Environment, Health and Safety Report, 2010

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Logitech's Commitment to Environment, Health and Safety

Logitech is committed to protecting the environment and the health and safety of our employees, customers and the communities around the globe where we work and live. We recognize that by integrating sound environmental, health and safety management practices into all aspects of our business, we can offer technologically innovative products and services while conserving and enhancing resources for future generations. Logitech strives for continual improvement in our environmental, health and safety management systems and in the environmental quality of our products, processes and services.

Logitech is a responsible global corporate citizen. We recognize the importance of conserving the earth's precious natural resources to protect the planet. Logitech acknowledges that our actions have a direct impact on the planet and we engage in a process of ongoing improvement to sustain and protect the environment.
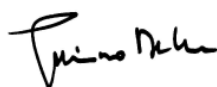
Logitech also recognizes that we have a responsibility to our employees, suppliers and partners and to the communities, in which we operate, demonstrated by our commitment to, and active membership in, the Electronics Industry Citizenship Coalition (EICC). The EICC actively promotes an industry-recognized Social and Environmental Code of Conduct, and Logitech activities reinforce our commitment to this code.

The EICC Code of Conduct, which Logitech fully supports, outlines standards to ensure that working conditions in operational facilities, and all supply chain partners' activities supporting these facilities, are safe, that workers are treated with respect and dignity, and that manufacturing processes used by EICC members and their partners are environmentally responsible.

As an employer, Logitech has defined operating standards in the areas of Labor, Health and Safety, the Environment, and Business Ethics.

- Labor standards include criteria related to freely chosen employment, child labor avoidance, working hours, wages and benefits, humane treatment, non-discrimination and freedom of association.
- Health and Safety standards include criteria related to occupational safety, emergency preparedness, occupational injury and illness, industrial hygiene, physically demanding work, machine safeguarding and dormitory and canteen areas.
- Environmental standards include criteria in relation to pollution prevention and resource reduction, energy conservation, hazardous substances, wastewater and solid waste, air emissions and product content restrictions.
- Business Ethics standards include criteria related to fair and responsible business practices. Logitech management is committed to operating within these standards and has established a management system designed to ensure:
  - o Compliance with applicable laws, regulations and customer requirements
  - o Conformance with the Electronic Industry Code of Conduct
  - o Identification and mitigation of operational risks related to the EICC Code of Conduct

This report aims to provide you with details of Logitech's commitment to Environmental, Health and Safety practices and to share with you some of the EHS achievements in 2010. Logitech continues to evolve its policies and programs to meet its EHS responsibilities as a global citizen and we look forward to sharing with you ongoing improvements in future years to come.

Guerrino De Luca

Chairman of the Board, Acting President and CEO

Logitech Commitment to Electronic Industry Code of Conduct.

The Electronic Industry Code of Conduct is a global code of best practices adopted and implemented by some of the world's major electronics brands and their suppliers. The goal is to improve conditions in the electronics supply chain.

Electronic Industry Citizenship Coalition members develop tools to facilitate the successful global implementation of the Code of Conduct. Members are committed to achieving the Code's high standards in their operations and within their supply chain.

Logitech is a full supporter and active member of the Electronic Industry Citizenship Coalition and all our suppliers are required by contract to comply with all applicable laws and regulations where they conduct their business. In addition, we ask suppliers to embrace high standards of ethical behavior and treat their employees fairly and with dignity and respect, consistent with local laws. Specifically, we require our suppliers to adhere to the standards outlined by the Electronic Industry Code of Conduct.

In cases where laws and regulations do not provide adequate controls and protection, Logitech uses the Electronic Industry Code of Conduct to apply standards to protect human health and the environment.

Conflict Minerals.

Logitech does not source or buy metals directly, however, we are concerned by the allegations that metals illegally mined in the Democratic Republic of the Congo may be making their way into the electronics supply chain; and that profits from this illegal mining may be fuelling human rights atrocities in the Eastern Region of the DRC

Logitech does not support unethical or socially irresponsible sourcing. Logitech suppliers are required to comply with the Electronic Industry Code of Conduct and Logitech Business Ethics policy.

Logitech has systems and procedures in place to help ensure that our suppliers comply with these requirements, however, the fact that the mining activity is so far removed from Logitech (typically 5 or more tiers exist between the mine level and Logitech suppliers) combined with the complexities of the metals supply chain, make it extremely difficult to trace the minerals' origin.

Logitech is committed to source only materials from environmentally and socially responsible suppliers and in support of this we will continue to raise supplier awareness on the issue of "conflict minerals" and survey our supply chain on an ongoing basis to better understand the source of minerals used in our component supply and attempt to trace the origin of the metals used.

Jim Van Patten

Vice President, Worldwide Quality and Compliance

1. EHS Management Systems

1.1 Logitech Environmental Health and Safety System

Logitech recognizes that manufacturing activities have a significant influence over a company's impact on society and the environment. Therefore Logitech has taken steps to implement improvements in manufacturing practices, including the implementation of externally certified manufacturing management systems and the restriction of chemical compounds or materials that can be a risk to the environment, health and safety.

Logitech uses formal management systems to manage its Environmental and Health and Safety (EHS) programs such as ISO 14001 and OHSAS 18001, as well as the ISO 9001 Systems certification. Logitech's primary manufacturing sites are certified to these standards.

Under these EHS Management Systems, Logitech has established comprehensive procedures and practices designed to maintain a safe and healthy workplace as well as minimize the impact to the environment from our operational activities.

1.2 Product Regulatory Compliance Systems

Logitech takes a systematic approach to product development by assessing product-related legislation to ensure our products are compliant with all relevant regulations for the markets in which they are sold.

Where possible, Logitech takes a proactive global approach by expanding certain regional environmental requirements to cover our entire worldwide product range. An example of this is Logitech's approach to the introduction of the EU RoHS Directive which places rigorous legal restrictions on certain material content in all products sold in the European Union. Logitech implemented a policy to extend RoHS product restrictions to all of our products sold globally resulting in all Logitech products manufactured since early 2006 being RoHS compliant.

1.3 Human Resources EHS Systems

Logitech conducts its business in a manner that protects the health, safety and environment of our employees, temporary agency workers, independent contractors, customers, and the global communities where we live and work. This is achieved by:

- Meeting or exceeding all applicable EHS requirements and verifying performance through audit.
- Adopting EICC standards where laws and regulations do not reflect best management practices.
- Striving to create products that are safe in their intended use, conserve energy and materials, promote safety, and prevent pollution throughout the product life cycle, including design, manufacture, use and end-of-life management.
- Supporting and promoting sound scientific principles and fiscally responsible public policies that enhance environmental quality, health and safety.
- Advocating the adoption of prudent EHS principles and practices by our partners, contractors and suppliers.
- Communicating environmental, health, and safety policies and programs to Logitech employees.
- Designing, managing and operating our facilities to maximize safety, promote energy efficiency, and protect the environment.
- Informing all employees of their roles and responsibilities in fulfilling and sustaining Logitech's EHS policies.

1.4 Manufacturing Site Health and Safety Activities

In 2010, Logitech successfully undertook a project of consolidation of our ISO14001 Environmental Management System and our OHSAS18001 with the assistance of SGS.

In addition, Logitech has established a safety committee which has responsibility for monthly audit and implementation of related improvements. Each of the members of this committee has been government trained and certified as Safety Administrator.

Logitech performs health and safety monitoring as part of our ISO18001 Health and Safety Management System activities at our China manufacturing plant. An aspect of this is to monitor and reduce employee injury rates through continuous improvement activities.
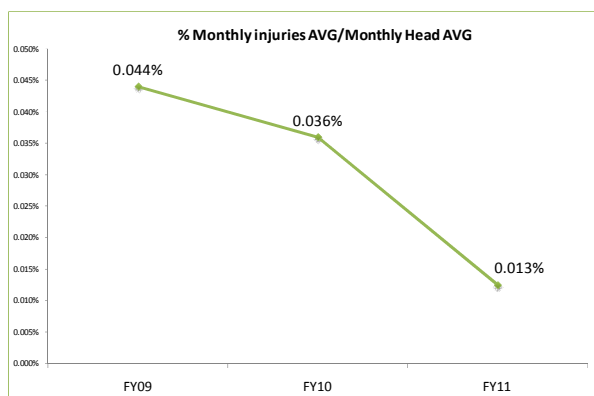
2 Carbon Emissions

Logitech is conscious that our activities contribute to increased CO_2 emissions and we continue to look for opportunities to reduce them. Examples of what Logitech is doing to drive down carbon emissions in 2010, include:

2.1 Economic Impact of LifeSize HD Video Conferencing Solutions

LifeSize Gives Big Companies a Small Carbon Footprint

LifeSize ,a division of Logitech, offers a full range of open, standards-based HD video conferencing systems designed to make videoconferencing truly universal. The solution encompasses core infrastructure, endpoint conference rooms, and management console technologies. The solution has been designed for modular implementation, enabling additional locations to be easily added and integrated within the overall video conferencing solution.

LifeSize®
A division of Logitech

Award Winning HD Video Conferencing Solutions

In November 2010, LifeSize commissioned Forrester Consulting to examine the total economic impact and potential return on investment (ROI) enterprises may realize by implementing a LifeSize HD video collaboration solution. This study* also evaluated the Carbon emissions reduction opportunities by looking specifically at enterprises that implemented Life size video conferencing solutions.

Find here some of the benefits highlighted by this study:

BENEFITS

- **Lower TCO — ongoing maintenance and support.** Ongoing maintenance and support costs were approximately half the cost of other video conferencing solutions considered by the customer. This resulted in a lower TCO of approximately 24% as compared to other comparable solutions being considered.

- **Reduced travel costs.** Implementing a high definition video conferencing solution allowed the customer to greatly reduce the number of business trips required

- **Increased productivity — reduced travel**. Fewer travel days meant that employees could remain fully productive instead of losing time while in transit.

- **More efficient and better work experiences.** Video conferencing has made workers generally more efficient through better interaction with peers at different locations. It has also improved the quality of life for employees by allowing them to travel less.

- **Reduced carbon emissions.** The customer was able to meet its aggressive CO_2 emission reduction goals as a result of reduced travel.

*Read full report : http://www.lifesize.com/Impact-Summary.aspx

2.2 Business Travel

Logitech continues to control and eliminate the need for business travel by using our LifeSize video conferencing product line to collaborate remotely and, in doing so, avoid some of the travel that would increase our travel CO_2 emissions. The graph below shows we are making good progress in reducing CO_2 Emissions by, in part, use video conferencing.

Business Travel - CO2 Emissions
(Metric Tonnes)

6,684
7,075
4,995
3,348
3,796

FY07   FY08   FY09   FY10   FY11
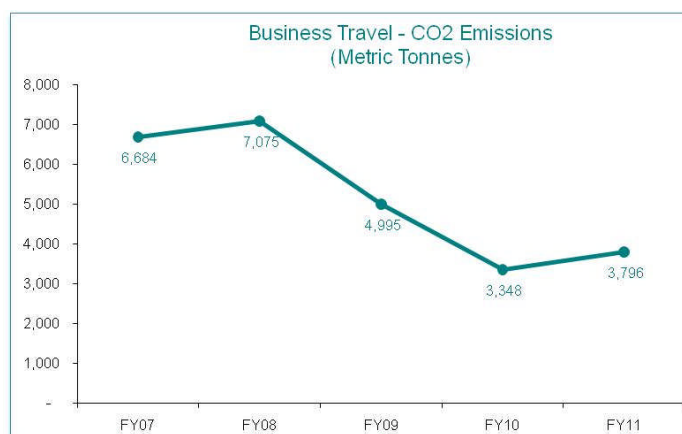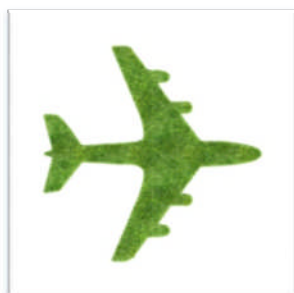
3. Power Consumption

3.1 Manufacturing Facility Power Usage

In 2010 key actions were implemented in Logitech's manufacturing facility to reduce the energy usage as follows:

- Replace indoor low-efficient lightning to increase efficiency. A 38.9% of improvement was achieved by this.
- Install auto-control outdoor lighting. Reduction in 4 hour run-time per day. 25% of energy saving was achieved.
- Updating the air-duct of production exhaust to reduce leakages in the conducts.
- Install auto-control for exhaust locker, which reduced in 14 hour run-time per day. 58% of improvement was achieved.
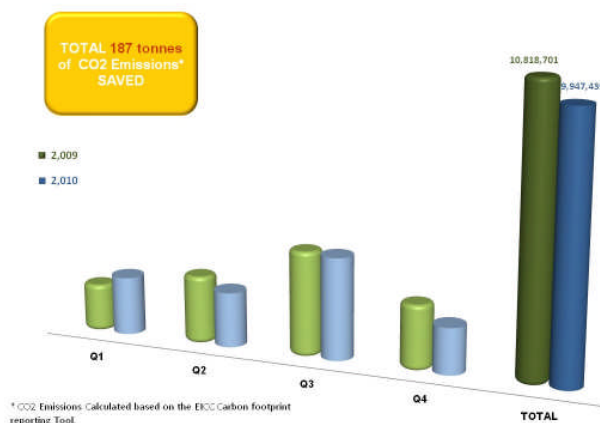
This led to an overall reduction at our primary manufacturing site, achieving a saving of *871,262 kWh.* which represents *187 tonnes of CO$_{2*}$*

3.2 Energy Awareness Program

Award for Power Supply Bureau

Logitech's main manufacturing site implemented a Real-Time Power Monitoring system which identifies power leakage in power supply and balances usage of power.

The Local Power Supply Bureau formally awarded savings made by the installation of this system.

3.3 Energy related Products (ErP)

The ErP EU Directive (2009/125/EC) aims to encourage manufacturers to produce products that are designed to minimize their overall environmental impact. Provides coherent EU-wide rules for eco-design and ensures that differences among national regulations do not become obstacles to intra-EU trade.

The Directive itself facilitates an expanding list of requirements, known as "implementing measures," which outline requirements regarding environmentally relevant product characteristics and allow for implementation of new requirements to occur quickly and efficiently.

The first stage of the ErP's implementing measure (278/2009) came into force on 27th April 2010.

This regulation establishes eco-design requirements related to electric power consumption in no-load condition and average active efficiency of external power supply. The second stage will come into force on 27 April 2011.

Many of our external power supplies bundled with products were already compliant with stage1 of Erp Directive before the deadline of 27 April 2010 and Logitech has been active in ensuring that we meet the requirements set out by stage 2 of this regulation by the target date of 27 April 2011.

This second stage will result in a **reduction of 30%** of the maximum power consumption when the external power supply is in standby condition.

Some examples of Logitech products impacted by the ErP EU Directive (2009/125/EC) are:

3.4 Product Electrical Power Consumption

Building from Logitech® M705 Mouse, where power efficiency improvements had batteries last for up to 3 years.

We have taken this drive for product energy efficiency to the next level with the introduction of the _**Logitech® Solar Keyboard K750**_
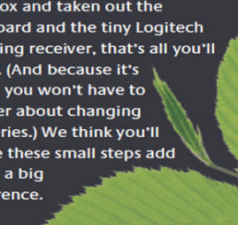

- Solar powered wireless keyboard with an internal chargeable battery.
- Even under artificial light, as long as the light is bright enough, the Logitech® Solar Keyboard K750 can be charged.
- The Logitech® Solar keyboard K750 can last for 3 months on a full charge.

In addition to the Logitech® Solar keyboard K750's energy performance we have also made other improvements on the products overall environmental impact.

Small steps, bright future.

Small steps, bright future

It's a small step. But the Logitech Wireless Solar Keyboard K750 is a step in the right direction. From the PVC-free construction to the fully recyclable box, this keyboard is designed to minimize its footprint. So once you've opened the box and taken out the keyboard and the tiny Logitech Unifying receiver, that's all you'll need. (And because it's solar, you won't have to bother about changing batteries.) We think you'll agree these small steps add up to a big difference.

4. Product Stewardship

Logitech is committed to meeting its legal product, packaging and battery stewardship obligations in all countries in which our products are sold.


We are members of several product, packaging and battery waste recovery and recycling programs. Through our membership in these programs, we finance, on an ongoing basis, the collection, recovery and recycling of product, packaging and battery waste.

4.1 Product Hardware Recycling – Waste Electrical and Electronic Equipment (WEEE) Directive

Logitech is committed to meeting the requirements of the European Union's WEEE (Waste from Electrical and Electronic Equipment) directive . The WEEE directive aims to reduce the waste arising from electrical and electronic equipment, and improve the environmental performance of everything involved in the life cycle of electrical and electronic equipment.

Amount of tonnes of WEEE collected by Logitech
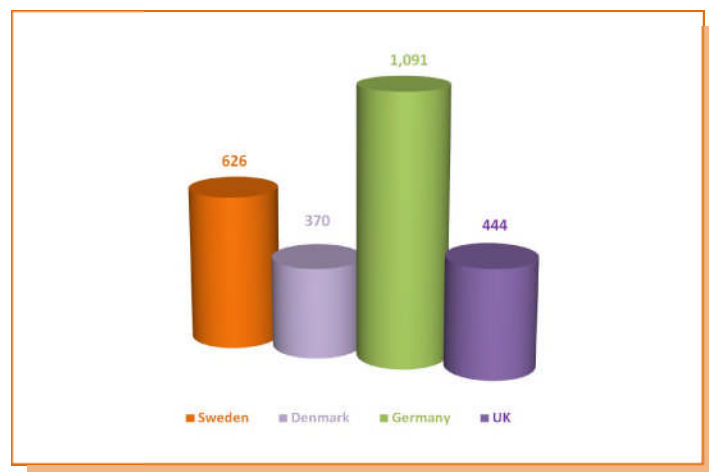
TRADE-IN PROGRAM

Logitech has launched a trade-in program to encourage customers in the responsible return of end-of-useful-life products. Logitech has offered its customers a program where y could trade in their old Logitech product for a voucher toward a new one. Customers simply sending Logitech the used product (postage paid) so that Logitech can dispose of it in an environmentally friendly way.

To help with the upgrade, a 20%-off voucher code was provided to customers.

What does Logitech do with the trade-ins?

Logitech's recycling partner provides a service that meets the highest environmental standards.

They certify that all products are treated in accordance with all applicable laws and regulations.

Specifically:
- Our program aims to reuse parts where possible and recycle the remaining material
- No scrapped material is exported out of the EU to developing countries.
- No untreated waste is sent to landfills

4.2 Packaging and Battery Recycling

Logitech has active packaging and battery stewardship programs in place in several geographies and continue to look for ways to expand our responsibility in this area.

Batteries

In 2009, Logitech has added to its registered battery recycling programs in the U.K. and Italy to replicate our existing registration in Germany and The Netherlands, to fulfill the requirements under the EU Batteries Directive (2006/66/EC).

Battery Recycling – Qty of Units
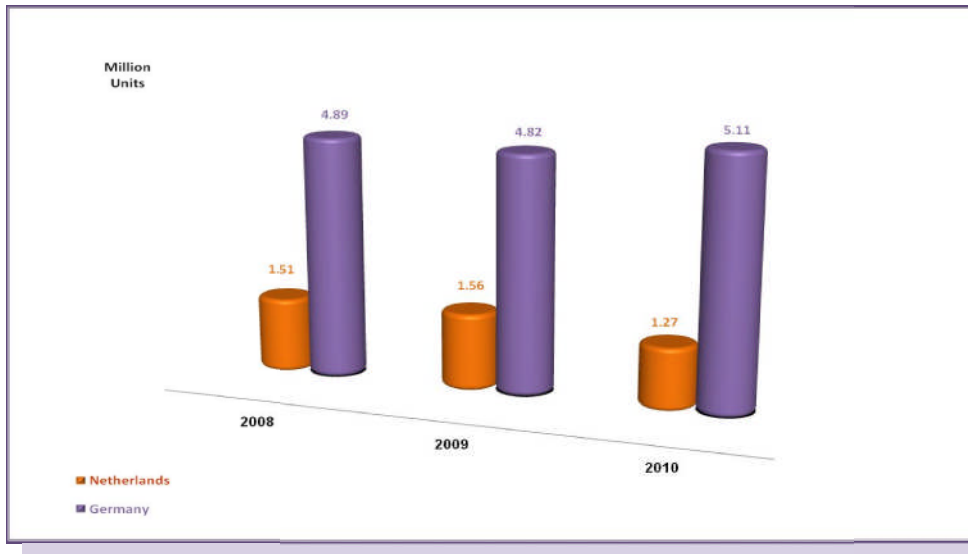
Packaging

In 2010, Logitech continued to meet its obligations in financing the recycling of used packaging under the EU Packaging Directive (94/62/EC)

Packaging Recycling – metric tonnes financed

5. Resource Management and Minimization

5.1 Materials Selection, Substitution and Elimination

Restriction of Hazardous Substances (RoHS)

All Logitech products are compliant with the EU RoHS Directive

Substances under ban by the RoHS Directive include:

- Cadmium (Cd) –above 100 PPM (parts per million)
- Lead (Pb) – above 1000 PPM
- Mercury (Hg) – above 1000 PPM
- Hexavalent Chromium (Cr+6) – above 1000 PPM
- PBB (polybrominated biphenyls) – above 1000 PPM
- PBDE (polybrominated diphenyl ethers) –above 1000 PPM
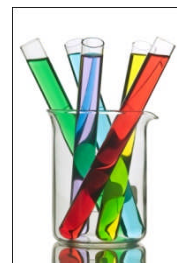
Compliance with China RoHS

In addition to RoHS, Logitech products also comply with similar requirements in other jurisdictions, including similar Chinese regulated requirements commonly known as "China RoHS."

EU REACH Directive (1907/2006/EC)

REACH is a new EU regulation for chemicals and their safe use. It deals with the **R**egistration, **E**valuation, **A**uthorization and Restriction of **Ch**emical substances.

The aim of REACH is to improve the protection of human health and the environment through better and earlier identification of the intrinsic properties of chemical substances.

Logitech is required to disclose to our customers and EU authorities any "Substances of Very High Concern" (SVHC) that are present in our products at a predefined concentration level (>0.1% w/w)

Logitech is committed to the elimination of SVHC from our products and the results of a review of our products confirm that Logitech meets all the requirements of REACH.

California ATCM Legislation (reduction of formaldehyde emission from composite woods)

CARB (California Air Resources Board) has determined that formaldehyde emissions from composite wood products pose a risk to consumers. In response, the state is the first to pass requirements that impact commonly used products containing formaldehyde resins, such as office furniture, bookcases, skateboards and picture frames The law applies to all finished goods or raw boards that contain any composite wood content (hardwood plywood, medium density fibreboard or particleboard).

The regulations are unique in that they impact the entire supply chain. While only manufacturers are required to test, all those involved in the supply chain must maintain documents and labelling, including finished goods or repackaged products.

At this time, no other US states are proposing such limits, but a similar law - "Formaldehyde Standards Act" - issued by the US federal government would impose the same restrictions from 2013.

Logitech is compliant with the requirements as laid down in California ATCM legislation.

Logitech® Solar Keyboard K750 – Material Minimization

Logitech engineers have made progress in eliminating substances from the solar powered Logitech® Solar Keyboard K750.

For example, brominated flame retardants have been eliminated from the circuit boards. PVC has been eliminated from the circuit boards, internal and external cables, connectors, insulators and adhesives.

Other steps have been taken to minimize the environmental impact of the keyboard

Small steps, **bright** future

Environmental Status
PVC free*
BFR free (Printed-Circuit-Board only) *
Mercury free
Lead free
Fully recyclable packaging (no plastic – no documentation) *
10% recyclable plastic*

Logitech® K750 Solar Keyboard Package

The positive impressions start the moment you begin unboxing. Logitech has used minimalist recyclable packaging.

Open it up and you'll find the setup instructions, support numbers printed on the box itself - there is no manual or CD. Four pieces of reclaimed cardboard hold the keyboard in place and just the keyboard, its wireless receiver and a wipe cloth are enclosed. It's elegant and an PVC-free example to others how a little bit of thought can go a long way.

Manufacturing Site Resource Management and Minimization

In 2010 Logitech continued to make significant manufacturing site activity improvements in the area of resource reduction and materials minimization. The graph below gives one example of the progress made in solvent usage reduction:

Solvent Usage in the Manufacturing Facility

Litres

- 2008: 10,357
- 2009: 9,415
- 2010: 8,295
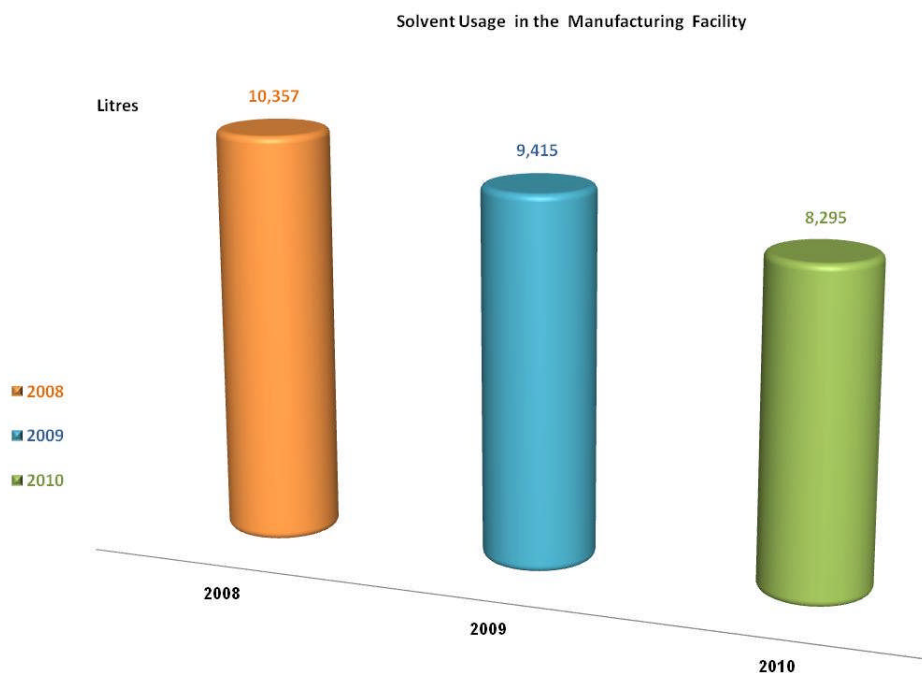
5.2 Packaging Minimization

Improvements in the Use of Packaging Materials

Logitech has reduced the usage of PVC in its packaging bringing it down to 0% usage and moving all its clamshell packaging to PET material. Logitech's target is to be "PVC Free" in packaging by Q2FY12.

FRUSTRATION FREE PACKAGING

Frustration Free Packaging (FFP) is an ecommerce packaging standard developed by Amazon to create packaging that is easy to open, environmentally-friendly and efficient to produce and ship. Benefits of Frustration Free Packaging are improved customer experience, waste minimization and maximized supply chain efficiency. Manufacturers design and submit packaging for certification through Amazon. Once certified, these products can be sold to any and all retailers.

To qualify a package for FFP, the package must follow these guidelines:

1. The product must be easy to open and not contain clam shells, blister packs or wire ties and not require tools (scissors, pliers, etc) to open.

2. The product must be appropriately sized to the product and, in most cases, smaller than traditional retail packaging.

3. The package qualifies as "eco-friendly," meaning it is easily recyclable and biodegradable materials are used both internally and externally. When the packaging is not recyclable, there should be demonstrated reduction in material waste from traditional packaging.

4. The packaging structure must be efficient for fulfilment. It must be strong enough for storage and individual handling in a fulfilment network. It also must be deliverable to a customer in its own container and not require an over pack and able to be delivered to customer in its own container.

In an effort to support the Amazon FFP Initiative, minimize waste and improve supply chain efficiency, Logitech's Americas region launched 6 products in Frustration Free Packaging in late 2009. While these products did not contain the official Frustration Free Packaging logo, they proudly met the FFP guidelines.