Environment, Health and Safety Report, 2008

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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 of, the Electronics Industry Citizenship Coalition (EICC). The EICC actively promotes an industry-recognized Social and Environmental Code of Conduct, (EICC) 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 (EICC)
  - o Identification and mitigation of operational risks related to the EICC

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 2008. Be assured that Logitech will continue 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.

Gerald P. Quindlen

Gerald P. Quindlen
President and CEO

Logitech Commitment to Electronic Electronic Industry Code of Conduct.

The Electronic Industry Code of Conduct (EICC) 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 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 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.

Pat Brubeck
Vice President, Worldwide Quality and Customer Satisfaction

EHS Management Systems

- ### _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 ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety management system in addition to having ISO9001 Quality Management System certification.

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.

- ### _Product Regulatory Compliance Systems_

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

Where possible, Logitech takes a proactive global solution approach by expanding certain regional requirements to cover our entire worldwide product range, if such an action would positively contribute to global environment, health and safety.

An example of this global solution is Logitech's approach to the introduction of the EU RoHS Directive. The RoHS Directive places rigorous legal restrictions on certain material content in all products sold in the European Union. Logitech recognized the opportunity to enhance global environmental, health and safety aspects of its products and implemented a policy to extend RoHS product restrictions to all of our products sold globally. The result is that all Logitech products manufactured since early 2006 are RoHS compliant.
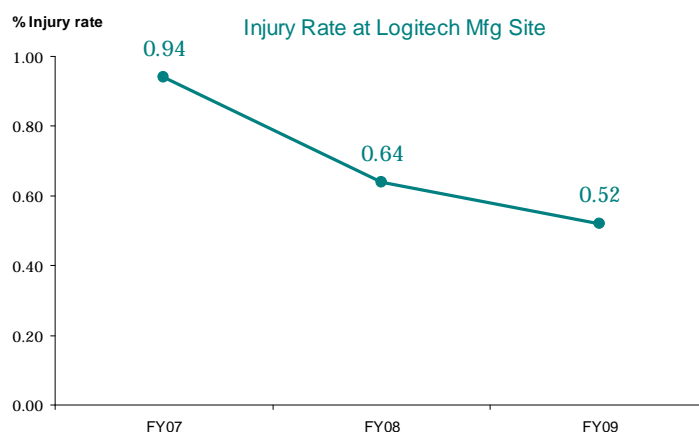
- ### _Human Resources EHS Systems_
  #### Policy

At Logitech, we conduct our 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 environmental, health and safety requirements and verifying our performance through audits
- Adopting EICC environmental, health and safety standards to protect human health and the environment 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 policy that enhance environmental quality, health and safety
- Advocating the adoption of prudent environmental, health and safety 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 environmental, health and safety management systems and policies.

- ### _Manufacturing Site Health and Safety Activities_

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

% Injury rate — Injury Rate at Logitech Mfg Site

FY07: 0.94
FY08: 0.64
FY09: 0.52
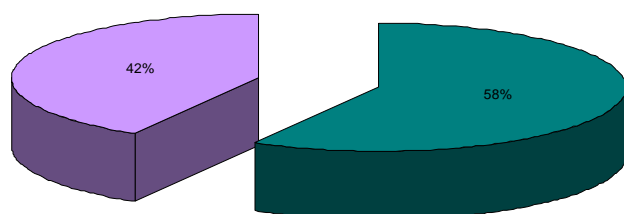
Employee Participation

- ### *Earth Day Activities in 2008*

  We focused this year's event on *education and awareness* of how our choices impact on our environment.

  Employee participation included 25% of employees from our California offices participating in the Earth Day activities.

  Our employees participated with a focus on electronic waste collection and recycling activities and using alternate transportation for the day.
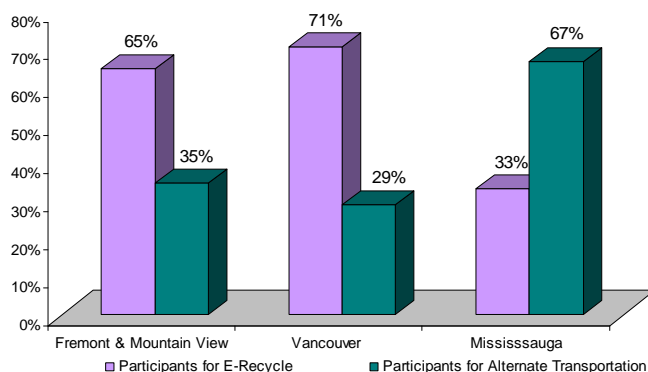
  Paticipants by Initiative

  ■ Employees brought electronic waste from home
  ■ Employees used alternate transportation for the day

  We also had participation from other US and Canadian sites.

  Participants by Site

  ■ Participants for E-Recycle   ■ Participants for Alternate Transportation

  The day was a great success and helped to contribute to the reduction of CO_2 emissions and landfill while also achieving the primary objective of creating awareness among Logitech employees was its main achievement.

  As an extra incentive, employees in each site received awards in recognition of their participation in such initiatives.

- ### *Logitech's Mobility Plan*

  Logitech's new European offices are designed with employee mobility and the environment in mind.

  ### A SHORT WALK TO THE STATION

  The new building occupied by Logitech in Morges, Switzerland since April 2007 was chosen because of its proximity to the railway station, just a two-minute walk away. This criterion is central, indeed essential, to ensuring the success of the company's mobility plan.

  ### A CAR ON STANDBY

  Logitech has secured the availability of a **mobility car,** which is on permanent standby in its car park. Any employee can use this vehicle free of charge for professional or private use. The journey is then billed to the department in which the employee works.

  ### 38% WON OVER!

  For the facilities manager at Logitech Europe in Morges, the equation was simple: with just 91 free car parking spaces available for 220 employees in the medium term, 42% of all staff will have to opt for public transport and give up their car use.

  Nobody is forced to accept this offer and everyone was consulted with a view to refining this mobility plan. The initial fears (family or leisure logistics during breaks from work, privileges carried by seniority) were soon swept aside by dialogue.

  In the words of our Morges facilities manager, "The success was astonishing: when we moved into our new building in April 2007, 30% of staff opted in favor of this offer. I had been expecting just 10% to do so. Today this figure has risen to 38%. Logitech can already pride itself on saving 140 metric tons of CO_2 emissions every year. That is a bonus for our community."

  Logitech continues to look for such practical opportunities to make positive environmental contributions for improvement in the way that we conduct business.
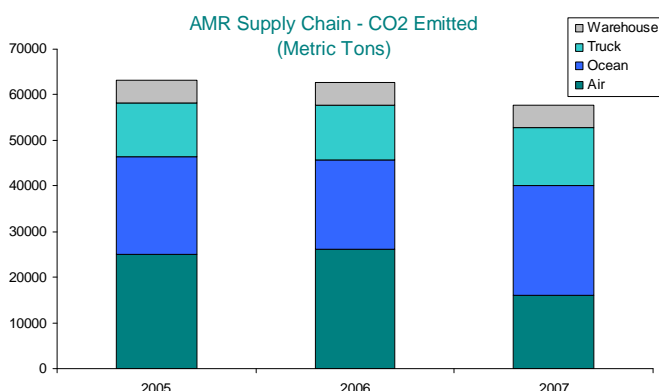
Carbon Emissions

Logitech is conscious that a number of our activities contribute to increased CO_2 emissions and we continue to look for opportunities to take action to reduce carbon emissions. Here are just a few examples of what Logitech is doing to drive down carbon emissions:

• Supply Chain

By focussing on supply chain transportation and storage methods and packaging efficiency we have achieved in the period 2005 to 2007 an 8.6% reduction in eCO_2 emissions.
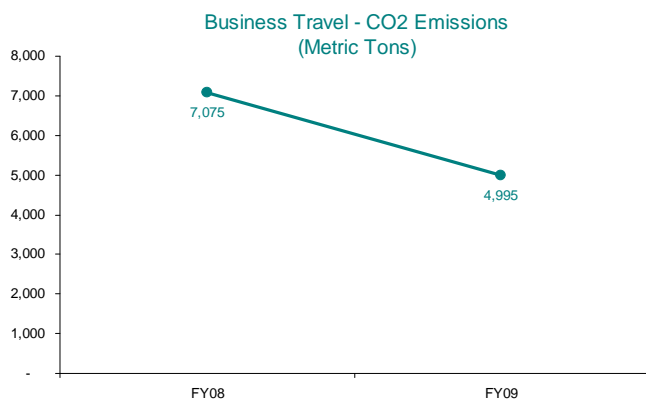
This equates to a reduction of 5,400 tons eCO_2 reduction for the same period.

AMR Supply Chain - CO2 Emitted (Metric Tons)

• Business Travel

Business travel reduction has been in focus over the past year and Logitech has been encouraging employees to use our webcam products to communicate remotely with colleagues. This has made a very positive contribution to eCO_2 emissions reduction of 29% in FY09 compared to FY08.
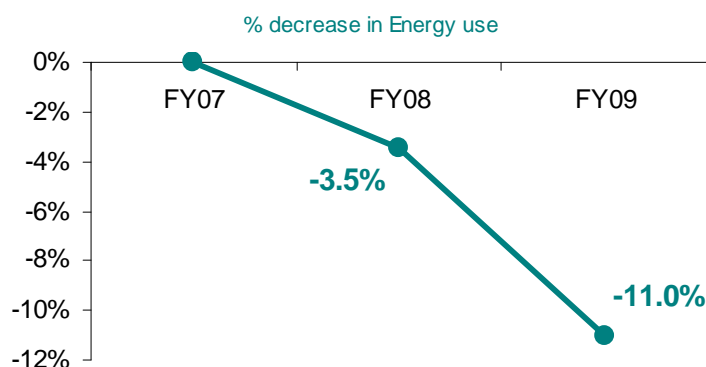That percentage represents a reduction of more than 2000 metric tons of eCO_2

Business Travel - CO2 Emissions (Metric Tons)

Power Consumption

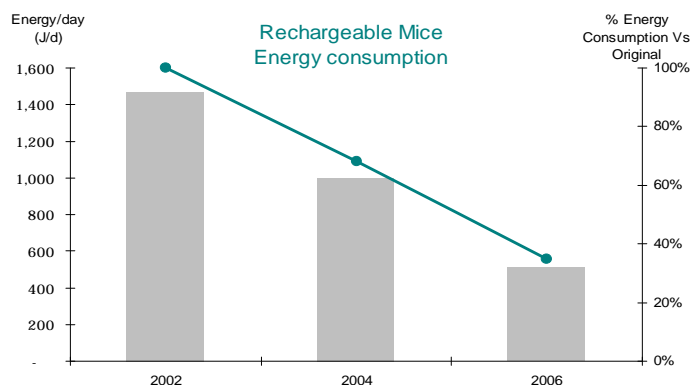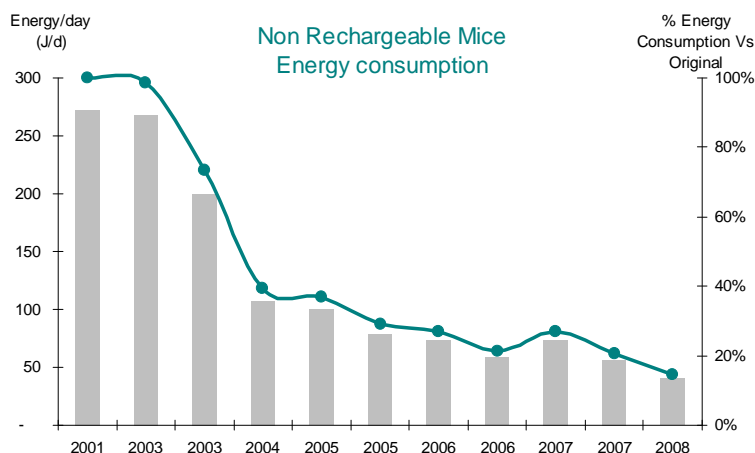### • Manufacturing Facility Power Usage

Our Suzhou Manufacturing Site has focused on energy efficiencies in FY09 by taking practical steps to reduce energy waste and the graph below shows energy use reduction improvements to date.

% decrease in Energy use

-3.5%

-11.0%

• Product Electrical Power Consumption

We are aware of product energy usage as a CO_2 contributor and continue to drive efficiencies in power consumption of both rechargeable and non-rechargeable products.

Here are some of the improvements that we have made to date

Non Rechargeable Mice Energy consumption

Rechargeable Mice Energy consumption

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 and packaging waste recovery and recycling schemes and finance, on an ongoing basis, the collection, recovery and recycling of product, packaging and battery waste.

- ### *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.

Some examples of Logitech's WEEE stewardship activities in 2008:

- GERMANY – **904** metric tons of electrical waste collected for recycling

- UK – **381** metric tons of electrical waste collected for recycling

- SWEDEN – **762** metric tons of electrical waste financed for collection

- DENMARK – **564** metric tons of electrical waste financed for collection

- ### *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

Some examples of Logitech's battery and packaging stewardship activities:

- In 2008 we financed the collection and recycling of **6.4 million** batteries in Germany and The Netherlands

- In 2008 we financed the collection and recycling of **3,035 metric tons** of packaging in Germany and The Netherlands

- In 2008 we financed the collection and recycling of **344 metric tons** of paper packaging and **126 metric tons** of plastic packaging in Ontario, Canada

Resource Management and Minimization

- ### *Materials Selection, Substitution and Elimination*

Restriction of Hazardous Substances (RoHS)

All Logitech products are compliant with the EU RoHS Directive (European Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment).

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

Flame retardants:

- 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."

Beyond RoHS

In addition to legal obligations, Logitech has taken a proactive approach in identifying a number of materials and substances to either restrict or entirely ban in our products and processes as well as in our manufacturing partner sites.

Transition from *PVC* to *PET* in Packaging Materials

During 2008, Logitech completely removed PVC as a substrate for package design.

All packages requiring a thermoform blister or clamshell design are now made with PET material.

PET is a much more eco-friendly material because recovery for re-use from recycling activity is at a very high rate and it has multiple uses for post-recycling applications.

Logitech continues to eliminate the use of PVC in legacy products through obsolescence.

Resource Management and Minimization

Packaging Materials Reduction – New J-Hook Mobile Clamshell Structure:

Logitech was presented with a challenge in 2008 to facilitate retailer requests for a J-hook structure that would allow a consumer to pull any package that they wanted off of a hooked display without disturbing the entire row of products.

Our response to this request is a good example of where we continue to look for eco-improvements as part of our packaging improvement activities.

Our packaging engineering team saw this as an opportunity to meet consumer expectations and to see if any other improvement opportunities existed. They optimized the size of the new J-hook packaging structure, which resulted in the new packaging being approximately **26%** smaller compared to its predecessor.
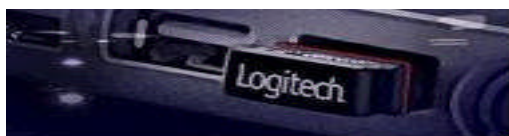
This size reduction allowed us to become more efficient in the distribution stream by shipping more units in less space, reducing overall package weight achieving transport fuel savings, and being more environmentally friendly by saving on packaging materials.

Product Repair and Refurbishment – Spare Parts Store

In 2008, Logitech introduced, in a number of regions, an online Spare Parts Store to help consumers to extend the life of our products and avoid unnecessary product replacements.

Now, if a consumer has lost or broken a piece of their Logitech product they can find a replacement piece online, and avoid having to replace the entire product and save on the energy and resources that would have been required to manufacture and supply that product.

This is just another example where we find and implement practical improvements to help the consumer and the environment
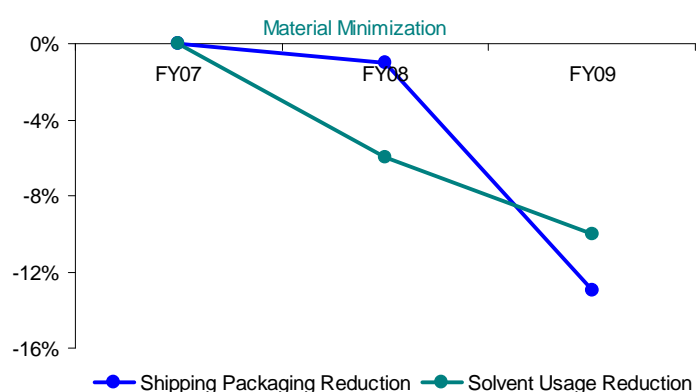
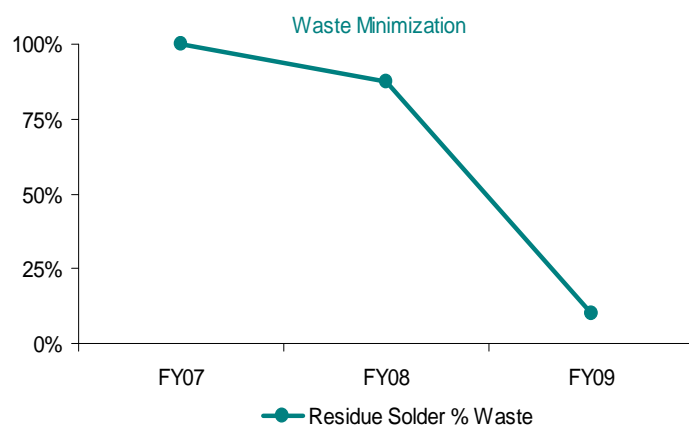**Manufacturing Site Resource Management and Minimization**

2008 saw Logitech continue to make significant manufacturing site activity improvements in the area of resource reduction and materials minimization.

Here are a few examples of our ongoing achievements in this area:

- 13% reduction since FY07 in the use of shipping packaging materials.
- 10% reduction since FY07 in solvent use during manufacturing

Material Minimization chart showing Shipping Packaging Reduction and Solvent Usage Reduction from FY07 to FY09.

- More than 90% reductions in manufacturing solder residue waste since FY07.

Waste Minimization chart showing Residue Solder % Waste from FY07 to FY09.

Logitech's work to make meaningful improvements for both the consumer and the environment continues in 2009.