

## LEM Modern Slavery Statement

This statement discloses the efforts made by LEM to address the global issue of human trafficking and modern slavery.

LEM is a pioneering current sensor manufacturer, operating at the forefront of technological innovation. Our core business is the production of current and voltage transducers which have a broad range of application – drives, welding, renewable energies & power supply, traction, high precision as well as conventional & electric vehicles.

The company conducts its operations through its subsidiaries located across the world, with primary business and product development located in Switzerland, France, Bulgaria, China, Malaysia and Japan.

LEM strives towards a strong purpose, to accelerate the transition to a more sustainable future. For us, this means positively impacting the society through our products, enabling energy efficiency, faster electrification and decarbonisation, and through our operations, promoting positive developments in human rights globally. This commitment is reflected in our support and endorsement of the following frameworks:

- The Universal Declaration of Human Rights
- The OECD Guidelines for Multinational Enterprises
- The ILO Conventions on Labour Standards
- The Ten Principles of the UN Global Compact

We have embedded the principles of these frameworks into the following policies:

- Labour & Human Rights Policy
- LEM Employee Code of Conduct
- Sustainable Purchasing Policy
- LEM's Supplier General Requirements Manual
- Conflict Minerals Statement

Through these policies we make it clear that we will not tolerate abuse of human rights in our own operations or in our supply chain. We expect our employees to adhere to the terms of these policies and have developed the following procedures to ensure that no instances of human trafficking or modern slavery occur as a result of LEM's business activities.





Life Energy Motion

As part of the company's standard onboarding, all employees are required to familiarise themselves with and sign the Employee Code of Conduct and acknowledge understanding of the Labour & Human Rights policy.

It is made clear that it is the duty of all employees to speak up or 'whistleblow' any misconduct concerning, among other things, human rights abuses. LEM uses an external tool, independently operated by Navex called WhistleB, made available on our website ([Inform us if you suspect something is not right](#)) so that any internal or external stakeholders may anonymously submit a complaint. Upon its receipt, an investigation is triggered following the procedures laid out in our internal Whistleblowing policy.

LEM works with approximately 2000 direct and indirect suppliers. As part of the supplier onboarding process, all new suppliers are required to adhere all applicable laws concerning human trafficking and modern slavery and to comply with the principles set forth in our Code of Conduct. Moreover, LEM's purchasing team carries out a procurement risk assessment on all new suppliers. This process screens suppliers' performance across a number of business metrics including but not limited to, employment practices and working conditions.

Any (new or existing) suppliers found to be at high or severe risk of human rights abuses such as trafficking or modern slavery are, as per the terms of the Supplier General Requirements Manual, blocked from entering/continuing a relationship with LEM until an external audit has verified the remediation and elimination of the practice.

We also request, where necessary, a total screening of all suppliers providing the company with materials or components that include conflict minerals. The result of these screenings ensure that we maintain strong oversight of our supply chain and are ready to take action when any instances of human trafficking or modern slavery occur or are at risk of occurring.

We publicly disclose metrics including but not limited to the number of incidents of child labour that have been discovered in our own operations, the number of internal audits concerning human rights that we have carried and other qualitative information about our human rights practices in our annual sustainability report. The report is made available on the LEM website.

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