



Plan-les-Ouates, 11th of January 2019

To our Stakeholders:

For 2018, we are pleased to confirm that LEM fully supports the Ten Principles of the United Nations Global Compact.

As a key proof, our recent employee survey – led anonymously by an external company every 2 years and including various questions from labour practices to well-being or integrity – showed excellent results, with very good grade, even better than last survey, and above benchmarks.

More concretely, all actions defined in 2018 were delivered:

- all employees (except Bulgaria, in progress) were trained on our online elearning for Code of Conduct (addressing the Ten Global Compact Principles thanks to 12 challenging questions)
- our well-being program continued in all production sites, including our internal newsletter "INside LEM" to foster employee belonging
- our crisis management plan defined and rolled out (and will be tested in 2019)
- we continued to improve our facilities, whether via increasing LED lighting to reduce our consumption, or via air/noise monitoring in production areas.

Our 2019 actions will therefore focus on defining and implementing action plans to further improve employee satisfaction by site and activity; and also develop an index to show how much LEM contributes to a better environment.

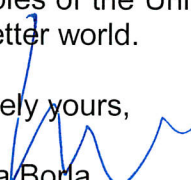
Indeed, LEM products are "key" in providing better living conditions and sustainable growth:

- from transducers used in solar applications, windmills or trains
- to transducers in electric and hybrid electric vehicles, where LEM is currently recording a significant growth.

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 2019 and contributing to a better LEM in a better world.

Sincerely yours,


Andrea Borla
Chief Financial Officer