## **Dassault Systèmes**

## **Modern Slavery Transparency Statement**

### for financial year ending 31 December 2018

This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015. It sets out the steps that Dassault Systèmes S.E. and its subsidiaries (Dassault Systèmes, the Company, we, us, our) have undertaken, and are continuing to take, to try to prevent modern slavery or human trafficking from taking place within their business or supplier relationship.

As stated in our Code of Business Conduct, we are committed to acting ethically and with integrity in all our business relationships, and this includes taking steps to work towards the removal of slavery and human trafficking from our business and our supplier relationship. We are a *Societas Europae* (European Company) making business mainly within three geographic regions, EMEAR, Americas and Asia, with locally based companies. In the United Kingdom, our main subsidiary is Dassault Systemes UK Limited. We are aware that modern slavery exists even in the UK and accept that we cannot be complacent when it comes to the prevention of modern slavery.

The Group is also committed to ensuring there is transparency in its own business and in its approach to tackling modern slavery throughout its procurement, consistent with its disclosure obligations under the UK Modern Slavery Act 2015.

### **Our business**

Dassault Systèmes is the 3DEXPERIENCE company and its purpose is to provide business and people with 3DEXPERIENCE universes to imagine sustainable innovations capable of harmonizing product, nature and life.



We are a global leader in sustainable innovation. We provide a digital experience platform that allows customers to create innovative new products and services, and ultimately address the major challenges facing the world today: cities for people; energy and resources for the long term; food and personalized healthcare; how to supply and produce; and inspirational education and research. We believe that there is a new world to imagine, create and build by combining science, art and technology. This led us, in 2012, to define our new horizon which we call **3D**EXPERIENCE.

Indeed, achieving a more sustainable future is only possible by leveraging the virtual world. At Dassault Systèmes we believe that virtual worlds extend and improve the virtual world.

The solutions of Dassault Systèmes transform the way products are designed, simulated, produced, marketed and supported, leveraging the virtual world to improve the real world. Dassault Systèmes has been transforming the world of industry for 35 years. We have helped industrials disrupt how products are designed and made, and rethink their whole creation and production systems - with 3D design, with the digital mock-up (DMU), with PLM and now with 3DEXPERIENCE.

We want to be the catalyst and enabler of the real Industry Renaissance of the 21<sup>st</sup> century. Combining the real and the virtual leads to new ways of seeing the world, of inventing, learning, producing and doing business. The industry of the 21<sup>st</sup> century is a network of creation, production and exchange of experiences. We aim to reveal and empower new categories of industrial companies to create new categories of experiences for new categories of customers.

Our purpose is at the core of who we are and why people are joining Dassault Systèmes.

Dassault Systèmes is a science-based, innovation-driven, business-minded and long-term-oriented company. The Group's 17,000 employees are driven by this ambition. This also translates into a high level of market confidence and trust among our 230,000 enterprise customers in more than 140 countries. We are a European company with a global presence and market reach.

Achievement of this aim -"harmonizing product, nature and life"- is built on integrity, collaboration and mutual respect. For Dassault Systèmes, pursuing ethical and sustainable growth is a fundamental value and one of the pillars of our Corporate Principles of Social Responsibility. A deep-rooted culture of ethics and compliance informs all aspects of company management and the decisions made by our workforce each and every day.

#### **Our Policies & Procedures**

We operate a number of internal and external policies and procedures to ensure that we are conducting business in an ethical and transparent manner. These include:

- Code of Business Conduct (available under the following web link: <a href="https://www.3ds.com/fileadmin/COMPANY/Ethics-and-compliance/Code-of-Business-Conduct-English.pdf">https://www.3ds.com/fileadmin/COMPANY/Ethics-and-compliance/Code-of-Business-Conduct-English.pdf</a>): this code applies to all 3DS employees and:
  - includes our ethics and compliance principles and expresses our corporate commitment to ensuring that business is conducted in accordance with high ethical standards;
  - confirms that our business practices operate in accordance with the local and national employment laws in which we do business;
  - requires 3DS employees to comply with international standards, such as the Universal Declaration of Human Rights of the United Nations and the various basic conventions of the International Labor Organization, which prohibit forced or compulsory labour, servitude, slavery and human trafficking;
  - forms the basis of the online ethics and compliance training course provided to all new employees.

- 2. Whistleblowing procedure: this procedure allows our employees to raise concerns pertaining to serious infringement of Human Rights (thus including Modern Slavery) without fear of reprisals. As of today, this procedure has been deployed in 15 languages throughout the Group.
- 3. Corporate Principles of Social Responsibility (available under the following web link <a href="https://www.3ds.com/fileadmin/COMPANY/Ethics-and-compliance/Corporate-Principles-of-Social-Responsibility.pdf">https://www.3ds.com/fileadmin/COMPANY/Ethics-and-compliance/Corporate-Principles-of-Social-Responsibility.pdf</a>): this document sets out the minimum international standards in terms of Human Rights and environment protection principles we expect all our partners and suppliers to adhere (the "CSR Principles"). In 2018, these CSR Principles, initially published in 2008 have been reviewed and the principle of eliminating any form of forced labor and other forms of modern slavery has been strengthened. More details on these CSR Principles are below under "Our Suppliers".

The CSR Principles along with the Code of Business conduct are intended to serve as the reference for all Dassault Systèmes employees to guide them in their day-to-day work and to serve as inspiration for our partners and suppliers. They are both available on our 3ds.com website here: <a href="https://www.3ds.com/about-3ds/ethics-and-compliance/">https://www.3ds.com/about-3ds/ethics-and-compliance/</a>.

4. Compliance Department: we have established an Ethics Committee and a Compliance Department responsible for oversight of ethics and compliance within the Group (please see <a href="https://www.3ds.com/about-3ds/ethics-and-compliance/">https://www.3ds.com/about-3ds/ethics-and-compliance/</a>). The scope of their work spans all relevant ethics and compliance issues, including Human Rights and therefore, modern slavery. The Ethics Committee meets at least once a month and is tasked with ensuring all employees adhere to the Code and investigating any case of potential non-compliance that may come to its attention with the aim of providing recommendations.

#### **Training**

Trainings in ethics and compliance matters for all employees are in place since 2013. In 2018, content of these mandatory trainings has been reviewed and amended in order to include aspects required under the French Law on the Duty of Vigilance, in particular pertaining to Human Rights, and UK's Modern Slavery Act (please see paragraph "Our Vigilance Plan – next step" hereafter).

#### **Our Suppliers**

As a software company, 3DS purchases indirect goods and services. The main Procurement categories are:

- Facilities and Real Estate,
- Human resources related services,
- Marketing, Communication and Events,
- Professional Services,
- Software, Hardware, Network, Telecommunication and Video.
- Contractors,
- Travel.

Dassault Systèmes has implemented purchasing policies and manage preferred suppliers, globally requiring them to commit on corporate social responsibility concerns.

We aim to support our suppliers' engagement in ethical issues, including modern slavery through our CSR Principles, which are referred to in most of our General Terms and Conditions for the Purchase of Products and/or Services and standard contracts with our suppliers throughout the world. These General Terms and Conditions and standard contracts state that suppliers are required to adhere to the CSR Principles and to encourage their own suppliers and sub-contractors to adhere to them as well. We may terminate any purchase order or contract if Suppliers are in default of their obligations hereunder. We are currently reviewing our General Terms and Conditions and standard contracts throughout the world to have them harmonized in this regard.

# **Our Vigilance Plan - Next Steps**

Pursuant to 2017 French Law pertaining to the Duty of Vigilance of Parent Companies and orders issuing Companies and as defined in our Vigilance Plan, we implemented in 2018 a set of measures to mitigate risks in three areas: Human Rights and Fundamental Freedoms (including Modern Slavery concerns), Environment and Health & Safety of persons.

During the initial rollout of the Plan in 2017, the risk assessment revealed the very limited nature of the risks of breaches regarding Modern Slavery as a result of the Group's activities or business model or those of its suppliers or subcontractors: due to their intangible nature, software-publishing activities involve almost no assembly of products from a supply chain. This first assessment was confirmed by the 2018 risks assessment on suppliers' risks.

In 2019, the Group will pursue the implementation of this Vigilance Plan. Please, refer to our Vigilance plan published in the 2018 Annual Report (*Document de reference*, available on our 3ds.com website <a href="https://www.3ds.com/investors/">https://www.3ds.com/investors/</a>, see paragraph "2.4.2 Implementing an Appropriate Vigilance Plan").

# **Approval for this statement**

The Board of Directors approved this statement on March 20 2019.

Bernard Charlès (Vice Chairman of the Board and CEO)

Signature:

Date: 21 March 2019