



**ITEM 12**

**Adopting of a resolution on the release of members of the Management Board of the Company from responsibility for their conduct as such officers**

Up until the present moment, the General Meeting of the Shareholders of Electrorazpredelitelni mreji Zapad AD (*with former business name CEZ Distribution Bulgaria AD*) has released the members of the Management Board of the Company from responsibility for their conduct as such officers up until 31 December 2020.

At the same time, the General Meeting of the Shareholders of the Company shall approve the Annual Financial Statements of the Company for the year 2021 at this present session.

Up until the present moment, the Company has not established reasons for the invocation, to the benefit of the Company, of responsibility of any of the people, who have been members of the Management Board of the Company during the above-stated period.

In order to avoid compromise with the legitimate interest of the Company, the proposal of the Supervisory Board of the Company regarding the release from responsibility is made on the terms and conditions, as set out in the draft-resolution.

The release refers exclusively to the deals and the action, which have been entered into or taken by the members of the Management Board of the Company, insofar as these deals and action or the result from them are reflected in the Annual Financial Statements of the Company for year 2021, as such statements are audited by an independent auditor and approved by the General Meeting of the Shareholders.

Draft resolution:

*“The General Meeting, on the grounds of Art. 221, item 10 of the Law on Commerce and Art. 48, item 7 of the By-Laws of the Company, releases any and all persons, who have been members of the Management Board of the Company, from responsibility for their conduct as such officers for the year 2021. The release refers exclusively to the deals and action, which has been taken by such persons, insofar as this action or the result from it are reflected in the Annual Financial Statements of the Company for the year 2021, as such statements are audited by an independent auditor and approved by the General Meeting.”*