

GENERAL MEETING OF SHAREHOLDERS OF UNIPETROL, a.s.

Report on the Audit Committee's Activities

Dear Shareholders,

On behalf of the Audit Committee of UNIPETROL, a.s., compliant with the provisions of Section 18.2 of the Articles of Association of UNIPETROL, a.s., I hereby submit to you the report on the activities of the Audit Committee of UNIPETROL, a.s.

Compliant with the Act No. 93/2009 Coll. ('the Auditors Act'), and the Articles of Association of UNIPETROL, a.s. the Audit Committee was established holding its first meeting on 12 May 2010 at which it adopted Rules of Procedure as the governance framework for its operations.

The Audit Committee is composed of four members as appointed by the General Meeting on 24 June 2013: Rafał Warpechowski, Iain Haggis, Ivan Kočárník and Piotr Robert Kearney. On 26 August 2013, Mr. Warpechowski and Mr. Haggis were duly elected as chairman and vice-chairman of Audit Committee.

In 2014 the Audit Committee has met on 22 January, 20 March, 23 April, 22 July, 21 October and 11 December, in accordance with the frequency foreseen in Rules of procedure of Audit Committee. During these meetings the Audit Committee has been informed and actively participated in the discussion of the performance of the statutory audit and on internal audit activities.

The Audit Committee has reviewed and discussed quarterly financial statements and has been regularly informed on the activities of the Internal Audit Department, implementation of the 2014 Internal Audit Plan and has discussed the significant findings from the audits in the areas of product quality management, HR, procurement, heavy fuel oil sales, commodity hedging, maintenance, production reliability, spare parts management, fuel station management and retail economics. It has monitored closely the implementation of all recommendations proposed by internal audit and agreed by management as a result of the audits.

The Audit Committee has also reviewed and discussed additional internal audits performed at the request of the Board of Directors..

Additionally and more specifically, the Audit Committee

- Reviewed and made recommendations with regard to the Risk Map and risk management procedures of the UNIPETROL Group, particularly in the context of the Internal Audit Plan for 2015;
- Reviewed and discussed the results of the Internal Control System Evaluation performed by the Internal Audit function and the preparedness for implementation of the Enterprise Risk Management (ERM) System.

At its meeting on 11 December 2014 the Audit Committee has approved the Internal Audit Plan for 2015 for UNIPETROL, a.s. and its fully-owned subsidiaries.

The Audit Committee and its individual members have been in contact with the external auditors, KPMG Česká republika Audit s.r.o. Issues raised by the auditor were discussed following the interim work performed, then prior to the publication of the quarterly financial report for Q4/14 and again before the financial statements were completed.

Also, at its meeting 17 March 2015 at which a representative of the external auditor was present, the Audit Committee has reviewed and discussed the annual audited non-consolidated financial statements of UNIPETROL, a.s. and the annual audited consolidated financial statements of UNIPETROL Group as at 31 December 2014.

On the basis of the Auditors' Reports on non-consolidated and consolidated financial statements as of 31 December 2014 and the Auditors opinion contained therein, and having discussed those reports with the Auditor, the Audit Committee confirms that the financial statements have been prepared in line with legal requirements.

In accordance with its responsibilities mandated by Article 44 (3) letter e) and Article 44 (4) of the Auditors Act, the Audit Committee recommends to the Supervisory Board the appointment of KPMG Česká republika Audit s.r.o. as the Company auditor for 2015 and 2016. The auditor is a renowned company and has a proven ability of performing the audit effectively with a high quality of service. Additionally, the Audit Committee has no reservations regarding the independence of the auditor and is notified in advance of any auxiliary services rendered to the entity.

Dear shareholders, thank you for your attention.

The Chairman of the Audit Committee
UNIPETROL, a.s.

16 April 2014