Our Purpose:
Sustainable Innovation
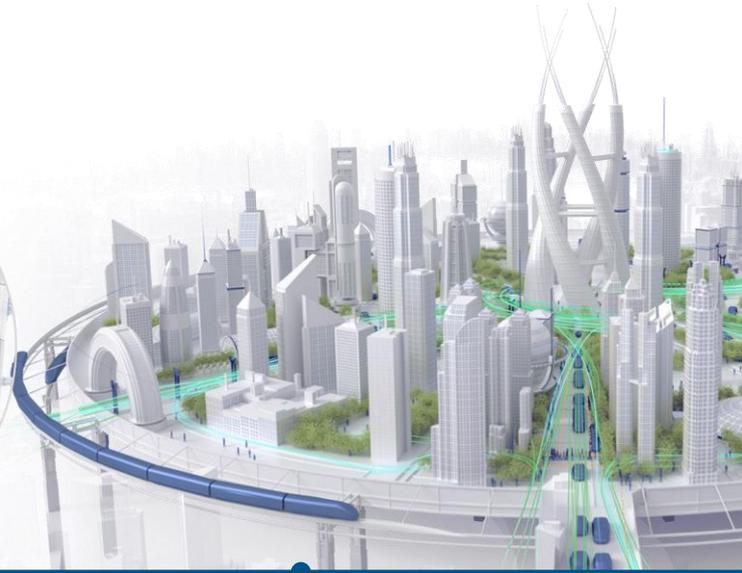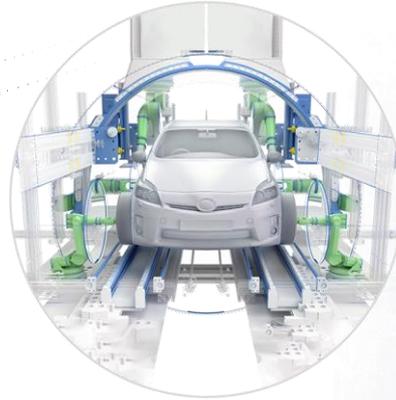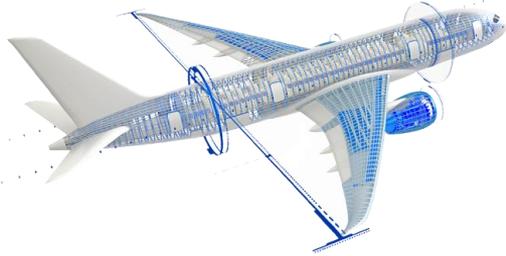
Oddo – ISR
December 2019, Paris

Thibault de Tersant
Senior Executive VP, General Secretary

3DEXPERIENCE®

DASSAULT SYSTEMES

Our Legacy

1981
3D
Design

1989
3D DMU
Digital Mock-up

1999
3D PLM
Product Lifecycle
Management

2012
3DEXPERIENCE®
platform
Business Experience

3DEXPERIENCE

3DS DASSAULT SYSTEMES

Our Belief

Virtual world extends
and improves real world

3DS DASSAULT SYSTEMES

Our Purpose

" Dassault Systèmes provides business & people with **3D**EXPERIENCE universes to imagine sustainable innovations capable of harmonizing product, nature and life. "

Long-Term Trust with 250,000 Customers Worldwide

Transportation & Mobility

Aerospace & Defense

Marine & Offshore

Industrial Equipment

High-Tech

Home & Lifestyle

Consumer Packaged Goods - Retail

Life Sciences

Energy & Materials

Construction, Cities & Territories

Business Services

Environmental Commitment - Overview

► Moderate **CO2 emissions** and aiming to **reduce** them further by 2030

   ▷ In 2018, CO2 emissions amounted to 158,826 tCO2-eq,representing a carbon footprint of 11.5 tCO2-eq per employee

   ▷ In 2018, the energy consumption of our facilities amounted to 67,622 MWh, 89% of which was electricity.

► Well positioned in **SRI indexes** and rankings

► **Positive** outcome for clients's **handprint**

► 3DEXPERIENCE twin: digitalizing our clients' innovation processes

► Expanding our ESG commitments with appointments of

   ▷ Independent ESG Director and

   ▷ Dedicated ESG Executive Committee member

3DS DASSAULT SYSTEMES

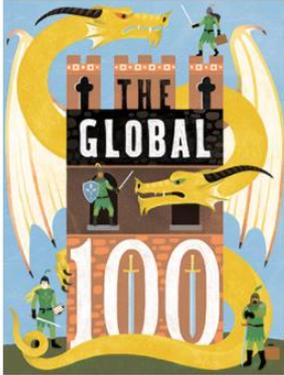# #1 in 2018 Top 100 Most Sustainable Corporations

The Magazine for Clean Capitalism

Corporate Knights

CHANNELS   PERSPECTIVES   MAGAZINES   REPORTS   SUBSCRIBE

GLOBAL 100

An index of the Global 100 most sustainable corporations in the world

THE GLOBAL 100

2018 Global 100

2018 Global 100 Issue

An index of the Global 100 most sustainable corporations in the world

In this report...

Global 100 progress report

2018 Global 100 results

Top company profile: Dassault Systèmes

FREE RESULTS

▶ Ranking relies on the computation of many key performance indicators (environmental, social, financial and innovation capacity…) but also, as of this year, on the sustainability value of a company's products

http://www.corporateknights.com/reports/global-100/

#2 in 2019 Top Ten Fortune Future 50

Two years ago, Fortune teamed up with the consulting firm BCG to create the Future 50
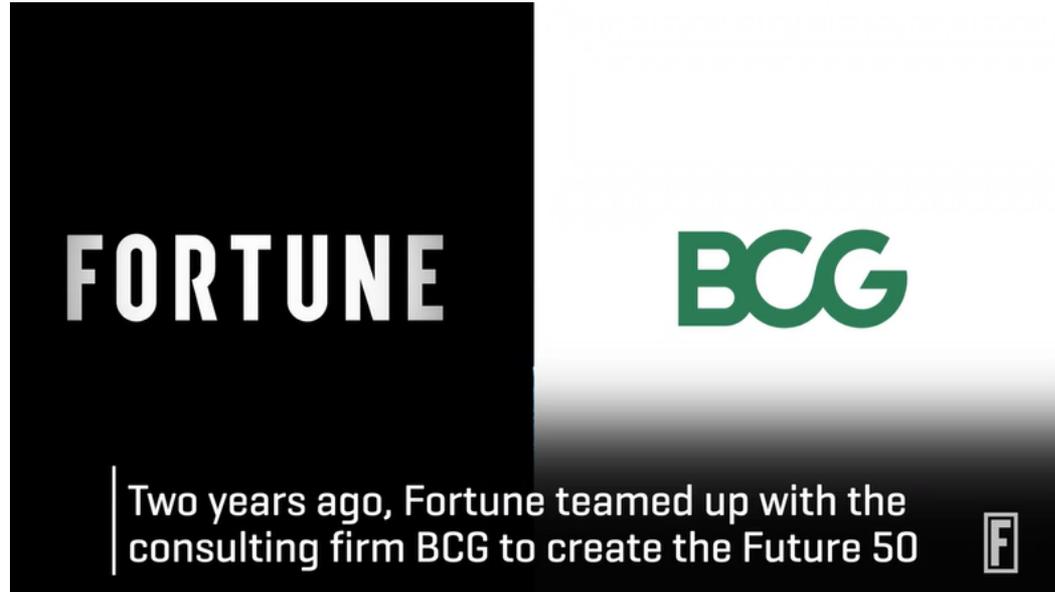
▶ **#2 Dassault Systèmes**
Dassault Systèmes Environmental score: **95.2/100** "This French company's core business is, in one sense, an environment-saver. Dassault's popular "3D Experience" product-design platform enables engineers in industries ranging from aerospace to boatmaking to virtually build and test prototypes without having to use and discard as many real-life materials. The company has also been rigorous about reducing its own carbon output and working with "green" suppliers."

MSCI ESG Index Upgraded Dassault Systèmes Rating to AA

Dassault was upgraded in July, 2019.

ESG Rating history

MSCI ESG Rating history data over the last five years or since records began.

	May-15	Jun-16	Jun-17	Jun-18	Jul-19

Dassault is a **leader** among 104 companies in the **software & services industry**.

ESG Rating distribution

Universe: MSCI ACWI Index constituents software & services, n=104.

CCC	B	BB	BBB	A	AA	AAA
1%	8%	17%	25%	27%	18%	5%

LAGGARD — AVERAGE — LEADER

We focus on the key issues material to the **software & services industry**. Here is how **Dassault** compares to industry peers. MSCI also evaluates companies on their controversial business activities (weapons, tobacco, gambling, global norms and principles etc) and sustainable impact solutions (renewable energy, health, education etc). This information is only factored into the MSCI ESG Ratings from a financial risk perspective. For more details, visit the ESG investing page.

ESG LAGGARD	AVERAGE		ESG LEADER	
CORPORATE GOVERNANCE	PRIVACY & DATA SECURITY	CARBON EMISSIONS	HUMAN CAPITAL DEVELOPMENT	OPPORTUNITIES IN CLEAN TECH

▶ **MSCI upgraded DSY** in July 2019 from A to AA, placing he company in the top 20% quartile
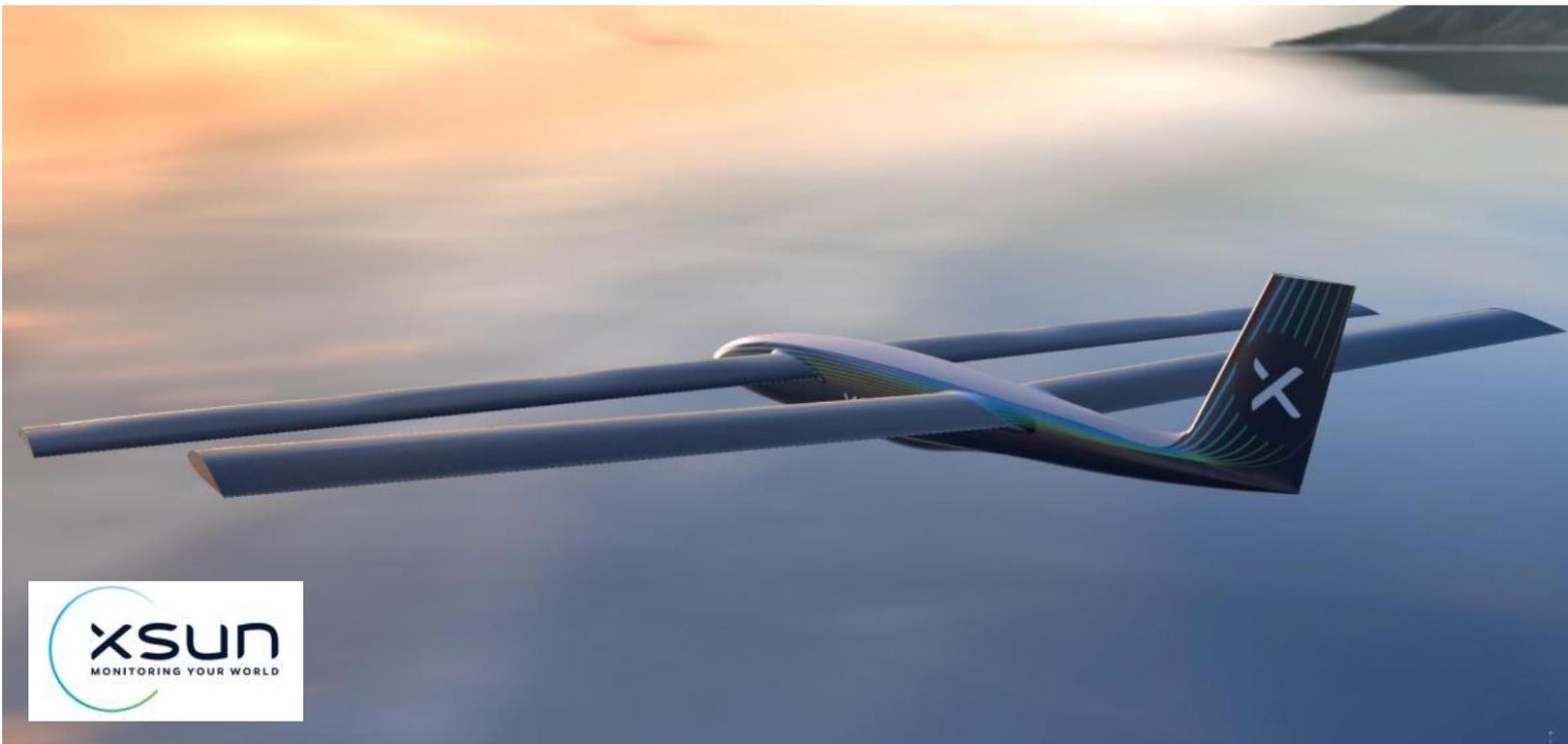
3DS Contribution to Sustainable Development Goals

Sustainable Flying Services with **3D**EXPERIENCE

XSUN showcasing SolarXOne, its solar-powered drone, at Paris Air Show / June 2019

TOYOTA Adopts **3D**EXPERIENCE Platform

The automotive industry is now undergoing a major transformation.
OEMs are facing challenges of survival and sustainable growth.
TMC decided to adopt 3DEXPERIENCE POWER'BY to reinvent its traditional car development and drastically improve its productivity.

Business Values:

Car electrification, smart & connected cars, new competition, AI, consumer digitalization, IoT

Values:
- ▶ **Simultaneous** development by timely sharing latest data
- ▶ **Single version of truth** across R&D, design, production, sales, customer services, alliance companies & suppliers

Ambition:
- ▶ Global deployment including suppliers for more than **40,000 users** (deployment ramp-up 2019-2023)
- ▶ **Lead time reduction**
- ▶ **Business transformation** (digital engineering)
- ▶ **Seamless collaboration** with oversea sites, worldwide suppliers and business partners

Solution:

3DEXPERIENCE POWER'BY

L'Occitane Adopts **3D**EXPERIENCE

L'OCCITANE EN PROVENCE   Leading Health and Beauty Company

Business Values:

Laboratoires M&L, the **manufacturing division of L'Occitane Group**, needed to improve production planning flexibility to **deal with the fluctuations in natural raw materials** and to deliver its products **on time**

► **Optimizing global production and logistics operations** from raw material reception, weighing, production, packaging, and storage

► **Anticipating early**, issues that can adversely affect the quality and delivery of its products to market

► **Reducing the rate of non-quality** and **waste** by **50%**

Solution:

3DEXPERIENCE Platform with **Perfect Production** Industry Solution Experience leveraging **DELMIA Apriso** applications

CRDC Adopts **3D**EXPERIENCE

China Railway Design Corporation (SRDC) is China's leading railway design company

Business Values:

Increasing **large-scale railway projects win rate** in China and abroad

► Improving **collaboration** between **all multidisciplinary stakeholders**

► Increasing **design efficiency** and **consistency**

► "Before digital optimization, we would remove nearly the entire mountain body to build the retaining structure of the railway. But after digitally moving the location of the entrance, the **earthwork decreased drastically**"

Lin Su, senior engineer and group leader of CRDC's BIM R&D group

Solution:

3DEXPERIENCE Platform with multiple Industry Solution Experiences

3DS DASSAULT SYSTEMES

CO Architects — Adopts **3D**EXPERIENCE on the Cloud

CO Architects designs buildings that enrich the lives of people who use them.

Business Values:

From legacy software to **full 3DEXPERIENCE** from **Design** to **Construction**

► **Working seamlessly** in the **same ecosystem**

► Increasing **creative** and **collaborative** capabilities

► Delivering a model for **fabrication**

► Easily **sharing concepts with clients** thanks to **cloud based platform**

LOYOLA MARYMOUNT UNIVERSITY LIFE SCIENCES BUILDING

Solution:

3DEXPERIENCE Platform with **Design for Fabrication** and **Optimized Construction** Solution Experiences on the Cloud

3DS DASSAULT SYSTEMES

Pushing the Bounds for Healthcare in 21st Century

Dassault Systèmes and Medidata join forces to lead the digital transformation of Life Sciences in the age of precision medicine and patient-centric experience

Drug Development*
10 years

Cost Development**
$2.6bn

Success rate***
<10%

Underperformance****
50%

Patent Lifecycle: **20 years**

Patient Centric

Drug Development: **10 years**

Unique Integrated Business and Scientific Platform

Made to Cure
Accelerate market launch and maximize return on investment

Launched to Cure

Manufacturing

Commercialization

License to Cure
Accelerate therapeutic development, approval, manufacturing, and supply, in a global landscape

Research & Discovery

Clinical testing

Clinically Approved

Designed to Cure
Speed time to market with higher quality novel therapeutics

Preclinical development

ONE Lab
Optimize your laboratories and leverage knowledge to improve time to market

Dassault Systèmes

Medidata Solutions

IRBM Adopts **3D**EXPERIENCE

IRBM is Italy's largest independent partner research organization for drug discovery and preclinical development

Business Values:

Global solution from research to development
including lab informatics, cheminformatics, bioinformatics
lab process management, chemical and materials
inventory, lab execution, data analytics

► Improving **efficiency** and **speed**

► Reducing **costs** for research and development

► Improving **quality** and **compliance**

► Faster **task execution** & **standardization**

► Reducing **in-house software development**

Solution:

3DEXPERIENCE Platform with
One Lab Design to Cure
Industry Solution Experience

3DS *DASSAULT SYSTEMES*

GC Pharma Adopts **3D**EXPERIENCE

GC Pharma headquartered in South Korea; specializes in the development and commercialization of vaccines, protein therapies, and therapeutic antibodies for use in the fields of oncology and infectious disease

Business Values:

Optimizing resources from **research** to **manufacturing**: digitalized laboratory activities, time-line, experiment, lab notebook and resources. Integrating regulatory affairs activity with project information and electronic laboratory notebook

► Improving **efficiency** and **speed**

► Minimizing **time-to-market** on a fully digitalized R&D platform

► Improving **quality and compliance**

► Increasing **collaboration & digitalizing** throughout the organization for science and research

Solution:

3DEXPERIENCE Platform with **One Lab Design to Cure** Industry Solution Experience

Creating a net-positive impact for the planet

Environmental indicators

3DS carbon footprint
- 11.5 eqCO2t per employee

Energy efficiency
- Environmental certification for 24 sites
- Renewable energy for 11 sites

Resources and waste management

Responsible purchasing

FOOTPRINT

HANDPRINT

10.000

1

Impacting 11 industries worldwide

Transportation & Mobility

Aerospace & Defense

Marine & Offshore

Industrial Equipment

High Tech

Home & Lifestyle

Consumer Packaged Goods - Retail

Life Sciences

Energy & Materials

Constructions, Cities & Territories
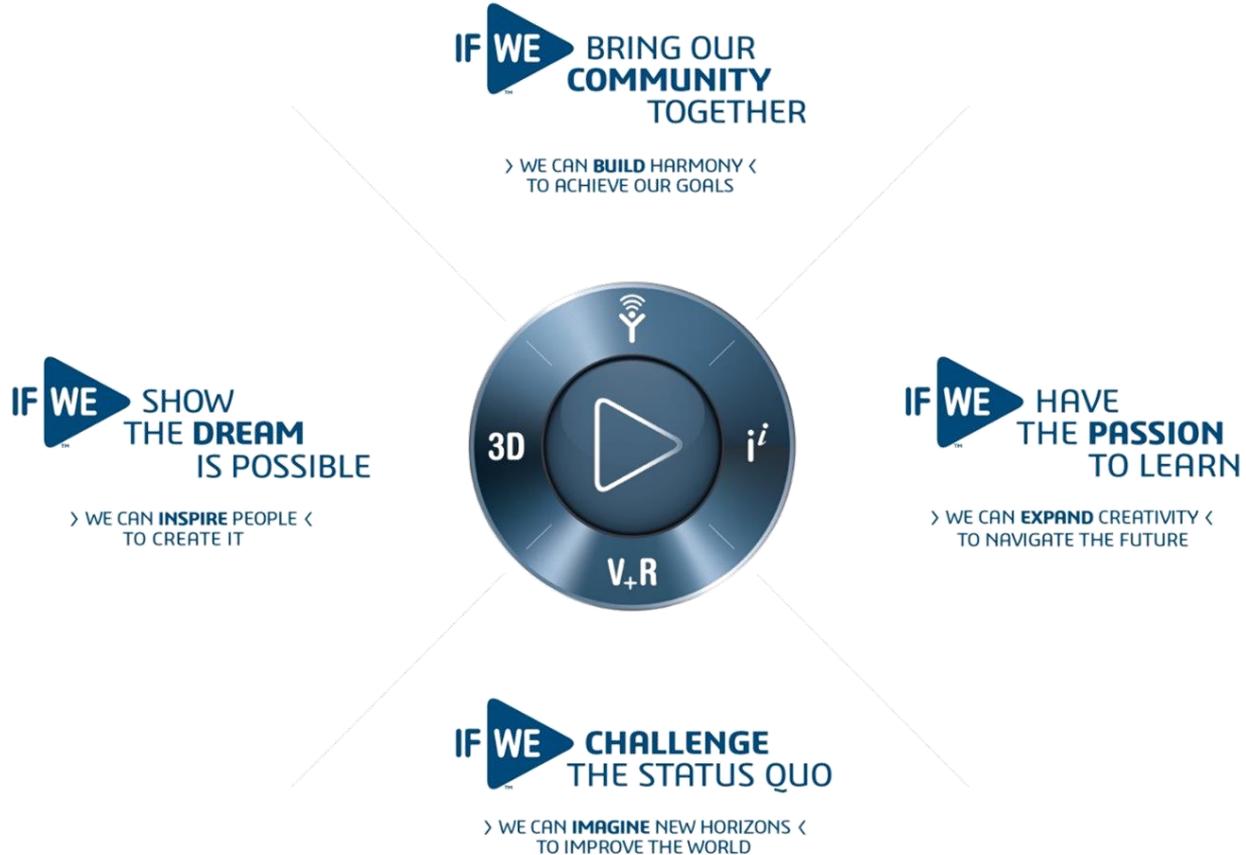
Business Services

"**Dassault Systèmes** can enable sectors such as the global automotive sector to **create handprints** which are on the order of **10,000 times greater** than its own **footprint**. Clearly, this is where its sustainability efforts should rightly be focused, for the good of humanity and the planet".

Cf. Study by Greg Norris, Harvard, SHINE initiative (link)
Handprints of Product Innovation: A Case Study of Computer-aided Design in the Automotive Sector

DASSAULT SYSTEMES

Our Values

IF WE BRING OUR **COMMUNITY** TOGETHER
> WE CAN **BUILD** HARMONY <
TO ACHIEVE OUR GOALS

IF WE SHOW THE **DREAM** IS POSSIBLE
> WE CAN **INSPIRE** PEOPLE <
TO CREATE IT

IF WE HAVE THE **PASSION** TO LEARN
> WE CAN **EXPAND** CREATIVITY <
TO NAVIGATE THE FUTURE

IF WE **CHALLENGE** THE STATUS QUO
> WE CAN **IMAGINE** NEW HORIZONS <
TO IMPROVE THE WORLD

3D   i^i   V+R

3DS DASSAULT SYSTEMES

Social Commitment - Diversity

Equal employment

- **Increased women employment rate**, currently at 28%, through enhanced attractivity in engineering industry
- Leadership development to **increase women's representation** amongst **managers** (currently at 17%)
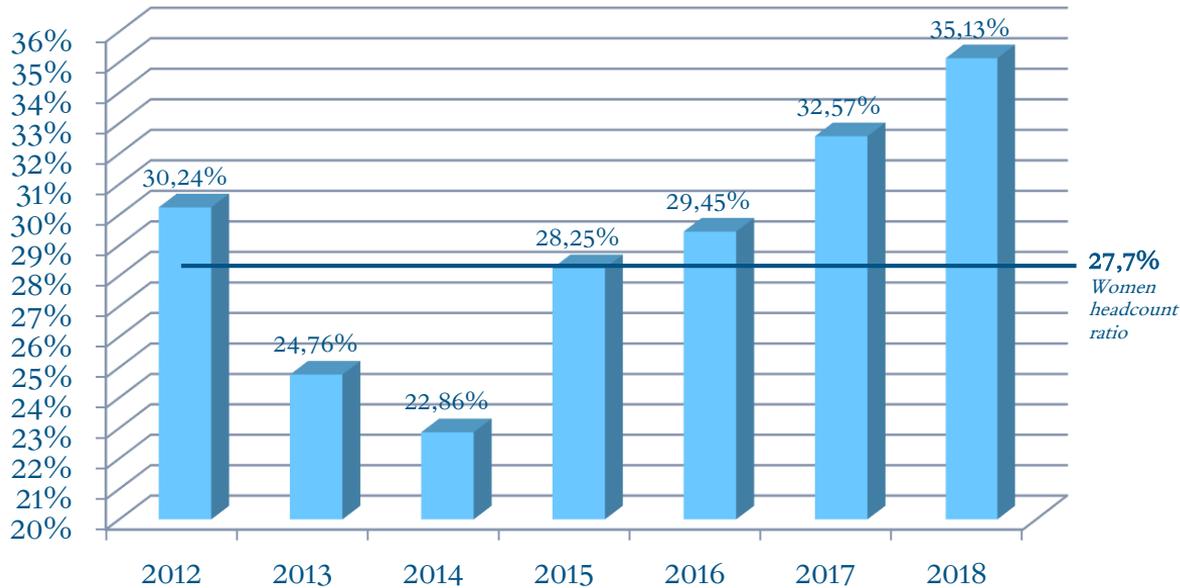
Equal pay

- In the French **equality index**, Dassault Systèmes is rated **86/100** in 2019
- The company abides by the **laws on equal pay** in each country where it operates.

Disability

- Dassault Systèmes is engaged **since 2004** in helping disabled find work in France
- 97 entities benefitting from such a scheme with a disabled employment rate of 2.82% in 2018
- Dassault Systèmes Disability Taskforce joint action to promote recycling

3DS DASSAULT SYSTEMES

2018 Gender Equity Data | Dassault Systèmes SE

Women Hiring Ratio*

Chart data — Women Hiring Ratio by year:
- 2012: 30,24%
- 2013: 24,76%
- 2014: 22,86%
- 2015: 28,25%
- 2016: 29,45%
- 2017: 32,57%
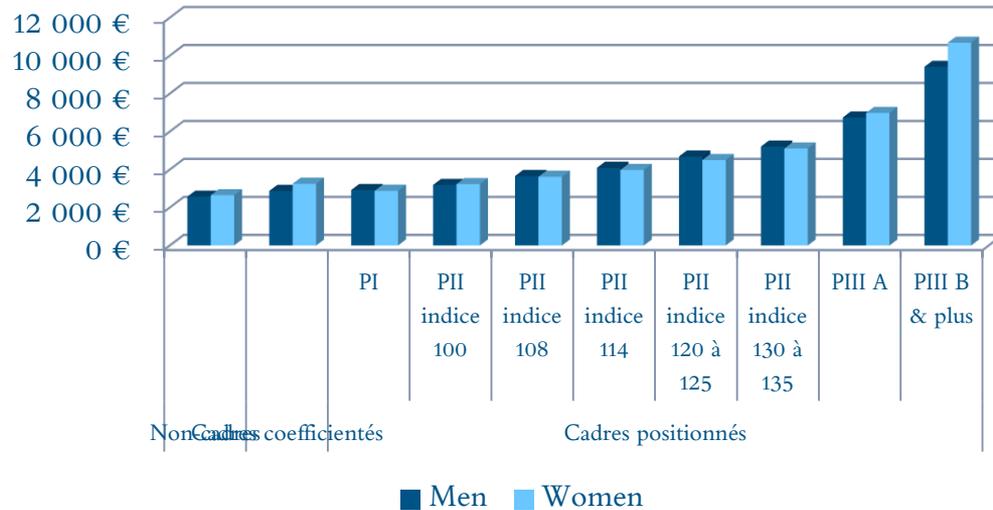- 2018: 35,13%

27,7%
Women headcount ratio

- ▶ WIN initiative at global and local level to promote gender diversity within Dassault Systèmes

- ▶ Very low feminization rate in the Engineer schools => actions on educational orientation aimed at developing the attractiveness of its roles, such as participation in the « ELLES BOUGENT » for the last three years

- ▶ Broad range of measures aiming at facilitating work life balance

Source : Dassault Systèmes SE – 2013 to 2018 Gender equity data

* Permanent contracts (including integrations)

2018 Gender Equity Data | Dassault Systèmes SE

Monthly global compensation without "CFC*"

Categories (x-axis): PI, PII indice 100, PII indice 108, PII indice 114, PII indice 120 à 125, PII indice 130 à 135, PIII A, PIII B & plus

Non cadres — Cadres coefficientés — Cadres positionnés

Legend: Men, Women

Women (permanent contracts) by professional category

13%, 2%, 11%, 9%, 66%

Legend: Employees, "Cadres coefficientés", PI, PII, PIII

Men (permanent contracts) by professional category

1%, 1%, 7%, 25%, 66%

Legend: Employees, "Cadres coefficientés", PI, PII

Source : Dassault Systèmes SE – 2018 Gender equity data
* CFC : Congé de Fin de Carrière (« voluntary early retirement plan »)

3DS DASSAULT SYSTEMES

Social Commitment – Work Environment

Well-being at work

- Work life environment with regular **assessment** of our campuses (LEED certified in the USA, HQE certified in France)
- Yearly **GPTW satisfaction survey** since 2009
- Updated **travel** security policy for employees
- Competitive **health coverage**
- Absenteeism stood at 1.9% in 2018 vs 3.6% nationwide between 2017-2018 (Gras Savoye Willis Towers Watson 2019 analysis)

Skill development

- In-house **certification programmes**: over 17,000 certifications delivered since 2014
- **Internal mobility**: in 2018, 32% of available positions requiring 3+ years of experience were filled by existing employees

Employee engagement

- **On-boarding** programme for new hires, including **corporate purpose and culture** training
- **Leadership**: People Manager **certificate** and Development Plan to improve leadership and **mentoring** programme
- **Innovation Forwards** to encourage and acknowledge employees' innovation skills

3DS DASSAULT SYSTEMES

A community of passionate people

▶ 19,000+ people, about 7,000+ R&D people

▶ 94% of our employees are under permanent contracts and recruited locally

▶ 28% of women employees (similar to percentage in engineering universities)

▶ INNOVATION Forwards (300+ projects, 2,000+ employees)

▶ Average turnover <8%

▶ Leveraging internal talents to hire new talents

▷ Cooptation for 14.5% of candidates in 2018

▷ Targeting 20% of recruitments by referral in 2021

High Governance Standards

Current structure

- Chairman of the Board and CEO functions **dissociated** since 2002
- 10 elected Directors, **5 independent, 5 women:** 50% (higher standard than French law requirement of 40%)
- 8 Board meetings in 2018 - participation rate: 98 %
- 3 Committees (Audit, Compensation and selection, scientific), composed of 100% independent board members
- European company

Compliance and LT views

- Overall higher standards than AFEP-MEDEF code
- Careful follow-up of proxy advisors recommendation trends
- Board designed to ensure diversity and high qualification
- Succession plan for Chairman and CEO reviewed annually

DS DASSAULT SYSTEMES

Governance – Competent and Active Independent Directors

Experienced & Committed

▶ Board attendance rate: 98%; Compensation and Selection Committee: 94%, Audit and Scientific Committees: 100% attendance rate

▶ Prior or current Board memberships held in other companies

Skilled Independent Directors

2 Directors from **Finance & Capital Markets** industry: finance, accounting, FP&A

1 Director from the **Automotive** industry: purchasing, engineering

1 Director from the **Technology** industry: new technologies, big data analytics

1 Director from the **Infrastructure** industry: design & architecture, urbanism

International

5 French

1 Indian

1 Japanese

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Dassault Systèmes Cyber Security

Best practices

▶ Dassault Systèmes adheres to a **set of industrial best practices** to ensure that single points of failure are eliminated

▶ These best practices are based on **several standards**, including ISO 2700x, NIST, CoBit and ISF, applied to all 3DS entities and reviewed on a regular basis

▶ Dassault Systèmes' cloud is HDS and ANSSI SecNum

Tests

▶ Products and platforms **are routinely tested for security deficiencies** and for architectural alignment to the industrial security norms above.

▶ The tests are aligned with the product development lifecycle and make use of specialized application **security experts**. Results are shared, remediation is tracked and overall status and progress presented to executive management

3DS DASSAULT SYSTEMES

La Fondation

DASSAULT SYSTEMES
— La Fondation —

IF WE SHOW THE DREAM IS POSSIBLE
> WE CAN INSPIRE PEOPLE <
TO CREATE IT

Supporting projects around 3 domains

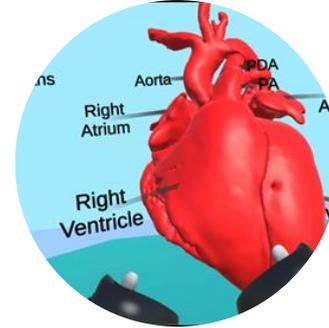Education
Research
Cultural Heritage

Transform the way we learn
Transform the way we discover
Transform the way we preserve

Discovering the « big void » in Cheops pyramid
Article published by Nature, december 2017

« Coursencours »
Car-design competition for children

3D Cardiovascular Research and Education project with University College London and Great Ormond Street Hospital

Ocean Explorers project launched 8 June 2019 to raise awareness on sustainable development via 3D educational pathways

DASSAULT SYSTEMES