board is responsible for the supervision of the EPH Group's activities and of the Board of Directors in its management of EPH and in such matters as defined in the Czech Corporations Act and the Articles of Association. Under the Czech Corporations Act, the Supervisory Board may not make management decisions. However, certain matters, defined below, are subject to the approval of the Supervisory Board. The EPH Group has a Risk Committee, Investment Committee and Compliance Committee.

Furthermore, in order to emphasize risk management within EPH, particularly resulting from the acquisition growth and completion of several recent major transactions, EPH has created a centralised Risk Management role, which supervises all activities within the entire portfolio of EPH from a Group risk perspective.

To supervise the ESG agenda more efficiently, over the past years, EPH centralized the responsibilities at the subsidiary Groups levels by establishing the EPIF and EPPE Heath, Safety and Environmental Committees.

Change in EPH shareholder structure

At the end of 2020, EP Corporate Group (EPCG) has become an umbrella company owning all strategic shareholdings of Daniel Křetínský and his top-management team, including EPH.

The current shares of EPH top-management in the Group will be transformed in a 10.7% share in EPCG; the remaining 89.3% share associated with the management of the company will remain in the ownership of Daniel Křetínský. The EPCG board of directors will be identical to the current composition of the EPH board of directors.

Part of EPCG's assets were sold to Patrik Tkáč, thus, he is now controlling 44% share in EPH. EPCG retains its majority shareholding of 56% in EPH, but also the full management control.

EPH Board of Directors

Daniel Křetínský
Chairman of the Board of Directors

Pavel Horský
Member of the Board of Directors

Marek Spurný
Member of the Board of Directorss

Jan Špringl
Member of the Board of Directors

EPH Supervisory Board

Petr Sekanina
Chairman
of the Supervisory Board

Tereza Štefunková
Member
of the Supervisory Board

Martin Fedor
Member
of the Supervisory Board

Figure 13: Governance

EPPE Board of Directors

Daniel Křetínský
Chairman of the Board of Directors

Pavel Horský
Vice-chairman of the Board of Directors

Marek Spurný
Vice-chairman of the Board of Directors

Jan Špringl
Vice-chairman of the Board of Directors

Tomáš David
Vice-chairman of the Board of Directors

Filip Bělák
Member of the Board of Directors

Leif Timmermann
Member of the Board of Directors

Miroslav Haško
Member of the Board of Directors

Jiří Feist
Member of the Board of Directors

Tomáš Novotný
Member of the Board of Directors

Gary Mazzotti
Member of the Board of Directors

EPPE Supervisory Board

Ivan Jakabovič
Member of the Supervisory Board

Martin Fedor
Member of the Supervisory Board

Miloš Badida
Member of the Supervisory Board

EPIF Board of Directors

Daniel Křetínský
Chairman of the Board of Directors

Gary Mazzotti
Vice-chairman of the Board of Directors (independent director)

Jiří Zrůst
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

Pavel Horský
Member of the Board of Directors

Marek Spurný
Member of the Board of Directors

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

Governance

EPH Board of Directors

The Board of Directors has four members whereas the Chairman of the Board of Directors serves simultaneously as the Group CEO. The Board of Directors is the EPH Group's statutory body, which directs its operations and acts on its behalf.

EPPE Board of Directors

Has eleven members. Jan Špringl, a vice-chairman of the Board of Directors, serves simultaneously as the EPPE Group CEO.

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

EPIF Board of Directors

Has seven members and the Chairman of the Board of Directors serves simultaneously as the EPIF Group CEO.

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

EPPE Supervisory Board

Has three members elected by the General Meeting of Shareholders.

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

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

EPIF Supervisory Board

Has six members elected by the General Meeting of Shareholders.

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

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

Health, Safety and Environmental Committee (EPPE level)

Health, Safety and Environmental Committee (EPIF level)

EPH Supervisory Board

The Supervisory Board of EPH has three members elected by the General Meeting of Shareholders. The Supervisory Board is responsible for the revision of the activities of the EPH Group and of the Board of Directors in its management of EPH, and which resolves such matters as defined in the Czech Corporations Act and the Articles of Association. The Supervisory Board's powers include the power to inquire into all documents concerned with the activities of companies within the EPH Group, including inquiries into their financial matters, review of the 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.

Figure 13: Governance (continued)

Key people

Daniel Křetínský

Chairman of the Board of Directors and Chief Executive Officer at EPH

Chairman of the Board of Directors and Chief Executive Officer at EP Infrastructure

Chairman of the Board of Directors at EP Power Europe

Mr. Křetínský was involved through his role as a partner in the J&T Group in the founding of EPH, where he has served as Chairman of the Board of Directors since 2009 and currently is also the majority owner of EPH. Mr. Křetínský serves on the boards of several companies that are affiliated with EPH, including NAFTA, Eustream or EP Investment Advisors. He also holds positions at companies unaffiliated to EP Infrastructure, including Chairman of the Board of AC Sparta Praha.

Mr. Křetínský holds a bachelor's degree in political science as well as a master's degree and a doctorate in law from Masaryk University in Brno.

Jan Špringl

Member of the Board of Directors of EPH

Chairman of the Supervisory Board at EP Infrastructure

Vice-chairman of the Board of Directors and Chief Executive Officer at EP Power Europe

Mr. Špringl has been working for EPH since 2009 and serves as a member of the board of directors of EPH. At the end of 2019, Mr. Špringl was a chairman of the board of directors of NAFTA a. s.; vice-chairman of the board of directors of EP Power Europe, a. s., and holds numerous positions in boards of companies within the Group as well as outside of the Group.

Mr. Špringl holds a master's degree from the Faculty of Business Administration from University of Economics in Prague.

Marek Spurný

Member of the Board of Directors and Chief Legal Counsel at EPH

Member of the Management Board at EP Infrastructure

Vice-chairman of the Board of Directors at EP Power Europe

Mr. Spurný has been working for the EPH Group and its legal predecessors since 2004. His background is legal. As such, he holds the position of Chief Legal Counsel of the Group, chairs the Group's Compliance Committee, with main responsibilities for transaction execution, negotiations and implementation of merger and acquisition transactions, restructurings, and legal support in general. Mr. Spurný holds several positions in the corporate bodies of the Group companies on the parent holding levels (member of the boards of directors of EPH, EP Energy, member of supervisory board of EPIF), as well as the subsidiaries of the Group. Before joining the Group, Mr. Spurný had been working 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 and Chief Financial Officer at EPH

Member of the Board of Directors at EP Infrastructure

Vice-chairman of the Board of Directors at EP Power Europe

Mr. Horský is a member of the Board of Directors and the Chief Financial Officer of EPH. He chairs the Group's Risk Committee, serves on boards of directors and supervisory boards of several of EPH's subsidiaries and affiliates. Prior to joining EPIF, Mr. Horský held the position of market risks advisory position at RBS.

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

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.

EPH'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:

EPH 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 implemented internal Group policies, thereby ensuring responsible business and activities throughout EPH.

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 2020 and 2021, the EPH Board approved a set of Group policies; some have already implemented, while others are in the process of implementation this year. We ensure compliance with these policies through various committees, specifically by our HSE Committees (EPIF and EPPE level) and independent 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 EPH Annual report 2020.

2020 **Highlights**

At EPH, 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 2020, none of our subsidiaries faced any major incidents.

As a step forward within our sustainability commitment, a new set of policies were introduced in 2020 and 2021 and are on the path of being fully implemented in 2021 throughout the Group.

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

Our principles and business ethics

EPH is committed to its behavioural standards, which is managed as a practical value for its day-to-day business. This standard sets employee expectations, which are reflected in the performance and reputation of the Group, and it ensures that we have good standing relationships with all of our stakeholders.

EPH maintains high ethical standards throughout its operations and supply chain, and we do not tolerate corruption or inappropriate behaviour; breaches could cause major and serious reputational damage for the Group. We notably perform regular bribery and corruption risk assessments, which is overseen by the Compliance Committee, and we adjust our internal processes accordingly. Adjustments may relate to bookkeeping guidelines, supplier approval procedures and monitoring systems, and whistleblower programmes. We ensure that all of our employees partake and signoff on annual trainings relating to relevant policies.

These commitments and standards were approved in March 2020 and were updated and complemented with additional policies in April 2021. They are all applied at the Group level, with implementation planned throughout the 2021 year.

Notably, most of our subsidiaries already individually uphold these standards. All of them also have their own Code of Conducts in place, which have been translated into their native languages. The new *ESG Master Policy* and *EPH Code of Conduct* are not designed to replace these, but rather to bring general concepts to the Group level, to have them presented in English, and to make them available on one convenient and accessible platform.

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 14: Our ESG principles

ESG governance at EPH

In March 2020, the EPH Board approved a comprehensive set of Group-wide policies, specifically the *ESG Master Policy*, *Code of Conduct*, *Environmental Policy*, *Operational Policy and Procurement Policy*. After the official approval, all of our subsidiaries had six months to fully implement the policies subject to their local legislation.

In EPPE, the same scope of polices were approved in April 2021 by the BoD.[39]

In March 2021, the existing policies were updated, while the EPH Board approved additional policies, created over the course of 2020, specifically the *Asset integrity management policy*, *IT Cybersecurity policy*, *KYC Directive*, *Whistle-blower policy*, *Diversity policy and Biodiversity policy*.

In order to highlight the importance of ESG topics and show our commitment, Gary Mazzotti, an independent BoD member of both EPIF and EPPE, has been installed as an ESG Officer, carrying the responsibility for sustainability and ESG related agenda.

As the EPH Group is committed to sustainable development, our principles are to create shareholder value over the long-term, in cooperation with local communities, while protecting the environment within which EPH operates.

Together with our subsidiaries, we are committed to conducting business activities in a transparent and operationally excellent manner, and we expect the same behaviour from our employees. We value transparent and open dialogue with all of our stakeholders. In order to further develop and improve the interaction internally, as well as externally, we commit to following our values; they are the foundation on which we build relationships with our partners, employees and society.

The EPIF and EPPE HSE Committees, and the independent ESG Officer, Garry Mazzotti, supervise compliance with our values and principles laid out in all EPH policies.

In EPPE, HSE Committee was established in April 2021 by the BoD, electing following members:

- Leif Timmermann (Chair)
- Gary Mazzotti
- Filip Bělák
- Alan Beeston
- Giorgio Chizzolini

39 EP Logistics and some other companies remain uncovered, having their own internal documents.

	Policy description
ESG Master policy	The document sets out a comprehensive policy framework and basic guidelines for the EPH Group as well as defining the core principles for sustainability related policies within the EPH 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 EPH 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 EPH 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 EPH 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.
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 EPH 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 EPH to ensure that EPH 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 15: EPH 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.

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

The procurement function is centralized and managed by the EPH Group Procurement. The key role of the EPH Group Procurement is to develop and apply the 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:

EPH promotes sustainable and inclusive economic growth while 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

In 2020, we approved, introduced and implemented an extended *Procurement policy.* It was created in an effort to improve our previous policies and processes, as we understand the risk associated with a mismanaged supply chain.

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.

A new *KYC Directive*, which provides acceptance guidelines for all business partners, including suppliers, has been approved.

2020 Highlights

In March 2020, EPH approved a procurement policy focused on monitoring our supply chain. With this policy, we aim to ensure that we encourage our suppliers, to not only comply with our internal policies, but also the local regulations relating to human rights, employees and environmental matters.[40]

What do we expect from our suppliers?

In 2020, there were no significant changes to EPH's supply chain. Additionally, there were no reported environmental incidents this year.

40 Key tenders from across the EPH Group are published on the EPH web page (http://www.epholding.cz/en/suppliers/). This has led to increased supplier participation and transparency.

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 base for sustainable development. Effective risk and crisis management practices are expected by Group's investors, as well as local communities and municipalities.

EPH 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.

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 transition risk. Physical risk arises from extreme weather events, which may lead to supply interruptions. Transition risk poses a threat of increasing operating costs if not being ready for the new energy system to come.

2020 Highlights

strategies

EPH's senior management analyses possible risk through various lenses trying to assess possible development scenarios, preparing 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

EPH's, EPIF's and EPPE's Committees work to develop a Group culture in which all 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 16: Risk matrix

Financial risks

Management approach to risk mitigation

Credit risk
The primary exposure to credit risk arises from conducting business with unreliable counter-parts.

- 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, i.e. 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).
- EPH'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 arises 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.
- Geographical focus on countries with stable and established regulatory regimes.

Table 12: Risk management overview

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, the 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 *Know Your Customer ("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 EPH 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 (88% 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 12: Risk management overview (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 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 12: Risk management overview (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 relationships so that we may not only achieve transformational energy development, but lasting 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 work to respect our employees' human rights through the implementation of non-discriminatory guidelines. Overall, EPH 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 our top priority by constantly learning, sharing and improving our approach to embedding a “health and safety first” culture throughout the Group.

EPH understands that safety can only be achieved if well-being is first 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 embed 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:

EPH ensures that the health, safety and well-being of not just our employees, but all of our stakeholders, is at the core of all of our 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 wellness 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 EPH subsidiaries’ 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.

2020 Highlights

OHSAS 18001/ ISO 45001 certifications highlight the health and safety management systems in place within the Group. In 2020, 65% of EPH’s employees were covered by these certifications.[41]

2020: Employees covered by OHSAS 18001/ISO 45001

7,373	total employees covered
11,281	FTE
65%	covered employees

Figure 17: Employees covered by ISO 45001

EPH works to provide a safe working environment for its stakeholders. In 2020, this commitment resulted in a 4% injury frequency rate decrease among our employees.

2020	Employees	Contractors
Total worked hours	18 mil. 1% decrease from 2019	2 mil. 80% increase from 2019
Registered injuries	60 5% decrease from 2019	18 80% increase from 2019
Fatal injuries	0 no change from 2019	0 100% decrease from 2019
Injury freq. rate	3.36 0.13 point decrease from 2019	8.60 4.09 point increase from 2019

Figure 18: Injuries overview

41 This does not mean that the rest of our employees work in unsafe and unhealthy environments. In reality, this certification is simply irrelevant to some of our operations and instead, poses an administrative burden.

Health and safety management at EPH

The Group's H&S data results have not significantly changed throughout its operating years, but efforts for achieving our safety goals and maintaining the well-being of our employees have.

With each year, we further strive and commit 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. In 2020, this resulted in a 0.13 point decrease in our employee injury frequency rate. With regards to our contractors, we alternatively saw a 4.09 point increase, however, EPH ensures to continuously work on educating contractors on H&S issues, as well as ensuring their compliance with any relevant regulations and our own Group standards when working on our premises.

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.

In 2020, we included these commitments into our *Code of Conduct*, thereby further aligning us with our ultimate H&S goals. We also continue to support our entities, such asthrough the reinforcement of strong governance, effective H&S protocols, sharing of best practices, and eliminating unsafe and unhealthy work behaviour.

At EPH, we pride ourselves on the fact that our top priority is the health and safety of our employees. In 2020, we recorded no fatal injuries.

8 Pillars of health & safety management

Commitment from top management	At EPH, reporting on H&S issues is taken very seriously; top management is actively involved in H&S issues and ensure 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.
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 and policies.
Prevention	As a Group, we aim to not only reduce the number of accidents, 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.
Risk control and reduction	Our H&S management requires regular on-site risk assessments and inspections. Work-related risk assessments, including those performed by contractors and subcontractors are a common practice at our subsidiaries. Most of our operations also receive 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[42]. 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.
Training and communication	At EPH, 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 EPH 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	The Group'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	EPH's subsidiaries have various initiatives that aim to promote the health and well-being of its employees while at work. Most of our subsidiaries regularly provide medical examinations for its employees.

Table 13: Pillars of H&S management

42 Heinrich et al, 1980.

Employment and employee development

EPH values the diversity within its talent, as a matter of fact, we believe our people are at the core of what strengthens our work. 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 EPH, 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:

EPH 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. EPH 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, EPH'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 EPH 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.

EPH recognises its employees as the Group's top asset, and as a result, we place great emphasis on their development. Due to the extensive scope of our Group, EPH uses a decentralised approach within its human resources. As a result, within this section, we try to draw from the experience, processes and activities of some of our major subsidiaries. Our hope is to highlight the importance our Group places on our most precious asset – our people.

2020 Highlights

284 persons

EPH does not discriminate within its employment process, and as a result, we proudly employ 284 persons with various disabilities. We commit to fully understanding their working needs so that we may provide the most appropriate support for their day-to-day activities.

11,281 professionals

In 2020, EPH employed 11,281 professionals across 11 countries, 6% of which held executive positions.

88%

88% of EPH employees are covered by various collective bargaining agreements.

190,000 hours

In 2020, EPH provided its employees with over 190,000 hours of training.

Storage facility Wolfersberg, Bavaria.

EPH employment and employee standards

In 2020, EPH further committed to upholding fair employment and treatment of its employees through the creation of an Equality, Diversity and Inclusion Policy. Its implementation throughout the entire Group will be completed throughout 2021.

We offer equal and fair employment, and ensure to treat all of our employees with respect and inclusion. Our Group'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 the notion of ensuring to avoid 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, EPH 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 amount 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, especially within management. This is further represented in the rates experienced by our peers[43], with roughly 20% and 15% of women in non-executive, and top and middle management respectively. Overall, in 2020, EPH had roughly a 4:1 ratio of men to women within the Group, where 94% and 6% of all female positions were held in non-executive, and top and middle management positions respectively, with a 17% increase in the number of executive positions held compared to last year. We encourage our female employees to take part in projects' leadership to support their personal and professional growth. This way the Group easily discovers new female leaders.

Headcount by country

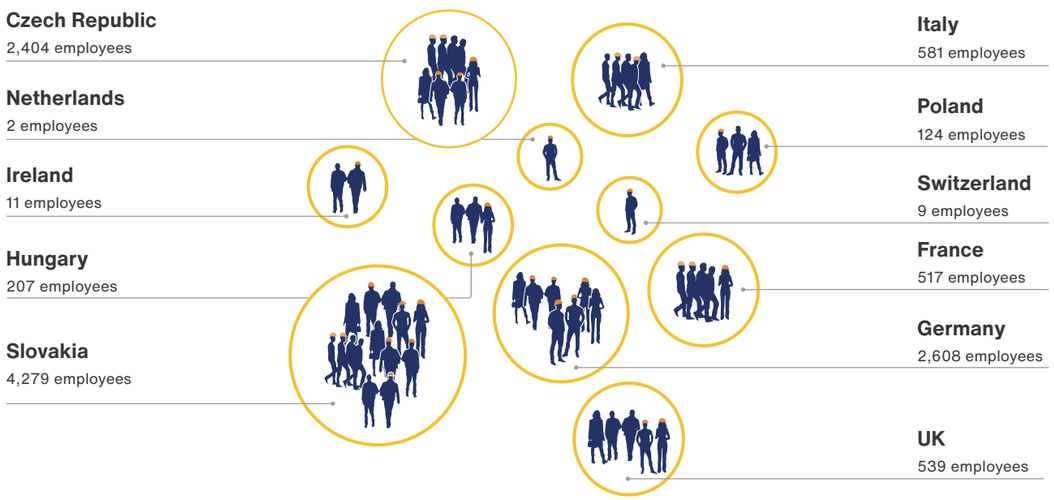


Figure 18: Headcount by country

43 Based on the analysis of 5 main comparable energy groups in Europe.

Employee data by gender

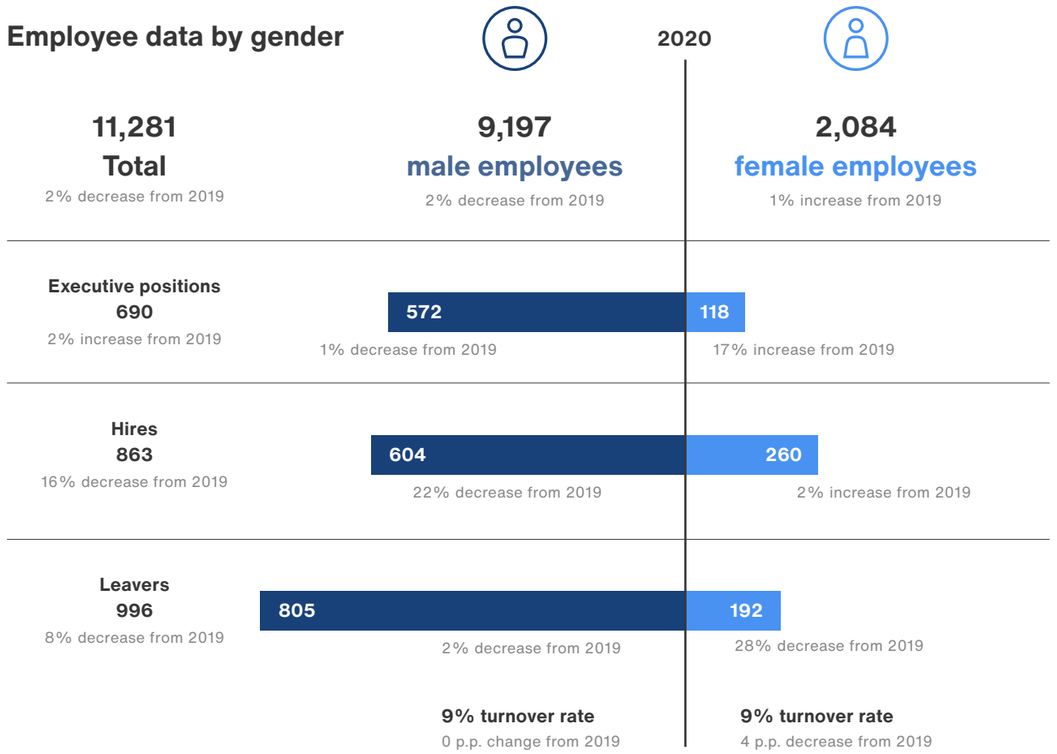


Figure 19: Employee data by gender

2020 Total employees by age group

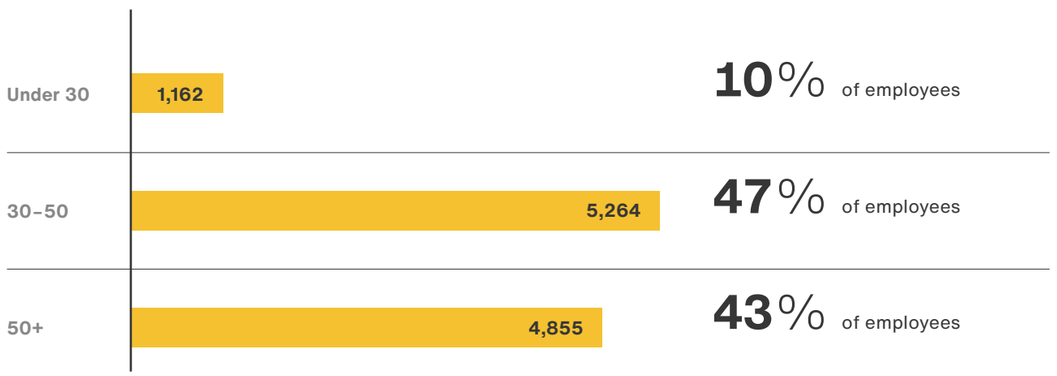


Figure 20: Employee data by age groups

Employee development

At EPH, 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.

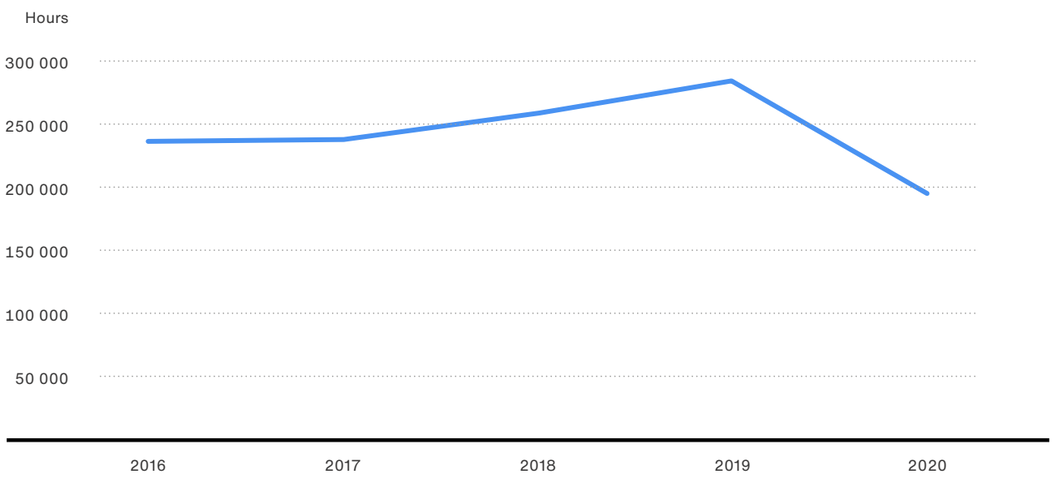
We are committed to providing our employees with the right tools and environment in which they can professionally grow and develop. As an example, in an effort to better understand the strengths of our employees, we provide them with regular work assessments and evaluations. This not only allows us to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

In 2020, we experienced a decline in employee training hours due to the COVID-19 pandemic. The majority of our training sessions were held online, however, technical trainings had to be completed through physical attendance.

194,376 hrs.
of employee training
↓ 32% from 2019

17.2
training hrs. / employee
↓ 31% from 2019

Total employee training



Graph 29: Employee training hours

Case Study
Employee and employment programmes
Attracting talent

EPIF

Stredoslovenská distribučná (SSE subsidiary)

In 2020, we continued to develop two main areas at Stredoslovenská distribučná: workforce renewal and employee retention. Through our cooperation with secondary schools and universities, we have also been able to improve our workforce age diversity by attracting more young professionals.

We also work to increase the number of females entering our industry, and those that continually progress to hold executive positions. We do this through education and training programmes, with an emphasis on providing current and future managers with training in managerial and technical skills.

EPLI

LOCON AG

The company operates in the field of construction logistics throughout Germany. When providing our services, we always keep our employees in mind, as qualified and motivated staff are the most important assets to a successful company. Our personnel management focuses on allowing our employees achieve the maximum balance between work and personal life. Therefore, our employees and their families receive high bonuses when asked to work in difficult conditions.

In 2020, we were able to prevent significant labor losses while meeting the individual needs and living conditions of our employees during the coronavirus pandemic. We did this by focusing our resources and contracts in East Germany, where a number of our railway projects were located.

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.

EPH 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:

EPH 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.

As our business is regulated by the state in which we operate, we always offer our customers reasonable prices. Notably, we offer better prices to vulnerable and disadvantaged customers in Slovakia due to the country's regulations.

Communication

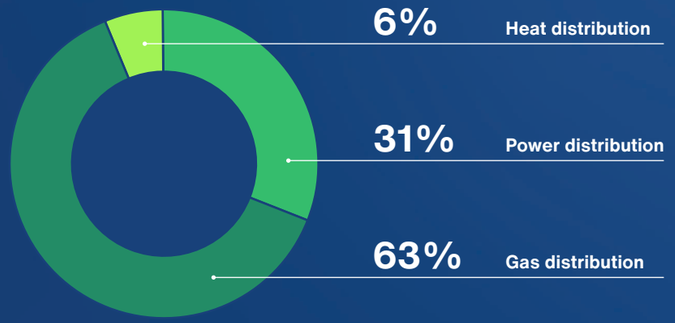
The majority of companies in the Group have an Ethics Manual or Code of Conduct, however in 2020 and 2021 we also implemented the *EPH Group Code of Conduct*, superseding local ones. It contains processes regarding the expected ethical and transparent business conduct with our customers. Because we place such great importance on providing exceptional services, we have created clear and easily accessible communication channels for our customers.

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 EPH 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.

Notably, since 2012, the key indicators measuring network reliability (SAIDI, SAIFI) in the power distribution segment of our business have been well below the requirements of regulators. 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, thereby allowing us to appropriately allocate maintenance.

2020 Highlights



Graph 30: Connection points

In 2020, we supplied gas and power to more than 740 thousand customers.

Our customer services are not limited exclusively to the supply or distribution of the aforementioned commodities. We understand that it is equally important to provide sustainable products along with energy savings in order to achieve EPH's decarbonisation goals.

2.5 million

In 2020, almost 2.5 million end consumers were connected to our gas, heat and power networks.

Case Study
Ensuring stable supply
EPH operations in the UK: Capacity Market and asset participation

EPPE

As part of the UK Government's Electricity Market Reform package, the Capacity Market was introduced. Its purpose is to ensure the security of electricity supply in Great Britain by providing a payment for reliable sources of generation alongside electricity market revenues. Historically, there has been a surplus of capacity on the system, so capacity contracts have not been required. However, as older electricity generation facilities, and coal and nuclear stations close, more stress is put on renewables, making it more important to secure enough capacity to cover winter peak demands. EP SHB and EP Langage have participated in the Capacity Market every year since its launch in 2017 and contribute to around 4% of the overall capacity requirement. With flexible CCGT assets, the participation of both EP SHB and EP Langage are becoming increasingly important, as flexible generation plays a crucial role in balancing the supply of power from large scale renewables with variable outputs.

In the all-Ireland electricity market, the Capacity Market plays an important role in ensuring the security of supply in an increasingly renewable energy landscape. The market in Ireland differs from the UK, as it is more balanced with a higher proportion of renewable generation and significant transmission constraints. As a result, the Capacity Market focuses on the ability of Ireland to respond to system wide events of stress and the ongoing participation in local constraints. In Northern Ireland, EP Kilroot and EP Ballylumford make up approximately 55% of the installed dispatchable generation capacity. This means that without Capacity Market contracts, which ensure economic viability of assets, there would be a significant issue with the security of supply. In Ireland, even though Tynagh Energy makes up a much lower proportion of the overall installed capacity, their location plays a key role; they are also vital to securing supplies.

Picture 17: Langage power plant in the UK

Case Study
Customer energy efficiency programmes
Working with our communities to reduce and optimise energy consumption

EPIF

Stredoslovenské elektrárne

At Stredoslovenské elektrárne, 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. In 2020, the time that visitors spent on our energy efficiency webpages rose by 47% compared to 2019. Additionally, we have been a part of Facebook since 2018, and have to-date attracted more than 11,000 followers.

In 2020, our customers received practical advice on how to quickly and effectively reduce energy consumption in their homes. Customers also had the opportunity to learn about other aspects of energy in their homes, such as the most affordable rates for their homes, how much their electrical appliances consumed and the difference between modern LEDs and classical incandescent bulbs.

In 2020, our online programme was enriched with another search engine optimisation (SEO) content series. This year, our content was read by more than 40,000 customers, and included various article topics, such as the advantages and disadvantages of electrical and gas hobs in Slovakian homes. Another article that attracted a wide group of readers to our website highlighted methods on how to responsibly prepare for the heating season. Overall, we have found that our customers are showing greater interest in renewable sources, along with tips on how to further reduce electricity and gas consumption.

In 2021, we intend to expand SSE's *Hints and Tips* webpage by adding more useful and compelling topics. We are also committed to further educating households in Slovakia about the path to practical and easily achievable energy efficiency.

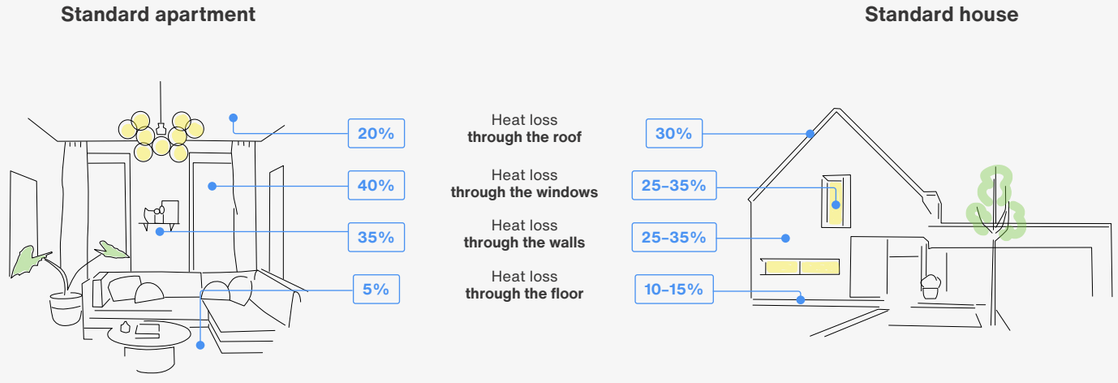


Figure 21: Heat loss infographic

Case Study

Becoming a supplier of choice

2020 Railway modernisation, reconstruction and restoration projects

EPLI

The railway section between Oranienburg and Lehnitz stations underwent some reconstruction and restoration projects. They included laying down new tracks, sleepers, gravel beds, and installing a reinforcing protective layer between the track beds and the ground. The railway bridge over the Oder-Havel canal also underwent some projects, which included the construction of a new side footbridge. Both tracks also had their bridge girders replaced. In both locations, LOCON AG was commissioned to not only provide locomotives, but also qualified personnel. They had to transport waste, both hazardous and non-hazardous, to the collection centers, which meant that LOCON also had to deploy a significant number of railway cars and create well thought out waste disposal plans. The project contract was ultimately awarded to LOCON because of their certificate in waste management, professional personnel, especially with regards to waste disposal, and their consistent documentation and keeping of electronic records.

On the Berlin suburban ring road, the railway between Berlin Zehlendorf, Mexikoplatz and Wannsee stations was restored, with a number of switch replacements. This project had pollution and noise reduction requirements from the customer, as the railway runs through the city center. To meet the customer's expectations, LOCON AG's state-of-the-art noiseless and low-emission traction vehicles were commissioned for the project.

In an effort to continue to ensure reliable operation, the Berlin-Bristle Railway, in between the Berlin-Buch and Bernau stops, underwent a number of modernisation and reconstruction projects. These projects include extensive track renovations, extensions and implementation of modern technology where possible. LOCON AG played a significant role in these projects. The company was heavily involved in the planning phase of construction, along with project operations and logistics. They also provided all of the locomotives, professional staff and railway cars required to seamlessly carry out all aspects of the project, such as waste disposal.

Picture 18: Railway illustration

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

EPH is proactive in its community partnership efforts. As an example, we promote a number of initiatives through our EPH Foundation, such as those relating to grant and community partnership programmes.

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:

EPH 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

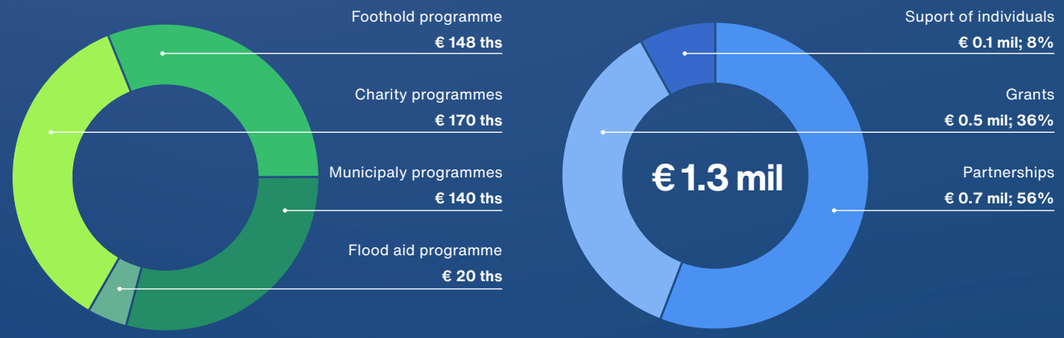
The EPH Foundation is the main facilitator of all of our Group's community activities, such as those relating to the support of local charities, social initiatives and community development programmes.

The foundation was established mainly to support:

1. human rights and associated humanitarian goals,
2. environmental protection,
3. the preservation of natural values,
4. people's health,
5. children and youth, and their right to have rights,
6. access to humanitarian aid.

2020 Highlights

Grant programmes



Graph 31: EPH Foundation contributions

In an effort to combat the spread of COVID-19, the EPH Group, together with J&T donated protective and medical equipment to the Czech Republic and Slovakia in the amount of € 8 million.

€ 1.3 mil

In 2020, the EPH Foundation supported 731 projects and individuals, with an overall amount exceeding EUR 1.3 million.

Partnership programmes

€ 738 ths
total support

In 2020, the EPH Foundation supported 101 projects with a total of EUR 737,556.

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.

Partner	Project	Activities	Contribution
ADRA ADRA is changing the world through a range of programs and initiatives in four key impact areas.	Let there be light! Electricity backup source in an African hospital.	Itibo Hospital located in the mountains of western Kenya, suffers from an unstable supply of electricity from the public grid. We contributed to building a backup solution for the hospital, where solutions included implementation of a generator, batteries, and solar panels. ● Construction of a new building and installment of a 15kW diesel generator. ● Installment of 12 solar panels and additional batteries. The new back-up system will provide emergency electricity supply to operating rooms and intensive care units.	**€ 10,000**
APPA Helps physically handicapped children and adults.	Improving health through rehabilitation.	Our financial support helped specialised rehabilitation centers accommodate 66 families with disabled children or another family members who could not afford treatment.	**€ 60,000**

Grant programmes

Nadácia EPH

In 2020, most of the projects were categorised as "Charity programmes," where EUR 170 thousand was distributed among 528 individuals. The largest and most mentionable project was Foothold, to which we granted over EUR 148 thousand. It focuses on supporting local organisations and social services that help people in difficult situations.

Programme	Areas covered	Contribution
Foothold *Oporný bod*	The programme focuses on supporting local organisations or social services helping people in difficult situations.	**€ 148,500**
Slovakia catholic charity	The programme provides support in the form of material or food for those in need.	**€ 110,000**

“

We provide also grants to individuals, legal entities and non-profit organizations, focusing on projects with the goal to substitute family care, provide emergency assistance, assist people who are sick or disabled, provide hospice care and promote awareness and education.

Nadácia EPH

Organisation	Activity	Contribution
HARMONY rehabilitation center	New treatment methods (robotically assisted) for children with cerebral palsy and musculoskeletal disorders.	€ 30,000
PHYSIO CANIS	Integrated canis therapy for children and adolescents with musculoskeletal disorders involving specialised dogs, TheraSuit® and innovative NASA-inspired methods.	€ 30,000
PLAMIENOK	The project is aimed at families with terminally ill children. It offers professional medical, psychological and social assistance while staying at home, in a familiar environment. This project also aims to raise awareness and educate individuals in these specifically difficult life situations.	€ 20,000
Samaria association	The association is aimed at developing stable infrastructure and networks of volunteers who assist families with children, single mothers and seniors. In 2020, we were able to materially support 126 clients.	€ 25,000
Drahuška and us...	The organisation supports young adults from children’s homes through education, qualification and also creation of new job positions as caregivers.	€ 18,000
Blue Angel	The organisation provides psychosocial support, crisis intervention and post-traumatic therapeutic intervention for people affected by a traumatic event.	€ 20,000

Table 14: J&T Foundation projects examples

Community development programmes and initiatives

Public waste-to-energy plant tours

At Plzeňská teplárenská, there are regular excursions organised for schools and the public, which are accompanied by educational programmes.

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. **In 2020, a new educational programme focused on waste and its processing** was introduced. All educational programmes are also provided in English.

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 22: Community programmes and initiatives infographic

Continuous supply of electricity during the pandemic

At SSD, we implemented the following measures to ensure that our business continued meeting its demand during the pandemic: testing on a regular basis, regular disinfection of workspaces, temperature screening of everyone entering the workplace, an increased number of hand sanitizing stations and an implemented policy on wearing masks at the workplace.

The company provided face masks and vitamin supplements to all employees.

The **most critical employees** – dispatchers work under special quarantine conditions. They work and live together for 2 weeks without having the possibility of going home. The company provides accommodation, food and regular testing for these employees.

Our contribution to fighting COVID-19

Over the course of April and May 2020, EPH Foundation provided 5,022 tests for a total price of **EUR 241 thousand**. The test were locally distributed among public servants, social services, retirement homes and other organisations providing support to the elderly population.

J&T and EPH **donated protective aids and medical material** to combat the spread of coronavirus in the amount of **EUR 8 million**. Half of this assistance was distributed across the Czech Republic and the other half across Slovakia, in close cooperation with the crisis staff in both of these countries.

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.

The grown interest that students expressed in further exploring energy related topics is highlighted in the **38% increase** in visits made to www.sse.sk/stukes **compared to last year**. The popularity of the contest has also been visible on **SSE’s YouTube channel**, with over **3,000 video views** since the contest began.

Assurance

7

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Report of Factual Findings

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

Based on the engagement letter dated 30 March 2021 we have been engaged to perform agreed upon procedures relating to below defined indicators included in the Energetický a průmyslový holding, a.s. group sustainability report for the year 2020 (hereinafter "the Report") to assist Board of Directors in indicators testing. Our engagement with Energetický a průmyslový holding, 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. Responsibility for the sufficiency of the performed procedures rests exclusively with the recipients of this letter. The procedures that we have carried out are designed to satisfy the Company's information needs.

Agreed-Upon Procedures

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

- Total Energy consumption based on GRI standard 302-1, on page 227 of the Report,
- Total Quantity of water withdrawn based on GRI standard 303-1, on page 239 of the Report,

- Total Quantity of water discharged based on GRI standard 306-1, on page 240 of the Report,
- Total Registered injuries – Employees based on GRI standard 403-2 on page 253 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 pages 33, 34.

3. On sample basis, defined at minimum one company from Czech Republic, Slovakia and Great Britain, 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 entities based in the Czech Republic except for those covered under procedure 3. (hereinafter "other CZ entities") compare that data provided by these companies were properly transferred to the Group support source data file.

5. For economic and financial data that consist of Total Sales and Income tax paid as of 31 December 2020 and for the year then ended as presented on the pages 1, 46 and 80 in the Report, marked with ("*") (hereinafter "Selected Financial data") reconcile to the Company`s consolidated financial statements as of 31 December 2020 that form part of the Company`s 2020 Annual Report.

Procedures and 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 33, 34. 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 33 and 34.

3. Based on the table “EPH Company Structure” included in the Report on the pages no. 44 and 45 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), Plzeňská teplárenská a.s. (Czech Republic) and Lynemouth (Great Britain) 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. For other CZ entities we compared data reported by each individual entity to the Group with respect to Specified Indicators to the Group support source data file.

5. We reconciled Selected Financial data presented in the Report to Company`s consolidated financial statements as of 31 December 2020, as included in the 2020 Annual report, with no difference noted expect effect of rounding, if applicable.

* * *

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. The sufficiency of the procedures is solely the responsibility of Energetický a průmyslový holding, a.s. 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.

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 Energetický a průmyslový holding, a.s.

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.

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. This report relates only to Specified Indicators defined above and does not extend to any financial statements of the Company.

Prague, 25 June 2021

KPMG Česká republika, s.r.o.

Annex

Abbreviations

AA1000	Accountability Stakeholder Engagement Standards
BBS	Behaviour Based Safety
BERT	Budapesti Erőmű Zrt.
CCGT	Combined Cycle Gas Turbine
CE	Central Europe: represents a region of the Czech Republic, Slovakia and Austria
CHP	Cogeneration
CO_2	Carbon dioxide
COP 21	Paris Climate Conference
CZK	Czech koruna
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EIA	Environmental Impact Assessment
EMIR	European Market Infrastructure Regulation
EMS	Environmental Management System
EMAS	EU Eco-Management and Audit Scheme
EOP	Elektrárny Opatovice a.s.
EPC	EP Commodities a.s.
EPC	EP Cargo a.s.
EPCI	EP Cargo Invest a.s.
EPCP	EP Cargo Polska S.A.
EPET	EP Energy Trading a.s.
EPH	Energetický a průmyslový holding, a.s. (Parent company)
EPIF	EP Infrastructure a.s.
EPLI	EP Logistics International a.s.
EPNEI	EP New Energy Itali
EPPE	EP Power Europe a.s.
EPUKI	EP UK Investments
ENO	Nováky lignite power plant
EVO	Vojany coal power plant
ESG	Environment Social Governance
EU	European Union
EUR	Euro currency
FCL	Full Container Load
FSA	Feed Safety Assurance
GBP	British pound sterling
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
HFCs	Hydrofluorocarbons
HR	Human resources
HSEQ	Health, Safety, Environment, and Quality
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change
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
KPI	Key Performance Indicator
KYC	“Know your customer” is the process of a business, identifying and verifying the identity of its customers
kWp	Kilowatt-peak
LCL	Less Container Load
LEAG	Lausitz Energie Bergbau AG and Lausitz Energie Kraftwerke AG
LPL	Lynemouth Power Limited
M&A	Mergers and acquisitions
MAR	Market Abuse Regulation
MIBRAG	Mitteldeutsche Braunkohlengesellschaft mbH
MIFID	Markets in Financial Instruments Directive
MIRA	Macquarie Infrastructure and Real Assets
N_2O	Nitrous oxide
Nafta	NAFTA a.s.
NF_3	Nitrogen trifluoride
NG	Natural gas
NGOs	Non-governmental organisations
NO_x	Nitrogen oxide emissions
OCGT	Open-cycle gas turbine
O&M	Operation & Maintenance
OHSAS 18001	Occupational Health and Safety Management Systems (superseded by ISO 45001)
P2P	Peer-to-peer
PFCs	Perfluorocarbons
PLTEP	Plzeňská Teplárenská a.s.
PV	Photovoltaic
REMIT	Wholesale Energy Market Integrity and Transparency
RES	Renewable Energy Sources
SAF	Solid alternative fuel
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SDGs	Sustainable development goals
SF6	Sulphur hexafluoride
SNCR	Selective non-catalytic reduction
SO_2	Sulphur dioxide
SPH	Slovak Power Holding BV
SPP	Slovenský plynárenský priemysel, a.s.
SPP-D	SPP - distribúcia, a.s.
SSE	Stredoslovenská energetika, a.s.
SSE-D	Stredoslovenská energetika – Distribúcia, a.s. (before renaming to SSD)
SSD	Stredoslovenská distribučná, a.s.
TSO	Transmission System Operator
UCF	Unit capability factor
UE	United Energy a.s.
UK	United Kingdom
UGS	Underground gas storage

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

Methodology note

Report boundaries

The Report boundaries are based on operational control and are applied to all GRI Indicators, with the exception of GRI 200 Economic and GRI 400 Social data. This data was reported using financial control so that the financial data within this Report and the EPH 2020 Annual Report were aligned. As a result, EPH has consolidated data from all controlled entities that were deemed material for the purposes of this Report. This list of entities covered by this Report can be found in the table below.

This Report focuses on topics that are most material to our business and stakeholders. These topics are highlighted in different sections of this Report, with supporting information in the GRI Content Index, which can be found in the Annex of this 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 EPH's portfolio that were deemed material for this Report, for a complete list of entities, please refer to our 2020 consolidated Annual Report. According to the EPH reporting approach, data from newly acquired entities is included in the consolidated reporting of information, but only if they were acquired within the first two quarters of the reporting period.

EPH Core	Subholding	Country	Ownership Share	Financial Control	Operational Control
Gas storage					
NAFTA a.s.	EPIF	SK	69.0%	Yes	Yes
NAFTA Speicher GmbH & Co. KG	EPIF	DE	69.0%	Yes	Yes
POZAGAS a.s.	EPIF	SK	62.0%	Yes	Yes
SPP Storage, s.r.o.	EPIF	SK	49.0%	Yes	Yes
Gas transmission					
eustream, a.s.	EPIF	SK	49.0%	Yes	Yes
Gas and Power Distribution					
EP Energy Trading, a.s.	EPIF	CZ	100.0%	Yes	Yes
SPP - distribúcia, a.s.	EPIF	SK	49.0%	Yes	Yes
Stredoslovenská energetika a.s.	EPIF	SK	49.0%	Yes	Yes
Heat Infra					
Budapesti Erőmű Zrt ("BERT")[44]	EPIF	HU	95.6%	Yes	Yes
Elektrárny Opatovice, a.s.	EPIF	CZ	100.0%	Yes	Yes
Plzeňská teplárenská a.s.	EPIF	CZ	35.0%	Yes	Yes
Pražská teplárenská a.s.[45]	EPIF	CZ	100.0%	Yes	Yes
United Energy, a.s.	EPIF	CZ	100.0%	Yes	Yes
Renewables					
Alternative Energy, s.r.o.	EPIF	SK	90.0%	Yes	Yes
ARISUN, s.r.o.	EPIF	SK	100.0%	Yes	Yes
POWERSUN a.s.	EPIF	CZ	100.0%	Yes	Yes
Triskata, s.r.o.	EPIF	CZ	100.0%	Yes	Yes
VTE Pchery, s.r.o.	EPIF	CZ	100.0%	Yes	Yes
Biomasse Crotone SpA	EPPE	IT	51.0%	Yes	Yes
Biomasse Italia SpA	EPPE	IT	51.0%	Yes	Yes
Fusine Energia S.r.l.	EPPE	IT	51.0%	Yes	Yes
Lynemouth Power Limited	EPPE	UK	100.0%	Yes	Yes
Generation and Mining					
Eggborough Power Ltd[46]	EPPE	UK	100.0%	Yes	Yes
EP Ballylumford Limited	EPPE	UK	100.0%	Yes	Yes
EP Commodities, a.s.	EPPE	CZ	100.0%	Yes	Yes
Gazel Energie	EPPE	FR	100.0%	Yes	Yes
EP Kilroot Limited	EPPE	UK	100.0%	Yes	Yes
EP Langage Limited	EPPE	UK	100.0%	Yes	Yes
EP Produzione S.p.A.	EPPE	IT	100.0%	Yes	Yes
EP SHB Limited	EPPE	UK	100.0%	Yes	Yes
Helmstedter Revier GmbH	EPPE	DE	100.0%	Yes	Yes
Humbly Grove Energy Limited[47]	EPPE	UK	100.0%	Yes	Yes
Kraftwerk Mehrum GmbH	EPPE	DE	100.0%	Yes	Yes
Mitteldeutsche Braunkohlengesellschaft mbH	EPPE	DE	100.0%	Yes	Yes
Tynagh Energy Limited	EPPE	IR	80.0%	Yes	Yes

Table 15: EPH reporting scope entities

44 Disposed of in December 2020, however still included in the scope of 2020 Sustainability report.
45 Disposed of in November 2020, however still included in the scope of 2020 Sustainability report.
46 Closed operations in 2019, but still sell by-products.
47 Acquired at the end of March 2020.

Logistics Core	Subholding	Country	Ownership Share	Financial Control	Operational Control	Joint Control
		Heat Infra				
EP Cargo a.s.	EPIF	CZ	100%	Yes	Yes	
EP Sourcing a.s.	EPIF	CZ	100%	Yes	Yes	
		Other				
LokoTrain s.r.o.	EPLI	CZ	65.0%	Yes	Yes	
LOCON Logistik & Consulting AG	EPLI	DE	100.0%	Yes	Yes	
EP Cargo Deutschland GmbH	EPLI	DE	100%	Yes	Yes	
EP Cargo Polska S.A.	EPLI	PL	100%	Yes	Yes	
SPEDICA GROUP COMPANIES, s.r.o.	EPLI	CZ	83.6%	Yes	Yes	
EP Resources CZ[48]	EPLI	CZ	100.0%	Yes	Yes	
EP Cargo Trucking CZ s.r.o.[49]	EPH	CZ	100%	Yes	Yes	

Note: EPH Core and Logistics Core include material companies consolidated according to IFRS and for which consolidated sustainability indicators are reported.

Share participations	Subholding	Country	Ownership Share	Financial Control	Operational Control	Joint Control
		Generation and Mining				
Ergosud S.p.A.	EPPE	IT	50.0%	No	No	Yes
Lausitz Energie Kraftwerke AG	EPPE	DE	50.0%	No	No	Yes
Lausitz Energie Bergbau AG	EPPE	DE	50.0%	No	No	Yes
		Other				
Slovenské elektrárne, a.s.	EPPE	SK	33.0%	No	No	Yes

Note: Sustainability information on share participations is reported in a separate chapter. The company Slovenské elektrárne remains, for now, legally out of the EPPE scope. Nevertheless, from the management perspective and also in this Report, these assets are included within EPPE, but its KPIs are reported separately in the section Share participations as it is related to equity consolidated group.

Table 15: EPH reporting scope entities (continue)

48 Name changed from EP Coal Trading a.s.
49 Name changed from EOP & HOKA s.r.o.

Operational boundaries

For respective 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.

Stakeholder engagement

Stakeholder engagement with regard to EPH's sustainability performance is regularly done through a range of channels, as summarised in the table below. Presented stakeholder analysis is performed by the EPH Group based on its local stakeholders' contributions, which play a significant role in mapping their expectations and priorities.

The analysis performed at the EPH Group level includes relevant consultations with its companies in order to analyse the key topics and concerns raised by local stakeholders.

The table below identifies the channels that EPH uses for successful and meaningful engagements with stakeholders. Based on information provided by local stakeholders, their expectations from EPH have been included. These expectations and concerns are identified through EPH's consultations with its subsidiaries.

Stakeholder group	Description	Means of communication	Main expectations
Local communities and municipalities	These stakeholders have varying interests in EPH's sustainability activities, which is based on their origins. EPH 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 predefines the level of their interest in EPH'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
Media	These stakeholders are active at both a local and global level (particularly in the Czech Republic, where EPH is headquartered).	▪ Press releases ▪ Press conferences ▪ EPH website	▪ Information transparency ▪ Quick inquiry responses
NGOs	These stakeholders are predominantly Environmental NGOs, therefore is significant emphasis on environmental activities, both at a local and global level. These stakeholders provide valuable information regarding general public concerns and expectations.	▪ 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 EPH's economic performance and business environment. Their interest depends on their size and business focus.	▪ Conferences ▪ Sharing of best practices	▪ Compliance and 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 EPH's sustainability commitments quite broad. Therefore, both policy decisions and social change strongly influence EPH's business activities. For example, local groups are concerned with the performance of individual EPH entities, while European institutions are concerned with EPH's business from a transversal 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
Investors and lenders	These stakeholders are predominantly banks, bond holders and financial institutions, whose capital is crucial for EPH's successful development. Their interest in EPH's sustainability performance is demonstrated at both the EPH 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 EPH's business, as their decisions determine the Group's success.	▪ Customer service ▪ Satisfaction surveys ▪ EPH website	▪ Efficient heat, gas and power distribution ▪ Secure business supply
Suppliers and contractors	These stakeholders can have both a local and global reach (social and economic performance), which can affect EPH 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 EPH's entities. They have a greater interest in EPH's social performance, both at a local and global level. Strategies that EPH 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

Table 16: Stakeholder engagement overview

Data tables

Social:

Employees covered (total, FTE and %) by OHSAS/ISO: data comparison from 2016–2020

Contractor hours worked and fatal injuries: data comparison from 2016–2020

Headcount (males and females in executive positions): data comparison from 2016–2020

Training hours (total and per employee): data comparison from 2016–2020 (have a graphical representation, but having a table in the annex to clearly state the values is recommended)

Collective bargaining agreements (total and %): data comparison from 2016–2020

New hires, leavers, hiring rate and turnover rate: data comparison from 2016–2020

Full-time/part-time employees: Data comparison from 2016–2020

Not directly employed workforce: Data comparison from 2016–2020

Employees with disabilities: Data comparison from 2016–2020

Customer accounts in EPIF per company: Data comparison from 2016–2020

Emissions

Procured and granted emissions: data comparison from 2016–2020

Business segment emissions (tonnes, contribution to Adj. EBITDA and %): data comparison from 2016–2020

Environment

Water intensity and efficiency: data comparison from 2016–2020

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 EPH and its business: Business segments overview	47–51
102-3	Location of headquarters	3 EPH and its business: Our geographical presence	46
102-4	Location of operations	3 EPH and its business: Our geographical presence	46
102-5	Ownership and legal form	–	EPH Annual report 2020
102-6	Markets served	3 EPH and its business: Our geographical presence	46
102-7	Scale of the organization	3 EPH and its business: EPH Company Structure	44–45
102-8	Information on employees and other workers	6 Social	164–169
102-9	Supply chain	5 Governance: Supply chain management	150–151
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102-11	Precautionary Principle or approach	5 Governance: Risk and crisis management	152–157
102-12	External initiatives	6 Social: Development of communities and social action	176–183
102-13	Membership of associations	–	EPH Foundation Annual report 2020

Strategy

GRI Standard	Description	Section of the Report	Reference page
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102-15	Key impacts, risks, and opportunities	2 About this report: Our stakeholders	35
		5 Governance: Risk and crisis management	152–157

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	146–147
102-17	Mechanisms for advice and concerns about ethics	5 Governance: ESG governance at EPH	148–149

Governance

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102-18	Governance structure	5 Governance: Corporate governance structure	138–139
102-19	Delegating authority	5 Governance: Corporate governance structure	138–139
102-20	Executive-level responsibility for economic, environmental, and social topics	5 Governance: Corporate governance structure	138
102-22	Composition of the highest governance body and its committees	5 Governance: Corporate governance structure	138–141
102-23	Chair of the highest governance body	5 Governance: Key people	142
102-33	Communicating critical concerns	5 Governance: ESG governance at EPH	148–149

Stakeholder engagement

GRI Standard	Description	Section of the Report	Reference page
102-40	List of stakeholder groups	2 About this report: Our stakeholders Annex: Stakeholder engagement	35, 200–201
102-41	Collective bargaining agreements	6 Social: Employment and employee development	165
102-42	Identifying and selecting stakeholders	2 About this report: Our stakeholders	35
102-43	Approach to stakeholder engagement	2 About this report: Our stakeholders	35
102-44	Key topics and concerns raised	2 About this report: Our stakeholders	35

Reporting practices

GRI Standard	Description	Section of the Report	Reference page
102-45	Entities included in the consolidated financial statements	Methodology note: Organizational boundaries	196–198
102-46	Defining report content and topic Boundaries	Methodology note: Report boundaries	196
102-47	List of material topics	2 About this report: Materiality matrix	36–37
102-48	Restatements of information	2 About this report: Reporting period and information	33
102-49	Changes in reporting	2 About this report: Changes in reporting	32
102-50	Reporting period	2 About this report: Reporting period and information	33
102-51	Date of most recent report	Colophon	284
102-52	Reporting cycle	2 About this report: Reporting period and information	33
102-53	Contact point for questions regarding the report	investorrelations@epinfrastructure.cz	–
102-54	Claims of reporting in accordance with the GRI Standards	2 About this report: Reporting standards	34
102-55	GRI content index	GRI Content Index	204–210
102-56	External Assurance	2 About this report: Assurance	186–189

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 About this report: Materiality matrix	36–37
103-2	The management approach and its components	4 Environment: Environmental management and monitoring	134–135
103-3	Evaluation of the management approach	5 Governance	136
302-1	Energy consumption	3 EPH and its business: Energy consumption and efficiency	90–91

Water and Effluents

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	4 Environment: Mitigation of environmental impact	110–111
103-3	Evaluation of the management approach	5 Governance	136
303-1	Quantity of water withdrawn	4 Environment: Water	112–113

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GRI Standard	Description	Section of the Report	Reference page
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305-1	Direct GHG Emissions	4 Environment: Reduction of emissions	103
305-4	Emissions intensity – electricity only + Emissions intensity – including heat component	4 Environment: Reduction of emissions	103
305-7	Emissions	4 Environment: Other air pollutants	108–109

Effluents and waste

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	4 Environment: Mitigation of environmental impact	110
103-3	Evaluation of the management approach	5 Governance	136
306-1	Quantity of water discharged	4 Environment: Water	112
306-2	Waste produced/Byproducts production	4 Environment: Effluents and waste 4 Environment: By-products	115, 120-121

Environmental compliance

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	5 Governance: Fair conduct	144
103-3	Evaluation of the management approach	5 Governance	136
307-1	Environmental fines	5 Governance: Fair conduct	145

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 About this report: Materiality matrix	36–37
103-2	The management approach and its components	6 Social: Employment and employee development	164
103-3	Evaluation of the management approach	5 Governance	136
401-1	New hires and employee turnover	6 Social: Employment and employee development	167

Occupational health and safety

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	6 Social: Health & safety	162–163
103-3	Evaluation of the management approach	5 Governance	136
403-2	Employee on the job injuries, contractors on the job injuries	6 Social: Health & safety	161

Training and education

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	6 Social: Employment and employee development	164
103-3	Evaluation of the management approach	5 Governance	136
404-1	Training	6 Social: Employee development	168–169

Marketing and labeling

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	6 Social: Customer relationship management	170
103-3	Evaluation of the management approach	5 Governance	136
417-2	Incidents of non-compliance concerning product and service information and labeling	5 Governance: Fair conduct	145

Socioeconomic compliance

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	5 Governance: Fair conduct	144
103-3	Evaluation of the management approach	5 Governance	136
419-1	Other significant fines	5 Governance: Fair conduct	145

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 About this report: Materiality matrix	36–37
103-2	The management approach and its components	–	EPH Annual report 2020
103-3	Evaluation of the management approach	5 Governance	136
201-1	Direct economic value generated and distributed	–	EPH Annual report 2020
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Anti-corruption

GRI Standard	Description	Section of the Report	Reference page
103-1	Explanation of the material topic and its Boundary	2 About this report: Materiality matrix	36–37
103-2	The management approach and its components	5 Governance: ESG governance at EPH	148–149
103-3	Evaluation of the management approach	5 Governance	136
205-2	Communication and training about anticorruption policies and procedures	5 Governance: ESG governance at EPH	148–149

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 section Organisational boundaries, pages 196–198.

EPH and its business

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Electricity – Total**								
EU1	**EP Infrastructure**								
Czech Republic		MW	900	1,031	1,031	868	868	(131)	(13%)
Slovakia		MW	68	68	67	67	67	0	0%
Hungary		MW	–	396	396	396	396	(396)	(100%)
Total – EP Infrastructure		**MW**	**968**	**1,495**	**1,494**	**1,331**	**1,331**	**(527)**	**(35%)**
EP Power Europe									
France		MW	1,432	2,262	–	–	–	(830)	(37%)
Germany		MW	795	1,147	1,147	1,147	457	(352)	(31%)
UK		MW	4,025	4,025	4,637	4,625	2,355	–	0%
Ireland		MW	384	384	–	–	–	–	0%
Italy		MW	3,989	3,989	4,284	4,284	4,209	(0)	0%
Total – EP Power Europe		**MW**	**10,626**	**11,807**	**10,067**	**10,056**	**7,021**	**(1,182)**	**(10%)**
Total – EPH		**MW**	**11,594**	**13,302**	**11,561**	**11,387**	**8,352**	**(1,708)**	**(13%)**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Electricity – Conventional sources**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	878	1,008	1,008	859	859	(131)	(13%)
	Slovakia	MW	50	50	50	50	50	–	0%
	Hungary	MW	–	396	396	396	396	(396)	(100%)
	Total – EP Infrastructure	**MW**	**928**	**1,454**	**1,454**	**1,305**	**1,305**	**(527)**	**(36%)**
	EP Power Europe								
	France	MW	1,190	2,018	–	–	–	(828)	(41%)
	Germany	MW	788	1,140	1,140	1,140	450	(352)	(31%)
	UK	MW	3,608	3,608	4,230	4,230	1,960	–	0%
	Ireland	MW	384	384	–	–	–	–	0%
	Italy	MW	3,907	3,907	4,207	4,207	4,207	(0)	0%
	Total – EP Power Europe	**MW**	**9,877**	**11,057**	**9,577**	**9,577**	**6,617**	**(1,180)**	**(11%)**
	Total – EPH	**MW**	**10,804**	**12,511**	**11,031**	**10,881**	**7,921**	**(1,707)**	**(14%)**

Note: UK excludes Eggborough power plant (1,960 MW) from 2019 as it was decommissioned in 2018. This site was sold in February 2019.

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Electricity – Renewable sources**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	23	23	23	9	9	(0)	(1%)
	Slovakia	MW	18	18	17	17	17	0	0%
	Germany	MW	–	–	–	–	–	–	
	Hungary	MW	–	–	–	–	–	–	
	Total – EP Infrastructure	**MW**	**40**	**40**	**40**	**26**	**26**	**(0)**	**(0%)**
	EP Power Europe								
	France	MW	242	244	–	–	–	(2)	(1%)
	Germany	MW	7	7	7	7	7	–	–
	UK	MW	417	417	407	395	395	–	–
	Ireland	MW	–	–	–	–	–	–	
	Italy	MW	83	83	77	77	3	0	0%
	Total – EP Power Europe	**MW**	**749**	**751**	**491**	**479**	**405**	**(2)**	**0%**
	Total – EPH	**MW**	**789**	**791**	**531**	**506**	**431**	**(2)**	**0%**

Note: Lynemouth biomass conversion project was in progress from 2016. Production from biomass started in 2018.
Note: We excluded 3 MW capacity of Greeninvest from EPIF as these are not IFRS consolidated in both 2019 and 2018.

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Heat**								
EU1	**EP Infrastructure**								
	Czech Republic	MW	3,085	4,136	4,223	3,519	3,472	(1,051)	(25%)
	Hungary	MW	–	1,401	1,401	1,401	1,401	(1,401)	(100%)
	Total – EP Infrastructure	**MW**	**3,085**	**5,537**	**5,624**	**4,920**	**4,873**	**(2,452)**	**(44%)**
	EP Power Europe								
	Germany	MW	156	156	156	156	156	–	0%
	Total – EP Power Europe	**MW**	**156**	**156**	**156**	**156**	**156**	**–**	**0%**
	Total – EPH	**MW**	**3,241**	**5,693**	**5,780**	**5,076**	**5,029**	**(2,452)**	**(43%)**

EPH and its business

For the year ended 31 December 2020

Fuel

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Electricity – Total**								
EU1	**EP Infrastructure**								
	Conventional sources	MW	928	1,454	1,454	1,305	1,304.5	(527)	(36%)
	Renewable sources	MW	40	40	40	26	26.5	(0)	0%
	Total – EP Infrastructure	**MW**	**968**	**1,495**	**1,494**	**1,331**	**1,331.0**	**(527)**	**(35%)**
	EP Power Europe								
	Conventional sources	MW	9,877	11,057	9,577	9,577	6,616.5	(1,180)	(11%)
	Renewable sources	MW	749	751	491	479	404.7	(2)	0%
	Total – EP Power Europe	**MW**	**10,626**	**11,807**	**10,067**	**10,056**	**7,021.2**	**(1,182)**	**(10%)**
	Total – EPH	**MW**	**11,594**	**13,302**	**11,561**	**11,387**	**8,352.2**	**(1,708)**	**(13%)**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Electricity – Conventional sources**								
EU1	**EP Infrastructure**								
	Hard coal	MW	–	110	110	110	110.0	(110)	(100%)
	Lignite	MW	848	848	848	707	707.0	–	0%
	CCGT	MW	–	396	396	396	396.0	(396)	(100%)
	OCGT and other NG	MW	50	71	71	71	70.5	(21)	(29%)
	Oil	MW	20	20	20	21	21.0	–	0%
	Other	MW	11	11	11	–	–	–	0%
	Total – EP Infrastructure	**MW**	**928**	**1,454**	**1,454**	**1,305**	**1,304.5**	**(527)**	**(36%)**
	EP Power Europe								
	Hard coal	MW	2,829	2,829	3,249	3,249	2,558.5	(0)	0%
	Lignite	MW	98	450	450	450	450.0	(352)	(78%)
	CCGT	MW	6,303	7,131	5,352	5,352	3,082.0	(828)	(12%)
	OCGT and other NG	MW	471	470	213	213	213.4	0	0%
	Oil	MW	164	164	300	300	300.0	–	0%
	Other	MW	13	13	13	13	12.6	–	0%
	Total – EP Power Europe	**MW**	**9,877**	**11,057**	**9,577**	**9,577**	**6,616.5**	**(1,180)**	**(11%)**
	Total – EPH	**MW**	**10,804**	**12,511**	**11,031**	**10,881**	**7,921.0**	**(1,707)**	**(14%)**

Note: Hard coal in EPPE excludes Eggborough power plant (1.960 MW) from 2019 as it was decommissioned in 2018. This site was sold in February 2019.
Note: Change in oil capacity in EPPE in 2019 is connected to EP Produzione, where the capacity is not suitable for operation, so it is newly exceluded.

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
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)	(1%)
	Hydro	MW	3	3	3	3	3	–	0%
	Biomass	MW	14	14	14	–	–	–	0%
	Other	MW	3	3	3	3	3	–	0%
	Total – EP Infrastructure	**MW**	**40**	**40**	**40**	**26**	**26.5**	**(0)**	**0%**
	EP Power Europe								
	Wind	MW	89	90	7	7	7	(2)	(2%)
	Photovoltaic	MW	13	13	2	2	1	–	0%
	Hydro	MW	2	2	2	2	2	–	0%
	Biomass	MW	636	636	480	468	395	0	0%
	Other	MW	10	10	–	–	–	–	0%
	Total – EP Power Europe	**MW**	**749**	**751**	**491**	**479**	**405**	**(2)**	**0%**
	Total – EPH	**MW**	**789**	**791**	**531**	**506**	**431**	**(2)**	**0%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net installed capacity – Heat**								
EU1	**EP Infrastructure**								
	Hard coal	MW	–	242	242	242	242.0	(242)	(100%)
	Lignite	MW	2,767	2,767	2,872	2,239	2,239.0	(0)	0%
	CCGT	MW	–	1,401	1,401	1,401	1,400.9	(1,401)	(100%)
	OCGT and other NG	MW	18	822	804	804	756.8	(804)	(98%)
	Oil	MW	229	234	234	234	234.0	(5)	(2%)
	Biomass	MW	39	39	39	–	–	–	0%
	Other	MW	32	32	32	–	–	–	0%
	Total – EP Infrastructure	**MW**	**3,085**	**5,537**	**5,624**	**4,920**	**4,873**	**(2,452)**	**(44%)**
	EP Power Europe								
	Lignite	MW	156	156	156	156	156.0	–	0%
	Total – EP Power Europe	**MW**	**156**	**156**	**156**	**156**	**156**	**–**	**0%**
	Total – EPH	**MW**	**3,241**	**5,693**	**5,780**	**5,076**	**5,028.7**	**(2,452)**	**(43%)**

EPH and its business

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU1	**Net power production – Total**								
EU1	**EP Infrastructure**								
	Czech Republic	TWh	2.0	1.9	2.6	2.3	2.0	0.1	4%
	Slovakia	TWh	0.0	0.0	0.0	0.0	0.0	0.0	3%
	Hungary	TWh	1.3	1.4	1.2	1.3	1.1	(0.1)	(7%)
	Total – EP Infrastructure	**TWh**	**3.3**	**3.4**	**3.9**	**3.7**	**3.2**	**(0.0)**	**0%**
	EP Power Europe								
	France	TWh	1.7	2.4	–	–	–	(0.7)	(28%)
	Germany	TWh	1.3	1.4	3.2	1.0	2.4	(0.0)	(2%)
	UK	TWh	15.1	11.0	7.9	3.7	2.2	4.0	37%
	Ireland	TWh	1.7	0.3	–	–	–	1.4	430%
	Italy	TWh	14.9	15.0	13.3	15.0	9.7	–	
	Total – EP Power Europe	**TWh**	**34.7**	**30.1**	**24.4**	**19.8**	**14.3**	**4.7**	**15%**
	Total – EPH	**TWh**	**38.1**	**33.4**	**28.3**	**23.5**	**17.4**	**4.6**	**14%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net power production – Conventional sources**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	1.8	1.8	2.5	2.3	2.0	0.1	4%
	Slovakia	TWh	0.0	0.0	0.0	0.0	0.0	(0.0)	(43%)
	Germany	TWh	–	–	–	–	–	–	
	Hungary	TWh	1.3	1.4	1.2	1.3	1.1	(0.1)	(7%)
	Total – EP Infrastructure	**TWh**	**3.1**	**3.2**	**3.7**	**3.7**	**3.1**	**(0.0)**	**(1%)**
	EP Power Europe								
	France	TWh	1.5	2.2	–	–	–	(0.7)	(32%)
	Germany	TWh	1.3	1.4	3.2	1.0	2.3	(0.0)	(2%)
	UK	TWh	12.4	8.6	6.5	3.7	2.2	3.9	45%
	Ireland	TWh	1.7	0.3	–	–	–	1.4	430%
	Italy	TWh	14.3	14.4	12.7	15.0	9.7	(0.1)	(1%)
	Total – EP Power Europe	**TWh**	**31.3**	**26.9**	**22.4**	**19.7**	**14.3**	**4.4**	**16%**
	Total – EPH	**TWh**	**34.4**	**30.0**	**26.1**	**23.4**	**17.4**	**4.4**	**15%**

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net power production – Renewable sources**								
EU2	**EP Infrastructure**								
	Czech Republic	GWh	174	155	176	11	11.1	19.5	13%
	Slovakia	GWh	31	30	28	29	30.7	1.1	4%
	Total – EP Infrastructure	**GWh**	**205**	**184**	**204**	**40**	**41.8**	**20.7**	**11%**
	EP Power Europe								
	France	GWh	194	150	–	–	–	44.3	30%
	Germany	GWh	14	14	12	15	12.2	(0.4)	(3%)
	UK	GWh	2,627	2,441	1,391	–	–	186.0	8%
	Italy	GWh	627	598	590	6	3.9	29.0	5%
	Total – EP Power Europe	**GWh**	**3,462**	**3,203**	**1,993**	**21**	**16.1**	**259.0**	**8%**
	Total – EPH	**GWh**	**3,668**	**3,388**	**2,198**	**61**	**57.9**	**279.7**	**8%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net heat production**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	2.6	2.6	2.6	2.0	2.0	(0.0)	(1%)
	Hungary	TWh	1.5	1.7	1.7	1.9	1.9	(0.2)	(12%)
	Total – EP Infrastructure	**TWh**	**4.0**	**4.3**	**4.3**	**3.9**	**3.8**	**(0.2)**	**(5%)**
	EP Power Europe								
	Germany	TWh	0.3	0.3	0.3	0.4	0.3	0.0	2%
	Total – EP Power Europe	**TWh**	**0.3**	**0.3**	**0.3**	**0.4**	**0.3**	**0.0**	**2%**
	Total – EPH	**TWh**	**4.3**	**4.5**	**4.6**	**4.3**	**4.2**	**(0.2)**	**(5%)**

Fuel

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net power production – Total**								
EU2	**EP Infrastructure**								
	Conventional sources	TWh	3.1	3.2	3.7	3.7	3.1	(0.0)	(1%)
	Renewable sources	TWh	0.2	0.2	0.2	0.0	0.0	0.0	11%
	Total – EP Infrastructure	**TWh**	**3.3**	**3.4**	**3.9**	**3.7**	**3.2**	**(0.0)**	**0%**
	EP Power Europe								
	Conventional sources	TWh	31.3	26.9	22.4	19.7	14.3	4.4	16%
	Renewable sources	TWh	3.5	3.2	2.0	0.0	0.0	0.3	8%
	Total – EP Power Europe	**TWh**	**34.7**	**30.1**	**24.4**	**19.8**	**14.3**	**4.7**	**15%**
	Total – EPH	**TWh**	**38.1**	**33.4**	**28.3**	**23.5**	**17.4**	**4.6**	**14%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net power production – Conventional sources**								
EU2	**EP Infrastructure**								
	Lignite	TWh	1.8	1.7	2.4	2.3	2.0	0.1	4%
	CCGT	TWh	1.3	1.4	1.2	1.3	1.1	(0.1)	(7%)
	OCGT and other NG	TWh	0.0	0.0	0.0	0.0	0.0	(0.0)	(43%)
	Oil	TWh	–	(0.0)	(0.0)	(0.0)	0.0	0.0	(100%)
	Other	TWh	0.0	0.0	0.0	–	–	0.0	8%
	Total – EP Infrastructure	**TWh**	**3.1**	**3.2**	**3.7**	**3.7**	**3.1**	**(0.0)**	**(1%)**
	EP Power Europe								
	Hard coal	TWh	5.0	4.6	6.3	4.9	4.7	0.4	8%
	Lignite	TWh	0.4	0.6	0.6	0.7	2.3	(0.2)	(31%)
	CCGT	TWh	25.7	21.6	15.5	13.9	7.1	4.1	19%
	OCGT and other NG	TWh	0.1	0.0	0.0	0.2	0.1	0.1	172%
	Oil	TWh	0.0	0.0	–	–	–	0.0	28%
	Other	TWh	0.0	0.0	0.0	0.0	0.0	0.0	21%
	Total – EP Power Europe	**TWh**	**31.3**	**26.9**	**22.4**	**19.7**	**14.3**	**4.4**	**16%**
	Total – EPH	**TWh**	**34.4**	**30.0**	**26.1**	**23.4**	**17.4**	**4.4**	**15%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net power production – Renewable sources**								
EU2	**EP Infrastructure**								
	Wind	GWh	8	9	7	7	8	(1)	(8%)
	Photovoltaic	GWh	17	16	17	17	17	0	2%
	Hydro	GWh	7	6	5	5	7	0	6%
	Biomass	GWh	162	142	166	–	–	20	14%
	Other	GWh	11	10	10	10	10	0	5%
	Total – EP Infrastructure	**GWh**	**205**	**184**	**204**	**40**	**42**	**21**	**11%**
	EP Power Europe								
	Wind	GWh	192	92	12	15	12	100	109%
	Photovoltaic	GWh	19	11	3	2	1	8	73%
	Hydro	GWh	4	2	2	4	3	2	109%
	Biomass	GWh	3,248	3,099	1,976	–	–	149	5%
	Total – EP Power Europe	**GWh**	**3,462**	**3,203**	**1,993**	**21**	**16**	**259**	**8%**
	Total – EPH	**GWh**	**3,668**	**3,388**	**2,198**	**61**	**58**	**280**	**8%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Net heat production**								
EU2	**EP Infrastructure**								
	Lignite	TWh	2.3	2.3	2.3	1.9	1.8	(0.1)	(3%)
	CCGT	TWh	1.5	1.7	1.7	1.9	1.9	(0.2)	(12%)
	OCGT and other NG	TWh	0.1	0.0	0.1	0.2	0.1	0.4	8%
	Oil	TWh	0.0	0.0	0.0	0.0	0.0	0.0	1334%
	Biomass	TWh	0.2	0.2	0.2	–	–	0.0	2%
	Other	TWh	0.1	0.1	0.1	–	–	0.0	51%
	Total – EP Infrastructure	**TWh**	**4.0**	**4.3**	**4.3**	**3.9**	**3.8**	**(0.2)**	**(5%)**
	EP Power Europe								
	Lignite	TWh	0.3	0.3	0.3	0.3	0.3	0.0	2%
	Oil	TWh	0.0	0.0	0.0	0.0	0.0	(0.0)	(12%)
	Total – EP Power Europe	**TWh**	**0.3**	**0.3**	**0.3**	**0.4**	**0.3**	**0.0**	**2%**
	Total – EPH	**TWh**	**4.3**	**4.5**	**4.6**	**4.3**	**4.2**	**(0.2)**	**(5%)**

EPH and its business

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
EU2	**Total net energy production**								
EU2	**EP Infrastructure**								
	Czech Republic	TWh	4.6	4.5	5.2	4.4	4.0	0.1	1%
	Slovakia	TWh	0.0	0.0	0.0	0.0	0.0	0.0	3%
	Hungary	TWh	2.8	3.1	2.9	3.2	3.0	(0.3)	(10%)
	Total – EP Infrastructure	**TWh**	**7.4**	**7.6**	**8.2**	**7.6**	**7.0**	**(0.2)**	**(3%)**
	EP Power Europe								
	France	TWh	1.7	2.4	–	–	–	(0.7)	(28%)
	Germany	TWh	1.6	1.6	3.5	1.4	2.7	(0.0)	(1%)
	UK	TWh	15.1	11.0	7.9	3.7	2.2	4.0	37%
	Ireland	TWh	1.7	0.3	–	–	–	1.4	430%
	Italy	TWh	14.9	15.0	13.3	15.0	9.7	(0.1)	0%
	Total – EP Power Europe	**TWh**	**35.0**	**30.3**	**24.7**	**20.1**	**14.6**	**4.7**	**15%**
	Total – EPH	**TWh**	**42.4**	**37.9**	**32.9**	**27.7**	**21.6**	**4.4**	**12%**

Note: Includes electric energy and heat production.

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-9	**Heat supplied**								
102-7	**EP Infrastructure**								
	Czech Republic	PJ	13.9	16.5	16.5	15.2	14.9	(2.6)	(16%)
	Hungary	PJ	5.6	6.0	6.2	6.7	6.5	(0.5)	(8%)
	Total – EP Infrastructure	**PJ**	**19.4**	**22.5**	**22.7**	**21.9**	**21.4**	**(3.1)**	**(14%)**
	EP Power Europe								
	Germany	PJ	0.4	0.4	0.4	0.4	0.4	(0.0)	(1%)
	Total – EP Power Europe	**PJ**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	**(0.0)**	**(1%)**
	Total – EPH	**PJ**	**19.8**	**22.9**	**23.1**	**22.3**	**21.8**	**(3.1)**	**(13%)**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-9	**Gas distribution**								
	Residential	#	1,450,070	1,445,885	1,442,984	1,438,423	1,438,584	4,185	0%
	Industrial	#	707	717	715	705	689	(10)	-1%
	Commercial & Institutional	#	79,731	79,290	79,189	78,891	78,858	441	1%
	Total	**#**	**1,530,508**	**1,525,892**	**1,522,888**	**1,518,019**	**1,518,131**	**4,616**	**0%**
	Power distribution								
	Residential	#	674,885	669,224	663,641	658,327	652,409	5,661	1%
	Mid-size	#	5,255	5,287	5,337	5,347	5,362	(32)	-1%
	Large	#	85,602	85,604	85,128	85,018	86,050	(2)	0%
	Total	**#**	**765,742**	**760,115**	**754,106**	**748,692**	**743,821**	**5,627**	**1%**
	Heat distribution								
	Total	**#**	**150,179**	**383,800**	**381,300**	**333,800**	**333,800**	**(233,621)**	**-61%**
	Total number of connection points		**2,446,429**	**2,669,807**	**2,658,294**	**2,600,511**	**2,595,752**	**(223,378)**	**-8%**

EPH and its business

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-9	**Number of customer accounts – Supply**								
	Electricity supply								
	Residential	#	564,885	555,689	555,831	563,260	571,036	9,196	2%
	Mid-size	#	86,926	54,265	53,667	53,369	56,702	32,661	60%
	Large	#	25,150	24,442	22,637	23,591	23,470	708	3%
	Total electricity	**#**	**676,961**	**634,396**	**632,135**	**640,220**	**651,208**	**42,565**	**7%**
	Gas supply								
	Residential	#	55,149	22,075	13,546	9,898	6,549	33,074	150%
	Mid-size	#	7,661	2,713	2,312	1,977	1,649	4,948	182%
	Large	#	878	212	226	265	266	666	314%
	Total gas	**#**	**63,688**	**25,000**	**16,084**	**12,140**	**8,464**	**38,688**	**155%**
	Total number of customer accounts	**#**	**740,649**	**659,396**	**648,219**	**652,360**	**659,672**	**81,253**	**12%**

Environment / Climate change and energy

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN3	**Energy consumption**								
302-1	**EP Infrastructure**								
	Czech Republic	PJ	36.0(*)	35.2(*)	44.5(*)	38.7(*)	34.0	0.8	2%
	Slovakia	PJ	4.2(*)	9.0(*)	6.5(*)	7.1	6.7	(4.8)	(53%)
	Germany	PJ	0.2	0.3	–	–	–	(0.1)	(36%)
	Hungary	PJ	13.0	14.3(*)	12.9(*)	14.1	12.9	(1.3)	(9%)
	Total – EP Infrastructure	**PJ**	**53.3**	**58.7**	**63.9**	**59.9**	**53.6**	**(5.4)**	**(9%)**
	EP Power Europe								
	France	PJ	10.2	15.3	–	–	–	(5.1)	(33%)
	Germany	PJ	17.2	18.0	35.2	14.2	28.3	(0.8)	(4%)
	UK	PJ	127.9(*)	90.8(*)	66.1	30.7	23.1	37.1	41%
	Ireland	PJ	13.4	2.3	–	–	–	11.1	490%
	Italy	PJ	127.1	118.2	106.6	108.4	76.7	8.8	7%
	Total – EP Power Europe	**PJ**	**295.8**	**244.6**	**207.9**	**153.4**	**128.1**	**–**	
	EP Logistics international								
	Czech Republic	PJ	0.1	0.0	0.0	0.0	0.0	0.1	272%
	Germany	PJ	0.2	0.1	–	–	–	0.1	123%
	Poland	PJ	0.0	–	–	–	–	0.0	
	Total – EP Logistics International	**PJ**	**0.3**	**0.1**	**0.0**	**0.0**	**0.0**	**0.2**	**175%**
	Other companies within the Group								
	Czech Republic	PJ	–	0.1	0.1	0.1	0.1	(0.1)	(100%)
	Poland	PJ	–	0.0	0.0	0.0	0.0	(0.0)	(100%)
	Total – Other companies within the Group	**PJ**	**–**	**0.1**	**0.1**	**0.1**	**0.1**	**(0.1)**	**(100%)**
	Total – EPH	**PJ**	**349.4**	**303.5**	**271.9**	**213.4**	**181.8**	**45.9**	**15.12%**

(*) This data has received limited assurance from the independent auditing firm EY (2018 and previous years) and KPMG (2020 and 2019). Scope in 2020: CZ: 2 companies. SK: 1 company. UK: 1 company.

Environment / Climate change and energy

For the year ended 31 December 2020

Fuel

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN3	**Energy consumption**								
302-1	**EP Infrastructure**								
	Hard Coal	PJ	–	–	2.4	6.0	5.9	–	
	Lignite	PJ	31.7	31.2	37.7	31.5	27.3	0.6	2%
	Natural Gas	PJ	17.6	23.9	20.0	22.1	20.3	(6.3)	(26%)
	Oil	PJ	0.0	0.0	0.0	0.2	0.0	0.0	41%
	Diesel	PJ	0.0	0.0	0.0	0.0	0.0	(0.0)	(31%)
	Purchased Electricity	PJ	0.2	0.2	0.1	0.1	0.1	0.0	1%
	Biomass	PJ	2.8	2.4	2.7	–	–	0.3	13%
	Other	PJ	1.0	1.0	0.9	0.0	0.0	0.0	4%
	Total – EP Infrastructure	**PJ**	**53.3**	**58.7**	**63.9**	**59.9**	**53.6**	**(5.4)**	**(9%)**
	EP Power Europe								
	Hard Coal	PJ	55.7	49.5	64.6	50.9	48.6	6.2	13%
	Lignite	PJ	7.4	9.7	9.6	10.6	27.7	(2.4)	(24%)
	Natural Gas	PJ	197.0	152.0	109.6	91.2	50.1	45.0	30%
	Oil	PJ	0.3	0.3	0.5	0.1	0.6	(0.0)	(5%)
	Diesel	PJ	0.4	0.4	2.0	0.2	0.3	0.1	14%
	Purchased Electricity	PJ	0.6	0.3	0.5	0.2	0.1	0.3	89%
	Purchased Heat	PJ	0.0	0.0	0.0	0.0	0.0	(0.0)	(11%)
	Biomass	PJ	34.3	32.3	21.2	0.2	0.7	2.0	6%
	Other	PJ	–	0.1	0.0	0.0	0.0	(0.1)	(100%)
	Total – EP Power Europe	**PJ**	**295.8**	**244.6**	**207.9**	**153.4**	**128.1**	**51.2**	**21%**
	EP Logistics international								
	Diesel	PJ	0.2	0.1	0.0	0.0	0.0	0.2	267%
	Purchased Electricity	PJ	0.1	0.1	0.0	0.0	0.0	0.0	82%
	Other	PJ	0.0	0.0	0.0	0.0	0.0	(0.0)	(43%)
	Total – EP Logistics International	**PJ**	**0.3**	**0.1**	**0.0**	**0.0**	**0.0**	**0.2**	**179%**

Environment / Climate change and energy

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
	Other companies within the Group								
	Diesel	PJ	–	0.1	0.1	0.1	0.1	(0.1)	(100%)
	Other	PJ	–	0.0	0.0	0.0	0.0	(0.0)	(100%)
	Total – Other companies within the Group	**PJ**	**–**	**0.1**	**0.1**	**0.1**	**0.1**	**(0.1)**	**(100%)**
	Total – EPH	**PJ**	**349.4**	**303.5**	**271.9**	**213.4**	**181.8**	**45.9**	**15%**

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN15	**Direct GHG Emissions (Scope 1) by segment**								
305-1	**EP Infrastructure**								
	Gas transmission	million tons CO_2 eq.	0.2	0.4	0.3	0.3	0.3	(0.2)	(58%)
	Gas and power distribution	million tons CO_2 eq.	0.0	0.0	0.0	0.0	0.0	0.0	16%
	Gas storage	million tons CO_2 eq.	0.0	0.1	0.0	0.0	0.0	(0.0)	(41%)
	Heat Infrastructure	million tons CO_2 eq.	3.5	3.6	4.5	4.3	3.8	(0.1)	(2%)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.8**	**4.1**	**4.8**	**4.7**	**4.2**	**(0.3)**	**(8%)**
	EP Power Europe								
	Generation and mining	million tons CO_2 eq.	16.0	14.0	13.0	11.4	10.3	2.0	14%
	Renewables	million tons CO_2 eq.	0.0	0.0	0.0	0.0	0.0	(0.0)	(20%)
	Total – EP Power Europe	**million tons CO_2 eq.**	**16.0**	**14.0**	**13.0**	**11.4**	**10.3**	**2.0**	**14%**
	Total – EPH	**million tons CO_2 eq.**	**19.8**	**18.1**	**17.8**	**16.1**	**14.4**	**1.7**	**9%**

Environment / Climate change and energy

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN15	**Direct GHG Emissions (Scope 1)**								
305-1	**EP Infrastructure**								
	Czech Republic	million tons CO_2 eq.	2.8	2.8	3.7	3.5	3.1	(0.0)	0%
	Slovakia	million tons CO_2 eq.	0.2	0.4	0.3	0.4	0.3	(0.2)	(56%)
	Germany	million tons CO_2 eq.	0.0	0.0	–	–	–	(0.0)	(37%)
	Hungary	million tons CO_2 eq.	0.7	0.8	0.7	0.8	0.7	(0.1)	(9%)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.8**	**4.1**	**4.8**	**4.7**	**4.2**	**(0.3)**	**(8%)**
	EP Power Europe								
	France	million tons CO_2 eq.	0.6	0.8	–	–	–	(0.2)	(27%)
	Germany	million tons CO_2 eq.	1.6	1.8	3.3	1.4	2.8	(0.1)	(8%)
	UK	million tons CO_2 eq.	5.7	3.7	2.9	2.0	2.1	2.0	53%
	Ireland	million tons CO_2 eq.	0.7	0.1	–	–	–	0.5	437%
	Italy	million tons CO_2 eq.	7.4	7.6	6.8	7.9	5.3	(0.2)	(2%)
	Total – EP Power Europe	**million tons CO_2 eq.**	**16.0**	**14.0**	**13.0**	**11.4**	**10.3**	**2.0**	**14%**
	Total – EPH	**million tons CO_2 eq.**	**19.8**	**18.1**	**17.8**	**16.1**	**14.4**	**1.7**	**9%**

Environment / Climate change and energy

For the year ended 31 December 2020

Type

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN15	**Procured and granted emissions consumed**								
305-1	**EP Infrastructure**								
	Procured allowances consumed	million tons CO_2 eq.	3.3	3.0	3.2	2.8	1.6	0.3	10%
	Granted allowances consumed	million tons CO_2 eq.	0.5	1.1	1.6	1.9	2.6	(0.6)	(56%)
	Total – EP Infrastructure	**million tons CO_2 eq.**	**3.8**	**4.1**	**4.8**	**4.7**	**4.2**	**(0.3)**	**(8%)**
	EP Power Europe								
	Procured allowances consumed	million tons CO_2 eq.	16.0	14.0	13.0	11.4	10.2	2.0	14%
	Granted allowances consumed	million tons CO_2 eq.	0.0	0.0	0.0	0.0	0.0	(0.0)	(21%)
	Total – EP Power Europe	**million tons CO_2 eq.**	**16.0**	**14.0**	**13.0**	**11.4**	**10.3**	**2.0**	**14%**
	Total – EPH	**million tons CO_2 eq.**	**19.8**	**18.1**	**17.8**	**16.1**	**14.4**	**1.7**	**9%**

Environment / Climate change and energy

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN18	**GHG Emissions intensity – Including heat component**								
	EP Infrastructure								
	Czech Republic	ton CO_2 eq./GWh	617	625	714	797	771	(8)	(1%)
	Slovakia	ton CO_2 eq./GWh	5	8	9	26	11	(3)	(36%)
	Germany	ton CO_2 eq./GWh	–	–	–	–	–	–	
	Hungary	ton CO_2 eq./GWh	260	258	247	250	244	2	1%
	Total – EP Infrastructure	**ton CO_2 eq./GWh**	**480**	**474**	**544**	**564**	**543**	**6**	**1%**
	EP Power Europe								
	France	ton CO_2 eq./GWh	361	352	–	–	–	9	3%
	Germany	ton CO_2 eq./GWh	1,004	1,076	949	1,045	1,056	(72)	(7%)
	UK	ton CO_2 eq./GWh	379	339	368	551	937	41	12%
	Ireland	ton CO_2 eq./GWh	398	392	–	–	–	6	1%
	Italy	ton CO_2 eq./GWh	496	505	510	529	551	(9)	(2%)
	Total – EP Power Europe	**ton CO_2 eq./GWh**	**457**	**462**	**527**	**568**	**703**	**(5)**	**(1%)**
	Total – EPH	**ton CO_2 eq./GWh**	**461**	**465**	**531**	**567**	**651**	**(3)**	**(1%)**

Note: Calculation of emissions intensity excludes emissions from non-energy producing companies.

Environment / Climate change and energy

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN3	**Indirect GHG Emissions (Scope 2)**								
305-2	**EP Infrastructure**								
	Czech Republic	ton CO_2 eq./GWh	29,077	24,726	28,540	–	–	4,351	18%
	Slovakia	ton CO_2 eq./GWh	5,719	6,193	6,187	–	–	(474)	(8%)
	Germany	ton CO_2 eq./GWh	2,651	1,354	–	–	–	1,297	96%
	Hungary	ton CO_2 eq./GWh	2,751	3,026	5,149	–	–	(276)	(9%)
	Total – EP Infrastructure	**ton CO_2 eq./GWh**	**40,198**	**35,299**	**39,876**	**–**	**–**	**4,899**	**14%**
	EP Power Europe								
	Germany	ton CO_2 eq./GWh	21,925	22,405	19,274	–	–	(480)	(2%)
	UK	ton CO_2 eq./GWh	12,600	17,692	11,249	–	–	(5,092)	(29%)
	Ireland	ton CO_2 eq./GWh	1,508	390	–	–	–	1,118	286%
	Italy	ton CO_2 eq./GWh	1,808	1,569	2,390	–	–	239	15%
	Total – EP Power Europe	**ton CO_2 eq./GWh**	**37,841**	**42,056**	**32,913**	**–**	**–**	**(4,215)**	**(10%)**
	Total – EPH	**ton CO_2 eq./GWh**	**78,039**	**77,355**	**72,789**	**–**	**–**	**684**	**1%**

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN18	**GHG Emissions intensity in respect of total sales (Scope 1 + Scope 2)**								
	EP Infrastructure	tonne CO_2 eq./EURm	1,187	1,182	1,570	1,499	1,329	5	0%
	EP Power Europe	tonne CO_2 eq./EURm	3,116	2,753	3,290	4,006	5,391	363	13%
	EPH	tonne CO_2 eq./EURm	2,315	2,117	2,532	2,675	2,925	199	9%

Environment / Air emissions

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN21	**Total SO_2 emissions**								
305-7	**EP Infrastructure**								
	Czech Republic	thousand tons	4.6	5.3	7.8	7.7	7.6	(0.7)	(13%)
	Slovakia	thousand tons	0.0	0.0	0.0	0.0	0.0	0.0	497%
	Hungary	thousand tons	–	0.0	0.0	–	0.0	(0.0)	(100%)
	Total – EP Infrastructure	**thousand tons**	**4.6**	**5.3**	**7.8**	**7.7**	**7.6**	**(0.7)**	**(13%)**
	EP Power Europe								
	France	thousand tons	0.1	0.1	–	–	–	(0.0)	(33%)
	Germany	thousand tons	1.2	1.6	2.6	1.4	3.1	(0.4)	(25%)
	UK	thousand tons	1.1	0.5	0.7	1.3	3.5	0.6	113%
	Ireland	thousand tons	0.0	0.0	–	–	–	0.0	895%
	Italy	thousand tons	1.6	1.8	1.5	1.8	1.4	(0.2)	(11%)
	Total – EP Power Europe	**thousand tons**	**4.0**	**4.0**	**4.8**	**4.5**	**8.0**	**(0.0)**	**(1%)**
	Total – EPH	**thousand tons**	**8.6**	**9.4**	**12.6**	**12.1**	**15.6**	**(0.7)**	**(8%)**

Environment / Air emissions

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN21	**Total NO_x emissions**								
305-7	**EP Infrastructure**								
	Czech Republic	thousand tons	2.7	3.0	3.8	3.4	3.2	(0.4)	(12%)
	Slovakia	thousand tons	0.2	0.4	0.3	0.3	0.3	–	
	Hungary	thousand tons	0.4	0.4	0.4	0.5	0.5	(0.0)	(10%)
	Total – EP Infrastructure	**thousand tons**	**3.2**	**3.8**	**4.5**	**4.2**	**4.1**	**(0.6)**	**(15%)**
	EP Power Europe								
	France	thousand tons	**0.2**	**0.3**	**–**	**–**	**–**	**(0.1)**	**(34%)**
	Germany	thousand tons	1.0	1.2	2.3	1.0	1.7	(0.2)	(16%)
	UK	thousand tons	5.1	2.3	2.4	1.6	3.0	2.8	125%
	Ireland	thousand tons	0.4	0.1	–	–	–	0.3	538%
	Italy	thousand tons	4.0	4.2	3.1	3.1	2.1	(0.2)	(4%)
	Total – EP Power Europe	**thousand tons**	**10.7**	**8.0**	**7.9**	**5.6**	**6.9**	**2.7**	**34%**
	Total – EPH	**thousand tons**	**13.9**	**11.8**	**12.3**	**9.8**	**10.9**	**2.1**	**18%**

Environment / Air emissions

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN21	**Total dust emissions**								
305-7	**EP Infrastructure**								
	Czech Republic	thousand tons	0.1	0.1	0.2	0.3	0.2	(0.0)	(11%)
	Slovakia	thousand tons	0.0	0.0	0.0	0.0	0.0	(0.0)	(23%)
	Hungary	thousand tons	–	0.0	–	0.0	0.0	(0.0)	(100%)
	Total – EP Infrastructure	**thousand tons**	**0.1**	**0.1**	**0.2**	**0.3**	**0.2**	**(0.0)**	**(12%)**
	EP Power Europe								
	France	thousand tons	0.0	0.0	–	–	–	0.0	449%
	Germany	thousand tons	0.0	0.0	0.0	0.0	0.0	(0.0)	(25%)
	UK	thousand tons	0.1	0.0	0.1	0.2	0.2	0.1	644%
	Italy	thousand tons	0.1	0.1	0.1	0.1	0.1	(0.0)	(10%)
	Total – EP Power Europe	**thousand tons**	**0.2**	**0.1**	**0.2**	**0.3**	**0.3**	**0.1**	**52%**
	Total – EPH	**thousand tons**	**0.3**	**0.3**	**0.5**	**0.6**	**0.5**	**0.1**	**22%**

Environment / Air emissions

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN21	**SO_2 emissions intensity**								
305-7	**EP Infrastructure**								
	Czech Republic	ton/GWh	1.0	1.2	1.5	1.7	1.9	(0.2)	(14%)
	Slovakia	ton/GWh	0.1	0.0	0.0	0.0	0.0	0.1	1353%
	Hungary	ton/GWh	–	0.0	0.0	–	0.0	(0.0)	(100%)
	Total – EP Infrastructure	**ton/GWh**	**0.6**	**0.7**	**1.0**	**1.0**	**1.1**	**(0.1)**	**(10%)**
	EP Power Europe								
	France	ton/GWh	0.0	0.0	–	–	–	(0.0)	(6%)
	Germany	ton/GWh	0.7	1.0	0.7	1.0	1.2	(0.2)	(24%)
	UK	ton/GWh	0.1	0.0	0.1	0.4	1.6	0.0	56%
	Ireland	ton/GWh	0.0	0.0	–	–	–	0.0	88%
	Italy	ton/GWh	0.1	0.1	0.1	0.1	0.1	(0.0)	(11%)
	Total – EP Power Europe	**ton/GWh**	**0.1**	**0.1**	**0.2**	**0.2**	**0.5**	**(0.0)**	**(14%)**
	Total – EPH	**ton/GWh**	**0.20**	**0.25**	**0.38**	**0.44**	**0.72**	**(0.0)**	**(17%)**

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN21	**NOx emissions intensity**								
305-7	**EP Infrastructure**								
	Czech Republic	ton/GWh	0.6	0.7	0.7	0.8	0.8	(0.1)	(13%)
	Slovakia	ton/GWh	0.4	0.6	0.6	0.6	0.5	(0.1)	(23%)
	Hungary	ton/GWh	0.1	0.1	0.1	0.1	0.2	0.0	0%
	Total – EP Infrastructure	**ton/GWh**	**0.41**	**0.45**	**0.51**	**0.52**	**0.5**	**(0.1)**	**(38%)**
	EP Power Europe								
	France	ton/GWh	0.1	0.1	–	–	–	(0.0)	(7%)
	Germany	ton/GWh	0.6	0.7	0.7	0.7	0.6	(0.1)	(15%)
	UK	ton/GWh	0.3	0.2	0.3	0.4	1.4	0.1	64%
	Ireland	ton/GWh	0.2	0.2	–	–	–	0.0	20%
	Italy	ton/GWh	0.3	0.3	0.2	0.2	0.2	(0.0)	(4%)
	Total – EP Power Europe	**ton/GWh**	**0.31**	**0.26**	**0.32**	**0.28**	**0.5**	**0.0**	**16%**
	Total – EPH	**ton/GWh**	**0.32**	**0.30**	**0.37**	**0.34**	**0.49**	**0.0**	**8%**

Environment / Air emissions

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN21	**Dust emissions intensity**								
305-7	**EP Infrastructure**								
	Czech Republic	ton/GWh	0.02	0.03	0.04	0.06	0.04	(0.00)	(13%)
	Slovakia	ton/GWh	0.02	0.02	0.02	0.02	0.02	0.00	1%
	Hungary	ton/GWh	–	0.00	–	0.00	0.00	(0.00)	(100%)
	Total – EP Infrastructure	**ton/GWh**	**0.01**	**0.02**	**0.03**	**0.03**	**0.02**	**(0.00)**	**(9%)**
	EP Power Europe								
	France	ton/GWh	0.00	0.00	–	–	–	0.0	667%
	Germany	ton/GWh	0.01	0.01	0.01	0.01	0.01	(0.00)	(24%)
	UK	ton/GWh	0.01	0.00	0.01	0.04	0.08	0.01	444%
	Italy	ton/GWh	0.01	0.01	0.01	0.01	0.01	(0.00)	(10%)
	Total – EP Power Europe	**ton/GWh**	**0.006**	**0.005**	**0.010**	**0.015**	**0.02**	**0.00**	**32%**
	Total – EPH	**ton/GWh**	**0.01**	**0.01**	**0.01**	**0.02**	**0.02**	**0.00**	**10%**

Note: Calculation of emissions intensity excludes emissions from non-energy producing companies

Environment / Water

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN8	**Quantity of water withdrawn**								
303-1	**EP Infrastructure**								
	Czech Republic	million m^3	30.6(*)	52.7(*)	72.9(*)	127.2	123	(22.1)	(42%)
	Slovakia	million m^3	0.0(*)	0.0(*)	0.0	0.0	0	(0.0)	(2%)
	Germany	million m^3	0.0	0.0	–	–	–	(0.0)	(17%)
	Hungary	million m^3	12.9	14.4(*)	10.4	14.8	15	(1.4)	(10%)
	Total – EP Infrastructure	**million m^3**	**43.6**	**67.1**	**83.3**	**142.1**	**138.1**	**(23.5)**	**(35%)**
	EP Power Europe								
	France	million m^3	–	3.2	–	–	–	(3.2)	(100%)
	Germany	million m^3	92.7	94.2	99.7	100.7	108	(1.5)	(2%)
	UK	million m^3	1,615.7(*)	1,410.2(*)	878.0	258.1	19	205.6	15%
	Ireland	million m^3	1.2	0.0	–	–	–	1.2	8571%
	Italy	million m^3	1,615.9	1,451.7	1,340.9	1,504.0	1,113	164.2	11%
	Total – EP Power Europe	**million m^3**	**3,325.5**	**2,959.2**	**2,318.6**	**1,862.8**	**1,239.2**	**366.3**	**12%**
	Total – EPH	**million m^3**	**3,369.1**	**3,026.3**	**2,402.0**	**2,004.9**	**1,377.3**	**342.7**	**11%**

(*) This data has received limited assurance from the independent auditing firm EY (2018) and KPMG (2019, 2020).
Scope in 2020: CZ: 2 companies, SK: 1 company, UK: 1 company.

Environment / Water

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN22	**Quantity of water discharged**								
306-1	**EP Infrastructure**								
	Czech Republic	million m³	23.8(*)	46.4(*)	65.3(*)	122.0	118	(22.6)	(49%)
	Slovakia	million m³	0.2(*)	0.1(*)	0.1	0.1	0	0.1	46%
	Germany	million m³	0.0	0.0	–	–	–	(0.0)	(80%)
	Hungary	million m³	12.9	13.8(*)	9.8	14.4	15	(0.9)	(7%)
	Total – EP Infrastructure	**million m³**	**37.0**	**60.4**	**75.3**	**136.5**	**133.3**	**(23.4)**	**(39%)**
	EP Power Europe								
	France	million m³	–	2.0	–	–	–	(2.0)	(100%)
	Germany	million m³	5.2	1.8	2.8	1.3	1	3.5	198%
	UK	million m³	1,570.3(*)	1,409.8(*)	876.8	252.3	15	160.5	11%
	Ireland	million m³	0.6	0.0	–	–	–	0.6	4700%
	Italy	million m³	1,612.5	1,445.2	1,340.6	1,504.6	1,108	167.2	12%
	Total – EP Power Europe	**million m³**	**3,188.6**	**2,858.8**	**2,220.2**	**1,758.1**	**1,123.4**	**329.8**	**12%**
	Total – EPH	**million m³**	**3,225.5**	**2,919.1**	**2,295.5**	**1,894.7**	**1,256.7**	**306.4**	**10%**

(*) This data has received limited assurance from the independent auditing firm EY (2018) and KPMG (2019, 2020).
Scope in 2020: CZ: 2 companies, SK: 1 company, UK: 1 company.

Environment / Water

For the year ended 31 December 2020

Type

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN8	**Quantity of water withdrawn**								
303-1	**EP Infrastructure**								
	Surface water	million m³	42.9	65.6	82.0	140.5	137	(22.7)	(35%)
	Ground water	million m³	0.1	0.1	0.1	0.1	0	0.0	3%
	Municipal water supplies or other water utilities	million m³	0.1	0.8	0.7	0.9	1	(0.7)	(86%)
	Other	million m³	0.5	0.6	0.5	0.7	1	(0.1)	(17%)
	Total – EP Infrastructure	**million m³**	**43.6**	**67.1**	**83.3**	**142.1**	**138.1**	**(23.5)**	**(35%)**
	EP Power Europe								
	Surface water	million m³	3 256	2 891.3	2 259.6	1 799.1	1 165	364.2	13%
	Ground water	million m³	67.2	66.0	58.0	63.1	74	1.2	2%
	Municipal water supplies or other water utilities	million m³	2.8	1.9	1.0	0.6	1	0.9	48%
	Other	million m³	0.0	0.0	0.0	–	–	0.0	275%
	Total – EP Power Europe	**million m³**	**3,325.5**	**2,959.2**	**2,318.6**	**1,862.8**	**1,239.2**	**366.3**	**12%**
	Total – EPH	**million m³**	**3,369.1**	**3,026.3**	**2,402.0**	**2,004.9**	**1,377.3**	**342.7**	**11%**

Environment / Water

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN8	**Cooling Water**								
303-1	**EP Infrastructure**								
	Cooling water – withdrawal	million m^3	41.2	64.1	79.9	138.8	135.4	(22.9)	(36%)
	Cooling water – discharge	million m^3	34.2	57.3	71.7	133.2	130.1	(23.1)	(40%)
	Total – EP Infrastructure – Usage	**million m^3**	**6.9**	**6.8**	**8.2**	**5.6**	**5.3**	**0.2**	**2%**
	EP Power Europe								
	Cooling water – withdrawal	million m^3	3,185.6	2,856.7	2,225.1	1,763.5	1,130.8	329.0	12%
	Cooling water – discharge	million m^3	3,181.1	2,852.6	2,217.0	1,757.0	1,123.9	328.5	12%
	Total – EP Power Europe – Usage	**million m^3**	**4.5**	**4.1**	**8.1**	**6.4**	**6.9**	**0.5**	**11%**
	Total – EPH – Usage	**million m^3**	**11.5**	**10.8**	**16.2**	**12.0**	**12.2**	**0.6**	**6%**

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN8	**Water intensity in respect of energy produced (all segments)**								
303-1	EP Infrastructure	ths. m^3/ GWh	5.9	8.8	10.1	18.7	19.7	(3)	(33%)
	EP Power Europe	ths. m^3/ GWh	95.0	97.6	93.9	92.7	84.8	(3)	(3%)
	EPH	ths. m^3/ GWh	79.5	79.7	73.0	72.3	63.7	(0)	0%

Environment / Water

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN8	**Water intensity in respect of energy produced (generation companies only)**								
303-1	EP Infrastructure	ths. m^3/ GWh	5.9	8.8	10.1	18.7	19.7	(3)	(33%)
	EP Power Europe	ths. m^3/ GWh	95.0	97.6	93.9	92.7	84.8	(3)	(3%)
	EPH	ths. m^3/ GWh	79.5	79.7	73.0	72.3	63.7	(0)	0%

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN8	**Water intensity in respect of revenues**								
303-1	EP Infrastructure	ths. m^3/ EURm	13.6	19.3	27.0	45.8	44.2	(6)	(29%)
	EP Power Europe	ths. m^3/ EURm	645.6	579.6	584.2	653.9	650.5	66	11%
	EPH	ths. m^3/ EURm	393.1	352.6	339.6	333.9	279.3	41	11%

Environment / Effluents and waste

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Byproducts – Total production**								
306-2	**EP Infrastructure**								
	Czech Republic	thousand tons	1,083.5	1,118.7	1,488.1	1,496.4	1,287.0	(35.2)	-3%
	Hungary	thousand tons	0.2	0.3	0.3	0.3	0.3	(0.1)	-18%
	Total – EP Infrastructure	**thousand tons**	**1,083.8**	**1,119.0**	**1,488.4**	**1,496.6**	**1,287.3**	**(35.2)**	**-3%**
	EP Power Europe								
	France	thousand tons	251.5	50.1	–	–	–	201.5	403%
	Germany	thousand tons	172.4	204.3	318.8	209.8	523.8	(31.9)	-16%
	UK	thousand tons	65.2	43.4	54.5	70.0	160.1	21.8	50%
	Italy	thousand tons	117.3	143.7	135.9	143.9	112.3	(26.4)	-18%
	Total – EP Power Europe	**thousand tons**	**606.5**	**441.4**	**509.2**	**423.7**	**796.1**	**165.1**	**37%**
	Total – EPH	**thousand tons**	**1,690.3**	**1,560.4**	**1,997.6**	**1,920.3**	**2,083.4**	**129.8**	**8%**

Environment / Effluents and waste

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Waste other than byproducts – Total production**								
306-2	**EP Infrastructure**								
	Czech Republic	thousand tons	2.6	2.0	2.6	2.4	2.6	0.5	27%
	Slovakia	thousand tons	43.6	41.7	35.8	40.2	42.7	1.9	5%
	Germany	thousand tons	0.5	0.8	–	–	–	(0.2)	(33%)
	Hungary	thousand tons	0.1	0.0	0.0	0.1	0.0	0.1	3297%
	Total – EP Infrastructure	**thousand tons**	**46.8**	**44.5**	**38.5**	**42.7**	**45.3**	**2.3**	**5%**
	EP Power Europe								
	France	thousand tons	1.1	0.8	–	–	–	0.3	31%
	Germany	thousand tons	251.2	239.8	216.5	198.0	106.8	11.4	5%
	UK	thousand tons	84.1	3.7	3.0	4.0	6.5	80.4	2193%
	Ireland	thousand tons	0.1	0.0	–	–	–	0.1	433%
	Italy	thousand tons	30.7	27.5	26.9	2.4	2.8	3.2	12%
	Total – EP Power Europe	**thousand tons**	**367.2**	**271.9**	**246.4**	**204.4**	**116.1**	**95.3**	**35%**
	Total – EPH	**thousand tons**	**413.9**	**316.3**	**284.9**	**247.1**	**161.5**	**97.6**	**31%**

Environment / Effluents and waste

For the year ended 31 December 2020

Type

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Byproducts – Total production**								
306-2	**EP Infrastructure**								
	Additised granulate	thousand tons	238.3	215.3	332.0	478.7	400.6	23.0	11%
	Ash	thousand tons	481.2	489.2	564.1	486.7	445.9	(7.9)	(2%)
	Slag	thousand tons	149.7	161.3	223.5	187.9	162.1	(11.6)	(7%)
	Gypsum	thousand tons	118.9	139.5	171.9	155.3	143.5	(20.6)	(15%)
	Additional material – hydrated lime	thousand tons	9.9	15.1	27.6	22.9	16.6	(5.2)	(34%)
	Additional material – water	thousand tons	84.2	97.1	167.7	165.2	118.6	(12.9)	(13%)
	Other own production	thousand tons	1.6	1.6	1.6	–	–	(0.0)	0%
	Total – EP Infrastructure	**thousand tons**	**1,083.8**	**1,119.0**	**1,488.4**	**1,496.6**	**1,287.3**	**(35.2)**	**(3%)**
	EP Power Europe								
	Additised granulate	thousand tons	–	–	–	–	–	–	
	Ash	thousand tons	476.9	287.3	300.6	256.9	496.5	189.6	66%
	Slag	thousand tons	39.6	57.5	57.2	54.7	47.9	(17.9)	(31%)
	Gypsum	thousand tons	87.2	96.0	151.5	112.1	251.7	(8.9)	(9%)
	Other own production	thousand tons	2.8	0.6	–	–	–	2.3	409%
	Total – EP Power Europe	**thousand tons**	**606.5**	**441.4**	**509.2**	**423.7**	**796.1**	**165.1**	**37%**
	Total – EPH	**thousand tons**	**1,690.3**	**1,560.4**	**1,997.6**	**1,920.3**	**2,083.4**	**129.8**	**8%**

Environment / Effluents and waste

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Byproducts – Total means of disposal**								
306-2	**EP Infrastructure**								
	Sales	thousand tons	268.2	169.5	128.4	136.4	140.8	98.8	58%
	Storage – own stock	thousand tons	109.0	157.0	209.3	149.4	130.8	(48.0)	(31%)
	Storage – external	thousand tons	192.7	210.9	213.7	81.7	83.5	(18.3)	(9%)
	Stabilizate production	thousand tons	509.2	578.2	929.6	1,126.8	929.3	(69.0)	(12%)
	Storage – chargeable waste	thousand tons	4.6	3.4	7.5	2.4	2.9	1.2	37%
	Total – EP Infrastructure	**thousand tons**	**1,084**	**1,119.0**	**1,488.4**	**1,496.6**	**1,287.3**	**(35.2)**	**(3%)**
	EP Power Europe								
	Sales	thousand tons	510.9	202.4	263.2	164.0	195.1	308.6	152%
	Storage – own stock	thousand tons	0.8	35.2	37.1	27.0	23.8	(34.4)	(98%)
	Storage – external	thousand tons	0.3	0.6	0.6	0.6	0.3	(0.3)	(50%)
	Stabilizate production	thousand tons	149.5	201.5	188.7	216.3	178.6	(51.9)	(26%)
	Storage – chargeable waste	thousand tons	26.6	22.1	(7.2)	2.6	43.0	4.5	20%
	Other	thousand tons	13.5	14.4	17.3	16.6	355.3	(0.9)	(6%)
	Total – EP Power Europe	**thousand tons**	**701.7**	**476.1**	**499.8**	**427.1**	**796.1**	**225.6**	**47%**
	Total – EPH	**thousand tons**	**1,785.5**	**1,595.1**	**1,988.2**	**1,923.7**	**2,083**	**190.4**	**12%**

Environment / Effluents and waste

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Waste other than byproducts – Total production**								
306-2	**EP Infrastructure**								
	Non-hazardous waste	thousand tons	45.9	42.8	36.7	41.1	41.9	3.2	7%
	Hazardous waste	thousand tons	0.9	1.7	1.8	1.7	3.4	(0.8)	(49%)
	Total – EP Infrastructure	**thousand tons**	**46.8**	**44.5**	**38.5**	**42.7**	**45.3**	**2.3**	**5%**
	EP Power Europe								
	Non-hazardous waste	thousand tons	324.1	269.5	241.2	200.5	110.0	54.6	20%
	Hazardous waste	thousand tons	43.1	2.4	5.2	3.8	6.2	40.7	1731%
	Total – EP Power Europe	**thousand tons**	**367.2**	**271.9**	**246.4**	**204.4**	**116.1**	**95.3**	**35%**
	Total – EPH	**thousand tons**	**413.9**	**316.3**	**284.9**	**247.1**	**161.5**	**97.6**	**31%**

Environment / Effluents and waste

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Waste other than by products – Non-hazardous – Disposal**								
306-2	**EP Infrastructure**								
	Recycling	thousand tons	17.7	19.1	14.5	6.2	7.4	(1.4)	(7%)
	Landfill	thousand tons	2.8	3.9	4.2	3.1	1.4	(1.1)	(27%)
	Other	thousand tons	25.4	19.8	18.0	31.8	33.0	5.6	28%
	Total – EP Infrastructure	**thousand tons**	**45.9**	**42.8**	**36.7**	**41.1**	**41.9**	**3.2**	**7%**
	EP Power Europe								
	Recycling	thousand tons	85.6	110.9	80.6	54.2	39.6	(25.4)	(23%)
	Landfill	thousand tons	80.3	33.5	23.1	1.5	2.5	46.8	140%
	Other	thousand tons	158.1	125.0	142.5	144.8	71.8	33.1	27%
	Total – EP Power Europe	**thousand tons**	**324.0**	**269.4**	**246.2**	**200.5**	**114.0**	**54.6**	**20%**
	Total – EPH	**thousand tons**	**369.9**	**312.2**	**282.9**	**241.6**	**155.8**	**57.8**	**19%**

Environment / Effluents and waste

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Waste other than by products – Hazardous – Disposal**								
306-2	**EP Infrastructure**								
	Recycling	thousand tons	0.4	0.3	0.2	0.7	0.1	0.1	35%
	Landfill	thousand tons	0.2	1.1	1.4	0.5	0.7	(0.9)	(80%)
	Other	thousand tons	0.3	0.3	0.3	0.4	2.7	(0.1)	(22%)
	Total – EP Infrastructure	**thousand tons**	**0.9**	**1.7**	**1.8**	**1.7**	**3.4**	**(0.8)**	**(49%)**
	EP Power Europe								
	Recycling	thousand tons	42.7	2.1	5.0	2.1	1.4	40.7	1964%
	Landfill	thousand tons	0.2	0.2	0.2	1.7	0.8	(0.1)	(22%)
	Other	thousand tons	0.1	0.0	–	–	–	0.0	686%
	Total – EP Power Europe	**thousand tons**	**43.0**	**2.3**	**5.2**	**3.8**	**2.2**	**40.7**	**1752%**
	Total – EPH	**thousand tons**	**43.9**	**4.0**	**7.0**	**5.4**	**5.6**	**39.8**	**989%**

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
G4-EN23	**Waste intensity in respect of revenues**								
306-2	EP Infrastructure	tonnes per EURm	14.6	12.8	12.5	13.8	14.5	1.9	14%
	EP Power Europe	tonnes per EURm	62.9	52.8	62.0	70.4	59.8	10.1	19%
	EPH	tonnes per EURm	48.3	36.9	40.3	41.1	32.7	11.4	31%

Environment / Effluents and waste

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
	Fines								
	EP Infrastructure								
307-1	Environmental Fines	EURm	0.0	0.0	0.0	0.0	–	0.0	252%
417-2	Use of Products/ Services Fines	EURm	–	–	–	–	–	–	
419-1	Other Significant Fines	EURm	0.1	–	–	–	4.1	0.1	
	Total – EP Infrastructure	**EURm**	**0.1**	**0.0**	**0.0**	**0.0**	**4.1**	**0.1**	**87287%**
	EP Power Europe								
307-1	Environmental Fines	EURm	–	0.0	–	–	0.0	(0.0)	-100%
417-2	Use of Products/ Services Fines	EURm	–	–	–	–	–	–	
419-1	Other Significant Fines	EURm	0.0	–	–	–	–	0.0	
	Total – EP Power Europe	**EURm**	**0.0**	**0.0**	**–**	**–**	**0.0**	**0.0**	**466%**
	Total – EPH	**EURm**	**0.1**	**0.0**	**0.0**	**0.0**	**4.1**	**0.1**	**5132%**

Social / Occupational health and safety

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Fatal injuries – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	–	–	–	–	–	–	
	Slovakia	#	–	–	–	1	–	–	
	Germany	#	–	–	–	–	–	–	
	Hungary	#	–	–	–	–	–	–	
	Netherlands	#	–	–	–	–	–	–	
	Total – EP Infrastructure	**#**	**–**	**–**	**–**	**1**	**–**	**–**	
	EP Power Europe								
	Czech Republic	#	–	–	–	–	–	–	
	France	#	–	–	–	–	–	–	
	Germany	#	–	–	–	–	–	–	
	UK	#	–	–	–	–	–	–	
	Ireland	#	–	–	–	–	–	–	
	Italy	#	–	–	–	–	–	–	
	Switzerland	#	–	–	–	–	–	–	
	Total – EP Power Europe	**#**	**–**	**–**	**–**	**–**	**–**	**–**	
	Other companies within the Group								
	Czech Republic	#	–	–	–	–	–	–	
	Poland	#	–	–	–	–	–	–	
	Slovakia	#	–	–	–	–	–	–	
	Hungary	#	–	–	–	–	–	–	
	Germany	#	–	–	–	–	–	–	
	UK	#	–	–	–	–	–	–	
	Italy	#	–	–	–	–	–	–	
	Netherlands	#	–	–	–	–	–	–	
	Total – other comapnies	**#**	**–**	**–**	**–**	**–**	**–**	**–**	
	Total – EPH	**#**	**–**	**–**	**–**	**1**	**–**	**–**	

Social / Occupational health and safety

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Registered injuries – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	11(*)	16(*)	11(*)	12	11	(5)	(31%)
	Slovakia	#	19(*)	20(*)	13	15	9	(1)	(5%)
	Hungary	#	–	1(*)	3	2	1	(1)	(100%)
	Total – EP Infrastructure	**#**	**30**	**37**	**27**	**29**	**21**	**(7)**	**(19%)**
	EP Power Europe								
	France	#	11	2	–	–	–	9	450%
	Germany	#	12	15	27	28	17	(3)	(20%)
	UK	#	2(*)	2(*)	–	–	–	–	0%
	Italy	#	–	–	3	1	3	–	–
	Total – EP Power Europe	**#**	**25**	**19**	**30**	**29**	**20**	**6**	**32%**
	Other companies within the Group								
	Czech Republic	#	5.0(*)	6.0(*)	6.0(*)	6.0	3.0	(1)	(17%)
	Poland	#	–	–	1.0	–	–	–	–
	Germany	#	–	1.0	–	–	–	(1)	(100%)
	Total – other comapnies	**#**	**5**	**7**	**7**	**6**	**3**	**(2)**	**(29%)**
	Total – EPH	**#**	**60**	**63**	**64**	**64**	**44**	**(3)**	**(5%)**

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.

(*) This data has received limited assurance from the independent auditing firm EY (2018) and KPMG (2019, 2020).
Scope in 2020: CZ: 2 companies, SK: 1 company, UK: 1 company.

Social / Occupational health and safety

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Worked hours – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	mil. hours	3.3	3.4	3.7	3.2	3.2	(0.1)	(2%)
	Slovakia	mil. hours	6.9	6.9	6.8	6.9	7.4	0.1	1%
	Germany	mil. hours	0.1	0.1	0.1	–	–	(0.0)	(15%)
	Hungary	mil. hours	0.3	0.4	0.4	0.4	0.5	(0.0)	(11%)
	Netherlands	mil. hours	–	0.0	0.0	0.0	–	(0.0)	(100%)
	Total – EP Infrastructure	**mil. hours**	**10.6**	**10.7**	**11.0**	**10.4**	**11.0**	**(0.1)**	**(1%)**
	EP Power Europe								
	Czech Republic	mil. hours	0.2	0.2	0.1	0.1	0.0	0.0	22%
	France	mil. hours	0.6	0.3	–	–	–	0.3	102%
	Germany	mil. hours	3.3	3.8	3.7	4.3	3.5	(0.4)	(11%)
	UK	mil. hours	1.0	0.9	0.8	0.7	0.6	0.1	7%
	Ireland	mil. hours	0.0	0.0	–	–	–	(0.0)	(9%)
	Italy	mil. hours	1.0	1.0	0.9	0.5	0.5	0.0	2%
	Switzerland	mil. hours	–	0.0	–	–	–	(0.0)	(100%)
	Total – EP Power Europe	**mil. hours**	**6.2**	**6.2**	**5.5**	**5.5**	**4.6**	**0.0**	**0%**
	Other companies within the Group								
	Czech Republic	mil. hours	0.8	0.8	0.7	0.5	0.4	(0.1)	(11%)
	Poland	mil. hours	0.2	0.3	0.2	0.2	0.1	(0.0)	(19%)
	Slovakia	mil. hours	0.0	0.0	0.0	0.0	–	0.0	77%
	Germany	mil. hours	0.1	0.1	0.0	0.0	0.0	(0.0)	(34%)
	Total – other comapnies	**mil. hours**	**1.0**	**1.2**	**1.0**	**0.7**	**0.5**	**(0.2)**	**(14%)**
	Total – EPH	**mil. hours**	**17.8**	**18.1**	**17.4**	**16.7**	**16.1**	**(0.2)**	**(1%)**

Social / Occupational health and safety

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Worked hours – Contractors**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	mil. hours	0	0.0	0.0	0.0	0.0	0.0	25%
	Slovakia	mil. hours	–	–	–	–	–	–	–
	Germany	mil. hours	–	–	–	–	–	–	–
	Hungary	mil. hours	–	–	–	–	–	–	–
	Netherlands	mil. hours	–	–	–	–	–	–	–
	Total – EP Infrastructure	**mil. hours**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**25%**
	EP Power Europe								
	Czech Republic	mil. hours	0	0.0	0.0	0.0	0.0	(0.0)	(11%)
	France	mil. hours	0.3	0.5	–	–	–	(0.3)	(49%)
	Germany	mil. hours	–	–	–	–	0.3	–	–
	UK	mil. hours	0.6	0.7	1.4	3.4	1.4	(0.1)	(18%)
	Ireland	mil. hours	0.1	–	–	–	–	0.1	–
	Italy	mil. hours	1.1	1.1	1.2	0.4	0.3	0.0	1%
	Switzerland	mil. hours	–	0.0	–	–	–	(0.0)	(100%)
	Total – EP Power Europe	**mil. hours**	**2.1**	**2.4**	**2.7**	**3.8**	**2.0**	**(0.3)**	**(12%)**
	Other companies within the Group								
	Czech Republic	mil. hours	0	0	0	267	0	(0.0)	(57%)
	Poland	mil. hours	–	0	0	0	0	(0.0)	(100%)
	Slovakia	mil. hours	–	–	–	–	–	–	–
	Hungary	mil. hours	–	–	–	–	–	–	–
	Germany	mil. hours	–	0	–	–	–	(0.0)	(100%)
	UK	mil. hours	–	–	–	–	–	–	–
	Italy	mil. hours	–	–	–	–	–	–	–
	Netherlands	mil. hours	–	–	–	–	–	–	–
	Total – other comapnies	**mil. hours**	**0.0**	**0.1**	**0.0**	**267.0**	**0.0**	**(0.1)**	**(91%)**
	Total – EPH	**mil. hours**	**2.1**	**2.4**	**2.7**	**270.8**	**2.0**	**(0.3)**	**(14%)**

Social / Occupational health and safety

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Injury Frequency Rate – Employees**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	index	0.0	0.0	0.0	0.0	0.0	(0.0)	(29%)
	Hungary	index	–	0.0	–	–	–	(0.0)	(100%)
	Total – EP Infrastructure	**index**	**2.8**	**3.5**	**2.5**	**2.9**	**1.9**	**(0.6)**	**(18%)**
	EP Power Europe								
	Czech Republic	index	–	–	–	–	–	–	–
	France	index	17.2	6.3	–	–	–	10.8	172%
	Germany	index	3.6	4.0	7.3	6.6	4.9	(0.4)	(10%)
	UK	index	2.0	2.1	–	–	–	(0.1)	(6%)
	Italy	index	–	–	3.2	2.1	6.6	–	–
	Total – EP Power Europe	**index**	**4.1**	**3.1**	**5.5**	**5.2**	**4.4**	**1.0**	**31%**
	Other companies within the Group								
	Czech Republic	index	6.6	7.1	8.2	12.4	8.4	(0.4)	(6%)
	Poland	index	–	–	1.0	–	–	–	–
	Germany	index	–	9.8	–	–	–	(9.8)	(100%)
	Total – other comapnies	**index**	**4.8**	**5.7**	**7.1**	**8.2**	**6.1**	**(1.0)**	**(17%)**
	Total – EPH	**index**	**3.36**	**3.49**	**3.67**	**3.89**	**2.74**	**(0.1)**	**(4%)**

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

Social / Occupational health and safety

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Fatal injuries – Contractors**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	–	–	–	–	–	–	–
	Slovakia	#	–	1	–	–	–	(1)	(100%)
	Germany	#	–	–	–	–	–	–	–
	Hungary	#	–	–	–	–	–	–	–
	Netherlands	#	–	–	–	–	–	–	–
	Total – EP Infrastructure	**#**	**–**	**1**	**–**	**–**	**–**	**(1)**	**(100%)**
	EP Power Europe								
	Czech Republic	#	–	–	–	–	–	–	–
	France	#	–	–	–	–	–	–	–
	Germany	#	–	–	–	–	–	–	–
	UK	#	–	–	–	–	–	–	–
	Ireland	#	–	–	–	–	–	–	–
	Italy	#	–	–	–	–	–	–	–
	Switzerland	#	–	–	–	–	–	–	–
	Total – EP Power Europe	**#**	**–**	**–**	**–**	**–**	**–**	**1.0**	**31%**
	Other companies within the Group								
	Czech Republic	#	–	–	–	–	–	–	–
	Poland	#	–	–	–	–	–	–	–
	Slovakia	#	–	–	–	–	–	–	–
	Hungary	#	–	–	–	–	–	–	–
	Germany	#	–	–	–	–	–	–	–
	UK	#	–	–	–	–	–	–	–
	Italy	#	–	–	–	–	–	–	–
	Netherlands	#	–	–	–	–	–	–	–
	Total – other comapnies	**#**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	Total – EPH	**#**	**–**	**1.0**	**–**	**–**	**–**	**(1.0)**	**(100%)**

Social / Occupational health and safety

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
403-2	**Registered injuries – Contractors**								
G4-LA6	**EP Infrastructure**								
	Czech Republic	#	–	–	–	1	1	–	–
	Slovakia	#	1	–	1	–	–	1.0	–
	Germany	#	–	–	–	–	–	–	–
	Hungary	#	–	–	–	–	1	–	–
	Netherlands	#	–	–	–	–	–	–	–
	Total – EP Infrastructure	**#**	**1**	**–**	**1**	**1**	**2**	**1.0**	**–**
	EP Power Europe								
	Czech Republic	#	–	–	–	–	–	–	–
	France	#	5	2	–	–	–	3.0	150%
	Germany	#	9	5	4	5	2	4.0	80%
	UK	#	–	2	2	8	1	(2.0)	(100%)
	Ireland	#	–	–	–	–	–	–	–
	Italy	#	3	1	11	1	1	2.0	200%
	Switzerland	#	–	–	–	–	–	–	–
	Total – EP Power Europe	**#**	**17**	**10**	**17**	**15**	**4**	**7.0**	**70%**
	Other companies within the Group								
	Czech Republic	#	–	–	–	–	–	–	–
	Poland	#	–	–	–	–	–	–	–
	Slovakia	#	–	–	–	–	–	–	–
	Hungary	#	–	–	–	–	–	–	–
	Germany	#	–	–	–	–	–	–	–
	UK	#	–	–	–	–	–	–	–
	Italy	#	–	–	–	–	–	–	–
	Netherlands	#	–	–	–	–	–	–	–
	Total – other comapnies	**#**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	Total – EPH	**#**	**18**	**10**	**18**	**16**	**6**	**8.0**	**80%**

Note: Contractor injuries data not available for United Energy and Renewables Group, data on hours worked by contractors largerly not available, thus injury frequency rate not reported.
Restatement: Registered injuries of contractors were not reported by two of our companies by mistake in 2018, this was corrected in 2019 data submission, thus the total registrated injuries increased from 13 to 18 for 2018.

Social / Employment

For the year ended 31 December 2020

Country

GRI/EUSS	KPI	Unit	Total	Male	Total	Female
102-7	**Headcount (FTE)**					
G4-9	**EP Infrastructure**					
	Czech Republic	FTE	1,889	1,530	1,889	359
	Slovakia	FTE	4,272	3,402	4,272	870
	Germany	FTE	58	51	58	7
	Hungary	FTE	207	173	207	34
	Netherlands	FTE	2	1	2	1
	Total – EP Infrastructure	**FTE**	**6,428**	**5,158**	**6,428**	**1,271**
	EP Power Europe					
	Czech Republic	FTE	108	84	108	23
	France	FTE	517	404	517	113
	Germany	FTE	2,389	2,053	2,389	336
	UK	FTE	539	477	539	62
	Ireland	FTE	11	8	11	3
	Italy	FTE	581	482	581	99
	Switzerland	FTE	9	6	9	3
	Total – EP Power Europe	**FTE**	**4,154**	**3,515**	**4,154**	**639**
	Other companies within the Group					
	Czech Republic	FTE	407	292	407	115
	Poland	FTE	124	98	124	26
	Slovakia	FTE	7	6	7	1
	Germany	FTE	161	129	161	32
	Total – other comapnies	**FTE**	**699**	**525**	**699**	**174**
	Total – EPH	**FTE**	**11,281**	**9,197**	**11,281**	**2,084**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
102-7	**Males – members of top and middle management**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	59	66	69	66	70	(6.1)	(9%)
	Slovakia	FTE	331	358	345	361	366	(27)	(8%)
	Germany	FTE	1	1	1	–	–	–	0%
	Hungary	FTE	5	5	5	6	9	–	0%
	Netherlands	FTE	1	1	1	–	–	–	0%
	Total – EP Infrastructure	**FTE**	**398**	**431**	**421**	**433**	**445**	**(33)**	**(8%)**
	EP Power Europe								
	Czech Republic	FTE	16	16	13	18	5	0.2	1%
	France	FTE	17	4	–	–	–	13.0	325%
	Germany	FTE	26	25	27	21	22	1.0	4%
	UK	FTE	30	21	20	14	12	8.2	38%
	Ireland	FTE	4	3	–	–	–	1.0	33%
	Italy	FTE	23	28	26	19	16	(5.0)	(18%)
	Switzerland	FTE	6	1	–	–	–	5.0	500%
	Total – EP Power Europe	**FTE**	**122**	**98**	**86**	**71**	**55**	**23.4**	**24%**
	Other companies within the Group								
	Czech Republic	FTE	38	34	28	26	15	3.9	11%
	Poland	FTE	9	10	12	9	4	(1.0)	(10%)
	Slovakia	FTE	1	1	1	1	–	–	0%
	Germany	FTE	4	3	1	1	1	1.0	33%
	Total – other comapnies	**FTE**	**52**	**48**	**42**	**36**	**20**	**3.9**	**8%**
	Total – EPH	**FTE**	**571.9**	**577.8**	**548.9**	**540.8**	**519.6**	**(5.9)**	**(1%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
102-7	**Females – members of top and middle management**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	18	13	18	15	12	5.0	38%
	Slovakia	FTE	62	62	62	61	61	(0)	0%
	Hungary	FTE	1	1	1	1	–	–	0%
	Netherlands	FTE	1	1	1	1	–	–	0%
	Total – EP Infrastructure	**FTE**	**82**	**77**	**82**	**78**	**73**	**5**	**6%**
	EP Power Europe								
	Czech Republic	FTE	2	2	2	2	1	–	0%
	France	FTE	5	2	–	–	–	–	–
	Germany	FTE	3	3	3	2	2	–	0%
	UK	FTE	4	4	5	3	3	(0.4)	(9%)
	Ireland	FTE	1	1	–	–	–	–	0%
	Italy	FTE	8	3	4	3	2	5.0	167%
	Switzerland	FTE	1	–	–	–	–	1.0	–
	Total – EP Power Europe	**FTE**	**24**	**15**	**13**	**10**	**8**	**8.6**	**57%**
	Other companies within the Group								
	Czech Republic	FTE	9	6	5	8	5	3.1	55%
	Poland	FTE	2	2	1	1	1	–	0%
	Germany	FTE	2	1	–	–	–	1.0	100%
	Total – other comapnies	**FTE**	**12.7**	**8.6**	**5.7**	**8.5**	**6.0**	**4.1**	**47%**
	Total – EPH	**FTE**	**117.9**	**100.3**	**101.2**	**96.4**	**87.5**	**17.5**	**17%**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
102-7	**Male employees**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	1,530	1,595	1,713	1,506	1,544	(65.3)	(4%)
	Slovakia	FTE	3,402	3,353	3,352	3,385	3,499	50	1%
	Germany	FTE	51	51	52	–	–	(0)	0%
	Hungary	FTE	173	173	168	168	211	1	0%
	Netherlands	FTE	1	1	1	–	–	–	0%
	Total – EP Infrastructure	**FTE**	**5,158**	**5,173**	**5,286**	**5,059**	**5,254**	**(15)**	**0%**
	EP Power Europe								
	Czech Republic	FTE	84	71	59	54	12	13.8	20%
	France	FTE	404	406	–	–	–	(2.0)	0%
	Germany	FTE	2,053	2,164	2,225	2,070	2,103	(110.9)	(5%)
	UK	FTE	477	450	381	379	339	26.8	6%
	Ireland	FTE	8	8	–	–	–	–	0%
	Italy	FTE	482	514	498	439	436	(32.0)	(6%)
	Switzerland	FTE	6	3	–	–	–	3.0	100%
	Total – EP Power Europe	**FTE**	**3,515**	**3,616**	**3,162**	**2,942**	**2,890**	**(101.3)**	**(3%)**
	Other companies within the Group								
	Czech Republic	FTE	292	342	295	272	253	(50.3)	(15%)
	Poland	FTE	98	122	125	112	95	(24.0)	(20%)
	Slovakia	FTE	6	4	3	1	–	2.0	50%
	Germany	FTE	129	129	2	2	1	–	0%
	Total – other comapnies	**FTE**	**524.9**	**597.2**	**425.2**	**386.4**	**349.2**	**(72.3)**	**(12%)**
	Total – EPH	**FTE**	**9,197.1**	**9,385.8**	**8,873.4**	**8,387.2**	**8,493.3**	**(188.7)**	**(2%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
102-7	**Female employees**								
G4-9	**EP Infrastructure**								
	Czech Republic	FTE	359	386	397	377	364	(26.9)	(7%)
	Slovakia	FTE	870	856	847	832	857	13	2%
	Germany	FTE	7	7	8	–	–	0	6%
	Hungary	FTE	34	35	35	42	46	(2)	(5%)
	Netherlands	FTE	1	1	1	1	–	–	0%
	Total – EP Infrastructure	**FTE**	**1,271**	**1,285**	**1,288**	**1,252**	**1,267**	**(15)**	**(1%)**
	EP Power Europe								
	Czech Republic	FTE	23	17	13	11	3	5.9	34%
	France	FTE	113	112	–	–	–	1.0	1%
	Germany	FTE	336	352	366	365	370	(16.1)	(5%)
	UK	FTE	62	55	41	35	31	6.6	12%
	Ireland	FTE	3	3	–	–	–	–	0%
	Italy	FTE	99	68	68	64	58	31.0	46%
	Switzerland	FTE	3	1	–	–	–	2.0	200%
	Total – EP Power Europe	**FTE**	**639**	**609**	**489**	**475**	**462**	**30.4**	**5%**
	Other companies within the Group								
	Czech Republic	FTE	115	117	94	105	75	(2.2)	(2%)
	Poland	FTE	26	31	27	17	13	(4.5)	(15%)
	Slovakia	FTE	1	1	1	–	–	–	0%
	Germany	FTE	32	25	3	2	1	7.0	28%
	Total – other comapnies	**FTE**	**173.8**	**173.5**	**124.8**	**123.9**	**88.5**	**0.3**	**0%**
	Total – EPH	**FTE**	**2 083.6**	**2 067.6**	**1 900.9**	**1 850.3**	**1 817.1**	**16.0**	**1%**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
102-41	**Employees covered by OHSAS 18001 / ISO 45001**								
G4-11	**EP Infrastructure**								
	Czech Republic	FTE	861	963	1 079	1 141	1 165	(102,1)	(11%)
	Slovakia	FTE	2,946	2,903	2,894	2,284	2,329	43	1%
	Total – EP Infrastructure	**FTE**	**3,807**	**3,866**	**3,973**	**3,425**	**3,494**	**(59)**	**(2%)**
	Covered in % of total headcount	*FTE*	*59%*	*60%*	*60%*	*54%*	*54%*		
	EP Power Europe								
	France	FTE	451	518	–	–	–	(67,0)	(13%)
	Germany	FTE	2,179	2,284	2,355	2,263	2,267	–	–
	UK	FTE	355	371	315	389	370	(16,1)	(4%)
	Italy	FTE	581	582	566	503	494	(1,0)	0%
	Total – EP Power Europe	**FTE**	**3,566**	**3,755**	**3,237**	**3,155**	**3,131**	**(189,1)**	**(5%)**
	Covered in % of total headcount	*FTE*	*86%*	*89%*	*89%*	*92%*	*93%*		
	Total – EPH	**FTE**	**7,372,6**	**7,620,8**	**7,209,4**	**6,579,8**	**6,625,2**	**(248,2)**	**(3%)**
	Covered in % of total headcount	*FTE*	*65%*	*67%*	*67%*	*64%*	*64%*		

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
102-41	**Employees with collective bargining agreements**								
G4-11	**EP Infrastructure**								
	Czech Republic	FTE	1,672	1,783	1,919	1,641	1,686	(111.7)	(6%)
	Slovakia	FTE	4,220	4,158	4,137	4,184	4,324	62	1%
	Germany	FTE	51	52	–	–	–	(1)	(1%)
	Hungary	FTE	206	207	204	210	257	(1)	0%
	Total – EP Infrastructure	**FTE**	**6,148**	**6,200**	**6,260**	**6,034**	**6,267**	**(51)**	**(1%)**
	Covered in % of total headcount	*FTE*	*96%*	*96%*	*95%*	*96%*	*96%*		
	EP Power Europe								
	France	FTE	450	518	–	–	–	(68.0)	(13%)
	Germany	FTE	2,229	2,356	2,445	2,280	2,308	–	
	UK	FTE	353	365	252	249	226	(12.3)	(3%)
	Italy	FTE	581	582	566	503	494	(1.0)	0%
	Total – EP Power Europe	**FTE**	**3,613**	**3,821**	**3,263**	**3,032**	**3,028**	**(208.3)**	**(5%)**
	Covered in % of total headcount	*FTE*	*87%*	*90%*	*89%*	*89%*	*90%*		
	Other companies within the Group								
	Czech Republic	FTE	106	22	25	20	21	84.0	382%
	Poland	FTE	91	119	120	27	27	(28.0)	(24%)
	Total – other comapnies	**FTE**	**197.0**	**141.0**	**145.0**	**47.0**	**48.0**	**56.0**	**40%**
	Covered in % of total headcount	*FTE*	*28%*	*18%*	*26%*	*9%*	*11%*		
	Total – EPH	**FTE**	**9,957.9**	**10,161.5**	**9,667.8**	**9,113.2**	**9,343.4**	**(203.6)**	**(2%)**
	Covered in % of total headcount	*FTE*	*88%*	*89%*	*90%*	*89%*	*91%*		

Restatement: In 2021, when preparing 2020 data we found mistake retrospectively, in 2017. In particular, by 98 less employees were covered by OHSAS 180001 in 2017 (145 previsously reported vs 47 corrected).

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Number of new hires – Total**								
	EP Infrastructure								
	Czech Republic	FTE	193	198	206	230	192	(5.0)	(3%)
	Slovakia	FTE	263	327	295	175	254	(64)	(20%)
	Germany	FTE	5	4	5	–	–	1	14%
	Hungary	FTE	7	24	15	12	5	(17)	(71%)
	Netherlands	FTE	–	–	2	1	–	–	
	Total – EP Infrastructure	**FTE**	**468**	**553**	**523**	**418**	**451**	**(85)**	**(15%)**
	EP Power Europe								
	Czech Republic	FTE	38	31	17	55	10	7.0	23%
	France	FTE	67	6	–	–	–	61.0	1017%
	Germany	FTE	71	133	240	146	68	(62.0)	(47%)
	UK	FTE	27	41	61	44	12	(14.0)	(34%)
	Ireland	FTE	2	–	–	–	–	2.0	
	Italy	FTE	34	18	18	12	22	16.0	89%
	Switzerland	FTE	6	4	–	–	–	2.0	50%
	Total – EP Power Europe	**FTE**	**245**	**233**	**336**	**257**	**112**	**12.0**	**5%**
	Other companies within the Group								
	Czech Republic	FTE	97	130	104	112	104	(33.0)	(25%)
	Poland	FTE	13	101	142	81	88	(88.0)	(87%)
	Slovakia	FTE	3	2	3	1	–	1.0	50%
	Germany	FTE	37	8	1	2	–	29.0	363%
	Total – other comapnies	**FTE**	**150.0**	**241.0**	**250.3**	**195.7**	**192.0**	**(91.0)**	**(38%)**
	Total – EPH	**FTE**	**863.0**	**1,027.4**	**1,109.3**	**871.0**	**755.0**	**(164.4)**	**(16%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Number of leavers – Total**								
	EP Infrastructure								
	Czech Republic	FTE	165	204	331	263	193	(38.7)	(19%)
	Slovakia	FTE	184	276	286	247	404	(92)	(33%)
	Germany	FTE	2	5	–	–	–	(3)	(62%)
	Hungary	FTE	18	12	13	61	14	6	50%
	Netherlands	FTE	–	–	1	–	–	–	–
	Total – EP Infrastructure	**FTE**	**369**	**497**	**631**	**571**	**611**	**(128)**	**(26%)**
	EP Power Europe								
	Czech Republic	FTE	8	21	4	7	2	(13.0)	(62%)
	France	FTE	94	41	–	–	–	53.0	129%
	Germany	FTE	317	219	182	191	436	98.0	45%
	UK	FTE	29	52	219	29	72	(23.0)	(44%)
	Ireland	FTE	2	–	–	–	–	2.0	–
	Italy	FTE	34	21	20	8	10	13.0	62%
	Switzerland	FTE	1	–	–	–	–	1.0	–
	Total – EP Power Europe	**FTE**	**485**	**354**	**425**	**236**	**520**	**131.0**	**37%**
	Other companies within the Group								
	Czech Republic	FTE	81	130	103	79	45	(49.0)	(38%)
	Poland	FTE	41	101	140	39	44	(60.0)	(59%)
	Slovakia	FTE	1	1	–	–	–	–	0%
	Germany	FTE	19	5	–	–	–	14.0	280%
	Total – other comapnies	**FTE**	**142.0**	**237.0**	**242.8**	**117.9**	**89.0**	**(95.0)**	**(40%)**
	Total – EPH	**FTE**	**996.3**	**1,088.2**	**1,298.5**	**924.6**	**1,220.0**	**(91.9)**	**(8%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**New hires rate**								
	EP Infrastructure								
	Czech Republic	FTE	10%	10%	10%	12%	10%	0.0	2%
	Slovakia	FTE	6%	8%	7%	4%	6%	(0)	(21%)
	Germany	FTE	2%	2%	2%	0%	0%	0	14%
	Hungary	FTE	12%	42%	25%			(0)	(71%)
	Netherlands	FTE	0%	0%	100%	100%		–	
	Total – EP Infrastructure	**FTE**	**7%**	**9%**	**8%**	**7%**	**7%**	**(0)**	**(15%)**
	EP Power Europe								
	Czech Republic	FTE	35%	35%	24%	85%	67%	0.0	0%
	France	FTE	13%	1%				0.1	1019%
	Germany	FTE	3%	5%	9%	6%	3%	(0.0)	(44%)
	UK	FTE	5%	8%	14%	11%	3%	(0.0)	(38%)
	Ireland	FTE	18%	0%				0.2	
	Italy	FTE	6%	3%	3%	2%	4%	0.0	89%
	Switzerland	FTE	67%	100%				(0.3)	(33%)
	Total – EP Power Europe	**FTE**	**6%**	**6%**	**9%**	**8%**	**3%**	**0.0**	**7%**
	Other companies within the Group								
	Czech Republic	FTE	24%	28%	27%	30%	32%	(0.0)	(16%)
	Poland	FTE	10%	66%	93%	63%	82%	(0.6)	(84%)
	Other	FTE							
	Total – other comapnies	**FTE**	**21%**	**31%**	**45%**	**38%**	**44%**	**(0.1)**	**(31%)**
	Total – EPH	**FTE**	**8%**	**9%**	**10%**	**9%**	**7%**	**(0.0)**	**(15%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Employee turnover rate**								
	EP Infrastructure								
	Czech Republic	FTE	9%	10%	16%	14%	10%	(0.0)	(15%)
	Slovakia	FTE	4%	7%	7%	6%	9%	(0)	(34%)
	Germany	FTE	1%	3%	0%	0%	0%	(0)	(61%)
	Hungary	FTE	31%	21%	22%			0	49%
	Netherlands	FTE	0%	0%	50%	0%		–	
	Total – EP Infrastructure	**FTE**	**6%**	**8%**	**10%**	**9%**	**9%**	**(0)**	**(25%)**
	EP Power Europe								
	Czech Republic	FTE	7%	24%	6%	11%	13%	(0.2)	(69%)
	France	FTE	18%	8%				0.1	130%
	Germany	FTE	13%	9%	7%	8%	18%	0.0	52%
	UK	FTE	5%	10%	52%	7%	19%	(0.0)	(48%)
	Ireland	FTE	18%	0%				0.2	
	Italy	FTE	6%	4%	4%	2%	2%	0.0	62%
	Switzerland	FTE	11%	0%				0.1	
	Total – EP Power Europe	**FTE**	**12%**	**8%**	**12%**	**7%**	**16%**	**0.0**	**39%**
	Other companies within the Group								
	Czech Republic	FTE	2%	3%	3%	2%	1%	(0.0)	(37%)
	Poland	FTE	33%	66%	92%	30%	41%	(0.3)	(50%)
	Other	FTE							
	Total – other comapnies	**FTE**	**20%**	**31%**	**44%**	**23%**	**20%**	**(0.1)**	**(34%)**
	Total – EPH	**FTE**	**9%**	**10%**	**12%**	**9%**	**12%**	**(0.0)**	**(7%)**

Social / Training

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Total training hours – all employee**								
	EP Infrastructure								
	Czech Republic	FTE	18,332	25,082	17,872	9,832	10,669	(6,749,3)	(27%)
	Slovakia	FTE	128,965	170,036	159,925	165,749	168,909	(41 071)	(24%)
	Germany	FTE	335	463	–	–	–	(128)	(28%)
	Hungary	FTE	5,472	2,047	2,653	2,361	7,166	3,425	167%
	Total – EP Infrastructure	**FTE**	**153,104**	**197,627**	**180,449**	**177,942**	**186,744**	**(44,523)**	**(23%)**
	EP Power Europe								
	Czech Republic	FTE	1,157	1,284	4,918	4,953	20	(127.0)	(10%)
	France	FTE	3,892	5,729	–	–	–	(1,836.5)	(32%)
	Germany	FTE	11,426	34,278	34,069	23,613	22,618	(22,851.6)	(67%)
	UK	FTE	7,226	13,745	10,752	11,472	6,438	(6,519.0)	(47%)
	Ireland	FTE	293	–	–	–	–	293.0	
	Italy	FTE	9,981	15,657	16,893	11,265	12,815	(5,676.0)	(36%)
	Total – EP Power Europe	**FTE**	**33,975**	**70,692**	**66,631**	**51,303**	**41,891**	**(36,717.1)**	**(52%)**
	Other companies within the Group								
	Czech Republic	FTE	4,556	11,009	4,988	4,160	3,159	(6,453.0)	(59%)
	Poland	FTE	615	4,616	6,496	5,632	3,936	(4,001.0)	(87%)
	Slovakia	FTE	25	–	–	–	–	25.0	
	Germany	FTE	2,101	1,002	–	–	–	1,098.5	110%
	Total – other comapnies	**FTE**	**7,296.5**	**16,627.0**	**11,484.0**	**9,791.6**	**7,094.5**	**(9,330.5)**	**(56%)**
	Total – EPH	**FTE**	**194,375.6**	**284,946.5**	**258,564.0**	**239,037.1**	**235,729.3**	**(90,570.9)**	**(32%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	Permanent contract	Temporary contract
102-8	**Employees: pernament and temporary contract**			
	EP Infrastructure			
	Czech Republic	96%	4%	100%
	Slovakia	90%	10%	100%
	Germany	98%	2%	100%
	Hungary	100%	0%	100%
	Netherlands	100%	0%	100%
	Total – EP Infrastructure	**92%**	**8%**	**100%**
	EP Power Europe			
	Czech Republic	90%	10%	100%
	France	82%	5%	87%
	Germany	93%	7%	100%
	UK	99%	1%	100%
	Ireland	100%	0%	100%
	Italy	99%	1%	100%
	Switzerland	100%	0%	100%
	Total – EP Power Europe	**93%**	**5%**	**98%**
	Other companies within the Group			
	Czech Republic	86%	14%	100%
	Poland	72%	28%	100%
	Slovakia	100%	0%	100%
	Germany	99%	1%	100%
	Total – other comapnies	**87%**	**13%**	**100%**
	Total – EPH	**92%**	**7%**	**99%**

Social / Employment

For the year ended 31 December 2020

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	6%	49%	45%
	Slovakia	% FTE	8%	50%	42%
	Germany	% FTE	9%	36%	55%
	Hungary	% FTE	2%	52%	45%
	Netherlands	% FTE	0%	100%	0%
	Total – EP Infrastructure	**% FTE**	**7%**	**50%**	**43%**
	EP Power Europe				
	Czech Republic	% FTE	23%	70%	6%
	France	% FTE	16%	54%	30%
	Germany	% FTE	19%	33%	48%
	UK	% FTE	9%	48%	42%
	Ireland	% FTE	9%	82%	9%
	Italy	% FTE	2%	39%	59%
	Switzerland	% FTE	0%	89%	11%
	Total – EP Power Europe	**% FTE**	**15%**	**40%**	**46%**
	Other companies within the Group				
	Czech Republic	% FTE	13%	60%	27%
	Poland	% FTE	25%	60%	15%
	Slovakia	% FTE	14%	57%	29%
	Germany	% FTE	7%	55%	37%
	Total – other comapnies	**% FTE**	**14%**	**59%**	**27%**
	Total – EPH	**% FTE**	**10%**	**47%**	**43%**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Employees: part-time job**								
	EP Infrastructure								
	Czech Republic	FTE	20	67	57	–	–	(46.8)	(70%)
	Slovakia	FTE	12	14	15	–	–	(3)	(19%)
	Germany	FTE	2	2	2	–	–	0	10%
	Hungary	FTE	205	205	202	–	–	(0)	0%
	Netherlands	FTE	2	2	2	–	–	–	0%
	Total – EP Infrastructure	**FTE**	**241**	**290**	**278**	**–**	**–**	**(50)**	**(17%)**
	EP Power Europe								
	Czech Republic	FTE	30	10	9	–	–	20.4	203%
	France	FTE	7	3	–	–	–	4.0	133%
	Germany	FTE	45	48	33	–	–	(2.9)	(6%)
	UK	FTE	93	2	4	–	–	90.8	4033%
	Italy	FTE	5	11	11	–	–	(6.0)	(55%)
	Total – EP Power Europe	**FTE**	**180**	**74**	**57**	**–**	**–**	**106.2**	**143%**
	Other companies within the Group								
	Czech Republic	FTE	34	29	26	–	–	4.9	17%
	Poland	FTE	2	1	1	–	–	1.0	100%
	Slovakia	FTE	1	1	1	–	–	–	0%
	Germany	FTE	8	10	–	–	–	(2.0)	(20%)
	Total – other comapnies	**FTE**	**44.6**	**40.7**	**28.5**	**–**	**–**	**3.9**	**10%**
	Total – EPH	**FTE**	**465.9**	**405.4**	**363.5**	**–**	**–**	**60.5**	**15%**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Employees: full-time job**								
	EP Infrastructure								
	Czech Republic	FTE	1,870	1,916	1,537	–	–	(46.5)	(2%)
	Slovakia	FTE	4,260	4,185	4,173	–	–	75	2%
	Germany	FTE	56	56	57	–	–	0	0%
	Hungary	FTE	2	3	2	–	–	(1)	(26%)
	Total – EP Infrastructure	**FTE**	**6,188**	**6,159**	**5,770**	**–**	**–**	**28**	**0%**
	EP Power Europe								
	Czech Republic	FTE	77	78	63	–	–	(0.6)	(1%)
	France	FTE	444	515	–	–	–	(71.0)	(14%)
	Germany	FTE	2,344	2,350	2,436	–	–	(6.1)	0%
	UK	FTE	447	503	417	–	–	(56.4)	(11%)
	Ireland	FTE	11	–	–	–	–	11.0	
	Italy	FTE	576	571	555	–	–	5.0	1%
	Switzerland	FTE	9	4	–	–	–	5.0	125%
	Total – EP Power Europe	**FTE**	**3,908**	**4,021**	**3,471**	**–**	**–**	**(113.1)**	**(3%)**
	Other companies within the Group								
	Czech Republic	FTE	373	407	348	–	–	(34.4)	(8%)
	Poland	FTE	122	152	152	–	–	(29.5)	(19%)
	Slovakia	FTE	6	4	3	–	–	2.0	50%
	Germany	FTE	153	144	5	–	–	9.0	6%
	Total – other comapnies	**FTE**	**654.0**	**707.0**	**508.0**	**–**	**–**	**(52.9)**	**(7%)**
	Total – EPH	**FTE**	**10,749.4**	**10,887.1**	**9,748.8**	**–**	**–**	**(137.7)**	**(1%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Employees with disabilities**								
	EP Infrastructure								
	Czech Republic	FTE	18	15	8	–	–	2.5	16%
	Slovakia	FTE	133	126	132	–	–	8	6%
	Germany	FTE	3	3	3	–	–	–	0%
	Total – EP Infrastructure	**FTE**	**154**	**144**	**143**	**–**	**–**	**10**	**7%**
	EP Power Europe								
	France	FTE	16	21	–	–	–	(5.0)	(24%)
	Germany	FTE	84	90	94	–	–	(6.0)	(7%)
	UK	FTE	–	5	–	–	–	(5.0)	(100%)
	Italy	FTE	23	24	22	–	–	(0.8)	(3%)
	Total – EP Power Europe	**FTE**	**123**	**140**	**116**	**–**	**–**	**(16.8)**	**(12%)**
	Other companies within the Group								
	Czech Republic	FTE	5	3	3	–	–	2.0	67%
	Slovakia	FTE	1	–	–	–	–	1.0	
	Germany	FTE	1	1	–	–	–	–	0%
	Total – other comapnies	**FTE**	**7.0**	**4.0**	**3.0**	**–**	**–**	**3.0**	**75%**
	Total – EPH	**FTE**	**284.3**	**287.9**	**262.4**	**–**	**–**	**(3.6)**	**(1%)**

Social / Employment

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
401-1	**Number of not directly employed workforce**								
	EP Infrastructure								
	Czech Republic	FTE	19	28	9	–	–	(8.7)	(31%)
	Slovakia	FTE	4	6	7	4	3	(2)	(33%)
	Germany	FTE	1	1	2	–	–	–	0%
	Total – EP Infrastructure	**FTE**	**24**	**35**	**18**	**4**	**3**	**(11)**	**(31%)**
	EP Power Europe								
	Czech Republic	FTE	1	1	26	–	–	0.5	82%
	France	FTE	190	17	–	–	–	173.0	1018%
	Germany	FTE	11	4	29	7	7	7.0	175%
	UK	FTE	169	1,161	1,484	3,385	2,548	(992.7)	(85%)
	Ireland	FTE	30	–	–	–	–	30.0	
	Italy	FTE	38	23	22	–	–	14.7	64%
	Switzerland	FTE	–	2	–	–	–	(2.0)	(100%)
	Total – EP Power Europe	**FTE**	**438**	**1,208**	**1,561**	**3,392**	**2,555**	**(769.5)**	**(64%)**
	Other companies within the Group								
	Czech Republic	FTE	28	44	48	13	35	(16.2)	(37%)
	Germany	FTE	–	1	–	–	–	(1.0)	(100%)
	Total – other comapnies	**FTE**	**27.8**	**45.1**	**52.7**	**13.0**	**35.0**	**(17.2)**	**(38%)**
	Total – EPH	**FTE**	**490.5**	**1,287.9**	**1,631.5**	**3,408.6**	**2,592.6**	**(797.4)**	**(62%)**

Main LEAG figures

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
	Operations and sales								
	Coal extraction	million ton	43.2	52.0	60.7	61.2	62.3	(8.8)	(17%)
EU1	Net installed capacity – Electricity	MW	7,946	7,782	7,782	7,782	7,828	163.9	2%
	Lignite	MW	7,595	7,595	7,595	7,595	7,602	–	–
	OCGT and other NG	MW	338	184	184	184	223	154.0	84%
	Biomass	MW	3	3	3	3	3	(0.4)	(13%)
EU1	Net installed capacity – Heat	MW	1,799	1,802	1,802	1,802	1,851	(2.8)	(0%)
EU2	Net power production	TWh	41.2	49.6	55.6	55.0	55.1	(8.4)	(17%)
EU2	Net heat production	TWh	2.7	3.5	3.7	3.8	3.5	(0.8)	(23%)
102-7	Amount of electric energy sold	TWh	40.0	48.3	54.0	53.5	54.9	(8.3)	(17%)
102-7	Heat supplied to district heating network	PJ	9.7	11.3	12.1	12.6	11.3	(1.7)	(15%)

Main LEAG figures

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
Environment									
305-1	Direct GHG emissions (Scope 1)	million tons CO_2-eq.	44.6	53.3	60.3	60.0	59.9	(8.7)	(16%)
305-4	Emissions intensity – including heat component	ton Co_2-eq./ GWh	1,016	1,004	1,017	1,020	1,022	12.3	1%
302-1	Energy consumption	PJ	389.8	489.0	548.1	541.7	541.4	(99.2)	(20%)
	Lignite	PJ	378.4	478.3	537.5	531.6	531.5	(100.0)	(21%)
	Other	PJ	11.5	10.7	10.6	10.1	9.9	0.8	7%
305-7	Total SO_2 emissions	thousand tons	28.8	31.4	38.9	39.7	41.7	(2.6)	(8%)
305-7	Total NO_x emissions	thousand tons	32.1	36.0	42.8	42.4	43.4	(4.0)	(11%)
305-7	Total dust emissions	thousand tons	0.8	1.1	1.4	1.3	1.2	(0.3)	(25%)
303-1	Quantity of water withdrawn	million m^3	509.5	473.4	601.5	558.5	671.6	36.1	8%
306-1	Quantity of water discharged	million m^3	5.5	5.0	7.1	7.4	9.4	0.5	11%
306-2	Byproducts – Total production	million tons	7.4	7.0	9.2	8.9	8.7	0.4	6%
	Ash	million tons	3.0	3.0	4.3	4.3	4.3	0.0	1%
	Slag	million tons	0.7	1.0	1.4	1.3	1.3	(0.3)	(29%)
	Gypsum	million tons	2.4	3.0	3.4	3.2	3.2	(0.6)	(21%)
306-2	Waste other than byproducts – Total production	thousand tons	3,825.3	4,805.5	5,847.4	5,805.0	6,054.2	(980.2)	(20%)
	Non-hazardous waste	thousand tons	3,818.7	4,800.7	5,841.1	5,792.6	6,032.8	(982.0)	(20%)
	Hazardous waste	thousand tons	6.7	4.8	6.3	12.4	21.5	1.8	38%
	Land creation and regeneration	hectares	444	333	394	520	517	111.2	33%
	Agricultural	hectares	90	60	277	136	269	30.2	51%
	Forest	hectares	267	190	49	195	177	77.0	41%
	Other uses for nature protection	hectares	88	83	68	189	71	5.0	6%

Main LEAG figures

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
Social									
G4-LA6	Injury Frequency Rate – Employees	index	1.6	1.6	1.4	1.5	1.2	(0.0)	(0%)
G4-LA6	Registered injuries – Employees	#	19	20	18	19	15	(1.0)	(5%)
G4-9	Headcount	#	6,965	7,802	8,053	8,227	8,329	(837.4)	(11%)
	Male total	#	5,697	6,306	6,501	6,657	6,811	(609.2)	(10%)
	Female total	#	1,268	1,496	1,552	1,570	1,518	(228.2)	(15%)
	Executives	#	79	95	101	102	97	(15.8)	(17%)
G4-LA1	New hires rate	%	16%	6%	7%	7%	8%	0.1	167%
	Employee turnover rate	%	20%	9%	10%	8%	8%	0.1	120%
G4-LA9	Total training hours – per employee	hours per capita	33.7	38.2	40.0	27.0	28.4	(4.5)	(12%)

Main Slovenské elektrárne figures

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
Operations and sales									
EU1	Net installed capacity – Electricity	MW	3,848	3,820	3,820	3,820	3,820	28.1	1%
	Hard coal	MW	198	198	198	198	198	–	–
	Lignite	MW	215	216	216	216	216	(0.7)	(0%)
	Nuclear	MW	1,843	1,814	1,814	1,814	1,814	29.0	2%
	Hydro	MW	1,590	1,590	1,590	1,590	1,590	–	–
	Photovoltaic	MW	2	2	2	2	2	(0.2)	(12%)
EU1	Net installed capacity – Heat	MW	579	7 290	579	579	579	(6,711.3)	(92%)
EU2	Net power production	TWh	17.0	17.1	16.8	17.5	17.2	(0.1)	(1%)
EU2	Net heat production	TWh	0.6	0.7	0.6	0.7	0.9	(0.0)	(2%)
102-7	Amount of electric energy sold	TWh	20.2	21.0	23.0	26.4	24.0	(0.8)	(4%)
102-7	Heat supplied to district heating network	PJ	2.3	2.5	2.5	2.5	2.4	(0.2)	(7%)
	UCF coefficient (Unit capability factor)	%	91.4%	92.1%	92.1%	92.1%	92.1%	(0.01)	(1%)

Main Slovenské elektrárne figures

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
Environment									
302-1	Direct GHG emissions (Scope 1)	million tons CO_2 eq.	1.3	1.8	2.2	2.4	2.3	(0.5)	(29%)
305-4	Emissions intensity – including heat component	ton Co_2 eq/GWh	73.5	102.8	128.3	132.0	127.4	(29.3)	(28%)
302-1	Energy consumption	PJ	182.5	187.8	188.7	191.7	186.9	(5.4)	(3%)
	Hard coal	PJ	0.7	3.6	7.9	7.1	5.2	(2.9)	(79%)
	Lignite	PJ	12.0	14.3	15.3	17.7	18.3	(2.3)	(16%)
	Nuclear	PJ	0.1	169.5	165.1	166.5	163.1	(169.4)	(100%)
	Other	PJ	0.3	0.4	0.4	0.4	0.3	(0.2)	(34%)
305-7	Total SO_2 emissions	thousand tons	1.2	1.4	3.1	7.2	6.4	(0.2)	(14%)
305-7	Total NO_x emissions	thousand tons	1.0	1.2	1.3	1.8	1.9	(0.2)	(20%)
305-7	Total dust emissions	thousand tons	0.0	0.0	0.1	0.1	0.2	(837.4)	(11%)
303-1	Quantity of water withdrawn	million m^3	49.9	53.2	55.1	54.0	51.2	(3.4)	(6%)
306-1	Quantity of water discharged	million m^3	11.5	14.5	16.4	15.9	15.3	(3.0)	(21%)
306-2	Byproducts – Total production	million tons	0.5	0.7	0.9	0.9	0.9	(0.2)	(25%)
	Ash	million tons	0.2	0.3	0.3	0.3	0.3	(0.1)	(34%)
	Slag	million tons	0.0	0.0	0.1	0.0	0.1	(0.0)	(36%)
	Gypsum	million tons	0.1	0.1	0.1	0.1	0.2	(0.0)	(23%)
	Additional material	million tons	0.1	0.2	0.2	0.2	0.2	(0.0)	(18%)
	Other	million tons	0.1	0.2	0.2	0.2	0.1	(0.0)	(19%)
306-2	Waste other than byproducts – Total production	thousand tons	22.2	65.1	11.6	14.6	13.4	(42.8)	(66%)
	Non-hazardous waste	thousand tons	21.8	64.6	11.1	14.0	10.9	(42.8)	(66%)
	Hazardous waste	thousand tons	0.4	0.5	0.5	0.6	2.5	(0.1)	(12%)

Main Slovenské elektrárne figures

For the year ended 31 December 2020

GRI/EUSS	KPI	Unit	2020	2019	2018	2017	2016	2020-2019	%
Social									
G4-LA6	Injury Frequency Rate – Employees	index	0.4	0.5	0.1	0.5	0.7	(0.1)	(24%)
G4-LA6	Registered injuries – Employees	#	3	4	1	4	5	(1.0)	(25%)
G4-9	Headcount	#	4,249	4,222	4,356	4,339	4,380	26.3	1%
	Male	#	3,544	3,510	3,624	3,643	3,693	33.9	1%
	Female	#	705	712	732	696	686	(7.7)	(1%)
	Executives	#	23	21	22	22	26	1.1	5%
G4-LA1	New hires rate	%	8%	7%	7%	8%	11%	0.0	20%
	Employee turnover rate	%	8%	9%	9%	8%	9%	(0.0)	(9%)
G4-LA9	Total training hours – per employee	hours per capita	55.9	59.1	76.6	45.3	49.5	(3.2)	(5%)

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