
**INVITATION TO ORDINARY GENERAL MEETING
OF UNIPETROL, A.S.**

The Board of Directors of
UNIPETROL, a.s.
with its registered office at Prague 4, Na Pankráci 127, Postal Code: 140 00,
registered in the Commercial Register maintained with the Municipal Court in Prague
File No. B 3020
Company ID No.: 61672190
(the “**Company**”),

c o n v e n e s

ORDINARY GENERAL MEETING

(the “**General Meeting**”),

**which shall take place on 7 June 2017 at 11.00
in Hotel Occidental Praha – Barceló Group, Praha 4, Na Strži 1660/32, ZIP code: 140 00 Praha 4**

with the following agenda:

1. Opening of the General Meeting
2. Approval of rules of procedure of the General Meeting
3. Election of persons into working bodies of the General Meeting
4. Report of the Company’s Board of Directors on Business Activities of the Company and State of Its Property for the year of 2016, conclusions of the Report on Relations between Controlled Party and Controlling Party and Parties Controlled by Same Controlling Party (“**Related Parties Report**”) for the year 2016 and Explanatory Report of the Company’s Board of Directors prepared pursuant to Section 118(9) of Capital Market Business Act
5. Report on the results of activities of the Supervisory Board in the year 2016, position of the Supervisory Board regarding the ordinary separate financial statements as of 31 December 2016, the ordinary consolidated financial statements as of 31 December 2016 and the proposal of the Company’s Board of Directors on distribution of profit and position of the Supervisory Board regarding review of the Related Parties Report for the year of 2016 and proposal of the auditor for appointment by the General Meeting
6. Report of the Audit Committee on results of its activities for the year of 2016
7. Approval of the ordinary separate financial statements as of 31 December 2016
8. Approval of the ordinary consolidated financial statements as of 31 December 2016
9. Decision on distribution of profit
10. Recall and election of members of the Supervisory Board of UNIPETROL, a.s.
11. Disapproval of competitive activities pursuant to Section 452 of the Act on Business Corporations
12. Appointment of auditor for auditing of UNIPETROL, a.s. separate and consolidated financial statements including other documents provided auditing is required by applicable legal regulations for the accounting period of calendar years 2017 and 2018
13. Decision on changes to the Articles of Associations of UNIPETROL, a.s.
14. Closing of the General Meeting

Record Date for Attending General Meeting and Explanation of its Meaning for Voting at General Meeting

In accordance with Section 405 (3) of the Act No. 90/2012 Coll., Act on Commercial Companies and Cooperatives (Business Corporations Act) (hereinafter referred to as the “**Act on Business Corporations**”), the record date for attendance at the General Meeting of the Company is the seventh (7th) day preceding the day of the General Meeting, i.e. 31 May 2017.

The right to attend the General Meeting, to vote at the General Meeting and perform other shareholder's rights at the General Meeting are available only to the shareholder, who is specified in the excerpt from the records of the book-entered shares of the Company as of the record date.

Proposed Resolutions and their Justification

Proposed resolutions to individual items of the General Meeting agenda, including their justification, are contained in the attachment to this invitation, which forms an integral part of this invitation.

Attendance of Shareholder at General Meeting. Power of Attorney for Representation at General Meeting.

The shareholder of the Company may attend the General Meeting personally or through a representative.

The power of attorney for representing of shareholder at the General Meeting must be in writing and must state whether it was granted for representing at one or more General Meetings.

The power of attorney form is available to shareholders of the Company from a moment of publication of this invitation to the General Meeting (1) in the paper form in the registered office of the Company at the address Prague 4, Na Pankráci 127, Postal code: 140 00, on Monday until Friday from 9.00 until 12.00 and (2) in the electronic form on the website of the Company (www.unipetrol.cz) in section "Investor relations" under the reference "General Meeting". Every person may request sending of the form of the power of attorney for representation at the General Meeting for his/her account and risk in the paper form or by electronic means on the electronic address: valna.hromada@unipetrol.cz or general.meeting@unipetrol.cz.

Each shareholder may notify the Company by electronic means of a granted power of attorney for his representing at the General Meeting, as well as, of recalling of a power of attorney by the principal. The notification may be performed by delivery of an e-mail message by the shareholder to the e-mail address valna.hromada@unipetrol.cz or general.meeting@unipetrol.cz and attaching a readable electronic copy (scan or photo picture via digital camera) of (a) a written power of attorney of the shareholder signed by the shareholder and saved in pdf, jpg or xps format, or (b) a written recall of a power of attorney signed by the shareholder and saved in pdf, jpg or xps format. In case that the e-mail message or its attachment containing the power of attorney or its recall is not readable, the Company shall request the shareholder to deliver a flawless written power of attorney or its recall again by electronic means provided that such request shall be sent by the Company to the e-mail address of the shareholder, from which the e-mail message with the defected power of attorney or its recall has been sent. In case that the written power of attorney or its recall is not readable, such power of attorney or its recall shall not be regarded as duly granted or made. For avoidance of any doubt, the shareholder is entitled to notify the Company of granting a power of attorney to represent him at the General Meeting, as well as, of recalling of a power of attorney by the principal by electronic means using an electronic signature.

Please note that the obligation of the shareholder or his representative to identify himself on the General Meeting by submitting documents specified herein (except for a power of attorney) shall not be affected by the notification on granting of the power of attorney through electronic means.

Please note that it is deemed that a person registered in the records of investment securities or in registry of book-entered securities as a trustee or as a person authorized to perform the rights attached to the shares, is authorized to perform on behalf of a shareholder all rights attached to the shares registered on a particular account, including the right to vote at the General Meeting.

Registration of the shareholders shall begin on 7 June 2017 at 10.00 at the place where the General Meeting is held.

The shareholder – an individual shall identify himself by presenting a valid identity document. The shareholder – legal entity represented at the General Meeting by its statutory body or its member(s) or representative under power of attorney is further obliged to submit a shareholder – legal entity excerpt from the commercial register not older than three (3) months before the date of holding of the General Meeting. Shareholder's representative is obliged to present a written power of attorney containing the extent of the representative's authority unless the granting of the power of attorney was notified to the Company by electronic means pursuant to section 9.2 of Company Articles of Association. In case of a power of attorney granted by the shareholder to a representative - legal entity, the representative is further obliged to submit an excerpt from the commercial register of such entity (proxy) not older than three (3) months before the date of holding of the General Meeting. The affected persons are obliged to hand over to the Company the powers of attorney and excerpts from the commercial register pursuant to section 9.3 of Company Articles of Association. Documents issued by foreign authorities, which are submitted by the shareholder or the shareholder's representative, shall be superlegalized or accompanied with authenticity certificate (apostille), if the Czech Republic does not have a mutual legal assistance treaty concluded with a state, where the shareholder has his permanent residence or registered seat. If the abovementioned documents or the authenticity

certificates are in a foreign language (except for Slovak language), these shall be submitted together with an official translation into Czech language.

The authorization of persons registered in the records of investment securities as a trustee or as a person authorized to exercise rights attached to shares kept at a particular account shall be proved by the excerpt from the records of investment securities arranged by the Company for purposes of the holding of the General Meeting. The authorization of persons registered in the records of investment securities or in registry of book-entered securities as a trustee or as a person authorized to exercise rights attached to shares kept at a particular account, shall be proved by the excerpt from the records of investment securities which shall be arranged by the Company for purposes of the holding of the General Meeting.

The shareholders or their representatives present at the General Meeting shall be recorded in the attendance list. If the Company reject to record a particular person to the attendance list, it shall record this fact to the attendance list, including the reasons of the rejection.

Please note that voting via correspondence or the voting via electronic means (adoption of a decision via *per rollam* voting) shall not be available at the General Meeting or in connection with holding of the General Meeting.

No costs incurred by the shareholders in connection with attending the General Meeting shall be reimbursed.

Information on Overall Number of Shares Issued by Company and Voting Rights Attached Thereto

The Company issued in total 181,334,764 pieces of common bearer shares in the book-entered form with the nominal value of CZK 100 per a share. One (1) vote is attached to each share with nominal value of CZK 100. In this respect, the aggregate number of votes attached to the shares is 181,334,764 votes.

Rights of Shareholder in Connection with Attending General Meeting

Rights of shareholder regarding attending the General Meeting are set forth in the Articles of Association of the Company, which are available on the internet website of the Company (www.unipetrol.cz) provisions of the Act on Business Corporations and other applicable legal regulations. The shareholder shall perform his right to manage the Company through attending the General Meeting. The shareholder shall adhere to the organizational measures adopted in accordance with Section 8.2 letter w) of the Articles of Association of the Company.

The shareholder is entitled to attend the General Meeting, vote at the General Meeting, request and obtain an explanation from the Company to matters relating to the Company or companies controlled by it, if such explanation is necessary to assess content of matters included in the agenda of the General Meeting or to assess performance of shareholder's rights at the General Meeting, and submit his proposals and counter-proposals regarding items in the agenda of the General Meeting. Shareholder may submit a request for explanation as per the previous sentence in writing. The request shall be submitted after publishing of this invitation to General Meeting and before the General Meeting takes place. The Board of Directors shall provide explanation on matters regarding the current General Meeting directly at the General Meeting. In case that is not achievable due to complexity of the explanation, the Board of Directors shall provide the explanation within fifteen (15) days of the day of the General Meeting even though such is no longer necessary to consider of dealings of the General Meeting or to exercise shareholder's rights at the General Meeting. Information provided in the explanation shall be precise and it must provide a sufficient and true picture of matter in question. The explanation may be provided in the form of a collective answer to several questions of the similar content. The shareholder shall be deemed to receive an explanation provided the information is published on the website of the Company at latest on the day preceding the day of holding of the General Meeting and the information is available to the shareholders at the place of holding of the General Meeting. If the information is provided to a shareholder, any other shareholder of the Company has the right to obtain such information without having to comply with the procedure under Section 357 of the Act on Business Corporations. The Board of Directors may refuse to provide the explanation fully or in part in case providing it may cause a harm to the Company or its controlled companies, in case it is an inside information or a restricted information under respective legal regulations or the requested explanation is available to public. The Board of Directors shall consider conditions for refusing to provide the explanation and shall inform the shareholder about the reasons for refusal. Information regarding refusal to provide explanation shall be part of the minutes from the General Meeting. Shareholder has a right to request the Supervisory Board to determine that conditions for refusing to provide an explanation were not fulfilled and the Board of Directors is obliged to provide the explanation. The Supervisory Board shall decide on the request of the shareholder directly at a General Meeting, and if not possible, within five (5) working days of the General Meeting. In case the Supervisory Board does not consent to providing the explanation or it does not respond within the five (5) working days' period, the matter on providing the explanation shall be decided by the court based on a request of the shareholder. The right to initiate the court proceedings must be exercised within one (1) month of the date of the General Meeting at which providing the explanation was refused, eventually from refusal or failure to provide the information within the time period under Section 358(1) Act on Business Corporations (i.e. within fifteen (15) days of the day of the General Meeting); late exercise of the right will not be considered.

Voting at General Meeting. Submission of Proposals, Counterproposals and Protests

The shareholders attending the General Meeting shall vote, following a call by the Chairman of the General Meeting, eventually person empowered to chair the General Meeting until election of the Chairman, first on a proposal of convener of the General Meeting. If such proposal is not adopted, counterproposals are voted on in the order in which they were submitted. The results of voting are verified and announced by scrutators to the Chairman of the General Meeting eventually person empowered to chair the General Meeting until election of the Chairman, and the minutes clerk. The voting shall take place using voting ballots, unless the General Meeting decides otherwise. The voting rights attached to the shares, which may not be performed, are not taken into consideration during the voting at the General Meeting. The shareholder may not perform his voting rights in cases specified in Section 426 and 427 of the Act on Business Corporations. Pursuant to the Articles of Association of the Company, it is not possible to vote at the General Meeting through correspondence or via electronic means (*per rollam* voting).

The course of holding of the General Meeting shall be recorded in the minutes. The minutes clerk shall prepare the minutes from the General Meeting in fifteen (15) days from its closing. The shareholder may request the Board of Directors to provide a copy of the minutes, or their part, anytime during the existence of the Company. If the minutes or their part are not published within the time period of fifteen (15) days on the website of the Company, copies thereof shall be made at the Company cost.

If the shareholder intends to submit his counterproposals at the General Meeting regarding matter in the agenda of the General Meeting, the shareholder shall deliver a wording of his proposal or counterproposal to the Company in an reasonable time period prior to holding of the General Meeting; this shall not apply to proposals for election of individual persons to the corporate bodies of the Company. The Board of Directors is obliged to publish the counterproposal with its standpoint in the manner prescribed by the applicable law and the Articles of Association of the Company for calling of the General Meeting; this shall not apply if the notice was delivered to the Company less than two (2) days before holding of the General Meeting or if costs for its publication were in significant disproportion to the importance and content of the counterproposal or if the wording of the counterproposal contains more than one hundred (100) words. If the counterproposal contains more than one hundred (100) words, the Board of Directors shall inform the shareholders of characteristics of the counterproposal together with its standpoint provided that it shall publish the counterproposal at the website of the Company.

Please note that the shareholder has a right to submit proposals to matters of the agenda of the General Meeting also before publication of the invitation to the General Meeting. The Board of Directors shall publish the proposal, which is delivered to the Company at latest seven (7) days prior to the publication of the invitation to the General Meeting, together with such invitation to the General Meeting and its standpoint. The proposals delivered after the time period set forth in the preceding sentence hereof shall be governed by the rules specified in the preceding paragraph hereof.

The shareholder or shareholders having the shares, whose aggregate nominal value or number of shares reaches at least one per cent (1%) of the registered capital of the Company, may request the Board of Directors to include a matter determined by them into the agenda of the General Meeting, provided the matter in question is supplemented by a proposal of resolution or including into the General Meeting is justified. If such request is received after publication of the invitation to the General Meeting, the Board of Directors shall publish an addition to the agenda of the General Meeting at latest five (5) days prior to the decisive day for attending the General Meeting. If such publication is not possible, the requested matter can be put into the agenda of the General Meeting only if all shareholders of the Company agree to that.

A shareholder of the Company may not seek invalidity of a resolution of the General Meeting, if no protest against the resolution in question was submitted, except where the protest was not recorded in the minutes by mistake of the minutes clerk or the Chairman of the General Meeting, or the claimant was not present at the General Meeting, or reasons for invalidity of the resolution could not have been identified at the General Meeting.

Proposed Changes to Articles of Association

Reasoning of the proposed amendment to Articles of Association of the Company is passing of Acts no. 298/2016 Coll. and 299/2016 Coll. amending the Act no. 93/2009 Coll., on Auditors, as amended (the "**Act on Auditors**") and passing of the Act no. 458/2016 Coll. amending the Act on Business Corporations.

The laws amending the Act on Auditors changed certain requirements regarding the auditor selection, the members of the Audit Committee and revised scope of authority of the Audit Committee.

The law amending the Act on Business Corporations revised certain requirements regarding election of Supervisory board members in a joint-stock company with more than five hundred (500) employees in employment relationship (*pracovní poměr*). In the respective case two thirds (2/3) of members of the Supervisory Board shall be elected by the General Meeting and the one third

(1/3) of members of the Supervisory Board shall be elected by the company employees. Member of the Supervisory Board elected by the company employees may be recalled by the company employees.

Another reason to amend the Articles of Association of the Company is passing of the Act no. 148/2016 Coll. amending the Act no. 256/2004 Coll. Capital Market Business Act, regarding shareholder's notification duty on share on voting rights in UNIPETROL, a.s.

Other proposed changes are rather of a technical nature.

Proposal of the amendment to the Articles of Association of the Company is available for free to shareholders of the Company from the publication of this invitation to the General Meeting at the registered office of the Company at the address Prague 4, Na Pankráci 127, 140 00, during working days (Monday to Friday) from 9.00 until 12.00. Shareholder may also request a copy of the proposal of statutes to be mailed to him, all at shareholders risk and cost. Proposal of the amendments to Articles of Association is available also on the website of the Company (www.unipetrol.cz) in section "Investor relations" under the reference "General Meeting"

A decision on amendment to the Articles of Association of the Company falls within the powers of the General Meeting. Adoption of the proposed amendment requires consent of two-thirds (2/3) majority of votes of shareholders of the Company attending the General Meeting (see Section 11.8 letter b) of the Articles of Association of the Company).

The decision of the General Meeting on the amendment of the Articles of Association must be recorded in the form of a notarial deed.

Shareholders of the Company may provide their counterproposals to the proposed amendments to the Articles of Association. The counterproposals must be delivered to the Company within a reasonable time period before holding of the General Meeting. The Board of Directors is obliged to publish the counterproposal with its standpoint in the manner prescribed by the applicable law and the Articles of Association of the Company for calling of the General Meeting; this not apply if the counterproposal was delivered to the Company less than two (2) days before holding of the General Meeting, if costs for its publication were in significant disproportion to the importance and content of the counterproposal or if the wording of the counterproposal contains more than one hundred (100) words. If the counterproposal contains more than one hundred (100) words, the Board of Directors shall inform the shareholders of characteristics of the counterproposal together with its standpoint provided that it shall publish the counterproposal on the website of the Company.

Proposal for profit distribution

In accordance with Section 120a (2) Act no. 256/2004 Coll., Capital Markets Business Act, as amended, the Board of Directors pursuant to Section 6.8 and 12.4 letter d) Articles of Associations of the Company hereby informs:

The Company Board of Directors, following review by the Supervisory Board of the Company, submits to the General Meeting following proposal of distribution of the Company 2016 non-consolidated profit and part of the Company non-consolidated retained earnings of past years:

- a) distributing the whole non-consolidated profit of UNIPETROL, a.s. for the year 2016 in the amount of CZK 47,358,727.78 to the Company shareholders; and
- b) distributing part of the non-consolidated retained earnings of past years in the amount of CZK 1,457,719,813.42 (from the total non-consolidated retained earnings of past years in the amount of CZK 9,238,862,228.00) to the Company shareholders.

The total share in the Company profit to be distributed to the Company shareholders (the "Dividend") amounts to CZK 1,505,078,541.20. After recalculation, the Dividend represents CZK 8.30 per one (1) Company share before tax.

Record date for right to the Dividend is 31 May 2017. Persons who are shareholders of UNIPETROL, a.s. (are specified in the excerpt from the records of the book-entered shares of the Company) as at the record date shall have the right for the Dividend.

Payment of dividend will be processed by Česká spořitelna, a.s., having its registered office at Praha 4, Olbrachtova 1929/62, Postal code: 14000, Business ID no.: 45244782, registered in the Commercial Registry maintained by Municipal Court in Prague, file no. B 1171 ("Česká spořitelna").

The Board of Directors of the Company hereby in accordance with Section 6.8 of the Articles of Association of Company sets forth details of manner of payment of the Dividend as follows:

i) Shareholder - legal entity

Dividend will be paid to shareholder – a legal entity by wire transfer to its bank account with a bank in the Czech Republic based on request in writing delivered to Česká spořitelna; signatures of persons on such request who constitute the statutory body eventually of members of the statutory body authorized to represent the shareholder or shareholder's representative under a power of attorney must be certified.

Request of the shareholder must include:

- a) shareholder's bank account number;
- b) name of bank maintaining the shareholder's bank account.

Shareholder shall present an original of excerpt from Commercial Registry or other equivalent registry (not older than three (3) months) eventually a certified copy evidencing authority of person or persons representing the shareholder – legal entity. Shareholder's proxy which is a legal entity must present an original excerpt from Commercial Registry or other equivalent registry (not older than three (3) months) eventually a certified copy evidencing authority of persons who constitute the statutory body eventually of members of the statutory body authorized to represent the shareholder's proxy.

If the shareholder is represented based on a power of attorney or a substitute power of attorney, shareholder's signature in his position of principal and signature of the proxies if a substitute power of attorney is granted must be certified

Where necessary, an individual representing the shareholder shall prove his identity by presenting a valid personal ID card.

ii) Shareholder – individual

Dividend will be paid to shareholder – individual:

- a) in cash at designated branch of Česká spořitelna in the Czech Republic based on presenting a valid personal ID card;
or
- b) through wire transfer to shareholder's bank account maintained by a bank in the Czech Republic based on a request in writing delivered to Česká spořitelna.

Shareholder's request under letter b) above must include:

- a) shareholder's bank account number;
- b) name of bank maintaining shareholder's bank account.

Signature of the shareholder or shareholder's proxy under a power of attorney on the request under letter b) above must be certified in situation where the gross dividend exceeds CZK 1,000.

Shareholder or an individual representing the shareholder under a power of attorney shall prove his identity by presenting a valid personal ID card in case the shareholder requests the dividend payment at designated branch of Česká spořitelna.

Shareholder's proxy which is a legal entity must present an original excerpt from Commercial Registry or other equivalent registry (not older than three (3) months) eventually a certified copy evidencing authority of persons who constitute the statutory body eventually of members of the statutory body authorized to represent the shareholder's proxy.

If the shareholder is represented based on a power of attorney or a substitute power of attorney, shareholder's signature in his position of principal and signature of proxies if a substitute power of attorney is granted must be certified

iii) Shareholders represented by custodians of securities or participants maintaining a derivative registry

Custodians of securities and participants maintaining a derivative registry shall be paid the dividend at their bank account maintained with a bank in the Czech Republic based on a request in writing delivered to Česká spořitelna with certified signatures of persons on such request who constitute the statutory body eventually of members of the statutory body authorized to represent the custodian or the participant. Request in writing must include a collective affidavit regarding the tax residency of the beneficial owners of the dividend income to whom the custody service is provided or the derivative registry is maintained. Request in writing must include also bank account number and name of the bank maintaining the bank account. An original excerpt from Commercial Registry or other equivalent registry (not older than three (3) months) eventually a certified copy thereof shall be delivered to Česká spořitelna together with such request in writing.

iv) Conditions applicable to all shareholders

Tax will be withheld in accordance with the terms set forth by the applicable generally binding legal regulations (mainly Act no. 586/1992 Coll., Income Tax Act, as amended "Income Tax Act") eventually in accordance with the applicable double tax treaties between the Czech Republic and state of the tax residency of the beneficial owner of the dividend income.

If a shareholder wishes to apply benefits introduced by the relevant double tax treaty, eventually the Income Tax Act, he shall prove, i.e. submit with the request, mainly the following:

- An up-to-date tax residency certificate in particular state issued by the foreign tax authority;
- An affidavit of a foreign person stating that the particular income is considered its own income pursuant to applicable tax laws of the other state;
- Evidence proving satisfaction of other conditions pursuant to applicable double tax treaty, eventually the Income Tax Act.

If a shareholder is a tax transparent entity, it is required that satisfaction of conditions for applying the benefits of the applicable double tax treaty, eventually the Income Tax Act are similarly proved by particular shareholders, beneficiaries, partners (collectively „shareholders“), including evidencing which particular share in the profits payable to the tax transparent entity is attributed to the particular shareholder.

If a shareholder, eventually a shareholder of a tax transparent entity, fails to prove satisfaction of the given conditions, rules of the Income Tax Act governing taxation of residents of non-treaty states shall be applied.

If a shareholder (an individual) is a Czech tax resident, tax residency certificate issued by the tax authority may be replaced by an affidavit on tax residency; shareholder shall also present a valid personal ID card issued by the Czech Republic.

If a shareholder (a legal entity) is a Czech tax resident, tax residency certificated issued by the tax authority may be replaced by an affidavit on tax residency; shareholder shall also present an actual original Commercial Registry excerpt to prove that its seat is in the Czech Republic.

If the above mentioned documents are in other than Czech or Slovak language, the shareholder or custodian of securities is obliged to provide at its own costs the translation into the Czech language (official translation is not required).

Dividend is payable on 7 September 2017 provided that the dividend payment via wire transfer to a bank account will be carried out without undue delay after receipt by Česká spořitelna of the request of the shareholder pursuant to the previous paragraphs. Dividend payment will end on 7 September 2021.

Even after publication of this invitation, the Board of Directors of Company may, in accordance with Section 6.8 of the Articles of Associations of Company, amend and/or supplement the above stated details of manner of payment of the Dividend.

Proposal of resolution to item no. 9 of the agenda of the General Meeting „Decision on distribution of profit“ is presented in the attachment to this invitation.

Other Documents Relating to General Meeting

This invitation, including its attachment (proposals of resolution including its justification eventually statement of the Board of Directors), which forms its integral part, the power of attorney form for representing shareholder at the General Meeting, the proposal of amendments to the Articles of Association of Company, as well as, potential proposals or counter-proposals of shareholders to proposals published in the invitation to the General Meeting, data concerning total number of issued shares and the votes attached thereto as to the date of publication of the invitation to the General Meeting, the ordinary separate and consolidated financial statements of the Company as of 31 December 2016, the Related Parties Report for the year 2016 pursuant to Section 82 of the Act on Business Corporations, report of the Company's Board of Directors on business activities of the Company and state of its property and other documents relating to the agenda of the General Meeting are available for inspection of the shareholders from the date of publication of this invitation in 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. The document shall be available also on the website of the Company (www.unipetrol.cz) in section "Investor relations" under the reference "General Meeting" and on the internet portal

www.patria.cz. This invitation, including its attachment (with proposals of resolutions and their justification eventually with position of the Board of Directors) forming its inseparable part is also published in the Commercial Gazette (*Obchodní věstník*).

Board of Directors of UNIPETROL, a.s.



Andrzej Modrzejewski
Chairman of Board of Directors



Miroslaw Kastelik
Vice-Chairman of Board of Directors

Schedule to invitation to Ordinary General Meeting

ORDINARY GENERAL MEETING OF UNIPETROL, A.S. HELD ON 7 JUNE 2017
DRAFT RESOLUTIONS OR STATEMENTS OF BOARD OF DIRECTORS WITH RESPECT TO INDIVIDUAL
AGENDA ITEMS

ITEM 1: OPENING OF GENERAL MEETING

No resolution is proposed to this item of agenda for voting by the shareholders.

ITEM 2: APPROVAL OF RULES OF PROCEDURE OF THE GENERAL MEETING

Resolution:

The General Meeting of UNIPETROL, a.s. approves, pursuant to Section 8.2 letter w) of the Articles of Association of UNIPETROL, a.s., the rules of procedure of the General Meeting of UNIPETROL, a.s. in wording submitted by the Board of Directors of UNIPETROL, a.s.

Justification:

The Rules of Procedure represent an instrument which governs some procedural matters of the General Meeting. Its adoption is anticipated in Section 8.2 letter w) of the Articles of Association. The submitted wording of Rules of Procedure is based on previous practice of the Company.

ITEM 3: ELECTION OF PERSONS INTO WORKING BODIES OF THE GENERAL MEETING

Resolution:

The General Meeting of UNIPETROL, a.s. elects, pursuant to Section 8.2 letter w) of the Articles of Association of UNIPETROL, a.s., the following persons into the position of:

- a) *the Chairman of the General Meeting of UNIPETROL, a.s.*
JUDr. Ing. Karel Dřevínek, Ph.D., LL.M.
- b) *the Minutes Clerk of the General Meeting of UNIPETROL, a.s.*
Zuzana Dušková
- c) *the Verifiers of the Minutes from the General Meeting of UNIPETROL, a.s.*
Mgr. Jakub Smutný, JUDr. Lucia Urbánková Tkáčová
- d) *the Scrutators of the General Meeting of UNIPETROL, a.s.*
Petr Brant, Milan Vácha

Justification:

Election of persons into the Company General Meeting bodies follows the requirement under applicable legal regulations to ensure a proper course of the General Meeting. The persons suggested by the Board of Directors into the bodies of the General Meeting have sufficient qualification and experience to perform the offices.

ITEM 4: REPORT OF THE COMPANY'S BOARD OF DIRECTORS ON BUSINESS ACTIVITIES OF THE COMPANY AND STATE OF ITS PROPERTY FOR THE YEAR OF 2016, CONCLUSIONS OF THE RELATED PARTIES REPORT FOR THE YEAR 2016 AND EXPLANATORY REPORT OF THE COMPANY'S BOARD OF DIRECTORS PREPARED PURSUANT TO SECTION 118(9) OF CAPITAL MARKET BUSINESS ACT

Statement of the Board of Directors:

The subject-matter of the item 4 of the agenda of the Ordinary General Meeting of UNIPETROL, a.s. is discussion on the Report of the Company's Board of Directors on business activities of the Company and state of its property for 2016.

Within the item 4 of the agenda of the Ordinary General Meeting of UNIPETROL, a.s. the Board of Directors of the Company informs the Shareholders of the Company about conclusions of the Related Parties Report for the year 2016.

In accordance with Section 118 (9) of the Act no. 256/2004 Coll. Capital Market Business Act, the subject-matter of the item 4 of the agenda of the Ordinary General Meeting of UNIPETROL, a.s. is also discussion of the Explanatory report of the Company's Board of Directors to matters pursuant to Section 118(5) letters a) to k) of the Capital Market Business Act. The content of such explanatory report pursuant to Section 118 (9) of the Capital Market Business Act is description of the structure and mechanism of the corporate governance, as well as, other matters, which may have influence on the procedure and success of a potential take-over bid with respect to shares of UNIPETROL, a.s.

The Report of the Company's Board of Directors on business activities of the Company and state of its property for the year 2016, the Related Parties Report, as well as the Explanatory report of the Board of Directors pursuant to Section 118 (9) of the Capital Market Business Act are not be subject to voting by the shareholders of UNIPETROL, a.s.

ITEM 5: REPORT ON THE RESULTS OF ACTIVITIES OF THE SUPERVISORY BOARD IN THE YEAR 2016, POSITION OF THE SUPERVISORY BOARD REGARDING THE ORDINARY SEPARATE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016, THE ORDINARY CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016 AND THE PROPOSAL OF THE COMPANY'S BOARD OF DIRECTORS ON DISTRIBUTION OF PROFIT AND POSITION OF THE SUPERVISORY BOARD REGARDING REVIEW OF THE RELATED PARTIES REPORT FOR THE YEAR OF 2016 AND PROPOSAL OF THE AUDITOR FOR APPOINTMENT BY THE GENERAL MEETING

Statement of the Board of Directors:

The subject-matter of the item 5 of the agenda of the Ordinary General Meeting of UNIPETROL, a.s. is discussion on report and standpoints of the Supervisory Board of UNIPETROL, a.s. to matters of the Company pursuant to Section 83 (1), Section 447 (3) and Section 449 (1) of the Act on Business Corporations and Section 43 (2) of the Act no. 93/2009 Coll., on Auditors, as amended (the "Act on Auditors").

The report and standpoints of the Supervisory Board of UNIPETROL, a.s. are not be subject to voting by the shareholders of UNIPETROL, a.s.

ITEM 6: REPORT OF THE AUDIT COMMITTEE ON RESULTS OF ITS ACTIVITIES FOR THE YEAR OF 2016

Statement of the Board of Directors:

The subject-matter of item 6 of the agenda of the Ordinary General Meeting of UNIPETROL, a.s. is the Report on results of activities of the Audit Committee of UNIPETROL, a.s.

The Report of the Audit Committee on the results of its activities is not be subject to voting by the shareholders of UNIPETROL, a.s.

ITEM 7: APPROVAL OF THE ORDINARY SEPARATE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016

Resolution:

The General Meeting of UNIPETROL, a.s. approves, pursuant to Section 8.2 j) of the Articles of Association of UNIPETROL, a.s., the ordinary separate financial statements of UNIPETROL, a.s. as of 31 December 2016.

Justification:

UNIPETROL, a.s. is obliged, pursuant to applicable generally binding legal regulations, to prepare for each accounting period ordinary separate financial statements of UNIPETROL, a.s. and to submit them for approval to the General Meeting of the Company. The ordinary separate financial statements are available to shareholders in the registered office of the Company UNIPETROL, a.s. and on the webpages of the Company (www.unipetrol.cz) in section *Investor Relations*, link *General Meeting*.

ITEM 8: APPROVAL OF THE ORDINARY CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016

Resolution:

The General Meeting of UNIPETROL, a.s. approves, pursuant to Section 8.2 letter j) of the Articles of Association of UNIPETROL, a.s., the ordinary consolidated financial statements of UNIPETROL, a.s. as of 31st December 2016.

Justification:

UNIPETROL, a.s. is obliged, pursuant to applicable generally binding legal regulations, to prepare for each accounting period ordinary consolidated financial statements of UNIPETROL, a.s. and to submit them for approval to the General Meeting of the Company. The ordinary consolidated financial statements are available to shareholders in the registered office of the Company UNIPETROL, a.s. and on the website of the Company (www.unipetrol.cz) in section *Investor Relations*, link *General Meeting*.

ITEM 9: DECISION ON DISTRIBUTION OF PROFIT

Resolution:

Pursuant to Section 8.2 letter k) of Articles of Association of UNIPETROL, a.s. the General meeting of UNIPETROL, a.s. resolves to approve to:

- a) distribute the whole non-consolidated profit of UNIPETROL, a.s. for the year 2016 in the amount of CZK 47,358,727.78 to the company shareholders; and*
- b) distribute part of the non-consolidated retained earnings of past years in the amount of CZK 1,457,719,813.42 (from the total non-consolidated retained earnings of past years in the amount of CZK 9,238,862,228.00 to the company shareholders.*

The total share in the company profit to be distributed to the company shareholders (the "Dividend") amounts to CZK 1,505,078,541.20. After recalculation, the Dividend represents CZK 8.30 per one (1) company share before tax.

Record date for right to the Dividend is 31 May 2017. Persons who are shareholders of UNIPETROL, a.s. (are specified in the excerpt from the records of the book-entered shares of the Company) as at the record date shall have the right for the Dividend.

The Dividend is payable on 7 September 2017. The Dividend payment will be processed by Česká spořitelna, a.s., having its registered office at Praha 4, Olbrachtova 1929/62, Postal Code: 14000, Business ID no.: 45244782, registered in the Commercial Registry maintained by Municipal Court in Prague, file no. B 1171. Dividend payment will end on 7 September 2021.

Justification:

In accordance with binding legal regulations and Articles of Association of UNIPETROL, a.s. decision on distribution of profits is vested within the powers of the General Meeting.

The Board of Directors is focusing on long term and stable shareholder value growth in order to ensure a stable dividend pay-out and create the possibility for continuous dividend growth in the future. The proposed and well balanced dividend amount allows the company to maintain the ability to finance multiple ongoing business development projects, including the largest petrochemical project in the Czech Republic, that being the new polyethylene unit which will undoubtedly contribute to future value growth for shareholders. The Board of Directors has also taken into consideration various financial risks resulting from a volatile and unpredictable macroeconomic environment. The Board of Directors is also aware that the proposal to pay dividend of CZK 8.30 per share is in line with the strategic target of the Company of a systematic increase of DPS ratio (dividend per share), reflects liquidity position and profitability combined with increased share valuation. In the Board of Directors opinion the proposed dividend offers an attractive return to its shareholders compared to a return from alternative investments in the same industry.

Proposal for distribution of UNIPETROL, a.s. profit for the year of 2016 and part of the non-consolidated retained earnings of past years submitted by the Board of Directors of the Company for approval by the General Meeting is in line with applicable generally binding legal regulations and Articles of Association of UNIPETROL, a.s.

ITEM 10: RECALL AND ELECTION OF MEMBERS OF THE SUPERVISORY BOARD OF UNIPETROL, A.S.

Resolution for recall of members of the Supervisory Board of UNIPETROL, a.s.:

The General Meeting of UNIPETROL, a.s. in accordance with Section 8.2 letter i) of the Articles of Association of UNIPETROL, a.s. hereby recalls

[to be inserted] residing at [to be inserted]

from the office of member of the Supervisory Board of UNIPETROL, a.s. with effect as of [to be inserted]

Resolution for election of members of the Supervisory Board of UNIPETROL, a.s.:

The General Meeting of UNIPETROL, a.s. in accordance with Section 8.2 letter i) of the Articles of Association of UNIPETROL, a.s. hereby elects

[to be inserted] residing at [to be inserted]

into the office of member of the Supervisory Board of UNIPETROL, a.s. with effect as of [to be inserted]

Justification:

Election of members of the Supervisory Board of UNIPETROL, a.s. is proposed due to resignation of Mr. Bogdan Dzudzewicz from the office of member of the Supervisory Board of UNIPETROL, a.s. and subsequent termination of his office and upcoming lapse of term of office of the members of the Supervisory Board, Mr. Sławomir Robert Jędrzejczyk and Mr. Piotr Robert Kearney as at 1 July 2017.

Standard template of agreement on performance of position of member of the Supervisory Board between UNIPETROL, a.s. and member of the Supervisory Board of UNIPETROL, a.s. in wording approved at the General Meeting on 26 May 2014 shall be concluded with the appointed members of the Supervisory Board. The General Meeting held on 26 May 2014 at the same time approved conditions and remunerations contained in this standard template of agreement as standard remuneration pursuant to Section 59 (4) of Act on Business Corporations and as other payments pursuant to Section 61 (1) of Act on Business Corporations. This standard template of agreement on performance of position of member of the Supervisory Board shall be used to regulate relations between UNIPETROL, a.s. and newly elected member of the Supervisory Board of UNIPETROL, a.s. unless the General Meeting of UNIPETROL, a.s., based on a shareholder proposal, approves other agreement on performance and/or other remuneration, including conditions of its payment.

The shareholders may propose specific members of the Supervisory Board for recall and candidates for election into the position of member of the Supervisory Board of UNIPETROL, a.s. to the General Meeting of UNIPETROL, a.s.

ITEM 11: DISAPPROVAL OF COMPETITIVE ACTIVITIES PURSUANT TO SECTION 452 OF THE ACT ON BUSINESS CORPORATIONS

Resolution:

The General Meeting does not consent to the competitive activities of Mr. [to be inserted] regarding [to be inserted].

Justification:

The Board of Directors proposes this item into the agenda of the General Meeting for the event that a member of the Supervisory Board will deliver a notification regarding competitive activities pursuant to Section 452 of the Act on Business Corporations.

ITEM 12: APPOINTMENT OF AUDITOR FOR AUDITING OF UNIPETROL, A.S. SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS INCLUDING OTHER DOCUMENTS PROVIDED AUDITING IS REQUIRED BY APPLICABLE LEGAL REGULATIONS FOR THE ACCOUNTING PERIOD OF CALENDAR YEARS 2017 AND 2018

Resolution:

The General Meeting of UNIPETROL, a.s. resolved, pursuant to Section 8.2 letter v) of the Articles of Association of UNIPETROL, a.s., to appoint Deloitte Audit s.r.o., with registered seat Praha 8 - Karlín, Karolinská 654/2, post code: 18600, ID no.: 49620592, registered in the Commercial Register maintained by the Municipal Court in Prague, under the file No.: C 24349, as an auditor for verification of separate financial statements and consolidated financial statements including other documents provided auditing is required by applicable legal regulations for the accounting period of calendar years 2017 and 2018.

Justification:

The reason of the proposed decision is designation of the auditor of UNIPETROL, a.s. for the accounting period of calendar years 2017 and 2018.

Supervisory Board of UNIPETROL, a.s. based on a recommendation of Audit Committee of UNIPETROL, a.s. recommends to General Meeting appointing Deloitte Audit s.r.o., with registered seat Praha 8 - Karlín, Karolinská 654/2, post code: 18600, ID no.: 49620592, registered in the Commercial Register maintained by the Municipal Court in Prague, under the file No.: C 24349, as auditor for verification of separate financial statements and consolidated financial statements including other documents provided auditing is required by applicable legal regulations for the accounting period of calendar years 2017 and 2018.

In accordance with provision of Article 43 (2) and Article 44a (1) letter (d) of the Act on Auditors and Article 16 (2) of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, the Audit Committee launched a public tender process, having established transparent procedures for the organization of the tender and evaluation of offers. After a comprehensive assessment of submitted offers and meetings with three potential candidates, two offers for carrying out audit in the accounting period of calendar years 2017 and 2018 were selected in accordance with the previously agreed evaluation criteria, those achieving the two highest overall ratings, namely Deloitte Audit s.r.o. and BDO Audit s.r.o. The Audit Committee recommended these two offers to the Supervisory Board and confirmed its preference for the appointment of Deloitte Audit s.r.o. as the Company auditor for the accounting period of calendar years 2017 and 2018, as this offer achieved the highest score in the evaluation process. Deloitte Audit s.r.o. is a renowned company, specializing in audit work and with a proven ability of performing audits effectively with a high quality of service. It also possesses considerable experience and sufficient knowledge of the refinery and petrochemicals sector and auditing of listed companies.

ITEM 13: DECISION ON CHANGES TO THE ARTICLES OF ASSOCIATION OF UNIPETROL, A.S.

Resolution:

The General Meeting of UNIPETROL, a.s. hereby pursuant to Section 8.2 letter a) of Articles of Association of UNIPETROL, a.s. resolves on the changes in the Articles of Association of UNIPETROL, a.s. (the "Articles of Association") provided that such changes shall become effective on the day of approval of this resolution by the General Meeting, as follows:

(1) Amendment of Section 6.11 of the Articles of Association

The current wording of the Section 6.11 of the Articles of Association shall be deleted in its entirety and replaced with the following wording:

"6.11 The shareholder who acquires or exceeds share on all voting rights at the Company of 1%, 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50% and 75%, or reduces his share on all voting rights below such thresholds, shall notify this without undue delay to the Company and the Czech National Bank, at latest, however, within four (4) working days after he/she/it learnt or could have learnt of such event. The notification can be made also in English language. Details on notification duty regarding voting rights are set forth in Act No. 256/2004 Coll., on trading on capital markets, as amended."

(2) **Amendment of Section 11.5 of the Articles of Association**

The current wording of the Section 11.5 of the Articles of Association shall be deleted in its entirety and replaced with the following wording:

“11.5 Voting shall be carried out by ballot papers. Board of Directors of the Company may decide to carry out voting at the General Meeting (na valné hromadě) by suitable electronic means which allow the Company to verify identity of persons authorized to exercise the voting right and determine shares on which vote is casted. Terms and conditions of voting at the General Meeting by electronic means shall be determined by the Board of Directors. Terms and conditions of voting at the General Meeting by electronic means shall be stated in invitation to the General Meeting.”

(3) **Amendment of Section 16.1 of the Articles of Association**

After the original text the following text shall be inserted:

“Section 16.13 shall not be affected hereby.”

(4) **New Section 16.13 of the Articles of Association**

After the Section 16.12 of the Articles of Association a new Section 16.13 with the following wording shall be inserted:

“16.13 In case the Company has more than five hundred (500) employees in labor law employment relationship (pracovní poměr), the two thirds (2/3) of members of the Supervisory Board shall be elected by the General Meeting and the one third (1/3) of members of the Supervisory Board shall be elected by the Company employees. A member of the Supervisory Board, who was elected by the employees of the Company, may be recalled by employees of the Company. Only employees of the Company in the labor law employment relationship (pracovní poměr) shall have the right to elect and recall such member(s) of the Supervisory Board of the Company.”

(5) **Amendment of Section 18.1 of the Articles of Association**

The current wording of the Section 18.1 of the Articles of Association shall be deleted in its entirety and replaced with the following wording:

“18.1 The Audit Committee is Company’s body, which, without affecting liability of members of the Board of Directors or the Supervisory Board, performs particularly the following:

- a) supervises efficiency of the internal controlling, the risk management system;
- b) supervises efficiency of the internal audit and its functional independence if the internal audit function is established;
- c) supervises procedure of preparation of financial statements and consolidated financial statements and submits to the Board of Directors or the Supervisory Board its recommendations for securing the integrity of accounting system and financial reporting;
- d) recommends to the Supervisory Board an auditor, provided that such recommendation must be well reasoned, unless the directly applicable EU law requires otherwise;
- e) evaluates independence of statutory auditor and auditing company and provision of non-audit services by statutory auditor and auditing company to the Company;
- f) discusses with auditor threats to his independence and the safeguards applied to mitigate those threats;
- g) supervises the process of statutory audit, while taking into consideration the report on the system of audit quality assurance issued by the competent authority;
- h) gives its standpoint to termination of the agreement on statutory audit or repudiation of the agreement on statutory audit for reasons specified by applicable law;
- i) considers whether the statutory auditor’s proposal for the provision of the statutory audit services shall be subject to an engagement quality control review by another statutory auditor or audit firm in accordance with directly applicable EU law;
- j) informs the Supervisory Board of results of the statutory audit and its findings gathered in course of supervising the statutory audit;
- k) informs the Supervisory Board of contributions of the statutory audit to securing the integrity of accounting system and financial reporting;

- l) decides on continuance of performance of the statutory audit by the statutory auditor if it considers that the quality control review by another statutory auditor or audit firm in accordance with directly applicable EU law shall not be necessary;
- m) approves provision of other non-audit services;
- n) approves report of findings of the tender process on selection of the statutory auditor in accordance with directly applicable EU law;
- o) decides in other matters specified by applicable law and directly applicable EU law.”

(6) Amendment of Section 19.1 of the Articles of Association

The current wording of the Section 19.1 of the Articles of Association shall be deleted in its entirety and replaced with the following wording:

“19.1 The Audit Committee shall have three (3) members, which shall be appointed by the General Meeting from members of the Supervisory Board or third persons. Members of the Audit Committee shall not perform an office of a member of the Board of Directors or a procurator. If the General Meeting does not appoint the Audit Committee members, the members of the Audit Committee shall be those members of the Supervisory Board selected by the Supervisory Board. The majority of members of the Audit Committee must be independent and professionally qualified. A person shall be considered professionally qualified if he (i) performed for at least two (2) years an executive position in an accounting unit which carries out its business in the same area as the Company, or (ii) was responsible for performance of risk management, evaluation of compliance of activities with applicable laws, internal audit or actuarial function or other similar function.”

(7) Amendment of Section 19.3 of the Articles of Association

In the current Section 19.3 of the Articles of Association the text “Member of the Audit Committee may be re-elected” shall be replaced with the text “Member of the Audit Committee may be re-appointed.”

(8) Amendment of Section 19.4 of the Articles of Association

The current wording of the Section 19.4 of the Articles of Association shall be deleted in its entirety and replaced with the following wording:

“19.4 The Audit Committee shall elect a chairman and a vice-chairman from its members. The vice-chairman shall fully substitute the chairman in performance of his office. In case the Audit Committee does not elect the chairman, the chairman shall be appointed or recalled by the Supervisory Board. The chairman of the Audit Committee must be independent.”

(9) Amendment of Section 23.2 of the Articles of Association

The current wording of the Section 23.2 of the Articles of Association shall be deleted in its entirety and replaced with the following wording:

“23.2 These Articles of Association were adopted on 26.5.2014 and are valid in the wording of changes approved by the resolution of the General Meeting of 2.6.2015, 21.6.2016 and 7.6.2017.”

(10) Other Provisions of the Articles of Association

Other provisions of the Articles of Association of UNPETROL, a.s. remain unchanged.

Justification:

Reasoning of the proposed amendment to Articles of Association of the Company is passing of Acts no. 298/2016 Coll. and 299/2016 Coll. amending the Act on Auditors and passing of the Act no. 458/2016 Coll. amending the Act on Business Corporations.

The laws amending the Act on Auditors changed certain requirements regarding the auditor selection, the members of the Audit Committee and revised scope of authority of the Audit Committee.

The law amending the Act on Business Corporations revised certain requirements regarding election of Supervisory board members in a joint-stock company with more than five hundred (500) employees in employment relationship (*pracovní poměr*). In the respective case two thirds (2/3) of members of the Supervisory Board shall be elected by the General Meeting and the one third (1/3) of members of the Supervisory Board shall be elected by the company employees. Member of the Supervisory Board elected by the company employees may be recalled by the Company employees.

Another reason to amend the Articles of Association of the Company is passing of the Act no. 148/2016 Coll. amending the Act no. 256/2004 Coll. Capital Market Business Act, regarding shareholder's notification duty on share on voting rights in UNIPETROL, a.s.

Other proposed changes are rather of a technical nature.

ITEM 14: CLOSING OF THE GENERAL MEETING

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