EPH

2020 financial results and ESG update

10th May 2021

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❑ The Information contains certain measures that are not measures defined by International Financial Reporting Standards, namely, EBITDA, Adjusted EBITDA, Pro-forma Adjusted EBITDA, Capital Expenditures, Free Cash Flow, Cash Conversion Ratio, Group Cash Conversion Ratio, Gross Debt, Cash and Cash Equivalents, Net Debt, Net Leverage Ratio. These measures do not represent the measures of the same or similar names as may be defined by any documentation for any financial liabilities of the Group

❑ The Information should be read in conjunction with the “Consolidated annual report for the year 2020” as published on www.epholding.cz

Content

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- ESG and sustainability
- Key takeaways
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  - EP Power Europe
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Executive summary

- In 2020[1,2] EPH is proud to present it reached:
  - **Consolidated sales** of **EUR 8,531 million** (EUR 8,572 million in 2019)
  - **Pro-forma Adjusted EBITDA** of **EUR 2.1 billion** (EUR 2.1 billion in 2019)
  - **Net Leverage Ratio** of **EUR 2.0x** (EUR 2.4x in 2019)
  - **Group Cash Conversion Ratio** at approx. **82%** (83% in 2019)
- **Energetický a průmyslový holding** ("**EPH**" or together with its subsidiaries "the **Group**") is a unique vertically integrated energy utility, which covers the complete value chain ranging from natural gas transmission, gas storage, gas, heat and electricity distribution and supply, highly efficient cogeneration as well as power and heat generation
- EPH assets are located in low-risk economies: the Czech Republic, Slovakia, Germany, Italy, the UK, Ireland and France
- **Approx. 88%** of 2020 Group's Adj. EBITDA is generated from **regulated and / or long-term contracted** predominantly energy infrastructure and generation assets and has predictable and stable cashflows with **excellent cash conversion**
- **Low indebtedness** fully evidenced by net leverage ratio is comparable or even lower to its peers
- Group **materially extended debt maturity profile** especially thanks to EPIF 2028 and 2031 bonds and EPH EUR 1bn 2024 bank facilities with **only minor maturities until the end of 2023**
- Thanks to infrastructure nature of the business, EPH was resilient to shock caused by Covid 19. At the same time, EPH has devoted huge effort to protect the employees and to deliver critically needed products and services to the customers
- EPH is a European leader in **decarbonisation** and **transitioning** from coal to non-coal assets and focuses on natural gas, apart from renewable power generation, as a key bridging fuel in the transition period towards reaching the net zero carbon future
- Emission intensity of Group **declined by 47%** between 2014 and 2020 **saving approx. 21 mt of CO2 p.a.** compared to 2014
- **81%** of net power produced in 2020 by EPH was from **zero or low carbon-intensive sources** and it is constantly expanding the share of such energy generation in the portfolio

1. All figures in the presentation calculated on fully consolidated basis, unless explicitly stated otherwise
2. For definitions of selected indicators and ratios see Appendix

Key Strengths

EPH

1. Well **diversified portfolio** both geographically and across the entire utilities value chain
2. **Key assets** providing critical services **with leading positions** and **strategic importance** for Europe
3. Predominantly **regulated and / or long-term contracted** energy infrastructure and generation assets
4. Vast majority of EPH's financial results stems from operations with **negligible CO_2 footprint**
5. Large and growing EPPE business investing in controllable **renewables** and **low-emission gas-fired powerplants**
6. European leader in **transitioning** from coal to non-coal assets
7. Predictable and stable performance with an **excellent cash conversion**
8. Well **diversified debt maturity profile** with high liquidity cushion
9. Conservative financial profile and policy with **investment grade credit structure**
10. Resilient business managed and operated by a **highly competent and experienced management team** with a proven track record

EPH at glance

EPH overview

- **A Prague-based vertically-integrated energy group**
- It consists of two key pillars:

EP Infrastructure ("EPIF")

  - **Gas Transmission** in Slovakia
  - **Gas and Power Distribution** in Slovakia
  - **Gas Storage** in the Czech Republic, Slovakia and Germany
  - **Heat Infrastructure** in the Czech Republic

- Generates vast majority of EPH Adjusted EBITDA (74% in 2020[1]) and has an excellent cash conversion of 87%
- Regulated or long-term contracted businesses
- Marginal CO_2 footprint (1% of EPH CO_2 emissions in 2020)

EP Power Europe ("EPPE")

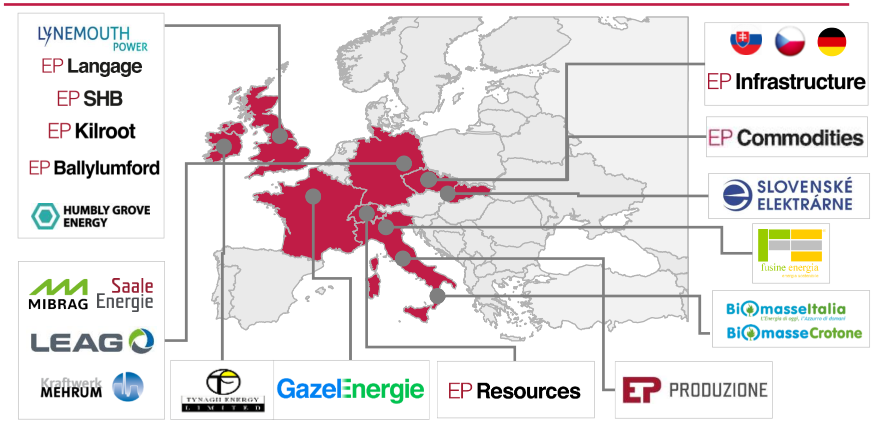
- Electricity generation (including related activities) mainly in Italy, the UK, Germany, Ireland, Slovakia and France and lignite mining in Germany
- Stable and resilient business with **high and increasing share of contracted and semi-regulated business** (approx. 60% in 2020)
- High cash conversion of 76% in 2020
- **European leader in transitioning from coal to non-coal assets** continuously decreasing the share of coal in its fleet
  - **Over EUR 1.5bn investments into zero or low emission** sources spent recently or already committed
  - Continuous increase of the contribution to EPH total Adjusted EBITDA

- Emission intensity of EPH **declined by 47%** between 2014 and 2020, which resulted in **saving of 21 mt of CO_2 p.a.**
- A further substantial decrease is planned:
  - Approx. **80%** of our hard coal fired power plants will be **closed by 2023**
  - **100%** of our hard coal fired powerplants will be closed by **2025**
  - All non-German **operations to abandon lignite as primary fuel by 2030**
- EPH consolidated companies employ over **11,000 employees**

KPIs of the Group[2]

Natural Gas		**2020**	**2019**
Gas transmission capacity	bcm	88.7	84.3
Gas transmission / distribution	bcm	57.0 / 5.5	69.1 / 5.3
Gas storage capacity	TWh	64.2	60.8
Heat and Power		**2020**	**2019**
Installed capacity (net) [3]	GW_e	11.0	13.0
Power production (net)	TWh_e	38.1	33.4
Power distribution	TWh_e	5.9	6.2
Heat supplied	PJ	19.8	22.7
ESG indicators		**2020**	**2019**
Share of zero or low carbon intensive sources on power production	%	81	79
Emission intensity	tCO_2/GWh	458	465

Geographic presence of EPH



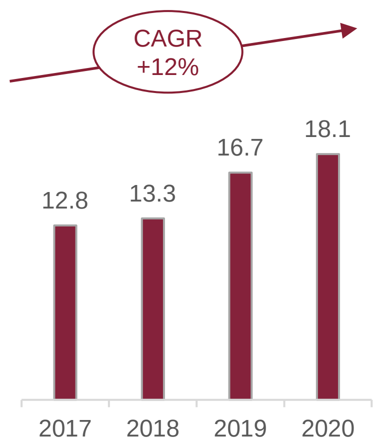
1. For definitions of selected indicators and ratios see Appendix
2. Operating data for year 2020 and 2019 as presented in EPH Annual report 2020 and 2019
3. The capacity as of 2020 was pro-forma adjusted for Provence 5 power plant in France as it was effectively in a stand-by mode (to be completely closed in Q2 2021)

Overview of Financials[1,2]

€m		2020	2019	2018	2017
INCOME STATEMENT					
Sales	€m	**8,531**	8,572	7,072	6,005
Adjusted EBITDA	€m	**2,198**	2,096	1,808	1,859
Pro-Forma and other adjustments	*€m*	***(82)***	*15*	*50*	*66*
Pro-Forma Adjusted EBITDA	€m	**2,115**	2,111	1,858	1,925
Profit for the year	€m	**1,656**	803	630	872
BALANCE SHEET					
Total assets	€m	**18,052**	16,689	13,329	12,791
CAPEX	€m	**391**	364	379	441
Net Financial Debt	€m	**4,255**	5,110	5,039	5,446
RATIOS					
Adjusted EBITDA Margin	%	**26%**	24%	26%	31%
Cash Conversion ratio	%	**82.21%**	82.63%	79.04%	76.28%
Net Leverage Ratio[3]	x	**2.0x**	2.4x	2.7x	2.8x

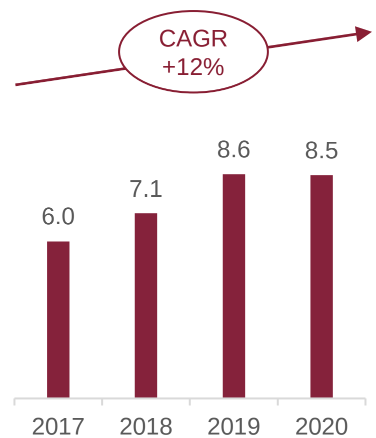
Consolidated Assets

EUR bn



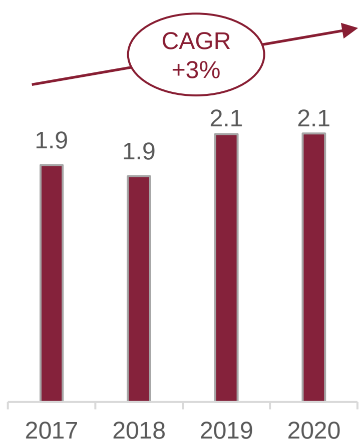
Consolidated Sales

EUR bn

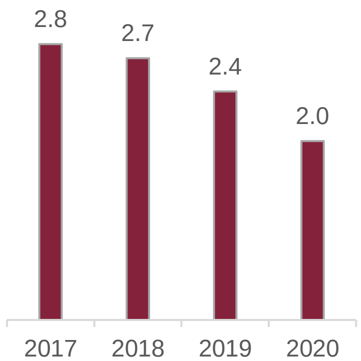


Pro-Forma Adjusted EBITDA

EUR bn



Net leverage ratio[3]



Note: Figures may not add up due to rounding
1. As per 2020, 2019, 2018 and 2017 audited financial statements
2. For definitions see Appendix
3. Multiple of Pro-forma Adjusted EBITDA

EPH

ESG pillars

ENVIRONMENT

Our role

- **76%** of EPH's Adj. EBITDA is derived from **Gas Transmission**, **Gas and Power Distribution, Gas Storage, Renewables and other** activities, which are minor GHG emitters responsible for only **1%** of our total GHG emissions
- EPH has focused on low carbon intensive production and renewables rather than on traditional fossil fuel assets; this is supported by the fact that only **19%** of the power produced in 2020 was generated by **hard-coal or lignite power plants,** mostly in Must Run regime or by highly efficient CHPs

Efficiency

- The initiatives realized or announced by EPH for **2014-2023** reduce annual **CO_2 emissions by c. 29 mt**. We hold a leading position in respect of decarbonization efforts in the EU as documented by 12% share on overall CO_2 reduction in the EU in the period 2014-2018
- The **emission intensity** of our assets declined between **2014-2020 by 47%** and we plan further substantial decrease
- Our goal is to save **42 mt of CO_2 annually** by 2035

GOVERNANCE

The governance of EPH and its sub-holdings is based on a two-tier management structure comprising the Board of Directors and the Supervisory Board

- ✓ Promoting ethics
- ✓ Economic sustainability
- ✓ Risk management
- ✓ Progress on goals and commitments
- ✓ Responsible finance
- ✓ Responsible funding
- ✓ Regulatory compliance
- ✓ Efficient management
- ✓ Open and honest communication with all stakeholders incl. NGOs
- ✓ EPH Group wide ESG policies and two Health, Safety and Environmental Committees in place setting the ESG relevant framework across the EPH Group

SOCIAL

Health and Safety

- EPH did not report any fatal injury among employees in 2020
- All EPH Group companies are compliant with the legislative requirements in the H&S area in the countries in which they operate
- **65%** of EPH's employees work in companies that are certificated under **OHSAS 18001/ISO 45001**

Employees

- Equal and fair treatment
- Healthy and safe working conditions
- ✓ EPH is a proud employer of 284 employees with various disabilities
- ✓ **88%** of employees is covered by numerous collective bargaining agreements

Source: Internal EPH data

Exceptional cash conversion aided by a conservative financial policy

Summary capital structure

Fully consolidated basis (€m)	31 December 2020
Gross Debt	6,020
Cash and Cash Equivalents	1,765
Net Debt	**4,255**
Pro-Forma Adjusted EBITDA[1]	2,115
Net debt / Pro-Forma Adjusted EBITDA	**2.01x**

EPH financial policy

- **Conservative financial profile** and policy
  - EPH maintains highly conservative capital structure, with **low indebtedness and minor maturities until 2024**
  - Approx. 88% of EPH group Net Financial Debt is located within EP Infrastructure subgroup contributing approx. 74% to the EPH Group Adjusted EBITDA; i.e. a majority of EPH Group indebtedness is in a purely infrastructure part of the group
  - Rest of the group represents only approx. 12% of EPH group Net Financial Debt against approx. 26% contribution to Adjusted EBITDA

EPH financial policy

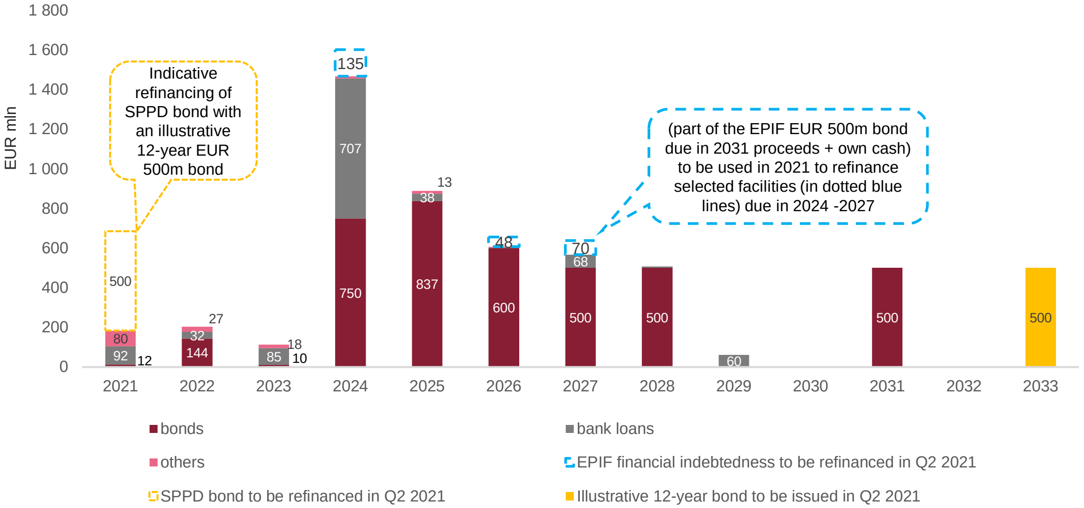
- Predictable and **stable cashflows** with **excellent cash conversion**
  - Low levels of maintenance capital expenditures provide for **strong cash conversion**
  - Historical **cash conversion ratios of over 75%**
- Disciplined and **conservative acquisition strategy**
  - Focus on assets with high level of predictability of the operations backed by:
    - regulation and /or
    - state backed schemes like capacity market payments, green bonuses, Must Run regimes etc.
- **Resilient business** managed and operated by a **highly competent and experienced management team** with a proven track-record
  - **Experienced management** with proven operational track-record
  - Successful track-record of EPH in cost and asset management and **optimisation of acquired assets**
  - **Disciplined focus** on value-creating projects
  - **Strong focus on TCO** (Total Cost of Ownership), seeking optimal and sound economic conditions (including financing) for each investment

EPH

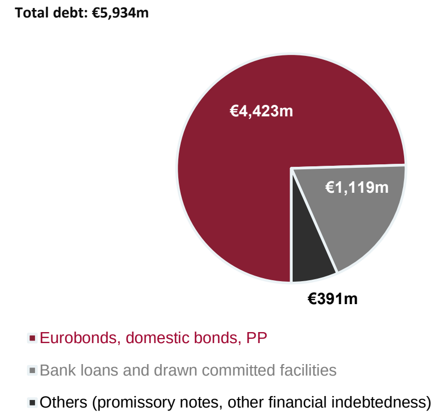
1. 2020 was last year in which was the performance influenced by SOT effect; in 2020 positive EBITDA of EUR 90m (compared to positive effect of EUR 50m in 2019)

Gross debt overview as of 31 March 2021[1]

Debt maturity profile[2, 3]



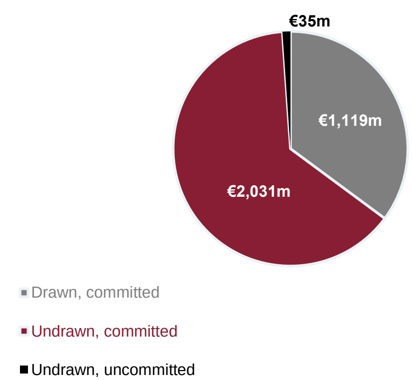
Debt breakdown by instrument[2]



Commentary

- As of 31 March 2021 the EPH Group had **EUR 2.1bn of undrawn credit lines** with a weighted average duration of 2.5 years
- On 17 March 2020, EPH FIN CZ issued 5-year senior unsecured bond (guaranteed by EPH) in the total amount of CZK 5bn bearing fixed interest rate of 4.5% per annum. During July 2020, the issuance was successfully increased to maximum volume of CZK 7.5bn
- On 25 June 2020, eustream **issued 7-year senior unsecured bond** in the total amount of **EUR 500m** bearing fixed interest rate of 1.625% per annum
- On 15 July 2020, the Group **repaid bonds** issued by SPP Infrastructure Financing B.V. in 2013 in the nominal amount of **EUR 750m** using combination of proceeds from 2027 bonds issued by eustream (EUR 500m) on 25 June 2020 and own sources
- On 2 March 2021, EPIF successfully **placed at par its offering of 10-year bond of EUR 500m**. In 2021 the proceeds and own cash were used to repay EUR 400m term loan due in 2025, and were used to repay selected existing facilities in April 2021: (i) EUR 135m Schuldschein I due in 2024, (ii) EUR 48m Schuldschein II due in 2026 and (iii) EUR 70m private placement due in 2027
- On 16 March 2021, EPH signed a **new 3Y bank financing agreement** for the total amount of **EUR 1bn**. Consisting of term loan EUR 500m and revolving credit facility EUR 500m. The part of funds were used for repayment of bank debts of **EPPE non-coal assets** and rest of the facility can be used for general corporate purposes **excluding any coal-related activities**
- SPPD intends to **refinance its existing EUR 500m bond** maturing in June 2021 through issuance of a long-term bond with the same nominal amount in Q2 2021

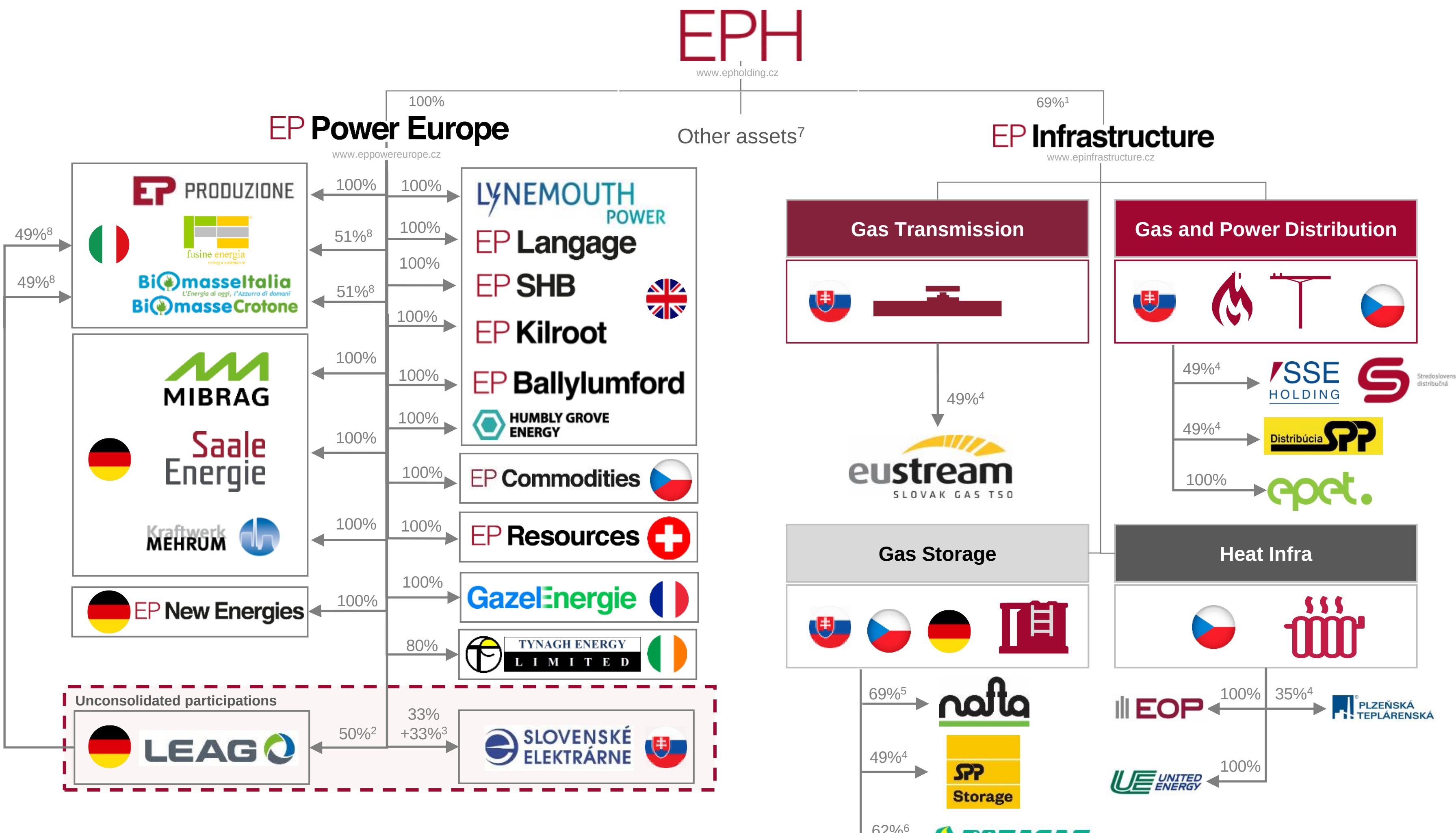
Utilization of bank financing



1. Showing data as of 31 March 2021 instead as of 31 December 2020 due to a series of changes made in Q1 2021, for more details please see Commentary part
2. Excluding operating leases
3. Excluding financial leases and factoring

Content

All infrastructure assets are grouped under EPIF, while EPPE offers a platform for opportunities in power generation, renewables and waste to energy



1. 31% owned by a consortium of global infrastructure investors led by Macquarie Infrastructure and Real Assets ("MIRA")
2. 50% shareholding in LEAG acquired in 2016 as a 50-50 consortium with PPF Investments
3. Not formally part of EPPE but presented under EPPE due to same business scope. EPH holds a 33% stake in SE with a put-call option structure for additional 33% after certain conditions are met
4. Including management control
5. 40.45% controlled directly and 56.15% is controlled by SPP Infrastructure. EPIF stake in SPP infrastructure is 49% including management control; considers own shares held in Nafta
6. 65% is controlled by Nafta and 35% is owned by SPP infrastructure
7. Other assets primarily comprise sourcing and logistics
8. EPPE holds 75.5% stake in total (following the sale of 49% stake in EPNEI to LEAG

EP Infrastructure highlights

EP Infrastructure

BBB
Outlook: stable
S&P Global

Baa3
Outlook: stable
Moody's

BBB-
Outlook: stable
Fitch Ratings

- ✓ EPIF owns and operates essential infrastructure assets in stable and developed markets of **Slovakia, the Czech Republic** and **Germany**
- ✓ EPIF consists of **four principal segments**: gas transmission, gas and power distribution, gas storage and heat infra
- ✓ All EPIF assets have **stable and resilient cash flows**
- ✓ EPIF's assets are strategic and vital for the region; **major subsidiaries** are **co-owned by the Slovak Republic** ensuring stakeholder alignment, whereby EPIF keeps management control over all its subsidiaries(1). EPIF is a major contributor in form of dividends and taxes to the Slovak state tax revenue
- ✓ **EPIF was the first company in the CEE to obtain an ESG Rating by S&P**, supporting us to better identify opportunities and to strengthen our sustainability commitment(2)

1 EPIF operates critical energy infrastructure
- Active in gas transmission, gas and power distribution, heating infrastructure and gas storage
- Our assets are regulated and/or long-term contracted

2 Track record of stable and resilient performance
- EPIF has historically achieved a solid track record of growth through value-accretive acquisitions and organic growth projects, which now turns into a stable and resilient performance
- Further development and optimization opportunities, as well as selective bolt-on M&A opportunities, provide potential avenues for continued growth

3 Large and diversified asset base
- Diversified across multiple types of infrastructure, which contributes to EPIF's stability
- No exposure to a single asset type

4 Partnership with public entity further contributes to a high degree of stability
- Aligned goals and targets with local public partners, while keeping management control
- Both EPH and EPIF are private enterprises with shareholder interests as the main priority

5 Strong cash flow generation
- Adjusted EBITDA (EUR 1.6bn in 2020 and EUR 1.7bn in 2019), with a strong cash conversion (approx. 87% in 2020 and 87% in 2019)
- Some of the networks we operate are newly-built or have been rebuilt recently
- Regulatory framework motivates us to optimize (not maximize) investments

6 Value-driven management team with a proven track record
- Experienced and well-structured stable management team
- Proven track record in spotting and extracting value, implementation and integration

1. Minority shareholders include (i) the Slovak Republic in eustream, SPPD, SPPS and SSE; (ii) Slovak Republic and other minor shareholders in Nafta, Nafta Speicher and Pozagas; (iii) City of Pilsen in Plzeňská teplárenská
2. EPIF score was 65/100 points awarded by S&P in April 2020

EP Power Europe highlights

EP Power Europe

- ✓ EPPE owns operations across developed markets including **the UK, Italy, Ireland**, **France** and **Germany**
- ✓ Approx. **60%** of the **EPPE Group Adjusted EBITDA** comes **from contracted or regulated activities**
- ✓ EPPE focuses on power generation and **renewable energy** (like biomass) including development of wind and solar powerplants
- ✓ EPPE provides **security of supply** through a fleet of controllable and flexible power plants
- ✓ **75%** of installed capacity comes from **zero or low carbon-intensive sources**[(2)]
- ✓ **84%** of power in 2020 was produced from **zero or low carbon-intensive sources**
- ✓ **Constant emission intensity decrease**
- ✓ Leading EU player in **decarbonization** of conventional power plants
- ✓ Favourable position in merit order
- ✓ Coal power generation and mining activities **financed solely from equity**

1 A fleet of safe and controllable power generation and renewable assets

- EPPE owns operations across developed markets including the UK, Italy, Ireland, France and Germany with a focus on power generation and sophisticated renewable energy (biomass)
- EPPE's power generation portfolio provides a balanced and diversified mix of thermal and biomass power plants and other renewable sources, which provides a strong security of supply

2 Low leverage, strong and predictable cash-flow generation, conservative funding

- Approx. 60% of the EPPE Group Adjusted EBITDA comes from contracted or regulated activities (e.g., CFD contract in the UK, Green Energy subsidy and Must Run contract in Italy)
- Cash conversion ratio above 60% (76% in 2020[(1)] and 69% in 2019[(1)])
- Net cash positive with very low gross debt
- Resilient performance results even during problematic market conditions
- Coal power generation and mining activities financed solely from equity

3 Responsible and environmentally sustainable operations

- EPPE is committed to operating its portfolio responsibly to gradually reduce environmental footprint, meet interests of all key stakeholders and stands ready to meet its liabilities, particularly associated with future decommissioning and re-cultivations
- 75% of installed capacity comes from zero or low carbon-intensive sources
- 84% of power in 2020 was produced from zero or low carbon-intensive sources

4 Leading EU player in decarbonization

- Closure of 4 coal-fired power plants in 2021 and 2022 with an installed capacity of 1,947 MW (Provence 5 and Emile Huchet 6 in France, and Mehrum and Deuben in Germany) ahead of planned coal exit in particular countries
- Clear path to close other coal and oil-fired power plants (e.g. Kilroot (513 MW) in Northern Ireland in 2023)
- Massive investments in carbon footprint reduction (EUR 1 bn in the last 5 years), additional EUR 0.5 bn to CCGTs/OCGTs in coming 3 year and further investments of hundreds of millions EUR in Germany

5 Strong position in international commodity markets

- Via its group trading arms, EP Commodities and EP Resources, EPPE has a significant presence in international power, gas, carbon and other commodity markets

6 Value-driven management team with a proven track record

- Experienced and well-structured stable management team
- Proven track record in spotting and extracting value, implementation and integration

1. Based on 2020 and 2019 financials
2. The capacity as of 2020 was pro-forma adjusted for Provence 5 power plant in France as it was effectively in a stand-by mode (to be completely closed in Q2 2021)

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Since we published our first ESG presentation in December 2020, we have realized a significant progress in this vital area

We have announced closures of five major coal and lignite power plants in Germany, France and Northern Ireland

- Ahead of the official French coal phase-out date, **we will shut down coal power plants Provence 5**, located in Bouches du Rhone, in Q2 2021 **and Emile Huchet 6**, located in Moselle, in Q1 2022. Total installed capacity of both plants represents 1190 MW
- In Germany, based on results of the second German coal phase-out auction, **the Mehrum hard coal power plant** (net installed capacity 690 MW) and **Deuben lignite power plant** (net installed capacity 67 MW) **are planned to be closed** in the course of **2021**. At Mehrum, the closure is subject to review of the transmission system operator as the plant could be considered relevant for power grid stability
- In Northern Ireland, in **Kilroot**, the Group has been awarded with 10-year capacity contracts starting in 2023 and 2024. To honour the contracts, the Group plans to build two modern highly efficient gas units (app. 700MW, operational in 2023) while **decommissioning the existing hard coal and oil assets (total installed capacity 513 MW)** in 2023

We have signed a contract on development of 300 MW wind parks

- EP New Energies, by the EPH Group owned renewables developer, selected GE Renewable Energy (GE) to supply top class **50 wind turbines**, each with **6 MW** rated **capacity**
- The approval procedures for the projects will start as early as this year with the first construction to start in 2023. This step is part of EPH Group's renewable energy strategy to **transform real estate capabilities** and former open-cast lignite mining areas by implementing **onshore wind energy and photovoltaics**

We have introduced additional ESG policies, broadening the scope of covered areas

- In March 2021, the EPH Board approved **additional set of ESG policies**, complementing existing policies which were historically implemented on EPH or its sub-holdings (such as EP Infrastructure and EP Power Europe). The areas newly covered include, among others, the **asset integrity management, cybersecurity, whistle-blowing, diversity or biodiversity**. The policies are to be implemented across EPH Group companies throughout 2021. Majority of the policies are publicly available on our website[1]

1. https://www.epholding.cz/en/polices-connected-to-esg-area/

EPH takes an active role in transforming the energy system: Key highlights (I/II)

EPH is highly committed to environmental, social and safety aspects of its operations

- Sustainability, social, health and safety topics are cornerstones of EPH's operations
- EPH already implemented and continues to pursue a number of initiatives to materially **decrease** its **environmental footprint**, whilst keeping focus on social, health and safety aspects of this strategy
- To assure even greater focus and best practice governance, EPH installed **Mr. Gary Mazzotti** as the independent member of the boards of directors of EPIF and EPPE **in charge of the ESG agenda**

Vast majority of EPH's financial results is stemming from infrastructure assets with negligible CO_2 footprint

- EPH consists of two pillars: EP Infrastructure (EPIF) and EP Power Europe (EPPE). As the name suggests, EPIF owns and operates infrastructure assets while EPPE owns and operates power and heat generation assets
- Vast majority of our Adjusted EBITDA is generated from regulated and/or long-term contracted businesses of EPIF having only a marginal CO_2 footprint **(68% of Adjusted EBITDA in 2020; 1% of CO_2 emissions).** These include gas transmission, gas and power distribution or gas storage. Together with renewable generation of EPPE, these **segments with minimal emissions footprint** contributed **76% of EPH Adjusted EBITDA** in 2020 and this share is expected to significantly improve in the future
- The gas infrastructure assets also contribute through gas transmission, distribution, storage and supply to final consumers to secure reliable supply of natural gas which we view as the key bridging fuel in the transition period towards reaching the net zero carbon future

EPH is (largely through EPPE) a major contributor to reduction of CO_2 footprint in the EU

- The initiatives realized or announced by **EPH for 2014-2023 reduce annual CO_2** emissions **by c. 29 mt[1]. We hold a leading position in respect of decarbonization efforts in the EU as documented by 12% share on overall CO_2 reduction in the EU in the period 2014-2018[2]**
- **The emission intensity** of our assets **declined between 2014-2020 by 47%** and we plan further substantial decrease
- Our goal is to **save** more than **42Mt of CO_2 annually by 2035**

1. Along with reducing production at existing coal plants
2. Data on CO2 emissions by sector in the EU for 2019 or 2020 were not available on Eurostat at the time of preparing this presentation

EPH takes an active role in transforming the energy system: Key highlights (II/II)

EPH is one of the leading players in decarbonization of conventional power plants

- In our decarbonization efforts, we strive to seek **real solutions** - not merely offloading but truly **decommissioning** the most **carbon-intensive sources** while investing and actively **converting** our plants **to** low-carbon or fully **renewable sources**
- We endorse decarbonization efforts and actively pursue them. As a major European energy player, EPH acknowledges its role in the energy transition and supports the process by already realized as well as planned decommissioning and conversion projects
- For each of the assets we have prepared a **clear transition plan.** In cases without any restrictions (power system stability, social or other) we typically implement the transition very quicky (e.g. Mehrum 2021, Provence 5 and Emile Huchet 6 in France during 2021/2022). In the remaining cases with restrictions we strive to communicate with the regulators and/or stakeholders to agree upon the **fastest possible transition** that would reflect the specific requirements and constraints. In case of predominantly lignite-based Czech CHPs[1], we have laid down a roadmap to convert the assets to a balanced mix of gas and biomass units by 2028/2029, although no official coal phase-out date has been announced by the Czech government and a new regulatory framework to support much faster decarbonization is still discussed

EPH massively invests in carbon footprint reduction

- In the **last 5 years EPH invested** over **EUR 1 bn** into **zero and/or low carbon footprint** power plants (primarily biomass and modern CCGTs). In 2021, **EPH will commence development** of **modern and efficient OCGT units** in Northern Ireland, replacing the Kilroot coal and oil units, and **a new 800 MW CCGT** unit at Tavazzano and Montanaso power plant in Italy. In Mibrag, among other green projects, we intend to develop and operate **two major wind farms** on former sites of United Schleenhein mine and Profen mine, accompanied by a **photovoltaic power plant** powering the adjacent buildings and facilities. The total development CAPEX for these projects aimed at further substantial reduction of CO_2 emissions **will exceed EUR 1 bn.**
- **EPH** continues to **invest to** developing a fleet of dispatchable **modern low carbon footprint assets** (biomass, waste to energy, natural gas, and storage), to either replace its existing coal fired power plants or to build completely new ones to back up intermittent renewables and provide much needed security of supply. Beyond that **we invest into cutting edge technologies** and innovations involving **storage, hydrogen and smart technology couplings**

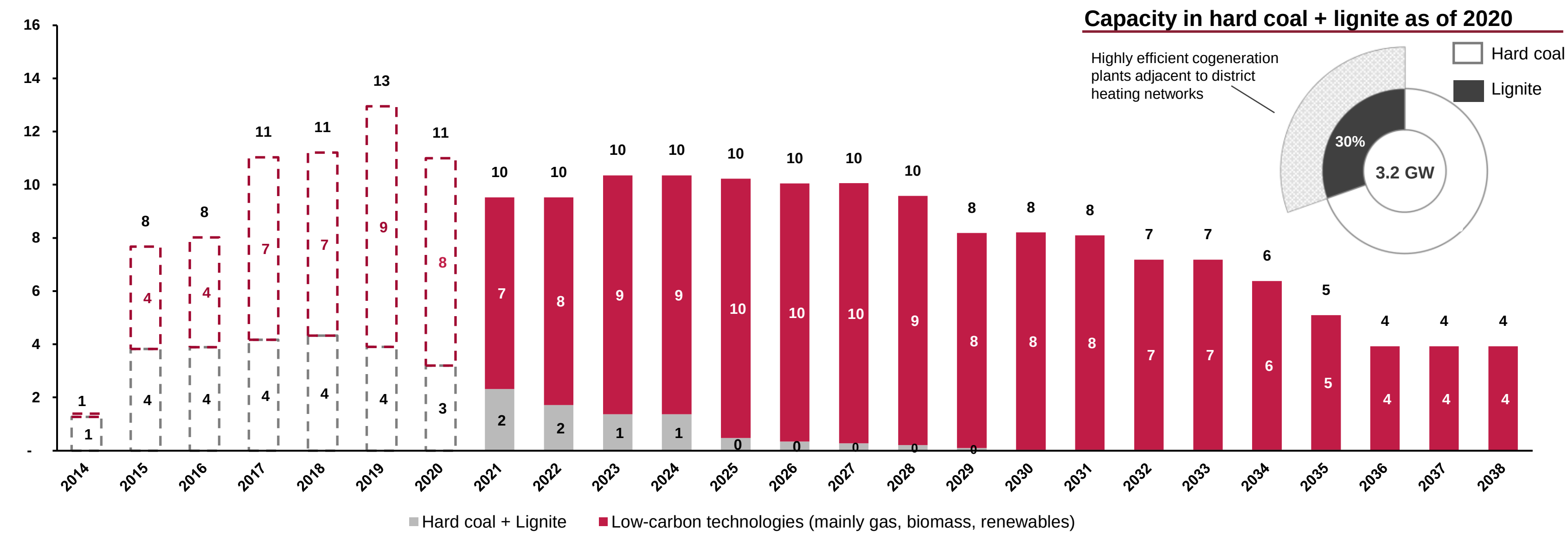
EPH through EPPE operates a balanced portfolio of power generation assets with a key weight on natural gas

- The share of **coal generation** in our portfolio **dropped in 2020 to 19% of which ca 1/3 are CHPs[1]** operated in highly efficient cogeneration mode. The share will further decline as large portion of coal-based assets will be either decommissioned or shifted to capacity reserve or converted to zero or low carbon footprint technologies
- Already **by 2023, ca 80%** of our remaining **installed capacity in hard coal** will be **closed,** while **all our hard coal fired power plants** will be **closed by 2025.** The fleet of lignite CHPs which will be operated beyond 2025, is predominantly represented by **highly efficient heating plants**, **supplying residential and commercial customers with heat**, with clear conversion strategy to low-emission fuels

1. Combined heat and power

Installed capacity in coal will gradually decline as a result of both decommissioning and conversion projects

Installed capacity development: Low or zero emission capacities vs. coal capacities (GW)[1,2]



- Total installed capacity in hard coal and lignite of ca 3.2 GW[1] as of 2020 will gradually decline as the coal-fired power plants in our portfolio will be either **decommissioned or converted** to a more environmentally friendly fuel source in near or not too distant future. Current operations of our conventional assets are often **driven by stability needs of electricity grids** (e.g. coal power plant Kilroot in the UK, which will be however decommissioned in 2023) or are a vitally needed, irreplaceable source of power (Fiume Santo in Sardinia, Italy). Specifically in Germany, our transition plans are a key part of *Kohleausstieg* plans coordinated with the German federal government
- Major coal decommissioning and conversion projects have already been realized, primarily in the UK where we decommissioned Eggborough power plant (1,960 MW) and converted Lynemouth power plant to pure biomass (396 MW). Furthermore, closures of four additional power plants in France and Germany with total capacity of 1,947 MW have been announced (to be shut down in 2021 / Q1 2022), followed by coal and oil units in Kilroot to be decommissioned in 2023 (513 MW). Overview of realized and planned closures and conversion projects is presented on the following slide
- The remaining installed capacity in lignite is operated in **highly-efficient cogeneration mode** (CHPs located mainly in the Czech Republic) supplying heat to district heating networks. This avoids a lot of primary energy that would otherwise be needed, resulting in overall CO_2 savings

1. Operating data are presented consistent with IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE. Buschhaus power plant is excluded from 2016 onwards as it was placed into stand-by mode in 2016 and decommissioned in 2020. The power plant Provence 5 was excluded from 2020 capacity as it was effectively in a stand-by mode (to be completely closed in Q2 2021). The scope does not include the Schkopau power plant where EPH will likely increase its share from 42% to 100% in October 2021 as a result of historical agreements
2. Projections of future development of installed capacity 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

EPH actively decommissions coal-fired power plants or converts them to low or zero carbon capacities

Specific examples of realized initiatives

- **Lynemouth** is a power plant (net installed capacity 396 MW) running on biomass, which was converted from hard coal. The conversion helped to significantly reduce SOx and NOx emissions. This conversion saves approximately 2.7 Mt of CO_2-eq emissions annually
- **Eggborough** power plant (net installed capacity 1960 MW) was decommissioned in 2018, saving 11.5 Mt of CO_2-eq emissions annually (compared to baseload operations in 2013). There are several site development plans in consideration, especially a new build CCGT project (http://www.eggboroughccgt.co.uk)
- **Buschhaus** power plant (net installed capacity 352 MW) in Helmstedter Revier was transferred into security stand-by mechanism in October 2016 until September 2020 and then was finally decommissioned
- Decommissioning of our **Mumsdorf** power plant (net installed capacity 110 MW) in Germany led to an annual saving of about 800 kt of CO_2-eq emissions
- Decommissioning of 2 older oil units (Unit 1 and Unit 2) in **Fiume Santo** (net installed capacity approx. 80 MW)
- Our investment in Czech CHP **Elektrárny Opatovice** (net installed capacity 378 MW) led to almost 50% reduction in aggregate amount of SOx and NOx emissions and dust particles

Planned closures and conversion projects[1]

- Coal-fired assets operated by **Gazel Energie** (net installed capacity 1190 MW) in France will be decommissioned ahead of the coal phase-out set by the government at year end 2022. While the power plant Provence 5, located in Bouches du Rhone, will be shut down in Q2 2021, the second power plant Emile Huchet 6, located in Moselle, is expected to operate until Q1 2022
- Following a successful bid in the second German coal phase-out auction, the **Mehrum** hard coal power plant (net installed capacity 690 MW) and **Deuben** lignite power plant (net installed capacity 67 MW) will be closed in the course of 2021 (Mehrum subject to review of the transmission system operator)
- **Kilroot** power plant (net coal installed capacity 350 MW with additional oil installed capacity of 163 MW) in the UK will be decommissioned in 2023. Power production from coal is driven by a capacity contract to ensure grid stability. The closed coal capacity will be replaced by newly built highly efficient natural gas units (almost EUR 200m to be invested)
- Boiler refurbishments at Czech heating plants **United Energy** and **Plzeňská teplárenská** will enable increase of biomass in our energy mix. The boilers are planned to be commissioned in summer 2021. In **Elektrárny Opatovice,** two out of six lignite units will be shut down in August 2021
- Coal power plant **Fiume Santo** (net installed capacity 599 MW) in Sardinia, Italy where sustained operations are required by local government is expected to be decommissioned in 2025. As the power plant is a key source of power on the island, an alternative source of power needs to be identified prior to the shutdown. The selected technology depends on discussions with local authorities, biomass is considered optimal by EPH provided that adequate generation subsidy is provided. In addition, we expect to build photovoltaic panels on the site
- In 2026-2029, the rest of predominantly **lignite-fired heating plants operated by EPIF** in the Czech Republic (net installed capacity 867 MW) are planned to be gradually replaced by a balanced mix of CCGTs, biomass boilers and waste-to-energy plants

1. The described actions are only indicative and are based solely on management estimates in respect of closures and refurbishments of individual plants. These plans are subject to future management decisions, market development as well as numerous risks and uncertainties

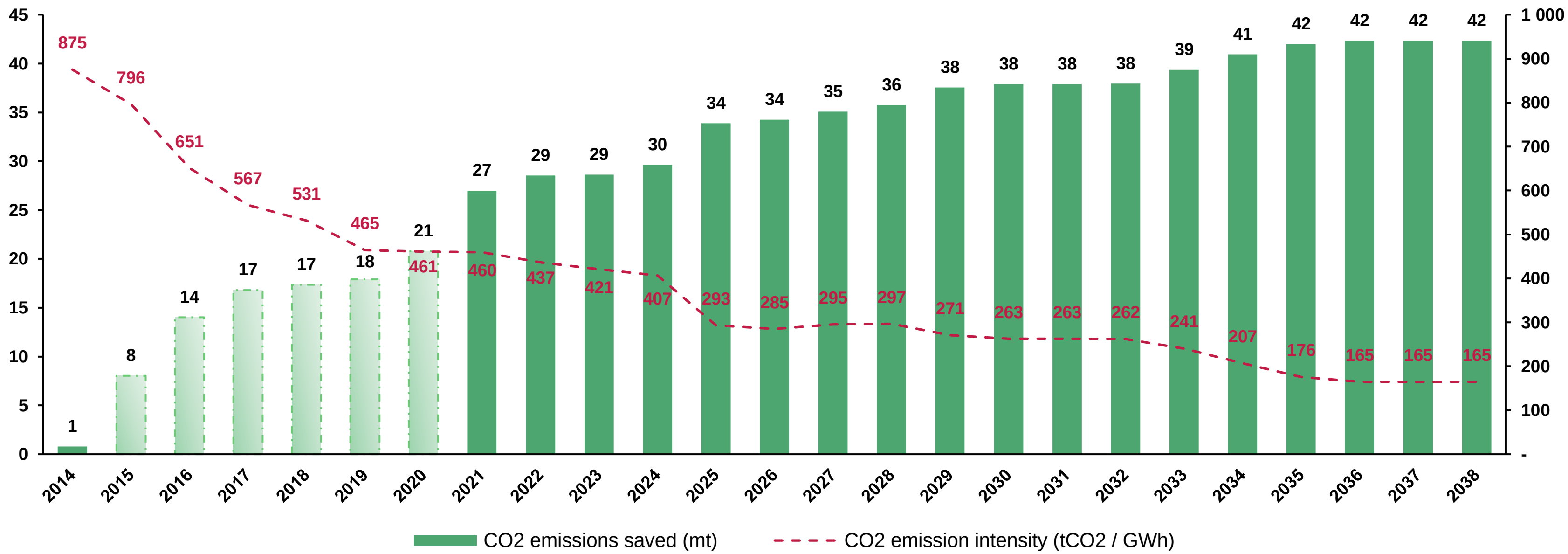
EPH is one of the leading players in decarbonisation having implemented or announced measures leading to reduction of annual CO_2 emissions by 25 Mt[1]

Country	Company	Plant	Capacity (GW)	Savings (Mt CO_2)	Fuel	Note[3]
UK	EPL	Eggborough	2.0	11.5	Coal	EPH decommissioned plant in 2018
UK	LPL	Lynemouth	0.4	2.7	Coal	EPH executed biomass conversion
DE	HSR	Buschhaus	0.4	2.7	Lignite	Voluntarily placed to security stand-by (no generation) in 2016 and closed in 2020
DE	MGB	Mumsdorf	0.1	0.8	Lignite	EPH decommissioned plant in 2013
Realized closures / conversions			**2.9**	**17.7**		
FR	Gazel	Provence 5	0.6	1.5	Coal	Provence 5 to be decommissioned in Q2 2021, while Emile Huchet 6 to be decommissioned in Q1 2022
FR	Gazel	Emile Huchet 6	0.6	2.1	Coal	
DE	KWM	Mehrum	0.7	2.5	Coal	Closure of Mehrum and Deuben in the course of 2021 based on results of second coal phase-out auction in Germany
DE	MGB	Deuben	0.1	0.9	Lignite CHP[2]	
Announced closures / conversions			**1.9**	**7.0**		
UK	KIL	Kilroot	0.5		Coal	The coal unit (dual boilers combusting coal + oil) is currently required for system stability and expected to be needed for its remaining life (expected decommissioning by 2023) and refurbishment to natural gas
ITA	FS	Fiume Santo	0.6		Coal	Must-run infrastructure, ongoing discussion for gas or biomass conversion
CZE	EOP	Opatovice	0.4		Lignite CHP	All three plants are highly efficient CHPs utilized for public district heating; EPH invested into DeSOx and DeNOx equipment reducing emissions significantly The assets are planned to be gradually replaced by a balanced mix of CCGTs, biomass boilers and waste-to-energy plants
CZE	UE	Komorany	0.2			
CZE	PLTEP	Plzenska teplarenska	0.3			
DE	MGB	Wählitz	0.0		Lignite CHP	CHP utilised for industrial purposes; closure expected in 2035
Planned closures / conversions			**1.9**			

1. CO_2 savings are calculated for year 2020 based on IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE. The year with peak emissions is used as a base year
2. Combined heat and power generation plants
3. The described actions are only indicative and are based solely on management estimates in respect of closures and refurbishments of individual plants. These plans are subject to future management decisions, market development as well as numerous risks and uncertainties

EPH will save more than 42 Mt of CO_2 annually by 2035

CO_2 emission intensity and annual emissions saved[1,2,3,4]



- The trend of improving emission efficiency is characteristic for the last 7 years and is projected to continue due to following causes:
  - EPH increases its installed capacity (and thus generation) in renewables and gas plants, which are approximately half emission intensive compared to lignite or hard coal
  - Power generation of the existing hard coal and lignite-based plants will be limited as large portion of the capacity is not utilized and only held for grid stability purposes
- Owing to the realized and planned initiatives described previously, 42 mt of CO_2 emissions are projected to be saved annually from 2035 onwards. By 2020, we had already achieved savings of c. 21 mt of CO_2 compared to 2014 following decommissioning of Eggborough power plant, conversion of Lynemouth power plant and transfer of Buschhaus power plant to stand-by mode, along with reducing production at existing coal plants. The **savings** realized until 2018 represent c. **12% of the total CO_2 emissions reduction** from heat and power generation in EU between 2014 and 2018[5]

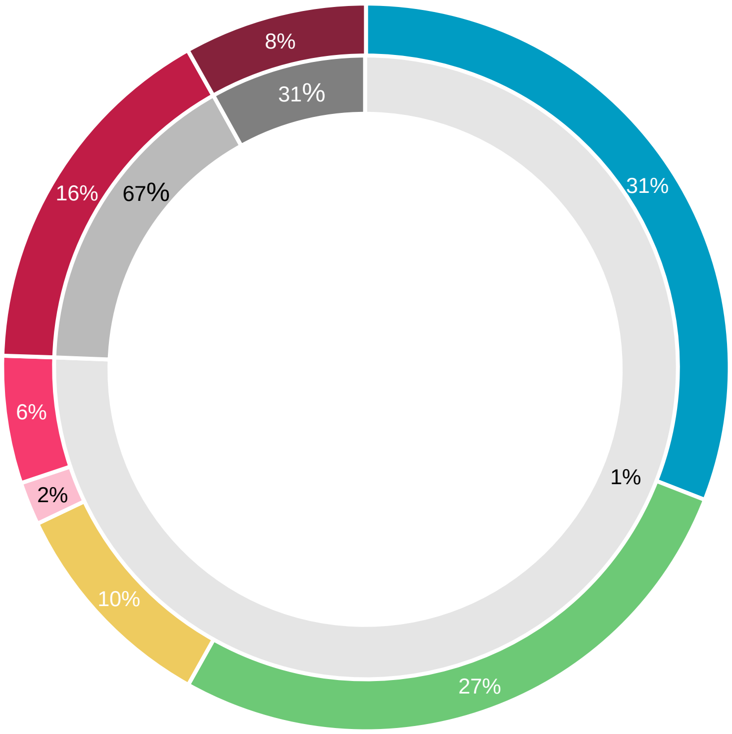
1. Operating data for year 2020 are presented consistent with IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE
2. Energy produced includes electricity and heat
3. Emission savings represent a difference between emissions reported in the given year and peak emissions reported historically
4. Projections of future development of emission intensity 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
5. Total CO_2 emissions in the EU from heat and power generation declined from 1,084 mt in 2014 to 944 mt in 2018 (sourced from European Environment Agency). Data for 2019/2020 not yet available

92% of EPH's financial results stems from zero or low-emission operations with limited CO_2 footprint

Adjusted EBITDA breakdown based on segments and its relation to GHG emissions

Total Adjusted EBITDA was EUR 2,198m in 2020:

- **76%** was generated by segments with minimal emission footprint: gas transmission, gas and power distribution, gas storage, generation from renewables and other, activities in these segments represented **1%** of EPH total emissions
- **16%** was contributed by low-emission generation represented mainly by highly efficient CCGT units
- **8%** was generated by coal generating and mining companies



EBITDA and emissions

Adjusted EBITDA

- Gas transmission
- Gas and power distribution
- Gas storage
- EPH other[1]
- Renewables
- Low-emission generation[2]
- Coal-based generation and mining[3]

CO_2 emissions

- Segments with minimal emission footprint (1% on total emissions)
- Low-emission generation (67% on total emissions)
- Coal generation (31% on total emissions)

1. Includes mainly logistics, trading activities and holding companies
2. Includes heat and power generation from low-emission sources, primarily natural gas, including heat distribution without own production
3. Includes lignite mining, heat and power generation from hard coal and lignite, including district heating networks operation adjacent to the plant

Content

Key Takeaways

EPH

1. EPH is a **strong and stable energy utility** with **high a profitability (2020 Pro forma Adjusted EBITDA of EUR 2.1bn)**
2. EPH has an **exceptional cash conversion (82% in 2020)** and generates **significant free cash flow** each year
3. Extremely **conservative leverage level** comparing to the peers
4. **88% of Adj. EBITDA** is generated from **regulated and / or long term contracted** business
5. **High level of cash: EUR 1,753m as at 31.12.2020** (EUR 1,246m as at 31.12.2019)
6. Liquidity fully supported by new bank financing provided by club of banks to support **non-coal-related activities**
7. EPH is one of the **leading players in decarbonization** of conventional power plants and **massively invests to carbon footprint reduction (EUR 1bn in the last 5 years)** and **more then EUR 0.5bn** of already announced investments
8. **Emission intensity** of EPH declined by **47%** between 2014 and 2020 resulting in **21 mt CO_2 p.a. saving**
9. Successful initiatives related to **decommissioning and conversion of coal-fired power plants** (Eggborough, Lynemouth) with **clear transition plan** for other coal assets
10. Resilient business managed and operated by a **highly competent and experienced management team** with a proven track record

Content

- Key highlights
- Group overview
- ESG and sustainability
- Key takeaways
- **Appendix**
  - **EP Infrastructure**
  - EP Power Europe
  - Other

EPIF Group overview

Segment	Group Companies	Asset highlight		Business profile
1 Gas Transmission	eustream SLOVAK GAS TSO	#1	Part of the largest transmission route in Europe[1]	Regulated; Long-term contracted
2 Gas and Power Distribution	Distribúcia SPP; SSE HOLDING; Stredoslovenská distribučná; epet.	#1	Gas distributor in Slovakia[2]	Almost fully regulated; natural monopoly position in distribution business in the region of operation
		#2	Electricity distributor in Slovakia[2]	Predominantly regulated
3 Heat Infra	PLZEŇSKÁ TEPLÁRENSKÁ; EOP; UNITED ENERGY	#3	Czech district heating infrastructure	Predominantly regulated
4 Gas Storage	SPP Storage; nafta; nafta Speicher; POZAGAS	#1	Storage capacity in the region of Slovakia, Czech Republic and Austria[3]	Predominantly long-term contracted

Source: Company information, internal research and analysis, Gas Storage Europe
1. Based on volume transmitted
2. Based on volume distributed
3. Based on storage capacity

Gas Transmission: key highlights

2020 Adj. EBITDA[2]: EUR 680 million
2019 Adj. EBITDA: EUR 734 million

- *Gas Transmission*
- *Distribution*
- *Heat Infra*
- *Gas storage*

eustream

1 Key strategic asset for Slovakia and the EU

- Sole gas transmission system operator (TSO) in Slovakia and owner of all transmission infrastructure
- Almost **a third of the European import capacity from Russia**. The largest and most used natural gas import route to Ukraine from Western Europe
- Key **strategic assets for Slovak government** (51% ownership, A+ / A2 / A[1]) and one of the largest contributors to the state budget
- Historical trend of increasing need for Russian gas in Europe because of decrease of domestic production and anticipated growing gas consumption
- SK-PL interconnector currently under construction is scheduled to commence operations in early 2022. This strategic project is on the EU top priority list (heavily subsidized)

2 Stable and fully EU compliant regulatory environment

- **Tariffs are set** by the regulator **for 5-year period** (2017-2021) in accordance with methodology of comparison of the international transmission tariffs (so called benchmarking system)
- From 2022, a fully cost based approach with secondary adjustment based on benchmarking will be applied (already approved)
- Transmission fees are fixed at the start for each contract and unaffected by future regulatory changes

3 100% ship-or-pay contracts and majority of capacity contracted for upcoming years

- **100% ship-or-pay contracts** assure stable revenue streams over time due to fixed prices
- **Long-term capacity bookings** (approximately 50% of total annual capacity) at least until 2028
- Results of a non-binding market survey held in December 2016 showed **strong interest for Eustream's transit capacities until December 2039 (supported by already placed conditional bookings)**
- At the end of 2019, **a five-year gas transit deal was reached between Russia and Ukraine** with agreed minimum annual volumes of 65 bcm in 2020 (with 40 bcm reserved for eustream) and 40 bcm annually thereafter. Also, Russia has an option to extend for other 10 years, i.e. by 2034. This new agreement proves the vital role that Ukrainian corridor (and eustream) plays for Russian gas

4 Highly cash generative business with limited maintenance capex needs and sound financial performance and outlook

- Optimally maintained, well developed pipelines and facilities
- EUR 680m Adj. EBITDA[2] in 2020 (2019: EUR 734m), with **high Cash Conversion**[2] of 94% (2019: 91%)
- The decrease in 2020 Adj. EBITDA was primarily driven by 2019 front-loading of volumes from 2020 due to then existing uncertainties regarding renewal of the transit contract between Russia and Ukraine
- Conservative leverage cap of 2.5x net debt / EBITDA set by the shareholder agreement (SHA) with Slovak government
- Standalone credit rating: Baa2 by Moody's / A- by Fitch, outlook stable

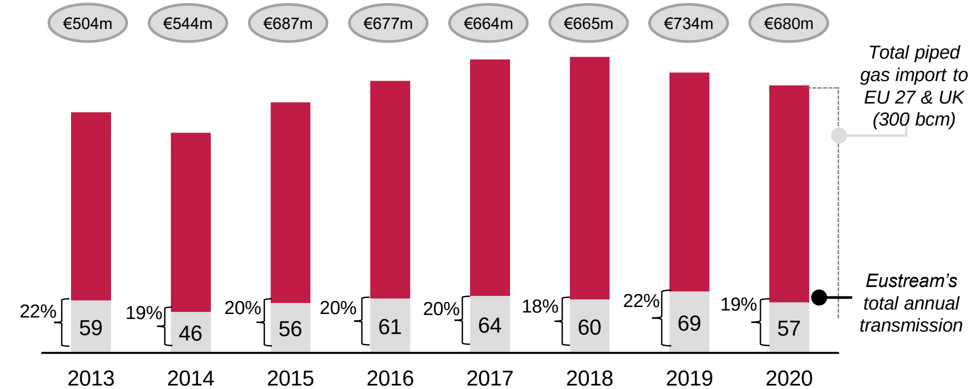
1. S&P / Moody's / Fitch
2. For definitions see Appendix

eustream is the key player in transit of gas to Western and Southern Europe

Prominent role in European gas sourcing

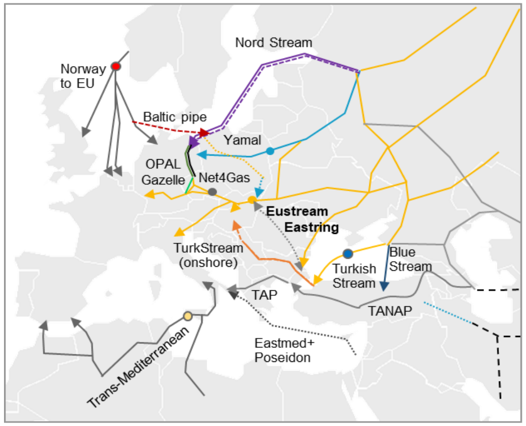
- **Critical infrastructure** for the European Union (particularly for Italy, Austria, Central Europe) and for Ukraine
- Eustream presently plays a **pivotal role in North to South natural gas flows** (mostly from Nord Stream I)
- **Nord Stream II**, if implemented, **will further increment the importance of Eustream infrastructure in the North-South gas movements**: in particular, Eustream infrastructures between **Czech Republic and Austria** (IP Lanžhot and IP Baumgarten) will strongly benefit
- **No other existing transmission route** with sufficient capacity to supply major part of the aforementioned region in the context of expected **increase in imports of Russian gas to meet EU consumption**
- Large majority of 57 bcm of gas in 2020 (69 bcm 2019) was transmitted under **long term ship or pay contracts** to traditional markets of Eustream
- **C. 72% of imported gas from EU to Ukraine[4]** is transmitted using eustream network (point Budince)

Stable market share and Adj. EBITDA development of Eustream[2]



€m : Eustream Adjusted EBITDA[3] : Total pipe gas import to EU27 & UK; []% Total Eustream market share

Status 12/2020



Source: Eustream

[1] Represents technical capacity at the Eastern border SK-UA. Total capacity in all directions depends on actual combination of entry/exit points

[2] Only first leg of Eugal (half capacity) is currently completed

Pipeline Name	Yearly Capacity
Existing pipelines	
Eustream	**78.5 bcm[1]**
Nord Stream	55 bcm
Yamal	36.5 bcm
Blue Stream	16 bcm
Net4Gas	66 bcm
OPAL	36.5 bcm
Gazelle	33 bcm
Trans-Mediterranean	30 bcm
Other Africa to EU	31.7 bcm
Norway to EU	152.7 bcm
Turkish Stream (1+2)	31.5 bcm
TANAP	16 bcm
Eugal	55 bcm[2]
TAP	10 bcm
Turk Stream (onshore to RS)	12 bcm
Potential pipelines	
Baltic pipe	10 bcm
Eastmed+Poseidon	10 bcm
Nord Stream II	55 bcm
Eastring	**20-40 bcm**
Turk Stream (onshore RS-HU)	9 bcm

1. Source: Data of the operators of the individual entry points to Ukraine, ie FGSZ Zrt . (Hungary), GazSystem S.A. (Poland) and Eustream a.s.
2. Total piped gas import to EU27 and the United Kingdom includes pipeline deliveries from Russia, Norway, Algeria and Libya. Total Eustream share is calculated as Eustream total annual transmission / Total piped gas import to EU27 and the United Kingdom
3. Source: EPIF consolidated financial statements. For definitions see Appendix
4. Based on average imports in the period from 2014 to 2020

2020 Adj. EBITDA[1]: EUR 598 million
2019 Adj. EBITDA: EUR 569 million

Gas Transmission
Distribution
Heat Infra
Gas storage

Gas and Power Distribution (I/II): SPPD key highlights

1 *Regulated monopoly in the gas distribution market in Slovakia*

- Regulated **natural monopoly** of gas distribution in Slovakia
- Key strategic asset located in a country with the second highest gas penetration in Europe (94%)
- Customers primarily top gas suppliers with lower credit risk than households
- Obligation for all new customers to connect to SPPD's existing distribution network

2 *Stable and established regulatory regime*

- Relatively long regulatory period enabling SPPD to retain achieved benefits
- **Stable distribution tariff** set by the regulator for the whole regulatory period 2017 – 2021 (extended until 2022 to provide stability for DSOs and customers during the COVID-19 outbreak) with only minor changes possible (includes higher fixed portion of revenue)
- The same EU compliant regulation principles have been in place since 2009

3 *Strong gas market fundamentals and performance track record*

- **Stable distribution volumes** between 4.5 and 5.0 bcm per year during the last 6 years
- While having revenues relatively stable, Adj. EBITDA[1] and performance has been improving due to **continuous focus on cost control and efficiencies**
- Consistently low levels of gas losses and excellent safety results in operations

4 *Stable and predictable cash flow generation and modern asset base*

- **Track record of strong Cash Conversion**[2] in the Gas and power distribution segment, reached 86% in 2020 (2019: 86%)
- Low investment requirements due to modern network facilities and recent implementation of CAPEX optimisation initiatives. Majority of the network was built between 1990 and 2000 with almost half of the pipelines made of durable plastics
- Limited expansion CAPEX as network connection costs born by residential customers
- Standalone rating: Baa2 by Moody's / A- by Fitch, outlook stable

5 *Part of well invested infrastructure group (SPP-I) with supportive shareholders*

- Part of leading gas infrastructure group with critical position within Slovakia
- While EPH has a successful track record in management of energy assets, the Government supports SPPD's interests locally due to its strategic scale
- Conservative leverage cap of 2.5x net debt / EBITDA set by the SHA

1. Represents Adj. EBITDA for the whole segment. For definitions see appendix
2. For definitions see appendix

2020 Adj. EBITDA[1]: EUR 598 million
2019 Adj. EBITDA: EUR 569 million

Gas Transmission
Distribution
Heat Infra
Gas storage

Gas and Power Distribution (II/II): SSE key highlights

Stredoslovenská distribučná

SSE HOLDING

1 — *#1 electricity distribution company in its region of operation (natural monopoly)*

- **Monopoly distribution company** in its region of operation[2]
- Critical distribution asset in Slovakia with network length of c. 35,000 km
- Diversified customer base of c. 765,000 electricity off-take points

2 — *Stable and established regulatory regime*

- **Stable distribution tariffs** approved by the regulator for the whole regulatory period 2017 – 2021 (recently extended to 2022) with only minor changes possible
- SSD receives **stable and predictable returns from its regulated business**
- **As of 1 January 2020, the SOT clearing obligation** causing fluctuation in results was transferred to the state-owned company; 2020 was the last year in which SOT influenced Adjusted EBITDA

3 — *Strong operational performance*

- **Stable distribution volumes** around 6 TWh per year with 5.9 TWh in 2020 (2019: 6.2 TWh)
- Strong process, cost and work efficiency improvements, regulated OPEX outperformance
- Consistently achieving low levels of distribution losses and meeting reliability indicators set by the regulator

4 — *Proven track record of cash-flow generation*

- **Track record of strong and stable Cash Conversion**[3] in the gas and power distribution segment, reached 86% in 2020 (2019: 86%)
- **Stable core business Adjusted EBITDA**[2] with moderate increase potential due to cost optimization and efficiency driven initiatives
- Stable investment requirements primarily to the backbone and high voltage infrastructure. Substantial part of reconstructions and development investments realised by own sources that allows for higher productivity and efficiency in general
- Leverage capped in SHA with Slovak government by 2.5x EBITDA with current Net Leverage remaining negative

1. Represents Adj. EBITDA for the whole segment. For definitions see Appendix
2. Refers to SSD which contributed the vast majority of SSE's Adj. EBITDA in 2019 and 2020 periods. Other SSE activities consist primarily of electricity supply
3. For definitions see Appendix

Heat Infra: key investment highlights

2020 Adj. EBITDA[1]: EUR 145 million
2019 Adj. EBITDA: EUR 175 million

1 — *Established operator of district heating with a key role for power grid stability*

- **Major Czech district heating operator,** supplying heat to ca 150k customers in major regional cities in the Czech Republic
- Important provider of grid balancing services to the Czech TSO
- Additional potential for small bolt-on acquisitions
- Disposal of PT Group and BERT in Q4 2020, where PT Group and BERT still contributed EUR 67m to EPH 2020 Adjusted EBITDA

2 — *Robust district heating systems producing low cost heat mainly for households*

- Ownership of approximately 732 km of district heating pipelines supplying heat to large number of municipal and residential customers
- The direct contracts with final consumers in cities and full ownership of distribution network makes from our CHPs **standard utility business**

3 — *Favorable regulatory environment supporting cogeneration and district heating*

- Significant support for cogeneration assets from both national and EU legislation
- **Highly efficient cogeneration** with strict emission limits helping to meet country's energy efficiency and environmental protection goals

4 — *Stable returns and high entry barriers*

- District heating is a regulated business with **very high barriers to entry** due to limited possibility to replicate the existing heating systems
- Business largely **resilient to economic cycles**
- The segment reports reasonably solid **Cash Conversion**[1] of 49% for 2020 (2019: 67%) which temporarily declined in 2020 due to sizeable development CAPEX (primarily a major cogeneration turbine upgrade to increase its generation efficiency)
- Lower 2020 Adj. EBITDA as compared to 2019 was chiefly affected by higher EUA prices and disposals of PT Group and BERT in Q4 2020

5 — *Electricity produced in cogeneration mode with strong contribution from ancillary services*

- All plants are cogeneration plants, i.e. operate in a mode of combined heat and power production with **high overall efficiency**
- Significant share of power revenues from grid balancing services

1. For definitions see Appendix

Gas Storage: key investment highlights

2020 Adj. EBITDA[1]: EUR 216 million
2019 Adj. EBITDA: EUR 176 million

Gas Transmission
Distribution
Heat Infra
Gas storage

nafta | SPP Storage | POZAGAS | nafta Speicher

1 *Market leader in the CE region with significant position in Bavaria*

- **Market leader** (24.0% share) in terms of capacity in the gas storage market **in the CE region** (the Slovak Republic, the Czech Republic and Austria)
- Monopoly gas storage operator in Slovakia, with 100% market share
- 7.6% market share in Germany through acquisition of storage assets (NAFTA Speicher) at the end of 2018 (20.0 TWh)

2 *Strategically located asset*

- **Connection to the Central European gas routes**
- Interconnection with and ability to deliver to the VTP Austria / CEGH gas hub and NCG VTP gas hubs

3 *Medium and long-term contracts, Stable and predictable cash flow generation and modern asset base*

- 100% of **capacity contracted** for season 2020/21 and ca 54-58% on a **long-term basis** until season 2025/26 and 35% until season 2026/27 (shares as of 31 December 2020, incl. NAFTA Speicher) supporting stable EBITDA
- **Moderate investment needs** due to modern facilities and strong cost control on OPEX side
- Track record of **superb Cash Conversion**[1] - 96% in 2020 (2019: 94%)

4 *No price regulation*

- No price regulation[2]
- Long-term contracts usually include price adjustment formulas reflecting inflation and have a store-or-pay principle
- Short-term contracts mainly based on winter-summer spreads

5 *Further opportunities generating value*

- Strategic storage for security of supply needs
- Additional operational synergies and initiatives within the EPIF Storages
- Direct connection of SPP Storage to Czech transmission system planned
- **Use of innovative products** with a potential upside in energy storage

1. For definitions see Appendix
2. Price regulation can be introduced in case of Emergency situation

Content

EPPE Group overview

Segment	Group Companies	Highlights
1 UK+Ireland	Lynemouth Power; EP SHB; EP Langage; EP Kilroot; EP Ballylumford; Tynagh Energy Limited	❑ Diversified fleet of power generating assets in the UK and Ireland ❑ Large portion of contracted or regulated revenues (CfD regime at Lynemouth, Capacity market secured until 2025 for most of the assets) ❑ Stable performance and strong cash flow generation ❑ High potential of further growth (Kilroot OCGT, development on Eggborough site)
2 Italy	EP Produzione; BiomasseItalia; BiomasseCrotone; fusine energia	❑ Diversified fleet of power generating assets with a total capacity of 4,171 MW ❑ Large portion of contracted or regulated revenues (must-run regime on Fiume Santo and Trapani, GRIN incentive scheme for biomass plants, capacity market from 2022) ❑ Stable performance and strong cash flow generation ❑ High potential of further growth (Tavazzano CCGT, development on Fiume Santo site)
3 France	GazelEnergie	❑ Diversified fleet of power generating assets with a key focus on renewables ❑ Large portion of contracted or regulated revenues (feed-in tariffs on biomass plant and wind and solar parks) ❑ Active steps in decarbonisation ahead of the planned coal exit in France ❑ High potential of further growth (new projects on former coal sites)
4 Germany	MIBRAG; Saale Energie; Helmstedter Revier; Kraftwerk Mehrum; EP New Energies	❑ German assets ensure security of supply and stability of grid ❑ Track record of successfully realised projects and clear future path to responsible transition ❑ Financial performance driven by long-term contracted fuel deliveries to critical German infrastructure ❑ Future investments into renewable energy generation through EP New Energies
5 Other	EP Commodities	❑ EP Commodities is a Group trading house that plays significant role across European energy markets ❑ It supports the group and third-party customers with a wide range of specialized market access, asset optimization, risk management, supply and logistics services

UK and Ireland

1 *Diversified fleet of power generating assets*

Assets	Location	Fuel	Installed capacity (MW)
Lynemouth	England	biomass	420
South Humber Bank	England	CCGT	1,365
Langage	England	CCGT	905
Kilroot	Northern Ireland	Coal	655
Ballylumford	Northern Ireland	CCGT	683
Tynagh	Ireland	CCGT	384

2 *Large portion of contracted or regulated revenues*

Lynemouth
- Operates under CfD regime since June 2018
- Under the CfD, Lynemouth will receive revenue from the wholesale market for its output and either receive or make payments based on the difference between a defined market reference price and the initial £105/MWh strike price (indexed to inflation; current strike price is £124.35/MWh)

Ballylumford
- the C station is fully contracted under PPA with the Power Procurement Board until 9/2023
- Capacity market revenues secured until 2024/2025 delivery year

South Humber Bank, Langage and Tynagh
- Capacity market revenues secured until 9/2025 for SHB, LAN and until 2024/2025 capacity year for Tynagh

Kilroot
- Provides mainly balancing and ancillary services to secure Northern Irish grid

3 *Stable performance and strong cash flow generation*

- **Adjusted EBITDA[(1)]** reached **EUR 213 million** in 2020
- In 2020, the fleet produced **16,774 GWh of power**, **94%** of which was from **zero or low carbon-intensive sources**

4 *High potential of further growth*

Kilroot OCGT
- Kilroot coal and oil power plant to be decommissioned in 9/2023 in line with the coal phase-out deadline set by the UK government
- The closed coal and oil capacity 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 derated capacity to be tendered

Eggborough
- Eggborough power plant (net installed capacity 1960 MW) was decommissioned in 2018, saving 11.5 Mt of CO_2-eq emissions annually (compared to baseload operations in 2013)
- There are several site development plans in consideration, especially a new build CCGT project (http://www.eggboroughccgt.co.uk)
- We intend to extract pulverized fuel ash from former ash disposal site which can help cement industry to reduce their carbon footprint

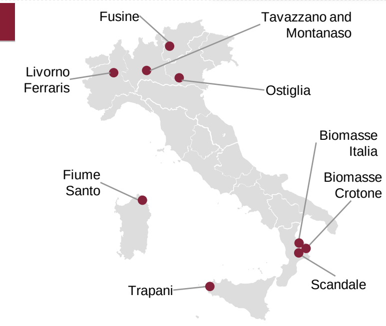
1. For definitions see Appendix

Italy

PRODUZIONE
BiomasseItalia
BiomasseCrotone
fusine energia

1 *Diversified fleet of power generating assets with a total capacity of 4,171 MW*

Assets	Fuel	Net capacity (MW)	Ownership
Livorno Ferraris	CCGT	805	75%
Tavazzano and Montanaso	CCGT	1,140	100%
Ostiglia	CCGT	1,137	100%
Scandale (Ergosud)	Coal	802	50%
Trapani	CCGT	213	100%
Fiume Santo	Hard Coal	598	100%
Biomasse Crotone (BC)	Biomass	27	75.5%(2)
Biomasse Italia (BI)	Biomass	47	75.5%(2)
Fusine	Biomass	5.7	75.5%(2)



2 *Large portion of contracted or regulated revenues*

Fiume Santo
- Power plant under *Must Run* essentiality regime, recently extended till 2024
- Remuneration is taking into account appropriate remuneration on capital employed and variable costs together with any market revenues received.

Biomass plants
- All plants relying on the GRIN incentive scheme ensuring income in addition to the standard power sales
- Assigned for 15 years, GRIN will expire in 3/2025 for Fusine, 6/2027 for BI and 10/2027 for BC

Trapani
- *Must Run* is awarded on yearly basis. Assumed to be prolonged until the capacity can be substituted, but as no project in construction, therefore prolongation for 2022 assumed

Capacity Market from 2022
- The capacity market (CM) scheme has been confirmed with first auction undertaken for the delivery years 2022 and 2023, with the goal of ensuring sustainability of the Italian energy system vis-a-vis the rise of renewable generation and preserving the economics thermal plants, still considered key assets for the system
- 15 years CM contracts are available for new builds

3 *Stable performance and strong cash flow generation*

- **Adjusted EBITDA** (1) reached **EUR 250 million** in 2020
- In 2020, the fleet produced **14,905 GWh of power**, **80%** of which was from **zero or low carbon-intensive sources**

4 *High potential of further growth*

Tavazzano CCGT
- A new 800 MW CCGT power plant, so-called "New Tavazzano project", is being developed in the existing Tavazzano site with expected start of operations in 2023

Fiume Santo site
- New approx. 10 MW photovoltaic project under development on site of Fiume Santo plant

- Further gas power generation projects being developed for upcoming capacity auctions to facilitate energy transition
- Other opportunities on the Italian market being explored to support Italian coal exit

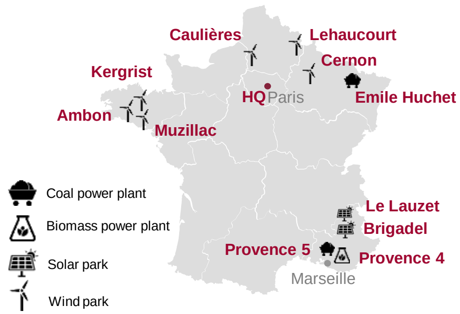
1. For definitions see Appendix
2. EPPE holds 75.5% stake in total (following the sale of 49% stake in EPNEI to LEAG)

France

GazelEnergie

1 — *Diversified fleet of power generating assets operating under GazelEnergie brand with a holding company called EP France*

Assets	Fuel	Net capacity (MW)
Provence 4	Biomass	150
Emile Huchet 6 (to be closed Q1 2022)	Hard Coal	595
Provence 5 (to be closed 2021)	Hard Coal	595
2 solar parks: Brigadel, Le Lauzet	Solar	10.5
6 onshore wind parks: Kergrist, Caulières, Ambon, Lehaucourt, Les Vents d. Cernon., Muzillac	Wind	81.9



2 — *Large portion of contracted or regulated revenues*

Key focus on renewable energy generation
- **Provence 4** - Gazel has converted a former coal unit (circulated fluidized bed) into biomass unit, which utilizes local and imported biomass (wood chips) and waste wood
- **Wind and Solar** – the company operates 6 onshore wind parks and 2 solar parks, which are well maintained and provide high visibility on future stable cash flows

Regulated revenue stream
- **Provence 4 –** the company was granted feed-in-tariff until 2035
- **Wind –** all parks have feed-in tariffs valid until 2022 – 2025, depending on commissioning date
- **Solar –** both parks operate under feed-in tariffs valid until 2030

Active in decarbonisation ahead of the planned coal exit in France
- Coal power plant Provence 5 will be decommissioned in Q2/2021, one year ahead of the official French coal phase-out date and Emile Huchet 6 will be decommissioned in Q1/2022

Supply business
- The French portfolio includes major power and gas supply platforms which focus on B2B customers segmented between large I&C customers and SME customers
- In 2020, total **supplied power** amounted to **14.6 TWh** and total **supplied gas** amounted to **2.6 TWh,** which makes it one of the largest supplier in France

3 — *Financial performance negatively affected by coal closures*

- **Adjusted EBITDA** [(1)] reached **EUR (71) million** in 2020
- The results were negatively impacted by coal assets that will be closed by 1Q2022
- In 2020, the fleet produced **1,699 GWh of power**, **95%** of which was from **zero or low carbon-intensive sources**

4 — *High potential of further growth*

- New projects for the former coal sites being studied, support from the Government and Regions expected
- Other opportunities on the French market are closely monitored and investigated to support our long-term trend

1. For definitions see Appendix

Germany

1 — German assets ensure security of supply and stability of grid

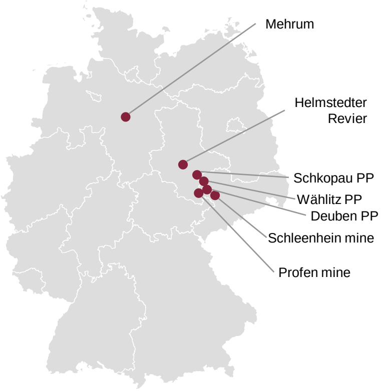
EP New Energies
- Competence centre for renewable energies to be operated on decommissioned mining sites

MIBRAG
- Operates 2 opencast lignite mines (**Profen** and **Schleenhein**) and 2 CHP plants (**Deuben** and **Wählitz**) with a total capacity of 108MW; Deuben will be decommissioned in 2021
- One of the largest employers and purchasers in the Saxony / Saxony-Anhalt region

Helmstedter Revier
- Comprises decommissioned Buschhaus power plant and the adjacent mine which ceased operations in 2016 and is currently under recultivation

Saale Energie
- Ownership of virtual 400MW stake in the lignite power plant Schkopau

Mehrum
- 690MW Coal power plant to be decommissioned in 2021[1]



2 — Responsible transitioning out of coal and lignite

Track record of successfully realised projects and clear future path to responsible transition
- **Buschhaus power plant** (352 MW) in Helmstedter Revier was transferred into security stand-by mechanism in October 2016 until September 2020 and then was finally decommissioned
- Decommissioning of our **Mumsdorf** power plant (110 MW) led to an annual saving of about 800 kt of CO_2-eq emissions
- Following a successful bid in the second German coal phase-out auction, **Mehrum** hard coal power plant (690 MW) and **Deuben** lignite power plant (67 MW) will be closed in the course of 2021[1]

Recultivation
- Between 1994 and 2020, MIBRAG restored 1,849 hectares of land
- MIBRAG has implemented various initiatives to reduce dust emissions, including interim greening or use of sprinklers

3 — Financial performance driven by long-term contracted fuel deliveries to critical German infrastructure

- **Adjusted EBITDA** [2] reached **EUR 130m** in 2020

4 — Future investments into renewable energy generation

Development of wind parks with a total capacity of 300 MW
- EP New Energies, selected GE Renewable Energy (GE) to supply top class 50 wind turbines, each with 6 MW rated capacity
- The approval procedures for the projects will start as early as this year with the first construction to start in 2023. This step is part of EPH Group's renewable energy strategy to transform real estate capabilities and former open-cast lignite mining areas by implementing onshore wind energy and photovoltaics

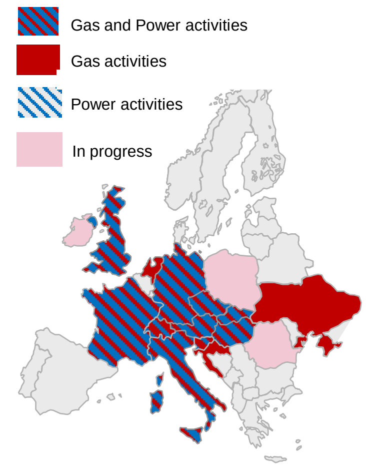
1. At Mehrum, the closure is subject to review of the transmission system operator as the plant could be considered relevant for power grid stability
2. For definitions see Appendix

Other

EP Commodities

1 ***Group trading house that plays significant role across European energy markets***

- EP Commodities ("EPC"), was established in 2014 and plays a significant role across the European energy markets with a special focus on markets where the group is active
- EPC uses its physical and financial expertise to support the group and third-party customers with a wide range of specialized market access, asset optimization, risk management, supply and logistics services
- Besides its own trading activities, it optimizes and sources commodities for the group entities and third-party customers throughout the energy value chain on the electricity, natural gas, coal and carbon market
- EPC counterparties portfolio amounts to some 160 trading contracts (EFETs and ISDAs) with more than 100 counterparties. EPC is active in 14 countries



2 ***Stable growth in the last 5 years***

	2016	2017	2018	2019	2020
Gas	57 TWh	104 TWh	132 TWh	224 TWh	266 TWh
Power	11 TWh	36 TWh	67 TWh	93 TWh	159 TWh
EUA	15 mt	49 mt	78 mt	94 mt	80 mt
Sales	€634m	€1,375m	€2,000m	€3,154m	€4,179m

3 ***Financial results are positively impacted by the growth of EPH Group***

- **Adjusted EBITDA** [(1)] reached **EUR 41 million** in 2020

4 ***Strategic importance for the group***

- Single access point to European commodity exchanges
- Centralized competence for the commodities trading fully supporting Group activities
- Top in class experts
- Full developed market and credit risk functions in the bank style concept

1. For definitions see Appendix

EPH

Equity consolidated participations

Slovenské elektrárne is a dominant Slovak power producer that generates 95% of electricity without carbon dioxide emissions

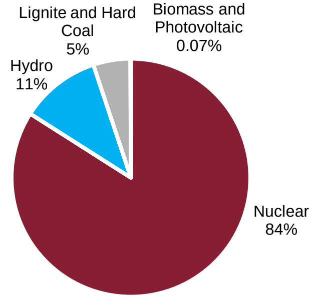
Company overview

- Slovenské elektrárne ("SE") is a **dominant electricity producer in Slovakia with 3.8 GW net installed capacity**
  - It generated two thirds of the Slovak overall electricity production in 2020
  - The company operates 31 hydro, 2 nuclear, 2 thermal and 2 photovoltaic power plants
- In 2020, SE generated **18.8 TWh of electricity** and net electricity deliveries totaled at 17.0 TWh
  - As much as **95 %** of the delivered **electricity was generated without CO_2 emissions**
- The company also provides ancillary services for the power grid operator, produces and sells heat, re-sells electricity and offers electricity, gas and services to retail customers
- It is **building two nuclear units** (ultimately each 477 MW net) in Mochovce, one of the units is imminently awaiting First instance decision for a fuel load
  - The project with budget of EUR 6.2bn is the largest private investment in Slovakia's history
- **EPH indirectly owns approx. 33%** in SE

Power plants

Power plant	Net capacity (MW)	Commissioning
Mochovce 1,2	901	1998-2000
Bohunice V2 A,B	942	1984
Total nuclear	**1,843**	
Pumped storage	907	Various
Run-off river and small hydro	683	Various
Total hydro	**1,590**	
Vojany Power Plant 1	198	1966
Nováky Power Plant A	20	1966, 2003
Nováky Power Plant B	195	1964
Total thermal	**413**	
PV Mochovce	1	2011
PV Vojany	1	2011
Total PV	**2**	
Company total	**3,848**	

Net power production in 2020



Orava hydro power plant

Mochovce nuclear power plant

LEAG activities in Germany

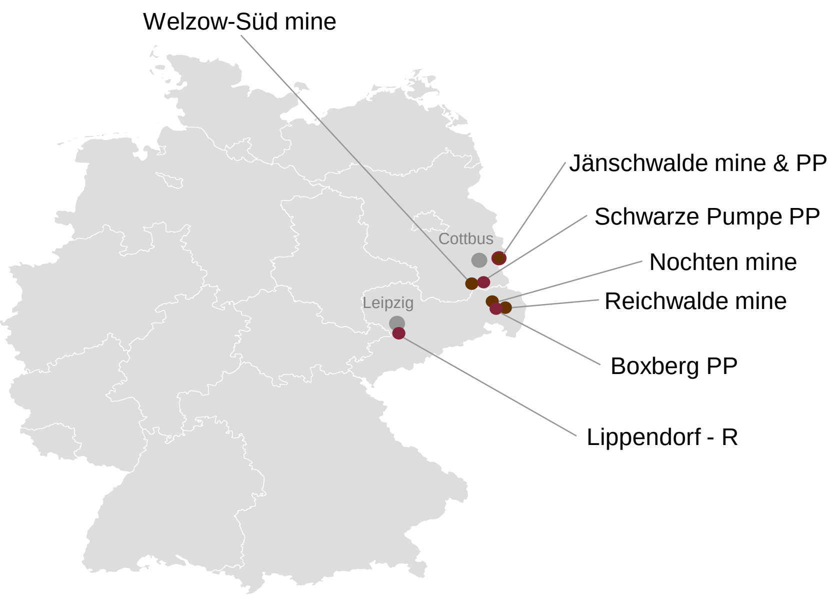
Overview

- LEAG operates the Lusatian lignite-fired power plants („PP“) **Schwarze Pumpe**, **Boxberg**, and **Jänschwalde**, and is also the operator of **Lippendorf** lignite-fired PP near Leipzig and the owner of one of the two units
- In addition to **power generation**, LEAG generates **district heat** for half a million households
- LEAG’s third product is **process steam** for industrial customers
- Until the phase-out dates, LEAG will continue to contribute significantly to maintaining a secure, economically and environmentally sound energy supply
- LEAG is further developing its business fields with energy technologies for a secure *Energiewende,* such as battery storage systems, renewable energies and the potentials of hydrogen
- LEAG is **one of the largest private sector employers** in East Germany with more than 7,000 employees and and twice that much indirectly employed people in the region

Decommissioning / conversion plans

- Our steps related to the decommissioning are closely coordinated with the federal German government in line with *Energiewende* and *Kohleausstieg* strategy to ensure that grid stability is not endangered and that social impacts in affected regions are considered
- With the political decision to phase-out coal-based energy generation, LEAG is transforming its business model and is taking appropriate measures towards a diversified and future-proof transformation
- LEAG plans to **invest hundreds** of **millions** of **EUR** into non-coal related projects such as renewable, storage and waste-to-energy projects including photovoltaic plants, onshore wind energy projects, waste to energy, CCGTs, battery storage and potential other non-coal releted projects

Plant	Capacity (GW)	Fuel	Expected closure date
Jänschwalde block E & F	1.0	Lignite	2022/23 (as of 2018/19 security reserve)
Jänschwalde block A & B	1.0	Lignite	2028 (as of 2025/27 security reserve)
Jänschwalde block C & D	1.0	Lignite	2028
Boxberg block N & P	1.0	Lignite	2029
Lippendorf unit R	0.9	Lignite	2035
Schwarze Pumpe block A & B	1.5	Lignite	2038
Boxberg block R & Q	1.5	Lignite	2038



Content

- Key highlights
- Group overview
- ESG and sustainability
- Key takeaways
- **Appendix**
  - EP Infrastructure
  - EP Power Europe
  - **Other**

Appendix: Overview of key EPH assets

	Key subsidiaries	Description	Ownership[1]
EP Infrastructure	SPP Infrastructure	Holding company of the gas infrastructure assets in Slovakia	49%
	eustream	Owner and operator of 2,273km of transmission pipelines through Slovakia	49%
	SPP – distribúcia	Owner and operator of distribution pipelines in Slovakia	49%
	NAFTA	Owner and operator of gas storage capacities in Slovakia	69%
	NAFTA Speicher	Owner and operator of gas storage capacities in Germany	69%
	SPP Storage	Owner and operator of underground gas storage capacities in the Czech Republic	49%
	Pozagas	Owner and operator of gas storage capacities in Slovakia	62%
	United Energy	Power and heat generation in Northern Bohemia (Most – Komořany)	100%
	Elektrárny Opatovice	Power and heat generation in Eastern Bohemia (Opatovice nad Labem)	100%
	Stredoslovenská energetika	Power distribution and supply in Central Slovakia	49%
	Plzeňská teplárenská	Power and heat generation in Pilsen	35%
	EP Coal Trading	Coal trading	100%
	EP ENERGY Trading	Natural gas and electricity trading and supply	100%
EP Power Europe	EP Commodities	Group trading arm with a significant presence in European markets	100%
	MIBRAG	Lignite miner in Germany, operating 2 brown coal mines and 2 cogeneration sources	100%
	Helmstedter Revier - Buschhaus	Lignite power plant Buschhaus in Germany (currently in security stand-by)	100%
	Saale Energie	Stake in lignite power plant Schkopau in Germany	100%
	Kraftwerk Mehrum	Hard coal plant in the north of Germany, to be closed in 2021	100%
	Lynemouth Power	100% biomass plant in the UK	100%
	Langage & South Humber Bank	Efficient CCGTs in the UK	100%
	EP Ballylumford & EP Kilroot	Coal, CCGT and OCGT plants in Northern Ireland	100%
	Humbly Grove Energy Ltd.	Underground gas storage facility in Hampshire, UK	100%
	Tynagh Energy Ltd.	CCGT Power plant in Ireland	80%
	EP Produzione	Owner and operator of gas and coal-fired generation assets in Italy	100%
	Biomasse Italia & Crotone, Fusine	Modern biomass plants in Italy	75.5%
	EP France	2 coal plants, 2 CCGTs, 1 biomass plant, solar and wind assets in France	100%
	EP Resources	Trading company located in Switzerland	100%
	Equity consolidated participations		
	Slovenské elektrárne	Dominant generator of electricity in Slovakia	33%
	LEAG	Portfolio of 4 lignite power plants and 4 lignite mines in Germany	50%

1. Direct and indirect

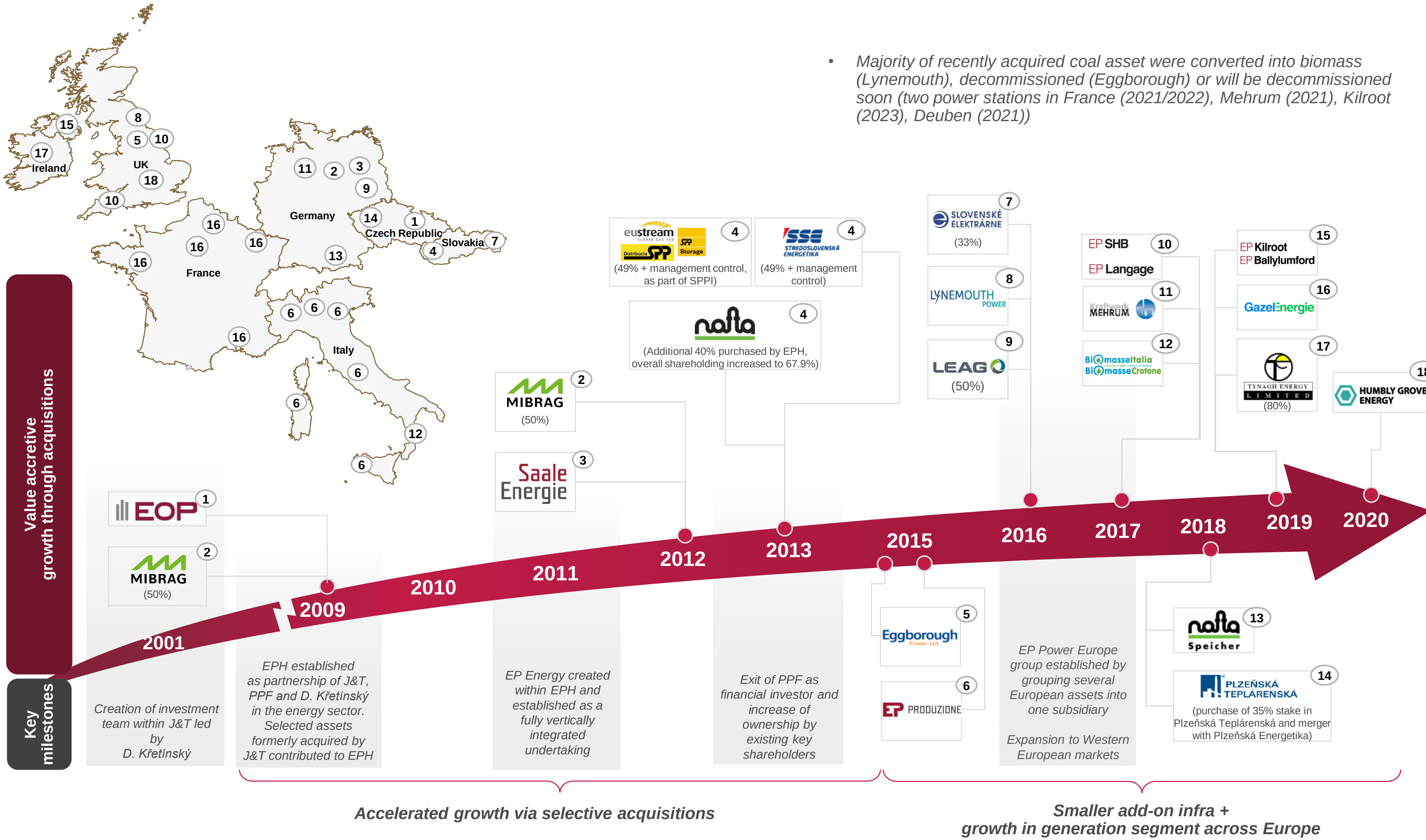
Appendix: Glossary

- **Adjusted EBITDA** represents Operating profit before Depreciation & Amortization and Negative goodwill (if any) further adjusted for selected effects of impairment items, special items (e.g. profit/loss realized on goodwill and disposal of fixed assets, changes in provisions and similar items)
- **Adjusted EBITDA margin** represents Adjusted EBITDA / Sales
- **CAPEX** represents Acquisition of property, plant and equipment and intangible assets as presented in the Consolidated statement of cash flows further adjusted for selected items
- **Cash and Cash Equivalents** represents cash and cash equivalents including restricted cash intended for or covering the repayment of debt
- **Cash Conversion Ratio** is calculated as (Adjusted EBITDA minus CAPEX) divided by Adjusted EBITDA
- **Gross Debt** represents bonds, notes, debentures, moneys borrowed and debit balances at banks, finance lease or any similar instrument (excluding operating lease) disregarding accrued interest and unamortized fees
- **Net debt** represents Gross Debt less Cash and Cash equivalents
- **Net Leverage Ratio** represents Net Debt / Pro-Forma Adjusted EBITDA
- **Pro-Forma Adjusted EBITDA** represents Adjusted EBITDA pro-forma of the impact of acquisitions and disposals, non-cash items, dividend income and IFRS 16 effect

Appendix: EPH has been created through a series of strategic selective acquisitions and subsequent consolidations during the past years…

A long-standing history of successful acquisitive growth

- *Majority of recently acquired coal asset were converted into biomass (Lynemouth), decommissioned (Eggborough) or will be decommissioned soon (two power stations in France (2021/2022), Mehrum (2021), Kilroot (2023), Deuben (2021))*



Note: only the assets currently held by the Group are shown

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