



# 3DS ACCEPTABLE USE POLICY





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# 1. EXECUTIVE SUMMARY

To avoid reputation risks of this nature, and in line with our Purpose to enable sustainable innovation, Dassault Systèmes has defined an Acceptable Use Policy:

## 1. Thermal Coal:

No new customers deriving 30% or more of their activities/revenues from the production (thermal coal producers) or consumption (coal-fired power plants) of thermal coal, and will not develop products or services dedicated to thermal coal.

## 2. Tobacco:

No new customers involved in cigarette production (immediately) or e-cigarette production (as of 2022). We will not develop products or services dedicated to the tobacco industry.

## 3. Weapons:

No new customers involved in the sale of “universally prohibited” weapons. We will not develop products or services for the design or manufacture of prohibited weapons.

## 4. Oil & Gas:

No new customers in the oil and gas sector that have not yet defined Public & third party verified commitments to reduce carbon emissions. Our external data provider (S&P Global) has defined a methodology to identify such companies.

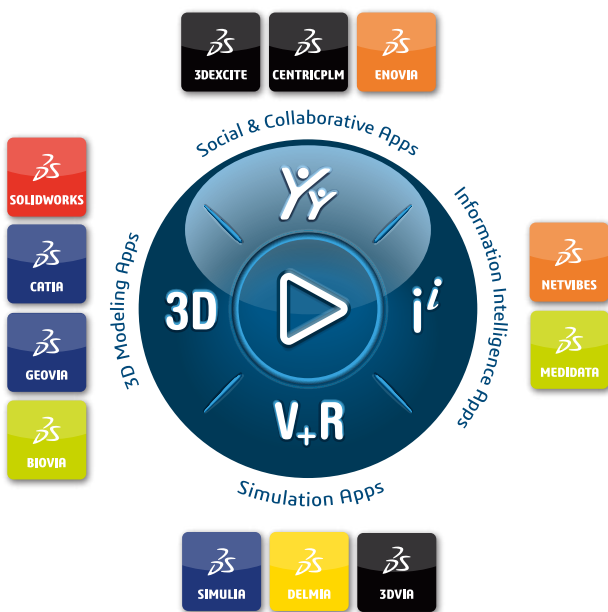
This policy will be applicable to our Distribution Partners.



## 2. INTRODUCTION

Dassault Systèmes' Corporate Purpose is to "provide business and people with **3DEXPERIENCE** universes to imagine sustainable innovations capable of harmonizing product, nature and life".

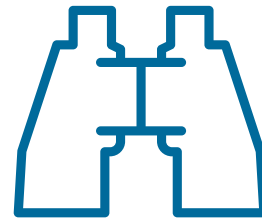
The **3DEXPERIENCE** platform helps companies make headway in areas such as healthcare, energy transition, sustainable mobility, and in the creation of intelligent cities designed to satisfy the evolving needs of the urban citizen. Its solutions and virtual universes simulate real-world experiences that help people foresee the impact of their decisions and allow them to make the necessary adjustments. In the face of dire statistics, repeated climate warnings and dying ecosystems, the **3DEXPERIENCE** platform provides our customers with solutions to make their business more sustainable.



The power of virtual universes to drive more sustainable design of products and processes is clear. However, as for any software product, its ultimate impact depends on how it is used, and for what purpose, by the end user.

This policy is an attempt to define what uses of the software may not be compatible with Dassault Systèmes' purpose to harmonize product, nature, and life. Such uses pose material reputation risks to the company, as they can undermine our standing as a global leader in sustainable innovation.

**"Dassault Systèmes' Corporate Purpose is to "provide business and people with **3DEXPERIENCE** universes to imagine sustainable innovations capable of harmonizing product, nature and life."**



## 3. SCOPE

This policy is applicable to all 3DS operations worldwide and to its reselling Partners. Due to the potentially severe reputation impact that may result from unacceptable uses of 3DS software, all employees and Partners are expected to be aware of this policy to support its effective implementation, striving to recognize, avoid, and report any situation that might violate this Acceptable Use Policy. Managers are encouraged to train their personnel, in particular their sales teams, so that they are familiar with this policy.

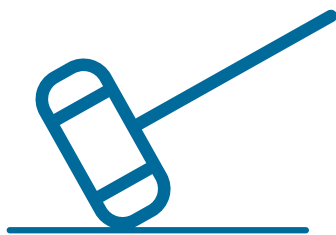
This policy is complementary to the 3DS Global Export and Sanctions Compliance Policy which, based on applicable export control regulations on dual-use and military goods and sanctions regulations including, but not limited to, sanctions programs and export controls on dual-use and military goods, limits transactions with certain entities or individuals that are subject to sanctions, located in a restricted destination or involved in prohibited activities. Please consult this policy on Ethic, Compliance & Security Dashboard for more information.



## 4. GOVERNANCE

This policy is reviewed regularly and validated by the Dassault Systèmes Sustainability Committee, which is also responsible for overseeing its implementation.

The Sustainability Committee brings together the leaders of all key business functions on a quarterly basis, to discuss progress on transversal issues. The Committee is co-chaired by Dassault Systèmes' General Secretary and the Executive Vice President of Industry, Marketing, and Sustainability. The Committee Secretary is the company's Chief Sustainability Officer, and the Committee includes the Head of Group Legal, Group HR, and Group Finance, amongst others.



## 5. COMMITMENT

As our solutions can be used enterprise-wide to design, model, and simulate almost any product or process within a company, Dassault Systèmes' is often not aware of the nature of specific project-level work conducted by our clients via the software. As a result, in order to assess the acceptability of use, Dassault Systèmes' commits to reviewing the nature of its customers' activities prior to engaging in strategic partnerships in order to identify potential uses of its solutions that may not be acceptable from a sustainability perspective, notably in terms of:

- **Product-based issues:** Customers involved in the production of products that are considered highly controversial from a sustainability perspective by a large constituency of external stakeholders.
- **Conduct-based issues:** Customers accused of particularly grave violations of social, ethical, or environmental standards by a large constituency of external stakeholders.

To identify such issues, Dassault Systèmes relies on publicly available information, notably financial exclusion criteria as defined by leading responsible investment groups.

In addition to the sales restrictions described below, as part of its commitment, Dassault Systèmes will not associate its brand with the customers or segments covered by this Policy. This includes the production of dedicated marketing materials, financial sponsorship of events, etc.

### 5.1. Product-based-issues

The use of Dassault Systèmes' solutions in the production of the following products may not be compatible with our Corporate Purpose and may, therefore, pose significant material reputation risks for the company. In each case, mitigating measures are proposed via this policy. Please note that throughout the policy, the term "new business" refers to new solutions and services not currently purchased by a customer. It excludes any additional licenses provided to a customer to support the use of a previously purchased solution or service, as Dassault Systèmes is legally required to provide this level of support throughout the duration of an engagement.

#### 5.1.1. Thermal Coal

While the global demand for reliable and affordable energy is expected to rise, there is widespread scientific consensus that energy generation needs to be decoupled from greenhouse gas (GHG) emissions in order to limit global warming to below 2° Celsius.

Thermal Coal is the fuel with the highest CO2 emissions in relation to its energy content, and scientists have called for an end to its use as a priority in transitioning to a low emissions economy.

##### **Commitment:**

Dassault Systèmes will pursue no new business with companies for which 30% or more of their activities/revenues are derived from the production (thermal coal producers) or consumption (coal-fired power plants) of thermal coal, and will not develop products or services dedicated to thermal coal.

#### 5.1.2. Tobacco

There is no safe level of tobacco consumption.

Due to the profound scale of the negative impact of tobacco – an estimated eight million deaths per year – tobacco is the focus of the world's only global health treaty – the United Nations' Tobacco Control Treaty – which has been ratified by 183 Member States covering almost 90% of the world's population.

##### **Commitment:**

Dassault Systèmes will pursue no new business related to cigarette production immediately and will no longer solicit new business related to e-cigarette production as of 2022. We will not develop products or services dedicated to the tobacco industry.

#### 5.1.3. Controversial weapons

There is no universally accepted definition of controversial weapons. Weapons are commonly considered controversial due to their disproportionate and indiscriminate impact on civilians, even years after a conflict has ended .

These could include anti-personnel mines, cluster weapons, biological and chemical weapons, depleted uranium, white phosphorus munitions, and sometimes nuclear weapons.

Nuclear weapons – unlike chemical weapons, biological weapons, anti-personnel landmines and cluster munitions – are not prohibited in a comprehensive and universal manner by governments globally. The Non-Proliferation Treaty (NPT) of 1968 contains only partial prohibitions, and nuclear-weapon-free zone treaties prohibit nuclear weapons only within certain geographical regions.

The Treaty on the Prohibition of Nuclear Weapons (TPNW) is the first legally binding international agreement to

<sup>1</sup>The principles of 'distinction' and 'proportionality' are key concepts in international humanitarian law, which regulates the methods, as well as the means, of warfare. <https://www.sustainalytics.com/esg-blog/controversial-weapons-regulations/>

comprehensively prohibit nuclear weapons with the ultimate goal being their total elimination. It was adopted on 7 July 2017 and entered into force on 22 January 2021, applying to the 50 countries having signed it. Notably, however, no nuclear weapons state or NATO member signed the treaty.

Therefore the term “universally prohibited” weapons is used in this policy to define a subset of “controversial weapons”, notably excluding nuclear weapons used by NATO members for defense purposes.

### **Commitment:**

Dassault Systèmes will pursue no new business related to defense with companies involved in the sale of “universally prohibited” weapons. In addition, as per the 3DS Global Export and Sanctions Compliance Policy, the licensing of products may be prohibited for military end-users or end-uses (whether in connection to “universally prohibited weapons” or conventional weapons) that are located in destinations subject to certain arms embargoes. We will not develop products or services for the design and manufacture of prohibited weapons.

## **5.1.4. Oil & Gas**

Unlike thermal coal, which has been overtaken recently by renewables both in terms of new capacity and cost efficiency, oil and gas are still the leading sources of energy in today’s economy. While some analysts from both the financial sector and the oil industry itself have predicted that global oil demand may have already “peaked”, in many countries natural gas is seen as a key “transitional energy source” as the world shifts to a lower-carbon economy.<sup>2</sup>

Nevertheless in light of increased regulation and public scrutiny into the role fossil fuels play in climate change, some of the most innovative companies in the industry have already dramatically shifted their business strategies to embrace the move away from fossil fuels towards a more diversified energy portfolio.

### **Commitment:**

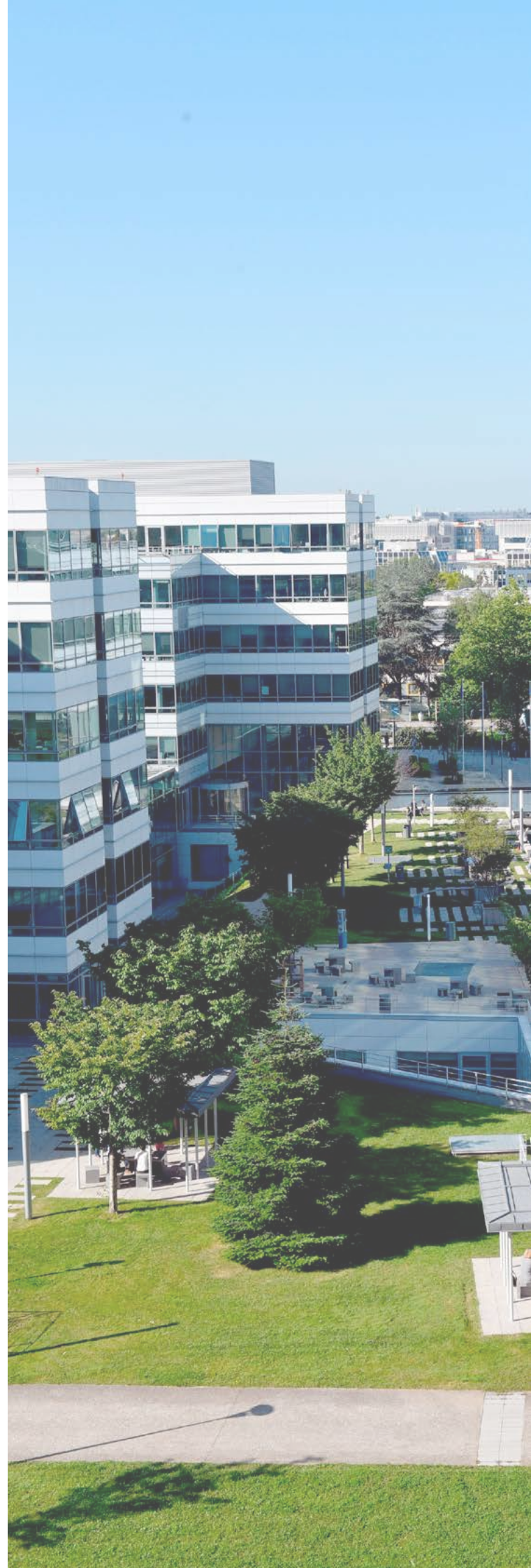
Dassault Systèmes will pursue no new business with companies in the oil and gas sector that have not yet defined public, third party verified<sup>3</sup> commitments to reduce greenhouse gas emissions.

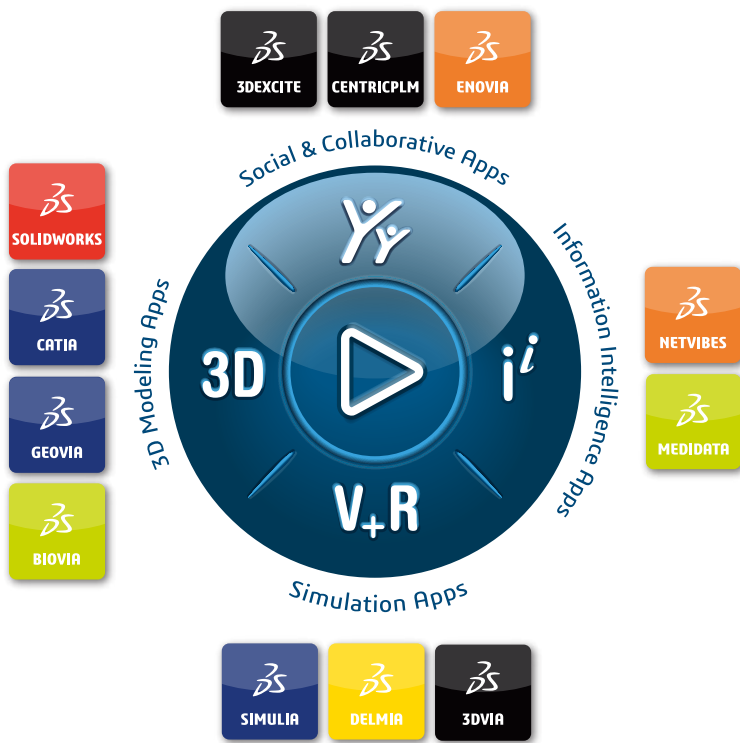
## **5.2. Conduct-based-issues**

Beyond the above product-based concerns, Dassault Systèmes will regularly review its customer base to identify any business that may be conducted with companies subject to legitimate, verified accusations of corruption, fraud, human rights violations or repeated environmental degradation, and will take action accordingly on a case by case basis.

<sup>2</sup>This may be changing as recent reports have shown that methane emissions (which have a much higher warming factor than CO<sub>2</sub>) from gas production are 25-40% higher than previously expected. “Preindustrial 14CH<sub>4</sub> indicates greater anthropogenic fossil CH<sub>4</sub> emissions”, *Nature*, 19 Feb 2020.

<sup>3</sup>The quality of climate commitments is verified by S&P Global, from whom Dassault Systèmes purchases research data on this topic.





**Our 3DEXPERIENCE® platform powers our brand applications, serving 11 industries, and provides a rich portfolio of industry solution experiences.**

Dassault Systèmes, the 3DEXPERIENCE Company, is a catalyst for human progress. We provide business and people with collaborative virtual environments to imagine sustainable innovations. By creating ‘virtual experience twins’ of the real world with our 3DEXPERIENCE platform and applications, our customers push the boundaries of innovation, learning and production.

Dassault Systèmes’ 20,000 employees are bringing value to more than 270,000 customers of all sizes, in all industries, in more than 140 countries. For more information, visit [www.3ds.com](http://www.3ds.com).

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