

## **REPORT OF THE CHAIRMAN OF THE SUPERVISORY BOARD PREPARED IN ACCORDANCE WITH ARTICLE L. 226-10-1 OF THE FRENCH COMMERCIAL CODE**

Dear Shareholders,

In accordance with Article L. 226-10-1 of the French Commercial Code, the purpose of this report is to inform shareholders about the composition, the application of the principle of balanced representation of women and men, the preparation and the organization of the work of the Supervisory Board, as well as the internal control and risk management procedures put in place by Management.

Pursuant to legal provisions, I am also informing you of the corporate governance code to which the Company refers, and the particular conditions pertaining to the participation of shareholders in the Shareholders' Meeting.

### **1. CORPORATE GOVERNANCE CODE**

The corporate governance code which the Company refers to is the Afep-Medef Code of June 2013, revised in November 2015.

The Company has always endeavored to fully adhere to the recommendations of the Afep-Medef Code, within the limits of the features specific to its statute as a Partnership Limited by Shares and its own by-law provisions.

The recommendations which have not been completely adhered to in 2015 are the subject of an explanation by the Company in its 2015 Registration Document.

### **2. COMPOSITION AND INDEPENDENCE OF THE SUPERVISORY BOARD**

#### **2.1 Composition of the Board and balanced representation of women and men**

Supervisory Board members are appointed for a maximum of 3 years by the Limited Partners' Shareholders' Meeting. General Partners may not take part in this appointment.

The duration of the terms of office is organized in such a way as to avoid the simultaneous replacement of the entire Board. About one third of the Board members are re-appointed every year.

The Board currently comprises 13 members, including 4 women. Today, women represent 30.8% of Board members. This percentage should reach 38.4% if the Shareholders' Meeting of Rubis, to be held on June 9, 2016, approves the appointment of Marie-Hélène Dessailly, who is also deemed to be an independent member. The 40% rate of female members on the Board recommended for 2016 by the Afep-Medef Code will be reached within the statutory time-frame (2017).

The Board's balanced composition, as well as the skills of its members, which are detailed in chapter 6, sections 6.2 and 6.3 of the 2015 Registration Document, ensure that it is fully qualified to represent the interests of shareholders with the necessary authority, responsiveness, and independence.

#### **2.2 Independence of the Board**

The Company is fully compliant with the recommendations of the Afep-Medef Code for assessing the independence of its members.

Of the 13 Board members, 4 members whose seniority is greater than 12 years were deemed as not being independent by the Compensation and Appointments Committee at its meeting on March 8, 2016. They are Olivier Dassault, Christian Moretti, Erik Pointillart and myself. In addition, Olivier Mistral was deemed as not being independent due to a consulting agreement binding him to Rubis Terminal, a subsidiary of Rubis.

The Supervisory Board currently comprises 8 independent members out of 13 members, or a 61.5% independence rate.

Information regarding the independence of Supervisory Board and Committee members is shown in chapter 6, section 6.3.2 of the 2015 Registration Document.

### **3. ORGANIZATION AND PREPARATION OF THE WORK OF THE SUPERVISORY BOARD**

The way the Board is organized and how it operates are laid out in the internal rules, the main provisions of which are described in chapter 6, section 6.3.2.2.1 of the 2015 Registration Document.

The Supervisory Board exercises continuous oversight over the Company's management. It meets regularly to examine the annual and half-yearly separate and consolidated financial statements, the performance of each division, and the outlook for the future based on the strategy set by the Management. It also reviews internal control and risk management procedures set up by the Management. In the exercise of its duties and the preparation of its meetings, the Supervisory Board benefits from the work done by the Accounts and Risk Monitoring Committee and the Compensation and Appointments Committee.

The 2 Committees are an extension of the Supervisory Board, which appoints their members and decides their duties and how they are organized and operate.

### 3.1 The Accounts and Risk Monitoring Committee

It supports the Supervisory Board in its task of continuous oversight of the Company's management and helps the Chairman of the Supervisory Board to prepare the report on the Company's internal control and risk management procedures.

As of December 31, 2015, the Accounts and Risk Monitoring Committee consisted of 4 members, chosen for their expertise in the fields of accounting and finance, and in particular, for their roles in banking institutions or in the general management of commercial companies: Chantal Mazzacurati, Hervé Claquin, Christian Moretti and myself. Chantal Mazzacurati, who chairs the Committee, and Hervé Claquin have been designated independent by the Compensation and Appointments Committee.

The Chairman of the Supervisory Board is automatically a member of the Committee, as it is his responsibility to present the internal control and risk management report to the shareholders. The rate of independence of the Accounts and Risk Monitoring Committee was 50% as of December 31, 2015. The Company has committed to reaching, gradually and at the latest by the expiration of the term of office of members who have served over 12 years, the independence percentage recommended by the Afep-Medef Code (2/3 of members).

Other contributors include the Management, Statutory Auditors, Chief Financial Officer, Director of Consolidation and Accounting and the Corporate Secretary of Rubis.

The Committee's principal functions are to:

- ◆ examine the financial statements for consistency of accounting methods, quality of data and completeness, and ensure that they give a true and fair view of the Company;
- ◆ ensure, based on the information given to it by Management, the existence of internal control procedures for accounting and financial matters and risk management;
- ◆ make recommendations to the Supervisory Board regarding the selection of Statutory Auditors and assist the Supervisory Board in monitoring compliance with the rules guaranteeing the independence and objectivity of the Statutory Auditors.

The members of the Accounts and Risk Monitoring Committee have access to the same summary documents as the Statutory Auditors. They are given a reasonable amount of time (2 days at least) to examine the accounts before their meeting.

In 2015, the Accounts and Risk Monitoring Committee met twice in order to examine the annual and half-yearly separate and consolidated financial statements (March 5 and August 27) and once (March 5) for matters connected to internal control procedures, risk management and monitoring, ethics and more generally the Group's CSR policy.

On the occasion of the meeting on risk management and monitoring, a summary, by subsidiary, was sent to the Accounts and Risk Monitoring Committee, of the operational, legal and financial risk maps, and a report on the internal control procedures. All mapping completed by all Group sites and subsidiaries was made available during the meeting.

After these meetings, members of the Accounts and Risk Monitoring Committee were able to talk to the Statutory Auditors, in the absence of Management and members of Rubis' functional departments, on the subject of the separate and consolidated financial statements and risks.

All members were present at the 3 meetings (see table in chapter 6, section 6.4.5 of the 2015 Registration Document).

### 3.2 Compensation and Appointments Committee

As part of the continuous improvement of its governance, at its meeting of March 11, 2015 the Supervisory Board decided to create a Compensation and Appointments Committee, whose task is, on an advisory basis:

- ◆ to issue an opinion on the compliance with Article 54 of the Company's by-laws of the amount of Management's compensation;
- ◆ to give an opinion on the quantitative and qualitative criteria to which the Management's variable compensation is subject;
- ◆ to give an opinion on the amount of variable compensation to be awarded to Management in respect of the prior year having regard to the level of satisfaction of the performance criteria;
- ◆ to give an opinion on any proposal to reappoint Board members, as well as any new appointment, while ensuring a balance both in terms of composition and overall rate of independence of the Board;
- ◆ to make proposals to the Board on the total amount of attendance fees to be awarded to Board members as well as on how they are to be allocated, on the basis of the contribution of each member and the regularity of their attendance;
- ◆ to give an opinion on the independence of Board members with regard to criteria of the Afep-Medef Code prior to the Shareholders' Meeting;
- ◆ to check annually that the Board members designated as independent continue to meet the criteria of objectivity and independence set by the internal rules of the Supervisory Board;
- ◆ to handle arrangements for the process of Board assessment, which takes place once every 3 years.

## Supervisory Board

As of December 31, 2015, the Compensation and Appointments Committee is made up of 4 members: Chantal Mazzacurati, Chairwoman, Maud Hayat-Soria, Erik Pointillart, and myself. Chantal Mazzacurati and Maud Hayat-Soria are designated independent members. Chantal Mazzacurati has the casting vote. The composition of the Committee complies with the recommendation of the Afep-Medef Code (at least 50% of independent members).

The Compensation and Appointments Committee met for the first time on April 1, 2015. During this meeting, it examined and gave an opinion on the quantitative and qualitative criteria and the conditions for setting up the variable compensation of Management, the principle and methods of which were voted on by shareholders during the Combined Shareholders' Meeting of June 5, 2015, as well as the quantitative and qualitative criteria set in respect of 2015.

An opinion was also given on the compliance of Management's fixed compensation with the criteria set in Article 54 of the by-laws.

The Committee then examined the independence of Supervisory Board members and assessed the professional expertise of those whose appointments or renewals were submitted to the Combined Shareholders' Meeting of June 5, 2015. It also examined the amount and distribution of the attendance fees paid to members of the Supervisory Board and the increase proposed at the Shareholders' Meeting in order to take into account the creation of the Compensation and Appointments Committee. Finally, the Committee recorded the change in gender parity on the Board with regard to the obligations in the Act of January 27, 2011.

All members of the Compensation and Appointments Committee were present at this meeting.

### 3.3 Supervisory Board meetings

During fiscal year 2015, the Supervisory Board met twice:

- ◆ **on March 11, 2015**, to examine the Group's activity in 2015, its results and the separate and consolidated financial statements, as well as the market for Rubis' stock.

It heard the description by Management and the Chairman of the Accounts and Risk Monitoring Committee of internal control procedures for the treatment of accounting and financial information of the Company and the Group, and of the Group risk management procedures.

It also heard the draft resolutions to be submitted to the Combined Shareholders' Meeting on June 5, 2015, presented to it by Management.

The Board gave a positive opinion on the renewal of the term of office of 3 of its members expiring at the Combined Shareholders' Meeting of June 5, 2015 and on the appointment of a new female member. It also gave its opinion on the proposed readjustment of the total amount of attendance fees, and their distribution.

It worked on the Supervisory Board's report and its Chairman's report that were submitted by the Combined Shareholders' Meeting of June 5, 2015.

The Board also created a Compensation and Appointments Committee and reviewed the composition of the Accounts and Risk Monitoring Committee in order to comply with the recommendations of the Afep-Medef Code with regard to independence. Chantal Mazzacurati, deemed an independent member, was appointed Chairwoman of the Compensation and Appointments Committee and of the Accounts and Risk Monitoring Committee, following my decision to withdraw as Chairman of the latter.

Lastly, it approved the internal rules of the Compensation and Appointments Committee, as well as the amendments proposed for its own internal rules.

- ◆ **on August 31, 2015**, to examine the half-yearly separate and consolidated financial statements for 2015, the market for Rubis' stock, and several accounting and fiscal matters.

The Board was thus informed of changes in scope, linked, in particular, to the acquisition of 35.5% of Sara and to the acquisition of the Eres group.

In addition, it was advised of a significant event after the reporting date of the half-yearly financial statements concerning the acquisition of *Société Réunionnaise de Produits Pétroliers*.

Lastly, the Board examined the report of the first meeting of the Compensation and Appointments Committee of April 1, 2015 and the consensus published by FactSet on the expected 2015 gross operating profit and earnings per share in respect of which a portion of Management's variable compensation is based.

Supervisory Board meetings have a high attendance rate (92% at the meeting of March 11, 2015 and 100% at the meeting of August 31, 2015) and have led to numerous discussions. Also participating in these meetings were Rubis' Managers, the Chief Financial Officer, the Corporate Secretary and the Statutory Auditors, who were able to provide all of the explanations necessary for a proper understanding of the agenda items.

### 3.4 Supervisory Board assessment

Every 3 years, the Board conducts a formal self-assessment on its membership, functioning and relations with the Management and Statutory Auditors. The last self-assessment was carried out in 2014. The conclusions of this assessment were set out in the 2013 Registration Document.

The Board will carry out a further self-assessment in 2017.

#### 4. RENEWALS AND NEW APPOINTMENT

Five members of the Board (Chantal Mazzacurati, Claudine Clot, Maud Hayat-Soria, Jacques-François de Chaunac-Lanzac and Olivier Dassault) shall see their terms of office come to an end at the Shareholders' Meeting of June 9, 2016. Jacques-François de Chaunac-Lanzac informed the Board during the meeting of March 9, 2016 that he did not wish to present himself for a new term of office. The Board regretted his departure and wanted to thank him for his contribution and dedication throughout his years on the Board.

The Board then examined the candidature of Marie-Hélène Dessailly as a new member, in replacement of Jacques-François de Chaunac-Lanzac, as presented to it by the Compensation and Appointments Committee.

Marie-Hélène Dessailly has 20 years experience with prestigious banks, with responsibility for branches (Banque Rothschild), Large Companies (Banque Vernes et Commerciale de Paris), and Financial Operations (Banque Vernes et Commerciale de Paris and Banque du Louvre). She created the MHD Conseil insurance consultancy (Axa agent), which she sold in 2012. She is now Chairwoman of Artois Conseil SAS, a consultancy which provides services in the areas of analysis and audit, as well as organization and strategy for insurance professionals.

With her experience in both the banking and insurance sectors, Marie-Hélène Dessailly provides the Supervisory Board with essential expertise needed to fulfill its duties of management control of the Company and monitoring Group risks.

Marie-Hélène Dessailly has been deemed an independent member by the Compensation and Appointments Committee.

After listening to the opinion of the Compensation and Appointments Committee, the Board voted in favor of the renewal of the terms of office of Chantal Mazzacurati, Claudine Clot, Maud Hayat-Soria and Olivier Dassault, and on the appointment of Marie-Hélène Dessailly.

#### 5. INTERNAL CONTROL PROCEDURES PUT INTO PLACE WITHIN THE GROUP AND THE COMPANY

Internal control procedures are defined by the Management and implemented by them and the Management bodies of the subsidiaries, taking into account the specific characteristics of the Group's structure and business. These are described in chapter 4, section 4.2 of the 2015 Registration Document and were the subject of a detailed presentation given by Management to the Accounts and Risk Monitoring Committee and to the Supervisory Board.

The definition and objectives of the internal control system adopted by Rubis are those defined by the *Autorité des Marchés Financiers* guide published on July 22, 2010, which sets out a reference framework for risk management and internal control systems.

The scope of internal control is Rubis and its controlled subsidiaries, joint operations and joint ventures.

##### 5.1 Internal accounting and financial control

Rubis has accounting and financial structures and procedures in place to ensure robust internal control of the preparation of accounting and financial information. At its meetings, the Accounts and Risk Monitoring Committee was able to ask any questions and obtain all the information necessary from both the Management and Statutory Auditors to ensure that the procedures for the preparation and processing of accounting and financial information, and for the preparation of the separate and consolidated financial statements, gave a true and fair view of the assets, liabilities and operations of the Group. It reported on this matter to the Supervisory Board.

##### 5.2 Internal control and risk management

The identification, monitoring and control of the main risks are described in chapters 4 and 5 of the 2015 Registration Document. To monitor risks, they are mapped at each fiscal year-end by the functional and operational managers of Rubis and all its direct or indirect subsidiaries.

Risks are analyzed from the point of view of their likelihood of occurrence and impact in financial and image terms.

Risk mapping reports every year, for each identified financial, legal, commercial and operational risk, measures taken or scheduled for the management and monitoring of the Group's risks.

A summary of the 2015 Group risk maps was submitted to the Statutory Auditors and to members of the Accounts and Risk Monitoring Committee prior to the meeting on March 4, 2016. A comprehensive (site-by-site) version of these maps was also sent to the Statutory Auditors prior to the said meeting and made available to members of the Accounts and Risk Monitoring Committee during the meeting so that they could ask Management any questions and obtain desired information. The Chairwoman of the Accounts and Risk Monitoring Committee reported back on the Committee's proceedings to the Supervisory Board at its meeting on March 9, 2016.

The presentation revealed no major risks that could significantly impact the achievement of the targets set by Management, giving the Board reasonable assurance that internal control procedures exist within the Group, as described in chapter 4, section 4.2 of the 2015 Registration Document.

## **6. PARTICIPATION OF SHAREHOLDERS AT THE SHAREHOLDERS' MEETING**

The conditions for shareholder participation and voting at the Shareholders' Meeting are described in Articles 34 to 40 of Rubis' by-laws, which can be consulted at the Company's headquarters or on its website.

## **7. DUE DILIGENCE EXERCISED IN PREPARING THIS REPORT**

In preparing this report, I have been able to draw on:

- ◆ information and documents from Accounts and Risk Monitoring Committee, Compensation and Appointments Committee and Supervisory Board meetings;
- ◆ questions addressed to the Statutory Auditors, without Rubis' Management and/or Directors being present;
- ◆ regular discussions with Rubis' Management and Finance, Consolidation and Legal Departments;
- ◆ assistance from Rubis' Secretary of the Board.

## **8. APPROVAL OF THIS REPORT**

Approved by the Supervisory Board at its meeting on March 9, 2016.

Paris, March 9, 2016

Olivier Heckenroth

Chairman of the Supervisory Board

## INFORMATION ON SUPERVISORY BOARD MEMBERS NOMINATED FOR REAPPOINTMENT AND APPOINTMENT AT THE SHAREHOLDERS' MEETING<sup>(1)</sup>

### REAPPOINTMENTS

#### CLAUDINE CLOT

*Independent member*

<b>Born on March 26, 1946</b> French nationality Woman	<b>Professional address:</b> N/A*	<b>Number of Rubis shares held as of 12/31/2015: 951</b>
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#### Experience and expertise

Claudine Clot began her professional career in 1966 with La Redoute, where she held various posts in the Communications, Marketing and Press Departments during her 22 years with the Group. She then switched to working for major luxury goods groups, serving in a variety of roles over a 16-year period:

- ◆ Lancôme International (L'Oréal Group) as Director of International and Press External Relations;
  - ◆ Céline (LVMH Group) as Director of Communications, responsible for re-branding;
  - ◆ Lancaster, as Head of Marketing and Communications projects for the launch of cosmetics and perfume products, particularly in Asia.
- Claudine Clot spent the latter part of her career at Vitogaz (2004–2006) in a Marketing and Communications role, where she was tasked with product promotion and identifying new partnerships with industry professionals.

#### Positions (appointment/re-election/term of office)

Co-opted by the Rubis Supervisory Board on March 14, 2013 for her predecessor's remaining term. Her term of office was renewed at the Shareholders' Meeting on June 7, 2013 and will expire at the end of the Shareholders' Meeting called to adopt the 2015 financial statements.

#### List of appointments and positions held outside the Group in the last 5 years

*Current as of 12/31/2015*

**In France**  
None

*Expired*  
None

**Abroad**  
None

\* In the absence of professional activity, the address for correspondence is that of Rubis.

#### OLIVIER DASSAULT

*Non-independent member (served more than 12 years)*

<b>Born June 1, 1951</b> French nationality Man	<b>Professional address:</b> 8, avenue Montaigne – 75008 Paris	<b>Number of Rubis shares held as of 12/31/2015: 801</b>
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#### Experience and expertise

Olivier Dassault has a doctorate in computer science, an engineering degree from the French Air Force Academy and is an IFR registered professional pilot. He started his professional career in 1974 as Chairman and CEO of Productions Cinématographiques Marcel Dassault before creating, in 1978, the ODIC Group (Olivier Dassault International Communication). He has held a number of posts within Dassault Aviation. He has also had a political career (Deputy of Oise, Municipal Councilor, National Secretary of the RPR, Vice Chairman of the Picardie Regional Council, General Councilor of Oise and Member of the Finance Commission).

#### Positions (appointment/re-election/term of office)

Appointed to the Rubis Supervisory Board on March 25, 1999. His term of office was renewed at the Shareholders' Meeting on June 7, 2013 and will expire at the end of the Shareholders' Meeting called to adopt the 2015 financial statements.

#### List of appointments and positions held outside the Group in the last 5 years

*Current as of 12/31/2015*

**In France**

Vice-Chairman of the Valmonde Group,  
Chairman of GEEA (Génération Entreprise Entrepreneurs Associés),  
Chairman of the Supervisory Board of Particulier et Finances Éditions (a subsidiary of GIMD) and Groupe Industriel Marcel Dassault (GIMD),  
Director of Dassault Aviation (listed company), Dassault Medias (a subsidiary of GIMD) and Le Figaro (a subsidiary of GIMD).

*Expired*

Director of the Air and Space Museum,  
Chairman of the Valmonde Group Supervisory Board,  
Member of the Socpresse Group Supervisory Board,  
Vice-Chairman of Publiprint.

**Abroad**  
None

(1) This information is correct as of March 31, 2015.

## Supervisory Board

### MAUD HAYAT-SORIA

*Independent member*

*Member of the Compensation and Appointments Committee*

**Born on October 26, 1952**  
**French nationality**  
**Woman**

**Professional address:**  
**118, rue de la Faisanderie – 75116 Paris**

**Number of Rubis shares held**  
**as of 12/31/2015: 496**

#### Experience and expertise

Maud Hayat-Soria holds a post-graduate diploma in private and business law, a bachelor's degree in Italian, and is a graduate of the *Institut de Droit Comparé* in Paris. She is a member of the Paris Bar. Specializing in human rights, family law, property law and corporate law, Maud Hayat-Soria is a member of the *Institut du Droit de la Famille et du Patrimoine* and of the Paris Bar Council's Family Law Continuing Professional Development Network.

#### Positions (appointment/re-election/term of office)

Appointed as a member of the Supervisory Board of Rubis on June 7, 2013, her term of office will expire at the end of the Shareholders' Meeting called to adopt the 2015 financial statements.

#### List of appointments and positions held outside the Group in the last 5 years

*Current as of 12/31/2015*

**In France**

None

**Abroad**

None

*Expired*

None

### CHANTAL MAZZACURATI

*Independent member*

*Chairwoman of the Accounts and Risk Monitoring Committee*

*Chairwoman of the Compensation and Appointments Committee*

**Born on May 12, 1950**  
**French nationality**  
**Woman**

**Professional address:**  
**Groupe Milan,**  
**2, rue du Helder – 75009 Paris**

**Number of Rubis shares held**  
**as of 12/31/2015: 1,768**

#### Experience and expertise

Chantal Mazzacurati is a graduate of HEC business school. She has spent her entire career with BNP, then BNP Paribas, where she held a variety of roles in the field of finance, initially in the Finance Department, then as Director of Financial Affairs and Industrial Investments, and lastly as Head of the Global Equities business line.

#### Positions (appointment/re-election/term of office)

Appointed to the Rubis Supervisory Board on June 10, 2010. Her term of office was renewed at the Shareholders' Meeting on June 7, 2013 and will expire at the end of the Shareholders' Meeting called to adopt the 2015 financial statements.

#### List of appointments and positions held outside the Group in the last 5 years

*Current as of 12/31/2015*

**In France**

Member of the Management Board of the Milan Group.

**Abroad**

Director of Four Twenty Seven (Climate Solutions).

*Expired*

Various financial roles at BNP and BNP Paribas,  
Head of Financial Affairs and Industrial Investments,  
Head of the Global Equities business line,  
Deputy Director for specific missions at Banque de Financement et d'Investissements,  
Member of the Executive Committee of BNP Paribas Investment Partners (the asset management subsidiary of BNP Paribas).

## APPOINTMENT PROPOSED TO THE SHAREHOLDERS' MEETING

**MARIE-HÉLÈNE DESSAILLY***Independent member***Born on March 22, 1948****Professional address:****Number of Rubis shares held: 0\***

French nationality

29, rue d'Artois - 75008 Paris

Woman

**Experience and expertise**

Marie-Hélène Dessailly has an advanced graduate diploma in economics and started her professional career in 1974 in the Branches Department of Banque Rothschild before joining, in 1980, Banque Vernes et Commerciale de Paris as Power of Attorney with responsibility for Large Companies, then Main Power of Attorney in the Financial Operations Department. In 1988, she joined Banque du Louvre as Deputy Director and Director of Financial Operations, before creating, in 1993, the MHD Conseil insurance consultancy (Axa agent), which she sold in 2012. Since July 2012, she has been the Chairwoman of Artois Conseil SAS, a company providing consultancy, analysis, and audit services, as well as organization and strategy, for insurance professionals.

**List of appointments and positions held outside the Group in the last 5 years***Current as of 12/31/2015**Expired***In France**

None

Chairwoman of Artois Conseil SAS

Associate Director of Maj Conseil SARL

**Abroad**

None

\* Pursuant to the Company's by-laws, the minimum number of shares that a member of the Board must hold after their appointment is 100 shares.