

# Ordinary General Meeting

# 2018

The Rubis logo is a red teardrop shape with a white border, containing the word "rubis" in white lowercase letters. It is positioned within a large, stylized graphic element that consists of a white circle partially overlapping a red square, all set against a grey background. This graphic is superimposed over a photograph of three workers in blue uniforms and white hard hats working on a large industrial pipe on a ship's deck.

rubis

June 7, 2018



# 2017 ANNUAL RESULTS

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## KEY FACTS 2017

- Acquisition of the remaining 50% of Delta Rubis Petrol (raising Rubis' stake to 100%). New name: Rubis Terminal Petrol
- Acquisition of Dinasa and its subsidiary Sodigaz, leading fuel products marketer in Haiti
- Acquisition of Galana Group, leading fuel products marketer in Madagascar
- Acquisition of Repsol's LPG distribution and piped networks in Portugal
- Acquisition of EG Retail's motor gas stations in Corsica and 21.5% stake in the fuel logistics company DPLC (already Group's subsidiary)
- Acquisition of a bitumen production unit in Iran to secure access to bitumen supply in line with its development strategy

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# RUBIS IS STRUCTURED IN THREE PROFIT CENTERS

66%

## FUEL RETAILING

Sale and marketing of fuels to end customers: networks of gas stations, fuel oil, LPG, bitumens, aviation and marine fuel, lubricants

*Marketing business*

17%

## SUPPORT AND SERVICES

Midstream business in support of the distribution division: refining, trading/supply, shipping, terminalling and services for its own account and third parties

*Support and Services business*

18%

## TERMINALLING

Rental of storage capacity - liquid products, fertilizers, chemical and agri-food products - to oil companies, chemical companies, traders and government agencies

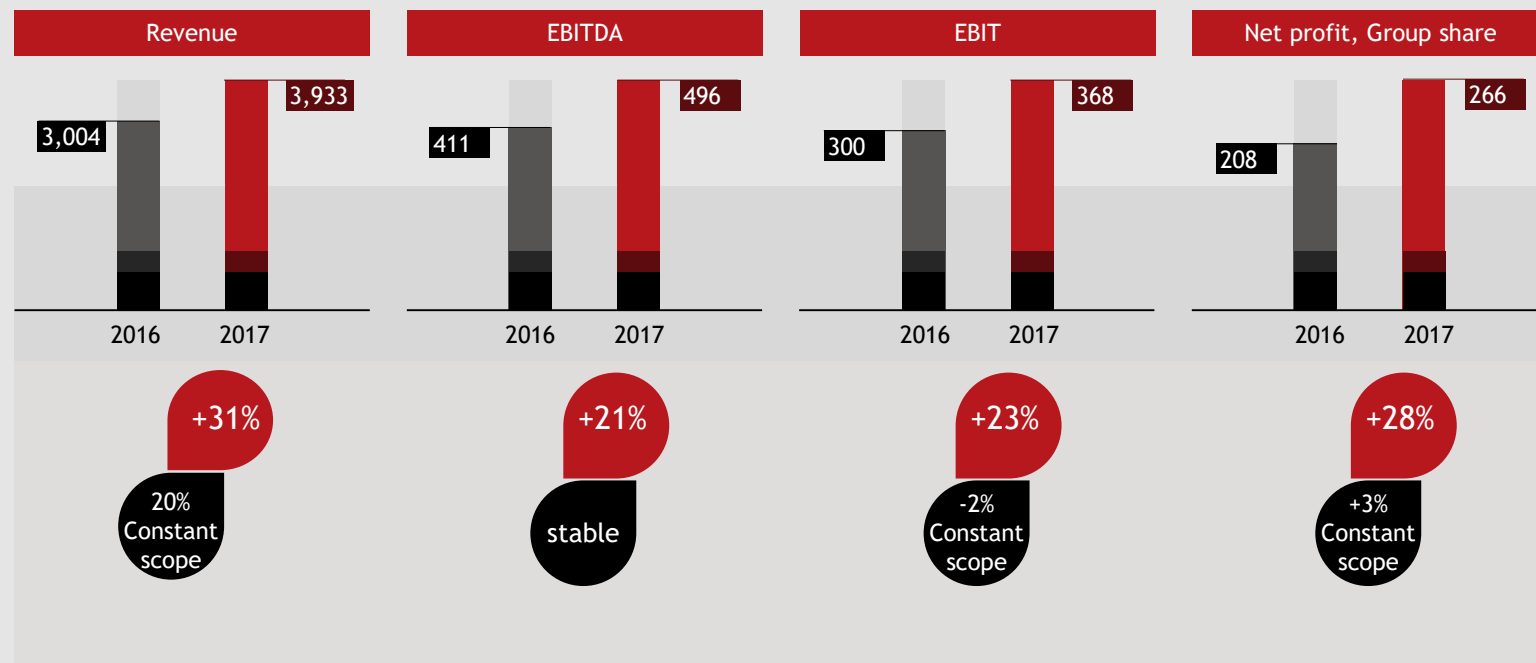
*Services provider*

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# CONSOLIDATED DATA - KEY FIGURES

(in €M)

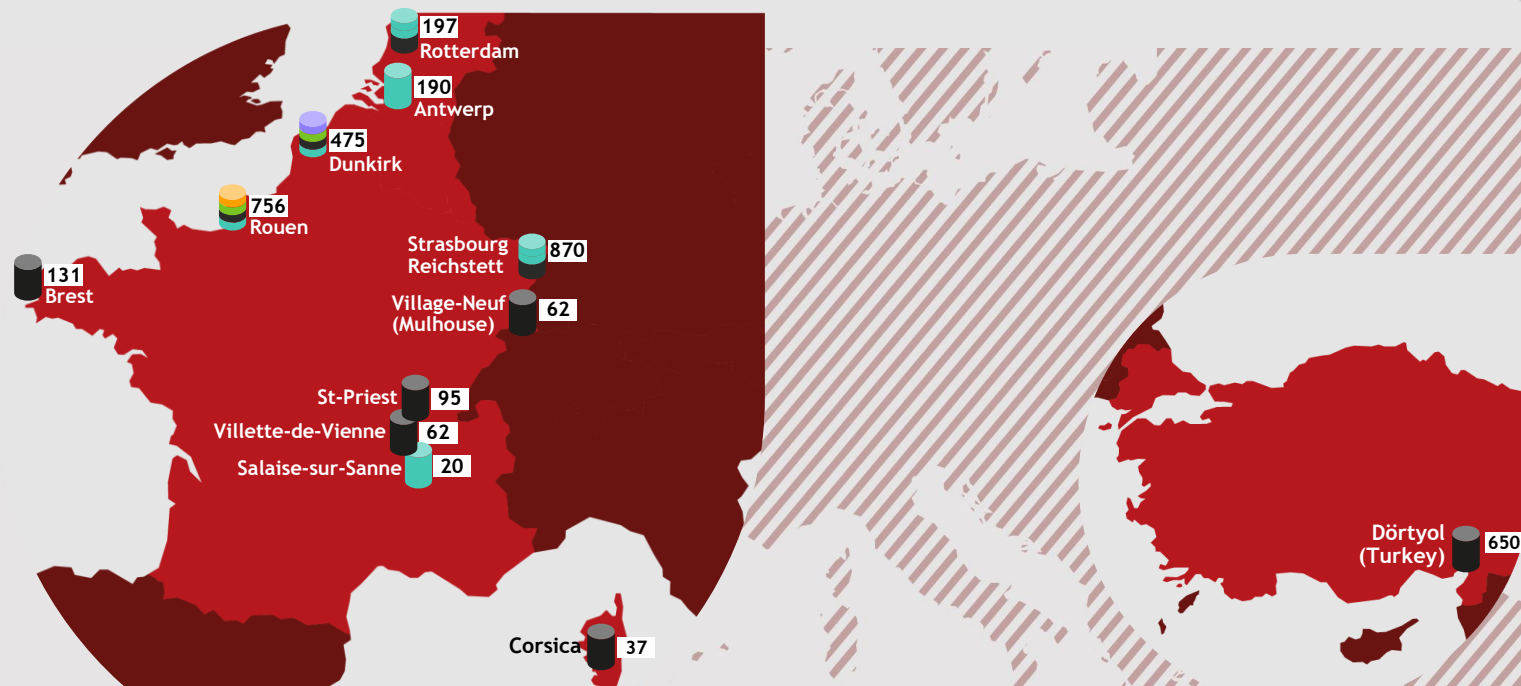


ELS

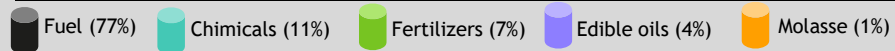
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# RUBIS TERMINAL - STORAGE CAPACITY: 3.5 MILLION CBM



Capacity geographical breakdown ('000 cbm)



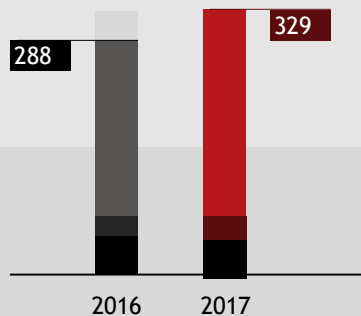
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# KEY FIGURES - STORAGE BUSINESS

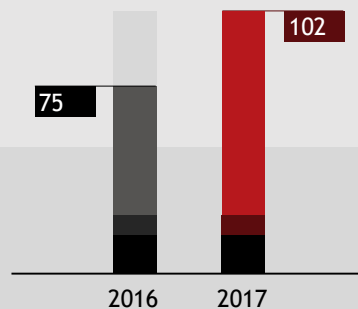
(in €M)

## REVENUE



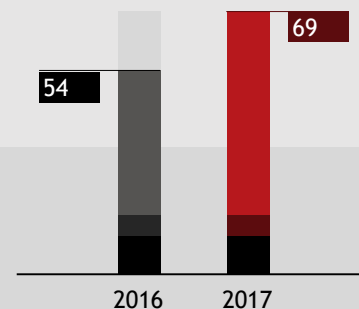
+14%  
+4%  
Including  
EM\*

## EBITDA



+37%  
+10%  
PC\*

## EBIT



+29%  
+4%  
PC\*

\*Equity method: Antwerp and Rubis Terminal Petrol (50%)

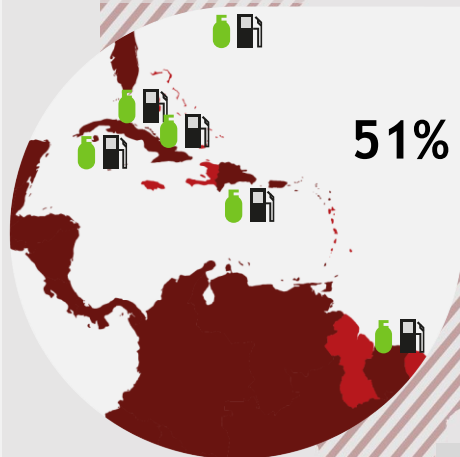


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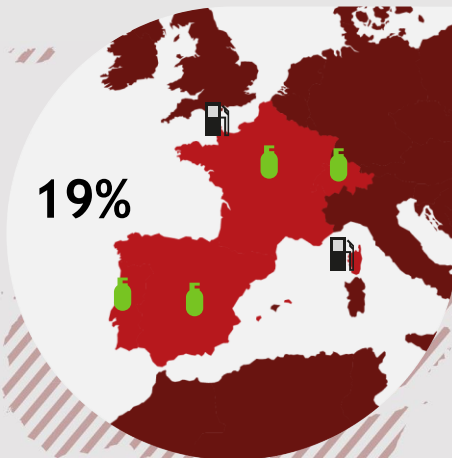
# RUBIS ÉNERGIE: 4.5 MILLION CBM IN RETAIL DISTRIBUTION

- 1 Bermuda
- 2 Antilles - Guiana
- 2 Western Caribbean
- 2 Jamaica
- 2 Eastern Caribbean
- 1 Haïti



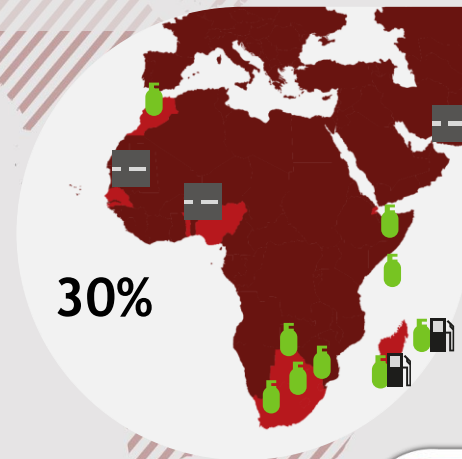
19%

- 4 France
- 3 Spain
- 2 Portugal
- 1 Channel Islands
- 1 Switzerland



- 1 Djibouti
- 2 Swaziland
- 1 Madagascar
- 3 Morocco
- 1 Reunion
- 2 South Africa
- 2 Botswana
- 1 Togo
- 1 Nigeria
- 2 Lesotho
- 1 Senegal
- 1 Comoros
- 3 Iran

30%

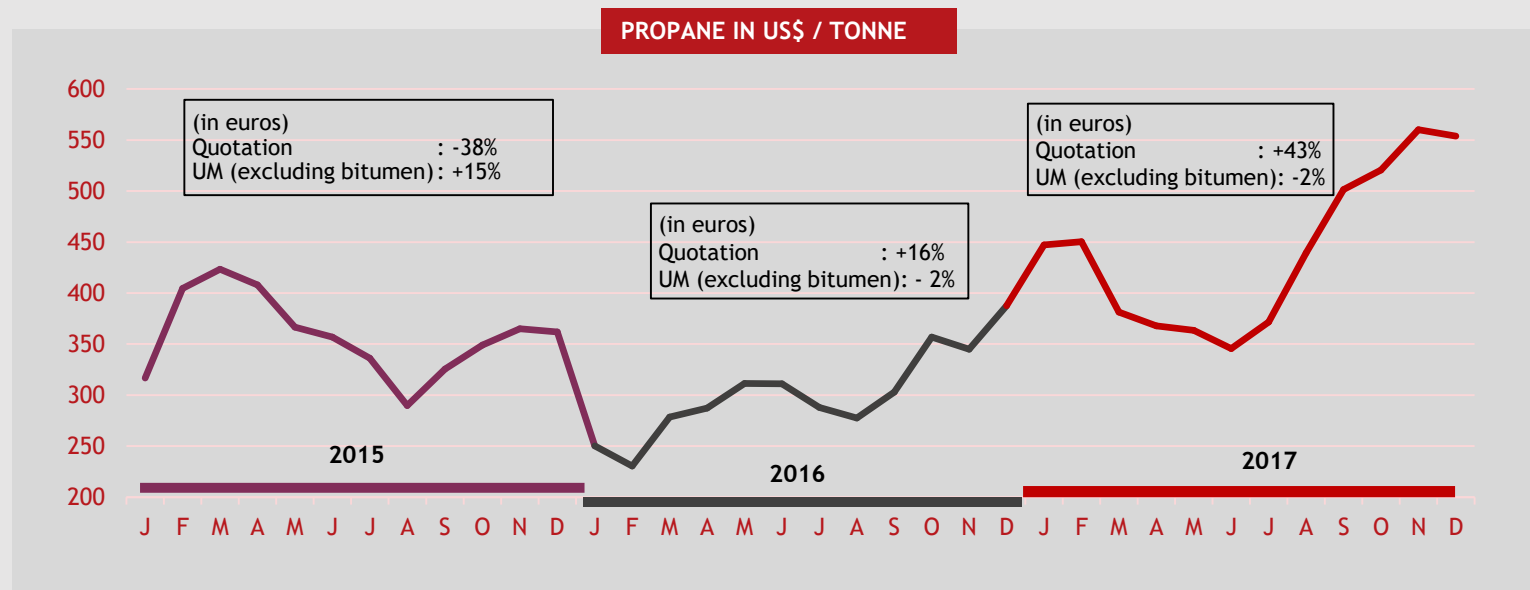


GPL (26 %)
 Fioul (67 %)
 Bitume (7 %)
 Market position



# RUBIS ÉNERGIE: SUPPLY PRICES

## HIGH RESILIENCE OF UNIT MARGINS COMPARED TO OIL PRICES VOLATILITY



- Quotation in USD: **+46%**

- Unit margin all products with comparable scope and structure: **+1%**

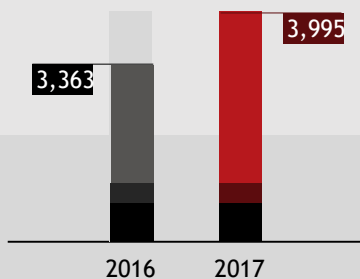


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# KEY FIGURES - RETAIL DISTRIBUTION

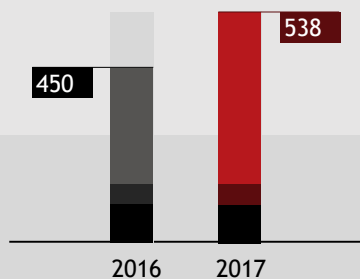
Volumes retailed  
(‘000 cbm)



+19%

+3%  
Constant scope

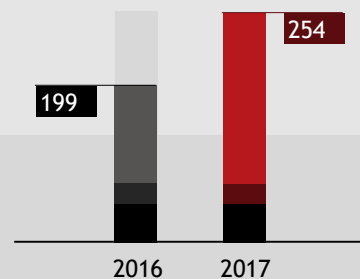
Gross margin  
(in €M)



+19%

+4%  
Constant scope

EBIT  
(in €M)



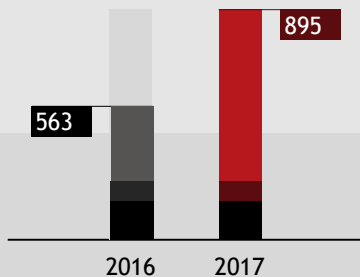
+27%

+4%  
Constant scope

# KEY FIGURES - RUBIS SUPPORT AND SERVICES

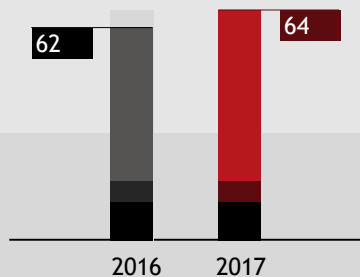
(in €M)

## Revenue



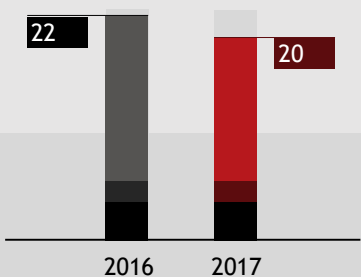
+59%  
+57%  
Constant scope

## EBIT



+2%  
-14%  
Constant scope

## Capital expenditure



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2017

(in €M)

<b>ASSETS</b>	<b>Net 2017</b>	<b>Net 2016</b>
Total non-current assets	2,712	2 224
Current assets excl. cash and cash equivalents	875	657
Cash and cash equivalents	825	834
<b>TOTAL</b>	<b>4,412</b>	<b>3 715</b>

<b>LIABILITIES</b>	<b>2017</b>	<b>2016</b>
Shareholder's equity	2,078	1,986
Employee benefit oblig. and other provisions	129	125
Financial debt	1,512	1,061
Other current and non-current liabilities	693	543
<b>TOTAL</b>	<b>4,412</b>	<b>3,715</b>

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# SEPARATE FINANCIAL STATEMENTS POSITION AS OF DECEMBER 31, 2017

(IN €M)

ASSET	Net 2017	Net 2016
Fixed assets	1,012	788
Current assets	218	294
Cash and cash equivalents	379	405
<b>TOTAL</b>	<b>1,609</b>	<b>1,487</b>

LIABILITIES	2017	2016
Shareholder's equity	1,603	1,480
Liabilities	6	7
<b>TOTAL</b>	<b>1,609</b>	<b>1,487</b>

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# NET DIVIDEND AND ANNUAL SHARE PRICE PERFORMANCE



\*Voted at the Ordinary General Meeting of June 7, 2018

PERFORMANCE (as of June 1, 2018)	1 year	3 years	5 years	10 years
Rubis	19%	114%	214%	519%
SBF 120 index	5%	20%	66%	70%

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## CSR POLICY

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- SOCIAL
- HSE
- ETHICS
- SPONSORSHIP ACTIVITIES

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# SOCIAL

## 2017 data

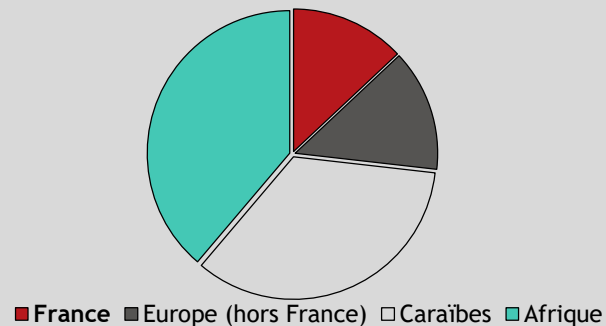
- The women and men who work at Rubis: a core component of the Group's success

✓ **Workforce:** 3,568 employees (up 27%)

✓ **Diversity:**

- Number of women: 818 i.e 23% of the total workforce
- Proportion of women among senior staff and managers: 30%

Geographical breakdown



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# HSE

## 2017 data vs. 2016

- **Health, safety and the environment: key issues for the Group**
  - ✓ **Continued decline in the frequency of accidents in the workplace: 5.3 vs. 5.5 in 2016**
    - Continuation of programmes to improve safety conditions for employees and facilities (awareness initiatives, computer-aided maintenance, feedback, etc.)
  - ✓ **Safety and environment-related spending: 42.8 million euros in 2017**
    - Measures taken to reduce emissions and energy consumption (collection of fuel vapours at terminals, energy saving measures, investment in renewable energy production, etc.)
    - Measures taken to reduce water and soil pollution and to cut down on water consumption (water recycling and treatment, use of flowmeters, etc.)

# ETHICS

- **Loyalty and integrity: essential values for the Group**



- ✓ A common framework of ethical conduct for all subsidiaries drawing on a **Code of Ethics** laying down the values that Rubis deems fundamental to the exercise and development of its business
- ✓ Adoption of a **corruption prevention program** that includes:
  - A **guide to applying the anticorruption policy and specific policies** (guidelines for the evaluation of third parties, anti-corruption clauses, gifts and hospitality procedure, conflicts of interest, etc.)
  - A **specific organisational structure** set up with a Groupe Compliance & CSR Officer and a network of Compliance Officers and Advisers at each Group subsidiary
- ✓ Rules relating to the management of **embargo** measures

# SPONSORSHIP ACTIVITIES

- **As a responsible company, Rubis has set itself a dual mission:**
  - ✓ To lead social initiatives with the international subsidiaries of the Group, by supporting associations working in the fields of education and health
  - ✓ To promote the arts through its **endowment fund, Rubis Mécénat**, in order to play a role in society and culture in tandem with its role in the economy, in the countries in which it operates

# SPONSORSHIP ACTIVITIES

## ▪ Initiatives in 2017:

- ✓ Extension of our international funding policy in the fields of health and education: 17,671 people concerned, including 16,838 children, through 24 associations supported across the world with our subsidiaries
- ✓ Rubis Mécénat: *Of Soul and Joy* programme in South Africa taken into its 5<sup>th</sup> year (artistic project to develop photographic skills among vulnerable young people) and inauguration of a partnership with the *Rencontres de la Photographie d'Arles* photography festival and the *Photo Saint-Germain* festival in Paris
- ✓ Close to 50 students enrolled and 3 study grants awarded as part of the *InPulse* programme in Jamaica led with Rubis Energy Jamaica, which helps young Jamaicans develop their talents in the visual arts
- ✓ Commissioning of a permanent mural from Reunion Island artists Kid Kréol & Boogie for Société Réunionnaise de Produits Pétroliers (SRPP) in the Port, Reunion Island

## ▪ Forthcoming:

- ✓ *Peak Oil* exhibition put together by Belgian photographer, Geert Goiris (a series on photographs taken in 2017 at Rubis Terminal's industrial facilities, in association with the Normandie Rouen regional contemporary arts fund - FRAC), at the *Photo Saint-Germain* festival to be held in Paris in November
- ✓ And many other projects including the launch of a social/cultural initiative in Madagascar with subsidiary Vitogaz Madagascar

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# AGENDA

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# ORDINARY GENERAL MEETING OF THE SHAREHOLDERS

## Draft resolutions

- Approval of the separate and consolidated financial statements
- Allocation of earnings, setting of the dividend and conditions for the payment of the dividend
- Renewal of the terms of 4 members of the Supervisory Board
- Setting of the amount of directors' fees to be paid to the members of the Supervisory Board for the current financial year and for subsequent financial years (150,000 euros)
- Opinion on the components of the compensation payable or allocated to the members of Management and to the Chairman of the Supervisory Board in respect of FY2017
- Authorisation to launch a share repurchase programme (liquidity contract)
- Regulated agreements and commitments
- Powers to handle formalities



## MANAGEMENT REPORT ON THE IMPLEMENTATION OF TWO EQUITY LINES

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# MANAGEMENT REPORT ON THE CREATION OF TWO EQUITY LINES

- **Authorisation provided through the approval of the 19<sup>th</sup> resolution at the 8 June 2017 CGM**
  - ✓ Authorised ceiling: a nominal amount of 5.5 million euros (less than 5% of the share capital)
  - ✓ Maximum discount: 5%
  
- **Agreements entered into on 21 July 2017 with Société Générale and Crédit Agricole CIB**
  - ✓ Issuance of 4,400,000 equity warrants (*bons d'émission d'actions* - BEA) convertible into as many new ordinary shares at Rubis' request
  - ✓ Discount: 5%
  
- **Drawn portions since the agreements were put in place**
  - ✓ 1,200,000 new shares created (1.26% of the share capital as at the date of the ordinary general meeting): 650,000 shares issued to Crédit Agricole CIB and 550,000 to Société Générale





## REPORTS OF THE SUPERVISORY BOARD

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# REPORTS

## REPORT OF THE SUPERVISORY BOARD

- On the separate and consolidated financial statements
- On corporate governance



## STATUTORY AUDITORS' REPORTS

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- MAZARS
- MONNOT & GUIBOURT

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# REPORTS

## RELATING TO THE PRESENT ORDINARY GENERAL MEETING

- Report on the consolidated financial statements
- Report on the annual financial statements
- Special report on regulated agreements and commitments

## RELATING TO THE USE OF THE AUTHORISATION PROVIDED THROUGH THE APPROVAL OF THE 19<sup>TH</sup> RESOLUTION AT THE 2017 OGM

- Additional report on the issue of share warrants as part of the implementation of two equity lines



## QUESTIONS / ANSWERS

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# VOTE ON THE RESOLUTIONS

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# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Approval of the separate financial statements (1<sup>st</sup> resolution)

SEPARATE FINANCIAL STATEMENTS FOR THE FY2017: Profit of 140 million euros

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# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Approval of the consolidated financial statements (2<sup>nd</sup> resolution)

**CONSOLIDATED FINANCIAL STATEMENTS FOR FY2017:** Profit of 266 million euros

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# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Allocation of earnings and setting of the dividend (3<sup>rd</sup> resolution)

ALLOCATION OF EARNINGS	
▪ Net profit for the FY2017	140,447,735 euros
▪ Less the dividend allocated to the general partners	26,690,300 euros
▪ Plus retained earnings	41,421,685 euros
▪ Giving a total distributable amount of:	155,179,119 euros
✓ dividend to be paid to the shareholders	141,775,665 euros
✓ retained earnings	13,403,454 euros
<b>SETTING OF THE DIVIDEND FOR THE FY2017 (+11.9% on 2016)</b>	<b>1.50 euro per ordinary share</b>
Dividend payable on the 2,740 preference shares (50% of the dividend payable on ordinary shares)	0.75 euro per preference share

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# SCOPE OF THE ORDINARY GENERAL MEETING

## Conditions for payment of the dividend (4<sup>th</sup> resolution)

### ALLOCATION OF EARNINGS

▪ Dividend payment options	in cash or in shares
▪ Ex-dividend date	8 June 2018
▪ Issue price (10% discount)	53.53 euros
▪ Deadline to opt for payment of the dividend in shares	8 to 29 June 2018 included
▪ Dividend payment date (in cash and shares)	5 July 2018

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Renewal of the terms of 4 members of the Supervisory Board

(5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> resolutions)

### TERMS OF OFFICE TO BE RENEWED:

- Hervé Claquin, Olivier Mistral, Laure Grimonpret-Tahon and Erik Pointillart
- Favourable opinion issued by the Compensation and Appointments Committee with respect to all 4 renewals

### COMPOSITION OF THE SUPERVISORY BOARD UNCHANGED FOLLOWING THE VOTE ON THE RESOLUTIONS:

- Male-female parity: 41.7% (12 members, of which 5 women)
- Percentage of independent members: 58.3% (7 members out of 12)

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Renewal of the term of Hervé Claquin (5<sup>th</sup> resolution)

- Qualified as an independent member
- Member of the Accounts and Risk Monitoring Committee
- Managing partner of Abénex Capital
- Current terms of office at other listed companies: 1
- Number of Rubis shares held as of 31 December 2017: 41,705
- Term: 3 years

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Renewal of the term of Olivier Mistral (6<sup>th</sup> resolution)

- Qualified as a non-independent member (directorships at 2 Rubis subsidiaries in the past 5 years)
- Former CEO of Rubis Terminal
- Current terms of office at other listed companies: 0
- Number of Rubis shares held as of 31 December 2017: 47,832
- Term: 3 years

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Renewal of the term of Laure Grimonpret-Tahon (7<sup>th</sup> resolution)

- Qualified as an independent member
- Head of the Legal Department at CGI (consulting firm specialised in new technologies), where Laure is in charge of internal affairs for France, Luxembourg and Morocco
- Current terms of office at other listed companies: 0
- Number of Rubis shares held as of 31 December 2017: 413
- Term: 3 years

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Renewal of the term of Erik Pointillart (8<sup>th</sup> resolution)

- Qualified as a non-independent member (seniority of more than 12 years)
- Member of the Compensation and Appointments Committee
- Former Chairman of the Management Board at Écureuil Gestion (Caisse d'Épargne)
- Current terms of office at other listed companies: 0
- Number of Rubis shares held as of 31 December 2017: 4,202
- Term: 3 years

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Setting of the amount of directors' fees to be paid to the members of the Supervisory Board for the current financial year and subsequent financial years (150,000 euros) (9<sup>th</sup> resolution)

- The shareholders are asked to vote on an increase in the amount of directors' fees to take into account:
  - ✓ the increase in the Group's size
  - ✓ the increase in the number of topics addressed by the committees and Supervisory Board
- Previous amount: 133,000 euros
- Revised amount: 150,000 euros
- Proposed increase: +12.8%
- Attendance-related variable component: 60%



# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Opinion on the components of the compensation payable to Management (10<sup>th</sup> and 11<sup>th</sup> resolutions)

- **Fixed statutory component payable to Management in 2017 (Article 54): 2,282,084 euros (+0.95% on 2016)**
  - ✓ indexed to annual changes in the pay scales of chemicals and energy distribution workers

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Opinion on the components of the compensation payable to Management (10<sup>th</sup> and 11<sup>th</sup> resolutions)

- **Variable compensation payable to Management in 2017: 1,141,042 euros**
  - ✓ fulfilment of triggering condition: growth of  $\geq 5\%$  in net attributable profit between the prior year and the current year (+28% between 2016 and 2017)
  - ✓ cap: 50% of the annual statutory fixed compensation (i.e. 1,141,042 euros)
  - ✓ transparent quantitative and qualitative performance objectives:  
**100% achievement rate in 2017**

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

Opinion on the components of the compensation payable to Management (10<sup>th</sup> and 11<sup>th</sup> resolutions)

	PERFORMANCE OBJECTIVES FOR THE VARIABLE COMPENSATION COMPONENT IN 2017	WEIGHTING	ACHIEVEMENT RATE
<b>QUANTITATIVE OBJECTIVES (75%)</b>	Relative performance of the Rubis share compared to the SBF 120	25%	100%
	Actual EBITDA relative to the analyst consensus	25%	100%
	Actual EPS relative to the analyst consensus	25%	100%
<b>QUALITATIVE OBJECTIVES (25%)</b>	Balance sheet quality: net debt to EBITDA	12.5%	100%
	Risk management: (frequency rate of accidents at work resulting in work stoppage > 1 day in 2017) ≤ 2016	6.25%	100%
	CSR: dissemination of Sapin 2 mechanisms to French subsidiaries (excluding acquisitions made in 2017)	6.25%	100%
<b>ACHIEVEMENT RATE IN 2017</b>			<b>100%</b>

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# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Opinion on the components of the compensation payable to the Chairman of the Supervisory Board (12<sup>th</sup> resolution)

The directors' fees paid to Olivier Heckenroth in 2017 amounted to **26,915 euros** (stable in relation to 2016)

**Rate of attendance at Supervisory Board and committee meetings: 100%**

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Authorisation to launch a share repurchase programme (13<sup>th</sup> resolution)

- Maximum percentage of Rubis shares held: 0.5% of the share capital
- Maximum amount: 35 million euros
- Maximum unit purchase price: 75 euros
- Treasury shares as of 31 December 2017: 15,037

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Regulated agreements and commitments (14<sup>th</sup> resolution)

No regulated agreement or regulated commitment was signed or undertaken in 2017

# RESOLUTIONS PROPOSED AT THE ORDINARY GENERAL MEETING

## Powers to handle formalities (15<sup>th</sup> resolution)

Powers are conferred upon Management to proceed with all publications and the formalities required by law following this ordinary general meeting



The will to undertake,  
the corporate commitment