



Plan-les-Ouates, 13th of January 2017

To our Stakeholders:

For 2017, we are pleased to confirm that LEM fully supports the Ten Principles of the United Nations Global Compact.

In terms of Human Rights and Labor principles:

As planned last year, we implemented a campaign to enhance employee well-being in our Bulgarian, Japanese and Swiss sites. We also exchanged every 6 months via our internal newsletter "INside LEM", and we kept on training our staff on LEM Code of Conduct and the Ten principles of the United Nations Global Compact.

As a result, our recent employee survey – led anonymously by an external company every 2 years - showed excellent results, with a high employee engagement and a very strong integrity in LEM. This confirms that we are moving in the right direction.

As far as Environment, Health and Safety are concerned, we strengthened last year actions and are now monitoring the electricity consumption of 88% of our machinery individually, thus enabling us to identify and reduce wastage. Moreover, LEM products are "key" in providing better living conditions and a more sustainable growth:

- From transducers used in medical Magnetic Resonance Imagery
- To transducers used in solar applications or windmills or sustainable mobility like trains
- Or transducers in electric and hybrid electric vehicles, where LEM is currently recording a significant growth.

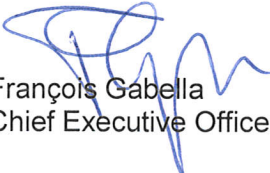
For 2017, in addition to pursuing regular actions on the Ten Principles of the United Nations Global Compact, we will:

- Implement our employee well-being campaign in all other sites
- Enforce actions to further improve employee engagement and satisfaction
- Offer "online" training to our staff on LEM Code of Conduct and Global Compact.

As usual, we will make this statement available to our employees and business partners through our website.

On this strong basis, we look forward to further reinforcing our adherence to the Ten Principles of the United Nations Global Compact in 2017 and contributing to a better LEM in a better world.

Sincerely yours,


François Gabella
Chief Executive Officer