

**POSITION OF UNIPETROL, A.S. BOARD OF DIRECTORS REGARDING SHAREHOLDERS' PROPOSALS TO ITEM 10 OF THE AGENDA OF THE ORDINARY GENERAL MEETING (RECALL AND ELECTION OF MEMBERS OF THE SUPERVISORY BOARD OF UNIPETROL, A.S.)**

During 9 May 2017 to 23 May 2017 UNIPETROL, a.s., Business ID No.: 61672190, having its registered office in Praha 4, Na Pankráci 127, Zip code. 140 00 (hereinafter the “Unipetrol”) received proposals to item 10 of the agenda of the Ordinary General Meeting convened for 7 June 2017 (Recall and election of members of the Supervisory Board of UNIPETROL, a.s.) regarding candidate for election to office of member of the Supervisory Board of Unipetrol namely:

- proposal of Mr. Tomáš Hájek, residing at Počernická 3226/2G, 10000 Praha 10;
- proposal of Mrs. Vladimíra Gayerová, residing at Gočárova 1210, Hradec Králové, 50002
- proposal of Mr. Tomáš Pechal, residing at Vlčnov 432, 68761;
- proposal of Mr. Pavel Konrád, residing at Hvězdářská 499/11, Praha 5, 15900;
- proposal of Mr. Jan Šíma, residing at Anastázova 22/3, Praha 6, 16900;
- proposal of Mr. Radovan Kautský, residing at Českodubská 787, Praha 9-Vinoř, 19017;
- proposal of Mr. Richard Šuta, residing at Finská 582/1, Praha 10, 10100;
- proposal of Mr. Miloslav Klimeš, residing at Hošťálkova 637/71, Praha 6 - Břevnov, 16900;
- proposal of Mr. Petr Beseda, residing at Harmonická 1379/1, Praha 5, 15800;
- proposal of Mr. Václav Veverka, residing at Blažim 84, Louny, 44001;
- proposal of Mr. Martin Machačka, residing at Dolní Rokytnice 208, Rokytnice nad Jizerou, 51244;
- proposal of Mr. Jiří Kulháněk, residing at B. Martinů 952, Lanškroun, 56301;
- proposal of Mr. Petr Kalivoda, residing at Popelákova 2308/22, Brno, 62800;
- proposal of Mr. Lubor Schwarz, residing at Zvoncovitá 1969/11, Praha 5 - Stodůlky, 15500;
- proposal of Mrs. Sabina Šoobová, residing at U Menhiru V, č.p.261, Zbuzany, 25225;
- proposal of Mr. Vratislav Ryšavý, residing at Sídl. U Cukrovaru 1081, Kralupy nad Vltavou, 27801;
- proposal of Mr. Václav Jůn, residing at Národní 1010, Prachatice, 38301;
- proposal of Mr. Dušan Rašín, residing at Zkratka 3, Brno, 64400;
- proposal of Mr. Ladislav Šembera, residing at Čimická 822/86c, Praha 8, 18200;
- proposal of Mr. Pavel Macák, residing at Braunerova 1693, Roztoky, 25263;
- proposal of Mr. Stanislav Čoupek, residing at Cihlářská 1757, Tišnov, 66603;
- proposal of Mr. Jiří Hájek, residing at Hřbitovní 45, Jablonec nad Nisou, 46601;
- proposal of Mr. Miloš Filip, residing at Olomoucká 88, Brno, 61800;
- proposal of Mr. Michal Kotan, residing at Strážní 1887/11, Praha 3, 13000;
- proposal of Mr. Evžen Polenka, residing at Jabloňová 324/2, Brno, 62100;
- proposal of Mr. Miroslav Popelík, residing at Na Homoli 2009/22, Praha 4 - Komořany, 14300;
- proposal of Mr. Martin Komárek, residing at Vídeňská 34, Brno, 63900;
- proposal of Mr. Viktor Kolínský, residing at Ryzlinková 2151/16, Praha 8 - Libeň, 18200
- proposal of Mr. Pavel Horváth, residing at Mošnerova 24, Olomouc, 77900;
- proposal of Mr. Miloš Kabelka, residing at Okrajová 28, Jihlava, 58604;
- proposal of Mr. Michal Scholz, residing at Hlavní 65A, Opava, 74706;
- proposal of Mr. Pavel Vipler, residing at Pavrovského 2557/16, Praha 5, 15500;
- proposal of Mrs. Hana Dvořáková, residing at Líšnice 90, Mohelnice, 78985;

- proposal of Mr. Michal Vítek, residing at Lipová 185, Dobřejovice, 25170;
- proposal of Mr. Vladimír Minařík, residing at Dolní 852, Rakvice, 69103;
- proposal of Mr. Radek Sztefek, residing at Komorní Lhotka č.p. 91, Okr, Frýdek Místek, Hnojník, 73953;
- proposal of Mr. Tomáš Sauerstrom, residing at Čs. Exilu 473/17, Ostrava - Poruba, 70800;
- proposal of Mr. Václav Truhlář, residing at Sportovní 562, Volyně, 38701;
- proposal of Mr. Jiří Nábělek, residing at Podroužkova 6048/55, Ostrava 8, 70800;
- proposal of Mr. Vladimír Polakovič, residing at Černochova 1291/2, Praha 5, 15000;
- proposal of Mrs. Iva Leskovjanová, residing at Jiráskova 606, Budišov nad Budišovkou, 74787;
- proposal of Mr. Petr Bořil, residing at Lesní 169, Záboří nad Labem, 28574;
- proposal of Mr. Miroslav Čegan, residing at Římská 72, Kladno, 27204;
- proposal of Mr. Milan Šouba, residing at Foltýnova 13, Brno, 63500;
- proposal of Mr. Martin Žáček, residing at Březinská 1617, Petřvald, 73541;
- proposal of Mr. Jan Polívka, residing at Podkozí 167, Chyňava, 26707;
- proposal of Mr. Jiří Klánich, residing at Lazníky 127, 75125;
- proposal of Mr. Stanislav Vik, residing at Březhradská 173, Hradec Králové, 50332;
- proposal of Mr. Miroslav Hönig, residing at Úzká 978, Orlová - Poruba, 735 14;
- proposal of Mr. Radek Straka, residing at Trnovanská 1281, Teplice, 41501;
- proposal of Mr. Jan Suchý, residing at K Jezeru 490/2, Praha, 14900;
- proposal of Mr. Roman Mázl, residing at Komornická 1394/1, Praha 6, 16000;
- proposal of Mr. Jan Kortus, residing at Pod Sychrovem 63, Praha 10, 10100;
- proposal of Mr. Radek Boháč, residing at Pod Malým vrchem 1061, Český Brod, 28201;
- proposal of Mr. Aleš Zdražil, residing at Družební 5, Bruntál, 79201;
- proposal of Mr. Antonín Raizl, residing at U Uranie 1583/21, Praha 7, 17000;
- proposal of Mr. Jaroslav Vojtěch, residing at Divadelní 512, Hronov, 54931;
- proposal of Mr. Miloš Blecha, residing at Josefa Knihy 182, Rokycany, 33701;
- proposal of Mr. Marek Novotný, residing at Budovatelská 4795, Zlín, 76005;
- proposal of Mr. Michal Formánek, residing at Cyrilometodějská 32/52, Třebíč, 67401;
- proposal of Mr. Vladimír Zíka, residing at K lávce 258, Hýskov, 26706;
- proposal of Mr. Lubomír Jung, residing at Na Vrchách 188, Lanškroun, 56301 ;
- proposal of Mr. Stanislav Kaczor, residing at Ke švestkovce 793, Praha - Lipence, 15531;
- proposal of Mr. Michal Hampejs, residing at Zárubova 491/20, Praha 14200
- proposal of Mr. Jaroslav Havrda, residing at Nad Náhonem 161, Újezd, Praha 4, 14900;
- proposal of Mr. Zbyněk Růžička, residing at Hradec nad Svitavou 151, Hradec nad Svitavou, 56901;
- proposal of Mr. Jiří Ticháček, residing at Štěpánská 372/12, Brno, 60200;
- proposal of Mr. Martin Šenkypl, residing at Pod školou 989, Šenov u Ostravy, 739 34;
- proposal of Mr. Jan Grym, residing at Sokolovská 972/195, Praha 9, 19000.

Wording of the proposals referred above and their justification is fully identical, as presented further below.

## **1. Proposals of shareholders**

Wording of proposals:

*“The General meeting of Unipetrol, a.s. in accordance with Section 8.2 letter i) of the Articles of Association of Unipetrol, a.s. elects Mr. Tomáš Hájek, residing at Počernická 3226/2G, 10000 Praha 10, into the office of member of the Supervisory Board of Unipetrol, a.s. with effect as of 8 June 2017.”*

Justification of proposal:

*“Current composition of the Supervisory Board is problematic for Unipetrol, a.s. since it contradicts the OECD code of corporate governance notwithstanding that the company refers to this code in its 2016 annual report, on page 7, by means of reference to Ministry of Finance of Czech Republic website.*

*Pursuant to this code the Supervisory Board shall have at least 25% of members independent, i.e. the Supervisory Board in Unipetrol, a.s. with nine members shall have at least three. Furthermore it is clearly unfair that minority shareholders holding in total 37% of shares have no representation in the Supervisory Board.”*

**2. Position of Board of Directors:**

The Board of Directors of Unipetrol discussed the above referred proposals at its meeting on 24 May 2017, acknowledges them and provides its statements as follows:

The Board of Directors of Unipetrol states regarding the proposals, that the right to propose and elect candidates into office of a member of the Supervisory Board of Unipetrol falls within basic shareholders' rights under the Articles of Association of Unipetrol and applicable laws.

Proposed candidates shall meet statutory requirements for election into office of a member of the Supervisory Board and for performance of the office.

In this regard, the Board of Directors of Unipetrol states that selecting candidates for office of a member of the Supervisory Board of Unipetrol is within the sole discretion of shareholders of Unipetrol.

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Wording of the shareholder proposals including position of the Board of Directors of UNIPETROL, a.s. are available at the Company's office at Prague 4, Na Pankráci 127, Postal Code: 140 00, in business days (Monday to Friday) from 9 a.m. until 12 a.m. and in accordance with Sections 362 (1) of Act on Business Corporations are published in the Commercial Bulletin (*Obchodní věstník*), on the company website ([www.unipetrol.cz](http://www.unipetrol.cz)) in section “Investor relations” under the reference “General Meeting” and on the internet portal [www.patria.cz](http://www.patria.cz).

Board of Directors of UNIPETROL, a.s.

  
\_\_\_\_\_  
Andrzej Modrzejewski  
Chairman of Board of Directors

  
\_\_\_\_\_  
Miroslav Kastelik  
Vice-Chairman of Board of Directors