

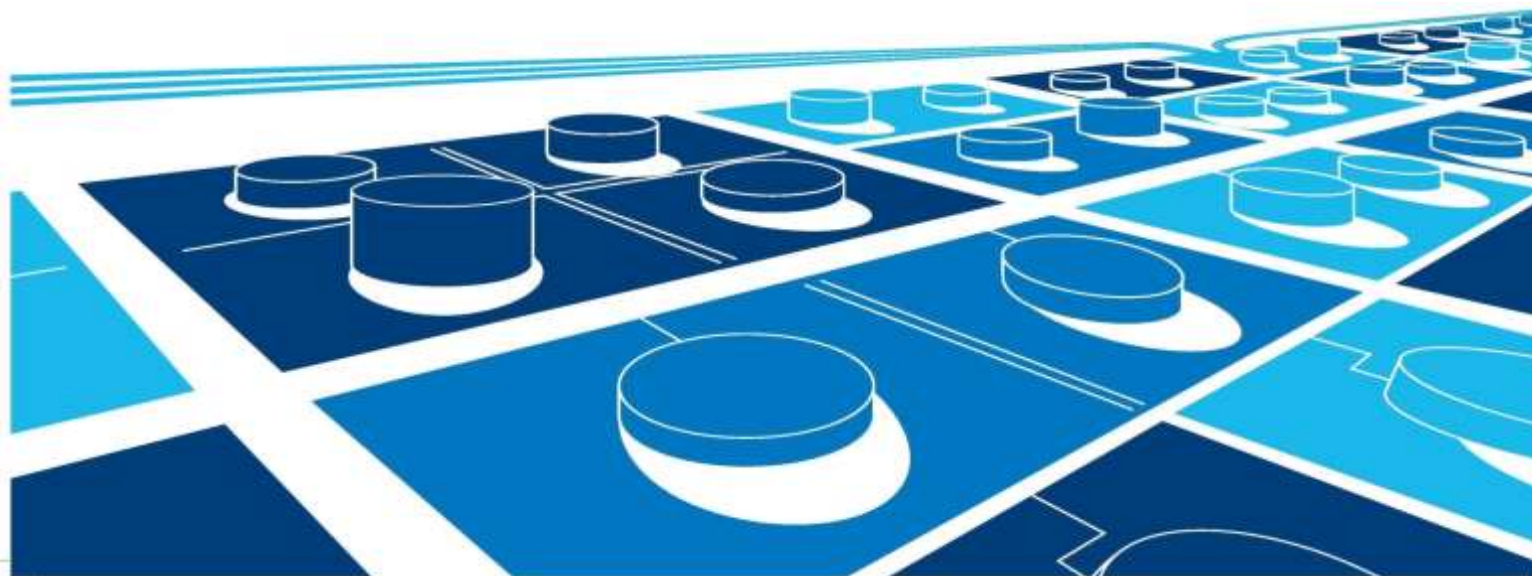


SAGES

Gestion des stocks
de sécurité pétroliers

ANNUAL REPORT

2014



Board of Directors

(Which closed the 2014 financial statements)

François MARTIN Chairman

BOLLORE ENERGIE
CARFUEL
Esso SAF
Jean-Claude MARCELIN
PICOTY SA
SOCIÉTÉ D'IMPORTATION LECLERC - SIPLEC

BP FRANCE
ENI FRANCE SARL
Bruno ESTAGNASIE
PETROVEX
SOCIÉTÉ DES PETROLES SHELL
TOTAL MARKETING SERVICES

Edouard FILHO: Secretary to the Board

Company management

François MARTIN
Daniel BONOCORI
Edouard FILHO

Chairman of the Board – Managing Director
Logistics Director
Corporate Secretary and Chief Financial Officer

Statutory auditors

ERNST & YOUNG AND OTHERS
STATUTORY AUDITORS
1-2, Place des Saisons
Paris La Défense 1
92400 COURBEVOIE

Alternate:

AUDITEX
STATUTORY AUDITORS
1-2, Place des Saisons
Paris La Défense 1
92400 COURBEVOIE

GRANT-THORNTON
Accounting consultants
and Statutory Auditors
100, rue de Courcelles
75849 PARIS CEDEX 17

Alternate:

IGEC
Accounting consultants
and Statutory Auditors
3, rue Léon Jost
75017 PARIS

SAGESS - SOCIÉTÉ ANONYME DE GESTION DE STOCKS DE SÉCURITÉ

Limited company with a capital of € 240000 - RCS Nanterre B 344 547 708 - SIRET 344547708.00042 - Code APE4671Z
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CHAIRMAN'S MESSAGE

Against a background of economic gloom, accentuated by climatic events affecting the sales of heating oil, releases to domestic consumption of petroleum products subject to compulsory reserves decreased significantly in 2014 (-2.1% compared with 2013).

However, SAGESS was again increasingly called upon for national strategic petroleum reserve requirements, covering over 74% of the country's needs at the end of the year (i.e. an increase of more than 2% compared with the end of 2013). This result was mainly due to the reduction in the inventory levels of oil operators made available to the CPSSP. As a result, SAGESS purchased 0.2 MT of products in the first half of 2014, bringing its total stocks to 14.1 MT. 2014 may well mark a historic turning point for SAGESS: following the expected decline in oil consumption in France and the decrease in the threshold reached by releases to domestic consumption of petroleum products by oil operators to the CPSSP, SAGESS stocks peaked in 2014 and could be subject to erosion over time, from 2015 onwards, unless unanticipated developments occur.

SAGESS launched discussions on its storage policy, given these forecasts and the expected decline in volumes stored by SAGESS, in order to manage the decline in contracted storage volumes in a competitive environment.

This expected decline in volumes resulted in 2014 in the development and successful testing of a tendering process for sale at storage facilities.

An agreement was reached with the Directorate General of Customs and Excise (DGDDI) for the restitution of refined products to SAGESS in refineries, thereby providing the storage facilities involved with a fluidity equivalent to that of depot storage.

SAGESS has set up an on-demand bond system with the CEGC (Compagnie Européenne de Garanties et de Cautions), making it possible to safely base crisis management on product loans as a new tool for the State.

As part of its funding program, in 2014 SAGESS prepared the bond repayment slated for the beginning of 2015 by adjusting, pending the stock sale program scheduled for 2015, the amount of its bank credit lines up to € 900 million, corresponding to the maximum use of the commercial paper programme, to protect SAGESS against the lack of liquid assets on the financial markets.

In September 2014 Standard & Poor's renewed its AA long-term rating (stable outlook) for SAGESS, a note aligned with that of the French State, given the very special status of our company and its close ties with the French State. Due to the degradation of the sovereign rating of France to AA (negative outlook) on 14 October 2014, SAGESS's rating was lowered to the same level.

As part of the finalization of the transposition of the new European Directive on reserve stocks of 2009, the agreement between SAGESS and CPSSP was updated and approved by the Boards of SAGESS and CPSSP. It will come into force upon publication of the joint ministerial decision approving the agreement.

The Audit Committee set up by your Board in 2009, to comply with the duties of companies offering securities to the public, met four times during the 2014 financial year. It covered wide ground, from the conventional review of accounts to an internal audit of the company along with a detailed analysis of the principal risks. The closing works and due independence of the Statutory Auditors were also audited. The committee also studied the consequences of the possible classification of SAGESS as a Central administration organisation (ODAC) and the applicability to SAGESS of the Order 2005-649 of June 6, 2005 (Order on the contracts awarded by certain public or private entities not subject to the public procurement code). Furthermore, the Audit Committee monitored on a half-year basis the progress in monitoring risks, as described in the risk mapping process launched in late 2013.

Finally, in accordance with financial market expectations and in line with the Grenelle 2 law, SAGESS executive management pursued its corporate commitment to Sustainable development. Our approach in this area is driven by a Sustainable Development Committee, and is long-term. Our action plan is to go beyond our immediate scope of work in order to engage in constructive dialogue with all our stakeholders in general, including the owners and operators of the network of refineries and depots in particular.

The projects launched in 2014, both on the adaptation of our storage contracts following the expected decline in stored volumes and on the governance of SAGESS under the precautionary principle relating to the potential applicability to SAGESS of the order 2005-649 of 6 June 2005, will have highly structuring effects on SAGESS and will impact both the internal organization of our company and its relations with its stakeholders.

These various events and achievements demonstrated once again the effectiveness of all SAGESS employees throughout the year.

I should like to express my thanks for the confidence you have shown in us.

François MARTIN

MANAGEMENT REPORT ON OPERATIONS FOR THE YEAR ENDED 31 DECEMBER 2014

Dear shareholders,

We organized the Ordinary General Meeting for you to report on your company's business over the course of its twenty-sixth financial year which ended on 31 December 2014, and to submit the financial statements of that financial year for your approval.

In their report, your Statutory Auditors provide complete information on the regularity and trustworthiness of the financial statements submitted to you.

For our part, we are at your disposal for any further details or information you may require.

Appended to this report you will find a table with the company's financial results from the five previous financial years, in compliance with Article R225-102 of the French Commercial Code.

In the following, we look at each of these areas, as required by the regulations.

1 - OVERVIEW OF THE STRATEGIC PETROLEUM RESERVE SYSTEM

RELEASES TO DOMESTIC CONSUMPTION

Strategic storage activities, split between the oil operators, CPSSP and SAGESS, are defined by Law 92-1443 of 31 December 1992, and its subsequent implementing decrees (in particular 93.131 and 132 of 29 January 1993, as amended), this regulation being consistent with the IEA Treaty and the EU regulations on that matter.

2014 was characterized by the stagnation of business and a climate that made 2014 the warmest year since 1900.

The net releases to domestic consumption (RTC) of oil products subject to strategic reserve requirements globally decreased by 2.1% between 2013 and 2014 due to the significant decline in the releases to domestic consumption of heating oil. Only the jet fuel rose slightly by +1.2%:

- RTC of gasolines (category 1) stabilised at +0.1% this year following a sharp decline in 2013,
- RTC of distillates (category 2 - diesel oil and heating oil) sharply declined by -2.6%, mainly due to the significant decrease in sales of heating oil,
- The RTC for jet fuel (category 3) were up 1.2%.
- RTC of heavy fuel oil (category 4) decreased sharply by 31.5 %, continuing to follow the 2013 downward trend.

CHANGES IN RELEASES TO DOMESTIC CONSUMPTION

In thousands of tonnes	2012	2013	2014	Change	Change (%)
Category 1 (gasolines)	7,124	6,906	6,911	5	0.1%
Category 2 (diesel oil and heating oil)	46,424	46,511	45,301	(1,210)	(2.6%)
Category 3 (jet fuel)	6,226	6,138	6,213	75	1.2%
Category 4 (heavy fuel oil)	695	490	336	(154)	(31.4%)
TOTAL	60,469	60,045	58,761	(1,284)	(2.1%)

Overall, these changes do not reverse the major trends that have been observed over a longer period, but the releases to domestic consumption of gasolines and diesel oil stabilised in 2014, while the longstanding turndown of the heating oil market (based on weather phenomena which, in the short term, can considerably modify this major trend) is continuing, there was an overall upswing in jet fuel deliveries which are highly sensitive to the economic climate.

NATIONAL COMPULSORY STOCK OBLIGATION

The strategic petroleum reserve requirement is calculated on the basis of the releases to domestic consumption for year n (the reference year) and made constant from 1 July of year n+1 to 30 June of year n+2.

The strategic storage obligations of the second half of 2014 and the first half of 2015 were calculated on the basis of the releases to domestic consumption in 2013.

The national stock obligation equals 29.5% of the releases to domestic consumption of the reference year.

Accredited oil operators have the choice between delegating 56% or 90 % of their obligation to the CPSSP.

Consequently, the national stock obligation and its coverage changed as follows in MT (millions of tonnes) Equivalent Finished Products (EQFP):

(MT EQFP) *	1-Jul.-12	1-Jul.-13	1-Jul.-14
National compulsory stock obligation	17.8	17.8	17.7
Coverage by:			
Operators	4.7	3.8	3.8
CPSSP	13.1	14.0	13.9
RTC **	1.7	1.4	0.8
SAGESS	11.4	12.6	13.1

* Equivalent Finished Products - EQFP: In the strategic petroleum stock system, one tonne of crude equals 0.8 T of finished products.

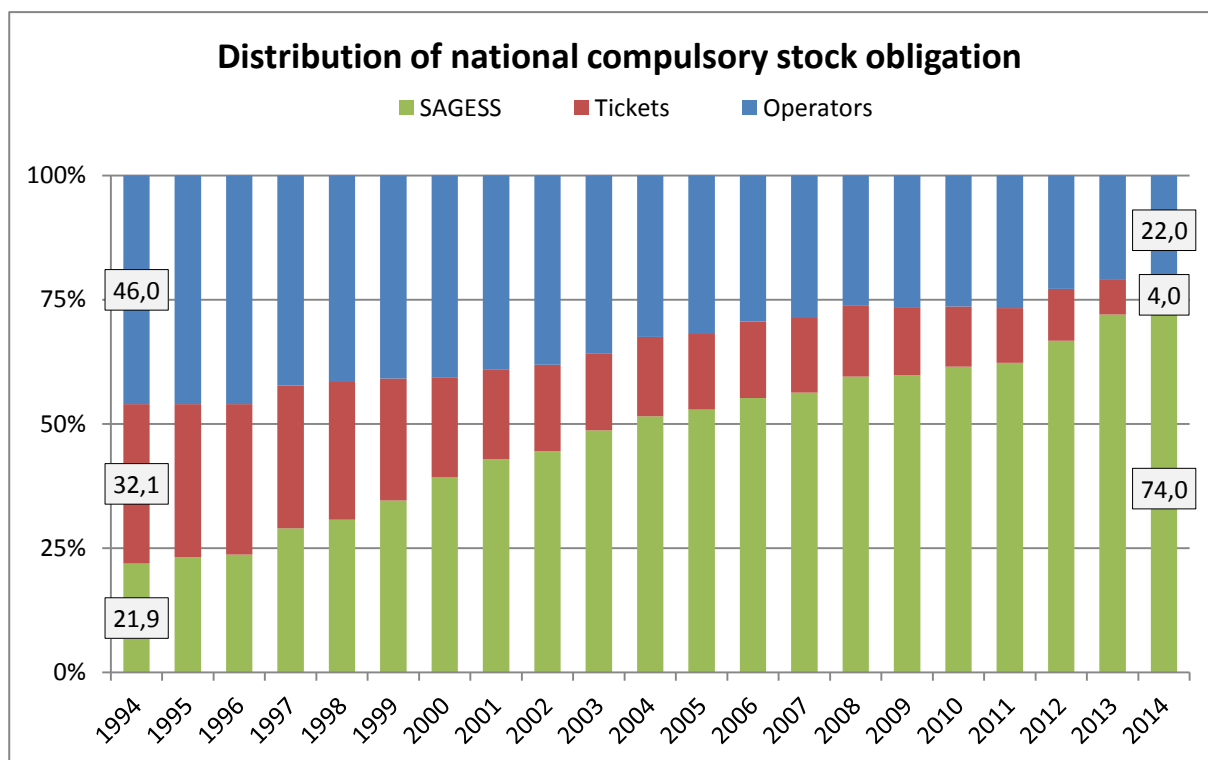
** Tickets: reserves owned by operators and contractually held at CPSSP disposal.

On 1 July 2014, the coverage requirement of the CPSSP was down 0.1 MT (millions of tonnes), compared with 1 July 2013. Operator tickets decreased by 0.6 Mt in 2014, the use of SAGESS increased by 0.5 Mt EQFP.

However, in the long term there is:

- An increase in the delegations by oil operators to the central CPSSP/SAGESS system under the effect of the relative growth in the market share of operators delegating their obligation at 90% or 100%, and in parallel a relative reduction in the market share of operators delegating 56%.
- A reduction in releases to domestic consumption of the CPSSP by oil operators as a result of initiatives to optimize their reserves

As illustrated in the graph below, this has resulted in a continuously increasing, significant portion of the national obligation being covered by SAGESS, whose reserves covered approximately 74% of the national obligation at month-end December 2014.



2 – SAGESS ACTIVITIES

ECONOMIC AND FINANCIAL ENVIRONMENT

The price of Brent calculated on a monthly average basis followed a downward trend as from August 2014 to an average price of \$ 62.5/bbl in December. The average price was \$ 99.0/bbl over the year (vs. \$ 108.6/bbl in 2013).

International prices for finished products in \$/t followed the same trends.

The evolution of the euro against the US dollar was contrasted, with appreciation of the euro in the first half followed by depreciation in the second. The annual average parity \$/EUR has remained unchanged from 2013 at \$ 1.33 / EUR.

Long-term bond yields (for the OAT French 10-year treasury bond) were heavily influenced by the decisions of the ECB and evolved on a downward trend to reach their lowest point at 0.6% in December.

Short-term Interest rates (EONIA and 3-month Euribor) rose in the first half and then declined sharply as from June and especially in September to approach zero by year end 2014 for EONIA. The annual average of the EONIA was 0.10% (against 0.08% in 2013) and 0.21% for the 3-month Euribor (against 0.22% in 2013).

RESERVE BUILDING AND CONSERVATION

PROCUREMENT POLICY

Oil product procurement is systematically carried out by calls for tender (except in case of technical constraints).

PRODUCTS CONCERNED

SAGESS stocks consist of the products of the first three categories (gasoline, diesel oil / heating oil, jet fuel) and of crude. Heavy fuel oil tickets by operators to CPSSP are sufficient to cover the petroleum stock requirement delegated to it, without resorting to SAGESS.

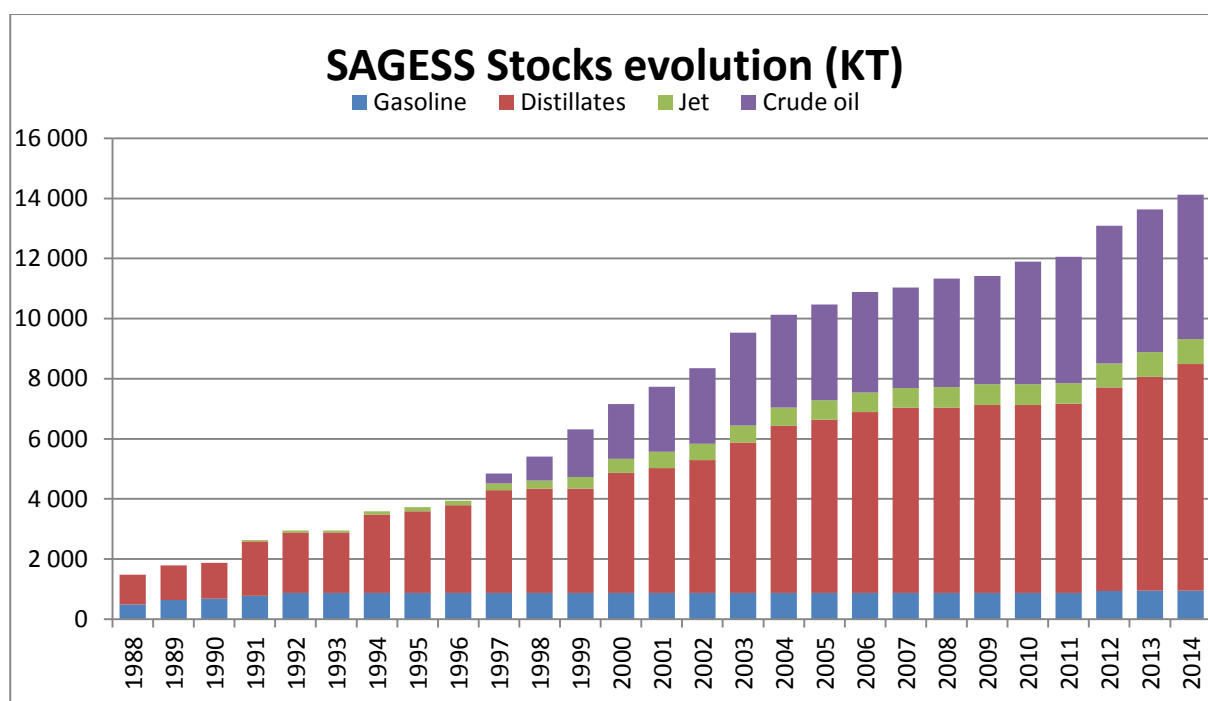
As per the stock regulation, crude oil can substitute for finished products up to a certain limit, one T of crude being considered to equal 0.8 T of finished products.

PROCUREMENT AND STOCK LEVELS

Stocks increased by 0.2 Mt to reach the level of 14.1 Mt (including loans) over the period:

(MT)	31 Dec. 2011	31 Dec. 2012	31 Dec. 2013	31 Dec. 2014
Stocks	12.1	13.1	13.8	14.1
For SPR obligation	11.8	13.0	13.8	14.0
Additional	0.3	0.1	-	0.1
Lent stocks	-	-	0.1	-
TOTAL in MT	12.1	13.1	13.9	14.1
TOTAL in Mt EQPF	11.2	12.2	12.8	13.1

SAGESS stocks have more than doubled since the end of the 1990s:



STOCK POLICY

SAGESS compiles the physical stocks requested by the CPSSP. SAGESS alone may hold specific stocks, given its status as Central Storage Entity (Decree of 28 December 2012). Out of all the national strategic stocks, the locations of SAGESS stocks in the name of CPSSP are the only ones that need to be approved each year by the State, after consultation of the inter-ministerial commission on hydrocarbon storage facilities (CIDH, last approval granted on 5 June 2014). Within that framework, the State provides geographical guidelines to ensure a minimum level of territorial dispersion and proximity to consumers for directly marketable refined products.

SAGESS products may not be posted or filed as collateral by storage providers or by a third party.

SAGESS products are stocked almost solely in third-party storage facilities against payment of a storage fee. SAGESS owns only one storage facility, 33.000,000 cubic meters in dimension, at Chasseneuil-du-Poitou (in the Vienne department). All of the facility's operations are entrusted to a professional operator.

The bonded storage facilities used by SAGESS (98) include refineries, most of the country's petroleum storage facilities, and the underground salt caverns in Manosque.

SAGESS's stocks are not pledged.

QUANTITY AND QUALITY CONTROLS

Storage providers are contractually responsible for the conservation in quantity and quality of the products stored and must maintain their tradability and integrity.

SAGESS Stocks are checked on site for quantity and quality, at least once a year, by a specialized third-party company. No non-compliance was observed.

STOCK CONSERVATION COSTS

The average recurring conservation costs for SAGESS stocks came to € 25.6/T in 2014, against € 23.2/T in 2013. This increase is mainly explained by the higher storage costs, due to the increase in the quantities stored on a full-year basis.

ORGANISATION

At 31 December 2014, SAGESS consisted of 14 positions, five of which were occupied by seconded staff.

RISKS AND INSURANCE

For the purposes of risk management, SAGESS periodically carries two types of analysis in parallel:

- Identification and analysis of those risks to which SAGESS is exposed, both in terms of quality (e.g. type of risks) and quantity (estimation of the magnitude and probability of risks occurring).
- The implementation of HSE (Health, Safety / Environment) standards applicable in the industry.

As a result of these analyses, the scope of insurance coverage is reviewed with SAGESS's insurance broker and adapted as necessary. The financial conditions are reviewed annually, to ensure they remained optimized and in line with the insurance market financial conditions.

The rates for insurance premiums were stable compared with fiscal year 2013 and were consistent with market trends.

In terms of coverage, the following arrangements covering damage to property (products and assets), staff, or third parties are as follows:

- Property damage insurance covers all the assets and products stockpiled at Chasseneuil-du-Poitou; the petroleum products stored at third-party sites (for fire/explosion risks only and in accordance with the provisions of the storage contracts); the PSM and the SAGESS head office at Rueil-Malmaison. Coverage stands at € 200 million per claim, with a deductible of € 30,000-80,000 per loss.

Under the storage contracts, each storage company is responsible for the products stockpiled at its sites and for bodily or material damages to its own personnel, third parties and facilities. These risks must be covered by insurance. The existence of these insurance contracts is verified on an annual basis:

- Environmental liability insurance covers environmental risks relating to 1) the 33,000 m3 storage facility owned by SAGESS at Chasseneuil-du-Poitou; 2) the operation of the pipeline, and 3) indirect risks to which SAGESS could be exposed following the 2008 enactment of EU Directive 2004/35/EC on Biodiversity. Coverage for all damages combined stands at € 30 million per claim per year, with a deductible of some € 100,000. The environmental risks associated with the storage and management of SAGESS products at third-party sites are covered by the insurance policies taken out by third parties. The existence of these insurance contracts is verified on an annual basis:
- General civil liability insurance to cover bodily injuries, physical damages and consequential damages to third parties that may incur SAGESS's liability. Coverage stands at € 15 million per claim, with a deductible of some € 30,000 per loss.
- Directors and Officers liability insurance (D&O). The limit of liability is € 15 million. There is no deductible.

3 – FINANCIAL POSITION

PRESENTATION OF ACCOUNTS

The presentation of accounts is unchanged from previous years. Accounts are drawn up in accordance with the PCG (French GAAP) as well as with the requirements of the professional charter of accounts of the oil industry. It also takes into account SAGESS specificities arising from legal and regulatory dispositions, notably article 1655 quater of the French Tax Code (exemption from corporate tax and requirement to book stocks at their acquisition price).

SAGESS is not obliged to publish its accounts following IAS or IFRS standards, since it does not publish consolidated financial statements.

RATING

On 30 September 2014 the Standard & Poor's rating agency confirmed its long-term rating AA (stable outlook) and short-term rating A-1+. These ratings are aligned with that of France, given SAGESS's status as a Central Storage Entity (CSE).

Due to the degradation of the sovereign rating of France to AA (negative outlook) in November 2014, the long-term credit ratings for SAGESS were aligned with that of France.

EARNINGS

Under the terms of the Agreement with the CPSSP, the latter reimburses SAGESS the entirety of its expenses (e.g. stock storage and maintenance, all operating expenses, financing expenses, etc.).

The net profit for the 2014 financial period is € 726K.

COMMERCIAL PAPER

The commercial paper program was capped at € 1,400 million (unchanged from 2013). This ceiling is part of the adjustments made during the financial crisis to provide SAGESS with additional financing flexibility. Its appropriateness is periodically reviewed by the Board, and as a precaution, is maintained at this level to stay flexible in case the markets deteriorate. SAGESS has several credit lines totalling € 900 million. As part of the management of its liquidity risk, maximum use of the commercial paper program remained within the limits of its credit lines.

ADVANCES FROM SHAREHOLDERS AND CPSSP LOAN

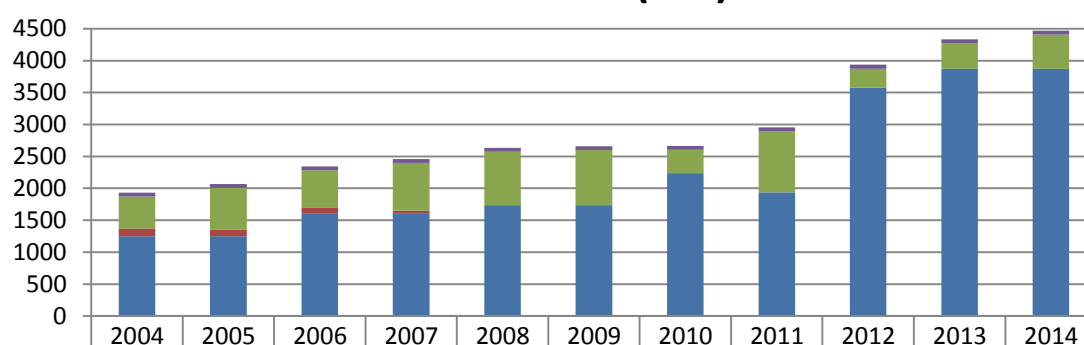
Since the second half of 2007, the advance from shareholders has been fully replaced by a zero-interest loan from the CPSSP (as was the initial advance) for the contractual amount of € 61 million.

EXTERNAL FINANCING STRUCTURE

SAGESS external financing at 31 December 2014, excluding the CPSSP loan and accrued interest, stood at € 4,410M:

- Bonds: € 3,875 M
- Bank overdraft: -
- Commercial paper: € 535 M

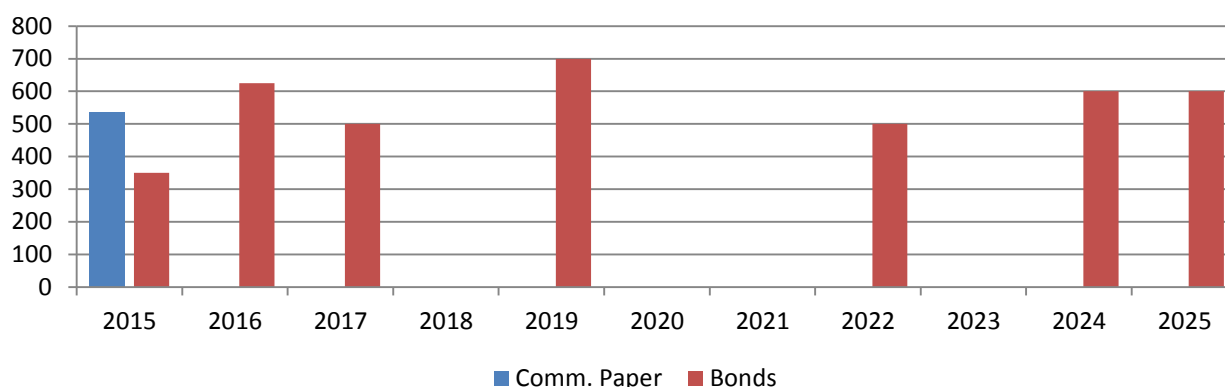
Debt Structure (€M)



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
CPSSP loan	61	61	61	61	61	61	61	61	61	61	61
Comm. paper	500	657	580	750	835	860	365	955	300	400	535
Bank loans	123	100	102	50	0	0	0	0	0	0	0
Bonds	1250	1250	1600	1600	1739	1739	2239	1939	3575	3875	3875
% bonds/total debt	64	60	68	65	66	65	84	66	91	89	87
Total	1937	2068	2343	2461	2635	2660	2665	2955	3936	4336	4471

To minimise the refinancing risk associated with the maturity dates for repayment of the debt, SAGESS has spread the maturity dates for repayment over several years. The average maturity of the bonded debt stood at 5.4 years at 31 December 2014.

Maturity of SAGESS debt



LIQUIDITY AND INTEREST RATE RISK

The financial policy is reapproved by the Board of Directors every year. This was done on 19 December 2014.

This policy defines the major equilibriums to respect between the various financing sources and maturities, goals for staggering maturities to ensure financing at all times, and interest rate risk policy. The priorities remained unchanged, focusing on securing financing and response time if significant tensions are detected on the markets.

The financial policy is based on variable-rate debt (decision re-approved at the 19 December 2014 meeting of the Board of Directors).

Any derivatives transactions are subject to the prior approval of the Board of Directors. At month-end December 2014, twenty-two swaps, set up during each of the eight bond issues, were underway.

INSEE added SAGESS to the list of Central administration organisations (ODAC) on 15 May 2014. At this stage, this classification is only statistical, in the national accounts sense. Any consequences (regarding the upcoming and long-term funding of SAGESS) of the classification, which is to be subsequently confirmed by an order, are being reviewed with the relevant functional divisions of the French government. However, and according to the laws in force, it should be noted that if this classification was validated by ministerial decree, it would have no effect on bond issues already carried out by SAGESS

OFF-BALANCE SHEET COMMITMENTS

The off-balance sheet commitments for the guarantees given are bonds with Customs.

As part of the SAGESS Manosque Pipeline construction project, and pursuant to the respective Board meetings of June 2003, the CPSSP confirmed its commitment also to cover all the costs relating to the pipeline through the delegation fee provided for in Article L642-6 of the French Energy Code. On the other hand, SAGESS has pledged to hand over this pipeline and its facilities to the CPSSP, if required by the State, at their net book value at the time of the handover. In this case the CPSSP would also take over all of the duties relating to these facilities

PROTECTION AGAINST OIL PRICE FLUCTUATIONS AND THE INVENTORY EFFECT

SAGESS assets are made up almost exclusively of petroleum product stocks that are booked at their acquisition cost (€ 4,456 M at month-end December 2014, i.e. approximately 97.5% of assets).

Given the arrangements described below, SAGESS cannot sell its stocks at a loss. In addition, being booked at acquisition cost, stocks are not revaluated at market prices and are therefore immune to price fluctuations of petroleum products.

Under article 1655 quater of the French Tax Code: "The company can only dispose of its stocks at a price above their average acquisition cost. Disposal can only take place in the following two cases:

- upon an injunction from the Oil Minister, taken in accordance with applicable regulations, and
- at the request of CPSSP.

In addition, the CPSSP's By-Laws provide that: The CPSSP has entered into an agreement with SAGESS which was approved by ministerial decree." This agreement stipulates in particular that if SAGESS is required by the CPSSP to sell its stocks, the CPSSP will take all necessary measures so that SAGESS receives at least the inventory cost of the sold stocks, in accordance with Article 1655 quater of the French Tax Code. To this end, if the sale price of the SAGESS stocks which are sold is less than their average inventory price, in other words if the sale is made at a loss, the payment received by CPSSP will then be fixed at an amount which will allow SAGESS to be wholly indemnified within a reasonable period not exceeding one year and, as a result, to repay as and when required its borrowings, interest and related costs to its banks or other lenders."

For information purposes, based on the average prices of December 2014, which remained higher than the average acquisition price of SAGESS stocks despite the general oil price decline, there was an unrealised capital gain on the stocks of € 1,828 M.

CURRENCY RISK

All foreign currency transactions, other than spot transactions, require prior approval from the Board. SAGESS performs all procurement in Euros and is therefore not exposed to a FOREX risk.

EQUITY RISK

SAGESS shares are not listed and the shareholding is limited to accredited oil-storage facility owners subject to the strategic petroleum reserve requirement. According to article 1655 quater of the French Tax Code, "The shares of this company (SAGESS) may not be sold without the agreement of the ministers."

TAX EXPOSURE

EXEMPTION FROM CORPORATE INCOME TAX

SAGESS is exempt from corporate income tax under article 1655 quater of the French Tax Code.

TAX AUDIT

SAGESS was the subject of a tax audit covering all of its accounts for the years 2011, 2012 and 2013. The audit is closed and no adjustment was made by the tax authorities for the audited years.

LEGAL RISKS

No significant legal risks were identified as at 31 December 2014.

CONDENSED FINANCIAL DOCUMENTS

The detailed financial statements are provided in the Appendix. In simplified terms, the changes in the SAGESS financial statements are mainly influenced by stock increases, variations in unit storage costs and interest rates, and in some years, also by non-recurring activities such as the PSM project or changes to product specifications.

The SAGESS balance sheet at 31 December 2014 is essentially composed of the reserve stocks on the assets side and of the external borrowings on the liabilities side. It can be summarised as follows:

ASSETS	€M	%	LIABILITIES	€M	%
Net fixed assets	66	1.4%	Net worth and provisions	4	0.1%
Stocks	4,456	97.5%	Borrowings	4,528	99.1%
Receivables and misc.	48	1.1%	Payables and misc.	38	0.8%
Total	4,570	100.0%	Total	4,570	100.0%

- Fixed assets are essentially the SAGESS Manosque Pipeline (PSM) and the Chasseneuil-du-Poitou storage facility.
- Stocks are the strategic petroleum reserves acquired and held by SAGESS.
- Receivables essentially comprise the CPSSP receivables corresponding to one month's billing of SAGESS services.
- Supplier payables essentially comprise storage costs for December.

The 2014 profit and loss account stands as follows:

M€	2014	2013	Change
SAGESS cost recovery from CPSSP	361	318	14%
Sale of petroleum products	2	6	na
Stock storage and monitoring	(303)	(265)	14%
Other operating costs	(12)	(10)	20%
Financing costs	(47)	(46)	2%
Net result	1	3	

- Each month SAGESS recovers from the CPSSP the costs of storing and financing its assets and its operating costs, ultimately representing all of its other costs.
- SAGESS conducted heating oil sales, following the authorization given by CPSSP, amounting to € 1,607 K. These sales generated a profit of € 690 K.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

NIL

SUPPLIER PAYMENT SCHEDULE AT 31 DECEMBER 2014

(Commercial Code Art L 441-6-1 and D 444-4)

TOTAL BALANCE		30 days	30-60 days	Over 60 days
31 December 2013	€ 17,783 K	€ 17,783 K		
31 December 2014	€ 12,312 K	€ 12,312 K		

NON TAX-DEDUCTIBLE EXPENSES

Pursuant to the requirements of Article 223 of the French Tax Code, it should be mentioned that the accounts do not contain – other than the C3S effect – any non-tax-deductible expenses, as stipulated in Article 39-4 of the said Code.

SHAREHOLDERS' EQUITY

In accordance with the approval given by the DGDDI, the DGCCRF and the Department of Energy on March 22, 2014, the share capital of SAGESS was divided at 31 December 2014 between 35 shareholders, representing 93.9% of the national compulsory stock obligation:

Shareholders and subsidiaries holding over 5% of capital

TOTAL Marketing Services and its affiliates	35.1%
SIPLEC	12.3%
Esso S.A.F.	9.3%
SCA PETROLES ET DERIVES	8.0%
CARFUEL	7.6%
BP	5.5%
Shareholders holding under 5% of capital	22.2%

The General Meeting delegated no capital increase.

COMPENSATION OF BOARD MEMBERS

As in previous years, Board members received no compensation.

The Chairman and Managing Director is seconded to SAGESS and his parent company (TOTAL S.A.) charged in respect of the 2014 financial period, an amount excluding tax of € 420 K.

STATUTORY AUDITORS' FEES

Year ended 31 December 2014 (in euro thousands)	Ernst & Young	Grant Thornton
Audit		
<i>Half-yearly and annual financial statements</i>	42	42
<i>Other works</i>	12	4
Total	54	46

SUSTAINABLE DEVELOPMENT

Following the launch of the Sustainable Development initiative in 2012, the SAGESS management team continued to expand this initiative in 2014. On the one hand, this initiative meets the requirement expressed by certain investors for further information about the "sustainable development" issues facing SAGESS and also complies with the Grenelle II Act.

A "responsible procurement" initiative was launched with key suppliers to establish a constructive dialogue on their "Sustainable Development" initiatives.

The diagnostic program for environmental risks and damage within sites where SAGESS stores petroleum products has continued in compliance with the established 2013/2016 plan.

In accordance with the sustainable development action plan communicated to the Board of Directors and the Sustainable Development Committee, in 2014 SAGESS continued to expand its scope of action to its most important partners by promoting their support to SAGESS's initiatives as part of its "Sustainable Development" charter and code of conduct.

The releases to domestic consumption for 2014 were down by more than 2% compared with 2013, which will impact the level of national compulsory stock obligation as of 1 July 2015. The trend observed in recent years concerning the decrease in the releases to domestic consumption is expected to reach a threshold.

The strategic storage requirement should remain stable at the level established in 2012 of 29.5%, as part of the gradual adoption of the new EU Directive on strategic reserves.

SAGESS will therefore have to sell quantities of products mainly in the second half of 2015 to adjust physical stocks to a decreasing national compulsory stock obligation.

This new environment will force SAGESS to optimize on an ongoing basis its portfolio of storage contracts.

The Board of Directors

STATEMENT OF THE CHAIRMAN AND THE CFO

-2014- FINANCIAL STATEMENTS

We certify that, to the best of our knowledge, the accounts and financial statements of SAGESS, the public limited company for the management of strategic petroleum reserves, have been drafted in accordance with the accounting standards applicable in France and fairly present the assets, and financial position of the company at 31 December 2014.

The management report at 31 December 2014 presents a faithful overview of the company's business, results and the financial standing as well as a description of the main risks and uncertainties it faces.

Rueil-Malmaison, 28 February 2015

François MARTIN

Chairman and Managing Director

Edouard FILHO

Corporate Secretary and Chief Financial Officer

REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

(ARTICLE 225-37 OF THE FRENCH COMMERCIAL CODE)

This report outlines the constitution of the Board of Directors; the conditions under which the latter prepares and organises its work; and the internal control and risk management procedures set up by the company, particularly those relating to the preparation and handling of accounting and financial data. It also addresses the limitations that the Board of Directors puts on the authority of the General Manager.

Generally, this report has been prepared using the recommendations issued by the French Markets Authority which are applicable to the highly particular case of SAGESS, a company whose public offerings are exclusively limited to the issue of straight bonds traded in Luxembourg (and Paris for the oldest bonds).

In terms of internal controls, the internal control reference system used is the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which is also used in the work performed under the guidance of the French Markets Authority.

1- GOVERNANCE AND CONTROLS

BOARD OF DIRECTORS

The Board of Directors determines the directions company activities will take, and supervises their implementation. By reason of the powers specifically granted it by shareholders' meetings, and as limited by the corporate purpose, the Board of Directors deals with all questions concerning the smooth functioning of the company and decides on issues affecting the company. The Board performs controls and checks as it deems fit. Each Director is provided with the information required to accomplish his or her mission.

At its meeting of 21 March 2014, the Board of Directors adopted its Rules of Procedure. These rules of procedure specify the obligations of each director and set the mission and operational rules of the Board of Directors and its committees (Audit Committee, Sustainable Development Committee, Operational Management Committee and Finance Committee). They specify the respective roles and powers of the Chairperson and Vice-Chairperson.

They are complemented by 3 appendices:

- SAGESS Directors' Charter and its appendix consisting of the annual sworn statement to prevent conflicts of interest,
- SAGESS Code of Conduct,
- The composition and powers of the Committees.

SAGESS Rules of Procedure and Code of Conduct are available on the Company website (www.sagess.fr).

Composition of the Board of Directors as at 31 December 2014 :

The Board of Directors is made up of 13 members representing the shareholder companies in all their diversity of cultures and origin.

Changes in the Board of Directors in 2014:

At the Annual General Meeting of 14 May 2014, the directorships held by Société des Pétroles Shell and Mr. Didier Harel were renewed for a five year term expiring at the end of the General Meeting of Shareholders called to approve in 2019 the financial statements for the year 2018.

Directors	Permanent representatives	Specialised committees
Didier HAREL (Chairman and managing director)		
BOLLORE ENERGIE	Dimitrios XYLINAS	
BP France	Hervé CHARMOLUE	
CARFUEL (Vice-Chairman)	Karim BENBRIK	
ENI France	Alfonso CUNDARI	
ESSO Saf	Gilles THERY	
Bruno ESTAGNASIE		Member of the Audit Committee
Jean-Claude MARCELIN		Member of the Audit Committee
PETROVEX	Ludovic LABAZUY	
PICOTY	Michel PICOTY	
Société des Pétroles SHELL	Son LENGOC	
SIPLEC	Thierry FORIEN	Chairman of the Audit Committee
TOTAL MARKETING SERVICES	François MARTIN	

Changes in the Board of Directors as from 31 December 2014:

The General Meeting of Shareholders held on 29 January 2015 appointed Mr. François MARTIN as Director, to replace Mr. Didier HAREL, for the duration of the unexpired term of Mr. HAREL with effect from 29 January 2015.

The Board of Directors, at its meeting of 29 January 2015, unanimously elected Mr. François MARTIN as Chairman and Managing director.

Proposed re-appointment of members at the 2015 General Meeting:

The Board of Directors, at its meeting of 19 March 2015, decided to propose the General Meeting of Shareholders to reappoint Mr. Jean-Claude MARCELIN as a director, for a period of five years expiring at the end of the General Shareholders' Meeting called to approve in 2020 the financial statements for 2019.

Under Decree 93-1442 of 27 December 1993 approving the SAGESS by-laws, by law three representatives of the Ministers of Energy, the Economy and the Budget attend the meetings of the Board of Directors and the General Meeting.

The decisions of the Board of Directors and the General Ordinary Meeting are binding within eight clear days if the ministers do not request a new decision within this time period. The new decision is fully and legally binding.

Under the French decree authorising the construction and operation of the SAGESS Manosque pipeline, and in compliance with legal stipulations (e.g. Decree 59-645 of 16 May 1959), the Authorities decided to set up a Government auditor at SAGESS, whose role would be limited to subjects relating to the pipeline business. Its articles of association were modified to take this into account, and the auditor in question was appointed by decree in April 2006.

The Board of Directors meets upon notice given by the Chairman, as often as the interests of the company require, at the registered office or any other place indicated in the notice.

In 2014, the Board of Directors met seven times: on 21 March, on 14 May, on 27 June, on 28 August, on 30 September, on 26 November and on 18 December. The average attendance rate of the directors for 2014 was 80% (84% based on the expanded Board of Directors including three representatives from the supervisory ministries).

Attendance of the directors at Board meetings in 2014		
Didier HAREL	7 meetings out of 7	100%
BOLLORE ENERGIE / Cyrille BOLLORE - Dimitrios XYLINAS	7 meetings out of 7	100%
BP France / Hervé CHARMOLUE	6 meetings out of 7	86%
CARFUEL / Karim BENBRIK	6 meetings out of 7	86%
ENI France / Alfonso CUNDARI	5 meetings out of 7	71%
ESSO France / Gilles Théry	5 meetings out of 7	71%
Bruno ESTAGNASIE	7 meetings out of 7	100%
Jean-Claude MARCELIN	6 meetings out of 7	86%
PETROVEX / Erick PARAYRE - Ludovic LABAZUY	6 meetings out of 7	86%
PICOTY / Michel PICOTY	1 meeting out of 7	14%
Société des Pétroles Shell / Son LENGOC	6 meetings out of 7	86%
SIPLEC / Thierry FORIEN	6 meetings out of 7	86%
TOTAL Marketing Services / François MARTIN	5 meetings out of 7	71%

In addition to strategic petroleum reserve obligations and legal subjects (e.g. year-end closing of accounts, budgeted financial statements, proxies, reports, preparing the draft resolutions for the shareholders' meetings, prior approval of the regulated agreements), the Board regularly deals with various aspects of the company's business. In 2014, the Board discussed the following issues in particular:

- Impact of the applicability of the order 2005-649 of 6 June 2005,
- Potential impact of SAGESS classification as ODAC by INSEE.
- Establishment of a bank guarantee system for product loans by injunction in the event of a crisis,
- Update of the storage logistics plan,
- Procurement and sales schemes,
- General storage governance,
- Effective use of stocks in times of crisis,
- Review of the pricing policy for gasoline storage,
- Minutes of the Audit Committee,
- Review of the financial policy,
- Implementation of the rules of procedure of the Board, the Directors' Charter and the sworn statement to prevent conflicts of interest,
- Risk and insurance policies,
- Budget plans and performances (e.g. releases to domestic consumption, coverage of SPR obligations, storage, related financial forecasts),
- Financing plans and options for 2014-2017,
- Repayment of the bond maturing in February 2015,
- Risks and litigation (tax and other),
- Update of the CPSSP-SAGESS agreement,
- Replacement of two directors,
- Increased strategic stocks in the Seine Valley and the south-eastern defence zone, following the CIDH meeting of 5 June 2014.

As indicated in the management report, no members of the Board of Directors or other directors or officers receive any compensation or benefits. The current Chairman and Managing Director is seconded to SAGESS. The secondment contract stipulates rebilling at cost.

AUDIT COMMITTEE

Taking into account SAGESS' highly specific legal and regulatory framework, the three members of the Committee were chosen for their independence with respect to executive management, their competence and their diversity of origin, all of which are criteria guaranteeing the proper functioning of the Committee and its ability to enhance the quality of internal control of the company to ensure transparency for all of its stakeholders.

Four meetings were held in 2014 to address the following subjects as part of the overall review of the internal controls system already set up:

- Half-year and annual financial reports (including accounting and reporting principles),
- Monitoring of Financial Security Law (LSF) action plans and interim control flags,
- Finalisation of the draft internal rules of procedure of the Board of Directors,
- Implementation of SAGESS risk mapping and review of half-yearly and annual indicators,
- Potential impact of SAGESS statistical classification as ODAC by INSEE,
- Impact of the applicability to SAGESS of the order 2005-649 of 6 June 2005.

A report on the Committee's work is submitted to each meeting of the Board of Directors.

SPECIALISED COMMITTEES

Four specialised committees have been created to assist SAGESS management and the Board of Directors. The work of these committees may be initiated by SAGESS, the Board, or the committees themselves.

An **Operational Management Committee** is defined in the SAGESS articles of association. It is made up of six members appointed by the Board. It assists SAGESS management in day-to-day operations. It has an advisory role and issues opinions. It keeps the Board informed of same. Its members may attend the Board meetings in an advisory capacity. This committee did not meet in 2014.

A **Finance Committee**, which is not defined in the articles of association, has been created by the Board. It is made up of seven financial representatives of the shareholders. It assists SAGESS management and the Board with all decisions affecting finances. It has an advisory role and issues opinions. It keeps the Board informed of same.

The following subjects were dealt with in 2014:

- Budget plans and performances (e.g. releases to domestic consumption, coverage of SPR obligations, storage, related financial forecasts),
- Review of SAGESS financial policy and principles of appropriation of net result,
- Financing plans and options for 2014-2017,
- Risks and litigation (tax and other),
- Risk and insurance policies,
- Establishment of a guarantee system based on bank sureties for product loans carried out by injunction in case of a supply crisis,
- Impact of the possible statistical classification of SAGESS as ODAC by INSEE.

A six-monthly **Control Committee** consisting of members of SAGESS management reviews the annual goals and their implementation.

A **Sustainable Development Committee** composed of seven members with expertise in Sustainable Development among key SAGESS stakeholders. It meets twice a year, in February to set annual targets and review the Sustainable Development report, and in July to review progress in implementing these objectives. Following a decision of the Board of Directors, the Committee has been extended to include a staff representative and a CPSSP representative, in order to better cover all SAGESS stakeholders.

STATUTORY AUDITORS

The Statutory Auditors, appointed for six financial years by the Annual Shareholders' Meeting, perform their duties as defined by the rules applicable to the profession, and act at least twice per year (half-yearly financial statements and annual financial statements).

The auditors are invited to all the meetings of the Board dealing with accounting and financial information. At the initiative of the Chairman, they may be invited to any other meeting.

AUDIT BY SHAREHOLDERS

The company is audited every three to four years by a team of auditors chosen by the shareholders from their Audit/Control departments. The reference system used for these audits is the interprofessional reference system established in 1998 by oil refining and distribution companies, and covers all SAGESS activities. The last audit took place in April 2012.

A written report is published independently at the end of the audit, after its content is discussed with SAGESS management. The report includes the corrective plan for any weaknesses identified.

All the checkpoints identified during this audit were closed in 2014.

The Board of Directors, the Statutory Auditors and the Audit Committee are notified of both the conclusions, and the progress made on the corrective plan.

GENERAL MEETINGS OF SHAREHOLDERS

The procedures by which shareholders are given notice of the annual meetings and attend them are conventional. These procedures are contained in the Company's articles of association (available upon request and on the company's website: www.sagess.fr), and by default are those stipulated by law.

2- ENVIRONMENT AND ORGANIZATION OF INTERNAL CONTROLS

GENERAL FRAMEWORK

The fundamental purpose of the SAGESS controls system is still to allow the Board of Directors, SAGESS management and staff to set up company resources in an effective and appropriate manner in order to reach goals set in full compliance with applicable laws and regulations, while preventing and controlling risks which could significantly impact operations or finances. As with all controls systems, however, it cannot absolutely guarantee that these risks are totally eliminated.

A structured approach was taken to the Financial Security topic, and a multi-year implementation programme was set up. Its content is approved by the Board, and its progress is regularly reviewed at this level.

This approach includes an annual review of the suitability of each component of the control environment to the issues and activities of the company, as well as the implementation of any required adjustments which may arise.

SCOPE

The scope encompasses all of the activities placed under the responsibility of SAGESS through the French strategic petroleum reserve system, as well as the administrative management of SPR obligations that falls on the CPSSP (Professional Board for Strategic Petroleum Reserves) which the latter has delegated to SAGESS since 1993 by an agreement of indefinite duration approved by a decree of the Prime Minister.

FRENCH FINANCIAL SECURITY LAW (LSF) PROGRAMME

Various players have been directly involved in the LSF Programme. The preparatory work is carried out in a group and coordinated by the chairman and managing director. The topic is regularly included on the agenda of the Board meeting (and the Audit Committee meeting) to ensure that all concerned stakeholders participate and benefit from the feedback of the shareholders. This process extends to all SAGESS employees.

The guideline is to structure the topic through general control architecture as a reference framework within which a certain number of components are placed and updated at least annually but more as necessary. This architecture can be presented as follows:



The Code of Business Conduct was updated in February 2012. It contains the fundamental values underlying all the company's activities, both internal and as carried out with third parties. It covers:

- Business ethics,
- Anti-Corruption practices,
- Third party relationships: competition, conflicts of interest, management participation in companies and bodies, international transactions, political activities,
- Health, Safety and the Environment: safety of people and property, product safety, environmental protection,
- Labour and working conditions: equal opportunity, workplace health and safety, alcohol and drugs, harassment.

This Code, initially approved at the Board Meeting of 16 December 2005, was once again distributed to all staff in September 2014 to stress its importance and each individual's role in applying it correctly.

An internal control reference system (controls standards) was set up in 2004 with the adoption by the Board in September 2004 of the "common reference system for the interprofessional audit committee" (used during shareholder audits of SAGESS) as the minimum control reference system.

In terms of processes and procedures, mapping of SAGESS risks identified 18 risks related to processes with an owner appointed for each.

Mapping of SAGESS risks, based on an analysis of the severity/control pair, allows a dynamic risk management. This resulted in the following risk breakdown: 2 "critical" risks, 9 "severe" risks and 7 "major" risks.

These processes are linked to procedures that have been assigned to an owner.

The "critical" risks are the following:

- Financial risk resulting from loss of products, financial soundness of suppliers,
- Governance risk of the strategic stock system.

The "severe" risks are the following:

- effectiveness of the organization,
- liquidity risk
- risk of loss of products (quantity/quality)
- functioning of CPSSP/SAGESS tandem,
- management of economic and monetary environment,
- information systems (performance),
- information systems (information security),
- information systems (system management),
- industrial accident risk management (own sites and/or third party sites).

Key Performance Indicators (KPIs) have been established and thus allow the management team to monitor the risks. With this characterisation done, an in-depth risk analysis is performed, for at least the "critical" and "severe" risks, to check that the relevant checkpoints are in place and stabilise procedures as needed. This analysis consists in taking each process, reviewing its path from beginning to end (whether this is a manual or digital path) and determining, for each processing step the risks of error or non-quality that could arise, and the resulting checkpoints that must be implemented if they have not already been set up. These indicators are reviewed annually by the Audit Committee and the Board of Directors. A selection of "priority" indicators has been established to monitor the mapping changes on a half-year basis.

Finally, a comprehensive self-assessment of the control environment is performed annually. To do so, the control environment is checked against five principles: control environment, risk assessment, control activities, information and communication, and monitoring. Each of these components is assessed by the management team on the basis of the accomplishments of the year under consideration. A comprehensive assessment is derived from this analysis.

POWERS

POWERS OF THE CHAIRMAN AND MANAGING DIRECTOR

According to strategic petroleum reserve legislation, decisions relating to the procurement and sale of stocks of petroleum products are the responsibility of the Board, but may only be taken within the framework of formal requests expressed by the Authorities or the CPSSP.

Moreover, the Board has placed the following limitations on the powers of the Chairman and General Manager:

- The Chairman and Managing Director may not consent to loans in kind or in cash exceeding the amount of € 30,000 per transaction, except for rent pre-paid to finance investments in specific storage facilities, and except for loans of petroleum products up to a ceiling, all loans combined, of 100 000 KT.
- The Chairman and Managing Director and the Chief Financial Officer may jointly contract loans of an unlimited amount.
- SAGESS bank accounts or postal current accounts may only be opened or closed with the joint signature of the Chairman and Managing Director and the Chief Financial Officer.
- Any transactions involving derivatives and currency must be previously authorized by the Board of Directors.
- The Chairman and Managing Director is not authorised to buy oil futures.

In addition, if these authorisations are annually renewed by the Board:

- The Board authorises the Chairman and Managing Director to provide up to € 200,000 in collateral, backing and guarantees on behalf of the company. The Board authorises the Chairman and Managing Director to provide an unlimited amount of sureties, backing and guarantees on behalf of the company to customs and tax authorities.
- The Board authorises the Chairman and Managing Director to delegate, in whole or in part, the types of authority defined in the following paragraphs.

BANK MANDATES

In line with the above, bank mandates are renewed at least each year, and formally sent to each of the banks with which SAGESS works. These mandates describe in detail the transactions authorised, their conditions and limits, and prohibited transactions. An update took place in October 2014.

INTERNAL AUTHORITY

The company's internal authority manual is updated when necessary; the last update being in November 2011. The manual is drafted to meet the following objectives:

- Organise the Mandates and Discretions consistent with the process-based approach described above.
- At the beginning of each section about a given process, provide a certain number of clarifications (e.g. limits of the process and its interfaces with other processes) and a reminder of the applicable guiding principles.
- For each decision point, indicate all of the stakeholders involved, from the authority for proposal to the authority of final approval, including review points and validation required before any decisions.

3 - PREPARATION AND HANDLING OF ACCOUNTING AND FINANCIAL DATA

Accounting and financial data are produced by the Head Accountant and the Chief Financial Officer under the control of the Chairman and Managing Director.

The following are the steps taken for preparing these data:

- Determining the accounting principles and methods that best reflect the characteristics and regulatory particularities of the company's business, in compliance with current legal and regulatory measures
- Recording of activities, transactions and periodical closings (e.g. accounting transactions, determining and booking provisions and accrual/suspense accounts, half-yearly and annual closings) in strict compliance with the principles of segregation,
- Monitoring the accounts and the financial situation (e.g. account reconciliation, circularization),
- Producing financial reports (e.g. balance sheet, profit and loss statement, appendices, and management report). These reports are reviewed by the Statutory Auditors and the Audit Committee before being submitted to the Board of Directors.

The major risks are the production of incomplete or erroneous accounting data, or transmission of insufficient financial data. SAGESS' main activities are to gather and store strategic petroleum reserves and finance them through borrowings; because it is a non-profit company, the most sensitive data concerns the company's petroleum product reserves and coverage of its expenses and the financial debt.

These petroleum product reserves account for over 97.5% of the value of the assets as at 31 December 2014:

- Reserve volumes are checked through customs declarations and by material inventory counts performed by SAGESS staff or by an independent company at least once every 12 months. The customs declarations are reconciled with the volumes recorded in the computer systems at least once every six months.
- The value of reserves is integrated into the SIGESS central system, which automatically links logistics activities to accounting and financial operations.
- By law, stocks are booked at their acquisition value and not at market prices. SAGESS is therefore not exposed to price fluctuations of petroleum products.

Fixed assets are essentially the SAGESS Manosque Pipeline (PSM), which went into operation in November 2007, and the Chasseneuil-du-Poitou storage facility. Detailed inventories are periodically performed at these properties and they are operated by third parties under the supervision and controls of the Logistics Department.

More generally, risks (including those affecting assets) are minimised by:

- The careful selection and controls of suppliers combined with heightening their sense of responsibility, and as a last resort by these suppliers' insurance policies, which are annually checked to ensure they are in place and comply with contractual commitments,
- At the company level, a policy for permanent, preventive credit risk analysis is in place. In addition, the industrial risk is covered by insurance policies periodically reviewed by the Finance Committee and presented to the Board of Directors.

The company's debt financing is carried out within the framework of a financial policy, the appropriateness of which is reviewed annually by the Board of Directors after receiving the opinion of the Finance Committee. Particular financial operations, such as bond issues, are also first reviewed by the Board, after receiving the opinion of the Finance Committee. The implementation of financing operations is regularly monitored at these same levels, in addition to the exhaustive information on the subject included in the financial reports (e.g. annual report, half-yearly report and bond prospectus).

Recovery of the compensation for services rendered, performed by the company on behalf of the CPSSP (as part of the Agreement between the CPSSP and SAGESS), is carried out and monitored monthly by SAGESS. This compensation for services rendered is a source of income which covers all the expenditure incurred by the system. Non-payment risks are hedged by first demand guarantees provided to the CPSSP by oil operators. The Statutory Auditors of the operators certify the statements of release to domestic consumption (the basis for receiving delegation fees) each year. Moreover, the Authorities (e.g. Energy and Climate Board, Customs) perform controls of this data, and their findings are reconciled with the data received by the CPSSP.

Operating costs are the subject of annual plans which are updated quarterly. They are monitored at the same frequency. Plans and accomplishments are reviewed at the same frequency by the Board.

There are few off-balance sheet commitments. They concern:

- bank sureties for the Customs Administration,
- long-term leasing commitments,
- interest rate and currency swaps set up when the bonds are issued, and specifically authorised beforehand by the Board.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE INFORMATION

(ARTICLE R225-105-1 OF THE FRENCH COMMERCIAL CODE)

This report contains all the regulatory information in compliance with Article R225-105-1 of the French Commercial Code. All SAGESS's CSR information is published in the Sustainable Development report, available on the website www.sagess.fr in the "Sustainable development" section.

1 – SOCIAL INFORMATION

EMPLOYMENT

TOTAL HEADCOUNT AND BREAKDOWN OF EMPLOYEES BY GENDER, AGE AND GEOGRAPHICAL AREA

As at 31 December 2014, SAGESS employed 14 people, including five positions filled by seconded staff.

All of these employees are located in France, representing 6 women and 8 men, with an average age of 51 including both sexes.

HIRING AND FIRING

In 2014, the number of hires within the meaning of French law was 1 in SAGESS. The hire was recruited with an open-ended employment contract.

No employment contract was terminated in 2014, for any reason (economic or personal).

REMUNERATION

The remuneration system in place within SAGESS takes into account the quality of employees' contributions, the development of their skills, and the achievement of their objectives.

Staff expenses for 2014 stood at € 1,952 K, of which € 990 K were for remuneration. Staff expenses include the billing of salaries and charges associated with seconded staff, but exclude those of temporary staff.

In addition, the overall increase in wages awarded by SAGESS was 3.1% for 2014.

As in previous years, Board members received no compensation.

The remuneration of the management team, consisting of two seconded staff and a SAGESS employee, amounts to € 883 K in 2014.

WORK ORGANISATION

ORGANIZATION OF WORKING TIME

As at 31 December 2014, 100% of SAGESS employees have open-ended contracts.

SAGESS complies with the statutory working week in accordance with the legislation in force in France. As at 31 December, one employee of the company worked part-time.

In 2014, overtime corresponding to hours worked over and above the contractual number of hours amounted to 17 hours.

ABSENTEEISM

The data detailed in this paragraph only apply to SAGESS employees, and not to seconded staff.

Absenteeism is defined as the total number of calendar days of absence, excluding paid leave, layoffs and long-term unpaid absences (such as parental leave or leave without pay), divided by the theoretical number of days worked.

In 2014, the absenteeism rate was 0.03%. For the last three years, the absenteeism rate has been distributed for the following reasons shown below:

	2012	2013	2014
Illness	91%	0%	100%
Work accidents	9%	0%	0%
Maternity / Paternity / Adoption	0%	0%	0%
Other absences	0%	0%	0%

LABOUR RELATIONS

ORGANIZATION OF DIALOGUE BETWEEN MANAGEMENT AND LABOUR AND COLLECTIVE BARGAINING AGREEMENTS

Labour relations within SAGESS are based on respect and dialogue. SAGESS recognizes the constraints and risks associated with its business, and therefore pays particular attention to the social equilibrium through various modes of communication and consultation.

SAGESS also develops constructive dialogue through the recognition of the rights of employees and its willingness to communicate with all employees. In 2014, five staff briefings were carried out, to inform and interact with the staff on SAGESS' objectives, operation and results. All of these promote a social climate of quality, conducive to individual and collective efficiency and to the development of the company.

In 2014, SAGESS had one staff representative.

SAGESS is governed by the Collective Bargaining Agreement relating to Petroleum Industries and applies all of its principles.

HEALTH AND SAFETY

OCCUPATIONAL HEALTH AND SAFETY CONDITIONS AND COLLECTIVE BARGAINING AGREEMENTS

The continuous improvement of working conditions is a core concern for SAGESS. In order to change attitudes towards risks, a number of actions are therefore implemented within SAGESS, including:

- A free flu vaccination campaign;
- The implementation of ergonomic equipment on workstations (monitor arms, headsets, etc.
- Training in first aid and the use of a defibrillator,
- Evacuation drills.

In 2014, no agreement was signed within SAGESS concerning occupational health and safety.

ACCIDENTS AT WORK AND OCCUPATIONAL ILLNESSES

Safety in the workplace is one of SAGESS' priorities, and is an integral part of its CSR performance indicators.

In 2014, as in 2013, the frequency rate of lost-time accidents involving SAGESS personnel was 0 at head office (one accident listed between 2006 and 2012).

The frequency rate of lost-time accidents involving storage facility personnel (including Picoty staff, excluding Picoty subcontractors) was 0 in 2014 and 2013 for SAGESS' own storage facilities (Chasseneuil site).

The frequency rate of lost-time accidents having occurred during the operation, maintenance and monitoring of SAGESS Manosque pipeline (including Geostock staff) was 0 in 2014 against 26.8 in 2013.

These incidence rates represent the number of accidents with lost time per million hours worked, and do not take into account accidents involving Picoty or Geostock subcontractors.

In 2014, the associated severity rates were respectively equal to 0 for the head office of SAGESS, 0 for the Chasseneuil site and 0 for the pipeline (against 0 and 0.8 respectively in 2013).

Finally, no occupational illness was reported in 2014 at SAGESS. Only occupational illnesses officially declared and recognized by the Social Security administration are recorded.

TRAINING

POLICIES IMPLEMENTED FOR TRAINING, TOTAL NUMBER OF TRAINING HOURS

For many years, SAGESS' social commitment has formed an integral part of its human resources management process. In 2014, SAGESS continued its efforts in training, allowing each employee to receive the resources they require in terms of training to achieve their objectives.

In addition, so that its employees can develop their potential as much as possible, through the DEFI organization, SAGESS provides its employees with a catalogue of over 464 training courses, covering both technical and functional issues as well as managerial and educational skills.

Furthermore, holding annual individual interviews is an established practice within SAGESS, to promote the development of employees and discussion about their professional development. As a result, in 2014, 100% of the company's employees (hired for more than one year) benefited from these formalized exchanges with their line management.

In 2014, thanks to the various measures put in place, the total number of hours devoted to training amounted to 74 hours, i.e. an average of one training course per employee. Carried out on the basis of the training needs expressed during the annual interviews and business line requirements, in 2014 these courses focused on developing knowledge of SAP tools and business line requirements (logistics and finance). The 2014 training plan was monitored by systematically compiling the needs expressed during the annual performance interviews and the courses actually carried out.

EQUAL TREATMENT

MEASURES IN FAVOUR OF EQUALITY BETWEEN MEN AND WOMEN, EMPLOYMENT AND INTEGRATION OF DISABLED PEOPLE AND ANTI-DISCRIMINATION POLICY

SAGESS has a proactive policy in favour of diversity, job desegregation, equal opportunities and the elimination of all forms of discrimination, as reflected in the company's Code of Business Conduct.

SAGESS policy aims to provide equal opportunity in employment, in accordance with the laws and regulations in force, for persons with the requisite qualifications, regardless of ethnicity, origin, religion, political or trade union affiliation, nationality, age or disability.

As at 31 December 2014, SAGESS had one disabled employee in its workforce.

The Code of Conduct is distributed both internally to all SAGESS employees and outside the company, including to all the operators of oil storage facilities where SAGESS stores petroleum products when signing new storage contracts. The guide is also systematically communicated to all the counterparties in tenders by SAGESS.

This commitment to equal opportunities is reflected today in every aspect of SAGESS' industrial relations, from candidate selection to recruitment, placement, promotion, transfer, compensation management, training and relationships with suppliers.

At the end of 2014, women accounted for 43% of the total SAGESS headcount (including seconded staff), and occupied 14% of management positions. They are also represented on the expanded Board of Directors, on which they occupy 9% of the seats.

PROMOTION OF AND COMPLIANCE WITH THE PROVISIONS OF THE FUNDAMENTAL CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION

- Respect for freedom of association and right to collective bargaining
- Elimination of discrimination in respect of employment and occupation
- Elimination of forced or compulsory labour
- Effective abolition of child labour

Through its Code of Business Conduct, SAGESS promotes respect for human rights and non-discrimination in all of its labour relations. For SAGESS, respect for human rights includes the elimination of forced or compulsory labour and the effective abolition of child labour.

GENERAL POLICY REGARDING HEALTH, SAFETY AND ENVIRONMENT (HSE)

ORGANIZATION OF THE COMPANY TO TAKE ENVIRONMENTAL ISSUES INTO ACCOUNT AND, WHERE APPROPRIATE, ENVIRONMENTAL ASSESSMENT OR CERTIFICATION INITIATIVES

Because the company is aware of the impacts of its activities, from February 2012 onwards SAGESS wished to commit to the environment and CSR. Materialized by the signing of a Sustainable Development Charter, and supported by the Board of Directors and the Audit Committee, the initiative has since been reinforced by the creation of a materiality test of its social, environmental and governance issues, allowing SAGESS to identify the major issues related to its business, and adjust the internal control of its initiative accordingly.

The decision to establish a Sustainable Development Committee was taken in 2012 by the Board of Directors, in particular to monitor the risks and opportunities involving SAGESS and its CSR strategy, as well as follow-up and update the action plan implemented. This committee, originally made up of seven members representing SAGESS expert stakeholders was extended to include, following a decision of the Board of Directors, a representative of SAGESS staff and a CPSSP representative.

As part of its HSE policy, SAGESS also encourages the development of OHSAS 18001 certification (concerning health and safety in the workplace) and ISO 14001 certification (relating to environmental management) in the various storage facilities in which it stores petroleum products. As at 31 December 2014, 84% of large storage facilities were already certified ISO 14001 (or equivalent), and 75% were certified OHSAS 18001 (or equivalent). In this respect, SAGESS considers as important any storage facility in which the storage volume is greater than 70,000 m³ (apart from the Manosque site); the volumes stored in these storage facilities represent 88% of the volumes managed (apart from the Manosque site).

TRAINING AND INFORMATION OF EMPLOYEES ON PROTECTING THE ENVIRONMENT

In 2014, no specific training was given to employees in environmental protection.

RESOURCES DEVOTED TO THE PREVENTION OF ENVIRONMENTAL RISKS AND POLLUTION

A four-year initiative was launched in 2013 in order to review, on the ground, all the sites where SAGESS stores its petroleum products. Diagnostics of the risks of damage to property and the environment, as well as business line risks will be gradually integrated into the multi-criteria selection grids for sites. This set of criteria consists of various factors covering logistics interest, credit risk, business risk, environmental risk and economic dependence. According to the four-year plan, 26 sites were investigated in 2014 (out of a total of 98 sites used by SAGESS). In total over 2 years, 44 sites were investigated, representing 45% of all sites as at 31 December 2014.

No compensation was paid during fiscal year 2014 pursuant to a court order of an environmental nature. No significant remedial action was necessary because of damage to the environment.

PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS

SAGESS recorded no provision or guarantee for environmental risks during the 2014 financial period.

POLLUTION AND WASTE MANAGEMENT

MEASURES TAKEN TO PREVENT, REDUCE OR REPAIR EMISSIONS TO AIR, WATER AND SOIL SERIOUSLY AFFECTING THE ENVIRONMENT

By nature, SAGESS' activities have a low impact in terms of air emissions, and the inherent environmental risk is therefore insignificant. SAGESS, therefore, has not established specific monitoring measures for this issue.

Continuous monitoring by the operators has however been set up on large storage facilities to prevent and manage potential pollution and prevent any release of pollutants into the water or soil.

In addition, a crisis unit was established in 2011. It is actively involved in the accident simulations performed on the SAGESS Manosque Pipeline. During these exercises, not only are the teams of SAGESS and the operators mobilized, but also all of the local stakeholders (emergency services, administrative services, media).

In 2014, one accident simulation exercise was carried out on the SAGESS Manosque Pipeline in order to comply with regulatory requirements but also to raise awareness of environmental crisis management procedures among operators.

During the year, no incidents involving spillage of a volume greater than 1 m³ was recorded on the SAGESS Manosque Pipeline.

Finally, monitoring of accidental spillage was also carried out on the Chasseneuil storage facility. During the 2014 financial period, no accidental spillage of a volume greater than 1 m³ was recorded.

WASTE PREVENTION, RECYCLING AND DISPOSAL MEASURES

Due to the small size of SAGESS and its workforce the direct production of waste (of all types) is not significant. To date therefore, SAGESS has not taken any specific waste prevention, recycling or disposal measures. An outreach partnership (see p. 39 relations maintained with persons or organizations interested in the activity of the company), however, was set up with the French Post Office for the sorting and recycling of paper.

TAKING INTO ACCOUNT NOISE AND OTHER FORMS OF POLLUTION SPECIFIC TO AN ACTIVITY

Since SAGESS' activity has a very limited impact on the environment in terms of noise or odours, no specific action or monitoring is currently implemented on this topic.

SUSTAINABLE USE OF RESOURCES

WATER CONSUMPTION AND WATER SUPPLY ACCORDING TO LOCAL CONSTRAINTS, CONSUMPTION OF RAW MATERIALS AND MEASURES TO IMPROVE EFFICIENCY IN THEIR USE, ENERGY CONSUMPTION, MEASURES TO IMPROVE ENERGY EFFICIENCY AND USE OF RENEWABLE ENERGY

In 2012 SAGESS carried out a materiality test of its social, environmental and governance issues, in order to identify and prioritize the key issues most relevant to its activities, and build a suitable action plan accordingly.

Given its activity and the small size of its structure, the direct consumption of water resources, raw materials and energy thus appeared to be insignificant compared with SAGESS key issues. In fact, its levels of consumption are low at SAGESS head office and in its own storage facilities, and are directly monitored by SAGESS' storage partners at bonded storage facilities. The data for the consumption of water, raw materials and energy have therefore not been included among the major issues for SAGESS, and to date no indicator has been implemented for their follow-up.

LAND USE

The issue of land use is addressed and treated by SAGESS in accordance with the regulations and the company's commitments to sustainable development as specified in the Grenelle II Act.

The increase in the volumes stored in the natural underground caverns in Manosque has complied with the SAGESS environmental initiative for years. This type of storage in salt caverns makes it possible not only to reduce the risk of fire, explosion or terrorism, but also to limit the vulnerability of aboveground facilities and the footprint of storage facilities.

CLIMATE CHANGE

GREENHOUSE GAS EMISSIONS

Given the storage activity of SAGESS, and based on the results of the materiality test, the release of greenhouse gas emissions was not considered significant for SAGESS, and no indicator for monitoring these emissions has therefore been implemented to date.

ADAPTING TO THE CONSEQUENCES OF CLIMATE CHANGE

Given the specific nature of its business in the strategic storage of petroleum products, and based on the results of the materiality test, SAGESS has not identified risk management related to climate change as one of its major issues for sustainable development. For this reason, to date SAGESS has not undertaken any specific action in order to adapt to the impacts of climate change.

However, it should be noted that SAGESS assets (head office, the Chasseneuil storage facility and the SAGESS Pipeline in Manosque) are not located in a flood zone or coastal area.

PROTECTION OF BIODIVERSITY

MEASURES TAKEN TO PRESERVE OR ENHANCE BIODIVERSITY

SAGESS seeks to limit the impact of its activities on the natural environment, ecological balance and protected species. The development of storage in natural underground caverns such as Manosque is a good example of successful cohabitation between industrial activities and the natural environment, since the site is included in the Luberon Regional Nature Park. In addition, the technologies and controls implemented drastically limit the risk of accidental spillage.

3 – INFORMATION RELATING TO SOCIETAL COMMITMENTS IN FAVOUR OF SUSTAINABLE DEVELOPMENT

TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY ACTIVITY

IN TERMS OF EMPLOYMENT AND REGIONAL DEVELOPMENT, ON NEIGHBOURING AND LOCAL POPULATIONS

Because of the small size of its structure and the specific nature of its activity, SAGESS has had no significant impact either on employment or regional development, or on the neighbouring and local populations.

RELATIONSHIPS WITH PERSONS OR ORGANIZATIONS INTERESTED IN THE ACTIVITY OF THE COMPANY

CONDITIONS FOR DIALOGUE WITH THESE PEOPLE OR ORGANIZATIONS

In order to identify and better respond to the expectations of its stakeholders, in 2012 SAGESS undertook a process to analyse the materiality of its environmental, social and corporate governance issues.

Based on a detailed study of the various sources of internal and external information (analysis of non-financial ratings, press releases, etc.), this exercise also allowed SAGESS to consult, through interviews, a representative panel of its stakeholders (shareholders, suppliers, employees, CPSSP, insurers, SAGESS management, peers, etc.), and thus gather their expectations in terms of sustainable development. This has led to the prioritization of the key issues most relevant to SAGESS, and to the adjustment of the internal control of the Sustainable Development initiative accordingly.

PARTNERSHIP OR SPONSORSHIP ACTIONS

SAGESS societal commitment can be seen in all of the company's activities and projects, reflected in its pro-bono work and long-standing partnerships.

- For the last five years, SAGESS has undertaken to support the integration of people with disabilities through its participation in the Inter-enterprise Relay Race in Rueil-Malmaison. Thanks to the SAGESS team taking part in the event, SAGESS underlines its support for the Special Olympics France Association, and helps it develop its activities.
- SAGESS has also recently entered into a partnership with the French Post Office (La Poste) as part of the RecyGo offer. Through its involvement in this eco-responsible paper collection and recycling initiative, SAGESS has invested in a responsible paper policy, while contributing to the local and solidarity economy by creating back-to-work jobs (the operation conducted by the French Post Office in conjunction with Recy'go creates one back-to-work job for every 100 tonnes of recycled paper).
- SAGESS signed a partnership with Samu Social de Paris for the recovery of non-food waste from meals served at SAGESS.
- SAGESS has supported the Department of Energy of the Republic of South Africa in its search for best practices in terms of strategic storage. The SAGESS management team was mobilized for 2 days on this project with, on the one hand, detailed presentations of SAGESS policies and practices and, on the other hand, a tour of the underground caverns in Manosque where SAGESS maintains strategic stocks in underground salt caverns.

- Finally, SAGESS wanted to support the Red Cross in its humanitarian commitment against the outbreak of Ebola haemorrhagic fever in Africa. It offered its employees to join this cause with it, committing to double the amount of money paid by employees to the Red Cross.

SUBCONTRACTORS AND SUPPLIERS

INTEGRATION OF SOCIAL AND ENVIRONMENTAL ISSUES IN THE PROCUREMENT POLICY

The assessment of the Sustainable Development initiatives of SAGESS suppliers launched in 2013 was continued in 2014 with two objectives: firstly to increase the size of the sample of suppliers who responded to the assessment survey and then to support those who had the lowest ratings.

Three categories of suppliers were subject to this assessment: banks, storage providers and suppliers of petroleum products.

100% of the banks (vs 100% in 2013), 100% of the large storage facilities (vs 84% in 2013) and 75% of the suppliers of petroleum products (vs 29% in 2013) responded to the assessment. The extension of this initiative carried out in 2014 helped increase the average rating from 11.4/20 to 12.8/20, with a significant decrease in the number of suppliers rated below the minimum score.

IMPORTANCE OF OUTSOURCING AND INTEGRATION IN RELATIONS WITH SUPPLIERS AND SUBCONTRACTORS OF THEIR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

In order to manage its major challenges in the long term, SAGESS currently promotes in all of its storage facilities (own storage facilities and bonded storage facilities) a thoughtful and committed environmental policy, resulting in the implementation of the multi-year (2013-2016) diagnostic programme on the risks at storage facilities (risks of damage, business risks and environmental risks).

All of the storage facilities in which SAGESS stores petroleum products and crude oils have already received a self-administered questionnaire on technical and environmental issues. Storage facilities held by third parties have already been informed of SAGESS' environmental policy.

Since the launch and formalization of its CSR initiative, especially with the signing of the Sustainable Development Charter by SAGESS management team, awareness continues to be raised among the owners and operators of the storage facilities where SAGESS stores petroleum products.

With this in mind, in 2014 (as in 2013) SAGESS integrated the efforts of its partners and suppliers with respect to the ISO 14001 and OHSAS 18001 standards.

Finally, companies that hold a storage contract have been requested to adopt our social and environmental responsibility initiative, which is reflected in particular by the "Code of Business Conduct" and the "Sustainable Development Charter". As at 31 December 2013, 78% of the large storage facilities had adopted it (vs. 76% in 2013).

FAIR PRACTICES

ACTIONS UNDERTAKEN TO PREVENT CORRUPTION

The activity and organization of SAGESS is extremely vulnerable to the risk of corruption. This has been fully integrated into the Code of Business Conduct applied within SAGESS since 2005 and disseminated both inside and outside the

company. It was disseminated again among SAGESS employees in 2014, in order to reinforce its importance within SAGESS.

The procurement process is also subject to large-scale security measures. Purchases are systematically carried out by means of highly regulated calls for tenders, the bids being opened in the presence of witnesses.

Storage costs, calculated on the basis of a fee schedule approved by a vote of the SAGESS Board of Directors, are also subject to regular reporting to the Board of Directors and to the supervisory ministries.

Finally, specific contracts are subject to regulated agreements, involving in particular a vote of the Board of Directors in the case of major storage contracts.

The resulting risk of corruption is therefore considered to be very low.

MEASURES TAKEN IN FAVOUR OF CONSUMER HEALTH AND SAFETY

Given the specific nature of its activity, and having no direct relationship with the consumers of petroleum products even in times of crisis, SAGESS has not implemented specific measures for consumer health and safety.

OTHER ACTIONS TAKEN IN FAVOUR OF HUMAN RIGHTS

SAGESS promotes respect for human rights on a daily basis through the global distribution of its Code of Business Conduct, as indicated in the paragraph on the promotion and respect of the provisions of the fundamental conventions of the International Labour Organisation.

4 – METHODOLOGICAL REPORTING NOTE

RATIONALE FOR THE SELECTION OF INDICATORS

In order to determine the most relevant indicators as shown in the Sustainable Development report, SAGESS has proactively launched a process to analyse the potential impact of the environmental, social and corporate governance issues involved. This analysis, which has involved consultation with stakeholders, has allowed SAGESS to identify and prioritize the most relevant key issues with respect to its activities. These indicators help SAGESS to meet the requirements of Article 225.

These indicators were reviewed and updated for the Sustainable Development Committee meeting of July 2014. This review resulted, in 2014, in an update of the reporting guide.

REPORTING PROCEDURES AND TOOLS USED FOR INDICATOR FEEDBACK

All the procedures and definitions of the main indicator are described in the "SAGESS Reporting Protocol". Each definition specifies the scope of the indicator, the reporting unit, the calculation method, the source of data, the person in charge of its development and the controls to be implemented. These data are subject to an analytical review to ensure consistency. The protocol is available on request from SAGESS head office.

Indicators are reported in annual follow-up tables by the supervisor(s) in charge of each indicator. The data used either come from the accounting and logistics information systems or are obtained directly from various service providers of SAGESS.

SCOPE OF REPORTING OF THE VARIOUS INDICATORS AND CHANGES IN SCOPE

The current scope varies according to the indicators used, in order to provide the most relevant data possible. The different scopes used are shown in the table below:

CSR indicators	SAGESS	Chasseneuil storage facility	Large storage facilities	Banks	Petroleum product suppliers	PSM
Environmental information						
Percentage of large storage facilities with ISO 14001 certification			X			
Percentage of large storage facilities with OHSAS 18001 certification or equivalent			X			
Percentage of large storage facilities having confirmed Sustainable Development Charter and Code of Conduct			X			
Progress of multi-year plan for risk diagnostics		X	X			
Number of spills (greater than 1 m ³)		X	X			X
Relationships with suppliers						
Sustainable Procurement: Percentage of suppliers response rate		X	X	X	X	X
Sustainable Procurement: Average score obtained		X	X	X	X	X
Sustainable Procurement: Number of suppliers rated below the minimum score		X	X	X	X	X
Governance						
Percentage of women in the expanded Board of Directors	X					
Employment						
Staff (including secondments), by gender and average age	X					
Number of hires and layoffs	X					
Average number of training hours	X					
Rate of absenteeism	X					
Percentage of annual individual interviews (executives and non-executives)	X					
Frequency rate of lost-time accidents	X	X				X

In addition, other indicators are developed in the Sustainable Development report to highlight SAGESS Sustainable Development issues:

Sustainable Development indicators	SAGESS	Chasseneuil storage facility	Large storage facilities	PSM
Distribution of the national compulsory stock obligation and stock management				
Distribution of national compulsory stock obligation	X			
SAGESS stock distribution per family of petroleum products	X			
Number of audits conducted by an external third-party auditor on the amount of stored products		X	X	
Number of failed audits		X	X	
Share of volume of SAGESS stocks offshore	X			
Volume fraction of large storage facilities	X		X	
Average Cost of storage	X			
Financing security				
External financing structure	X			
Average maturity of bonded debt	X			
Coverage of the commercial paper program by bank credit lines	X			
Use of the commercial paper programme	X			
Coverage of the use of the commercial paper program by bank credit lines	X			
Long-term and short-term credit ratings by Standard & Poor's	X			
Governance.				
Percentage of shareholders represented on the Board of Directors	X			
Percentage of Board members renewed during the year	X			
Number of non-permanent members in the Board of Directors	X			
Independence of the Logistics Director	X			
Number of meetings of the Audit Committee	X			
SAGESS duty as a public service				
Number and type of events in the year having required SAGESS intervention at the national level	X			
Number and type of events in the year having required SAGESS intervention at the regional level	X			
Percentage and tonnage of petroleum products made available during events having required the intervention of SAGESS	X			
Employment				
Number of staff briefings	X			
Number of times the right to notify was invoked on public health and environmental grounds	X			
Relationships with suppliers				
Number of accident simulation exercises carried out	X			X

PERSONNEL EXPENSES

Staff expenses include the billing of salaries and charges associated with seconded staff, but exclude those of temporary staff.

FREQUENCY RATE OF LOST-TIME ACCIDENTS

For the Chasseneuil site, the frequency rate of lost-time accidents involving storage facility personnel includes Picoty personnel but excludes Picoty subcontractors.

For the pipeline, the accidents involved all Geostock staff, whose scope of activity is much broader than just the SAGESS Manosque Pipeline.

INTERNAL/EXTERNAL CONTROLS

Each non-financial indicator reported is double-checked to ensure the reliability of the reported data.

Pursuant to Article L.225-102-1 of the French Commercial Code, we have appointed our Statutory Auditors as independent third-party bodies in charge of auditing the environmental, social and governance information, under the provisions of the Decree of 13 May 2013 (published on 14 June 2013 and codified in the commercial Code in Articles A225-1 et seq).

RESOLUTIONS OF THE ORDINARY GENERAL MEETING OF 19 MAY 2015

FIRST RESOLUTION

APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING 31 DECEMBER 2014

Given the quorum and majority rules applicable to Ordinary General Meetings, and having heard the reports of the Board of Directors and the Statutory Auditors, the Meeting approves the financial statements as at 31 December 2014 as presented, as well as the transactions reflected in these statements or summarized in these reports.

As a consequence, the Assembly resolves to give the Board members full quitus regarding the execution of their mandates for this financial year.

This resolution is unanimously adopted by vote of the shareholders.

SECOND RESOLUTION

AGREEMENTS RELATING TO ARTICLE L225-38 OF THE FRENCH COMMERCIAL CODE

Given the quorum and majority rules applicable to Ordinary General Meetings, and having heard the special report of the Statutory Auditors submitted pursuant to the provisions of Article L225-40 of the French Commercial Code on agreements of the kind referred to in Article L225-38 of the French Commercial Code, the Meeting approves the report.

This resolution is unanimously adopted by vote of the shareholders.

THIRD RESOLUTION

APPROPRIATION OF NET RESULT

Given the quorum and majority rules applicable to Ordinary General Meetings, the Meeting acknowledges that the net 2014 profit equals € 726,427.73 which, when added to the retained earnings of € 3,171,205.26 gives a total distributable amount of € 3,897,632.99 , which we propose to allocate as follows:

- | | |
|---|-----------------------|
| • 2014 net profit: | € 726,427.73 |
| • Retained earnings before appropriation: | € 3,171,205.26 |
| Total: | € 3,897,632.99 |
| • Net dividend: | € 0.00 |
| • Retained earnings after appropriation: | € 3,897,632.99 |
| Total: | € 3,897,632.99 |

We therefore propose not to distribute a dividend for 2014.

It is recalled that the dividends distributed for the last three years were as follows:

(in euros)	2013	2012	2011
Total dividends	0	0	0
Number of shares	15,000	15,000	15,000
Net dividend per share	0	0	0

This resolution is unanimously adopted by vote of the shareholders.

RESOLUTION A

VOTING PROCEDURES

Based on the report of the Board of Directors, and having recognized that the number of Board member candidates (2) is greater than the number of positions to fill (1), the Assembly approves the list of candidates presented on the basis of information forms sent by the candidates.

Under these conditions, after the Chairman read the voting rules applicable to cases of a surplus of candidates, the Assembly approved the voting rules appearing in the appendix to the minutes of the proceedings.

This resolution is unanimously adopted by vote of the shareholders.

FOURTH RESOLUTION

APPOINTMENT OF A DIRECTOR

Given the quorum and majority rules applicable to Ordinary General Meetings, and having taken note of the expiry of Mr Jean-Claude Marcelin's term as director, the Meeting appoints Mr Marcelin for a period of 5 years which will expire at the end of the General Meeting called to approve the financial statements for the year ending 31 December 2019, pursuant to Article 15 of the Articles of association.

This resolution is adopted based on the following votes:

Votes in favour : 8 454
Votes against : 6 318
Abstentions : 171

RESOLUTION B

APPOINTMENT OF A DIRECTOR

Given the quorum and majority rules applicable to Ordinary General Meetings, and having taken note of the expiry of Mr Jean-Claude Marcelin's term as director, the Meeting appoints as the company SCA Pétrole et Dérivés, represented by Mr Alex Truchetto, for a period of 5 years which will expire at the end of the General Meeting called to approve the financial statements for the year ending 31 December 2019, pursuant to Article 15 of the Articles of association.

This resolution is not adopted based on the following votes:

Votes in favour :	6 489
Votes against :	8 454
Abstentions :	0

FIFTH RESOLUTION

AUTHORITY TO HOLDER

All authority is given to the holder of the present document to accomplish all legal formalities.

This resolution is unanimously adopted by vote of the shareholders.

FINANCIAL STATEMENTS

➤ **BALANCE SHEET – ASSETS AT 31 DECEMBER 2014**

➤ **BALANCE SHEET – LIABILITIES AT 31 DECEMBER 2014**

➤ **INCOME STATEMENT AT 31 DECEMBER 2014**

➤ **APPENDIX TO THE BALANCE SHEET AND INCOME STATEMENT AT 31 DECEMBER 2014**

BALANCE SHEET - ASSETS

(IN EURO THOUSANDS)

	31 Dec. 2014			31 Dec. 2013
	Gross	Amortization - Depreciation	Net	Net
FIXED ASSETS				
Intangible assets	5,732	4,253	1,479	2,437
Software and user rights	5,732	4,253	1,479	2,437
Assets under construction				
Tangible assets	122,234	58,073	64,161	72,169
Land and land improvement	577	5	572	572
Building	302	254	47	57
Plant and industrial equipment	120,898	57,466	63,432	70,164
Other	457	347	110	137
Assets under construction				1,239
Financial assets	48	-	48	49
Deposits and sureties	48	-	48	49
TOTAL FIXED ASSETS	128,014	62,326	65,688	74,655
CURRENT ASSETS				
Stocks of oil products	4,455,796		4,455,796	4,289,719
Receivables	34,284		34,284	108,864
Trade and related receivables	33,896		33,896	108,481
Other	388		388	383
Cash & cash equivalents	2,741		2,741	8,237
Marketable securities				
Cash	2,741		2,741	8,237
Prepaid expenses	1,280		1,280	182
TOTAL CURRENT ASSETS	4,494,100		4,494,100	4,407,003
Bond issue premiums	10,003		10,003	13,126
TOTAL GENERAL	4,632,117	62,326	4,569,790	4,494,784

LIABILITIES

(IN EURO THOUSANDS)

	31 Dec. 2014	31 Dec. 2013
Share capital	240	240
Legal reserves	24	24
Retained earnings	3,171	12
Profit	726	3,159
TOTAL SHAREHOLDERS' EQUITY	4,162	3,435
Provisions for risks		
Provisions for charges	502	432
TOTAL PROVISIONS	502	432
Financial debt	4,528,235	4,383,776
Other bonds	3,875,000	3,875,000
Loans and debt with financial institutions	57,116	47,569
Miscellaneous borrowings and financial debts	596,119	461,207
Miscellaneous debt	26,823	94,007
Trade notes and accounts payable	25,823	93,335
Trade payables for fixed assets		
Tax and social security liabilities	1,000	672
Other liabilities		
Deferred income	10,068	13,133
TOTAL LIABILITIES	4,565,126	4,490,916
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4,569,790	4,494,784

INCOME STATEMENT

(IN EURO THOUSANDS)

	31 Dec. 2014	31 Dec. 2013
Sale of petroleum products	1,607	6,016
NET TURNOVER	1,607	6,016
Costs recovered from CPSSP	360,677	318,241
Reversal of provisions		
Other revenues		
TOTAL OPERATING REVENUE	362,284	324,257
Purchases of oil products	(167,007)	(578,765)
Variation in stocks	166,077	575,757
Other external purchases and charges	(302,588)	(265,844)
Taxes and duties	(1,522)	(1,822)
Staff expenses	(1,112)	(1,274)
Salaries	(706)	(828)
Social security contributions	(406)	(446)
Depreciation of fixed assets	(7,964)	(8,343)
Provisions for risks and charges	(70)	(70)
Other charges		
TOTAL OPERATING CHARGES	(314,187)	(280,361)
OPERATING INCOME	48,097	43,896
Financial income	44	42
Other financial income	3,064	3,022
Financial charges	(45,733)	(43,537)
Depreciation and provisions	(3,124)	(3,094)
NET FINANCIAL INCOME	(45,748)	(43,567)
PRE-TAX INCOME FROM ORDINARY ACTIVITIES	2,349	329
Provision for risks reversal		9,200
Non-recurring income		3,988
Non-recurring charges	(1,623)	(10,358)
Non-recurring depreciation and provisions		
EXTRAORDINARY RESULT	(1,623)	2,830
Corporate income tax		
RESULTAT NET	726	3,159

Figures in parentheses are negative.

APPENDIX TO THE BALANCE SHEET AND INCOME STATEMENT AT 31 DECEMBER 2014

1 – SIGNIFICANT EVENTS OF THE YEAR

In accordance with the instructions from the CPSSP,

SAGESS purchased 94,862 m3 of category 2 products and 149,741 m3 of crude oil in the first half of 2014.

AGESS sold 3,500 m3 of category 2 products for a turnover of € 1,607K.

In accordance with the decision of the Board meeting held on 14 May 2014, SAGESS sold for a symbolic euro the pipeline portion built between the Geosel station and the SPMR station in La Mede. The net book value of this fixed asset is recorded as non-recurring income.



2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL PRINCIPLES

The financial statements have been prepared in accordance with the French accounting rules, while taking into account SAGESS specificities, including the legislative provisions and in particular Article 1655 quater of the French Tax Code.

The method used to value items in the accounts is the historical cost method.

The accounts as at 31 December 2014 have been prepared in accordance with accounting rules and in compliance with prudence, independence of the fiscal years and going concern principles.

The methods used to draw up these accounts comply with both the French Charter of Accountants and the accounting rules of the oil industry, taking into account SAGESS specificities.

SAGESS is not obliged to publish its accounts following IAS or IFRS standards, since it does not publish consolidated financial statements.

TURNOVER

Sales constituting the turnover are recognised when the benefits and significant risks of ownership of the property are transferred to the buyer and the amount is recoverable and can be reasonably estimated.

Pursuant to Article 1655 quater of the French Tax Code, sales can only be made in the following two cases:

- upon an injunction from the Oil Minister, taken in accordance with applicable regulations, and
- at the request of the Strategic Oil Stock Commission (CPSSP) established in accordance with Articles L.645-5 and L.642 -6 of the energy code.

TANGIBLE AND INTANGIBLE ASSETS

Assets are recorded at acquisition or production cost.

Economic depreciation is calculated using the straight-line method for the durations normally applied to our business.

Pipeline	20 years
Infrastructure, buildings, constructions	10 - 15 years
Land improvements	10 years
Construction improvements	10 years
Plant and industrial equipment	10 years
Fittings	10 years
Office furniture	10 years
Office and IT equipment	3 - 5 years
Automatic control systems	5 years
Software	3 - 5 years

STOCKS

The sole purpose of SAGESS stocks is to cover the portion of the national obligation for strategic petroleum reserves delegated to oil operators. These stocks can be sold only upon formal government injunction or at the request of the CPSSP.

Stocks are valued at weighted average unit price.

Pursuant to French law no. 92.1443 and Article 1655 quater of the French Tax Code, stocks cannot be sold at a loss. In case of sale, and if the sale price is lower than the book value, CPSSP must cover the difference. There are therefore no grounds to depreciate the stocks when the market prices are lower than the book value.



3 – SUPPLEMENTAL INFORMATION ON THE BALANCE SHEET AND PROFIT AND LOSS STATEMENT

FIXED ASSETS AND DEPRECIATION (IN EURO THOUSANDS)

1 - FIXED ASSETS AS AT 31 DECEMBER 2014

	Gross value at 31 Dec 2013	Increases for the period	Decreases for the period	Gross value at 31 Dec 2014
INTANGIBLE ASSETS	5,705	27		5,732
Software	2,729	27		2,756
User rights	2,976			2,976
TANGIBLE ASSETS	123,263	683	1,712	122,234
Land and land improvement	577			577
Building	301			301
Plant and industrial equipment	120,704	194		120,898
Fittings	199			199
Office furniture	95	3		98
Office and IT equipment	148	13		161
Assets under construction	1,239	473	1,712	-
Instalments on asset purchases				
FINANCIAL ASSETS	49		1	48
Deposits Cap and sureties	49		1	48
TOTAL	129,017	710	1,713	128,014

2 – AMORTIZATION AS AT 31 DECEMBER 2014

	Gross value at 31 Dec 2013	Allocations for the period	Write- backs for the period	Amortisation at 31 Dec 2014
INTANGIBLE FIXED ASSETS	3,268	985		4,253
Software and user rights	3,268	985		4,253
TANGIBLE FIXED ASSETS	51,094	6,979		58,073
Land and land improvement	5			5
Building	245	10		255
Plant and industrial equipment	50,540	6,926		57,466
Fittings	107	20		127
Office furniture	78	5		83
Office and IT equipment	119	18		137
FINANCIAL ASSETS				
Deposits Cap and sureties				
Total	54,362	7,964	-	62,326

Assets are depreciated on a straight-line basis. Fixed assets are essentially the SAGESS Manosque Pipeline and the Chasseneuil-du-Poitou storage facility.

CAPITAL ASSETS

This item consists of the guarantee deposit paid to the lessor of SAGESS head office.

STOCKS (AT 31 DECEMBER 2014)

The change in value of the stocks between 31 December 2013 and 31 December 2014 includes acquisitions and product stowing costs for the period, adjusted for losses and inventory shrinkage due to transportation and storage.

Book value				
GASOLINES	€ 232,267 K	for	1,260,711	M3
DIESEL/HEATING FUEL	€ 2,336,818 K	for	8,920,121	M3
JET FUEL	€ 265,339 K	for	1,027,063	M3
CRUDE OIL	€ 1,621,372 K	for	5,878,299	M3
Total	€ 4,455,796 K	for	17,086,194	M3

For information purposes, based on the average prices of December 2014, there was an unrealised capital gain of € 1,828 million on the reserves, influenced by the December 2014 prices which remained higher than the average acquisition price of SAGESS reserves.

Economic value based on the average prices of December 2014	
GASOLINES	€ 448,600 K
DIESEL/HEATING FUEL	€ 3,600,837 K
JET FUEL	€ 428,170 K
CRUDE OIL	€ 1,806,132 K
Total	€ 6,283,739 K
Deviation over book value	€ 1,827,943 K

PREPAID EXPENSES (IN EURO THOUSANDS)

PREPAID EXPENSES	
Financial charges	8
Operating charges	1,272
TOTAL	1,280

Prepaid financial expenses mainly comprise pre-computed interest on commercial paper.

Prepaid operating expenses mainly consist of insurance costs, rent for the 1st quarter of 2015 and bank fees.

DEFERRED CHARGES (IN EURO THOUSANDS)

	Value at 31 Dec 2013	Increase for the period - New bond issue	Decrease for the period - Amortization	Value at 31 Dec 2014
Bond premium	13,126	-	3,123	10,003
TOTAL	13,126	-	3,123	10,003

Bond premiums were depreciated on a straight-line basis for the life of the bonds. See the note on "Off-balance sheet commitments".

PROVISIONS (IN EURO THOUSANDS)

	Value at 31 Dec 2013	Increase for the period	Decrease for the period with grounds	Decrease for the period without grounds	Value at 31 Dec 2014
Use of instrumented scraper in the PSM every ten years	432	70	-	-	502
TOTAL	432	70	-	-	502

EXPENSES DUE AND ACCRUED (IN EURO THOUSANDS)

This table indicates invoices not received at 31 December 2014, as well as estimated provisions at that date, by accounting item.

EXPENSES DUE AND ACCRUED		Item
Trade notes and accounts payable	13,511	Trade payables (operations and fixed assets)
Tax and social security liabilities	272	Tax and social security liabilities
TOTAL	13,782	

DEFERRED INCOME (IN EURO THOUSANDS)

DEFERRED INCOME	
Deferred operating income	-
Deferred financial income	10,068
TOTAL	10,068

Deferred financial income comprises cash payments made by banks in the course of interest rate swaps set up during the bond issues. See the note on "Off-balance sheet commitments".

MATURITIES OF AMOUNTS RECEIVABLE AND PAYABLE AT 31 DECEMBER 2014 (IN EURO THOUSANDS)

RECEIVABLES	Asset liquidity		
	Maturity		
	Gross amount	Under one year	Over one year
Fixed asset receivables	48		48
Other receivables	48		48
Current asset receivables	35,563	35,563	
Trade and related receivables	33,896	33,896	
Other receivables	388	388	
<i>Personnel and related accounts</i>	1	1	
<i>Social security and other welfare agencies</i>			
<i>State – Value Added Tax</i>	382	382	
<i>Accrued income</i>			
<i>Other</i>	5	5	
Prepaid expenses	1,280	1,280	
TOTAL	35,611	35,563	48

DETTES	Debt payability			
	Gross amount	Maturity		
		Under 1 year	Over 1 year	Over 5 years
Financial debt	4,528,235	942,255	1,125,000	2,460,980
Bonds	3,875,000	350,000	1,125,000	2,400,000
Bank borrowings (1)	57,255	57,255		
<i>Maximum two years at inception</i>	139	139		
<i>More than two years at inception</i>				
<i>Accrued interest</i>	57,116	57,116		
Miscellaneous borrowings and financial debts (2)	595,980	535,000		60,980
Miscellaneous debt	26,824	26,824		
Trade notes and accounts payable	25,823	25,823		
Trade payables for fixed assets				
Tax and social security liabilities	1,001	1,001		
Other liabilities				
Deferred income	10,068	2,932	5,155	1,981
TOTAL	4,565,127	972,011	1,130,155	2,462,961

(1) Loans and debt with financial institutions (in euros)	57,255
Bank credit	-
Bank lines of credit	
Fees	139
Accrued interest	57,116
(2) Loans and financial liabilities (in euros)	595,980
Commercial paper	535,000
CPSSP loan (*)	60,980

(*) Since 1994, the shareholder advance has reached its maximum statutory and fiscal level of 61 million euros. It has been gradually reimbursed to shareholders each year since 29 December 2001. In parallel, it has been replaced by a CPSSP loan (CPSSP loan agreement for € 61 million dated 22 June 2001). The loan is interest-free.

MARKETABLE SECURITIES (CASH IN BANK AND ON HAND)

Marketable securities are booked at their acquisition price using the FIFO method.

OPERATING REVENUES (IN EURO THOUSANDS)

Operating revenues at 31 December 2014 consisted of:

Amounts realized in France (excl. tax)	
Sale of petroleum products	1,607
Costs recovered from CPSSP	360,677

The transfers of costs correspond to the chargeback to the CPSSP of SAGESS costs pursuant to the agreement of 25 March 1993 between the two entities in the central strategic storage system and enshrined in law (Energy Code art. L. 642-6).

USE OF TICKETS

"Tickets" are stock reservation contracts including a call option. Reserved volumes are included in SAGESS's volumes made available to the CPSSP to cover the national compulsory stock obligation.

The cost of (reservation) tickets amounted to € 1,704 during 2014.

NON-RECURRING ITEMS

LGS pipeline

At its meeting held on 14 May 2014, SAGESS Board of Directors authorized the sale of the portion of pipeline built between the Geosel station and the SPMR station in La Mede.

The net book value is posted as non-recurring charges for an amount of € 1,623 K.

NET PROFIT

Under the terms of the Agreement with the CPSSP, the latter reimburses SAGESS the entirety of its expenses (e.g. reserve storage and maintenance, all operating expenses, financing expenses, etc.).

The net profit for the 2014 financial period is € 726,428 K.



4 - EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

NIL

5- OFF-BALANCE SHEET COMMITMENTS

CUSTOMS GUARANTEES

Bank sureties for the Customs Administration at 31 December 2014: € 29,000,000.

LEASING COMMITMENTS

Long-term leasing commitments: EUR 27,294

TICKETS

"Tickets" are stock reservation contracts including a call option. Reserved volumes are included in SAGESS's volumes made available to the CPSSP to cover the national compulsory stock obligation.

There was no stock reservation contract with option to buy as at 31 December 2014.

SAGESS MANOSQUE PIPELINE

As part of the SAGESS Manosque Pipeline construction project, and pursuant to the respective Board meetings of June 2003, the CPSSP confirmed its commitment to also cover all costs relating to the pipeline through the compensation provided for in Article L.642-6 of the French Energy Code. On the other hand, SAGESS has pledged to hand over this pipeline and its facilities to the CPSSP, if required by the State, at their net book value at the time of the handover. In this case the CPSSP would also take over all duties relating to these facilities.

BONDS AND SWAPS (IN EURO MILLIONS)

The bond issues were all supported by the simultaneous set-up of an interest rate swap (fixed rate against floating rate based on the three-month Euribor).

Bond issue	Maturity	rate (%)	Bond amount (€M)	Swapped amount (€M)	Fair value (€ M)(*) 31 Dec 2013	Fair value (M€)(*) 31 Dec 2014
November 2004	9 February 2015	4.000	350	350	13	2
June 2006	20 October 2016	4.000	350	350	36	27
October 2008	20 October 2016	4.000	275	275	26	20
October 2010	21 October 2022	3.125	500	500	32	83
January 2012	24 January 2017	2.750	500	500	13	15
January 2012	24 January 2024	4.000	600	600	13	89
October 2012	22 October 2019	1.750	700	700	(9)	29
March 2013	6 March 2025	2.625	600	600	(29)	60
TOTAL			3,875	3,875	95	325

* As at 31 June 2014, the fair value of the 22 swaps hedging the interest rate risk was estimated on the basis of market data on that date.

COMMERCIAL PAPER (IN EURO THOUSANDS)

COMMERCIAL PAPER	
Programme ceiling	1,400,000
Used	535,000
Available	865,000

BANK CREDITS (IN EURO THOUSANDS)

BANK CREDITS	
Back-up lines for the commercial paper programme	
Negotiated	290,000
Committed	290,000
Used	-
Available	290,000
Bank lines of credit	
Negotiated	610,000
Committed	61,000
Used	-
Available	610,000

6 – OTHER INFORMATION

INSEE added SAGESS to the list of Central administration organisations (ODAC) on 15 May 2014. At this stage, this classification is only statistical, in the national accounts sense. Any consequences (regarding the upcoming and long-term funding of SAGESS) of the classification, which is to be subsequently confirmed by an order, are being reviewed with the relevant functional divisions of the French government. However, and according to the laws in force, it should be noted that if this classification was validated by ministerial decree, it would have no effect on bond issues already carried out by SAGESS

7 - COMPENSATION OF BOARD MEMBERS

As in previous years, Board members received no compensation.

The Chairman and Managing director is seconded to SAGESS and his parent company (TOTAL S.A.) charged SAGESS € 420 K in 2014 for this secondment.

8 – RETIREMENT PACKAGES AND SIMILAR PAYOUTS

In line with Article L123-13 paragraph 3 of the Commercial Code, no provision was booked since the amount is not significant.

9 – STAFF BREAKDOWN AT 31 DECEMBER 2014

Salaried staff	9	
of which full-time		8
Seconded staff	5	
of which full-time		5

10 - CAPITAL

The capital comprises 15,000 shares at a nominal value of € 16, of which 14,999 rank for dividends, since the Chairman waives the dividend on his share.

11 - TABLE OF CHANGES TO SHAREHOLDERS' EQUITY

1 – FULL-YEAR RESULTS

	31 Dec 2014	31 Dec 2013
Pre-tax accounting income (K€)	726	3,159
€ / share	48	211
Changes to shareholders' equity (€ K)	726	3,159
€ / share	48	211
Proposed dividend	NA	NA
€ / share	NA	NA
Number of shares	15,000	15,000

2 – TABLE OF CHANGES TO SHAREHOLDERS' EQUITY (IN EURO THOUSANDS)

SHAREHOLDERS' EQUITY	Share capital	Premiums and reserves	Retained earnings	Profit	Total
Balance as at 31 December 2013	240	24	12	3,159	3,435
Equity-related transactions	-	-	-	-	-
Changes in method	-	-	-	-	-
Dividends paid	-	-	-	-	-
Appropriation of 2013 net result	-	-	3,159	(3,159)	0
2014 net result	-	-	-	726	726
Net assets as at 31 Dec 2014	240	24	3,171	726	4,162
Total shareholders' equity					4,162

Figures in parentheses are negative.

REPORTS OF THE STATUTORY AUDITORS

➤ **REPORT OF THE AUDITORS ON THE FINANCIAL STATEMENTS**

➤ **AUDITORS' REPORT, PREPARED PURSUANT TO ARTICLE L.225-235 OF THE COMMERCIAL CODE, ON THE REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS OF THE SAGESS COMPANY**

➤ **STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS**

➤ **INDEPENDENT THIRD-PARTY'S REPORT ON THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE INFORMATION CONTAINED IN THE MANAGEMENT REPORT**

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Société Anonyme de Gestion de Stocks de Sécurité SAGESS

Year ended December 31, 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying financial statements of SAGESS;
- the basis of our assessment;
- the specific verifications and information required by law.

These financial statements were prepared by the board of directors. Our role is to express an opinion on these financial statements based on our audit.

1 OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2014 and of the results of its operations for the year then ended in accordance with French accounting principles.

2 BASIS OF ASSESSMENT

Pursuant to the provisions of Article L. 823-9 of the French Commercial Code relating to the basis of our assessment, we hereby inform you that the assessments we made focused on the appropriateness of the accounting principles applied.

The assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3 SPECIFIC VERIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, we have also implemented the specific verifications required by law.

We have no observations to make concerning the accuracy and consistency with the financial statements of the information given in the management report of the board of directors and in the documents sent to shareholders regarding the financial position and the financial statements.

In relation to the information provided in accordance with Article L. 225-102-1 of the French Commercial Code on the remuneration and benefits received by the corporate officers and any other commitments made towards them, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. In our opinion, this information is true and correct.

Paris and Paris-La-Défense, April 1st, 2015

Statutory auditors

Grant Thornton

ERNST & YOUNG et Autres

French member of Grant Thornton International

Vincent Papazian

Denis Thibon

Partner

Partner

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the financial statements. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

**STATUTORY AUDITOR'S REPORT DRAWN UP IN ACCORDANCE WITH
ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT
OF THE CHAIRMAN OF THE BOARD OF DIRECTORS**

Société Anonyme de Gestion de Stocks de Sécurité SAGESS

Year ended December 31, 2014

To the Shareholders,

In our role as auditors of the Company SAGESS and in accordance with Article L. 225-235 of the French Commercial Code, we hereby submit our report on the report drawn up by your Company's chairman pursuant to the provisions of Article L. 225-37 of the French Commercial Code for the financial year ended on December 31, 2014.

The chairman is responsible for drafting and submitting for the approval of the board of directors a report describing the internal control and risk management procedures implemented within the Company and providing the other information required by Article L. 225-37 of the French Commercial Code, notably in relation to corporate governance.

Our task is to:

- report to you our observations on the information set out in the chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information; and
- certify that the report contains the other information required by Article L. 225-37 of the French Commercial Code. We point out that it is not our role to verify the truthfulness of this other information.

We have conducted our work in accordance with professional standards applicable in France.

**INFORMATION REGARDING INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION
AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION :**

Professional standards require that we conduct the necessary procedures to assess the fairness of the information provided in the chairman's report concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information.

These procedures consist mainly of:

- obtaining an understanding of the internal control and risk management procedures used to prepare and process accounting and financial information on which the information provided in the chairman's report is based, as well as the existing documentation;

- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining whether major shortcomings in internal control procedures relating to the preparation and processing of accounting and financial information that we might have noted in the course of our audit are properly disclosed in the chairman's report.

On the basis of this work, we have no observations to report on the information concerning the Company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information provided in the chairman's report, prepared in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

OTHER INFORMATION:

We certify that the report drafted by the chairman of the board contains the other information required by Article L. 225-37 of the French Commercial Code.

Paris and Paris-La-Défense, April 1st, 2015

Statutory auditors

Grant Thornton

French member of Grant Thornton
International

Vincent Papazian

Partner

ERNST & YOUNG et Autres

Denis Thibon
Partner

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the financial statements. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

Société Anonyme de Gestion de Stocks de Sécurité SAGESS

Year ended December 31, 2014

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby present our special report on regulated agreements and commitments.

We are responsible for reporting on the essential characteristics and terms and conditions of the possible agreements and commitments of which we have been informed or which we may discover during the performance of our duties, without having either to render an opinion as to their utility and merit or to seek out the existence of other agreements and commitments. It is your responsibility under the terms of Article R. 225-31 of the French Commercial Code to assess the value gained from entering into these agreements and commitments in order to decide whether or not to approve them.

If applicable, we are also responsible for reporting information addressed under article R. 225-31 of the French Commercial Code relating to the performance during the previous financial year of agreements and commitments already approved by the General Meeting.

We performed the due diligence we deemed necessary under the professional standards of the Compagnie Nationale des Commissaires aux Comptes in respect of this mission.

This due diligence consisted in verifying that the information given to us was consistent with that provided in the primary documents from which it came.

Agreements and commitments submitted to the General Meeting for approval

Pursuant to Article L. 225-40 of the French Commercial Code, we have been advised of the following agreements and commitments that have been previously authorized by your Board of Directors.

1. With Bolloré Energie, an indirect shareholder of your company

Nature and purpose

Terms

In its meeting of 19 December 2014, your Board of Directors authorized a sale, between your company and Bolloré Energie, to evacuate its FOD stocks from Mont-de-Marsan (Landes) storage facility whose storage contract expires on 31 December 2016.

The sale took place in several batches, for a total of € 1,607K.

2. With Géosel, whose majority shareholder is Total Raffinage France

Nature and purpose

Signature of a memorandum of understanding for the sale of the assets constituting the LGS, the GEOSEL – SPMR pipeline.

The MoU was signed with Géosel, whose main shareholder is Total Raffinage France. Total Raffinage France is a company 100% owned by the Total Group, just as Total Marketing Services, the shareholder and director of your company. The permanent representative of the Total Marketing Services was Mr. François Martin.

Terms

In its meeting of 14 May 2014, your Board of Directors authorized the proposed sale of the assets related to the hydrocarbon transport plant for one euro, resulting in an accounting loss of € 1,623 K.

Agreements and commitments already approved by the General Meeting

In accordance with Article R. 225-30 of the French Commercial Code, we were informed that the following agreements and commitments, approved by the General Assembly during previous financial periods, continued during the year.

1. With Total S.A., the parent company of the Total Group

Nature and purpose

Signature of a secondment agreement concerning Mr. Didier Harel, CEO, between your company and Total SA, the parent company of the Total Group, holding company 100% of Total Marketing Services, the shareholder and director of your company. The Permanent Representative of Total Marketing Services was Mr. François Martin.

Terms

At its meeting of 29 October 2012, your Board of Directors authorized the conclusion of the secondment agreement concerning Mr. Didier Harel as part of his duties as president and CEO of your company.

For the 2014 financial period, the sum total paid by your company amounts to € 420.284.

2. With Géosel, whose majority shareholder is the Total Raffinage France

Nature and purpose

Signature of a framework agreement and three interrelated implementation contracts concerning the construction by your Company of a pipeline connecting the underground storage site of the salt caverns in Manosque to the oil facilities in La Crau.

The contracts were signed with Géosel, whose main shareholder is Total Raffinage France. Total Raffinage France is a company 100% owned by the Total Group, just as Total Marketing Services, the shareholder and director of your company. The Permanent Representative of Total Marketing Services was Mr. François Martin.

Terms

In its meeting of 18 June 2003, your Board authorized the conclusion of a framework contract and three implementing contracts concerning the construction of a pipeline in Manosque. The purposes of these contracts are as follows:

- Framework contract: this contract establishes the rights, obligations and responsibilities of the parties to carry out the implementing contracts and determine the contractual terms common to all of the contracts.
- Contract for the "Storage of petroleum products by Géosel-Manosque": under this contract, the Géosel-Manosque company (GSM) gives your company the right to store petroleum products in existing salt caverns owned by the GSM company, some having being previously extended by leaching with funding provided by the GSM company and under its responsibility.
- Contract "for organizing the construction of a pipeline and associated facilities": This contract defines the conditions for the construction and commissioning of the pipeline and its associated facilities. The contract specifies in particular the facilities that your company and the GSM company own, as well as their responsibilities and roles.
- Contract "for coordinating the operation of a set of pipelines and associated facilities": This contract defines the conditions under which the logistics system of the GSM company and your Company is operated for your common requirements.

Under the terms of the storage contract listed above and entered into for a period of thirty years contract, your company undertook to pay, except during an oil crisis, and subject to certain operating conditions, a basic storage fee.

Under the framework contract listed above, your company agreed to pay the GSM company, as the owner of the existing facilities, the costs it would have incurred if it did not build or stopped the construction of this pipeline (except in case of fault attributable to the GSM company).

Since the commissioning of the pipeline has been completed, only the contracts involving its operation remain in effect.

For the 2014 financial period, the sum total paid by your company amounts to € 60,098,735.

3. With Géostock, 10 % of which is owned by the Total Gas&Power Actifs Industriels Company.

a) Nature and purpose

Operation and maintenance contract for the pipeline and associated facilities on the Manosque site.

When the contract was entered into, Géostock was majority-owned by Total RM (now Total Marketing Services and Total Raffinage France) and BP France. Total Marketing Services is a shareholder and director of your company. The Permanent Representative of Total Marketing Services was Mr. François Martin.

Total Gas&Power Actifs Industriels is 100% owned by Total.

Terms

In its meeting of 18 June 2003, your Board authorized Géostock to operate and maintain the pipeline and associated facilities on the Manosque site, for a period of thirty years (2007-2037).

The reimbursement by your company is based on a lump sum plus any service charge relating to the expenditure incurred for this project.

For the 2014 financial period, the sum of € 1,492,816 was repaid.

b) Nature and purpose

Signing of a binding contract between the Géosel stations and SPMR de la Mède.

Terms

On 30 August 2011 your Board of Directors authorized the Company to invest a total of € 2,470 K (+/- 30%) to allow:

- the simultaneous withdrawal of crude oil or finished products at 2,000 m³/h;
- the rapid evacuation of non-priority products in times of crisis;
- direct shipping in the SPMR pipeline of finished products withdrawn from the Manosque site and sent to the GSM de La Mède station.

These actions were due to the 2010 crisis and the debottlenecking and optimization studies of the pipeline system carried out with Geostock.

The sum charged during the 2014 financial period amounted to € 1,493,816.

4. With the Picoty SA company, represented by Mr. Michel Picoty, Director

Nature and purpose

Operation of the depot in Chasseneuil (Vienne)

Terms

On 10 June 2005 your Board authorized the Company to contribute to the operation of the Chasseneuil depot for a period of eight years from 1 January 2006 to 31 December 2013. In return for the commitments made by the Picoty Company in this project, your company agreed to defray all the expenses incurred by the project.

Repayments made during the 2014 financial period amounted to € 373,734.

With ENI France, BP France, Carfuel, Esso SAF, Petrovex, Société des Pétroles Shell, Siplec, Total Marketing Services, Total Raffinage France, Bolloré Energie and Picoty S.A., all of them members of the Board of Directors and Total Belgium (a wholly-owned company of the Total Group) and Urbaine des Pétroles (a shareholder of your company)

Nature and purpose

Trading framework contracts.

Terms

On 17 September 2009, your Board authorized the implementation of a framework contract for the trading of SAGESS products with the companies concerned.

Paris et Paris-La Défense, 1 April 2015

The Statutory Auditors

GRANT THORNTON
French member firm of Grant Thornton International

ERNST & YOUNG et Autres

Vincent Papazian

Denis Thibon

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the financial statements. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

INDEPENDENT THIRD-PARTY BODY'S REPORT ON THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE INFORMATION CONTAINED IN THE MANAGEMENT REPORT

Société Anonyme de Gestion de Stocks de Sécurité SAGESS

Year ended December 31, 2014

To the Shareholders,

In our capacity of independent third-party body, accredited by COFRAC¹ under number 3-1050 and a member of the network of one of Sagesse statutory auditors, we hereby present our report on the environmental, social and governance information for the year ended 31 December 2014 presented in chapter "Environmental, social and governance information" (hereinafter the "CSR Information") of the management report, pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

Corporate Responsibility

The Board of Directors of the company is responsible for establishing a management report including the CSR information provided for under Article R. 225-105-1 of the French Commercial Code, established in accordance with the reporting criteria used (the "Reporting Criteria") available upon request from the company's head office.

Independence and quality control

Our independence is defined by the regulatory texts, the Code of Ethics of the profession as well as the provisions of Article L. 822-11 of the French Commercial Code. Furthermore, we have implemented a quality control system which includes documented policies and procedures to ensure compliance with the rules of ethics, professional standards and the applicable legal texts and regulations.

Independent third party body's responsibility

Based on our work, our responsibility is:

- to attest that the required CSR Information is presented in the management report or, in the event of omission, is explained pursuant to the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of completeness);
- to express limited assurance on the fact that the CSR Information is presented fairly, in all material aspects, in accordance with the adopted Reporting Criteria (limited assurance report).

Our work was carried out by a team of four people between February and March 2015 over a period of approximately two weeks.

¹ Scope of accreditation available on www.cofrac.fr

We carried out the work described below in accordance with the professional standards applicable in France and with the Order of 13 May 2013 specifying the conditions under which the independent third party body conducts its mission and, with respect to the limited assurance report, with the international standard ISAE 3000².

1. Attestation of Completeness

Based on interviews with the heads of the departments concerned, we obtained a presentation of the guidelines for sustainable development based on the social and environmental consequences of the activities of the company and its corporate commitments and, where appropriate, the resulting actions or programmes.

we compared the CSR Information presented in the management report with the list set forth in Article R. 225-105-1 of the French Commercial Code;

In the event of omission of certain information, we verified that explanations were provided in accordance with the provisions of Article R. 225-105, paragraph 3 of the Commercial Code.

Based on our work, we attest to the completeness of the required CSR Information in the management report.

2. Limited assurance report

Nature and scope of procedures

We conducted three interviews with the persons responsible for the preparation of CSR information in the Finance, Human Resources and Logistics departments in charge of the process of gathering information and, where appropriate, in charge of the internal control and risk management procedures in order to:

- assess the appropriateness of the Reporting Criteria with respect to their relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices;
- verify the implementation of a process for collecting, compiling, processing and checking the completeness and consistency of the CSR information and obtain an understanding of the internal control and risk management procedures relating to the development of CSR information.

We determined the nature and scope of our tests and inspections depending on the nature and importance of the CSR information in relation to the characteristics of the company, the social and environmental issues implied by its business, its guidelines on sustainable development and best industry practices.

Concerning the CSR information we considered as more important³, at the level of the entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions), we implemented analytical procedures on the quantitative information and, on the basis of surveys, verified the calculations and data consolidation, and we verified their consistency and correlation with the other information in the management report.

For the other CSR information, we compared their consistency with our knowledge of the company.

² ISAE 3000 – *Assurance engagements other than audits or reviews of historical information*

³ **Environmental and governance information:** the general environmental policy (the organization, assessment or certification procedures, the importance of subcontracting and the inclusion of social and environmental issues in the purchasing policy).

Social information: employment (total staff and distribution, hiring and firing)

Finally, we assessed the relevance of the explanations relating to, and where necessary, the absence of certain information.

We believe that the sampling methods and sizes that we adopted by exercising professional judgment allow us to reach a conclusion of limited assurance; a greater level of assurance would have required more extensive review. Because of the use of sampling techniques as well as other limitations inherent to the operation of any information and internal control system, the risk of not detecting a material misstatement in the CSR information cannot be completely eliminated.

Conclusion

Based on our work, we did not identify any material anomalies liable to call into question the fact that the CSR information is presented, in all material respects, in a sincere way, in accordance with the Reporting criteria.

Paris-La Défense, 20 March 2015

Independent third party body
ERNST & YOUNG et Associés

Christophe Schmeitzky
Sustainable Development Partner

Bruno Perrin
Partner

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This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

SAGESS SHAREHOLDERS

(AT 31 DECEMBER 2014)

	Number of shares
ARGOS OIL FRANCE	50
ARMORINE S.A.	77
BOLLORE ENERGIE	508
BP FRANCE	825
CARFUEL	1,147
CIM	1
DISTRIDYN	445
DYNEFF	291
EDF	10
EGEDIS	387
ENI FRANCE SARL	139
Esso SAF	1,398
Bruno ESTAGNASIE	1
GINOUVES	70
Didier HAREL	1
HP TRADING	19
LAGARDE (Etablissements)	32
Jean-Claude MARCELIN	1
OMNEO	40
PETROPLUS Marketing France	4
PETROVEX	442
PICOTY SA	330
POITOU CARBURANTS	2
RUBIS TERMINAL	47
SCA PETROLE & DERIVES	1,197
Shell (Société des Pétroles)	178
SIPLEC - Société d'importation LECLERC - SIPLEC	1,844
STELA (Petroleum Products)	233
THEVENIN & DUCROT DISTRIBUTION	458
TOTAL MARKETING SERVICES	4,095
TRANSCOR FRANCE	13
URBAINE DES PETROLES	547
WALLACH (Etablissements)	121
ZELLER ET CIE	47
TOTAL SHARES ISSUED	15,000

BOARD OF DIRECTORS

(WHICH CLOSED THE 2014 FINANCIAL STATEMENTS)

François Martin
15, rue de la Bourboule
78150 LE CHESNAY

Director and Chairman of the Board of Directors

DIRECTORS

BOLLORE ENERGIE
Corporate headquarters
Tour Bolloré – 31-32 quai de Dion Bouton
92811 PUTEAUX CEDEX

Registered office
Odet
29500 ERGUE GABERIC

BP FRANCE
Immeuble Le Cervier
12, avenue des Béguines - Cergy Saint-Christophe
95866 CERGY PONTOISE CEDEX

CARFUEL
ZAE St-Guenault - 1, rue Jean Mermoz
BP 75
91002 EVRY CEDEX

ENI FRANCE SARL
12, avenue Tony Garnier
CS 40720
69367 LYON CEDEX 07

ESSO SOCIETE ANONYME FRANÇAISE
5/6, place de l'Iris
92400 COURBEVOIE

Bruno Estagnasie
42, rue de Tocqueville
75017 PARIS

Jean-Claude MARCELIN
20, rue Jacques Doré
94430 CHENNEVIERES-SUR-MARNE

PETROVEX
200, rue de la Recherche
59650 VILLENEUVE D'ASCQ

PICOTY S.A.
Rue André Picoty
23300 LA SOUTERRAINE

Société des Pétroles Shell
"Portes de la Défense"
307, rue d'Estienne d'Orves
92708 COLOMBES CEDEX

SOCIÉTÉ D'IMPORTATION LECLERC - SIPLEC
26, quai Marcel Boyer
94200 IVRY-SUR-SEINE

TOTAL MARKETING SERVICES
24, cours Michelet
92800 PUTEAUX

PERMANENT REPRESENTATIVES

Dimitrios Xylinas

Hervé Charmolue

Karim Benbrik
(and Vice-Chairman of the Board of Directors)

Alfonso Cundari

Gilles Thery

Ludovic Labazuy

Michel Picoty

Son Lengoc

Thierry Forien

René Lecornet

MANDATES AND DUTIES EXERCISED BY INDIVIDUAL DIRECTORS AND BY THE PERMANENT REPRESENTATIVES OF LEGAL ENTITIES (AT 31 DECEMBER 2014)

Didier Harel

Chairman and Managing Director of:

- SAGESS - SOCIÉTÉ ANONYME DE GESTION DE STOCKS DE SÉCURITÉ

Karim Benbrik

**Permanent representative of CARFUEL on the Board of Directors of SAGESS and
Vice-Chairman of the Board of Directors:**

Member of the Management Committee of:

- CARFUEL (SAS)

Permanent representative of CARFUEL on the Management Committee of:

- D.P.L. - SOCIÉTÉ DEPOT PETROLIER DE LYON SAS
- E.P.G. - ENTREPOT PETROLIER DE LA GIRONDE SAS
- E.P.V. - ENTREPOT PETROLIER DE VALENCIENNES SAS
- S.D.P.N. - SOCIÉTÉ DU DÉPÔT PÉTROLIER DE NANTERRE SAS
- S.O.G.E.P.P. - SOCIÉTÉ DE GESTION DE PRODUITS PETROLIERS SAS
- S.P.V.M. - SOCIÉTÉ PETROLIERE DU VAL DE MARNE SAS

Permanent representative of CARFUEL SAS on the Steering Committee of:

- DPC - SOCIÉTÉ DES DEPOTS DE PETROLE COTIERS SARL

Permanent representative of CARFUEL SAS on the Board of Directors of:

- DPF - DEPOTS PETROLIERS DE FOS SA

Hervé Charmolue

Permanent representative of BP FRANCE on the Board of Directors of SAGESS

Director, as a representative of Union Française des Industries Pétrolières (UFIP), on the Board of Directors of:

- CPSSP - Comité Professionnel des Stocks Stratégiques Pétroliers

Director of:

- GEOGAZ LAVERA SA

Alfonso Cundari

Permanent representative of ENI France SARL on the Board of Directors of SAGESS

GROUPS

Permanent representative of the company ENI FRANCE SARL at the Meeting of members of:

- FUELLING AVIATION SERVICE (FAS) G.I.E.
- GROUPEMENT D'EXPLOITATION DU DEPOT DE RECEPTION DE CHENNEVIERES LES LOUVRES (G.E.D.R.C.) G.I.E.

COMPANIES

Permanent representative of ENI FRANCE SARL at the Shareholders Meeting and the Management Committee of:

- DPCA - DEPOT PETROLIER DE LA COTE D'AZUR - SAS
- EPL - ENTREPOT PETROLIER DE LYON - SAS

Permanent representative of ENI FRANCE SARL at the Shareholders Meeting and on Board of Directors of:

- DPF - DEPOTS PETROLIERS DE FOS SA
- SPMR - SOCIÉTÉ DU PIPELINE MEDITERRANEE-RHONE SA

Permanent representative of ENI FRANCE SARL at the Meeting of Associates of:

- SOCIETE IMMOBILIERE PETROLIERE DE GESTION (SIPG) – SNC

Bruno Estagnasie

Director on the Board of Directors of SAGESS

Director, as a representative of Union Française des Industries Pétrolières (UFIP), on the Board of Directors of:

- CPSSP - Comité Professionnel des Stocks Stratégiques Pétroliers

Member of the Board of Directors of:

- GEOSEL

Permanent representative of SOCEPA on the Board of Directors of:

- SPMR - SOCIETE DU PIPELINE MEDITERRANEE-RHONE SA

Permanent representative of TOTAL MARKETING SERVICES on the Board of Directors of:

- TRAPIL

Permanent representative of TOTAL RAFFINAGE FRANCE on the Board of Directors of:

- DPF - DEPOTS PETROLIERS DE FOS SA

Permanent representative of TOTAL PETROCHEMICALS FRANCE on the Board of Directors of:

- SPSE - SOCIETE DU PIPELINE SUD-EUROPÉEN

Thierry Forien

Permanent representative of SOCIETE D'IMPORTATION LECLERC - SIPLEC on the Board of Directors of SAGESS

Permanent representative of SOCIETE D'IMPORTATION LECLERC - SIPLEC on the Board of Directors of:

- DPF - DEPOTS PETROLIERS DE FOS SA

Ludovic Labazuy

Permanent representative of PETROVEX SNC on the Board of Directors of SAGESS

Procurement and Logistics Group Leader at:

- PETROVEX SNC

Permanent representative of PETROVEX SNC on the Board of Directors of:

- SOCIETE DU DÉPOT PETROLIER DE NANTERRE
- SOCIETE DU DEPOT DE SAINT-PRIEST
- SOCIETE EUROPEENNE DE STOCKAGE

Son Lengoc

Permanent representative of Société des Pétroles Shell on the Board of Directors of SAGESS

Director, as a representative of Union Française des Industries Pétrolières (UFIP), on the Board of Directors of:

- CPSSP - Comité Professionnel des Stocks Stratégiques Pétroliers

Director on the Board of Directors of:

- CPDP - COMITE PROFESSIONNEL DU PETROLE

Member of the Supervisory Committee of:

- SHELL EXPLORATION AND PRODUCTION FRANCE
- SOCIETE DES PETROLES SHELL

Jean-Claude Marcelin
Director on the Board of Directors of SAGESS

Alternate director, as a representative of Union Française des Industries Pétrolières (UFIP), on the Board of Directors of:

- CPSSP - Comité Professionnel des Stocks Stratégiques Pétroliers

Member of the Board of Directors of:

- EXXON CHEMICAL NETHERLANDS 1 B.V.

Member of the Supervisory Committee of:

- SOCIETE FRANCAISE EXXONMOBIL CHEMICAL

François MARTIN
Permanent representative of TOTAL MARKETING SERVICES on the Board of Directors of SAGESS

Director, as a representative of Union Française des Industries Pétrolières (UFIP), on the Board of Directors of:

- CPSSP - Comité Professionnel des Stocks Stratégiques Pétroliers

Director of:

- TRAPIL - SOCIETE DES TRANSPORTS PETROLIERS PAR PIPELINE SA

Permanent representative of TOTAL MARKETING SERVICES, Director on the Board of Directors of:

- DEPOTS PETROLIERS DE FOS - SA
- SOCIETE DU PIPELINE MEDITERRANEE RHONE – SPMR - SA

Permanent representative of the company TOTAL MARKETING SERVICES, member of the Management Committee of:

- SOCIETE DU DEPOT DE LA PALLICE – SAS

Michel Picoty
Permanent representative of PICOTY SA on the Board of Directors of SAGESS

Director of:

- CAMPUS ILE DE FRANCE
- DEFIS HOLDING SA
- SOMELAC SA

Manager of:

- 2M SCI
- DU PASQUIER SCI
- LES MARMOTTES SNC
- HER SARL
- PAC 1 SCI

Co-manager of:

- SC IMMOBILIERE PICOTY
- SCI DE LA SC IMMOBILIERE PICOTY
- SC PICOTY DEVELOPPEMENT

Member of the Management Committee of:

- AVIA AUTOROUTES SAS
- AVIA FRANCE SAS

Member of the Supervisory Committee of:

- CAP SAS
- PYRENEES FIOUL SERVICES SAS
- SOMEDIS SAS

Chairman of:

- CAPELLA SAS
- PICOTY AUTOROUTES SAS

- PICOTY RESEAU SAS
- MH SAS

Chairman of the Management Board of:

- PICOTY SA

Gilles Thery

Permanent representative of Esso SAF on the Board of Directors of SAGESS

Director, as a representative of Union Française des Industries Pétrolières (UFIP), on the Board of Directors of:

- CPSSP - Comité Professionnel des Stocks Stratégiques Pétroliers

Permanent representative of Esso SAF on the Board of Directors of:

- SPMR (SOCIETE DU PIPELINE MEDITERRANEE RHONE)
- SPSE (SOCIETE DU PIPELINE SUD-EUROPEEN)

Dimitrios Xylinas

Permanent representative of BOLLORE ENERGIE on the Board of Directors of SAGESS

Mandates and duties exercised in French companies:

- Chairman and Managing Director of DPF – DEPOTS PETROLIERS DE FOS (till 29/04/2014)

Mandates and duties exercised within the Bolloré Group

- Chairman of the Board of Directors of SFDM
- Managing Director of BOLLORE ENERGIE
- Permanent Representative of SOFIPROM on the Board of BOLLORE ENERGIE
- Permanent representative of PETROPLUS MARKETING FRANCE on the Board of Directors of TRAPIL
- Director of SFDM
- Director of SAMC Combustible SA
- Director of SATRAM Huiles SA
- Director of CICA

Other Mandates and duties

Chairman of the FFPI and Director on the Board of Directors of:

- CPDP - COMITE PROFESSIONNEL DU PETROLE

OPERATIONAL MANAGEMENT COMMITTEE

(AT 31 DECEMBER 2014)

Daniel Bonocori	Chairman (SAGESS Logistics Director)
Eric Bouveresse	TOTAL RAFFINAGE FRANCE
Hakim Britel	BOLLORE ENERGIE
Christophe Da	Esso SAF
Ludovic Labazuy	PETROVEX
Patrick Leblanc	SCAPED
Rémi Thomas	SIPLEC

STATE REPRESENTATIVES

(AT 31 DECEMBER 2014)

Representative of the Minister of the Economy, Finances and Industry

Directorate General for Competition Policy, Consumer Affairs and Fraud Control

DGCCRF

Representative of the Minister of the Economy, Finances and Industry

Directorate General for Customs and Excise

DGDDI

Representative of the Ministry of Ecology, Sustainable Development and Energy

Directorate General for Energy and Climate - Department of Energy

DGEC-DE

Representative: Léonard Brudieu

Alternate: Ginette Art

Representative: Patrice Besançon

Alternate: Laurent Perrin

Representative: Patrice Gobin

Alternate: Olivier Triquet

GOVERNMENT AUDITOR FOR ISSUES RELATING TO THE MANOSQUE/FOS-SUR-MER PIPELINE

(Appointed by decree of 30 March 2006 - French Gazette [Journal Officiel] of 1 April 2006)

Patrice Gobin

Appointed by order dated 29 September 2014