

Dassault Systèmes

Fiscal Transparency & Policy



3DEXPERIENCE®

Dassault Systèmes' commitment to ethical and sustainable growth is underpinned by a responsible and transparent Tax policy in all countries where the Company operates.

Dassault Systèmes' Tax policy complies with current regulations and the principles derived from European Union law and OECD recommendations. Its implementation is in line with the Company's operational targets. By keeping abreast of tax developments and any interpretative discrepancies that may arise, the Company always ensures that it complies with the tax regulations in force in the countries in which it operates. It also complies with its annual country-by-country reporting obligations (CBCR).

Dassault Systèmes' Tax policy is based on three main principles:

- Tax compliance
- Tax transparency
- Tax liability

1. Tax Compliance

Dassault Systèmes complies with tax regulations

The Company ensures that it prepares and files the required tax returns on time, and pays the taxes due accordingly. It also provides all accurate and adequate information required by tax authorities.

Dassault Systèmes applies the arm's length principle by setting its prices in accordance with OECD recommendations and national laws.

The company ensures that it complies with local tax regulations wherever it operates, by monitoring regulatory changes and the possible technical divergences that may arise from their interpretation. It also complies with its Annual Reporting obligations on a country-by-country basis. It also ensures that all taxes are properly assessed and paid in all the countries where they are due.

The Company is eligible for certain tax benefits designed to support investment, particularly in research and development, employment and economic development. These advantages are implemented in compliance with the legal, regulatory or administrative framework and are aligned with Dassault Systèmes' operational targets.

2. Tax Transparency

Dassault Systèmes is open and transparent with tax authorities

Dassault Systèmes is transparent with tax authorities and strives, wherever possible, to build relationships of trust based on transparency and cooperation in mutual respect. With this in mind, Dassault Systèmes SE signed a partnership agreement with the French tax authorities in November 2023. This partnership is based on the principle of transparency vis-à-vis the authorities, and aims to establish a long-term working relationship between Dassault Systèmes SE and the dedicated referent within the administration's partnership department.

In the context of tax audits, certain positions taken by the Company may be challenged by a tax authority, particularly in cases where a provision of national or international law gives rise to difficulties of interpretation. When such a situation arises, it may lead to litigation if Dassault Systèmes considers it justified.

In the event of uncertainty as to the applicable tax treatment, the Company can secure its position by

initiating a rescrit procedure. Thus, it can use the advance pricing agreement procedure to apply its transfer prices.

Dassault Systèmes, as part of a voluntary initiative, joined the ICAP (International Compliance Assurance Program) in 2019, an OECD pilot program in which taxpayers and tax authorities cooperate multilaterally to assess the international tax practices of participating groups in order to determine the associated level of tax risk. Dassault Systèmes was the first French company to join this program. The collaboration was a success, and helped to increase cooperation and transparency with the various tax authorities involved in the program. The majority of participating tax authorities have validated Dassault Systèmes' transfer pricing policies, helping to secure tax positions in the event of tax audits. In addition, the Company participates in several OECD working groups, notably on the subject of "Tax Security" and Pillar 2, and in certain national initiatives within professional organizations.

3. Tax Liability

Dassault Systèmes is committed to responsible Tax policy

All legal entities of the Company are operated according to commercial and operational considerations, and have economic substance. Dassault Systèmes has no non-operational legal entities in Non-Cooperative States and Territories (tax havens) as defined by French and European tax law, and is committed to maintaining this practice.

In the context of its external growth, the Company carries out tax due diligence and may have to modify certain practices that are in line with the Tax policy outlined herein.

Finally, it is Dassault Systèmes' policy not to encourage or promote tax evasion.

4. Tax organization and governance

A dedicated team of skilled tax professionals with extensive knowledge and expertise of international tax matters, (the "Tax Department") has the mission to support all Dassault Systèmes entities and functions from a tax stand point in all matters that could have a tax impact. The Tax department participates regularly to internal and external trainings, notably on tax matters. The Tax department also provides tax training to different stakeholders of Dassault Systèmes, keeping them aware of any new tax regulations and of Dassault Systèmes' general Tax policy.

The head of Tax reports to the Executive Vice-President, Chief Financial Officer and supervise directly all Tax team members. The Dassault Systèmes' global Tax policy has been approved by the Sustainability Steering Committee and is discussed annually by the Audit Committee.

Dassault Systèmes Tax Department aims to develop close relationships with its businesses partners to provide clear, relevant and timely guidance on tax matters, including identification of tax risks and opportunities, if any. It also relies on external tax advice if needed. The Tax Department is involved in strategic operations, including acquisitions, from planning to implementation to ensure that appropriate tax treatment is consistently applied and tax exposure are managed. The Tax Department also establishes all necessary processes and controls to ensure the proper implementation of Dassault Systèmes' Tax policy.