

# SUSTAINABILITY REPORT 2012

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# Environment, health and safety introduction CEO Statement

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.

By integrating sound environmental, health and safety management practices into all aspects of our business, we can offer innovative products and services in a responsible and sustainable way.

Logitech strives for continual improvement in our environmental, health and safety management systems as well as in the sustainability of our product designs, process implementation and services. We recognize the importance of conserving the earth's resources and protecting the planet. Logitech acknowledges that our actions have a direct impact on the planet and we strive to protect the environment by minimizing this impact wherever possible.

Logitech also recognizes that we have a responsibility to our employees, suppliers and partners and to the communities, in which we operate. We demonstrate this through our ongoing commitment to, and active membership in, the Electronics Industry Citizenship Coalition (ElCC). The EICC actively promotes an industry-recognized Social and Environmental Code of Conduct, and Logitech's operational practices reflect and demonstrate our commitment to this code.

This EICC <u>Code of Conduct</u> 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 fairness, dignity and respect 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
- Conformance with the Electronic Industry Code of Conduct

 Identification and mitigation of operational risks related to the EICC Code of Conduct This 2012 EHS report, along with our GRI-based Index published on our website aims to provide details of Logitech's commitment to Environmental, Health and Safety practices and to share with you some of the EHS milestone achievements of 2012.

Logitech continues to evolve our policies and programs to meet our EHS responsibilities and I look forward to sharing with you these ongoing improvements in future years to come.

Brachen Danell

Bracken P. Darrell
President and Chief Executive Officer

#### 2. Organizational Profile

#### 2.2 Primary Brands, Services

Logitech is a world leader in products that connect people to the digital experiences they care about. Spanning multiple computing, communication and entertainment platforms, we develop and market innovative hardware and software products that enable or enhance digital navigation, music and video entertainment, gaming, social networking, and audio and video communication over the Internet.

Logitech has two operating segments, peripherals and video conferencing.

Our peripherals segment, which includes retail and OEM channels, encompasses the design, manufacturing and marketing of peripherals for PCs (personal computers), tablets and other digital platforms. In the third quarter of Fiscal Year 2013, we changed the product category classification for a number of our peripheral retail products in an effort to help investors more clearly track the progress of our various product initiatives. Products within the retail product categories as presented in fiscal years ended 2012 and 2011 have been reclassified to conform to the Fiscal Year 2013 presentation, with no impact on previously reported total net retail sales. Our new peripheral retail product categories are defined as follows:

- Retail—Pointing Devices: Our pointing devices include PC-related mice, trackpads, touchpads and presenters.
- Retail—PC Keyboards & Desktops: Our PC keyboards & desktops include PC keyboards and keyboard/mice combo products. This category was formerly Retail—Keyboards & Desktops, except for tablet accessory products, which are now separately reported in the newly formed Retail—Tablet Accessories category.
- Retail—Tablet Accessories: Our tablet accessories include keyboards and other accessories for tablets and other mobile devices. This is a new category, formerly a part of Retail—Keyboards & Desktops.
- Retail—Audio PC: Our audio-PC products include PC speakers and PC headsets. This newly formed category was formerly a part of Retail—Audio.
- Retail—Audio—Wearables & Wireless: Our Audio—wearables & wireless products include non-PC audio products, including earphones and headphones, and wireless speakers. This newly formed category was formerly a part of Retail—Audio.
- Retail—Video: Our video products include webcams, digital video security systems and TV cams. This category now includes TV cams, which were formerly a part of Retail—Digital Home.
- Retail—PC Gaming: Our PC Gaming products include PC gaming mice, keyboards, headsets and steering wheels.
- Retail—Remotes: Our remotes include Harmony remotes. This newly formed category was formerly a part of Retail—Digital Home.
- Retail—Other: This new category comprises a variety of products that we currently intend to transition out of, or have already transitioned out of, because they are no

longer strategic to our business. Products currently included in this category include speaker docks, streaming media systems, some console gaming peripherals and Logitech® Revue for Google TV products.

Primary brand, product, or service	Percent of total revenues	Nature of company's role in providing this product or service
	(%)	
Logitech	Not reported	See 'Additional Comments'
Logitech Ultimate	Not reported	See 'Additional Comments'
Ears		
LifeSize	Not reported	See 'Additional Comments'

Supporting Documentation: Logitech 2013 Annual Report

## 2. Organizational Profile

#### 2.3 Operational Structure

Logitech is a world leader in products that connect people to the digital experiences they care about. Spanning multiple computing, communication and entertainment platforms, we develop and market innovative hardware and software products that enable or enhance digital navigation, music and video entertainment, gaming, social networking, and audio and video communication over the Internet.

We have two operating segments: peripherals and video conferencing.

#### Peripherals

Our peripherals segment encompasses the design, manufacturing and marketing of peripherals for PCs (personal computers), tablets and other digital platforms used in the home or in business. We have multiple business groups focusing on the design, manufacture and marketing of these products:

Core Computing Platforms: This business group is responsible for PC peripherals such as mice, trackballs, keyboards, PC audio, webcams and headsets, as well as tablet peripherals such as keyboard cases and covers.

PC Gaming: This business group is responsible for PC gaming peripherals such as keyboards, mice, headsets and wheels.

Digital Music: This business group is responsible for the Ultimate Ears brand of wireless speakers and wearable earphones.

Unified Communications: This business group is responsible for webcams, keyboards, mice and headsets to be used in the enterprise for integrated voice and video communications.

OEM: Our OEM group works with strategic partners on the design and manufacture of mice and other peripherals sold under the partners' brand.

Digital Home: This business group responsible for remote controls as well as other digital home products.

Supporting these business groups is a global marketing organization, and operations organization, regional sales and marketing organizations and general administration groups. Our regional retail sales and marketing activities are organized into three geographic areas: Americas (including North and South America), EMEA (Europe, Middle East, Africa) and Asia Pacific (including, among other countries, China, Taiwan, Japan and Australia). We sell our peripherals products to a network of distributors, retailers and OEMs. Our worldwide retail network includes wholesale distributors, consumer electronics retailers, mass merchandisers, specialty electronics stores, computer and telecommunications stores, value-added resellers and online merchants.

#### **Video Conferencing**

Our LifeSize division is responsible for enterprise video conferencing systems. Our video conferencing segment encompasses the design, manufacturing and marketing of video conferencing products, infrastructure and services for the enterprise, public sector, and other business markets. Video conferencing products include scalable HD (high-definition) video communication endpoints, HD video conferencing systems with integrated monitors, video

bridges and other infrastructure software and hardware to support large-scale video deployments, and services to support these products. The video conferencing segment maintains a separate marketing and sales organization, which sells LifeSize products and services worldwide. We sell our LifeSize products and services to distributors, value-added resellers, OEMs, and occasionally, direct enterprise customers.

#### **Supporting Documentation**

2013 Form 10-K Page 5-6 Logitech Annual Report 2013

# 2. Organizational Profile 2. 4 Headquarters

Logitech International S.A. Apples, Switzerland c/o Logitech Inc. 7600 Gateway Blvd. Newark, CA 94560

#### 2. Organizational Profile 2.5 Countries of Operation

Logitech International S.A. is a Swiss holding company with its registered office in Apples, Switzerland, which conducts its business through subsidiaries in the Americas (including North and South America), EMEA (Europe, Middle East, Africa) and Asia Pacific (including, among other countries, China, Taiwan, Japan and Australia).

Our retail sales and marketing activities are organized into three geographic regions: Americas (including North and South America), EMEA (Europe, Middle East, Africa) and Asia Pacific (including, among other countries, China, Japan, Australia, Taiwan and India).

Sales are attributed to countries on the basis of the customers' locations. The United States represented 33%, 34% and 36% of the Company's total consolidated net sales for the fiscal years 2013, 2012 and 2011. No other single country represented more than 10% of the Company's total consolidated net sales during those periods. Revenues from sales to customers in Switzerland, the Company's home domicile, represented 2% of the Company's total consolidated net sales for the fiscal years 2013, 2012 and 2011. In fiscal years 2013, 2012 and 2011, one customer group of the Company's peripheral operating segment represented 11%, 14% and 12% of sales. As of March 31, 2013 and 2012, one customer group of the Company's peripherals operating segment represented 14% of total accounts receivable.

For the fiscal year ended March 31, 2013, we generated net sales of \$2.1 billion, an operating loss of \$252.4 million and a net loss of \$228.1 million. The operating loss and net loss primarily resulted from a \$214.5 million goodwill impairment charge related to our video conferencing reporting unit and from \$43.7 million in costs related to restructuring plans implemented in Fiscal Year 2013. We employed approximately 7,700 employees as of March 31, 2013 and conducted business in approximately 100 countries.

#### **Supporting Documentation**

2013 Form 10-K Page 6 Logitech Annual Report 2013

#### 2. Organizational Profile 2.6 Legal Form

Logitech International S.A. Apples, Switzerland

#### 2. Organizational Profile 2.7 Markets Served

#### Sales and Distribution

Logitech sells its peripherals through many distribution channels, including distributors, OEMs and regional and national retail chains, including online retailers. We support these retail channels with third-party distribution centers located in North America, Europe and Asia Pacific.

In retail channels, Logitech's direct sales force sells to distributors and large retailers. These distributors in North America include Ingram Micro, Tech Data Corporation, D&H Distributing, and Synnex Corporation. In Europe, pan-European distributors include Ingram Micro, Tech Data, and Gem Distribution. We also sell to many regional distributors such as Actebis GmbH in Germany and Copaco Dc B.V. in the Netherlands. In Asia, major distributors include Beijing Digital China Limited in China, Daiwabo in Japan, and the pan-Asian distributor, Ingram Micro. Our distributor customers typically resell products to retailers, value-added resellers, systems integrators and other distributors with whom Logitech does not have a direct relationship.

Logitech's products can be purchased in most major retail chains, where we typically have access to significant shelf space. These chains in the U.S. include Best Buy, Wal-Mart, Staples, Target, and Office Depot. In Europe, chains include Metro Group (MediaMarkt and Saturn), Carrefour Group, Kesa Electricals, Fnac, and Dixons Stores Group PLC, and in Asia Pacific, Australia's Dick Smith Electronics Limited. Logitech products can also be purchased at the top online e-tailers, which include Amazon.com, TigerDirect.com, Buy.com, CDW, Insight Enterprises, Inc. and others.

Logitech's OEM products are sold to large OEM customers through a direct sales force, and we support smaller OEM customers through distributors. We count the majority of the world's largest PC manufacturers among our customers.

#### Mature and Emerging Markets

In our traditional, mature markets, such as North America, Western and Northern Europe, Japan, and Australia, although the installed base of PC users is large, consumer demand for PCs has declined in recent years, and we believe it will continue to decline in future years. As a consequence, consumer demand for PC peripherals is slowing, or in some case declining. While we continue to pursue growth opportunities in select PC peripheral product lines in mature markets, we believe there are growth opportunities for our PC peripherals outside the mature markets. We have invested significantly in growing the number of our sales, marketing and administrative personnel in China, our largest target emerging market, with the result that China was our third-largest country in retail sales for the fiscal ended March 31, 2013. We are also expanding our presence in other emerging markets. China also represents a significant targeted emerging market for our video conferencing segment. We have invested significantly in growing the number of our video conferencing sales, marketing and administrative personnel in China.

#### 2. Organizational Profile 2.8 Scale of Organization

#### Number of employees

7700

Logitech 2013 Form 10-K Page 6

#### Net sales

For the fiscal year ended March 31, 2013, we generated net sales of \$2.1 billion

#### Total capitalization broken down in terms of debt and equity

Logitech 2013 Form 10-K, Consolidated Balance Sheets, Page 96

#### Quantity of products or services provided.

Peripherals	2013 \$
Retail—Pointing Devices	521,083
Retail—PC Keyboards & Desktops	407,896
Retail—Tablet Accessories	119,804
Retail—Audio PC	271,197
Retail—Audio—Wearables & Wireless	65,826
Retail—Video	179,340
Retail—PC Gaming	142,184
Retail—Remotes	71,641
Retail—Other	42,686
OEM	141,186
Total Peripherals	1,962,843
Video Conferencing	137,040
Total net sales	2,099,883

### **2. Organizational Profile** 2.9 Significant changes during the reporting period regarding its size, structure, or ownership

There were no significant changes to Logitech's size, structure or ownership during FY 2013.

# 2. Organizational Structure 2.10 Awards Received

Nine of Logitech's products were selected as 2013 CES (Computer Electronics Show) Innovation Award honorees, including the Logitech Wireless Solar Keyboard K760, a solar powered keyboard that allows you to simultaneously pair with multiple devices and quickly switch among them with a push of a button; the Logitech Solar Keyboard Folio, a solar powered keyboard offering stylish design and protection for the iPad; the Logitech Wireless Rechargeable Touchpad T650 and the Logitech Zone Touch Mouse T400, designed for easy and intuitive navigation of Windows 8; the Logitech Ultrathin Keyboard Cover, an all-inone solution that provides an ultrathin screen protector and built-in keyboard to enhance the iPad experience; the Logitech Washable Keyboard K310, a keyboard that can be submerged in up to 11 inches of water; the Logitech Bluetooth Illuminated Keyboard K810, a keyboard with Bluetooth connectivity to pair with up to three devices simultaneously; the Logitech UE 9000 Wireless Headphone, a headphone combining laser-tuned drivers and a quality Bluetooth connection for a remarkable audio experience; and the Logitech Harmony Touch, an advanced universal remote that enables customization through an intuitive color touch-screen for unprecedented control of your home-entertainment system.

# **3. Report Parameters** 3.1 Reporting Period

Reporting period (e.g., fiscal/calendar year) for information provided.

Start Date	January 1, 2012
End Date	December 31, 2012
Type of reporting period	2012 calendar year*

\*Environmental, Health and Safety Report & Performance Indicators are based on Calendar year January 1, 2012 to December 31, 2012. All other reported parameters are based on Logitech's Fiscal Year 2013 from April 1, 2012 to March 31, 2013

#### **3. Report Parameters** 3.2 Date of most recent previous report

This is Logitech's second year releasing a GRI-based index report. Last year's report was published in July 2012 and can be accessed on our <u>Social and Environmental Responsibility</u> webpage.

# **3. Report Parameters** 3.3 Reporting Cycle

Logitech plans to report according to the GRI annually, completed in the third quarter of each calendar year (July-September) and reflecting the prior calendar year activities and progress and the prior fiscal year strategy and organizational profile.

# **3. Report Parameters** 3.4 Report Parameters / Report Profile / Contact Point

Name	Nancy Morrison	
Title	VP Corporate	
	Communications	
Phone	+1-510-713-4948	
Email	nmorrison@logitech.com	

#### 3. Report Parameters

#### 3. 5 Report Parameters / Report Scope and Boundary / Define Report Content

Logitech is a world leader in products that connect people to digital experiences. Spanning multiple computing, communication and entertainment platforms, we develop and market innovative hardware and software products that enable or enhance digital navigation, music and video entertainment, gaming, social networking, audio and video communication over the Internet, video security and home-entertainment control with sales in more than 100 countries. Our responses will reflect societal, environmental and economic indicators that our business intersects with. Particular emphasis will be placed on community engagement, employee well being, environmental affairs, governance and accountability, government relations, supply chain, and workforce diversity. This report follows the GRI G3 Template.

Stakeholders likely to use the report include the following:

- 1) Logitech clients and business partners
- 2) Logitech employees
- 3) Socially responsible investment analysts
- 4) CSR professionals
- 5) NGOs
- 6) Academic community
- 7) Governments

#### **3. Report Parameters** 3.6 Report Scope and Boundary / Boundary of Report

Guided by the GRI Boundary Protocol, Logitech has defined its environmental and energy reporting boundaries to the manufacturing facility in Suzhou. Environmental and energy data for leased facilities is not reported.

Our Life Size division maintains a separate marketing, sales and manufacturing control. Lifesize has not reported data on environmental and energy performance data.

Responses provided in Operational Structure (GRI 2.3), Countries of Operations (GRI 2.5), and Basis of Reporting (GRI 3.8) and Indicator Scope define the boundary for reporting.

#### **3. Report Parameters** 3.7 Limitations on Report Scope

In regard to environmental performance, we report on our activities where we have direct operational control, unless otherwise noted. Since 1994, we have had our own manufacturing operations in Suzhou, China. Logitech reports all energy and water data from the manufacturing site.

The limitations on the reporting scope are the following: Lifesize and all third-party manufacturing facilities have not reported data on environmental performance.

All financial data is reported in U.S. dollars. There may be instances where financial and non-financial data is requested at a country or local level for which Logitech does not report that data, or is considered proprietary and confidential. In those instances where data is not available it will be stated in the response.

Participation in responding to the GRI requests comes from multiple business units, functional areas and geography teams across Logitech. As much as possible, the responses are complete, detailed and reflect the scope as outlined for each indicator.

#### **3. Report Parameters**

# 3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations

Logitech has two operating segments, peripherals and video conferencing. In regards to energy and water demand, we report on our activities where we have direct operational control, unless otherwise noted. Since 1994, we have had our own manufacturing operations in Suzhou, China. Logitech reports all energy and water data from the manufacturing site.

We outsource production of some peripherals to contract manufacturers and original design manufacturers located in Asia. LifeSize video communications products are manufactured in Malaysia under contract with a third-party manufacturer. We do not report Energy and Water data from these facilities as they are beyond our scope. Our intention is to expand our scope over time.

All Logitech financial results achieved through majority owned joint ventures, leased facilities, outsourced operations, etc, and reported in Logitech's Annual Report and 10-K are reported under U.S. Generally Accepted Accounting Principles.

#### **Supporting Documentation**

2013 Form 10-K Logitech Annual Report 2013

#### **3. Report Parameters** 3.9 Data Measurement & Calculations

GRI G3.1 Guidelines Indicator Protocols and EICC data collection methods have been used for monitoring environmental and energy data.

The environmental and energy performance data is collected using EICC energy templates and converted to carbon dioxide (CO2 equivalent) internally.

#### 3. Report Parameters 3.10 Restatements

Logitech has restated the water consumption data from the 2011 report. The scope for reporting water use at the manufacturing site in Suzhou was expanded to include additional buildings within the facility for the 2012 report.

#### **3. Report Parameters** 3.11 Changes from Previous Report

Logitech has changed the water consumption data from the 2011 report. The scope for reporting water use at the manufacturing site in Suzhou was expanded to include additional buildings within the facility for the 2012 report. Further details in environmental indicator EN8.

\*In 2011 the scope of water data collected and reported was defined as the LT and FD buildings. The scope has now been expanded to include the SMT center and Training center. Total scope for is defined as "LT & FD (SMT Centre) & Training center".

#### 3. Report Parameters 3.12 Content Index

GRI contents table found at Logitech's <u>Social and Environmental Responsibility</u> webpage.

### 3. Report Parameters

#### 3.13 Assurances Practices

Logitech is currently publishing a GRI-based report on a self-declared basis and does not employ an external agency or organization to audit its GRI or annual Corporate Responsibility report.

# 4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight

Full details of Logitech's Corporate Governance Policies and Philosophies can be found on our <u>investor webpage</u>.

We post and maintain an archive of our earnings and other press releases, current reports, annual and quarterly reports, earnings release schedule, information regarding annual general meetings, further information on corporate governance, and other information regarding the Company on the Investor Relations website. The information we post includes filings we make with the U.S. Securities and Exchange Commission ("SEC"), including reports on Forms 10-K, 10-Q, 8-K, our proxy statement related to our annual shareholders' meeting and any amendments to those reports or statements filed or furnished pursuant to U.S. securities laws or Swiss laws.

All such filings and information are available free of charge on the website, and we make them available on the website as soon as reasonably possible after we file or furnish them with the SEC. The contents of this website are not intended to be incorporated by reference into this report or in any other report or document we file and our references to this websites are intended to be inactive textual references only.

Our Corporate Governance Principles can be found here.

# 4.2 Indicate whether the Chair of the highest governance body is also an executive officer

In January 2013, the Chairman of the Board handed over the role of Chief Executive Officer to the President.

Detailed financial information can be found in <u>Logitech Annual Report 2013</u> and on the <u>Investor Relations Website</u>.

# 4.3 For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members

Detailed information of Logitech's Corporate Governance can be found <u>here</u>. Board of Directors Committee Composition is <u>here</u>. Executive biographies can be found <u>here</u>.

# 4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body

Stockholders and other interested parties who wish to communicate with the board or nonmanagement directors of the company can do so via our dedicated investor communications contacts page which can be found <u>here</u>.

#### **4. Governance** 4.14 Stakeholders Engaged

Logitech does business in more than 100 countries worldwide and has more than 7000 employees. The following is a representative list of stakeholders groups engaged.

#### Environment, Supply Chain & Employee

Socially responsible investors Worker Unions and Groups Communities Clients Governments

#### Stakeholders associated via EICC

MakeITFair GoodElectronics As You Sow.

#### **4. Governance, Commitments, and Engagement** 4.15 Identify Stakeholder

The functional areas that Logitech groups stakeholders into include: shareholders, employees, community, customers, commercial partners, local governments.

#### Local Hiring GRI EC7

# Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation

1. Do not have a global policy or common practices for granting preference to local residents when hiring in significant locations of operation

# Proportion of senior management in significant locations of operation from the local community:

Logitech does not disclose these percentages, however our practice is to promote senior managers from within if possible. If there are no suitable promotion candidates, our practice is to hire senior managers from the local country whenever possible.

Definition of 'senior management' used: Directors and Above

#### **Direct Energy Use GRI EN3**

Direct energy consumption by primary energy source.

Unit (Gigajoule):	2012 (GJ)	2011 (GJ)	2010 (GJ)	Notes
Coal	0	0	0	
Natural gas	0	0	4394	Logitech eliminated onsite natural gas consumption for water heating in 2012
Fuel distilled from crude oil	968	1029	1361	
Other				
Total direct consumption of non- renewable primary energy (GJ)	968	159	5755	

#### Supporting Documentation

EHS 2012, Energy and Emissions

#### **Additional Comments:**

The organizational boundary is Logitech factory operations at the LT and FD2 facilities in Suzhou, China only.

#### Indirect energy consumption EN4

Indirect energy consumption by primary energy source.

Renewable Indirect Sources	2012	2011	2010
Unit (Gigajoule):	(GJ)	(GJ)	(GJ)
Solar			
Water			
Geothermal			
Hydo energy			
Biomass-based intermediate energy			
Hydrogen-based intermediate energy			
CHP/Wind/Biomass			
Solar/Wind			
СНР			
Total Used (GJ):	0	0	0
Non-Renewable Indirect Sources			
*Electricity	38,377	43,380	43,960
*Heating and cooling			
*Steam			
Nuclear energy			
*Fuel			
Total Used (GJ):	38,377	43,380	43,960
Total Indirect (MTO2-e)	8,399	9,494	9,621

#### **Supporting Documentation**

EHS 2012, Energy and Emissions

#### **Additional Comments:**

The organizational boundary is Logitech factory operations at the LT and FD2 facilities in Suzhou, China only

#### **Energy Saved GRI EN5**

#### Energy (Indirect Energy) saved due to conservation and efficiency improvements.

The organizational boundary is Logitech factory operations at the LT and FD2 facilities in Suzhou, China only

In 2010, Logitech established a baseline of energy consumption and a 5-year energy conservation plan that will permit the reduction of energy by 10 percent over the 5-year period.

Since 2010, Logitech's manufacturing team has been dedicated to monitoring and reducing energy use at our manufacturing site.

Indirect Energy demand has reduced from 12,050MWH to 10,660MWH from 2011 to 2012. This is a reduction in indirect energy demand of 12% since 2010.

Unit GIGAJOULES	2012 (GJ)	2011 (GJ)	2010 (GJ)
Total Indirect Energy (GJ)	38,377	43,380	43,960
Total energy saved	5003	580	-

Supporting Documentation

EHS 2012, Energy and Emissions

#### Product Energy Saved GRI EN6

## Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.

Logitech is conscious of the importance of energy efficiency of our products. We understand that efficient products not only enhance user experience and productivity but also benefit the environment.

Logitech has a continuous improvement approach to product energy efficiency and it is a driving factor in our product development activities.

Find examples of our product energy efficiency progress activities in our most annual EHS reports EHS 2012, Product Energy

Logitech is subject to the EU's Energy-related Products (ErP) Directive, which aims to encourage manufacturers and importers to produce products designed to minimize overall environmental impact. Under the directive, Logitech must ensure that our energy-related products comply with applicable requirements, issue a declaration of conformity and mark the product with the 'CE' mark. The directive does not have binding requirements for specific products, but does define conditions and criteria for setting, through subsequent implementing measures, requirements regarding environmentally relevant product characteristics. To date the following implementing measures within the ErP directive are active and applicable to Logitech products:

- 1275/2008: Eco-design requirements for standby and off mode electric power consumption of electrical and electronic household and office equipment.
- 278/2009: Eco-design requirements for no-load condition power consumption and average active efficiency of external power supplies.

Logitech has assessed the applicability of these implementing measures on relevant product lines and has taken steps to ensure that our products meet the requirements. Adoption of the ErP directive is in all EU member states and conformity has been demonstrated by Logitech in conjunction with current CE conformity marking requirements. Where possible, Logitech has applied these standards of energy efficiency beyond the EU to other global geographies where our product sell.

In the U.S we are subject to Appliance Efficiency Regulations adopted via the U.S. Energy Independence and Security Act of 2007. The regulations set out standards for the energy consumption performance of products within the scope of the regulations, which includes some of Logitech's products. The standards apply to appliances sold or offered for sale throughout the U.S., and Logitech has redesigned or changed products to comply with these regulations.

In Australia and New Zealand, we are subject to the MEPS (Minimum Energy Performance Standards) regulations. These regulations set out standards for the energy consumption performance of products within the scope of the regulations, which includes some of Logitech's products. We have taken steps to modify products to ensure they are in compliance with MEPS.

#### Water Withdrawal GRI EN8

Total water withdrawal by source.

Report in cubic meters per year (m3/year)	2012	2011	2010	See Note (specify target in note below)
*Surface water, including water from wetlands, rivers, lakes, and oceans				
Ground water				
Rainwater collected directly and stored				
Recycled Water	14,560	17,056	0	A decrease of 14.6% from 2011 to 2012 in recycled hot water purchased as a by- product of another closely located facility
*Municipal water supplies or other water utilities	277,399	324,380	351,594	Reduction of 14.4% from 2011 to 2012. This is a total saving of 49,981 tons of water.
*Total water from all other sources:				
*Total water withdrawal (volume)				
Normalized withdrawal (include unit)				
Consecutive years of data (including the most recent year) for which the company discloses data:				
Publicly disclose	Yes	Yes		Specify document / link:

#### **Supporting Documentation:**

EHS 2012, Water and Waste

#### Additional Comments:

The majority of Logitech's water use is municipal potable supplied water. Water-saving initiatives have contributed to a reduction of 7.7% in directly withdrawn water consumption from 2011 compared to 2010 consumption and 14.4% from 2011 to 2012. This is a total savings of 74,195 tons of water since 2010.

\*In 2011 the scope of water data collected and reported was defined as the LT and FD buildings. The scope has now been expanded to include the SMT center and Training center. Total scope for is defined as "LT & FD (SMT Centre) & Training center".

#### **Direct, Indirect Greenhouse Gas GRI EN16**

Total direct and indirect greenhouse gas emissions by weight

Direct and Indirect Greenhouse Gas (GHG) Emissions (in metric tonnes CO2 equivalent)	2012 (MTCO2e)	2011 (MTCO2e)	2010 (MTCO2e)	Company has targets for year:
CO <sub>2</sub> Direct	68.5	73	344	
CH <sub>4</sub> Direct				
N <sub>2</sub> O Direct				
HFCs Direct	58.6	86	88	
PFCs Direct				
CF <sub>6</sub> Direct				
Subtotal Direct (Scope 1)	127	159	432	Target: 10% by 2015 based on 2010 data. To date, 97 % reduction on scope 1 since 2010 due to on site gas usage elimination.
Scope 1 data coverage: owned and leased operations*				
CO2 Indirect Scope 2	8,399	9,494	9,621	
Subtotal Indirect (Scope 2)	8,399	9,494	9,621	Target: 10% by 2015 based on 2010 data. To date; 12.7% reduction in scope 2 emissions. since 2010.
Scope 2 data coverage: owned and leased operations				
Total Direct and Indirect GHG Emissions	8,526	9,653	10,053	Target: 10% by 2015 based on 2010 data. To date ; 15 % reduction in total emissions.
Please explain trend and performance against target (Scope 2 GHG): CO2e REDUCTION GOALS				

#### Supporting Documentation

EHS 2012, Energy and Emissions

The scope of this target is our factory operations at the LT and FD2 facilities in Suzhou, China only.

<u>Note</u>: Greenhouse gas emissions are shown in metric tonnes of carbon dioxide equivalent (MTCO2e).

#### **Greenhouse Gas Reductions GRI EN18**

#### Initiatives to reduce greenhouse gas emissions and reductions achieved.

In 2011, Logitech set a target to reduce its absolute GHG emissions by 10% by 2015 based on 2010 data.

Logitech implemented phase one of our energy efficiency management programs in LT and FD2 facilities, these included optimization of equipment efficiency and implementing programs to shut down equipment off duty.

Since 2010, scope 1 emissions have been reduced by 70%. Scope 2 emissions have reduced by 12.7%

<u>Note:</u> Greenhouse gas emissions are shown in metric tonnes of carbon dioxide equivalent (MTCO2e).



The scope of Logitech's programs to reduce absolute GHG emissions covers our factory operations at our LT and FT2 facilities in Suzhou, China only.

Supporting Documentation

EHS 2012, Energy and Emissions

#### Mitigate Product Impact GRI EN26

# Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.

#### **Targeted Substance Reduction Plan**

Logitech's <u>Targeted Substance elimination program</u> was established to bring strategic focus to environmental considerations on the sourcing and design of Logitech products from a materials management and minimization perspective. From this, the targeted-substance reduction plan was launched internally by Logitech in 2010.The baseline criteria to benchmark our improvements was taken as our top 50 product global sales for the year 2010.

In the period 2010 to 2011, the total volume of targeted substances was reduced by 44%. In addition, a further 18% reduction was achieved from 2011 to 2012. The EHS 2012 graph highlights the improvements from 1482 tons in 2010 to 669 tonnes in 2012.

#### Logitech Phthalate Restriction Policy

To help achieve continued progress toward our goals of sustained targeted substance elimination, the Phthalates restriction policy was implemented by Logitech in August 2012. You can find the Logitech Phthalate Restriction <u>policy statement here</u>.

#### **PVC Reduction Policy**

Logitech's packaging is now 100% PVC free.

### **Anti-Corruption Training GRI SO3**

# Percentage of employees trained in organization's anti-corruption policies and procedures

	2012
Percentage of total number of management employees who have received anti- corruption training	See comments below
Percentage of total number of non- management employees who have received anti-corruption training	See comments below

#### **Additional Comments:**

Indirect labor is required to complete a training course on ethics, anti-corruption, and related topics. Completion rates are above 99%