

Plan-les-Ouates, 10th of January 2020

## To our Stakeholders:

For 2020 we are pleased to confirm that LEM fully supports the Ten Principles of the United Nations Global Compact.

In response to environmental principles 7 to 9, LEM products are key in reducing energy and CO2 consumption:

- LEM transducers are used in solar applications, windmills or trains
- LEM transducers are also used in electric and hybrid vehicles, where LEM is currently recording a significant growth.
- other LEM applications control / reduce current, which is our main mandate.

In relation to principles 1 to 6, we have addressed Human Rights and Labor topics by following up on our 2018 successful staff survey and implementing actions to further improve employee satisfaction and foster a LEM team spirit.

In recognizing the importance of gender equality, we successfully launched a salary survey in our Geneva site, 8 months in advance to the Swiss legal requirement. Survey results showed parity between salaries of male and female staff with a minimum variation of 0.3%.

We continued to measure and reduce our footprint including energy and water consumption, waste production, and replacement of our company fleet cars with electric / hybrid vehicles.

We look forward to further reinforcing our adherence to the Ten Principles of the United Nations Global Compact in 2020 and contributing to a better LEM towards a better world.

Sincerely yours,

Andrea Borla

Chief Financial Officer