

September 2016

STATEMENT ON SLAVERY AND HUMAN TRAFFICKING

The California Transparency in Supply Chains Act of 2010 and the United Kingdom Modern Slavery Act of 2015 require certain commercial organisations to be transparent about efforts undertaken to identify and eradicate slavery and human trafficking in their supply chain. Logitech does not tolerate modern slavery or human trafficking in any form. This statement provides an overview of the actions we have taken, to verify the absence of forced labor, slavery and human trafficking in our supply chain.

Pursuant to Section 3 of the California Transparency in Supply Chains Act of 2010 and the United Kingdom (UK) Modern Slavery Act 2015, Chapter 30, Part 6, Provision 54, Logitech confirms that we have taken steps during the financial year to ensure that slavery and human trafficking are not taking place in our supply chain or in any part of our business.

The Electronic Industry Citizenship Coalition ([EICC](#)) is a nonprofit coalition of electronics companies, committed to supporting the rights and well-being of workers and communities engaged in the global electronics supply chain. As a full member of EICC, Logitech has demonstrated our commitment to environmental and social responsibility by adopting the EICC Code of Conduct (the "[Code](#)"). The Code prohibits the use of forced, bonded, indentured labor or involuntary prison labor. EICC members commit publicly to the Code, and are expected to actively pursue conformance to the Code as a total supply chain initiative. The Code includes requirements to establish management systems to ensure workers' rights are protected. We expect our suppliers to adhere to business ethics standards aligning with the provision of the Code and we are committed to working with our suppliers to achieve this common objective. We actively collaborate with our industry coalition partners in the EICC to share best practices among members, evolve the EICC Code of Conduct, and develop and share available tools and training. In addition, Logitech has internal policies and practices that reflect international labor and human rights standards. We partner with our supply chain to create an environment where workers have the right to freely choose employment and where slavery and human trafficking is not tolerated.

1. Verification:

We request acknowledgment of the EICC Code of Conduct from all our first-tier suppliers. The Code includes requirements to respect the right of workers at suppliers' and Logitech's own facilities, to freely choose their employment. Section A.1 of the Code states includes the requirement that forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used. Compliance with the Code is also part a stated requirement of our purchase agreements with suppliers.

We manage conformance by using the EICC Supplier Risk Assessment [Tool](#), Self-Assessment Questionnaire ([SAQ](#)), Customer Managed Audit ([CMA](#)) process and the Validated Audit Process ([VAP](#)). We also participate in EICC-organised regular teleconferences, webinars, and other meetings that help us understand and monitor risks associated with labor recruitment practices.

A) Self-Assessment Questionnaire:

Our suppliers are required to assess their conformance with the Code using the EICC Supplier Risk Assessment Tool, Self-Assessment Questionnaire (SAQ). The SAQ is a self-evaluation form that inquiries about demographics and existing policies at a facility level against all sections of the Code. These tools help us decide which suppliers to audit by helping to identify risk levels for slave labor or human trafficking practices.

Our auditing programme for suppliers is risk-based. We work with our suppliers and use the EICC's Self-Assessment Questionnaire ([SAQ](#)) and Risk Assessment [Tool](#) to determine the level of SER risk a new supplier presents. The EICC tools help the supplier to carry out a self-evaluation of their performance and disclose pertinent information regarding their business activities and organisation. We carry out a desk-based review of that information to verify accuracy and

completeness, calculate the risk score, and determine the need for, or value of, a follow-on on-site audit. Any result below 65% is defined as High-Risk by EICC. Any High Risk suppliers are included in our auditing programme.

New suppliers are required to complete the SAQ before any audit is performed. We assess the top 80% spend (as dictated by EICC and incorporating Major suppliers) in addition to any suppliers outside of this 80% demonstrating risk after assessment.

B) Audits:

Logitech will conduct a desk audit review of all supplier SAQ responses to accuracy and completeness. We will use this step, in addition to our risk assessment results, to determine if on-site supplier audits of suppliers' facilities, known as the CMA, are required to verify our suppliers' conformance to the EICC Code of Conduct and related local laws, standards and policies. This year, we completed twenty-five (25) supplier CMAs, which represent the top 80% of our direct procurement total spend.

Logitech's own manufacturing facility is subject to third party audits which follow the EICC Validated Audit Process ([VAP](#)), which independently assesses suppliers against the entire EICC Code, including: Labor, Health & Safety, Environment, Ethics, and Management Systems. It includes many different components, such as On-Site Inspection, Document Review, and Worker and Management Interview. In 2015, a VAP audit was satisfactorily completed on our Logitech-owned manufacturing facility in Suzhou PRC, resulting in EICC designating the factory "GREEN" rating as low risk. These results are considered valid for a two year period from process completion.

In addition, a VAP audit was performed on three of our major suppliers.

2. Certification / Code Compliance:

The standards we expect for our suppliers are laid out in the EICC Code of Conduct. Section E of the EICC Code includes a clause stating that companies should have a management system that contains "a process to communicate the Code requirements and to monitor supplier compliance to the Code." There is currently no formal Certification process in place for EICC compliance, however, we expect our suppliers to share our commitment to compliance with all applicable laws, including those related to slavery and human trafficking. Our first-tier suppliers mark their willingness to adopt and abide by the EICC Code of Conduct, either by signing SER (Social and Environmental Responsibility) declarations or by accepting the EICC Code as an integral part of the terms and conditions in our purchase agreements.

3. Internal Accountability:

Noncompliance with the EICC Code on slavery and trafficking is taken very seriously by Logitech. It is considered the most severe type of supplier/factory nonconformance and corrective action plans to remedy any identified instances of nonconformance are triggered and implemented on the shortest possible time line. If such a nonconformance occurs, we take remedial action to contain, address and resolve the situation, including, where necessary, termination of the agreement with the supplier.

In this instance, we demonstrate our ethical responsibility by ensuring that appropriate steps are taken to maintain a duty of care to any individuals who may be impacted by such activity and ensure that appropriate remedial action is taken to minimise or eliminate the impact to those individuals.

Furthermore, for our own employees, Logitech's [Code](#) of Conduct contains, among other topics, a clear statement on compliance with applicable labor and human rights laws. We make resources available to facilitate the reporting of any violation and we have measures in place to protect those who report violations. For example, we have an Ethics Line managed by a third party hotline reporting service provider available by phone or via a web portal. We have also a policy in place to prevent retaliatory action against those who make a good faith report.

4. Training:

Logitech requires its employees to be aware of and comply with our Code of Conduct. Every new employee is required to take an interactive on-line business ethics course. Regular refreshment trainings are in place for existing employees. Logitech also offers specific training to our employees who are responsible for supply chain management on how to



identify and respond to supply chain issues, in accordance with our Ethics Code of Conduct and the relevant sections of the EICC Code. We also provide training directly to our suppliers via our hosted Supplier Capability Building Events which is used as a platform for suppliers to share best practices.

To conclude:

The EICC Code is a fundamental part of our efforts to ensure that slavery and human trafficking is not taking place in our supply chain and in Logitech owned facilities.

This disclosure highlights the efforts Logitech has taken in our own business, as well as our suppliers, to eradicate slavery and human trafficking from our supply chain. These efforts, as well as this disclosure, are reviewed by our Board of Directors annually and updated publicly.

A handwritten signature in cursive script that reads "Bracken Darrell". The signature is written in black ink and is located to the left of the printed name and title.

Bracken Darrell
President and Chief Executive Officer