
**REPORT ON THE CONTROLLING ACTIVITIES OF THE SUPERVISORY
BOARD OF UNIPETROL, A.S. FOR THE ANNUAL GENERAL MEETING OF
UNIPETROL, A.S.
HELD ON 24 JUNE 2013**

1. INTRODUCTION

The Supervisory Board of UNIPETROL, a.s. (hereinafter “Unipetrol”) hereby submits to the Regular General Meeting its Report on Controlling Activities in the period from 1st January 2012 to 8th April 2013 (hereinafter the “**Report on Controlling Activities**”).

The Supervisory Board of Unipetrol states that this Report on Controlling Activities was approved by the Supervisory Board of Unipetrol in its version dated 8th April 2013.

2. MEETINGS OF THE SUPERVISORY BOARD

In the period from 1st January 2012 to 8th April 2013 eight (8) Supervisory Board meetings were organised in total. In the given period the Supervisory Board also voted per rollam eight (8) times in total.

The individual meetings of the Supervisory Board took place on 28th March 2012 (twice), 23rd April 2012, 5th June 2012, 5th December 2012, 6th February 2013 (twice) and 8th April 2013.

The per rollam voting took place on the following dates: 12th–16th April 2012, 25th–30th April 2012, 18th–22nd May 2012, 28th–29th June 2012, 17th–30th July 2012, 29th–31st August 2012, 28th September–2nd October 2012 and 24th–29th October 2012.

3. COMPOSITION OF THE SUPERVISORY BOARD

In accordance with the provisions of the company’s Articles of Association, as amended, the Supervisory Board of Unipetrol has nine (9) members.

As of 1st January 2012 the Supervisory Board of UNIPETROL, a.s. had the following composition:

Dariusz Jacek Krawiec	Chairman of the Supervisory Board
Ivan Kočárník	Vice-Chairman of the Supervisory Board
Sławomir Jędrzejczyk	Vice-Chairman of the Supervisory Board
Zdeněk Černý	Member of the Supervisory Board
Bogdan Dzdzewicz	Member of the Supervisory Board
Piotr Kearney	Member of the Supervisory Board
Andrzej Kozłowski	Member of the Supervisory Board
Krzysztof Pater	Member of the Supervisory Board
Rafał Sekuła	Member of the Supervisory Board

On 5th June 2012 the General Meeting decided to re-elect Mr Ivan Kočárník, Mr Bogdan Dzudzewicz and Mr Andrzej Kozłowski for another term of office as Supervisory Board Members.

As of 8th April 2013 the Supervisory Board of Unipetrol had the following composition:

Dariusz Jacek Krawiec	Chairman of the Supervisory Board
Ivan Kočárník	Vice-Chairman of the Supervisory Board
Sławomir Jędrzejczyk	Vice-Chairman of the Supervisory Board
Zdeněk Černý	Member of the Supervisory Board
Bogdan Dzudzewicz	Member of the Supervisory Board
Piotr Kearney	Member of the Supervisory Board
Andrzej Kozłowski	Member of the Supervisory Board
Krystian Pater	Member of the Supervisory Board
Rafał Sekuła	Member of the Supervisory Board

4. COMMITTEES OF THE SUPERVISORY BOARD

Permanent Committees of the Supervisory Board

As of 1st January 2012 the following Committees of the Supervisory Board of Unipetrol were functioning:

(a) HR and Corporate Governance Committee:

1. Krystian Pater	Committee Chairman
2. Bogdan Dzudzewicz	Committee Vice-Chairman
3. Zdeněk Černý	Committee Member
4. Rafał Sekuła	Committee Member

(b) Strategy and Finance Committee:

1. Sławomir Robert Jędrzejczyk	Committee Chairman
2. Andrzej Kozłowski	Committee Vice-Chairman
3. Piotr Kearney	Committee Member
4. Ivan Kočárník	Committee Member

After the changes in the composition of the Supervisory Board, based on the decision of the General Meeting made on 5th June 2012, Mr Kočárník and Mr Kozłowski again became members of the Strategy and Finance Committee, and Mr Dzudzewicz again became a member of the HR and Corporate Governance Committee.

After the decision of the Supervisory Board to co-opt Mr Rafał Sekuła to the Supervisory Board as of 6th February 2013, Mr Rafał Sekuła again became a member of the HR and Corporate Governance Committee.

As of 8th April 2013 the composition of the individual Supervisory Board Committees was as follows:

(a) HR and Corporate Governance Committee:

1. Krystian Pater	Committee Chairman
2. Bogdan Dzudzewicz	Committee Vice-Chairman
3. Zdeněk Černý	Committee Member
4. Rafał Sekuła	Committee Member

(b) Strategy and Finance Committee:

1. Sławomir Jędrzejczyk	Committee Chairman
2. Andrzej Kozłowski	Committee Vice-Chairman
3. Piotr Kearney	Committee Member
4. Ivan Kočárník	Committee Member

The above Supervisory Board Committees are among the Supervisory Board Committees created obligatorily, in accordance with the Supervisory Board Rules of Procedure. In the last period they performed the duties assigned to them by the current Articles of Association of Unipetrol and regularly informed the Supervisory Board about the results of their activities at individual Supervisory Board meetings.

Thanks to the activities of the Supervisory Board Committees, the activities of the Supervisory Board itself were made more efficient, as the individual matters within its competencies are regularly assigned to the appropriate Supervisory Board Committees for detailed analysis. The committees are composed of persons with extensive experience in the areas relevant to the specific committee.

The Supervisory Board bases its decisions on the results of the analyses prepared by the individual Supervisory Board Committees on particular subjects.

5. CONTROLLING ACTIVITIES OF THE SUPERVISORY BOARD

5.1 Regular controlling activity

As part of its standard supervising activities the Supervisory Board regularly monitored and reviewed in the last period the business activities of Unipetrol, the development of the HR situation and the implementation of the strategy.

In 2012 and 2013 the Supervisory Board studied and evaluated the proposed development projects and macroeconomic assumptions included by the Board of

Directors in the Annual Business Plan. The Supervisory Board and its individual Committees also regularly discussed the Group's financial situation, the steps taken by the Board of Directors and their impact on the generated financial results.

On the basis of analyses of the financial situation in the individual Unipetrol Group companies the Supervisory Board decided to increase the base capital in Paramo, a.s. and to change the financing sources in Unipetrol RPA, s.r.o. Also discussed was the work undertaken within individual subsidiaries in relation to the removal of old ecological burdens project.

As part of standardisation of the corporate documents' contents changes were made to the statutory documents of the Unipetrol Group companies and to the managerial contracts of the Group's top management. The Supervisory Board also analysed the remuneration and bonus-awarding rules in the Unipetrol Group.

In 2012 and in 2013 the Supervisory Board, fulfilling its obligations resulting both from the generally applicable laws and the appropriate internal regulations, gave its opinion on the full set of materials submitted by the Board of Directors to the Regular General Meeting of the company.

The Supervisory Board of Unipetrol declares that as part of realisation of its supervising duties it did not find any deficiencies in the activity of the Board of Directors of Unipetrol in the above matters.

5.2 Controlling activities on request of a shareholder

In the period from 1st January 2012 to 8th April 2013 the Supervisory Board did not perform any controlling activities on request of a shareholder.

6. EVALUATION OF THE COMPANY'S SITUATION

On the basis of its regular supervising activities in Unipetrol the Supervisory Board declares that the situation in Unipetrol is stable and that the Supervisory Board of Unipetrol did not discover during its supervising activities any significant deficiencies in the activity of the Board of Directors of Unipetrol.

* * *

Prague, 8th April 2013

Supervisory Board of UNIPETROL, a.s.