

## **General Meeting of May 26, 2016**

### **Draft resolutions**

Vélizy, April 11, 2016

To the Chairman of the Board of Directors

Sir,

In accordance with Article L. 2323-67 of the French Labor Code (*Code du travail*), the Works Council requests that the following resolutions be entered on the agenda of the General Meeting of May 26, 2016.

### **PRESENTATION OF THE RESOLUTIONS**

#### **Resolutions within the competence of the Extraordinary General Meeting**

##### **Resolution A1**

As indicated in chapter 2.1 of the Company's 2015 annual report, "Harmonizing product, nature and life: this ambition can only be achieved with the support of the Group's employees, who are its most valuable asset. They represent the Company's culture and values and are at the heart of its strategy and its long-term development." It is therefore particularly relevant that the employees take part in the Company's bodies responsible for defining strategy.

The issue of the method of appointment of the director representing the employees is fundamental for his or her legitimacy and representativeness, which must be beyond question.

At its plenary meeting of February 18, 2016, the Works Council voted against the proposal submitted to it, by six votes against and three abstentions.

Direct election by the employees is the default method provided for by the law and is evidently the most democratic method. This method of appointment is recommended by the French Institute of Directors (*Institut Français des Administrateurs - IFA*), which encourages companies "to involve themselves in the election process and to contribute the necessary resources for its correct organization, in order to ensure its acceptance by employees."

##### **Resolution A2**

Direct election by the employees may present certain practical difficulties. In this case, appointment by the Works Council, which enjoys legitimacy due to a high participation rate in the employee elections, which is well aware of the Company's activities and realities, and which is knowledgeable about the functioning of the Board of Directors, can be easily implemented

It is therefore proposed that the Works Council make this appointment. This solution is frequently used (according to the French Ministry of Labor, it is used by 72% of the companies listed on the SBF 120 stock market index).

**Resolution B**

The AFEP-MEDEF Code states that "As with other directors, [directors representing employee shareholders] can be selected by the Board to participate in committees" (Article 7.3).

It adds that "It is advised that an employee director be a member of the committee [in charge of compensation]" (Article 18.1).

It is therefore proposed that these recommendations be followed.

**Resolution C**

The allocation of directors' fees to the employee director according to the same rules and amounts as for the other directors is necessary to ensure "the same status, the same rights and the same responsibilities as the other directors" (Resolution 17).

However, insofar as a time credit is received and salary is maintained, the appointment as employee director may not be a source of personal gain that could upset employees or call into question his or her integrity.

It is therefore proposed that the directors' fees be paid directly to a public interest body, namely *La Fondation Dassault Systèmes*.

**Resolution D**

Reporting is an integral part of the duties of the office-holder. Authorizing the employee director to report periodically to the other employees helps to share the Company's objectives, develop employees' financial knowledge, and thus contributes to improved social dialog. This is already the practice in other listed French groups. It is understood that the director representing employees remains bound by confidentiality obligations.

## **TEXT OF THE RESOLUTIONS**

### **Resolutions within the competence of the Extraordinary General Meeting**

#### **Resolution A1**

Subject to the approval of Resolution 17, replace the first subparagraph in paragraph 4 of article 14 of the Articles of Association with: "In accordance with Article L. 225-27 of the French Commercial Code, the Board of Directors shall include a director representing the employees, elected by the employees of the Company and its direct or indirect subsidiaries, whose registered office is located in French territory."

For this purpose, the General Meeting delegates all powers to the Board of Directors to modify its internal regulation and to carry out all actions, formalities and declarations pertaining to this decision in order to implement this measure no later than October 31, 2016.

#### **Resolution A2**

Subject to the approval of Resolution 17 and the rejection of Resolution A1, replace the first subparagraph in paragraph 4 of article 14 of the Articles of Association with: "In accordance with Article L. 225-27-1, III of the French Commercial Code, the Board of Directors also includes a director representing the employees, appointed by the Works Council of the Company."

#### **Resolution B**

Subject to the approval of Resolution 17, add at the end of paragraph 4 of article 14 of the Articles of Association: "The director representing the employees is a member by right of the Compensation and Nomination Committee."

#### **Resolution C**

Subject to the approval of Resolution 17, add at the end of paragraph 4 of article 14 of the Articles of Association: "The directors' fees allocated to the director representing the employees are paid directly to *La Fondation Dassault Systèmes*."

#### **Resolution D**

The General Meeting resolves to authorize the director representing the employees to distribute a quarterly newsletter to employees who subscribed to it.

For this purpose, the General Meeting delegates all powers to the Board of Directors to modify its internal regulation and to carry out all actions, formalities and declarations pertaining to this decision in order to implement this measure no later than October 31, 2016.

Faithfully yours,

For the Works Council

[Signed]

Jean-François Tillard  
Secretary of the Works Council