

Statement of Compliance with the Principles of the Corporate Governance Code in Slovakia

SLOVNAFT, a.s. with its registered office at Vlčie hrdlo 1, 824 12 Bratislava, BIC: 31 322 832, incorporated in the Commercial Registry of the District Court Bratislava I, Section: Sa, Insert No.: 426/B, (the “**Company**“), (www.slovnaft.sk, “home page” or “website”) and members of its boards, by subscribing to the general enhancement of the *Corporate Governance* standard, have adopted the **Corporate Governance Code in Slovakia**, annexed to this Statement (the “**Code**“), which is published on the website of SACG: www.sacg.sk. In order to comply with the individual principles of the Code, indicating the manner in which it is implemented and at the same time to issue a Statement of Corporate Governance pursuant to Section 20 par. 6 of the Act No. 431/2002 Coll. on Accounting, as amended (the “**Act**“), presents the following Statement:

PRINCIPLE 1: THE RIGHTS OF SHAREHOLDERS, FAIR TREATMENT OF SHAREHOLDERS AND KEY OWNERSHIP FUNCTIONS		
A. Basic shareholder rights	<i>Compliant /non- compliant</i>	<i>Manner of compliance/reasons for non-compliance (brief description)</i>
i. Registration of shares	Yes	Book-entered shares of the Company are registered in the Central Securities Depository of SR, a.s.
ii. Right to transfer shares/limitation of transferability ¹	Yes	Transferability of shares is not limited
iii. Right to timely and relevant information about the company	Yes	The Company provides shareholders with all information in the scope and manner as required by the Securities Stock Exchange in Bratislava, a.s. (“ Stock Exchange ”) rules and regulations.
iv. Right to participate and take decisions at the General Meeting, limitation of voting right ²	Yes	The Company provides to shareholders with sufficient and timely information on the date, venue and agenda of the general meeting, as well as complete and timely information on matters to be decided upon at the general meeting. Voting rights associated with the shares are not limited.

¹ Section 20 par. 7 letter b) of the Act

² Section 20 par. 7 letter e) of the Act

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v. Right of a shareholder to elect and recall members of the boards	Yes	The Company provides the shareholders with the possibility to participate in the nomination of members of the Company boards and to vote on individual nominees or lists of nominees.
vi. Right to share in profit	Yes	The Company provides shareholders with all information about the general meeting in the scope and manner according to the Stock Exchange's rules and regulations and ensures the presence of external auditor.
B. Right to participate in decision-making on fundamental corporate changes and right of access to information	Yes	
i. Articles and other internal regulations	Yes	The General Meeting of shareholders decides about amendment to the Articles of Association in accordance with the legislation, i.e. by a two-thirds majority of the shareholders present.
ii. New issues of shares	Yes	The General Meeting of shareholders decides about a share issue in accordance with the legal regulations.
iii. Extraordinary transactions	Yes	The General Meeting of shareholders decides about on contracts for the transfer of business or part thereof, about winding-up of the Company, the change of its legal form in accordance with the laws.
C. Right to participate and vote in the General Meeting	Yes	
1. Timely information on the General Meeting, agenda and on matters to be decided upon at the General Meeting	Yes	The Company provides to shareholders with sufficient and timely information on the date, venue and agenda of the general meeting, as well as complete and timely information on matters to be decided upon at the general meeting.
2. Procedures relating to the exercise of voting rights should not be overly complex and costly:		
i. Channels established for communication and decision-making with minority and foreign shareholders	Yes	The Company's management is committed to creating fair channels for communicating with shareholders. These communication channels are created in accordance with the Commercial Code. Within the 30 days period prior to the General Meeting the data and documents that the Company is required to disclose to the shareholders provided for inspection and within this period

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		these documents are also posted on the website of the Company.
ii. Abolished barriers to attend general meetings (ban on voting through a representative, fees for voting, etc.).	Yes	At present, there are no artificial barriers to attending general meetings.
iii. Existence of electronic voting in absentia, including electronic distribution of documents and reliable systems to confirm the voting.	N/A³	Currently not applicable in the Company.
3. Shareholders shall have:		
i. The right to ask questions to Company boards and external auditor and get the answers.	Yes	In order to encourage the participation of shareholders in general meetings the Company, under reasonably restrictive terms, provides the opportunity to ask the Company boards and the external auditor questions, to submit questions before the general meeting and to get answers. The Company proceeds within the scope of applicable laws and Stock Exchange rules.
ii. The right to propose agenda items and to submit draft resolutions by means of a clear and simple procedure.	Yes	In order to encourage the participation of shareholders in general meetings, the shareholders have this opportunity.
4. Promoting effective shareholder participation in decision-making on nominations, election and remuneration of members of company boards:		
i. Possibility for the shareholders of attending and voting on nominations of members of boards ⁴ .	Yes	The Company provides shareholders with all information about the general meeting and ensures the registration and counting of votes in the scope and manner according to the laws and Stock Exchange rules. Shareholders have the opportunity to participate in nomination of members of

³ N/A not applicable

⁴ Section 20 par. 7 letter g) of the Act

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		the Company boards and to vote on individual nominees or lists of nominees. Voting rights associated with the shares are not limited.
ii. Shareholders' access to documents relating to voting at the general meeting.	Yes	The Company allows access for shareholders to Company documents relating to voting at the general meeting within 30 days prior to the general meeting.
iii. Possibility for the shareholders to communicate their views on the remuneration of members of company boards.	N/A	Currently not applicable in the Company.
iv. Approving non-financial remuneration schemes (shares, etc.) by shareholders.	N/A	The Company currently does not provide remuneration in a form of Company shares. The Company proceeds in accordance with the Commercial Code and the Articles of Association. The Supervisory Board decides on remuneration rules of the members of the Board of Directors and Supervisory Board.
v. Disclosure of remuneration schemes of members of the company boards and senior management, total paid-out, and explanation of the link between the remuneration and company performance.	N/A	Information on the remuneration of members of the Company boards and of the management is disclosed in the financial statements that are approved at the General Meeting.
vi. Approval of any material changes in the system of remuneration by the shareholders.	N/A	Currently not applicable in the Company.
<i>Participation of independent members of company boards in nomination procedures.</i>	<i>*Best practice</i>	
<i>Publication of CVs of candidates and information on their other functions in company boards.</i>	<i>* Best practice</i>	
5. Allowing non-discriminatory voting of shareholders in absentia:		

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i. Voting on the basis of a power of attorney is conducted exclusively in accordance with the instructions from the holder of the power of attorney.	Yes	To the extent according to applicable laws and Stock Exchange rules.
ii. Publication of voting associated with the power of attorney.	Yes	The Company discloses how the voting rights related to the power of attorney are exercised, including the voting rights attached to the general authorization.
iii. Publication of guidelines for voting, if the power of attorney was granted to company boards or to pension fund management.	N/A	
6. Participation in voting in electronic form in a non-discriminatory manner (if the company allows such voting).	N/A	Currently not applicable in the Company.
D. Possibility of mutual consultations of shareholders	Yes	The Company allows shareholders, including institutional investors, to conduct mutual consultations on issues related to their fundamental shareholder rights, as defined in the Code, with the exception of limitation to prevent abuse.
i. Agreements between securities holders, which are known, and which may lead to restrictions on the transferability of securities and restrictions on voting rights ⁵ .	N/A	The Company is not aware of such agreements.
ii. Securities holders with special rights of control and description of these rights ⁶ .	N/A	The Company did not issue securities with special control rights.
E. Non-discriminatory treatment of shareholders and transparency of capital structures	Yes	The Company treats all shareholders equally. With each Company share equal rights are associated.
1. Decisions on capital structure within the competence of managing boards, approval by shareholders	Yes	Decisions on the Company's optimal capital structure are in the competence of managing boards of the Company and are subject to approval by shareholders.

⁵ Section 20 par. 7 letter f) of Act

⁶ Section 20 par. 7 letter d) of Act

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i. Equal rights associated with shares of the same kind.	Yes	All Company shares of the same kind are associated with the same rights.
ii. Information for investors on rights associated with shares before the purchase of shares.	Yes	The Company provides the same information to all investors on the rights associated with shares prior to their purchase.
iii. Changes in economic and voting rights approved by a qualified majority of votes of the group of shareholders, to which the change relates.	N/A	All Company shares of the same kind are associated with the same rights.
2. Disclosure of capital structures and agreements on takeover⁷	N/A	
F. Related party transactions approved and conducted to ensure adequate management of conflict of interests and the protection of the company interests and its shareholders.		
1. Addressing conflicts of interest within related party transactions	Yes	In the event of conflict of interest within related party transactions, the Company shall proceed to their resolution to the extent according to applicable laws and Stock Exchange rules.
i. Creating an effective system for identifying related party transactions.	Yes	The Company publishes this information to the extent required by law and Stock Exchange rules, in particular in the financial statements, the annual report, and the mid-year financial report.
ii. Creating procedures for approving related party transactions that will minimize their negative impact.	Yes	To the extent required by law and Stock Exchange rules. The Company has developed and maintains a system to eliminate potential conflict of interest.

⁷ Section 20 par. 7 letters a) and i) of the Act

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<p>2. Members of company boards and senior management shall disclose information as to whether they have direct or indirect interest in any transaction or matters directly affecting the company</p>	<p>Yes</p>	<p>According to the requirements of the system to prevent a potential conflict of interest, the members of Company boards and senior management are required to disclose such information.</p>
<p><i>In case of important personal interest the person involved in the conflict of interest does not participate in decision-making that relates to the transaction or matter concerned.</i></p>	<p><i>* Best practice</i></p>	
<p>G. Protection of minority shareholders from unfair action by controlling shareholders, including effective remedies</p>		
<p>i. The loyalty of the members of boards towards the company and all shareholders.</p>	<p>Yes</p>	<p>The Company has clearly established the duty of loyalty of the members of boards towards the Company and all shareholders in the MOL Group Code of Ethics and Business Conduct.</p>
<p>ii. Prohibition of trading on own account. In case of intra-group trading – offsetting transactions for the benefit of another company in the group by obtaining the corresponding benefit.</p>	<p>Yes</p>	<p>In a group of companies, in case of a transaction in favour of another company within the group, such a transaction is offset by receiving corresponding benefit. The Company proceeds in accordance with applicable law and the MOL Group Code of Ethics and Business Conduct.</p>
<p>iii. Purchase of shares for fair consideration in case of termination of the company’s public trading.</p>	<p>Yes</p>	<p>If the controlling shareholders decide to terminate the Company’s public trading, the Company proposes to buy the shares of other shareholders at the price of the share determined by the independent valuation process and in accordance with applicable law.</p>
<p>H. Effective and transparent ways to gain control over the company</p>	<p>Yes</p>	<p>The marked environment allows effective and transparent ways to gain control over the Company.</p>
<p>1. Company takeover, merger, sale of a significant part of the business and other extraordinary transactions at transparent prices and under fair conditions,</p>	<p>Yes</p>	<p>The rules and procedures governing the Company’s takeover on the capital market and extraordinary transactions, such as mergers and sales of substantial parts of the Company’s assets, are clearly formulated and published by the</p>

protecting the rights of all shareholders.		Company in order for investors to understand their rights and possibilities for defence. Transactions are conducted at transparent prices and under fair conditions that protect the rights of all shareholders according to their category.
2. Instruments to protect the company against takeover not to be used to protect corporate boards and management from liability.	Yes	To the extent according to applicable laws and Stock Exchange rules.
3. Information on the existence of potential defence tools in the company⁸.	Yes	To the extent according to applicable laws and Stock Exchange rules.

PRINCIPLE 2: INSTITUTIONAL INVESTORS, CAPITAL MARKETS AND OTHER INTERMEDIARIES

A. Company performing the activity of an institutional investor managing committed funds publishes its corporate governance policy.	<i>compliant/non-compliant</i>	<i>Manner of compliance (brief description)</i>
1. The company publishes the corporate governance procedures and strategies in companies in which it holds shares.	N/A	Currently the Company is not active on the capital market.
2. The company publishes procedures and strategies for the exercise of voting rights	N/A	Currently the Company is not active on the capital market.

⁸ Section 20 par. 7 letters i) and j) of the Act

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<p><i>The disclosure of procedures and strategies for the exercise of voting rights and corporate governance can be carried out directly at the entity's request or by full disclosure, in particular when it is a company making investments as its core business (funds, investment companies).</i></p>	<p><i>* Best practice</i></p>	
<p>B. A company carrying out the activity of an intermediary acts in accordance with the instructions of the beneficial owner.</p>	<p>N/A</p>	<p>Currently the Company is not active on the capital market.</p>
<p>1. An intermediary does not exercise voting rights unless he has received an explicit order from the holder of shares.</p>	<p>N/A</p>	<p>Currently the Company is not active on the capital market.</p>
<p>2. The company does not restrict the right of shareholders to exercise direct voting rights or exercise its rights through an intermediary.</p>	<p>N/A</p>	<p>Currently the Company is not active on the capital market.</p>
<p>3. The company informs about the general meeting in such a way that it does not indirectly restrict the shareholders to choose direct or mediated form of exercise of voting rights.</p>	<p>N/A</p>	<p>Currently the Company is not active on the capital market.</p>

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<i>This principle does not apply to the exercise of rights by fund managers or other persons under a special mandate⁹.</i>	<i>* Best practice</i>	
C. A company performing an institutional investor activity discloses potential conflicts of interest that may arise in its activities and how they are addressed.	N/A	Currently the Company is not active on the capital market.
1. The company has internal procedures for monitoring and identification, solving and publishing or individually reporting conflicts of interest.	N/A	Currently the Company is not active on the capital market.
D. The company prohibits carrying out insider trading or trading based on market manipulation	N/A	Currently the Company is not active on the capital market.
1. The company has adopted internal procedures that prohibit employees and the company itself from conducting insider trading or using market manipulation.	N/A	Currently the Company is not active on the capital market.
2. The company has internal procedures for monitoring and enforcing the ban on misuse of confidential information or market manipulation.	N/A	Currently the Company is not active on the capital market.

⁹ Act No. 8/2005 Coll. on administrators and on amendments to certain laws, Section 182 et seq. of Act No. 161/2015 Coll. Civil Non-Judicial Procedure Code

E. The company publishes the governing law that governs exercising of rights associated with its shares or other financial instruments issued by it when issued in a State other than that of its registered office.	N/A	Currently the Company is not active on the capital market.
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PRINCIPLE 3: THE ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE

	<i>Compliant /non-compliant</i>	<i>Manner of compliance (brief description)</i>
i. The importance of stakeholders for the company	Yes	The Company accepts stakeholder activities, which are a valuable source for building competitive and profitable companies. The Company proceeds in accordance with the legislation and the MOL Group Code of Ethics and Business Conduct and communicates within its environment properly.
A. Respect for the rights of stakeholders	Yes	The Company respects the rights of interest groups and informs them of its activity in the relevant area through the disclosure of information.
<i>Accepting wider interests at the local level</i>	<i>* Best practice</i>	
<i>Compliance with the United Nations Guidelines for Trade and Human Rights</i>	<i>* Best practice</i>	
<i>Compliance with the OECD Guidelines for Multinational Enterprises.</i>	<i>* Best practice</i>	

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B. Opportunities to effectively protect the rights of stakeholders	Yes	The Company fulfils information obligations in accordance with the legal regulations, in particular in the field of environment and in the field of rights of employees. Published environmental reports are on the Company's home page. Likewise, the MOL Group Code of Ethics and Business Conduct is available on the homepage.
C. Employee participation in company boards	Yes	In the Supervisory Board of the Company, the employees are represented by two employees' representatives.
i. Compliance with the independence in managing pension funds from the company's management.	N/A	
D. Right of access to information	Yes	The Company fulfils information obligations in accordance with the legal regulations and Stock Exchange rules. It publishes all relevant information on its home page and through legally prescribed disclosure methods.
E. "Comply or Explain" principle	Yes	The Company properly applies the " <i>Comply or Explain</i> " principle and explains and discloses any deviations from the Code accordingly.
i. Publication of the <i>Statement</i> in the Annual Report	Yes	The Company publishes the <i>Statement</i> in the Annual Report of the Company for the relevant calendar year.
ii. Disclosure of deviations from Code recommendations	Yes	The Company clearly states in the <i>Statement</i> , from which recommendations of the Code deviates, and provides an appropriate explanation in each such case. At the same time, it publishes deviations from the Code recommendations.
F. Control and appeal mechanisms of stakeholders	Yes	The Ethics Council reviews and discloses disciplinary procedures for breach of the Code of Ethics, manages internal investigations into ethical issues, continuously evaluates the risks of breaching the Code and ensures that internal controls reduce risks, compiles report on compliance with the Code.

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i. Addressing integrity of company's officials	Yes	The Ethics Council addresses the unethical and illegal practices of its officials who can not only violate the rights of stakeholders, but also harm the Company and its shareholders with negative impacts on the Company's reputation and the increased risk of future financial liabilities.
<i>“Due diligence” in the field of human rights - including labour rights, consumer rights, environmental rights and anti-corruption rights.</i>	<i>* Best practice</i>	
G. Protection of creditors	Yes	The Company has developed internal mechanisms to prevent insolvency.
i. Acting in the interest of creditors in cases of credit risks	Yes	In accordance with the provisions of the Code of Ethics and applicable law, the Company's Board of Directors has a duty to act in cases of credit risks, when the Company is at the edge of insolvency, in the best interest of the creditors.

PRINCIPLE 4: DISCLOSURE AND TRANSPARENCY		
A. Minimum disclosure requirements	<i>Compliant /non-compliant</i>	<i>Manner of compliance (brief description)</i>
1. Audited financial statements documenting the financial performance and financial position of the company	Yes	The Company encloses to the audited financial statements to the annual report and analysis of operations. It also discloses transactions relating to the entire group of companies, including information on contingent liabilities and off-balance sheet transactions, as well as legal/natural persons with special intent.
2. Company objectives and non-financial information, including business ethics, as well as environmental and other liabilities of the company.	Yes	Policies on social and human rights issues the Company discloses together with information on political gifts. The Company also provides additional information, for example, data of net turnover or payments to the state, structured by categories of activities and by country (<i>country-by-country reporting</i>). The Company discloses a full set of information, including the above additional information.
3. Information on the equity structure, qualifying holding¹⁰ and special control:	Yes	The Company discloses significant ownership interests, including real owners and voting rights.
i. Information on the company owners, persons with a qualifying holding and persons with the right of special control and the size of their voting rights ¹¹ .	Yes	The Company discloses information on ownership of the Company in case of an overrun of threshold values and covering also other entities that directly or indirectly, significantly influence or control the Company or could influence or control the Company. The Company also discloses information on the structure of SLOVNAFT Group, and on the relations within this Group on its home page.
<i>Information about group structure when it is part of that group.</i>	<i>* Best practice</i>	The Company also discloses information on the structure of MOL Group on its home page, in the annual report and relevant publications.

¹⁰ For example, Section 7 par. 11 of Act No. 483/2001 Coll. on banks and on amendments to certain laws or Section 8 par. f) of Act No. 566/2001 Coll. on securities and investment services and on amendments to certain laws.

¹¹ Section 20 par. 7 letters a), c) and d) of the Act

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<p><i>Information on the ownership of the company's shares by the members of the Board of Directors or Supervisory Board of the company or members of senior management and their voting rights.</i></p>	<p><i>* Best practice</i></p>	<p>The members of the Board of Directors and of the Supervisory Board currently do not own any Company shares.</p>
<p>ii. Information about the company beneficial users of benefits and their voting rights.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report.</p>
<p>4. Information about remuneration schemes:</p>		
<p>i. Information about remuneration schemes of members of the Board of Directors, the Supervisory Board and the members of the executive management.</p>	<p>Yes</p>	<p>The system and structure of remuneration of members of the Company boards (the Board of Directors and the Supervisory Board) and key members of the management reflect the long-term interests of the Company and its shareholders. More detailed information is available in the annual reports of the Company.</p>
<p>ii. Information on the remuneration plan for the following year or years, together with information on remuneration in the previous year.</p>	<p>N/A</p>	<p>The Company proceeds in accordance with the Commercial Code and the Articles of Association. The Company's Supervisory Board decides on the remuneration rules of the members of the Board of Directors and the Supervisory Board.</p>
<p>iii. Information on fixed and variable components of remuneration, terms of payment suspension and not awarding bonuses and information on terms of payment of bonuses in connection with the achievement of objectives and company performance.</p>	<p>N/A</p>	
<p>5. Information about members of company boards and members of the executive management of the company, in particular:</p>	<p>Yes</p>	<p>The Company discloses information about members of Company boards in its financial statements and annual reports to the extent pursuant to legal regulations and Stock Exchange rules. These are available on the Company home page.</p>

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i. Information on qualification and work experience	Yes	The members of the Board of Directors and of the Supervisory Board have qualification and work experience corresponding to their position and responsibilities. A brief summary of this information can be found in the annual report of the Company. The Company provides the management a wide range of opportunities for further education.
ii. Information on the method and conditions of selecting a person	N/A	
iii. Information on the ownership of shares or other financial instruments issued by the company or options for the purchase of such financial instruments by members of company boards.	N/A	
iv. Membership in boards of other companies or holding executive positions in other companies.	Yes	The SLOVNAFT Group discloses this information in the annual report and on its home page.
v. Information on whether such member of the company body or member of the executive management of the company is considered to be independent.	N/A	
6. Related party transactions¹²	Yes	The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report.
i. Information on related party transactions and their importance and terms and conditions.	Yes	The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report.

¹² Section 59a of the Act No. 513/1991 Coll. - the Commercial Code

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<p>ii. Information on related party transactions are disclosed on an ongoing basis, with the exception of recurring transactions under normal market conditions, published in regular reports.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report.</p>
<p>7. Risk factors:</p>		
<p>i. Information on foreseeable risks depending on the company's business activity.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report. These are available on the home page of the Company.</p>
<p>ii. Information on foreseeable risks associated with locations, in which the company operates, with dependence on commodities, raw materials or customers and clients, the risks of the financial market, in particular interest rate and currency risks, derivatives and off-balance sheet transaction risks, business strategy risks and environmental risks.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report. These are available on the home page of the Company</p>
<p>8. Issues related to employees and other interest groups of the company.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the financial statements, the annual report, and the half-year financial report. These are available on the home page of the Company.</p>
<p>9. Composition and operation of company boards and strategy in the field of corporate governance¹³.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the annual report, which is available on the home page of the Company.</p>

¹³ Section 20 par. 6 letters a), b), c), e) and f) of the Act

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i. Information on the internal organization, composition and operation of company boards.	Yes	The Company discloses information about its internal organization, composition and operation of Company boards in its financial statements and in the annual reports to the extent required by the law and the Stock Exchange rules. These are also available on the Company's home page.
ii. Information on governance strategy, including the publication of the Code of Governance governing the company and the method of its implementation.	Yes	The Company is governed by the Corporate Governance Code of companies in Slovakia.
iii. Information about division of powers between company boards and members of the senior management of the company.	Yes	The Company discloses information about its internal organization, composition and operation of Company boards in its financial statements and in the annual reports to the extent required by the law and the Stock Exchange rules. These are also available on the Company's home page.
<i>The company publishes its Articles of Association, founding documents of the boards and committees of the company.</i>	<i>* Best practice</i>	The Company publishes its Articles of Association on the home page of the company.
B. The company discloses information in accordance with applicable requirements and standards of accounting and financial and non-financial reporting¹⁴.	Yes	The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules, in particular in the annual report, and the half-year financial report. These are available on the home page of the Company.
C. The company's audit is performed by an independent, competent and qualified audit firm.	Yes	In accordance with applicable law, the external auditor is recommended by the Audit Committee of the parent company, MOL Plc. and approved by the General Meeting.
i. The company has an Audit Committee to supervise internal and external audit.	Yes	Audit Committee established at MOL Plc. ensures supervision of internal audit activities, as well as the overall relationship with the external auditors.

¹⁴ For example, Section 20 of the Act

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<p>ii. The company applies rules to minimize conflict of interests when performing external audit.</p>	<p>Yes</p>	<p>In accordance with applicable law, the external auditor is recommended by the Audit Committee of the company MOL Plc. and approved by the General Meeting.</p>
<p><i>The company publishes measures to increase the independence of external audit, for example prohibiting or restricting non-audit services by an external auditor, disclosing payments for non-audit services, applying periodical rotation of auditors, a fixed term of office, banning shared audits or hiring auditors for a certain period of time.</i></p>	<p><i>* Best practice</i></p>	<p>The Company currently does not apply periodical rotation of auditors.</p>
<p>D. The external auditor is directly accountable to shareholders.</p>	<p>Yes</p>	<p>In accordance with applicable law, the external auditor is recommended by the Audit Committee of the parent company and approved by the General Meeting, and is accountable directly to Company shareholders.</p>
<p><i>Best practice is considered if the external auditor is determined directly by the general meeting of the company.</i></p>	<p><i>* Best practice</i></p>	<p>The external auditor is directly appointed by the General Meeting of the Company.</p>
<p>E. The company ensures for the shareholders and other stakeholders consistent and non-discriminatory access to relevant information.</p>	<p>Yes</p>	<p>The Company discloses such information to the extent pursuant to legal regulations and Stock Exchange rules. Information on Company's financial results, annual reports, information on general meetings, corporate social responsibility information, including environment and human resources, support for various interest groups are available on the Company's home page, and these documents are provided to shareholders for consultation. At the same time, the Company issues an internal bi-weekly magazine designed for the Company's employees. Through its communication department, especially the spokesperson the Company makes information available to the media.</p>

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i. Access to relevant company information is not conditional on fulfilment of unjustified administrative or financial conditions.	Yes	The Company provides information in accordance with applicable laws and according to the IFRS standards.
ii. Relevant information is published on a regular basis and also as <i>ad hoc</i> in the event of serious circumstances.	Yes	The Company provides information in accordance with applicable laws and according to the IFRS standards. All relevant information are published on its home page.

PRINCIPLE 5: RESPONSIBILITIES OF COMPANY BOARDS

A. Acting of members of boards on the basis of complete information in the interest of the company and its shareholders.	<i>Compliant /non-compliant</i>	<i>Manner of compliance (brief description)</i>
i. Members of company boards act with professional care.	Yes	Members of Company boards act in accordance with the laws and the MOL Group Code of Ethics and Business Conduct with due diligence, which includes the obligation to perform it with professional care and in accordance with the interests of the Company and all its shareholders.
ii. Members of company's boards act in accordance with the principle of loyalty towards the company and all its shareholders.	Yes	Members of Company boards act in accordance with the laws and MOL Group Code of Ethics and Business Conduct, which include also the loyalty principle towards the Company and all its shareholders.
iii. Members of company's boards do not disclose confidential information that could harm the company or its shareholders.	Yes	Members of Company boards act in accordance with the laws and the MOL Group Code of Ethics and Business Conduct, which include also the obligation to act with professional care and in accordance with the interests of the Company and all its shareholders.

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<p>iv. Members of supervisory boards of the company do not participate in the day-to-day management of the company.</p>	<p>Yes</p>	<p>Members of the Supervisory Board act in accordance with the laws and the MOL Group Code of Ethics and Business Conduct and they do not participate in the day-to-day management of the Company.</p>
<p><i>Company boards also exercise due diligence vis-a-vis other stakeholders, including employees, creditors, customers, suppliers and the local community.</i></p>	<p><i>* Best practice</i></p>	<p>Company boards apply due care also towards Company stakeholders.</p>
<p>B. Fair treatment of shareholders by the members of boards in the event that the decisions of the company boards may have different impacts on different groups of shareholders.</p>	<p>N/A</p>	
<p>C. Applying ethical standards</p>	<p>Yes</p>	<p>The members of the Board of Directors and of the Supervisory Board act in accordance with the laws and the MOL Group Code of Ethics and Business Conduct with due diligence, which includes the obligation to perform it with professional care and in accordance with the interests of the Company and all its shareholders.</p>
<p>i. The existence of a code of ethics valid for the whole company.</p>	<p>Yes</p>	<p>The MOL Group Code of Ethics and Business Conduct applies to the entire Company and serves as a standard for the conduct of both Company boards, as well as the senior management; It establishes a framework of ethical behaviour that goes beyond the law, which is its elemental requirement.</p>
<p>ii. Unambiguous criteria of the code of ethics addressing potential conflicts of interests, including stock trading.</p>	<p>Yes</p>	<p>The MOL Group Code of Ethics and Business Conduct sets clear criteria for following private interests, including trading in Company shares.</p>
<p>iii. Discouraging from practices that do not contribute to the long-term interests of the company and its shareholders and may create legal risk and jeopardize the reputation (for example, aggressive attempt to avoid taxing).</p>	<p>Yes</p>	<p>The MOL Group Code of Ethics and Business Conduct discourages from certain practices that do not contribute to the long-term interests of the Company and its shareholders and can create legal risk or jeopardize the Company's reputation.</p>

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iv. Company boards have established their own ethical standards and guarantee their implementation.	Yes	The Company boards act in accordance with the MOL Group Code of Ethics and Business Conduct.
D. Ensuring key functions: ¹⁵		
1. Guiding and reviewing company strategies, risk management procedures, budget, business plan, setting performance targets and monitoring their implementation, ensuring supervision over major capital transactions.	Yes	Company boards regularly provide guidance and review the Company's strategy, taking into account the risks faced by the Company.
2. Monitoring the effectiveness of corporate governance and introducing changes as needed	Yes	Company boards evaluate their activity every year and they submit their report as part of the annual report.
<i>Self-assessment of company boards on a yearly basis, publication of this assessment in the annual report, possibly also control of self-assessment by an independent entity or the audit committee.</i>	<i>* Best practice</i>	
3. Personnel policy on senior management, including selection, remuneration, monitoring and supervision of succession planning ¹⁶ .	Yes	Members of the Board of Directors and of the Supervisory Board are individually approved by the general meeting. Company boards ensure monitoring the work of individual key members of the management and oversee the development of the succession system in the individual areas of the Company management.

¹⁵ Section 20 par. 6 letters b) and f) and Section 20 par. 7 letter i) of the Act

¹⁶ Section 20 par. 7 letter g) of the Act

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<i>Mandate to the supervisory board to recall members of the company boards (in the interest of more effective monitoring and greater flexibility (without affecting the possibility for the general meeting to actively participate in the process).</i>	<i>* Best practice</i>	
4. Remuneration aligned with the long-term interests of the company and its shareholders	Yes	The system and structure of remuneration of the members of the Company's boards and key members of the management reflect the long-term interests of the Company and its shareholders. More detailed information is available in the annual reports of the Company.
i. Procedures for covering payments when hiring and/or terminating a contract with a member of the management.	Yes	The system of remuneration of the members of the Company's boards and of senior management focuses on the long-term interests of the Company, which shall have priority over short-term interests. The Company has prepared procedures for covering payments when hiring and/or terminating contracts with a member of the executive.
<i>Disclosure of information on remuneration system relating to company boards and senior management, containing measurable standards that prioritize long-term interests of the company.</i>	<i>* Best practice</i>	
<i>Existence of provision for returning and gradual withdrawal of performance bonuses in the event of management fraud or other breach of duties.</i>	<i>* Best practice</i>	
5. Transparency in the process of appointment and election of members of boards.¹⁷	Yes	Members of the Board of Directors and members of the Supervisory Board (except members elected by the employees) are elected by the general meeting. Candidates are nominated persons, whose experience and expertise is adequate to the demanding position and responsibility.
i. Active role of shareholders in nomination and election of members of company boards.	Yes	Shareholders play an active role in nominations and election of members of Company boards.

¹⁷ Section 20 par. 7 letter g) of the Act

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<p>i. Ensuring transparent procedures by the company boards or by the committee for nominations.</p>	<p>Yes</p>	<p>Company body ensures that the established procedures are transparent and respected.</p>
<p>ii. Defining the general and individual profile of the members of boards that a company might need, taking into account knowledge, competencies and expertise, and identifying potential candidates</p>	<p>Yes</p>	<p>The Company body defined a general or individual profile of its members that the Company may need at any given time to supplement the existing expertise of such body, taking into account their relevant knowledge, competency and expertise.</p>
<p>6. Monitoring and management of potential conflicts of interest of members of the boards, management and shareholders.</p>	<p>Yes</p>	<p>Members of the Board of Directors act in accordance with the laws and the MOL Group Code of Ethics and Business Conduct. The Ethics Council reviews any breach of the Code of Ethics.</p>
<p>i. Company boards oversee internal control systems in financial reporting and asset utilization to protect against inappropriate related party transactions.</p>	<p>Yes</p>	<p>The Company boards oversee the internal control systems in the field of financial reporting and asset utilization.</p>
<p>ii. If an internal auditor or other persons are entrusted with the performance, they should have direct access to company boards.</p>	<p>Yes</p>	<p>The Audit Committee established by the parent company MOL Plc. performs the activity of audit committee for the Company in accordance with the relevant laws.</p>
<p>iii. Company supports reporting of unethical and illegal conduct without having concerns about a sanction, the existence of a contact point for reporting and subsequent protection.</p>	<p>Yes</p>	<p>In accordance with the MOL Group Code of Ethics and Business Conduct, the Company boards have established an anonymous reporting system for reporting unethical and illegal conduct without having concerns about a sanction, in a form of a phone line or mailing. The anonymity of the reporting person is guaranteed.</p>
<p>7. Ensuring integrity of the accounting system, including independent audit and risk</p>	<p>Yes</p>	<p>The Company boards have clearly defined the division of duties and responsibilities. The Company has an internal audit unit reporting about its</p>

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management system		activities to the Board of Directors and the Supervisory Board. The Company's financial statements are certified by an independent auditor, approved by the general meeting. An independent auditor also certifies financial statements of the subsidiaries.
i. Establishing clear boundaries of responsibility in all segments of the organization	Yes	The internal audit unit demonstrates its leading role, thus ensuring the functioning of effective means of risk oversight.
ii. Ensuring proper oversight, internal audit system	Yes	The internal audit unit establishes and enforces clear boundaries of responsibility in all segments of the organization.
iii. Extending internal procedures also to subsidiaries, possibly also third parties (intermediaries, suppliers, contractors...)	Yes	Company body ensures due oversight by the senior management, including the establishment of internal audit system directly subordinated to that body.
<i>Development of effective internal control programs, ethics and compliance with the laws and other regulations and standards.</i>	<i>* Best practice</i>	
8. Overseeing the process of disclosure and communication	Yes	Duties and responsibilities for disclosing information and communicating with the environment are clearly defined in the Company.
<i>Appointment of a staff member to fulfil information duties of the company, who is directly responsible to the company boards.</i>	<i>* Best practice</i>	
E. Objectivity and independence of the company boards	Yes	Company boards decide in the matters of the Company in an objective and independent manner.

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i. Independence of the supervisory board members	Yes	The composition of the supervisory board corresponds to the legal requirements and the ownership structure of the Company. Two members of the supervisory board elected by the representatives of employees are independent.
ii. Perception of independence	Yes	<p>An independent member can be considered only a person who had not have and does not have any business, family or other affiliation with the Company (or with its management) or with the shareholder controlling the Company (or with its management), that could cause a conflict of interest that could influence its decision-making.</p> <p>An independent members of the Company's supervisory board:</p> <ul style="list-style-type: none"> - Has not been a member of senior management of this Company or a company associated with this Company in the past 5 years; - Has not been an employee of the Company in the last 3 years (except for employees' representatives in the supervisory board, but who are not members of the Company's senior management at the same time); - Has not accepted a more significant remuneration from the Company or a company affiliated with this Company in addition to the remuneration resulting from the position of a member of the supervisory board and in case of employees' representatives, in addition to remuneration paid normally in the employment relationship; - has not been an external auditor or partner in the last 3 years or an employee of an audit firm that has audited a Company, in which it is to be a member of the supervisory board or a related company; - an independent member should also not represent a shareholder controlling the Company in any way; - should not have any more significant direct or indirect business relationship with the Company or a related company in the last year; - an independent member should not have any close family relationship with a senior management member.
<i>The boards shall indicate which members they consider to be independent, as well as criteria for this decision.</i>	<i>* Best practice</i>	

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<p>1. Company boards should commit sufficient number of non-executive members with tasks where there is a risk of conflict of interests and consider setting up special committees with certain minimum number of non-executive members, or composed exclusively of non-executive members.</p>	<p>Yes</p>	
<p>2. Existence, composition and activity of committees</p>	<p>Yes</p>	<p>Company boards have set up specialized committees to support boards in the performance of their function (Corporate Governance and Remuneration Committee established in the parent company MOL Plc.). After their establishment, the Company has sufficiently defined their mandate, composition and working practices. All relevant information is published by the Company on its home page.</p>
<p>i. Committee for appointments /nominations</p>	<p>Yes</p>	<p>The Corporate Governance and Remuneration Committee established in the parent company MOL Plc., assesses the nomination of the members of the board of directors and the supervisory board of the Company.</p>
<p>ii. Remuneration Committee</p>	<p>Yes</p>	<p>The Corporate Governance and Remuneration Committee established in the parent company, MOL Plc., assesses the remuneration rules of the members of the board of directors and the supervisory board of the Company.</p>
<p>iii. Audit Committee</p>	<p>Yes</p>	<p>The Committee for finance and risk management and the Audit Committee established in the parent company, MOL Plc., perform the activities of audit committee for the Company under the applicable laws.</p>
<p>3. Qualification and work experience of members of company boards and functions in other companies</p>	<p>Yes</p>	<p>The members of the board of directors and of the supervisory board have qualification and work experience corresponding to their position and responsibilities.</p>

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		The Company provides the management with a wide range of opportunities for further education.
i. Functions in other companies do not have a negative impact on their performance	Yes	The members of the board of directors and of the supervisory board are members of boards of other companies and accept additional commitments only to the extent that their performance in the Company is not limited in a negative way.
4. Regular self-assessment of company boards performance, including assessing the suitability of expertise and competences	Yes	Company boards regularly evaluate their performance and evaluate whether they have the right combination of expertise and competencies.
i. Education of members of boards and their voluntary evaluation	Yes	The Company provides to the management a wide range of opportunities for further education.
F. The right of members of boards of access to accurate, relevant and timely information	Yes	Members of the Company boards have secured access to information at meetings, but also outside the meetings, based on their request.
G. Mechanisms for facilitating access to information and training of employee representatives in the company boards	Yes	The Company has developed mechanisms to facilitate access to information and education for the employee representatives in the Company boards so that they can represent them effectively and to the fullest extent possible have contributed to improving the expertise, information and independence of the given body.
i. Employees' representatives have the same duties and roles as other members of the supervisory board.	Yes	Employee representatives have the same duties and roles as all other members of Company boards and are required to act in the best interest of the Company.

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<p>ii. Existence of procedures for increasing employee independence from the company management, including their transparent appointment, regular account for to the employees (respecting the confidentiality of information) and conflict of interest management.</p>	<p>Yes</p>	<p>The Company has developed procedures to facilitate access to information, education, enhancement of expertise, as well as independence of employee representatives in the Company’s supervisory board. These procedures also include adequate and transparent processes for the appointment of employees’ representatives, their right to account for regularly to the employees (subject to full respect of the confidentiality requirements by the given body), their right to education and also clearly defined procedures for conflict of interest management.</p>
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With our signatures we confirm the authenticity of the above-stated facts:

Place and Date: In Bratislava, on 22nd July 2019

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 JUDr. Oszkár Világi
 Member of the Board of Directors
 SLOVNAFT, a.s.

.....
 Gabriel Szabó
 Member of the Board of Directors
 SLOVNAFT, a.s.