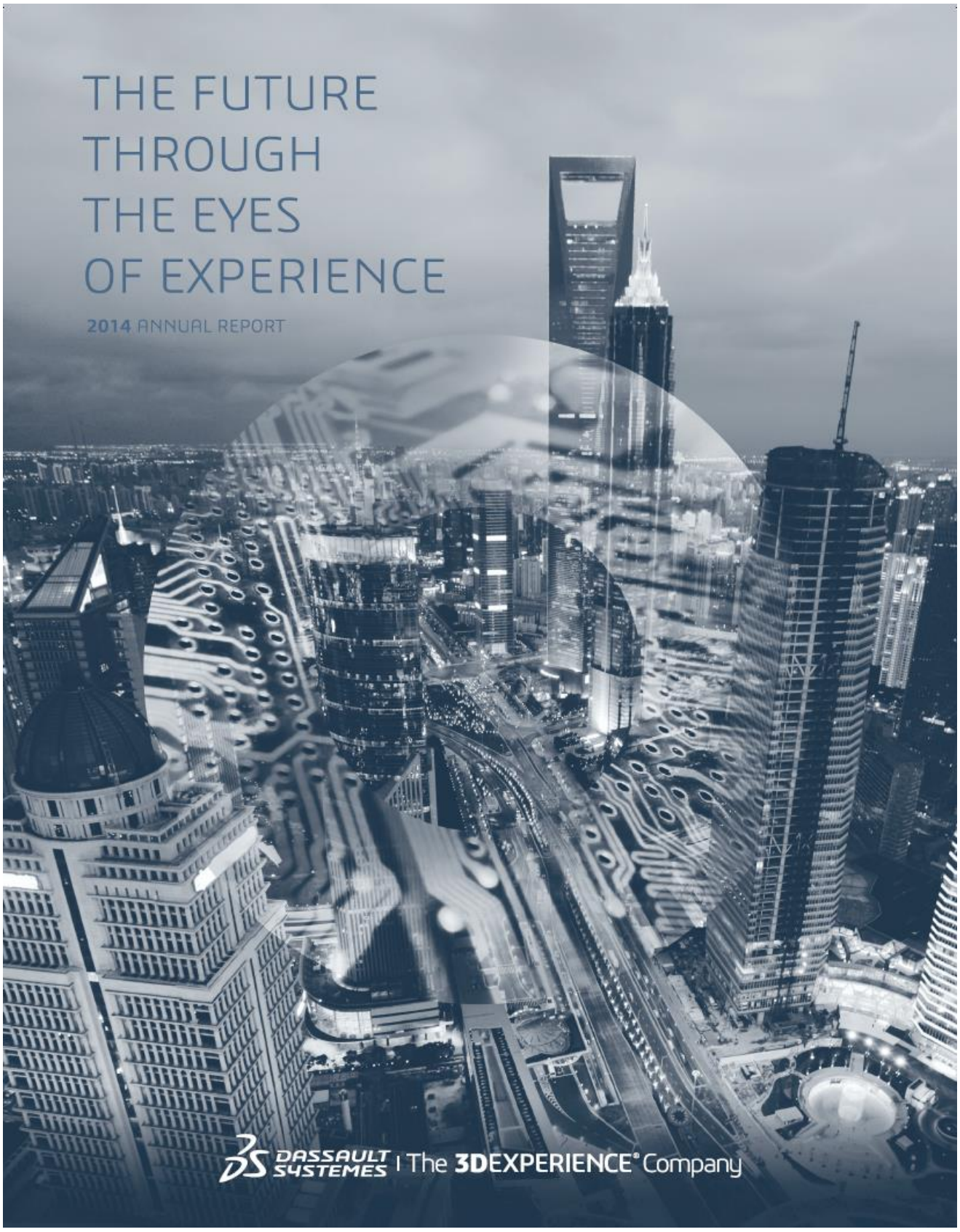
THE FUTURE
THROUGH
THE EYES
OF EXPERIENCE
2014 ANNUAL REPORT
DASSAULT SYSTEMES | The 3DEXPERIENCE® Company

ANNUAL REPORT 2014

ANNUAL FINANCIAL REPORT

This document is an English-language translation of Dassault Systèmes' *Document de référence* (Annual Report), which was filed with the AMF (French Financial Markets Authority) on March 24, 2015, in accordance with Articles 212-13 of the AMF General Regulation.

Only the French version of the *Document de référence* is legally binding.

2

SOCIAL, SOCIETAL AND ENVIRONMENTAL **RESPONSIBILITY**

Dassault Systèmes, the **3D**EXPERIENCE Company, constantly strives to provide business and people with **3D**EXPERIENCE universes to imagine sustainable innovations capable of harmonizing product, nature and life.

Social, societal and environmental engagement has always been at the heart of the Group's strategy by the very nature of the solutions developed and beneficial effects. Indeed, virtual universes make it possible to address business challenges such as process security, environmental impact, production chain ergonomics, and more.

Given its activity as a software editor, the Group's goals are to attract diversified talents around the world, to contribute to the development of scientific profiles and to enable sustainable innovation for customers.

This strategy has enabled Dassault Systèmes to be recognized in various rankings of sustainable development such as the *Global 100 Index, FTSE4Good, ECPI* and the *Carbon Disclosure Project*.

brands are involved in local community efforts.

Finally, the Company spearheaded an initiative to provide support for education and economic development in Rwanda. The project's initial objective was to provide students with CAD program skills, with SOLIDWORKS contributing the licenses and teaching programs. The program has evolved into helping participants structure and manage businesses providing modeling services, and subsequently into creating demand for such services.

2.2 Environmental Responsibility

Dassault Systèmes' environmental responsibility is characterized by the indirect positive and negative impacts of the use of its software by its customers, and by its direct negative impact of its activities on the environment (see paragraph 1.4.1.1 "Summary"):

- Dassault Systèmes' software solutions allow its customers to reduce the environmental impact of their products from the design stage. They can help reduce the consumption of raw materials through digital modeling, optimize energy consumption and working processes and manage the compliance of products with environmental standards. This is the potentially positive impact of Dassault Systèmes' products on the environment;
- the use of the Group's software by its customers generates indirect energy consumption for Dassault Systèmes. This consumption is the potentially indirect negative impact of Dassault Systèmes' products on the environment;
- all of Dassault Systèmes' operations are located in offices (see paragraph 1.2.3 "Facilities Strategy") and in data centers. For its activities, the Group uses computer hardware and employees are required to travel regularly to the Group's sites, and to visit customers and partners. The Group's environmental impact is therefore mainly generated by the energy consumption of its buildings and data centers; the greenhouse gas emissions produced by employee travel; and the electrical and electronic waste generated by computer-based activities. These three indicators are "primary" for Dassault Systèmes. Other indicators are monitored by the Group but with less criticality in relation to the activity carried out (see paragraph 2.2.2.3 "Dassault Systèmes and environmental management – Environmental Management").

In the light of these various contributions, Dassault Systèmes is working on the development of a model to define its overall net positive impact on the environment.

2.2.1 Industrial and Environmental Risk

The Group is not aware of any industrial or environmental risks which may have a significant impact on its financial condition or operating results, and it believes that its business has a very limited environmental impact:

- a significant portion of its assets are intangible, which reduces industrial and environmental risk;
- none of the Company's sites produces dangerous waste or waste with an environmental impact on the ground, air or water, and none of them meets criteria set forth under the European SEVESO directive regarding sites at risk due to dangerous substances, or is classified under ICPE (Classified Installation for the Protection of the Environment or *installations classées – et présentant des risques – pour la protection de l'environnement*);
- the Company does not believe that it is directly exposed to climate change issues in the short or medium-term;
- Dassault Systèmes' business does not have any known negative impact on biodiversity, nor does it create noise or odors which may create a nuisance locally. In addition, the Company is not involved with soil usage matters.

The only aspect for which the Group believes there exists a minor environmental risk, which would not have a significant impact on its financial condition or results of operations, is the fuel storage at the 3DS Paris Campus and the 3DS Boston Campus, which would be used to produce electricity in case of an electrical shortage.

Based on the Company's limited industrial and environmental risks, costs resulting from evaluating, preventing and treating industrial and environmental risks are not significant and are included under different line items representing investments and expenses in the consolidated financial statements.

In 2014, no provisions or guaranties for environmental risks were recorded in the Group's consolidated financial statements. In addition, no expense was recognized in the financial statements related to a court judgment regarding environmental issues or actions taken to remediate any environmental damage.

To anticipate any regulatory risks related to environmental matters, Dassault Systèmes' legal department and Public Affairs and Sustainable Development department closely follow environmental regulations which may have an effect on its business.

2.2.2 Environmental Report

Despite the limited direct environmental impact of its business relative to its operations, Dassault Systèmes is aware of its responsibility for protecting the environment. It has made sustainable development central to its objectives, with a strategy based on sustainable innovation, and has implemented a strategy for optimizing and transforming its activities to reduce its environmental impact.

2.2.2.1 3D*EXPERIENCE Platform for Sustainability:* Apps and Solutions for sustainable development

Companies today face a series of challenges that are both technological and ecological. Dassault Systèmes **3D**EXPERIENCE platform helps its customers achieve their combined sustainability and business goals through a portfolio of sustainability Applications enriching several of its Industry Solutions Experiences, based on:

3D Modeling Technologies

The Company's portfolio of modeling technologies makes it possible to create scientifically accurate representations of the environmental impacts of product. These technologies also offer techniques to reduce these impacts, such as eco-design for predictive environmental assessment and virtual prototyping, which improve the carbon footprint, energy consumption, human health impacts, and overall sustainability of products and systems. For example, SOLIDWORKS Sustainability features an integrated Life Cycle Assessment (LCA) dashboard that estimates the environmental implications of each design decision using several environmental indicators. ASSA ABLOY, the global leader in door-opening solutions, used SOLIDWORKS Sustainability to reduce product environmental impact and material usage while cutting their product material and energy costs by 15%.

Virtual+Real Technologies

Technologies that enable real-time realistic simulation can help optimize the physical world in virtual universes, leading to reduced environmental impacts. For complex products, the Company's simulation technologies aid in performance testing and light weighting that allows engineers to verify functionality and integrity while optimizing material usage. Factory and production systems can be executed with minimal material and energy expenditure to enable "green" manufacturing. Ultimately, end consumer usage can be simulated to examine and reduce environmental impacts across the entire life cycle. For example, packaging designer Amcor used SIMULIA to simulate complex design interactions, resulting in a 27% reduction of carbon footprint and plastic resin usage while maintaining product integrity.

Intelligent Information Technologies

The searching, sorting, filtering, navigating, real-time analysis and understanding of large amounts of environmental data is central to the achievement of sustainable innovation. With the scope of data requirements expanded from the enterprise to the entire value chain, so-called *extended producer responsibility* demands both sophisticated and scalable access to these big data, allowing information intelligence applications that can dashboard environmental impacts across the extended enterprise. For example, the EXALEAD search-based infrastructure enables the management of structured and unstructured environmental data, providing decision support to execute corporate sustainability and impact-reduction strategies. Central to the success of these sustainability strategies is social listening: NETVIBES enables customers to gauge public sentiment about sustainability trends and campaigns.

Connectivity Technologies

Connecting data and people by breaking down silos in organizations is key to achieving sustainability strategies. Connectivity technologies allow companies to build internal and external communities to manage sustainability efficiently. They also make it possible to connect product data with governmental data to proactively manage adherence to government and industry environmental regulations and standards, such as the Restriction of Hazardous Substances (RoHS) directive and the management of conflict minerals. Dassault Systèmes' solution for environmental compliance and materials intelligence help maintain a proactive risk minimization strategy, and make it possible to engage the people and communities that are critical to the success of sustainability strategies. For example, Agilent Technologies, a leader in test and measurement systems in electronics and bio-analytic instruments, uses ENOVIA Materials Compliance Management (MCM), an automated, enterprise-wide materials compliance data tracking system, to demonstrate compliance with stringent environmental regulations for more than 1,800 products and 160,000 parts from more than 7,000 suppliers.

Dassault Systèmes is a forerunner in creating **3D**EXPERIENCE for sustainable innovation to help customers achieve a positive environmental impact on the planet and grow their businesses sustainably. Our **3D**EXPERIENCE platform lets innovators truly understand the impact of their ideas and processes on people and the environment, to realize the vision of a more sustainable world.

2.2.2.2 Industry Collaborations on sustainability

In addition to aiding its customers directly, the Company engages in several industry collaborations in order to leverage its expertise and leadership for the furthering of sustainable collaboration:

- **International Aerospace Environmental Group (IAEG™).** The IAEG™ is a self-governed trade association that represents most of the global commercial aerospace industry, such as Boeing and Airbus, as well as the global defense aerospace industry, such as Lockheed Martin, Northrop Grumman and Safran group. Dassault Systèmes is working with the IAEG™ to aid in the development of chemical material declaration and reporting systems, supplier sustainability surveys, and the aerospace sector's official guidance for the measurement of greenhouse gases (GHGs) under the World Resources Institute's GHG Protocol;
- **Sustainable Apparel Coalition (SAC).** The SAC is a trade organization comprised of brands, retailers, manufacturers, government, and non-governmental organizations and academic experts, representing more than a third of the global apparel and footwear market, and is working to reduce the environmental and social impacts of apparel and footwear products around the world. Dassault Systèmes is engaged with the SAC to provide its leadership in life cycle assessment (LCA)-based design and footprinting methodologies, and to advise and assist its customers in challenges involved with a proactive adoption of the SAC's Higg Index, a suite of assessment tools that standardizes the measurement of the environmental and social impacts of apparel and footwear products across the product lifecycle and throughout the value chain;
- **Sustainability and Health Initiative for NetPositive Enteprise (SHINE).** SHINE consists of a consortium of sustainability-focused companies, including Owens Corning, Eaton Corporation, Abbott Laboratories, Johnson & Johnson and Dassault Systèmes, and is led by the Center for Health and the Global Environment, part of the School of Public Health at Harvard. The goal of SHINE is to revolutionize corporate sustainability strategy by managing Handprints, or positive impacts, in addition to Footprints (negative impacts), the comparison of which determines if an enterprise can be called Net Positive. Dassault Systèmes is contributing significant support and thought leadership to aid in the development of a new accounting standard and management methodology for environmental Handprinting.

2.2.2.3 Dassault Systèmes and environmental management

Environmental Management

The Public Affairs and Sustainable Development department is responsible for environmental reporting, determining how to reduce the Company's environmental impact, and creating awareness among employees regarding the importance of sustainable development.

Dassault Systèmes has formed an international team to strengthen the steps taken to reduce the Company's environmental impact. A "Sustainability Leader" in each geographical region is responsible for ensuring the collection of environmental data, the review of environmental matters in his/her region, the follow up on environmental indicators, and, for the Group's principal sites, the creation of a local environmental management system. Each Sustainability Leader is supported by a "Green Team" made up of volunteers at each site. The Green Team supports actions for reducing the site's environmental impact.

The Group carried out a project to analyze the material nature of its indicators, focusing, in particular, on the key "primary" indicators related to its activity. The Dassault Systèmes primary indicators are: electricity consumption, greenhouse gas emissions and waste electronic and electrical equipment. The remaining indicators are deemed "secondary" and relate to paper consumption, water consumption and general waste. (See paragraph 2.2.2.4 "Methodology for Environmental Reporting").

Employees invested in the Group's environmental strategy

Dassault Systèmes pursues an ongoing policy of employee awareness by involving them in steps taken to save water and energy through presentations on environmentally-friendly gestures and technologies that can reduce the environmental impact of the Company's activities.

In 2014, the process was enhanced across all geographical regions with the implementation of local initiatives to raise employee awareness of environmentally-friendly gestures. For example, on the 3DS Boston Campus, the North American Green Team organized the Spring Green Week. During this event, employees were taught about energy efficiency and the recycling of electrical and electronic waste. On the Providence site and the 3DS Boston Campus, the employees were also made aware of the impact of transport, and have been encouraged to ride their bike to work.

The communication week dedicated to sustainable development was renewed in 2014 on the 3DS Paris Campus, with the theme of *Consommer autrement…oui mais comment?* (Consuming differently...yes, but how?) in collaboration with the Public Affairs and Sustainable Development department and the Consumer Packaged Goods & Retail team; during this week, employees were invited to participate in the "Perfect Shelf" experimental solution, an application developed by Dassault Systèmes, and were made aware of the importance of sustainable consumption with a 3D representation of a virtual supermarket shelf. The objective of the experience was to put forth the so-called "sustainable" products on the shelves and to guide the choice of consumers to such products.

Finally, in November 2014, in recognition of Disability Week and for a one-month period, a *Collecte Solidaire – Agissons Ensemble* (Giving for Others – Let's Act Together) event was jointly organized on the 3DS Paris Campus by the Dassault Systèmes SA *Mission Handicap* (Disability Task Force) and the Public Affairs and Sustainable Development department. Employees were asked to bring their obsolete electrical and electronic equipment and appliances no longer in working order. The collected equipment was sent for recycling by a company in the protected worker sector in the French department of Les Yvelines and 860 kg of equipment was recycled by disabled employees.

2.2.2.4 Company Environmental Indicators

The Group published two categories of indicators: “primary” indicators, which are directly linked to the Group’s business and “secondary” indicators (see paragraph 2.2.2.5 “Methodology for Environmental Reporting”).

Data presented in the environmental report covers Dassault Systèmes SA and all companies in respect of which it has a shareholding exceeding 50%. Data from companies acquired during 2014 and from sites with fewer than 35 employees is excluded. See paragraph 2.2.2.5 “Methodology for Environmental Reporting”.

Energy consumption

Consideration of environmental matters in the Company’s operational locations

Dassault Systèmes’ desire to limit its environmental impact is reflected through its decisions regarding its operational locations.

Since 2008, the Group has implemented a policy of setting up its activities in offices certified by the local environmental standard. In 2014, 57% of employees worked in offices certified by standards such as *Haute Qualité Environnementale* (High Environmental Quality) in France and LEED in the United States, or sites which applied an environmental management system such as ISO 14001. These certifications allow the Company to use environmentally-friendly buildings.

Environmental performance is one of the criteria used to select and fit new buildings.

Dassault Systèmes’ world headquarters located at the 3DS Paris Campus in Vélizy-Villacoublay (France) are certified as NF Service Sector Buildings – HQE under the HQE (High Environmental Quality) system. To the extent possible, Dassault Systèmes seeks to work with companies that are, or are in the process of becoming, ISO 9001 and 14001 certified. The Company has put in place real-time monitoring of the results of operational incidents and building maintenance with the assistance of ISO 9001 certified companies.

The exterior of the 3DS Boston Campus is certified LEED Gold, and in 2014 the campus received LEED Platinum certification for its interior. LEED is an American certification awarded to buildings designed with the goal of optimizing environmental performance. To optimize its energy consumption, the 3DS Boston Campus is equipped with condensation heaters, high-yield air conditioning, and daylight sensors.

In 2014, the employees at the Krakow site in Poland and the personnel working at the Providence facility in the United States moved into LEED Gold certified buildings. Just like the 3DS Boston Campus, these buildings are equipped with energy and water saving technology and they also favor the penetration of natural light.

In the rest of the world, the buildings in Singapore, Shanghai (China), Pune (India), Montreal (Canada) and Stuttgart (Germany) are certified according to local environmental standards.

Energy

The information below concerns electricity and natural gas consumption on Dassault Systèmes sites and in its data centers. Natural gas consumption represents 6% of total energy consumption. The Company does not use renewable energy on its sites but has included in certain of its energy contracts, for example at the Stuttgart and Munich sites in Germany, the purchase of electricity produced by renewable resources.

Electricity consumption (in mWh)	**2014**	2013
Europe	31,380	32,600
of which 3DS Paris Campus	21,000	22,000
Americas	21,260	22,130
Asia	2,000	2,980
TOTAL	**54,640***	**57,710***

* Indicator verified by the independent verifier.

Electricity consumption of the 3DS Paris Campus fell by 5% between 2013 and 2014. This reduction is mainly due to favorable weather during the whole of 2014.

In all regions, electricity consumption decreased between 2013 and 2014 on a like-for-like basis, despite the increase in the Group’s activities. This energy efficiency is mainly due to favorable weather, moves into environmentally-friendly buildings and heightened employee awareness on environmentally-friendly gestures.

Dassault Systèmes has located part of its servers at several data centers throughout the world. Energy consumption in these centers is included in the total electricity consumption above. In 2010, the Group launched a process to virtualize its servers. The “virtualization” of servers leads to better use of material, savings in space at the data center and a reduction in power consumed by the infrastructure, and thus a reduction in greenhouse gas emissions. The percentage of virtual servers in the world was estimated at 48% for 2012 according to a study conducted by Gartner. Dassault Systèmes is far ahead in this area with more than 80% of the servers at its principal data center already virtualized.

Greenhouse Gas Emissions

Group transportation optimization policy

Since the Company's business is publishing software, transportation is the principal source of its greenhouse gas emissions.

Dassault Systèmes' travel policy limits the impact of travel on the environment. Under this policy, employees are encouraged to schedule meetings by conference call and video conference rather than by physical travel, use train travel rather than air travel for trips under three hours in length, and use economy class for air travel (the carbon footprint of business class being substantially greater than for economy class).

Greenhouse gas emissions

To analyze its carbon footprint on a global basis, Dassault Systèmes uses the "GHG Protocol" (Greenhouse Gas Protocol). This method of evaluation of greenhouse gas effects was launched in 2001 by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

The GHG Protocol divides the operational perimeter of greenhouse gas emissions as follows:

- *Scope 1:* direct emissions resulting from the combustion of fossil fuels from resources owned or controlled by the enterprise;
- *Scope 2:* indirect emissions resulting from the purchase or production of electricity;
- *Scope 3:* all other indirect emissions, from the extended supply chain to transport of goods and persons.

	2014 Metric Tons CO_2 emissions	2013 Metric Tons CO_2 emissions
SCOPE 1		
Emissions due to on-site natural gas and fuel consumption	**670**	**670**
Total emissions due to the use of company vehicles	**2,340**	**2,100**
Emissions due to the use of company vehicles in Europe	2,100	1,900
Emissions due to the use of company vehicles in the Americas	–	–
Emissions due to the use of company vehicles in Asia	240	200
Emissions due to the use of refrigerants	**870**	**535**
TOTAL SCOPE 1	**3,880**	**3,305**
SCOPE 2		
Total emissions due to purchases of electricity	**10,090**	**11,190**
Emissions due to purchases of electricity in Europe	3,230	3,550
Emissions due to purchases of electricity in the Americas	5,655	6,000
Emissions due to purchases of electricity in Asia	1,205	1,640
TOTAL SCOPE 2	**10,090**	**11,190**
SCOPE 3		
Total emissions due to employee business air travel	**21,870**	**18,965**
Emissions due to employee business air travel in Europe	8,020	7,920
Emissions due to employee business air travel in the Americas	9,210	7,595
Emissions due to employee business air travel in Asia	4,640	3,450
Total emissions due to employee business travel by train	**1,446**	**1,570**
Emissions due to employee travel by train in Europe	235	217
Emissions due to employee travel by train in the Americas	1	3
Emissions due to employee travel by train in Asia	1,210	1,350
Total emissions due to employee travel by personal car in connection with work	**2,045**	**1,905**
Emissions due to employee travel using their personal vehicles in Europe	525	525
Emissions due to employee travel using their personal vehicles in the Americas	1,040	945
Emissions due to employee travel using their personal vehicles in Asia	480	435
TOTAL SCOPE 3	**25,361**	**22,440**
TOTAL GREENHOUSE GAS EMISSIONS (SCOPES 1 + 2 + 3)	**39,331***	**36,935***

* Indicator verified by the independent verifier.

Greenhouse gas emissions grew by 6% between 2013 and 2014 mainly driven by the increase in the Group's activities leading to business travel growth.

In terms of carbon intensity by employee, greenhouse gas emissions decreased to 5.20 tCO_2 per employee in 2014 compared to 5.30 tCO_2 per employee in 2013. This reduction can be explained by favorable weather during the whole of 2014 and by initiatives implemented by the Sustainability Leaders and Green Teams in each region.

Specific waste treatment

Environmental considerations of the Company's computer equipment management policy

Dassault Systèmes places significant importance on managing its computer equipment both in terms of usage and recycling. The Company's computer equipment includes desktop computers, laptop computers and the servers of its data center and has received the "Energy Star" certificate. When buying new material, the Company gives preference to internationally recognized environmental certificates such as "Energy Star" and "TCO".

Specific waste

	2014	2013
% of specific waste recycled according to environmental standards	**100**	**100**
Quantity of WEEE (1) recycled according to environmental standards (in kg)		
Europe	9,420	13,700
of which 3DS Paris Campus	8,325	13,140
Americas	3,020	4,350
Asia	510	2,100
TOTAL	**12,950***	**20,150***

* Indicator verified by the independent verifier.

(1) WEEE: Waste Electronic and Electrical Equipment.

In 2013 and 2014, all WEEE were recycled according to environmental standards.

Water consumption

Water consumption (in cubic meters)	**2014**	2013
Europe	29,980	26,000
of which 3DS Paris Campus	20,624	20,000
Americas	31,910	30,000
Asia	4,870	4,970
TOTAL	**66,760**	**60,970**

The data related to water consumption presented above is mainly based on estimates and as such may differ from actual water consumption (see paragraph 2.2.2.5 "Methodology for Environmental Reporting – Limitations on environmental reporting").

Paper and packaging

Paper consumption (in metric tons)	**2014**	2013
Europe	28	34
of which 3DS Paris Campus	18	22
Americas	13	15
Asia	8	8
TOTAL SHARES	**49**	**57**

On the 3DS Paris Campus, total paper consumption amounted to 18 metric tons in 2014 compared with 22 metric tons in 2013. On a per-employee basis, this consumption fell from 9.8 kg in 2013 to 7.8 kg per employee in 2014, representing a 20% decrease. This decrease was mainly due to the ongoing digitalization of data at the 3DS Paris Campus and the efficient management of paper consumption by employees.

On the 3DS Paris Campus, the paper used is "FSC certified", an eco-label which ensures sustainable forest management. At a global level, 95% of employees use paper that is recycled or "FSC" or "PEFC" certified, compared to 93% in 2013.

Packaging at Dassault Systèmes consists principally of packaging for the Company's software products. The supplier responsible for packaging complies with "REACH" ("Registration, Evaluation, Authorization and Restriction of Chemicals"), and received the "Imprim'Vert" label for its printing facility, (which certifies, among other things, that no toxic products are used and that waste is sorted for recycling). The supplier's packaging is 100% recyclable and biodegradable.

General waste treatment

In light of the nature of its business, Dassault Systèmes generates primarily ordinary waste such as paper, cardboard and plastic.

The table -below indicates the percentage of employees with access to recycling facilities by geographic region:

Percentage of employees with access to recycling facilities at their work location	**2014**	2013
Europe	89%	94%
of which 3DS Paris Campus	100%	100%
Americas	100%	98%
Asia	100%	87%
% OF EMPLOYEES WITH ACCESS TO RECYCLING FACILITIES AT THEIR WORK LOCATION	**94%**	**95%**

The Cracow site in Poland, integrated into the environmental reporting scope in 2014, does not carry out recycling.

The waste treatment service provider of the 3DS Paris Campus was unable to communicate any actionable intelligence related to the waste quantity recycled on site in 2014. Various options are currently under discussion to solve the problem.

2.2.2.5 Methodology for Environmental Reporting

Methodology and scope of environmental reporting

The Dassault Systèmes Methodology for Environmental Reporting is summarized in the "Environmental reporting protocol". The protocol defines:

- the distinction between primary environmental indicators and secondary indicators;
- the methodology for collecting and consolidating environmental information;
- the scope for collecting environmental data.

In application of the provisions of Article 225 of the law referred to as "*Grenelle II",* the environmental reporting target scope includes Dassault Systèmes SA and all the companies in respect of which it has a shareholding exceeding 50%. It should be noted that companies acquired during the period (primarily Accelrys, Quintiq and RTT), which represent approximately 20% of employee headcount as of December 31, 2014 and which will not be integrated until 2015 (after a complete operating year), are excluded from the 2014 environmental reporting scope.

The environmental reporting scope currently comprises all the sites with over 35 employees, or 86% of the target scope described above, compared to 85% in 2013.

Environmental indicators determined using this methodology for 2014 are presented in paragraph 2.2.2.4 "Company Environmental Indicators".

The Company's environmental reporting may evolve as part of the ongoing process of improvement undertaken by the Company, or to take changes in applicable regulations into account.

Collecting and consolidating environmental data

Environmental data was collected by the Sustainability Leaders and consolidated by the Public Affairs and Sustainable Development department, based on the reporting protocol. For selected questions, such as business travel and data concerning electronic waste, external service providers were also consulted.

To simplify the consolidation of environmental data, a dedicated software application was rolled out. This new solution facilitates the structuring and standardization of environmental data (regarding all parameters but scope 3 data related to greenhouse gas emissions), like-for-like comparisons and an increase in the frequency of information collection from annual to quarterly. The deployment of this application was finalized in 2014 and has strengthened the management of environmental performance on a global scale.

Primary indicators are collected on a quarterly basis by the Sustainability Leaders and are reviewed and published in a quarterly report issued by the Public Affairs and Sustainable Development department. These indicators are presented in detail in this report. They are also checked by the independent verifier and are subject to limited assurance.

Secondary indicators are collected on a half-yearly basis by the Sustainability Leaders and variances are reviewed by the Public Affairs and Sustainable Development department.

Limitations on environmental reporting

In certain cases, information cannot be provided on the bases of actual consumption *e.g.* for the sites with service charges related to water consumption and recharging the refrigerant to use the air-conditioning system are included in the lease and, for some foreign subsidiaries representing a small contribution in the ratio, and for which the data related to travel is not available on the basis of the same format as the rest of the scope. In these cases, the Environmental Reporting Protocol specifies the procedure to follow in order to make the estimations required (*e.g.* an estimation of water and energy consumption is made on the basis of the averages recorded on the other sites in the geographic area based on the number of employees or square meters taken up). As a result, actual consumption may be different from estimates.

Regarding waste treatment, waste treatment and collection are handled for most subsidiaries by local government, which does not furnish any information on collected waste. It is therefore not possible to provide any information on the amount of waste generated. Dassault Systèmes has nevertheless inquired of all subsidiaries included in the 2014 reporting scope as to whether recycling was put in place. Consequently, the Group produces information on the percentage of sites adopting waste recycling rather than on the quantity of waste treated (see paragraph 2.2.2.4 “Company Environmental Indicators – Specific waste treatment”).

2.2.2.6 NRE correspondence table

Article R. 225-105-1 of the French Commercial Code	Paragraphs	Page
General policy on environmental issues		
Organizing the Company to take into account environmental issues. If need be, environmental assessment or certification processes	2.2.2.3	xx
Employee training and information actions regarding environmental protection	2.2.2.3	xx
Resources devoted to the prevention of environmental risks and pollution	2.2.1	xx
Amount of provisions and guarantees for environmental risks	2.2.1	xx
Pollution and waste management		
Measures for preventing, recycling or eliminating waste	2.2.2.4	xx
Sustainable use of resources		
Water consumption	2.2.2.4	xx
Consumption of raw materials	2.2.2.4	xx
Measures taken to improve the efficiency of the use of raw materials	2.2.2.4	xx
Energy consumption	2.2.2.4	xx
Measures taken to improve energy efficiency and the use of renewable energy	2.2.2.4	xx
Climate change		
Greenhouse gas emissions	2.2.2.4	xx

Summary of information not published

Information not published due to lack of relevancy	Explanation
Consideration of noise pollution Land use Water supply in accordance with local constraints Adaptation to the consequences of climate change Biodiversity protection	Given Dassault Systèmes’ activity, these topics are not covered. The Group is not aware of any noise pollution that could negatively impact the environment, nor is it aware of any impact on biodiversity. With regards to land use, the Group is only a commercial user, and the Group is not aware of any local constraints with regards to water supply. The Group does not believe that it is at risk with regards to climate change in the near-or mid-term.

2.3 Independent Verifier's Attestation and Assurance Report on Social, Societal and Environmental Information

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our quality as an independent verifier accredited by the COFRAC [(1)] under the number n° 3-1050, and as a member of the network of one of the statutory auditors of the company Dassault Systèmes, we present our report on the consolidated social, environmental and societal information established for the year ended on the 31st December 2014, presented in chapter 2 of the management report, hereafter referred to as the "CSR Information," pursuant to the provisions of the article L.225-102-1 of the French Commercial code *(Code de commerce).*

Responsibility of the company .

It is the responsibility of the Board of Directors to establish a management report including CSR Information referred to in the article R. 225-105-1 of the French Commercial code *(Code de commerce),* in accordance with the protocols used by the company, consisting in HR reporting instructions and an environmental reporting protocol in their versions dated October 2014 and December 2014, respectively (hereafter referred to as the "Criteria"), and of which a summary is included in section 2.1.7 (social reporting) and in section 2.2.2.5 (environmental reporting) of the management report, as well as available at the company's headquarters.

Independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions in the article L. 822-11 of the French Commercial code *(Code de commerce)*. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work:

- to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial code *(Code de commerce)* (Attestation of presence of CSR Information);
- to express a limited assurance conclusion, that the CSR Information, overall, is fairly presented, in all material aspects, in according with the Criteria (Limited assurance on CSR Information).

Our verification work was undertaken by a team of four people between October 2014 and March 2015 for an estimated duration of seven weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness and the reasonable assurance report, in accordance with the international standard ISAE 3000 [(2)].

1. Attestation of presence of CSR Information

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the information presented in the management report with the list as provided for in the Article R. 225-105-1 of the French Commercial code *(Code de commerce).*

1 Scope available at www.cofrac.fr

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

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial code *(Code de commerce).*

We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial code *(Code de commerce)* with the limitations specified in the Methodological Note in sections 2.1.7 and 2.2.2.5 of chapter 2 of the management report, notably the fact that entities with less than 35 employees and entities acquired in 2014 are not included in the environmental reporting.

Based on this work, and given the limitations mentioned above, we confirm the presence in the management report of the required CSR information.

2. Limited assurance on CSR Information

Nature and scope of the work

We undertook a dozen interviews with the people responsible for the preparation of the CSR Information in the different departments, including people in the Human Resources, Public Affairs and Sustainable Development, Products and Services functions, who are in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;
- verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

For the CSR Information which we considered the most important[(1)]:

- at the level of the consolidated entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report;
- at the level of the representative sample of entities that we selected[(2)] based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample reviewed therefore represented on average 36% of the workforce and between 40% and 68% for quantitative environmental information[(3)].

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

1 **Environmental and societal information:**

Indicators (quantitative information): energy consumption (in MWh), greenhouse gas emissions (in tonnes of CO2 equivalent), quantity of waste electrical and electronic equipment recycled according to environmental norms (in kg).

Qualitative information: general environmental policy (organisation, evaluation or certification procedures), measures for preventing, recycling and eliminating waste, sustainable use of resources and climate change (energy consumption, measures taken to improve energy efficiency and the use of renewable energy), importance of sub-contracting and the consideration of environmental and social issues in purchasing policies and relations with suppliers and subcontractors, business ethics (actions undertaken to prevent bribery and corruption), territorial, economic and social impact (impact on neighbouring or local populations).

Social information :

Indicators (quantitative information): workforce size and breakdown by geography, age, gender, type of contract (long/short term), percentage of female managers, absenteeism, hiring and terminations, turnover rate, total number of training hours and breakdown by type of training, by category, by gender, and the ratio of hours of training per employee.

Qualitative information: employment (total headcount and breakdown, hiring and terminations, remunerations and their evolution), the organisation of working time, absenteeism, social relationships (the organisation of social dialogue, collective bargaining agreements), health and safety conditions at work, training policies, diversity and equality of treatment and opportunities (measures undertaken for gender equality, the employment and inclusion of people with disabilities, anti-discrimination policies and actions).

2 The entities Dassault Systèmes S.A. and Dassault Data Service (Vélizy, France site); the entity Dassault Systemes K.K. (Tokyo, Japan site).

3 The coverage rate of our work is 36% of the workforce for the social data, 68% for the quantities of computers and servers recycled, 40% for electricity consumption, and 44% for greenhouse gas emissions.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

Paris-La Défense, the 23rd March 2015

French original signed by:

Independent Verifier
ERNST & YOUNG et Associés