

**EXPLANATIONS TO SHAREHOLDER REQUESTS FOR EXPLANATION BY MR. MIROSLAV
POPELÍK**

On 8 June 2018, UNIPETROL, a.s., Company ID No.: 61672190, with its registered office at Prague 4, Na Pankráci 127, Postal Code: 140 00 (“**Unipetrol**” and “**Company**”), received from Mr. Miroslav Popelík, residing at Podolská 557/102, Praha 4, ZIP code: 14700 (“**Shareholder**”), the below stated request for explanation on matters regarding items of the agenda of the Ordinary General Meeting of Unipetrol convened to take place on 28 June 2018 (the “**General Meeting**”).

In accordance with Section 358(2) of Act on Business Corporations, Unipetrol provides following response on the shareholder request:

Shareholder request for explanation on matters relating to items of the General Meeting agenda

- 1. The Shareholder requests the Company to inform why there are not more Czech nationals in the Company Board of Directors and why Ivan Kočárník is in the Supervisory Board (page 17 of Unipetrol 2017 Annual Report).**

Explanation:

The Company has not yet approved a complete diversity policy governing relations to members of the Board of Directors and Supervisory Board. Notwithstanding that Unipetrol is building a culture built on trust, equal opportunities and fair treatment. Any recruitment process in Unipetrol is based solely on educational background, expertise and knowledge, qualification and skills of the applicant.

- 2. The Shareholder requests the Company to explain why there is no dividend proposed from the undistributed profit for 2017 (page 55 of Unipetrol 2017 Annual Report).**

Explanation:

With respect to explanation to this request Board of Directors of the Company fully refers to justification of proposal of resolution presented by the Board of Directors of the Company within item no. 9 of the General Meeting agenda „Decision on covering the Company loss for 2017“ included in the invitation to the General Meeting of Company.

- 3. The Shareholder requests the Company to inform who received a severance in 2017 and 2018 (page 114 23. of Unipetrol 2017 Annual Report).**

Explanation:

In 2017 the severance payment was paid to Board of Directors members whose office terminated in 2017.

- 4. The Shareholder requests the Company provide amount of severance (page 114 23. of Unipetrol 2017 Annual Report).**

Explanation:

The Company paid severance of CZK 2 mil in 2017.

31.1. Key management personnel and statutory bodies' members' compensation

	2017	
	Short-term benefits	Termination benefits
Remuneration of current year (costs)	282	2
Potentially due to be paid in the following year	70	-
Paid for previous year	64	1

5. **The Shareholder requests the Company to inform why share options were not used as severance (page 114 23. of Unipetrol 2017 Annual Report).**

Explanation:

Such severance system is not implemented in Unipetrol.

6. **The Shareholder requests the Company to explain what is IFRS 5 and IAS 38 (page 119. 24. 3. 12. of Unipetrol 2017 Annual Report).**

Explanation:

IFRS 5 – INTERNATIONAL FINANCIAL REPORTING STANDARD 5, non-current assets held for sale and discontinued operations. The objective of this IFRS is to specify the accounting for assets held for sale, the presentation and disclosure of discontinued operations, in particular, the IFRS requires assets that meet the criteria to be classified as held for sale to be:

- a) measured at the lower of carrying amount and fair value less costs to sell, and depreciation on such assets to cease; and
- b) presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of comprehensive income.

IAS 38 - INTERNATIONAL FINANCIAL REPORTING STANDARD 38, Intangible assets
The objective of this Standard is to prescribe the accounting treatment for intangible assets that are not dealt with specifically in another Standard. This Standard requires an entity to recognise an intangible asset if, and only if, specified criteria are met. The Standard also specifies how to measure the carrying amount of intangible assets and requires specified disclosures about intangible assets.

7. **The Shareholder requests the Company to inform where does Unipetrol have its receivables (page 119. 24. 3. 13. of Unipetrol 2017 Annual Report).**

Explanation:

Vast majority of the respective receivables are owed by Unipetrol subsidiaries from.

8. **The Shareholder requests the Company to inform why the Company will not pay share in profit for 2016 and 2017 and where it will pay it in 2019 (page 152. 19. 8. of Unipetrol 2017 Annual Report).**

Explanation:

Payment of dividend from 2016 profits

On 7 June 2017 the Company General Meeting resolved to approve payment of dividend to Company shareholders in amount of CZK 8.30 before tax per one share.

Please refer to the Unipetrol General Meeting resolution and other relating documents available at the Company's website (www.unipetrol.cz) in section "Investor relations" under the reference "General Meeting".

Payment of dividend from 2017 profits

Explanation to this request is provided in the explanation under point 2. above.

Payment of dividend in 2019

In Board of Directors' opinion the requested explanation is not required to consider content of matters included into the General Meeting agenda or to perform shareholder rights at the General Meeting.

9. The Shareholder requests the Company to inform about the Company's bank loans and banks that provide such bank loans (page 152 20. of Unipetrol 2017 Annual Report).

Explanation:

The Company has a CZK 1mil bank loan with Komerční banka, a.s. for use of company credit cards within interest free period.

10. The Shareholder requests the Company to inform why the Company is willing to withdraw its shares from trading at stock exchange (page 182 of Unipetrol 2017 Annual Report).

Explanation:

The Board of Directors of the Company does not propose to the General Meeting to decide on withdrawing the Company participation securities from trading at Prague Stock Exchange operated by Burza cenných papírů Praha, a.s.

Unipetrol explanations to requests of Mr. Miroslav Popelík were pursuant to Section 358(2) of the Act on Business Corporations, latest on the day preceding the General Meeting, published on the company's website (www.unipetrol.cz) in section "Investor Relations", subsection "General Meeting" and will be made available to the shareholders at the General Meeting