

LOGITECH INTERNATIONAL SA  
Form PRE 14A  
July 10, 2012

**SCHEDULE 14A INFORMATION**  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

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Logitech International S.A.  
(Name of Registrant as Specified in its Charter)

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July 24, 2012

To our shareholders:

You are cordially invited to attend Logitech's 2012 Annual General Meeting. The meeting will be held on Wednesday, September 5, 2012 at 2:30 p.m. at the Palais De Beaulieu, Rome Room, in Lausanne, Switzerland.

Enclosed is the Invitation and Proxy Statement for the meeting, which includes an agenda and discussion of the items to be voted on at the meeting, information on how you can exercise your voting rights, information concerning Logitech's compensation of its Board members and executive officers and other relevant information.

Whether or not you plan to attend the Annual General Meeting, your vote is important.

Thank you for your continued support of Logitech.

Guerrino De Luca  
*Chairman of the Board*

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**LOGITECH INTERNATIONAL S.A.**

**Invitation to the Annual General Meeting  
Wednesday, September 5, 2012  
2:30 p.m. (registration starts at 1:30 p.m.)  
Palais de Beaulieu Lausanne, Switzerland**

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**AGENDA**

**A. Reports**

Report on Operations for the fiscal year ended March 31, 2012

**B. Proposals**

1. Approval of the Annual Report, the Compensation Report, the consolidated financial statements and the statutory financial statements of Logitech International S.A. for fiscal year 2012
2. Advisory vote on executive compensation
3. Appropriation of retained earnings and distribution of capital contribution reserves
  - 3.1 Appropriation of retained earnings
  - 3.2 Distribution of capital contribution reserves
4. Reduction of share capital by cancellation of repurchased shares
5. Amendment and restatement of the 2006 Stock Incentive Plan, including an increase to the number of shares available for issuance under the Plan
6. Authorization to exceed 10% holding of own share capital
7. Release of the Board of Directors and Executive Officers from liability for activities during fiscal year 2012
8. Decrease of the term of office for members of the Board of Directors
9. Elections to the Board of Directors
  - 9.1. Re-election of Mr. Erh-Hsun Chang
  - 9.2. Re-election of Mr. Kee-Lock Chua
  - 9.3. Election of Mr. Didier Hirsch
10. Re-election of PricewaterhouseCoopers S.A. as Logitech's auditors and ratification of the appointment of PricewaterhouseCoopers LLP as Logitech's independent registered public accounting firm for fiscal year 2013

Apples, Switzerland, July 24, 2012

The Board of Directors



**QUESTIONS AND ANSWERS ABOUT THE LOGITECH  
2012 ANNUAL GENERAL MEETING**

**GENERAL INFORMATION FOR ALL SHAREHOLDERS**

**Why am I receiving this Invitation and Proxy Statement ?**

This document is designed to comply with both Swiss corporate law and U.S. proxy statement rules. Outside of the U.S. and Canada this Invitation and Proxy Statement will be delivered to registered shareholders with certain portions translated into French and German. We made copies of this Invitation and Proxy Statement available to shareholders beginning on July 24, 2012.

The enclosed Response Coupon is solicited on behalf of the Board of Directors of Logitech for use at Logitech's Annual General Meeting. The meeting will be held on Wednesday, September 5, 2012 at 2:30 p.m. at the Palais de Beaulieu, Rome Room, in Lausanne, Switzerland.

**Who is entitled to vote at the meeting?**

Shareholders registered in the Share Register of Logitech International S.A. (including in the sub-register maintained by Logitech's U.S. transfer agent, The Bank of New York Mellon Corporation) on Thursday, August 30, 2012 have the right to vote. No shareholders will be entered in the Share Register between August 31, 2012 and the day following the meeting. As of June 30, 2012 there were 120,955,463 shares registered and entitled to vote out of a total of 155,960,117 Logitech shares outstanding. The actual number of registered shares that will be entitled to vote at the meeting will vary depending on how many more shares are registered, or deregistered, between June 30, 2012 and August 30, 2012.

For information on the criteria for the determination of the U.S. and Canadian street name beneficial owners who may vote with respect to the meeting, please refer to Further Information for U.S. and Canadian Street Name Beneficial Owners, below.

**Who is a registered shareholder?**

If your shares are registered directly in your name with us in the Share Register of Logitech International S.A., or in our sub-register maintained by our U.S. transfer agent, The Bank of New York Mellon Corporation, you are considered a registered shareholder, and this Invitation and Proxy Statement and related materials are being sent to you directly by Logitech.

**Who is a beneficial owner with shares registered in the name of a custodian, or street name owner?**

Shareholders that have not requested registration on our Share Register directly, and hold shares through a broker, trustee or nominee or other similar organization that is a registered shareholder, are beneficial owners of shares registered in the name of a custodian. If you hold your Logitech shares through a U.S. or Canadian broker, trustee or nominee or other similar organization (also called holding in street name), which is the typical practice of our shareholders in the U.S. and Canada, the organization holding your account is considered the registered shareholder for purposes of voting at the meeting, and this Invitation and Proxy Statement and related materials are being sent or made available to you by them. You have the right to direct that organization on how to vote the shares held in your account.

**Why is it important for me to vote?**

Logitech is a public company and key decisions can only be made by shareholders. Whether or not you plan to attend, your vote is important so that your shares are represented.

**How many registered shares must be present or represented to conduct business at the meeting?**

There is no quorum requirement for the meeting. Under Swiss law, public companies do not have specific quorum requirements for shareholder meetings, and our Articles of Incorporation do not otherwise provide for a quorum requirement.

**Where are Logitech's principal executive offices?**

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Logitech's principal executive office in Switzerland is at Rue du Sablon 2-4, 1110 Morges, Switzerland, and our principal executive office in the United States is at 7600 Gateway Boulevard, Newark, California 94560. Logitech's main telephone number in Switzerland is +41-(0)21-863-5111 and our main telephone number in the United States is +510-795-8500.

**How can I obtain Logitech's annual report and other annual reporting materials?**

A copy of our 2012 Annual Report to Shareholders, this Invitation and Proxy Statement and our Annual Report on Form 10-K for fiscal year 2012 filed with the U.S. Securities and Exchange Commission are available on our website at <http://ir.logitech.com>. Shareholders also may request free copies of these materials at our principal executive offices in Switzerland or the United States, at the addresses and phone numbers above.

**Where can I find the voting results of the meeting?**

We intend to announce voting results at the meeting and issue a press release promptly after the meeting. We will also file the results on a Current Report on Form 8-K with the U.S. Securities and Exchange Commission by Tuesday, September 11, 2012. A copy of the Form 8-K will be available on our website at <http://ir.logitech.com>.

**If I am not a registered shareholder, can I attend and vote at the meeting?**

You may not attend the meeting and vote your shares in person at the meeting unless you either become a registered shareholder by August 30, 2012 or you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting. If you hold your shares through a non-U.S. or non-Canadian broker, trustee or nominee, you may become a registered shareholder by contacting our Share Registrar at our principal executive offices in Switzerland, at the above address, and following their registration instructions or, in certain countries, by requesting registration through the bank or brokerage through which you hold your shares. If you hold your shares through a U.S. or Canadian broker, trustee or nominee, you may become a registered shareholder by contacting your broker, trustee or nominee, and following their registration instructions.

**FURTHER INFORMATION FOR REGISTERED SHAREHOLDERS**

**How can I vote if I do not plan to attend the meeting?**

If you do not plan to attend the meeting you may mark the applicable box under Option 3 on the enclosed Response Coupon to appoint either Logitech or the Independent Representative, Ms. Béatrice Ehlers, to represent you at the meeting. Please provide your voting instructions by marking the applicable boxes beside the agenda items on the Response Coupon and sign, date and promptly mail your completed Response Coupon using the appropriate enclosed postage paid envelope. If you sign and return the Response Coupon but do not provide voting instructions for some or all agenda items, your voting rights for those items for which you did not provide voting instructions will be exercised in favor of the Proposals of the Board of Directors (the Board). Please refer to the Response Coupon for more instructions.

**How can I attend the meeting?**

If you wish to attend the meeting, please mark Option 1 on the Response Coupon, and send the completed, signed and dated Response Coupon to Logitech using the enclosed postage paid envelope by Friday, August 24, 2012. We will send you an admission card for the meeting. If an admission card is not received by you prior to the meeting and you are a registered shareholder as of August 30, 2012, you may attend the meeting by presenting proof of identification at the meeting.

**Can I have another person represent me at the meeting?**

Yes. If you would like someone other than either Logitech or the Independent Representative to represent you at the meeting, please mark Option 2 on the Response Coupon and provide the name and address of the person you want to represent you. Please return the completed, signed and dated Response Coupon to Logitech using the enclosed postage paid envelope by August 24, 2012. We will send an admission card for the meeting to your representative. If the name and address instructions you provide are not clear Logitech will send the admission card to you, and you must forward it to your representative.

**Can I sell my shares before the meeting if I have voted?**

Logitech does not block the transfer of shares before the meeting. However, if you sell your Logitech shares before the meeting and Logitech's Share Registrar is notified of the sale, your votes with those shares will not be counted. Any person who purchases shares after the Share Register closes on Thursday, August 30, 2012 will not be able to register them until the day after the meeting and so will not be able to



vote the shares at the meeting.

**If I vote by proxy using the Response Coupon, can I change my vote after I have voted?**

You may change your vote at any time before the final vote at the meeting. You may revoke your vote by requesting a new Response Coupon from us, and we will cancel your prior Response Coupon. If you wish to vote again you may complete the new Response Coupon and return it to us, or you may attend the meeting and vote in person. However, your attendance at the meeting will not automatically revoke your Response Coupon unless you vote again at the meeting or specifically request in writing that your prior Response Coupon be revoked.

**If I vote by proxy using the Response Coupon, what happens if I do not give specific voting instructions?**

If you are a registered shareholder and sign and return a Response Coupon without giving specific voting instructions for some or all agenda items, your voting rights will be exercised in favor of the Proposals of the Board of Directors. In addition, if you provide discretionary voting instructions in the Response Coupon, and other matters are properly presented for voting at the meeting, your voting rights will be exercised in favor of the recommendations of the Board of Directors at the meeting on such matters.

In addition, if your shares are represented at the meeting by an institution subject to the Swiss Federal Law on Banks and Savings Institutions, or by a professional asset manager subject to Swiss jurisdiction, and if you do not provide the institution or asset manager with general or specific voting instructions, the institution or asset manager will be obliged under Swiss law to exercise the voting rights of your shares in the manner recommended by the Board of Directors.

**Who can I contact if I have questions?**

If you have any questions or need assistance in voting your shares, please call us at +1-510-713-4220 or e-mail us at [logitechIR@logitech.com](mailto:logitechIR@logitech.com).

**FURTHER INFORMATION FOR U.S. OR CANADIAN STREET NAME BENEFICIAL OWNERS**

**Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?**

We have provided access to our proxy materials over the Internet to beneficial owners holding their shares in street name through a U.S. or Canadian broker, trustee or nominee. Accordingly, such brokers, trustees or nominees are forwarding a Notice of Internet Availability of Proxy Materials (the Notice) to such beneficial owners. All such shareholders will have the ability to access the proxy materials on a website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found on the Notice. In addition, beneficial owners holding their shares in street name through a U.S. or Canadian broker, trustee or nominee may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis.

**How can I get electronic access to the proxy materials?**

The Notice will provide you with instructions regarding how to:

- View our proxy materials for the meeting on the Internet; and
- Instruct us to send our future proxy materials to you electronically by email.

Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our annual shareholders meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

**Who may provide voting instructions for the meeting?**

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For purposes of U.S. or Canadian beneficial shareholder voting, shareholders holding shares through a U.S. or Canadian broker, trustee or nominee organization on July 13, 2012 may direct the organization on how to vote. Logitech has made arrangements with a service company to U.S. and Canadian brokers, trustees and nominee organizations for that service company to provide a reconciliation of share positions of U.S. and Canadian street name beneficial owners between July 13, 2012 and August 22, 2012, which Logitech determined is the last practicable date before the meeting for such a reconciliation. These arrangements are intended to result in the following adjustments: If a U.S. or Canadian street name beneficial owner as of July 13, 2012 votes but subsequently sells their shares before August 22, 2012, their votes will be cancelled. A U.S. or Canadian street name beneficial owner as of July 13, 2012 that has voted and subsequently increases or decreases their shareholdings but remains a beneficial owner as of August 22, 2012 will have their votes increased or decreased to reflect their shareholdings as of August 22, 2012.

If you acquire Logitech shares in street name after July 13, 2012 through a U.S. or Canadian broker, trustee or nominee, and wish to vote at the meeting or provide voting instructions by proxy, you must become a registered shareholder. You may become a registered shareholder by contacting your broker, trustee or nominee, and following their registration instructions. In order to allow adequate time for registration, for proxy materials to be sent to you, and for your voting instructions to be returned to us before the meeting, please begin the registration process as far before August 30, 2012 as possible.

**If I am a U.S. or Canadian street name beneficial owner, how do I vote?**

If you are a beneficial owner of shares held in street name and you wish to vote in person at the meeting, you must obtain a valid proxy from the organization that holds your shares.

If you do not wish to vote in person, you may vote by proxy. You may vote by proxy over the Internet, or if you request printed copies of the proxy materials by mail, you can also vote by mail or by telephone by following the instructions provided in the Notice.

**What happens if I do not give specific voting instructions?**

If you are a beneficial owner of shares held in street name in the United States or Canada and do not provide your broker, trustee or nominee with specific voting instructions, then under the rules of various national and regional securities exchanges, your broker, trustee or nominee may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, your shares will not be voted on such matter and will not be considered votes cast on the applicable Proposal. We encourage you to provide voting instructions to the organization that holds your shares by carefully following the instructions provided in the Notice. We believe the following Proposals will be considered non-routine: Proposal 2 (Advisory vote on executive compensation), Proposal 3 (Appropriation of retained earnings and distribution of capital contribution reserves), Proposal 4 (Reduction of share capital by cancellation of repurchased shares), Proposal 5 (Amendment and restatement of the 2006 Stock Incentive Plan, including an increase to the number of shares available for issuance under the Plan), Proposal 6 (Authorization to exceed 10% holding of own share capital), Proposal 8 (Decrease of the term of office for members of the Board of Directors) and Proposal 9 (Elections to the Board of Directors). All other Proposals involve matters that we believe will be considered routine. Any broker non-votes on any Proposals will not be considered votes cast on the Proposal.

**What is the deadline for delivering my voting instructions?**

If you hold your shares through a U.S. or Canadian bank or brokerage or other custodian, you have until 11:59 pm (U.S. Eastern Daylight Time) on Thursday, August 30, 2012 to deliver your voting instructions.

**Can I change my vote after I have voted?**

You may revoke your proxy and change your vote at any time before the final vote at the meeting. You may vote again on a later date on the Internet or by telephone (only your latest Internet or telephone proxy submitted prior to the meeting will be counted), or by signing and returning a new proxy card with a later date, or by attending the meeting and voting in person, if you have a legal proxy that allows you to attend the meeting and vote. However, your attendance at the Annual General Meeting will not automatically revoke your proxy unless you vote again at the meeting or specifically request in writing that your prior proxy be revoked.

**How do I obtain a separate set of proxy materials or request a single set for my household in the United States?**

We have adopted a procedure approved by the SEC called householding for shareholders in the United States. Under this procedure, shareholders who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of the Notice and our annual report and proxy statement unless one or more of these shareholders notifies us that they wish to continue receiving individual copies. This procedure reduces our printing costs and postage fees. Each U.S. shareholder who participates in householding will continue to be able to access or receive a separate Proxy Card.

If you wish to receive a separate Notice, proxy statement or annual report at this time, please request the additional copy by contacting our mailing agent, Broadridge, by telephone at +1-800-579-1639 or by e-mail at [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com). If any shareholders in your household wish to receive a separate annual report and a separate proxy statement in the future, they may call our investor relations group at +1-510-713-4220 or write to investor relations, 7600 Gateway Boulevard, Newark, California 94560. They may also send an email to our investor relations group at [logitechIR@logitech.com](mailto:logitechIR@logitech.com). Other shareholders who have multiple accounts in their names or who share an address with other stockholders can authorize us to discontinue mailings of multiple annual reports and proxy statements by calling or writing to investor relations.

#### **FURTHER INFORMATION FOR SHAREHOLDERS WITH SHARES REGISTERED THROUGH A BANK OR BROKERAGE AS CUSTODIAN (OUTSIDE THE U.S. OR CANADA)**

##### **How do I vote by proxy if my shares are registered through my bank or brokerage as custodian?**

Your broker, trustee or nominee should have enclosed or provided voting instructions for you to use in directing the broker, trustee or nominee how to vote your shares. If you did not receive such instructions you must contact your bank or brokerage for their voting instructions.

##### **What is the deadline for delivering my voting instructions if my Logitech shares are registered through my bank or brokerage as custodian?**

Banks and brokerages typically set deadlines for receiving instructions from their account holders. Outside of the U.S. and Canada, this deadline is typically two to three days before the deadline of the company holding the general meeting. This is so that the custodians can collect the voting instructions and pass them onto the company holding the meeting. If you hold Logitech shares through a bank or brokerage outside the U.S. or Canada please check with your bank or brokerage for their specific voting deadline and submit your voting instructions to them as far before the meeting date as possible.

#### **OTHER MEETING INFORMATION**

##### **Further Information for Depositary representatives**

Institutions subject to the Swiss Federal Law on Banks and Savings Banks, as well as professional asset managers, are obliged to inform Logitech of the number and par value of the registered shares they represent.

##### **Meeting Proposals**

There are no other matters that the Board intends to present, or has reason to believe others will present, at the Annual General Meeting. If other matters are properly presented for voting at the meeting, and you have provided discretionary voting instructions in the Response Coupon or your voting instruction card, your shares will be voted in accordance with the recommendations of the Board of Directors at the meeting on such matters.

##### **Proxy Solicitation**

We will bear the expense of soliciting proxies, and we have retained D.F. King & Co., Inc. to solicit proxies for a fee of US \$15,000 plus a reasonable amount to cover expenses. Certain of our directors, officers and other employees, without additional compensation, may also solicit proxies personally or in writing, by telephone, e-mail or otherwise, or we may ask our proxy solicitor to solicit votes and proxies on our behalf by telephone for a fee of US \$5.00 per phone call, plus reasonable expenses. In the United States we are required to request that brokers and nominees who hold shares in their names furnish our proxy material to the beneficial owners of the shares, and we must reimburse such brokers and nominees for the expenses of doing so in accordance with certain U.S. statutory fee schedules.

##### **Tabulation of Votes**

Representatives of at least two Swiss banks will serve as scrutineers of the vote tabulations at the meeting. As is typical for Swiss companies, our Share Registrar will tabulate the voting instructions of registered shareholders that are provided in advance of the meeting.



## **Shareholder Proposals and Nominees**

### ***Shareholder Proposals for 2012 Annual General Meeting***

Under our Articles of Incorporation, one or more registered shareholders who together represent shares representing at least the lesser of (i) one percent of our issued share capital or (ii) an aggregate par value of one million Swiss francs may demand that an item be placed on the agenda of a meeting of shareholders. Any such proposal must be included by the Board in our materials for the meeting. A request to place an item on the meeting agenda must be in writing, describe the proposal and be received by our Board of Directors at least 60 days prior to the date of the meeting. The deadline to receive proposals for the agenda for the September 5, 2012 Annual General Meeting was July 6, 2012. However, under Swiss law registered shareholders, or persons holding a valid proxy from a registered shareholder, may propose alternatives to items on the 2012 Annual General Meeting agenda before or at the meeting.

### ***Shareholder Proposals for 2013 Annual General Meeting***

A registered shareholder that satisfies the minimum shareholding requirements in the Company's Articles of Incorporation may demand that an item be placed on the agenda for our 2013 meeting of shareholders by delivering a written request describing the proposal to the Secretary of Logitech at our principal executive office in either Switzerland or the United States no later than July 5, 2013. In addition, if you are a registered shareholder and satisfy the shareholding requirements under Rule 14a-8 of the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), you may submit a proposal for consideration by the Board of Directors for inclusion in the 2013 Annual General Meeting agenda by delivering a request and a description of the proposal to the Secretary of Logitech at our principal executive office in either Switzerland or the United States no later than March 26, 2013. The proposal will need to comply with Rule 14a-8 of the Exchange Act, which lists the requirements for the inclusion of shareholder proposals in company-sponsored proxy materials under U.S. securities laws. Under the Company's Articles of Incorporation only registered shareholders are recognized as Logitech shareholders. As a result, if you are not a registered shareholder you may not make proposals for the 2013 Annual General Meeting.

### ***Nominations of Director Candidates***

Nominations of director candidates by registered shareholders must follow the rules for shareholder proposals above.

### ***Provisions of Articles of Incorporation***

The relevant provisions of our Articles of Incorporation regarding the right of one or more registered shareholders who together represent shares representing at least the lesser of (i) one percent of our issued share capital or (ii) an aggregate par value of one million Swiss francs to demand that an item be placed on the agenda of a meeting of shareholders are available on our website at <http://ir.logitech.com>. You may also contact the Secretary of Logitech at our principal executive office in either Switzerland or the United States to request a copy of the relevant provisions of our Articles of Incorporation.

## AGENDA PROPOSALS AND EXPLANATIONS

### A. REPORTS

#### Report on Operations for the Fiscal Year Ended March 31, 2012

Senior management of Logitech International S.A. will provide the Annual General Meeting with a presentation and report on operations of the Company for fiscal year 2012.

### B. PROPOSALS

#### Proposal 1

#### Approval of the Annual Report, the Compensation Report, the Consolidated Financial Statements and the Statutory Financial Statements of Logitech International S.A. for Fiscal Year 2012

##### Proposal

The Board of Directors proposes that the Annual Report, the Compensation Report, the consolidated financial statements and the statutory financial statements of Logitech International S.A. for fiscal year 2012 be approved.

##### Explanation

The Logitech consolidated financial statements and the statutory financial statements of Logitech International S.A. for fiscal year 2012 are contained in Logitech's Annual Report, which was distributed to all registered shareholders with this Invitation and Proxy Statement. The Annual Report also contains the report of Logitech's auditors, the report of the statutory auditors and additional information on the Company's business, organization and strategy, and information relating to corporate governance as required by the SIX Swiss Exchange directive on corporate governance. The Compensation Report forms part of this Invitation and Proxy Statement. Copies of the Annual Report, Invitation and Proxy Statement are available on the Internet at *ir.logitech.com*.

Under Swiss law, the annual report and financial statements of Swiss companies must be submitted to shareholders for approval or disapproval at each annual general meeting. The submission of the compensation report to a vote of shareholders as part of the approval of the annual report is a suggested best practice under applicable Swiss best corporate governance principles published by *economiesuisse*, a leading Swiss business organization. In the event of a negative vote on this proposal by shareholders, the Board of Directors will call an extraordinary general meeting of shareholders for re-consideration of this proposal by shareholders. Approval of this proposal does not constitute approval or disapproval of any of the individual matters referred to in the Annual Report, the Compensation Report or the consolidated or statutory financial statements for fiscal year 2012.

PricewaterhouseCoopers S.A., as Logitech auditors, issued an unqualified recommendation to the Annual General Meeting that the Logitech consolidated and Logitech International S.A. financial statements be approved. PricewaterhouseCoopers S.A. express their opinion that the consolidated financial statements for the year ended March 31, 2012 present fairly, in all material respects, the financial position, the results of operations and the cash flows in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and comply with Swiss law. They further express their opinion and confirm that the financial statements and the proposed appropriation of available earnings comply with Swiss law and the Articles of Incorporation of Logitech International S.A.

##### Voting Requirement to Approve Proposal

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

##### Recommendation

The Board of Directors recommends a vote **FOR** approval of the Annual Report, the Compensation Report, the consolidated financial statements and the statutory financial statements of Logitech International S.A. for fiscal year 2012.





## Proposal 2

### Advisory Vote on Executive Compensation

#### Proposal

The Board of Directors proposes that shareholders approve, on an advisory basis, the compensation of Logitech's named executive officers disclosed in Logitech's Compensation Report for fiscal year 2012.

#### Explanation

At Logitech's 2009 and 2010 Annual General Meetings, the Logitech Board of Directors voluntarily asked shareholders to approve Logitech's compensation philosophy, policies and practices, as set out in the Compensation Discussion and Analysis section of the Compensation Report, as a reflection of evolving best practices in corporate governance in Switzerland and in the United States. This proposal, commonly known as a say-on-pay proposal, gave our shareholders the opportunity to express their views on our compensation as a whole.

Beginning last year, a say-on-pay advisory vote was required for all public companies, including Logitech, that are subject to the applicable U.S. proxy statement rules. Last year, shareholders approved a proposal to take this vote annually. Accordingly, the Board of Directors is asking shareholders to approve, on an advisory basis, the compensation of Logitech's named executive officers disclosed in the Compensation Report, including the Compensation Discussion and Analysis, the Summary Compensation table and the related compensation tables, notes, and narrative. This vote is not intended to address any specific items of compensation or any specific named executive officer, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in the Compensation Report.

This say-on-pay vote is advisory and therefore is not binding. However, the say-on-pay vote will provide information to us regarding shareholder sentiment about our executive compensation philosophy, policies and practices, which the Compensation Committee of the Board will be able to consider when determining future executive compensation. The Committee will seek to determine the causes of any significant negative voting result.

As discussed in the Compensation Discussion and Analysis section of Logitech's 2012 Compensation Report, Logitech has designed its compensation programs to attract, retain and motivate the high caliber of executives, managers and staff that is critical to the long-term success of its business. More specifically, Logitech's executive compensation programs have been designed to:

- be competitive with comparable companies in the industry and in the region where the executive is based;
- maintain a balance between fixed and variable compensation and place a significant portion of total compensation at risk based on the Company's performance, while maintaining controls over inappropriate risk-taking;
- align executive compensation with shareholders' interests by tying a significant portion of compensation to increasing share value;
- support a performance-oriented environment that rewards superior performance; and
- reflect the Compensation Committee's assessment of an executive's role and past performance through base salary and short-term cash incentives, and his or her potential for future contribution to Logitech through long-term equity incentive awards.

The Compensation Committee of the Board has developed a compensation program that is described more fully in the Compensation Report included in the Annual Report and this Invitation and Proxy Statement. Logitech's compensation philosophy, compensation components for employees below the executive level, compensation program risks and design, and compensation paid during fiscal year 2012 are also set out in the Compensation Report.

While compensation is a central part of attracting, retaining and motivating the best executives and employees, we believe it is not the sole or exclusive reason why exceptional executives or employees choose to join and stay at Logitech, or why they work hard to achieve results for shareholders. In this regard, both the Compensation Committee and management believe that providing a working environment and opportunities in which executives and employees can develop, express their individual potential, and make a difference, are also a key part of Logitech's success in attracting, retaining and motivating executives and employees.



**Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

**Recommendation**

The Board of Directors recommends a vote **FOR** approval of the following advisory resolution:

"Resolved, that the compensation paid to Logitech's named executive officers as disclosed in the Compensation Report, including the Compensation Discussion and Analysis, the Summary Compensation table and the related compensation tables, notes, and narrative discussion, is hereby approved.

**Proposal 3****Appropriation of Retained Earnings and Distribution of Capital Contribution Reserves****3.1 Appropriation of Retained Earnings****Proposal**

The Board of Directors proposes that CHF 460,919,135 (US \$482,397,967 based on the exchange rate on June 30, 2012) of retained earnings be appropriated as follows:

	<b>Year ended March 31, 2012</b>	
	(in thousands)	
Retained earnings at the beginning of fiscal year 2012	CHF	507,730
Appropriation of retained earnings resolved by the 2011 Annual General Meeting - Dividend		-
Attribution from reserve for treasury shares		(51,880)
Net income for fiscal year 2012		5,069
Retained earnings at the disposal of the Annual General Meeting at the end of fiscal year 2012	CHF	460,919
<b>Unappropriated retained earnings before allocations</b>	<b>CHF</b>	<b>460,919</b>
Proposed allocation to other general reserves for treasury shares		(116,070)
Proposed allocation to general reserve		(9,580)
Unappropriated retained earnings to be carried forward	CHF	335,269
<b>Other general reserves for treasury shares before allocation</b>	<b>CHF</b>	<b>217,375</b>
Proposed allocation from unappropriated retained earnings		116,070
Other general reserves for treasury shares to be carried forward	CHF	333,445
<b>General reserve before allocations</b>	<b>CHF</b>	<b>-</b>
Proposed allocation from unappropriated retained earnings		9,580
General reserve to be carried forward	CHF	9,580
<b>Reserve for treasury shares from capital contributions before allocation</b>	<b>CHF</b>	<b>116,070</b>
Proposed allocation to free reserves from capital contributions		(116,070)
Reserve for treasury shares from capital contributions to be carried forward	CHF	-
<b>General reserve from capital contributions before allocations</b>	<b>CHF</b>	<b>9,580</b>
Proposed allocation to free reserves from capital contributions		(9,580)
General reserve from capital contributions to be carried forward	CHF	-

**Explanation**

Under Swiss law, the use of retained earnings must be submitted to shareholders for approval or disapproval at each annual general meeting. The retained earnings at the disposal of Logitech shareholders at the 2012 Annual General Meeting are the earnings of Logitech International S.A., the Logitech parent holding company.

The Board of Directors proposes in Proposal 3.2 below that, in lieu of a dividend out of available earnings, the Company distributes qualifying additional paid-in capital out of its capital contribution reserves. In order to free up the capital contribution reserves required for this distribution, the Board of Directors proposes to release the reserves for treasury shares and the general reserve that had been constituted out of capital contributions reserves, to recreate such reserves from retained earnings, and to carry forward the balance of the retained earnings at the disposal of the Annual General Meeting in an amount of CHF 335,268,321.

The Board of Directors proposes the carry-forward of retained earnings based on the Board's belief that it is in the best interests of Logitech and its shareholders to retain Logitech's earnings for future investment in the growth of Logitech's business, for share repurchases, and for the possible acquisition of other companies or lines of business.

In the event of a negative vote on this proposal by shareholders, the Board of Directors will take the vote of the shareholders into consideration, withdraw Proposal 3.2 below, and call an extraordinary general meeting of shareholders for re-consideration by shareholders of this proposal or a revised proposal.

**Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

**Recommendation**

The Board of Directors recommends a vote **FOR** approval of the proposed appropriation of retained earnings with respect to fiscal year 2012.

**3.2 Distribution of Capital Contribution Reserves**

**Proposal**

The Board of Directors proposes that the Company's capital contribution reserves be reclassified as free reserves in an amount of CHF 125,650,814 (US \$131,506,142 based on the exchange rate on June 30, 2012), and that such free reserves be distributed to shareholders in an amount of approximately CHF 0.81 per share (US \$0.84 per share based on the exchange rate on June 30, 2012),\* up to an aggregate amount of CHF 125,650,814, as follows:

	<b>Year ended March 31, 2012</b>
	(in thousands)
Free reserve from capital contributions before allocations	CHF -
Proposed allocation from reserve for treasury shares from capital contributions	116,070
Proposed allocation from general reserve from capital contributions	9,580
Proposed distribution from capital contributions	(125,650)
Free reserve from capital contributions to be carried forward	CHF -

No distribution shall be made on shares held in treasury by the Company and its subsidiaries.

Payment is expected to be made on September [\_\_], 2012.

This proposal shall be withdrawn if Proposal 3.1 above is not approved.

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\* Calculated based on 155,960,117 shares outstanding, net of treasury shares, as of June 30, 2012. Distribution-bearing shares are all shares issued except for treasury shares held by Logitech International S.A. on the day preceding the payment of the distribution.

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**Explanation**

The Board of Directors is proposing that, in lieu of a dividend out of available earnings, the Company distributes qualifying additional paid-in capital out of its capital contribution reserves. This cash distribution of qualifying additional paid-in capital would be a one-time distribution based on the significant decline in the Company's stock price during fiscal year 2012, the availability of additional paid-in capital and the opportunity to reward our shareholders for their commitment to the Company.

Under the favorable current Swiss tax regime and contrary to dividends out of available earnings, distributions made out of qualifying additional paid-in capital are not subject to Swiss federal withholding tax.

**Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

**Recommendation**

Subject to Proposal 3.1 above having been approved, the Board of Directors recommends a vote **FOR** approval of the reclassification of the Company's capital contribution reserves as free reserves in an amount of CHF 125,650,814 and the distribution of such free reserves to shareholders in an amount of approximately CHF 0.81 per share,\* up to an aggregate amount of CHF 125,650,814.

**Proposal 4**

**Reduction of Share Capital by Cancellation of Repurchased Shares**

**Proposal**

The Board of Directors proposes that 18.5 million shares repurchased under the buyback program that was authorized by the Board of Directors in September 2008, as amended in November 2011, be cancelled, that the share capital of the Company be reduced by CHF 4,625,000 from CHF 47,901,655 to CHF 43,276,655, and that the Articles of Incorporation of the Company be amended as follows:

**Article 3 (Current Text):**

The share capital is fixed at CHF 47,901,655 (forty-seven million nine hundred one thousand six hundred fifty-five Swiss francs), entirely paid in.

It is divided into 191,606,620 (one hundred ninety-one million six hundred six thousand six hundred twenty) registered shares with a nominal value of CHF 0.25 (twenty-five centimes) each.

**Article 3 (New Text):**

The share capital is fixed at CHF 43,276,655 (forty-three million two hundred seventy-six thousand six hundred fifty-five Swiss francs), entirely paid in.

It is divided into 173,106,620 (one hundred seventy-three million one hundred six thousand six hundred twenty) registered shares with a nominal value of CHF 0.25 (twenty-five centimes) each.

**Explanation**

In September 2008, the Board of Directors approved a share buyback program which authorizes the Company to invest up to US \$250 million to purchase its own shares. In November 2011, the Company received approval from the Swiss regulatory authorities for an amendment to the September 2008 share buyback program to enable future repurchases of shares for cancellation, up to a total of 28.5 million shares.

The Board of Directors now proposes that the shareholders approve the cancellation of 18.5 million shares repurchased under the amended September 2008 program and that the share capital set forth in Article 3 of the Company's Articles of Incorporation be reduced accordingly.

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\* Calculated based on 155,960,117 shares outstanding, net of treasury shares, as of June 30, 2012. Distribution-bearing shares are all shares issued except for treasury shares held by Logitech International S.A. on the day preceding the payment of the distribution.

In their special audit report prepared for the Annual General Meeting the auditors PricewaterhouseCoopers SA confirmed that the claims of the Company's creditors would be covered despite the proposed share capital reduction.

The capital reduction by cancellation of shares can only be accomplished after publication of three notices to creditors in accordance with Article 733 of the Swiss Code of Obligations. If this proposal is approved, such notices to creditors will be published after the Annual General Meeting in the *Swiss Official Gazette of Commerce*. After the two-month waiting period required by law has lapsed, the capital reduction will be effected and entered in the Commercial Register.

#### **Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

#### **Recommendation**

The Board of Directors recommends a vote **FOR** approval of the cancellation of 18.5 million shares, the reduction of share capital of the Company by CHF 4,625,000, and the amendment of the Articles of Incorporation of the Company accordingly.

### **Proposal 5**

#### **Amendment and Restatement of the 2006 Stock Incentive Plan, including an Increase to the Number of Shares Available for Issuance under the Plan**

#### **Proposal**

The Board of Directors proposes that shareholders approve amendments to and the restatement of the Logitech International S.A. 2006 Stock Incentive Plan (the **Plan**) to authorize nine million (9,000,000) additional shares for issuance under the Plan, to improve the Company's corporate governance practices, and to implement other best practices.

#### **Explanation**

The Board of Directors believes a key component of the Company's continued ability to be successful is due to its talented employee base and that future success depends on the ability to attract and retain high-caliber employees. The Board believes the continued ability to grant equity awards is a necessary and essential recruiting and retention tool for the Company to attract and retain the high-caliber employees, officers and directors critical to the Company's success.

The 2006 Stock Incentive Plan is the Company's only active employee equity plan (other than its 2012 Inducement Equity Plan, all of the authorized shares of which are subject to outstanding awards, and its Employee Stock Purchase Plans), and as of June 30, 2012 we have approximately 4.8 million shares remaining for issuance under the Plan. We estimate that this remaining pool will be exhausted before the 2014 Annual General Meeting despite the fact that, to protect shareholder interests, the Company actively manages its program to use its equity plan resources as effectively as possible.

The Compensation Committee anticipates that the additional shares requested will enable the Company to fund the equity compensation program through the end of fiscal year 2016, accommodating anticipated grants relating to the hiring, retention and promotion of employees and providing reasonable flexibility for acquisitions. The table below sets out the shares currently available under the plan and if this proposal is approved:



	<b>Shares (in millions)</b>
2006 Stock Incentive Plan Share Reservation	
Initial share authorized under the Plan	14.0
Additional shares authorized at 2009 Annual General Meeting	3.5
Shares awarded from June 2006 through June 30, 2012, net of cancellations	(12.7)
Additional shares requested under this proposal	9.0
Total shares available for issuance at June 30, 2012 (as if proposal approved)	13.8

The Board is not proposing an increase to the Company's conditional capital for Logitech's employee equity incentive plans. Since 2000, Logitech has used shares held in treasury from its share repurchase programs to cover its issuance obligations under employee equity incentive grants, including grants made under the Plan. It expects to continue to do so.

Logitech has granted equity incentives to employees since its very earliest days in the 1980s. The use of equity compensation in part reflects market practice, especially in California's Silicon Valley, where the Company has a significant presence. However, it is also a key differentiator in attracting and retaining employees in employment markets outside of the United States where, historically, equity incentive compensation was not or is not common. The Board of Directors believes that having the ability to offer equity incentives continues to be a key part of Logitech's compensation program and the Company's long-term success.

### Material Changes to the Plan

The following summary highlights the proposed material changes to the Plan.

- The number of shares reserved for issuance pursuant to awards granted under Plan has been increased by nine million (9,000,000) additional shares from 17.5 million shares to 26.5 million shares.
- The automatic expiration date of the Plan has been eliminated.
- The share counting provision in the Plan has been amended to provide that certain shares will be counted against the maximum number of shares reserved for issuance and will not be returned to the Plan for future awards.
- The Plan has been amended to prohibit the repricing of options or stock appreciation rights (SARs).
- The eligibility provision in the Plan has been expanded to permit consultants to participate in the Plan.

The following summary of certain material features of the Plan is qualified in its entirety by reference to the Plan, which is attached to this proxy statement as Appendix A.

### Key Terms of the Plan at a Glance

The following is a summary of the key provisions of the Plan.

Plan Term:	The Plan, as amended and restated, will become effective on the date the shareholders approve the Plan and will continue in effect until terminated by the board of directors. The proposed amendments will apply to new awards as well as to previously granted awards that are outstanding.
Eligible Participants:	<p>Employees, directors, and consultants of the Company, a parent, a subsidiary or an affiliate generally are eligible to receive each type of award offered under the Plan.</p> <p>Only employees of the Company, a parent or a subsidiary are eligible to receive incentive stock options (ISOs) under the Plan.</p>
Shares Available for Awards:	26.5 million shares over the term of the Plan, subject to adjustment in the event of certain changes in the capitalization of the Company.

If the amendments are approved by the shareholders, approximately 13.8 million shares will be available for the grant of new awards under the Plan (based on awards granted through June 30, 2012).

Award Types	(1) Options (2) SARs (3) Restricted Shares (4) Restricted Stock Units
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Award Terms:	Options and SARs will have a term of no longer than ten years.
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ISO Limits:	No more than the maximum number of shares reserved for issuance may be granted as ISOs under the Plan.
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162(m) Share Limits:	<p>Section 162(m) of the Code requires, among other things, that the maximum number of shares awarded to an individual must be approved by the shareholders in order for the awards granted under the Plan to be eligible for treatment as performance-based compensation that will not be subject to the US \$1 million limitation on tax deductibility for compensation paid to certain specified executive officers.</p> <p>Accordingly, the Plan limits individual awards as follows:</p> <p>(1) no award of options or SARs covering more than 6 million of the Company's shares may be granted to an individual employee in any fiscal year; and</p> <p>(2) no award of Restricted Shares or Restricted Stock Units covering more than 4 million of the Company's shares may be granted to an individual employee in any fiscal year.</p>
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Vesting:	Determined by the administrator within the limits set forth in the Plan.
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Not Permitted:	<p>(1) Granting options or SARs at a price below fair market value of the Company's shares on the date of grant.</p> <p>(2) Unless approved by the shareholders, repricing or reducing the exercise price of an underwater option or SAR, or exchanging underwater options or SARs for (i) a new option or SAR with a lower exercise price, (ii) a cash payment or (iii) any other award.</p> <p>(3) Adding shares back to the number of shares available for issuance when (i) shares covered by an award are surrendered in payment of the purchase price or tax withholding of an option or settlement of an award, (ii) shares are not issued or delivered as a result of net settlement of an outstanding SAR or option, and (iii) shares are repurchased on the open market with the proceeds of the exercise of an option.</p>
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**Summary of the Plan**

**Administration of the Plan.** The Board of Directors or the Compensation Committee, which is made up entirely of independent directors (collectively referred to herein as the administrator), administers the Plan. The administrator selects the employees, consultants and directors who will receive awards, determines the number of shares covered by the awards, and, subject to the terms and limitations in the Plan, establishes the terms, conditions and other provisions of each award agreement. The administrator may interpret the Plan and establish, amend and rescind any rules relating to the Plan. The administrator may delegate to a committee of one or more officers of the Company the ability to grant awards, to the extent permitted by the Company's corporate governing documents. The administrator also may adopt sub-plans and corresponding rules, procedures and forms of award agreement for the purposes of granting awards to participants outside the U.S. and complying with non-U.S. laws.

**Share Reserve.** The maximum number of shares that we have authorized for issuance under the Plan is 26.5 million shares.

Any award of options or SARs intended to comply with Section 162(m) of the Code is limited to an aggregate of 6 million shares per individual in a single fiscal year, and any award of restricted shares or restricted stock units intended to comply with Section 162(m) of the Code is limited to an aggregate of 4 million shares per individual in a single fiscal year.

Any shares subject to an award that expires or terminates unexercised or before settlement, is not earned in full or is forfeited, or is settled in cash will again become available for issuance under the Plan. Any dividend equivalents credited under the Plan and paid in cash shall not be applied against the number of shares that may be issued under the Plan.

The following shares will be counted against the maximum number of shares reserved for issuance and will not be returned to the Plan for future issuance: (i) shares covered by an award that are surrendered in payment of the purchase price or tax withholding of an option or settlement of an award, (ii) shares that are not issued or delivered as a result of net settlement of an outstanding SAR or option, and (iii) shares that are repurchased on the open market with the proceeds of the exercise of an option.

**Eligibility.** Only employees of the Company, a parent or a subsidiary are eligible to receive ISOs. Employees, directors and consultants of the Company, a parent, a subsidiary or an affiliate are eligible to receive nonstatutory options, SARs, restricted shares, and restricted stock units. As of June 30, 2012, the Company had approximately 7,600 employees, eight non-employee directors and 160 consultants eligible to receive awards under the Plan. Consultants, however, may only be granted awards to the extent permitted by the Company's corporate governing documents.

**Awards.** Awards granted under the Plan may include any of the following:

**Options.** An option is the right to purchase shares of the Company at a fixed exercise price for a fixed period of time. Each option is evidenced by an award agreement and is subject to the following terms and conditions:

**Number of Options.** The administrator will determine the number of shares subject to an option granted to any participant.

**Exercise Price.** The administrator will determine the exercise price of options granted under the Plan at the time the options are granted, but the exercise price generally must be at least equal to the fair market value of a share of the Company on the date of grant. The fair market value of a share generally is determined with reference to the closing sale price for a share of the Company on the day the option is granted on either the SIX Swiss Exchange (for options denominated in Swiss francs) or the NASDAQ Global Select Market (for options denominated in U.S. dollars). The fair market value on the date of grant also may be determined based on an average of trading prices in a period before or after the date of grant. As of June 30, 2012, the closing price of a share of the Company was CHF 10.22 on the SIX Swiss Exchange and US \$10.67 on the NASDAQ Global Select Market.

**Exercise of Option; Form of Consideration.** The administrator determines when options become exercisable and may, in its discretion, accelerate the vesting of outstanding options under certain circumstances. The means of payment for shares issued upon exercise of an option is specified in each award agreement. To the extent permitted by applicable law, the Plan permits payment to be made by cash, cash equivalents, promissory note, other shares (with some restrictions), cashless exercise, net exercise, any combination of the prior methods of payment or any other form of consideration permitted by applicable law.

**Term of Option.** The term of an option will be stated in the award agreement. However, the term of an option may not exceed ten years. No option may be exercised after the expiration of its term.

**Termination of Service.** After termination of service, an option holder may exercise his or her option for the period of time determined by the administrator and stated in the award agreement. If no period of time is stated in a participant's award agreement, a participant may exercise the option within ninety days after such termination, to the extent that the option is vested on the date of termination (but in no event later than the expiration of the term of such option as set forth in the award agreement), unless such participant's service terminates due to the participant's death or disability, in which case the participant (or, if the participant has died, the participant's estate, designated beneficiary or the person who acquires the right to exercise the option by bequest or inheritance) may exercise the option, to the extent the option was vested on the date of termination (or to the extent the vesting is accelerated upon the participant's death), within one year after the date of such termination. However, unless a participant's service is terminated for cause, if a participant is prevented from exercising an option within the applicable post-termination time period due to legal compliance issues relating to the issuance of shares, the option will remain exercisable for thirty days after the date on which the Company notifies the participant that the option is exercisable, but in any event no later than the expiration of the term of the option.

**Stock Appreciation Rights.** A SAR is the right to receive the appreciation in the fair market value of shares of the Company between the grant date and the exercise date, for that number of shares of the Company with respect to which the SAR is exercised. The Company may pay the appreciation in cash, shares of the Company with equivalent value, or in some combination thereof, as determined by the administrator. Each award of SARs is evidenced by an award agreement specifying the terms and conditions of the award. The administrator determines the number of shares granted to a service provider pursuant to an award SARs. The administrator also determines the exercise price of SARs, the vesting schedule and other terms and conditions of SARs. However, the exercise price must be at least equal to the fair market value of a share of the Company on the date of grant, and the term of a SAR may not exceed ten years.

After termination of service, a participant will be able to exercise the vested portion of his or her SAR for the period of time determined by the administrator and provided in the award agreement. If no period of time is provided in a participant's award agreement, a participant or, in the case of participant's death, his or her estate or beneficiary, will generally be able to exercise his or her vested SAR for (i) 90 days after his or her termination for reasons other than death or disability, and (ii) one year following his or her termination due to death or disability. In no event may a SAR be exercised after the expiration of its term.

**Restricted Shares.** Restricted share awards are awards of shares of the Company that vest in accordance with terms and conditions established by the administrator. Each award of restricted shares is evidenced by an award agreement specifying the terms and conditions of the award. Vesting can be conditioned on continued employment, the passage of time, or performance goals. The administrator will determine the number of restricted shares granted to any participant. The administrator also determines the purchase price, if any, of restricted shares and, unless the administrator determines otherwise, unvested restricted shares typically will be subject to forfeiture upon the voluntary or involuntary termination of a participant's service for any reason including death or disability.

**Restricted Stock Units (including Performance-Based Restricted Stock Units).** Restricted stock units are awards that represent the right to receive shares of the Company or cash equal to the value of the shares, or some combination of both as determined by the administrator, if the restricted stock units vest. Restricted stock units vest in accordance with terms and conditions established by the administrator, as set forth in the applicable award agreement. Vesting can be conditioned on continued employment, the passage of time, or performance goals. Restricted stock units that are subject to performance goals are referred to as performance-based restricted stock units. No condition that is subject to performance goals may be based on performance over a period of less than one year. The award agreement may provide for forfeiture or cancellation of the restricted stock units, in whole or in part, in the event of termination of the participant's service.

**162(m) Performance Criteria.** Performance-based awards may, but need not, be based on performance criteria that satisfy Section 162(m) of the Code. To the extent that awards are intended to qualify as performance-based compensation under Section 162(m) of the Code, the performance criteria will be based on the share price appreciation (in the case of options and SARs) or on one or more of the following criteria (in the case of restricted shares and restricted stock units): brand recognition/acceptance, cash flow, cash flow return on investment, contribution to profitability, cost control, cost positions, cost of capital, customer satisfaction, development of products, earnings before interest, taxes and amortization; earnings per share, economic profit, economic value added, free cash flow, income or net income, income before income taxes, market segment share, new product innovation, operating income or net operating income, operating margin or profit margin, operating profit or net operating profit, process excellence, product cost reduction, product mix, product release schedules, product ship targets, quality, return on assets or net assets, return on capital, return on capital employed, return on equity, return on invested capital, return on operating revenue, return on sales, revenue, sales, share price performance, strategic alliances, total shareholder return, and working capital. The performance goals may differ from participant to participant and from award to award and may be used in any combination. Any performance goals may be applied to the Company as a whole, or to a business unit or a subsidiary, either individually or in any combination, and measured either annually or cumulatively over a period of years. Performance goals may be measured, as applicable, in absolute terms or in relative terms (including against prior years' results and/or against a comparison group).

**Nontransferability of Awards.** Unless otherwise determined by the administrator, awards granted under the Plan are not transferable other than by will, by beneficiary designation (if such a designation is permitted by the administrator) or by the laws of descent and distribution, and may be exercised during the participant's lifetime only by the participant. If the administrator makes an award transferable, the award shall contain such additional terms and conditions as the administrator deems appropriate.

**Adjustments upon Change in Capitalization.** In the event that the shares of the Company or other securities change by reason of a stock dividend, stock split, combination or reclassification of shares, extraordinary dividend of cash or assets, recapitalization, reorganization or any similar event affecting the shares of the Company or other securities, the administrator will make adjustments to the number and kind of the shares of the Company or other securities subject to the Plan, including the maximum number of shares that may be issued pursuant to the exercise of an ISO and the annual limits on the number of shares that may be granted with respect to an ISO award, or subject to awards previously granted, and the exercise or settlement price of awards previously granted, in order to reflect the change and to preclude a dilution or enlargement of benefits under an award.

**Adjustments upon Dissolution or Liquidation.** Effective upon the consummation of the Company's liquidation or dissolution, any unexercised award generally will terminate. The administrator may, in its discretion, provide that a participant will have the right to exercise all or any part of an award, including shares as to which an award would not otherwise be exercisable, prior to the consummation of such proposed action.

**Adjustments upon Merger or Change in Control.** In the event the Company is a party to a merger, consolidation or reorganization, or the sale of substantially all of its assets, then each outstanding award will be subject to the applicable award agreement, which must provide for one or more of the following: the continuation, assumption, or substitution of outstanding awards; full exercisability or vesting of outstanding awards (which may be contingent on the closing of the transaction); or the cancellation of outstanding awards and the payment to the holder in cash or shares of an amount equal to the per share amount that shareholders of the Company are entitled to receive or realize in connection with the applicable transaction with respect to the number of shares subject to the applicable award (which payment may be made subject to continued vesting).

**Amendment and Termination of the Plan.** The Plan will continue in effect until the Board of Directors terminates it. In addition, the Board of Directors has the authority to amend, alter, suspend or terminate the Plan, but no amendment, alteration, suspension or termination may impair the rights of any participant under an outstanding award, unless agreed otherwise between the participant and the administrator.

#### **U.S. Federal Tax Consequences**

The U.S. federal tax rules applicable to the Plan under the Code are summarized below. This summary does not include the tax laws of any municipality or state or any country outside the United States in which a participant resides or to which he or she may be subject.

**Nonstatutory Options.** An optionee does not recognize any taxable income at the time he or she is granted a nonstatutory option. Upon exercise, the optionee recognizes taxable income generally measured by the excess of the then fair market value of the shares over the exercise price. Any taxable income recognized in connection with an option exercise by an employee is subject to tax withholding. The Company's U.S. operating subsidiary is generally entitled to a deduction in the same amount as the ordinary income recognized by the optionee. Upon a disposition of the shares by the optionee, any difference between the sale price and the optionee's exercise price, to the extent not recognized as taxable income as provided above, is treated as long-term or short-term capital gain or loss, depending on the holding period.

**Stock Appreciation Rights.** No taxable income is reportable when a SAR is granted to a participant. Upon exercise, the participant will recognize ordinary income in an amount equal to the amount of cash received and the fair market value of any shares received. Any additional gain or loss recognized upon any later disposition of the shares would be long-term or short-term capital gain or loss, depending on the holding period.

Logitech Inc., the Company's U.S. operating subsidiary, generally will be entitled to a tax deduction in connection with an award under the Plan in an amount equal to the ordinary income realized by a participant subject to U.S. taxation and at the time such participant recognizes such income.

**Restricted Shares.** A participant generally will not have taxable income at the time an award of restricted shares is granted. Instead, he or she will recognize ordinary income in the first taxable year in which his or her interest in the restricted shares becomes either (i) freely transferable or (ii) no longer subject to substantial risk of forfeiture (e.g., vested). However, a holder of restricted shares may elect to recognize income at the time he or she is granted the award (to the extent it is not vested) in an amount equal to the fair market value of the shares underlying the award less any amount paid for the shares on the date the award is granted. Upon the sale of any shares received, any gain or loss, based on the difference between the sale price and the fair market value on the settlement date, will be taxed as a long-term or short-term capital gain or loss, depending on the holding period.



Logitech Inc. generally will be entitled to a tax deduction equal to the amount of ordinary income recognized by the participant on the date the shares are freely transferable or no longer subject to a substantial risk of forfeiture, except to the extent such deduction is limited by applicable provisions of the Code.

**Restricted Stock Units.** A participant generally will not have taxable income at the time an award of restricted stock units is granted. Upon the settlement of the award, the participant normally will recognize ordinary income in the year of receipt in an amount equal to the cash received and the fair market value of any non-restricted shares received. Upon the sale of any shares received, any gain or loss, based on the difference between the sale price and the fair market value on the settlement date, will be taxed as a long-term or short-term capital gain or loss, depending on the holding period.

Logitech Inc. generally will be entitled to a tax deduction equal to the amount of ordinary income recognized by the participant on the settlement date, except to the extent such deduction is limited by applicable provisions of the Code.

**Performance-Based Compensation Under Code Section 162(m).** Special rules limit the deductibility of compensation paid to certain executive officers in the United States. Under Section 162(m) of the Code, the annual compensation paid to executive officers in the U.S. may not be deductible to the extent it exceeds US \$1 million. However, Logitech Inc. can preserve the deductibility of certain compensation in excess of US \$1 million if the conditions of Section 162(m) of the Code are met. These conditions include shareholder approval of the Plan and setting limits on the number of awards that any individual may receive per year. The Plan has been designed to permit the administrator to grant awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m) of the Code, which permits Logitech Inc. to continue to receive a federal income tax deduction in connection with such awards.

#### **New Plan Benefits**

The amount and timing of awards granted under the Plan are determined in the sole discretion of the administrator and therefore cannot be determined in advance. The future awards that would be received under the Plan by executive officers and other employees are discretionary and are therefore not determinable at this time.



The following table shows, for each of the individuals and groups indicated, the aggregate number of shares subject to awards that have been granted to the individuals and groups indicated below under the Plan since its inception through June 30, 2012:

Name of Individual or Group	Number of Shares Underlying Awards Granted
<b>Named Executive Officers</b>	
Guerrino De Luca	220,000
Gerald P. Quindlen	1,287,000
Erik K. Bardman	218,000
Junien Labrousse	634,750
Werner Heid	372,500
L. Joseph Sullivan	365,500
<b>Current Executive Officers as a Group <sup>(1)</sup></b>	
803,500	
Daniel Borel	27,100
Matthew Bousquette	42,100
Erh-Hsun Chang	58,100
Kee-Lock Chua	43,100
Sally Davis	57,100
Neil Hunt	28,600
Richard Laube	57,100
Monika Ribar	42,100
<b>Current Non-Employee Directors as a Group</b>	
355,300	
<b>All Current Employees, including Officers other than Executive Officers, as a Group</b>	
9,975,560	

(1) Includes Messrs. De Luca, Bardman and Sullivan. Mr. Darrell became the Company's President on April 9, 2012 and, as of June 30, 2012, had no shares awarded under the 2006 Stock Incentive Plan.

#### Voting Requirement to Approve Proposal

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

#### Recommendation of the Board

The Board of Directors recommends a vote **FOR** approval of the proposed amendments to and restatement of the 2006 Stock Incentive Plan, including the increase by nine million (9,000,000) shares to the number of shares available for issuance under the Plan.

#### Proposal 6

##### Authorization to Exceed 10% Holding of Own Share Capital

#### Proposal

The Board of Directors proposes that shareholders authorize the Company to hold more than 10 percent of its own shares.

#### Explanation

Under Swiss corporate law, shares that are repurchased are not automatically cancelled, but instead are held in the Company's treasury pending either shareholder approval of their cancellation or re-use by the Company to cover issuance obligations, subject to certain time limits and procedures. Members of the Board of Directors may be exposed to personal liability under Swiss law for harm to the company as a result of it holding more than 10 percent of its own shares. Approval of this proposal may lessen the potential personal liability of the members of the Board of Directors in such a circumstance.



Shareholders authorized the Company to hold more than 10 percent of its own shares, to the extent that the own shares exceeding the 10 percent ownership threshold are being repurchased with a view to being cancelled at the 2012 and/or 2013 Annual General Meeting of the Company. Since the November 11, 2011 approval by the Swiss Takeover Board and the SIX Swiss Exchange, the Company has been making repurchases under its stock repurchase program through a second trading line that permits the Company to comply with its obligations under the Swiss tax laws in connection with repurchasing shares above the 10 percent threshold.

As of June 30, 2012, Logitech held approximately 18.6 percent of its own shares in its treasury and, under share repurchase plans authorized by the Board of Directors, the Company may acquire up to approximately US \$4.4 million of additional shares. Even after taking into account the share cancellation in Proposal 4, if approved by shareholders, and holding all other factors constant as of June 30, 2012, the Company will continue to hold at least [ ] percent of its own shares in treasury. If the Company continues repurchases under its stock repurchase program, it may again accumulate shares in treasury approaching or exceeding 10 percent of its issued capital.

In order to provide the Company with continued flexibility in the management of its capital, the Board of Directors seeks authorization to cause the Company to hold more than 10 percent of its own shares, to the extent that the shares exceeding the 10 percent ownership threshold are being repurchased, over a second trading line or otherwise, with a view to being cancelled. In the event of a negative vote on this proposal by shareholders, the Board of Directors will cause the Company not to exceed a 10 percent holding of its own shares.

#### **Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions and not counting the votes of any member of the Board of Directors, any Logitech executive officers or any votes represented by Logitech.

#### **Recommendation**

The Board of Directors recommends a vote **FOR** approval of the following resolution:

"The Company shall be authorized to hold more than 10 per cent of its own shares, to the extent that the own shares exceeding the 10 percent ownership threshold are being repurchased, over a second trading line or otherwise, with a view to being cancelled on the occasion of a reduction of share capital, to be proposed to the Annual General Meeting of the Company in 2013 and/or 2014."

#### **Proposal 7**

##### **Release of the Board of Directors and Executive Officers from Liability for Activities during Fiscal Year 2012**

#### **Proposal**

The Board of Directors proposes that shareholders release the members of the Board of Directors and Executive Officers from liability for activities during fiscal year 2012.

#### **Explanation**

As is customary for Swiss corporations and in accordance with Article 698, subsection 2, item 5 of the Swiss Code of Obligations, shareholders are requested to release the members of the Board of Directors and the Executive Officers from liability for their activities during fiscal year 2012 that have been disclosed to shareholders. This release from liability exempts members of the Board of Directors or Executive Officers from liability claims brought by the Company or its shareholders on behalf of the Company against any of them for activities carried out during fiscal year 2012 relating to facts that have been disclosed to shareholders. Shareholders that do not vote in favor of the proposal, or acquire their shares after the vote without knowledge of the approval of this resolution, are not bound by the result for a period ending six months after the vote.

**Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions and not counting the votes of any member of the Board of Directors, any Logitech executive officers or any votes represented by Logitech.

**Recommendation**

The Board of Directors recommends a vote **FOR** the proposal to release the members of the Board of Directors and Executive Officers from liability for activities during fiscal year 2012.

**Proposal 8**

**Decrease of the Term of Office for Members of the Board of Directors**

**Proposal**

The Board of Directors proposes that the term of office for its members be decreased from three years to one year and that Article 14, Paragraph 1 of the Company's Articles of Incorporation be amended as follows:

**Article 14 (Current text):**

The Board of Directors of the Company shall be composed of at least three members appointed by the general meeting of shareholders for a term of three years and who shall be indefinitely re-eligible.

**Article 14 (New Text):**

The Board of Directors of the Company shall be composed of at least three members appointed by the general meeting of shareholders for a term of one year and who shall be indefinitely re-eligible.

**Explanation**

The purpose of this proposal is having all the directors of the Company re-elected every year in order to lead to more flexibility in the choice and the composition of the Board of Directors. The proposed Article 14, Paragraph 1 of the Company's Articles of Incorporation provides the legal framework for this. The members of the board of directors who were elected during the past two years for the term of three years will remain in office until the expiry of their three-year term. If this Proposal 8 is accepted, this change will be applicable as of the 2012 Annual General Meeting; it will, in particular, be applicable to the elections under Proposal 9.

**Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

**Recommendation**

The Board of Directors recommends a vote **FOR** approval of the decrease of the term of office for members of the Board of Directors from three years to one year, and the related amendment of Article 14, Paragraph 1 of the Company's Articles of Incorporation.

**Proposal 9**

**Elections to the Board of Directors**

Our Board of Directors is presently composed of nine members. Each director currently serves a three-year term, with the terms of the directors staggered so that not all directors are up for election in any one year. Under Proposal 8, the Board of Directors proposes a reduction of the term of office from three years to one year in the interest of flexibility.



At the recommendation of the Nominating Committee, the Board has nominated the three individuals below to serve as directors for a one-year term if Proposal 8 is approved by shareholders and for a three-year term if Proposal 8 is not approved, beginning in each case as of the Annual General Meeting on September 5, 2012. Two of the nominees currently serve as members of the Board of Directors. Their current terms expire on the date of the Annual General Meeting on September 5, 2012. The third nominee was identified and recommended by the Nominating Committee of the Board and approved by the Board in June 2012 as a nominee for election to the Board.

There will be a separate vote on each nominee.

If any director nominee is unable or unwilling to serve as a nominee at the time of the Annual General Meeting, registered shareholders at the meeting or represented at the meeting by the Independent Representative or third parties may vote either for: (1) a substitute nominee designated by the present Board to fill the vacancy; or (2) another substitute nominee. Under Swiss law, Board members may only be appointed by shareholders; and so if there is no substitute nominee and the individuals below are elected, the Board will consist of ten members. The Board has no reason to believe that any of our nominees will be unwilling or unable to serve if elected as a director.

For further information on the Board of Directors, including the current members of the Board, the Committees of the Board, the means by which the Board exercises supervision of Logitech's executive officers, and other information, please see Corporate Governance and Board of Directors Matters below.

### 9.1 Re-election of Mr. Erh-Hsun Chang

**Proposal:** The Board of Directors proposes that Mr. Erh-Hsun Chang be re-elected to the Board for a further one-year term if Proposal 8 is approved or a further three-year term if Proposal 8 is not approved.

*Erh-Hsun Chang* has been a member of the Board of Directors since June 2006. Until April 2006 Mr. Chang was the Company's Senior Vice President, Worldwide Operations and General Manager, Far East. Mr. Chang first joined Logitech in 1986 to establish its operations in Taiwan. After leaving the Company in 1988, he returned in 1995 as Vice President, General Manager, Far Eastern Area and Worldwide Operations. In April 1997, Mr. Chang was named Senior Vice President, General Manager, Far Eastern Area and Worldwide Operations. Mr. Chang's other business experience includes tenure as Vice President, Manufacturing Consulting at KPMG Peat Marwick, a global professional services firm, between 1991 and 1995, and as Vice President, Sales and Marketing, Power Supply Division, of Taiwan Liton Electronics Ltd., a Taiwanese electronics company, in 1995. Mr. Chang holds a BS degree in Civil Engineering from Chung Yuang University, Taiwan, an MBA degree in Operations Management from the University of Dallas, and an MS degree in Industrial Engineering from Texas A&M University. Mr. Chang is also Vice Chairman of the Company's subsidiary in Taiwan. He is 63 years old and is a Taiwan citizen.

Having had an extensive career in operations, manufacturing, and sales and marketing, particularly in Taiwan and China, Mr. Chang brings senior leadership, manufacturing and operations experience, and substantial expertise in doing business in Taiwan and China.

Mr. Chang currently serves on the Audit Committee. The Board of Directors has determined that he is an independent Director.

### 9.2 Re-election of Mr. Kee-Lock Chua

**Proposal:** The Board of Directors proposes that Mr. Kee-Lock Chua be re-elected to the Board for a further one-year term if Proposal 8 is approved or a further three-year term if Proposal 8 is not approved.

*Kee-Lock Chua* is president and chief executive officer of the Vertex Group, a Singapore-headquartered venture capital group. Prior to joining the Vertex Group in September 2008, Mr. Chua was the president and an executive director of Biosensors International Group, Ltd., a developer and manufacturer of medical devices used in interventional cardiology and critical care procedures, from 2006 to 2008. Previously, from 2003 to 2006, Mr. Chua was a managing director of Walden International, a U.S.-headquartered venture capital firm. From 2001 to 2003, Mr. Chua served as deputy president of NatSteel Ltd., a Singapore industrial products company active in Asia Pacific. From 2000 until 2001, Mr. Chua was the president and chief executive officer of Intraco Ltd., a Singapore-listed trading and distribution company. Prior to joining Intraco, Mr. Chua was the president of MediaRing.com Ltd., a Singapore-listed company providing voice-over-Internet services. He serves on the Boards of SHC Capital Ltd. and Yongmao Holdings Limited (where he is lead independent director), each a publicly traded company in Singapore. Mr. Chua holds a BS degree in Mechanical Engineering from the University of Wisconsin, and an MS degree in Engineering from Stanford University in California. He is 51 years old and is a Singapore citizen.



Mr. Chua has extensive investment and senior leadership experience, as a venture capitalist in Asia and the United States, and also as the former chief executive officer of publicly-traded companies in Asia. He brings to the Board senior leadership, and financial and global expertise. As a director of public companies in Asia, and of private companies, he also provides cross-board experience.

Mr. Chua currently serves on the Compensation Committee and the Nominating Committee of the Board. He is also the Company's Lead Independent Director. The Board of Directors has determined that he is an independent Director.

### 9.3 Election of Mr. Didier Hirsch

**Proposal:** The Board of Directors proposes that Mr. Didier Hirsch be elected to the Board for a one-year term if Proposal 8 is approved or a three-year term if Proposal 8 is not approved.

*Didier Hirsch* is the Senior Vice President and Chief Financial Officer of Agilent Technologies, Inc., a measurement company and a technology leader in chemical analysis, life sciences, electronics and communications. He has been with Agilent since 1999, and served as its Chief Accounting Officer from November 2007 to July 2010 and interim Chief Financial Officer from April 2010 until being promoted to his current position in July 2010. Mr. Hirsch also served Agilent as its Vice President, Corporate Controllershship and Tax from 2006 until July 2010, Vice President and Controller from April 2003 to October 2006, and Vice President and Treasurer from September 1999 to April 2003. Mr. Hirsch had joined Hewlett-Packard Company in 1989, and served as Director of Finance and Administration of Hewlett-Packard Europe, Middle East and Africa (EMEA) from 1996 to 1999, Director of Human Resources of Hewlett-Packard EMEA from 1998 to 1999, Director of Finance and Administration of Hewlett-Packard Asia Pacific from 1993 to 1996, and Director of Finance and Administration of Hewlett-Packard France from 1989 to 1993. Prior to Hewlett-Packard, Mr. Hirsch worked in finance positions with Valeo Inc., Gemplus S.C.A., SGS-Thomson Microelectronics, I.B.H. Holding S.A., Bendix Corporation and Ford Motor Company. He serves on the Board of International Rectifier, a New York Stock Exchange (NYSE)-listed supplier of advanced power management technology. Mr. Hirsch holds an MS degree in Computer Sciences from Toulouse University and an MS degree in Industrial Administration from Purdue University. He is 61 years old and is a French citizen.

As chief financial officer of a leading public technology company, and with significant finance expertise developed over several decades at technology and manufacturing companies in the U.S.A., EMEA and Asia Pacific, Mr. Hirsch brings senior leadership, finance (including U.S. GAAP), technology and global experience to the Board.

The Board of Directors has determined that Mr. Hirsch is an independent Director.

### Voting Requirement to Approve Proposals

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

### Recommendation

The Board of Directors recommends a vote **FOR** the election to the Board of each of the above nominees.



**Proposal 10**

**Re-election of PricewaterhouseCoopers S.A. as Logitech's Auditors and Ratification of the Appointment of PricewaterhouseCoopers LLP as Logitech's Independent Registered Public Accounting Firm for Fiscal Year 2013**

**Proposal**

The Board of Directors proposes that PricewaterhouseCoopers S.A. be re-elected as auditors of Logitech International S.A. for a one-year term and that the appointment of PricewaterhouseCoopers LLP as Logitech's independent registered public accounting firm for fiscal year 2013 be ratified.

**Explanation**

PricewaterhouseCoopers S.A., or PwC S.A., upon recommendation of the Audit Committee of the Board, is proposed for re-election for a further year as auditors for Logitech International S.A. PwC S.A. assumed its first audit mandate for Logitech in 1988.

The Audit Committee has also appointed PricewaterhouseCoopers LLP, or PwC LLP, the U.S. affiliate of PwC S.A., as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2013 for purposes of U.S. securities law reporting. Logitech's Articles of Incorporation do not require that shareholders ratify the appointment of PwC LLP as the Company's independent registered public accounting firm. However, Logitech is submitting the appointment of PwC LLP to shareholders for ratification as a matter of good corporate governance. If shareholders do not ratify the appointment, the Audit Committee will reconsider whether to retain PwC LLP. Even if the appointment is ratified, the Audit Committee may, in its discretion, change the appointment during the year if the Committee determines that such a change would be in the best interests of Logitech and its shareholders.

Information on the fees paid by Logitech to PwC S.A. and PwC LLP, as well as further information regarding PwC S.A. and PwC LLP, is set out below under the heading "Independent Public Accountants" and "Report of the Audit Committee."

A member of PwC S.A. will be present at the Annual General Meeting, will have the opportunity to make a statement, and will be available to respond to appropriate questions you may ask.

**Voting Requirement to Approve Proposal**

The affirmative **FOR** vote of a majority of the votes cast in person or by proxy at the Annual General Meeting, not counting abstentions.

**Recommendation**

Our Board of Directors recommends a vote **FOR** the re-election of PricewaterhouseCoopers S.A. as auditors of Logitech International S.A. and the ratification of the appointment of PricewaterhouseCoopers LLP as Logitech's independent registered public accounting firm, each for the fiscal year ending March 31, 2013.

**CORPORATE GOVERNANCE AND BOARD OF DIRECTORS MATTERS**

The Board of Directors is elected by the shareholders and holds the ultimate decision-making authority within Logitech, except for those matters reserved by law or by Logitech’s Articles of Incorporation to its shareholders or those that are delegated to the executive officers under the organizational regulations (also known as by-laws). The Board makes resolutions through a majority vote of the members present at the meetings. In the event of a tie, the vote of the Chairman decides.

Logitech’s Articles of Incorporation set the minimum number of directors at three. We had nine members of the Board of Directors as of June 30, 2012. If all of the current directors remain on the Board and all of the nominees to the Board presented in Proposal 9 are elected, the Board will have ten members.

**BOARD OF DIRECTORS INDEPENDENCE**

Each of our directors other than Daniel Borel and Guerrino De Luca qualifies as independent in accordance with the published listing requirements of NASDAQ and Swiss corporate governance best practices guidelines. The Board of Directors has determined that Erh-Hsun Chang, Kee-Lock Chua and Didier Hirsch, the director nominees standing for re-election or election at the 2012 Annual General Meeting, each qualifies as independent. The NASDAQ independence definition includes a series of objective tests, such as that the director is not an employee of the company and has not engaged in various types of business dealings with the company. In addition, as further required by NASDAQ rules, the Board has made a subjective determination as to each independent director that no relationships exist which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the directors reviewed and discussed information provided by the directors and the Company with regard to each director’s business and personal activities as they may relate to Logitech and Logitech’s management.

**MEMBERS OF THE BOARD OF DIRECTORS**

The members of the Board of Directors, including their principal occupation, business experience, and qualifications, are set out below.

<p>Daniel Borel 62 Years Old Director since 1988 Co-Founder and former CEO and Chairman, Logitech International S.A. Swiss national</p>	<p><i>Daniel Borel</i> is a Logitech founder and served from May 1988 until January 1, 2008 as the Chairman of the Board. From July 1992 to February 1998, he also served as Chief Executive Officer. He has held various other executive positions with Logitech. He serves on the Board of Nestlé S.A. In addition, he serves on the Board of Fondation Defitech, a Swiss foundation which contributes to research and development projects aimed at assisting the disabled, is the Chairman of the Board of SwissUp, a Swiss educational foundation promoting higher learning, and serves as President of EPFL Plus, a Swiss foundation which raises funds for the Ecole Polytechnique Fédérale de Lausanne. Mr. Borel holds an MS degree in Computer Science from Stanford University in California and a BE degree in Physics from the Ecole Polytechnique Fédérale, Lausanne, Switzerland.</p> <p>As a Logitech co-founder, and its former Chairman and Chief Executive Officer, Mr. Borel brings deep knowledge of and a passion for Logitech, its people and its products, as well as senior leadership, industry, technical, and global experience. As a director for Nestlé, Mr. Borel also provides cross-board experience.</p>
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**Matthew Bousquette**

53 Years Old  
 Director since 2005  
 Chairman, EGI Holdings LLC  
 U.S. national

*Matthew Bousquette* is the Chairman of the Board of EGI Holdings LLC, a U.S.-based producer of giftware and home and garden décor products. He is the former president of the Mattel Brands business unit of Mattel, Inc. Mr. Bousquette joined Mattel as senior vice president of marketing in December 1993, and was promoted to successively more senior positions at Mattel, including general manager of Boys Toys in July 1995, executive vice president of Boys Toys in May 1998, president of Boys/Entertainment in March 1999, and president of Mattel Brands from February 2003 to October 2005. Mr. Bousquette's previous experience included various positions at Lewis Galoob Toys, Inc., Teleflora and the Procter & Gamble Company. He serves on the Board of the District 181 Foundation, a foundation supporting initiatives that benefit local district students. Mr. Bousquette earned a BBA degree from the University of Michigan.

Mr. Bousquette brings senior leadership, strategic, financial and marketing expertise to the Board from his current position as chairman of a consumer products company, and his prior work as a senior executive at Mattel.

**Erh-Hsun Chang**

63 Years Old  
 Director since 2006  
 Former Senior Vice President,  
 Worldwide Operations and  
 General Manager, Far East,  
 Logitech  
 Taiwan national

*Erh-Hsun Chang* has been a member of the Board of Directors since June 2006. Until April 2006 Mr. Chang was the Company's Senior Vice President, Worldwide Operations and General Manager, Far East. Mr. Chang first joined Logitech in 1986 to establish its operations in Taiwan. After leaving the Company in 1988, he returned in 1995 as Vice President, General Manager, Far Eastern Area and Worldwide Operations. In April 1997, Mr. Chang was named Senior Vice President, General Manager, Far Eastern Area and Worldwide Operations. Mr. Chang's other business experience includes tenure as Vice President, Manufacturing Consulting at KPMG Peat Marwick, a global professional services firm, between 1991 and 1995, and as Vice President, Sales and Marketing, Power Supply Division, of Taiwan Liton Electronics Ltd., a Taiwanese electronics company, in 1995. Mr. Chang holds a BS degree in Civil Engineering from Chung Yuang University, Taiwan, an MBA degree in Operations Management from the University of Dallas, and an MS degree in Industrial Engineering from Texas A&M University. Mr. Chang is also Vice Chairman of the Company's subsidiary in Taiwan.

Having had an extensive career in operations, manufacturing, and sales and marketing, particularly in Taiwan and China, Mr. Chang brings senior leadership, manufacturing and operations experience, and substantial expertise in doing business in Taiwan and China.

**Kee-Lock Chua**

51 Years Old  
 Director since 2000  
 President and Chief Executive Officer,  
 Vertex Group  
 Singapore national

*Kee-Lock Chua* is president and chief executive officer of the Vertex Group, a Singapore-headquartered venture capital group. Prior to joining the Vertex Group in September 2008, Mr. Chua was the president and an executive director of Biosensors International Group, Ltd., a developer and manufacturer of medical devices used in interventional cardiology and critical care procedures, from 2006 to 2008. Previously, from 2003 to 2006, Mr. Chua was a managing director of Walden International, a U.S.-headquartered venture capital firm. From 2001 to 2003, Mr. Chua served as deputy president of NatSteel Ltd., a Singapore industrial products company active in Asia Pacific. From 2000 until 2001, Mr. Chua was the president and chief executive officer of Intraco Ltd., a Singapore-listed trading and distribution company. Prior to joining Intraco, Mr. Chua was the president of MediaRing.com Ltd., a Singapore-listed company providing voice-over-Internet services. He serves on the Boards of SHC Capital Ltd. and Yongmao Holdings Limited (where he is lead independent director), each a publicly traded company in Singapore. Mr. Chua holds a BS degree in Mechanical Engineering from the University of Wisconsin, and an MS degree in Engineering from Stanford University in California.

Mr. Chua has extensive investment and senior leadership experience, as a venture capitalist in Asia and the United States, and also as the former chief executive officer of publicly-traded companies in Asia. He brings to the Board senior leadership, and financial and global expertise. As a director of public companies in Asia, and of private companies, he also provides cross-board experience.

**Sally Davis**

58 Years Old  
Director since 2007  
Former Chief Executive Officer,  
BT Wholesale  
British national

*Sally Davis* is the former Chief Executive of BT Wholesale, a division of BT Group responsible for providing telecommunications services and bandwidth to carriers and service providers globally, a position she held from 2007 until she retired in August 2011. She was the Chief Portfolio Officer of British Telecom from 2005 to 2007. She had previously held senior executive roles within BT since joining the company in 1999, including President, Global Products, Global Services from 2002 to 2005, President, BT Ignite Applications Hosting from 2001 to 2002 and Director, Group Internet and Multimedia from 1999 to 2001. Before joining BT, Ms. Davis held leading roles in several major communications companies, including Bell Atlantic in the United States and Mercury Communications in the United Kingdom. Ms. Davis is also a member of the Board of the Department for Transport, part of the UK government, a member of the Board of Telenor Group, a global mobile communications services company, and a member of the Executive Board of the British Broadcasting Corporation (BBC), a British public service broadcasting company. She holds a BA degree from and is a Fellow of University College, London.

Ms. Davis's experience as a chief executive of a leading European telecommunications company, and her significant technology product strategy and product portfolio knowledge, provides the Board with expertise in senior leadership, technology, product strategy, and financial management.

**Guerrino De Luca**

59 Years Old  
Director since 1998  
Chairman of the Board of Directors and  
Chief Executive Officer of  
Logitech International S.A.  
Italian and U.S. national

*Guerrino De Luca* has served as Chairman of the Logitech Board of Directors since January 2008 and as Chief Executive Officer since April 2012. Mr. De Luca served as Logitech's acting President and Chief Executive Officer from July 2011 to April 2012. Previously Mr. De Luca served as Logitech's President and Chief Executive Officer from February 1998, when he joined the Company, to January 2008. Prior to joining Logitech, Mr. De Luca served as Executive Vice President of Worldwide Marketing for Apple Computer, Inc., a consumer electronics and computer company, from February 1997 to September 1997, and as President of Claris Corporation, a U.S. personal computing software vendor, from May 1994 to February 1997. Prior to joining Claris, Mr. De Luca held various positions with Apple in the United States and in Europe. Mr. De Luca holds a Laurea degree in Electronic Engineering from the University of Rome, Italy.

As Logitech's Chairman and current and former Chief Executive Officer, Mr. De Luca brings significant senior leadership, industry, strategy, marketing and global experience to the Board.

**Neil Hunt**

50 Years Old  
 Director since 2010  
 Chief Product Officer,  
 Netflix, Inc.  
 U.K. and U.S. national

*Neil Hunt* is the Chief Product Officer of Netflix, Inc., a California-based company offering the world's largest subscription service streaming movies and TV episodes over the Internet and sending DVDs by mail. He has been with Netflix since 1999, and served as its Vice President, Internet Engineering from 1999 until being promoted to his current position in 2002. From 1997 to 1999, Mr. Hunt was Director of Engineering for Rational Software, a California-based maker of software development tools, and he served in engineering roles at predecessor companies from 1991 to 1997. Mr. Hunt is a member of the Board of Directors of Simply Hired, Inc., a private online job listings company. Mr. Hunt holds a Doctorate in Computer Science from the University of Aberdeen, U.K. and a Bachelors degree from the University of Durham, U.K.

Mr. Hunt's significant expertise in technology, product development leadership and strategy, and his experience as a member of the senior leadership of a leading digital delivery company, provides the Board with expertise in technology, product strategy, and senior leadership.

**Richard Laube**

56 Years Old  
 Director since 2008  
 Chief Executive Officer,  
 Nobel Biocare Holding A.G.  
 Swiss and U.S. national

*Richard Laube* is the Chief Executive Officer of Nobel Biocare Holding A.G., a dental solutions company. He has held that position since April 2011. Previously, he was an Executive Vice President of Nestlé S.A., a nutrition, health and wellness company, Chief Executive Officer of Nestlé Nutrition and a member of the Nestlé Executive Board until August 2010. He joined Nestlé in April 2005 as Deputy Executive Vice President, Corporate Business Development, and was appointed Deputy Executive Vice President, Chief Executive Officer of Nestlé Nutrition in November 2005. He was appointed Executive Vice President in 2008. Since January 2011 he has also served as an advisor to the Roark Capital Group, a private equity firm based in Atlanta, Georgia. Prior to joining Nestlé he served from 1999 to 2004 as President, Roche Consumer Health, and served on the Roche Corporate Executive Committee from 2001 to 2004. Previously, he was employed by Procter & Gamble from 1980 to 1998, serving in successively more senior roles in Switzerland, the United States, Japan, Germany and Brazil. Mr. Laube holds MA and BA degrees in Organizational Development and Evaluation Research from Boston University.

As chief executive of a significant public company, and a former senior executive at one of the world's best-known consumer products companies, with significant experience in business strategy and marketing, Mr. Laube brings senior leadership, brand marketing and global experience to the Board.

**Monika Ribar**

52 Years Old  
 Director since 2004  
 President and CEO, Panalpina Group  
 Swiss national

*Monika Ribar* is the President and Chief Executive Officer of the Panalpina Group, a Swiss freight forwarding and logistics services provider. She has held that position since October 2006. Ms. Ribar has been a member of Panalpina's Executive Board since February 2000, and served as Panalpina's Chief Financial Officer from June 2005 to October 2006, and as its Chief Information Officer from February 2000 to June 2005. From June 1995 to February 2000, she served as Panalpina's Corporate Controller, and from 1991 to 1995 served in project management positions at Panalpina. Prior to joining Panalpina, Ms. Ribar worked at Fides Group (now KPMG Switzerland), a professional services firm, serving as Head of Strategic Planning, and was employed by the BASF Group, a German chemical products company. She also serves on the Boards of SIKA AG, a SIX Swiss Exchange-listed supplier of specialty chemical products and industrial materials, and Swiss International Air Lines Ltd., the flag carrier airline of Switzerland. Ms. Ribar holds a Masters degree in Economics and Business Administration from the University of St. Gallen, Switzerland.

Ms. Ribar has significant executive experience with the strategic, financial, and operational requirements of companies with global operations, and brings to our Board senior leadership, logistics industry, global and financial experience. As a member of another public company board, Ms. Ribar also provides cross-board experience.

Other than the current employment and involvement noted above, no other Logitech Board member currently has material supervisory, management, or advisory functions outside Logitech. None of the Company's directors holds any official functions or political posts.

## **ELECTIONS TO THE BOARD OF DIRECTORS**

Directors are elected at the Annual General Meeting of Shareholders, upon proposal of the Board of Directors. The proposals of the Board of Directors are made following recommendations of the Nominating Committee.

### **Shareholder Recommendations and Nominees**

Under our Articles of Incorporation, one or more registered shareholders who together represent shares representing at least the lesser of (i) one percent of our issued share capital or (ii) an aggregate par value of one million Swiss francs may demand that an item be placed on the agenda of a meeting of shareholders, including a nominee for election to the Board of Directors. A request to place an item on the meeting agenda must be in writing, describe the proposal and be received by our Board of Directors at least 60 days prior to the date of the meeting. Demands by registered shareholders to place an item on the agenda of a meeting of shareholders should be sent to: Secretary to the Board of Directors, Logitech International S.A., Rue du Sablon 2-4, 1110 Morges, Switzerland, or c/o Logitech Inc., 7600 Gateway Boulevard, Newark, CA 94560, USA.

Under the Company's Articles of Incorporation only registered shareholders are recognized as shareholders of the company. As a result, beneficial shareholders do not have a right to place an item on the agenda of a meeting, regardless of the number of shares they hold. For information on how beneficial shareholders may become registered shareholders, see [Questions and Answers about the Logitech 2012 Annual General Meeting - If I am not a registered shareholder, can I attend and vote at the meeting?](#)

If the agenda of a general meeting of shareholders includes an item calling for the election of directors, any registered shareholder may propose a candidate for election to the Board of Directors before or at the meeting.

The Nominating Committee does not have a policy on consideration of recommendations for candidates to the Board of Directors from registered shareholders. The Nominating Committee considers it appropriate not to have a formal policy for consideration of such recommendations because the evaluation of potential members of the Board of Directors is by its nature a case-by-case process, depending on the composition of the Board at the time, the needs and status of the business of the Company, and the experience and qualification of the individual. Accordingly, the Nominating Committee would consider any such recommendations on a case-by-case basis in their discretion, and, if accepted for consideration, would evaluate any such properly submitted nominee in consideration of the membership criteria set forth under [Board Composition](#) below. Shareholder recommendations to the Board of Directors should be sent to the above address.

### **Board Composition**

The Nominating Committee is responsible for reviewing and assessing with the Board the appropriate skills, experience, and background sought of Board members in the context of our business and the then-current membership on the Board. The Nominating Committee has not formally established any specific, minimum qualifications that must be met by each candidate for the Board of Directors or specific qualities or skills that are necessary for one or more of the members of the Board of Directors to possess. Similarly, the Nominating Committee does not have a formal policy on considering diversity in identifying candidates for election or re-election to the Board of Directors. However, we do not expect or intend that each director will have the same background, skills, and experience; we expect that Board members will have a diverse portfolio of backgrounds, skills, and experiences. One goal of this diversity is to assist the Board as a whole in its oversight and advice concerning our business and operations.

The review and assessment of Board candidates and the current membership of the Board by the Nominating Committee and the Board includes numerous diverse factors, such as: independence; understanding of and experience in technology, finance, and marketing; international experience; age; and gender and ethnic diversity. The priorities and emphasis of the Nominating Committee and of the Board with regard to these factors change from time to time to take into account changes in Logitech's business and other trends, as well as the portfolio of skills and experience of current and prospective Board members.

Listed below are key skills and experience that we currently consider important for our directors to have in light of our current business and structure. We do not expect each director to possess every attribute. The directors' biographies note each director's relevant experience, qualifications, and skills relative to this list.

- *Senior Leadership Experience.* Directors who have served in senior leadership positions are important to Logitech, because they bring experience and perspective in analyzing, shaping, and overseeing the execution of important operational and policy issues at a senior level.
- *Financial Expertise.* Knowledge of financial markets, financing and funding operations, and accounting and financial reporting processes is important because it assists our directors in understanding, advising, and overseeing Logitech's structure, financial reporting, and internal control of such activities.
- *Industry and Technical Expertise.* Because we develop and manufacture hardware and software products, ship them worldwide, and sell to both major computer manufacturers and consumer electronics distributors and retailers, expertise in hardware and software, and experience in supply chain, manufacturing and consumer products is useful in understanding the opportunities and challenges of our business and in providing insight and oversight of management.
- *Brand Marketing Expertise.* Because we are a consumer products company, directors who have brand marketing experience can provide expertise and guidance as we seek to maintain and expand brand and product awareness and a positive reputation.
- *Global Expertise.* Because we are a global organization with research and development, and sales and other offices in many countries, directors with global expertise, particularly in Europe and Asia, can provide a useful business and cultural perspective regarding many significant aspects of our business.

#### **Identification and Evaluation of Nominees for Directors**

Our Nominating Committee uses a variety of methods for identifying and evaluating nominees for director. Our Nominating Committee regularly assesses the appropriate size and composition of the Board of Directors, the needs of the Board of Directors and the respective Committees of the Board of Directors and the qualifications of candidates in light of these needs. Candidates may come to the attention of the Nominating Committee through shareholders, management, current members of the Board of Directors or search firms. The evaluation of these candidates may be based solely upon information provided to the Committee or may also include discussions with persons familiar with the candidate, an interview of the candidate or other actions the Committee deems appropriate, including the use of paid third parties to review candidates.

#### **TERMS OF OFFICE OF DIRECTORS**

Each director is elected individually by a separate vote of shareholders for a term of three years and is eligible for re-election until his or her seventieth birthday. Directors may not seek re-election after they have reached 70 years of age, unless the Board of Directors adopts a resolution to the contrary. A member of the Board who reaches 70 years of age during the term of his or her directorship may remain a director until the expiration of the term. A director's term of office as Chairman coincides with their term of office as a director. A director may be indefinitely re-elected as Chairman, subject to the age limit mentioned above.

Although the Company's Articles of Incorporation and Organizational Regulations do not explicitly require this, the terms of office of the directors are staggered. Consequently, all directors will not run for re-election at a single annual general meeting.

The year of appointment and remaining term of office as of March 31, 2012 for each Director are as follows:

Name	Year First Appointed	Year Current Term Expires
Daniel Borel <sup>(1)</sup>	1988	Annual General Meeting 2013
Matthew Bousquette <sup>(1)</sup>	2005	Annual General Meeting 2014
Erh-Hsun Chang <sup>(1) (3)</sup>	2006	Annual General Meeting 2012
Kee-Lock Chua <sup>(1) (3)</sup>	2000	Annual General Meeting 2012
Sally Davis <sup>(1)</sup>	2007	Annual General Meeting 2013
Guerrino De Luca <sup>(2)</sup>	1998	Annual General Meeting 2013
Neil Hunt <sup>(1)</sup>	2010	Annual General Meeting 2013
Richard Laube <sup>(1)</sup>	2008	Annual General Meeting 2014
Monika Ribar <sup>(1)</sup>	2004	Annual General Meeting 2013

(1) Non-executive member of the Board of Directors.

(2) Executive member of the Board of Directors.

(3) The term of each of Mr. Chang and Mr. Chua expires at the 2012 Annual General Meeting, and each is being presented for re-election to the Board of Directors at that meeting.

#### BOARD RESPONSIBILITIES AND STRUCTURE

The Board of Directors is responsible for supervising the management of the business and affairs of the Company. In addition to the non-transferable powers and duties of boards of directors under Swiss law, the Logitech Board of Directors also has the following responsibilities:

- the signatory power of its members;
- the approval of the budget submitted by the Chief Executive Officer;
- the approval of any type of investment or acquisition not included in the approved budgets;
- the approval of any expenditure of more than US \$10 million not specifically identified in the approved budgets; and
- the approval of the sale or acquisition, including related borrowings, of the Company's real estate.

The Board of Directors has delegated the management of the Company to the Chief Executive Officer and the executive officers, except where Swiss law or the Company's Articles of Incorporation or Organizational Regulations (By-Laws) provide differently.

#### Board Leadership Structure

The Board has since 1997 had a general practice that the positions of Chairman of the Board and Chief Executive Officer should be held by separate persons as an aid in the Board's oversight of management. Since 1997, the Chairman has been a former Chief Executive Officer of the Company and has served as a full-time senior executive. Logitech believes that there are advantages to having a former Chief Executive Officer as Chairman, for matters such as leadership continuity; day-to-day assistance to and oversight of the Chief Executive Officer and other executive officers; and facilitating communications and relations between the Board, the Chief Executive Officer, and other senior management.

Mr. De Luca, the Company's former Chief Executive Officer and current Chairman, has served in that role since January 2008. On July 27, 2011, Mr. De Luca assumed the role of acting President and Chief Executive Officer, in addition to continuing his duties as Chairman, at the request of the Board of Directors. The Board appointed Bracken Darrell as President as of April 9, 2012, and it is expected that Mr. Darrell will become the Chief Executive Officer as of January 1, 2013. The Board considers the holding of both the Chairman and Chief Executive Officer positions by Mr. De Luca as a temporary arrangement, and intends to return to its general practice of the positions being held by separate



persons upon the appointment of the new Chief Executive Officer.

The Chairman of the Board is appointed on an annual basis, at the Board meeting coinciding with the Annual General Meeting of Shareholders. The Secretary of the Board of Directors is also appointed at the same meeting. As of June 30, 2012, the Secretary was Ms. Catherine Valentine, the Company's Vice President, Legal and General Counsel.

#### **Role of the Chairman and of the Chief Executive Officer**

The Chairman assumes a leading role in mid- and long-term strategic planning and the selection of top-level management, and he supports major transaction initiatives of Logitech.

The Chief Executive Officer manages the day-to-day operations of Logitech, with the support of the other executive officers. The Chief Executive Officer has, in particular, the following powers and duties:

- defining and implementing short and medium term strategies;
- preparing the budget, which must be approved by the Board of Directors;
- reviewing and certifying the Company's annual report;
- appointing, dismissing and promoting any employees of Logitech other than executive officers and the head of the internal audit function;
- taking immediate measures to protect the interests of the Company where a breach of duty is suspected from executive officers until the Board has decided on the matter;
- carrying out Board resolutions;
- reporting regularly to the Chairman of the Board of Directors on the activities of the business;
- preparing supporting documents for resolutions that are to be passed by the Board of Directors; and
- deciding on issues brought to his attention by executive officers.

The detailed authorities and responsibilities of the Board of Directors, the Chief Executive Officer and the executive officers are set out in the Company's Articles of Incorporation and Organizational Regulations. Please refer to <http://ir.logitech.com> for copies of these documents.

#### **Lead Independent Director**

As appointed by the Board, Mr. Chua serves as Lead Independent Director. The responsibilities of the Lead Independent Director include chairing meetings of the non-executive directors and serving as the presiding director in performing such other functions as the Board may direct. The Lead Independent Director generally is elected annually by the Independent Directors.

#### **Means by Which the Board of Directors Supervises Executive Officers**

The Board of Directors is regularly informed on developments and issues in Logitech's business, and monitors the activities and responsibilities of the executive officers in various ways.

- At each regular Board meeting the Chief Executive Officer reports to the Board of Directors on developments and important issues. The Chief Executive Officer also provides regular updates to the Board members regarding Logitech's business between the dates of regular Board meetings.
- The offices of Chairman and Chief Executive Officer are generally separated, to help ensure balance between leadership of the Board and leadership of the day-to-day management of Logitech.
- Executive officers and other members of senior management, at the invitation of the Board, attend portions of meetings of the Board and its Committees to report on the financial results of Logitech, its operations, performance and outlook, and on areas of the business

within their responsibility, as well as other business matters. For further information on participation by executive officers and other members of senior management in Board and Committee meetings please refer to Board Committees below.

- There are regular quarterly closed sessions of the non-executive, independent members of the Board of Directors, led by the Lead Independent Director, where Logitech issues are discussed without the presence of executive or non-independent members of the Board or executive officers.
- The Board holds quarterly closed sessions, where all Board members meet without the presence of non-Board members, to discuss matters appropriate to such sessions, including organizational structure and the hiring and mandates of executive officers.
- There are regularly scheduled reviews at Board meetings of Logitech strategic and operational issues, including discussions of issues placed on the agenda by the non-executive members of the Board of Directors.
- The Board reviews and approves significant changes in Logitech's structure and organization, and is actively involved in significant transactions, including acquisitions, divestitures and major investments.
- All non-executive Board members have access, at their request, to all internal Logitech information.
- The head of the Internal Audit function reports to the Audit Committee.

### **The Board's Role in Risk Oversight**

One of the Board's functions is oversight of risk management at Logitech. Risk is inherent in business, and the Board seeks to understand and advise on risk in conjunction with the activities of the Board and the Board's Committees.

The largest risk in any business typically is that the products and services it offers will not be met by customer demand, because of poor strategy, poor execution, lack of competitiveness, or some combination of these or other factors. The Board implements its risk oversight responsibilities, at the highest level, through regular reviews of the Company's business, product strategy and competitive position, and through management and organizational reviews, evaluations and succession planning.

Within the broad strategic framework established by the Board, management is responsible for identifying risk and risk controls related to significant business activities; mapping the risks to company strategy; and developing programs and recommendations to determine the sufficiency of risk identification, the balance of potential risk to potential reward and the appropriate manner in which to control risk.

The Board's risk oversight role is implemented at the full Board level, and also in individual Board Committees. The full Board receives specific reports on enterprise risk management, in which the identification and control of risk are the primary topics of the discussion. Presentations and other information for the Board and Board Committees generally identify and discuss relevant risk and risk control; and the Board members assess and oversee the risks as a part of their review of the related business, financial, or other activity of the Company. The Compensation Committee oversees issues related to the design and risk controls of compensation programs. The Audit Committee oversees issues related to internal control over financial reporting and Logitech's risk tolerance in cash-management investments. The Board's role in oversight does not have a direct impact on the Board's leadership structure, which is discussed above.

### **Board Meetings**

The Chairman sets the agenda for Board meetings, in coordination with the Chief Executive Officer. Any member of the Board of Directors may request that a meeting of the Board be convened. The directors receive materials in advance of Board meetings allowing them to prepare for the handling of the items on the agenda.

The Chairman and Chief Executive Officer recommend executive officers or other members of senior management who, at the invitation of the Board, attend portions of each quarterly Board meeting to report on areas of the business within their responsibility. Infrequently, the Board may also receive reports from external consultants such as executive search or succession experts or outside legal experts to assist the Board on matters it is considering.

Each regularly scheduled quarterly Board meeting lasts a full day to a day-and-a-half and all directors participate in person except in special individual circumstances. Additional meetings of the Board may be held by telephone or video-conference and the duration of such meetings varies depending on the subject matters considered.



### Emergency Resolutions

In case of emergency, the Chairman of the Board may have the power to pass resolutions which would otherwise be the responsibility of the Board. Decisions by the Chairman of the Board made in this manner are subject to ratification by the Board of Directors at its next meeting or by way of written consent. No such emergency resolutions were passed during fiscal year 2012.

### Independent Director Sessions

The Board of Directors has adopted a policy of regularly scheduled sessions of Board meetings where the independent directors meet to consider matters without management or non-independent directors present. During fiscal year 2012, separate sessions of the independent directors were held five times.

### Board Effectiveness

Our Board of Directors performs an annual self-assessment to evaluate its effectiveness in fulfilling its obligations.

### BOARD COMMITTEES

The Board has standing Audit, Compensation, and Nominating Committees and a Committee for Board Compensation to assist the Board in carrying out its duties. At each quarterly Board meeting each applicable Board Committee reports to the full Board on the substance of the Committee's meetings, if any, during the quarter.

Each Committee has a written charter approved by the Board. The chair of each Committee determines the Committee's meeting agenda. The Board Committee members receive materials in advance of Committee meetings allowing them to prepare for the meeting. The Charters of each Board Committee are available on Logitech's Investor Relations website at <http://ir.logitech.com>. Each of the Audit, Compensation and Nominating Committees has the authority to engage outside experts, advisors and counsel to the extent it considers appropriate to assist the Committee in its work. The members of the Committees are identified in the following table.

Director	Audit	Compensation	Nominating	Board Compensation
Daniel Borel				
Matthew Bousquette	X	Chair		
Erh-Hsun Chang	X			
Kee-Lock Chua		X	X	
Sally Davis	X		X	
Guerrino De Luca			Chair	Chair
Neil Hunt		X		
Richard Laube		X		
Monika Ribar		Chair		

### Attendance at Board, Committee and Annual Shareholders Meetings

In fiscal year 2012 the Board met twelve times, seven of which were regularly scheduled meetings. In addition, the Audit Committee met ten times, the Compensation Committee met seven times, the Nominating Committee met two times and the Committee for Board Compensation met once. In addition to its meetings, the Board took two actions for approval by consent during fiscal year 2012. We expect each director to attend each meeting of the Board and the Committees on which he or she serves, and also expect them to attend the Annual General Meeting of shareholders. Each director attended the 2011 Annual General Meeting. All directors attended at least 75% of the meetings of the Board and the Committees on which he or she served. Detailed attendance information for Board and Board Committee meetings during fiscal year 2012 is as follows:

	Board of Directors	Audit Committee	Compensation Committee	Nominating Committee	Committee for Board Compensation
# of meetings held	12	10	7	2	1
Daniel Borel	9				
Matthew Bousquette	11	10	7		
Erh-Hsun Chang	11	9			
Kee-Lock Chua	12		7	2	
Sally Davis	11	10		2	
Guerrino De Luca	12			2	1
Neil Hunt <sup>(1)</sup>	12		2		
Richard Laube	10		7		
Monika Ribar	11	10			

- (1) Mr. Hunt joined the Compensation Committee as of the Annual General Meeting on September 7, 2011, and attended both of the Compensation Committee meetings that were held after that date. Prior to joining the Compensation Committee, he attended two of the Committee meetings as an observer.

#### Audit Committee

The Audit Committee is appointed by the Board to assist the Board in monitoring the Company's financial accounting, controls, planning and reporting. It is composed of only non-executive, independent Board members. Among its duties, the Audit Committee:

- reviews the adequacy of the Company's internal controls;
- reviews the independence, fee arrangements, audit scope, and performance of the Company's independent auditors, and recommends the appointment or replacement of independent auditors to the Board of Directors;
- reviews and approves all non-audit work to be performed by the independent auditors;
- reviews the scope of Logitech's internal auditing and the adequacy of the organizational structure and qualifications of the internal auditing staff;
- reviews, before release, the quarterly results and interim financial data;
- reviews with management and the independent auditors the Company's major financial risk exposures and the steps management has taken to monitor and control those exposures, including the Company's guidelines and policies with respect to risk assessment and risk management; and
- reviews, before release, the audited financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Company's annual reporting, and recommends that the Board of Directors submit these items to the shareholders' meeting for approval.

The Audit Committee currently consists of Ms. Ribar, Chairperson, Mr. Bousquette, Mr. Chang and Ms. Davis. The Board of Directors has determined that each member of the Audit Committee meets the independence requirements of the NASDAQ Stock Market listing standards and the applicable rules and regulations of the SEC. In addition, the Board has determined that Ms. Ribar and Mr. Bousquette are audit committee financial experts as defined by the applicable rules and regulations of the SEC.

The Audit Committee met ten times in fiscal year 2012. Five meetings were held in person on the day prior to the regularly scheduled quarterly Board meeting, for two to four hours, and five were held by telephone, for approximately an hour. The Committee received reports and presentations before the meetings in order to allow them time to prepare adequately. At the Committee's invitation, the Company's Chief Financial Officer, Corporate Controller or Acting Corporate Controller, Vice President of Internal Audit and General Counsel or Associate General Counsel attended each meeting, and representatives from the Company's independent auditors, PricewaterhouseCoopers, also attended

each meeting except one. Other members of management also participated in certain meetings. Five meetings also included separate sessions with representatives of the independent auditors and with the Chief Financial Officer, and four meetings included a separate session with the Vice President of Internal Audit.



### **Compensation Committee**

The Compensation Committee reviews and approves, or recommends to the Board for approval, the compensation of executive officers and Logitech's compensation policies and programs, including share-based compensation programs and other incentive-based compensation. Within the guidelines established by the Board and the limits set forth in the Company's employee equity incentive plans, the Compensation Committee also has the authority to grant equity incentive awards to employees without further Board approval. The Committee is composed of only non-executive, independent Board members.

The Compensation Committee currently consists of Mr. Bousquette, Chairman, Mr. Chua, Mr. Hunt and Mr. Laube. Mr. Hunt joined the Committee as of the Annual General Meeting on September 7, 2011. The Board of Directors has determined that each member of the Committee meets the independence requirements of the NASDAQ Stock Market listing standards.

The Compensation Committee met seven times in fiscal year 2012. At the Committee's invitation, the Company's Vice President of Worldwide Human Resources and the Senior Director of Worldwide Compensation & Benefits attended each meeting, and the Committee's independent advisor from Radford Consulting attended one meeting. The Company's Associate General Counsel also attended one meeting. Five meetings were held in person and two by teleconference and each meeting lasted for one to two hours. In addition to its meetings, the Committee took fourteen actions for approval by consent during fiscal year 2012.

Please refer to the Company's Compensation Report for further information on the Compensation Committee's criteria and process for evaluating executive compensation.

### **Committee for Board Compensation**

The Committee for Board Compensation establishes the compensation of the non-executive directors. This Committee currently consists of Mr. De Luca and, prior to Mr. Quindlen's resignation as the Company's President and Chief Executive Officer as of July 27, 2011, consisted of Mr. De Luca and Mr. Quindlen. The Committee for Board Compensation met once in fiscal year 2012. The meeting was held in person and lasted approximately one hour. At the Committee's invitation, the Company's Vice President of Worldwide Human Resources and the Senior Director of Worldwide Compensation & Benefits attended the meeting.

### **Nominating Committee**

The Nominating Committee is composed of at least three members, with the Chairman of the Board acting as chair for this Committee and the other two members being non-executive, independent directors. Among its duties, the Nominating Committee:

- evaluates the composition of the Board of Directors and its Committees, determines future requirements and makes recommendations to the Board of Directors for approval;
- determines on an annual basis the desired Board qualifications and expertise and conducts searches for potential directors with these attributes;
- evaluates and makes recommendations of nominees for election to the Board of Directors; and
- evaluates and makes recommendations to the Board concerning the appointment of directors to Board Committees and the selection of Board Committee chairs.

The Nominating Committee may and typically does retain an executive search firm to assist with the identification and evaluation of prospective Board nominees based on criteria established by the Committee. For information on the Nominating Committee's policies with respect to director nominations please see "Elections to the Board of Directors" above.

The Nominating Committee currently consists of Mr. De Luca, Chairman, Mr. Chua and Ms. Davis. Mr. De Luca is not an independent director under applicable NASDAQ rules. The Board of Directors has determined that Mr. Chua and Ms. Davis meet the independence requirements of the NASDAQ Stock Market listing standards. Upon the Committee's recommendation of nominees for election to the Board of Directors, the nominees are presented to the full Board. Nominees are then selected by a majority of the independent members of the Board. The Nominating Committee met twice in fiscal year 2012. One of the meetings was held in person and the other by teleconference, and each meeting lasted approximately one hour.



**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

None of the members of the Compensation Committee has been an officer or employee of Logitech. None of our executive officers serves on the board of directors or compensation committee of a company that has an executive officer that serves on our Board of Directors.

**COMMUNICATIONS WITH THE BOARD OF DIRECTORS**

Shareholders may contact the Board of Directors about bona fide issues or questions about Logitech by sending an email to *generalcounsel@logitech.com* or by writing the Corporate Secretary at the following address:

Logitech International S.A.  
Attn: Corporate Secretary  
Rue du Sablon 2-4  
1110 Morges, Switzerland

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT  
AS OF JUNE 30, 2012**

In accordance with the proxy statement rules under U.S. securities laws, the following table shows the number of our shares beneficially owned as of June 30, 2012 by:

- each person or group known by Logitech, based on filings pursuant to Section 13(d) or (g) under the U.S. Securities Exchange Act of 1934 or notifications to the Company under applicable Swiss laws, to own beneficially more than 5% of our outstanding shares as of June 30, 2012;
- each director and each nominee for director;
- the persons named in the Summary Compensation Table in the Compensation Report (the named executive officers); and
- all directors and current executive officers as a group.

Beneficial Owner <sup>(1)</sup>	Number of Shares Owned <sup>(2)</sup>	Shares that May be Acquired Within 60 Days <sup>(3)</sup>	Total Beneficial Ownership	Total as a Percentage of Shares Outstanding <sup>(4)</sup>
<b>5% Shareholders:</b>				
Capital Research Global Investors <sup>(5)</sup>	16,410,000	-	16,410,000	10.5%
Morgan Stanley, The Corporation Trust Company <sup>(6)</sup>	12,654,812	-	12,654,812	8.1%
FMR LLC <sup>(7)</sup>	11,532,789	-	11,532,789	7.4%
Daniel Borel <sup>(8)</sup>	11,368,313	-	11,368,313	7.3%
<b>Directors, not including the Chairman or the Chief Executive Officer:</b>				
Daniel Borel <sup>(8)</sup>	11,368,313	-	11,368,313	7.3%
Matthew Bousquette	19,459	75,000	94,459	*
Erh-Hsun Chang	166,985	319,000	485,985	*
Kee-Lock Chua	28,716	55,000	83,716	*
Sally Davis	29,258	30,000	59,258	*
Neil Hunt	3,467	-	3,467	*
Richard Laube	83,869	30,000	113,869	*
Monika Ribar	17,620	95,000	112,620	*
<b>Nominee for Director:</b>				
Didier Hirsch	-	-	-	*
<b>Named Executive Officers:</b>				
Guerrino De Luca	164,018	946,788	1,110,806	*
Bracken Darrell <sup>(9)</sup>	-	-	-	*
Erik K. Bardman	9,148	50,000	59,148	*
Junien Labrousse	47,316	471,250	518,566	*
L. Joseph Sullivan	11,752	205,000	216,752	*
Gerald P. Quindlen	25,606	-	25,606	*
Werner Heid	24,390	153,750	178,140	*
Current Directors and Executive Officers, as a Group <sup>(12)</sup>	11,902,605	1,805,788	13,708,393	8.7%

\* Less than 1%

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- (1) Unless otherwise indicated, the address for each beneficial owner listed in this table is c/o Logitech International S.A., Rue du Sablon 2-4 Morges, Switzerland / 7600 Gateway Boulevard, Newark, California 94560.
- (2) To Logitech's knowledge, except as otherwise noted in the footnotes to this table, each director and executive officer has sole voting and investment power over the shares reported as beneficially owned in accordance with SEC rules, subject to community property laws where applicable.
- (3) Includes shares represented by vested, unexercised options as of June 30, 2012 and options and restricted stock units that are expected to vest within 60 days after June 30, 2012. These shares are deemed to be outstanding for the purpose of computing the percentage ownership of the person holding the options or restricted stock units, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.
- (4) Based on 155,960,117 shares outstanding on June 30, 2012 (191,606,620 shares outstanding less 35,646,503 treasury shares outstanding).
- (5) Based on information set forth in a Schedule 13G filed with the SEC on February 14, 2012 by Capital Research Global Investors, a division of Capital Research and Management Company (CRMC), reporting ownership of Logitech's shares as of December 31, 2011, and indicating sole investment and voting power with respect to all of the shares. According to the filing, Capital Research Global Investors is deemed to be the beneficial owner of 16,410,000 shares as a result of CRMC acting as investment advisor to various investment companies. The address of the entities affiliated with CRMC is 333 South Hope Street, Los Angeles, California 90071.
- (6) On April 5, 2012, Morgan Stanley, The Corporation Trust Company notified us that as of August 2010 Morgan Stanley, The Corporation Trust Company and its subsidiaries held 12,654,812 shares. The address of Morgan Stanley/The Corporation Trust Company is 1209 Orange Street, Wilmington, Delaware 19801.
- (7) Based on information set forth in a Schedule 13G filed with the SEC on February 14, 2012 by FMR LLC, reporting ownership of Logitech's shares as of December 31, 2011, and indicating sole investment power with respect to 11,532,789 shares, sole voting power with respect to 907,789 shares and shared investment power with respect to none of the shares. According to the filing, FMR LLC is deemed to be the beneficial owners of 11,532,789 shares on behalf of funds managed by and clients of direct and indirect subsidiaries of FMR LLC. FMR LLC is the parent holding company of Fidelity Management & Research Company, investment manager for U.S. mutual funds, and Fidelity Management & Trust Company, a U.S. state chartered bank which acts as a trustee or investment manager of various pension and trust accounts. The address of the entities affiliated with FMR LLC is 82 Devonshire Street, Boston, Massachusetts 02109.
- (8) The number of shares held by Mr. Borel includes (a) 53,000 shares held by a charitable foundation, of which Mr. Borel and other members of his family are board members and (b) 6,500 shares held by Mr. Borel's spouse. Mr. Borel filed a Schedule 13G/A with the SEC on February 29, 2012, reporting ownership of shares as of December 31, 2011, and indicating sole investment and voting power with respect to 11,308,813 shares, shared investment power with respect to 59,500 shares and shared voting power with respect to 53,000 shares.
- (9) Mr. Darrell joined the Company as President on April 9, 2012.

### **SHARE OWNERSHIP GUIDELINES**

Members of the Board of Directors and executive officers and other officers who report directly to the Chief Executive Officer or President are subject to share ownership guidelines.

Directors are required to own at least 5,000 Logitech shares under guidelines adopted by the Board in June 2006. Directors are required to achieve this ownership within three years of joining the Board, or, in the case of directors serving at the time the guidelines were adopted, within three years of the effective date of adoption of the guidelines. The guidelines will be adjusted to reflect any share splits or other capital adjustments, and will be re-evaluated by the Board from time to time. As of June 30, 2012, each director had either satisfied these ownership guidelines or had time remaining to do so.

The Compensation Committee adopted share ownership guidelines for executive officers and other officers who report directly to the Chief Executive Officer or President effective September 2008. These guidelines require the Chief Executive Officer to hold a number of Logitech shares with a market value equal to 3 times his annual base salary. Officers who report to the Chief Executive Officer or President must hold a number of Logitech shares with a market value equal to 2 times annual base salary. Officers subject to the guidelines are required to achieve the guideline within three years of being appointed to the position making them subject to the guideline, or, in the case of such officers serving at the time the guidelines were adopted, within three years of the effective date of adoption of the guidelines. The guidelines will be adjusted to reflect any share splits or other capital adjustments, and will be re-evaluated by the Compensation Committee from time to time. Up to 50% of the guideline may be met through the net value of vested, unexercised stock options. If the guideline is not met within 3 years, the Chief Executive Officer must hold 100% of his after-tax shares resulting from option exercises or other equity incentive awards until the guideline is reached, and all other Chief Executive Officer or President direct reports must hold at least 50% of the net shares resulting from option exercises or other equity incentive awards until the guideline is reached. As of June 30, 2012, eleven of the fifteen executive officers and other officers who report directly to the Chief Executive Officer or President had either satisfied these ownership guidelines or had time remaining to do so.

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To support our goal of Logitech's executive officers holding meaningful amounts of Logitech stock, in June 2011, the Compensation Committee adopted a provision, applicable to executive officers and Chief Executive Officer or President direct reports who have not met at least 75% of their stock ownership targets within three years of being subject to the ownership requirements, to pay a portion, increasing over time, of any earned bonus under the annual incentive bonus program in Logitech shares. These shares will be subject to the holding requirements noted above. In fiscal year 2012, this provision was not used, as no bonuses were earned under the annual incentive bonus program.

## **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

### **OUR POLICIES**

It is our policy that all employees must not engage in any activities which could conflict with Logitech's business interests, which could adversely affect its reputation or which could interfere with the fulfillment of the responsibilities of the employee's job, which at all times must be performed in the best interests of Logitech. In addition, Logitech employees may not use their position with Logitech, or Logitech's information or assets, for their personal gain or for the improper benefit of others. These policies are included in our Conflict of Interest and Business Ethics Policy, which covers our directors, executive officers and other employees. If in a particular circumstance the Board concludes that there is or may be a perceived conflict of interest, the Board will instruct our Legal department to work with our relevant business units to determine if there is a conflict of interest. Any waivers to these conflict rules with regard to a director or executive officer require the prior approval of the Audit Committee.

### **NASDAQ RULES AND SWISS BEST CORPORATE GOVERNANCE PRACTICES**

NASDAQ rules defining independent director status also govern conflict of interest situations, as do Swiss best corporate governance principles published by *economiesuisse*, a leading Swiss business organization. As discussed above, the Board of Directors has determined that each of our directors other than Mr. Borel and Mr. De Luca qualifies as independent in accordance with the NASDAQ rules. The NASDAQ rules include a series of objective tests that would not allow a director to be considered independent if the director has or has had certain employment, business or family relationships with the company. The NASDAQ independence definition also includes a requirement that the Board review the relations between each independent director and the company on a subjective basis. In accordance with that review, the Board has made a subjective determination as to each independent director that no relationships exist that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

### **SEC RULES**

In addition to the Logitech and NASDAQ policies and rules described above, the SEC has specific disclosure requirements covering certain types of transactions involving Logitech and a director or executive officer or persons and entities affiliated with them. Since April 1, 2011, we have not been a party to, and we have no plans to be a party to, any transaction or series of similar transactions in which the amount involved exceeded or will exceed US \$120,000 and in which any current director, director nominee, executive officer, holder of more than 5% of our shares, or any member of the immediate family of any of the foregoing, had or will have a direct or indirect material interest. We have entered into an indemnification agreement with each of our directors and executive officers. The indemnification agreements require us to indemnify our directors and officers to the fullest extent permitted by Swiss and California law.

None of the following persons has been indebted to Logitech or its subsidiaries at any time since the beginning of fiscal year 2012: any of our directors or executive officers; any nominee for election as a director; any member of the immediate family of any of our directors, executive officers or nominees for director; any corporation or organization of which any of our directors, executive officers or nominees is an executive officer or partner or is, directly or indirectly, the beneficial owner of 10% or more of any class of equity securities (except trade debt entered into in the ordinary course of business); and any trust or other estate in which any of the directors, executive officers or nominees for director has a substantial beneficial interest or for which such person serves as a trustee or in a similar capacity.

### INDEPENDENT AUDITORS

Under Logitech's Articles of Incorporation the shareholders elect or re-elect the Company's independent auditors each year at the Annual General Meeting.

Logitech's independent auditors are currently PricewaterhouseCoopers S.A., Lausanne, Switzerland. PricewaterhouseCoopers S.A. assumed its first audit mandate for Logitech in 1988. They were re-elected by the shareholders as Logitech's auditors at the Annual General Meeting in September 2011. For purposes of U.S. securities law reporting, PricewaterhouseCoopers LLP, San Jose, California, serves as the Company's independent registered public accounting firm. Together, PricewaterhouseCoopers S.A. and PricewaterhouseCoopers LLP are referred to as PwC.

As appointed by the Board, the Audit Committee is responsible for supervising the performance of the Company's independent auditors, and recommends the election or replacement of the independent auditors to the Board of Directors.

Representatives of PwC are invited to attend all regular meetings of the Audit Committee. During fiscal year 2012, PwC representatives attended nine of the ten Audit Committee meetings. The Committee met separately five times with representatives of PwC in closed sessions of Committee meetings.

On a quarterly basis, PwC reports on the findings of their audit and/or review work including their audit of Logitech's internal control over financial reporting. These reports include their assessment of critical accounting policies and practices used, alternative treatments of financial information discussed with management, and other material written communication between PwC and management. At each quarterly Board meeting, the Audit Committee reports to the full Board on the substance of the Committee meetings during the quarter. On an annual basis, the Audit Committee approves PwC's audit plan and evaluates the performance of PwC and its senior representatives in fulfilling its responsibilities. Moreover, the Audit Committee recommends to the Board the appointment or replacement of the independent auditors, subject to shareholder approval. The Audit Committee reviews the annual report provided by PwC as to its independence.

### AUDIT AND NON-AUDIT FEES

In addition to the audit services PwC provides with respect to Logitech's annual audited consolidated financial statements and other filings with the Securities and Exchange Commission, PwC has provided non-audit services to Logitech in the past and may provide them in the future. Non-audit services are services other than those provided in connection with an audit or a review of Logitech's financial statements. The Audit Committee of the Board of Directors determined that the rendering of non-audit services by PwC was compatible with maintaining their independence.

The following table sets forth the aggregate fees billed to us for the audit and other services provided by PwC during the fiscal years ended March 31, 2012 and 2011 (in thousands):

	<b>2012</b>	<b>2011</b> <sup>(5)</sup>
Audit fees <sup>(1)</sup>	\$ 3,057	\$ 2,822
Audit-related fees <sup>(2)</sup>	12	17
Tax fees <sup>(3)</sup>	634	472
All other fees <sup>(4)</sup>	61	16
Total	\$ 3,764	\$ 3,327

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(1) *Audit fees.* This category represent fees for professional services provided in connection with the audit of our financial statements, the audit of our internal control over financial reporting, and review of our quarterly financial statements and audit services provided in connection with other statutory or regulatory filings.



- (2) *Audit-related fees.* This category represents consultation on issues such as acquisition accounting, due diligence services in connection with acquisitions, review and testing of the impact of new accounting pronouncements, and other topics.
- (3) *Tax fees.* This category represents fees for tax compliance, assistance with tax audits, tax advice and tax planning.
- (4) *All other fees.* This category primarily represents fees for government grant audits and database licenses.
- (5) Certain fiscal year 2011 amounts have been reclassified to conform to the fiscal year 2012 presentation.

**PRE-APPROVAL PROCEDURES AND POLICIES**

The Audit Committee pre-approves all audit and non-audit services provided by PwC. This pre-approval must occur before the auditor is engaged. The Audit Committee pre-approves categories of non-audit services and a target fee associated with each category. Usage of PwC fees against the target is presented to the Audit Committee at each in-person quarterly meeting, with additional amounts requested as needed. Services that last longer than a year must be re-approved by the Audit Committee.

The Audit Committee can delegate the pre-approval ability to a single independent member of the Audit Committee. The delegate must communicate all services approved at the next scheduled Audit Committee meeting. The Audit Committee or its delegate can pre-approve types of services to be performed by PwC with a set dollar limit per type of service. The Vice President, Corporate Controller or Acting Corporate Controller is responsible for ensuring that the work performed is within the scope and dollar limit as approved by the Audit Committee. Management must report to the Audit Committee the status of each project or service provided by PwC.

**REPORT OF THE AUDIT COMMITTEE**

The Audit Committee is responsible for overseeing Logitech's accounting and financial reporting processes and audits of Logitech's financial statements. The Audit Committee acts only in an oversight capacity and relies on the work and assurances of management, which has primary responsibility for Logitech's financial statements and reports, Logitech's internal auditors, as well as PwC, Logitech's independent auditors, which is responsible for expressing an opinion on the conformity of Logitech's audited financial statements to generally accepted accounting principles and attesting to the effectiveness of Logitech's internal control over financial reporting.

The Board of Directors has adopted a written charter for the Audit Committee. A copy of the Charter can be found on our website at <http://ir.logitech.com>. To view the charter, select "Audit Committee Charter" under "Corporate Governance".

The Audit Committee has reviewed and discussed our audited financial statements for the fiscal year ended March 31, 2012, with our management. In addition, The Audit Committee has discussed with the independent auditors the matters required to be discussed by the Statement on Auditing Standards No.114, as amended (AICPA, Professional Standards, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The Audit Committee has received the written disclosures and the letter from the independent accountant required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in Logitech's Annual Report on Form 10-K for the fiscal year ended March 31, 2012.

Submitted by the Audit Committee of the Board

Monika Ribar, Chairperson  
Matthew Bousquette  
Erh-Hsun Chang  
Sally Davis

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16 of the Exchange Act requires Logitech's directors, executive officers and any persons who own more than 10% of Logitech's shares, to file initial reports of ownership and reports of changes in ownership with the SEC. Such persons are required by SEC regulation to furnish Logitech with copies of all Section 16(a) forms that they file. As a matter of practice, our administrative staff assists our executive officers and directors in preparing initial ownership reports and reporting ownership changes, and typically files these reports on their behalf.

We believe that all Section 16(a) filing requirements were met in fiscal year 2012, with the exceptions noted below:

- A late Form 4 report was filed for Daniel Borel on June 13, 2012 to report 26,500 shares acquired from his daughter on June 23, 2011. The shares were previously reported as being indirectly owned by Mr. Borel and the filing reports that the shares are now directly owned by Mr. Borel.

## COMPENSATION REPORT 2012

### INTRODUCTION

This Compensation Report contains information on Logitech compensation philosophy and practices, the background for decisions, and the results of decisions with respect to Logitech's named executive officers and its Board members.

This Compensation Report has been designed to comply with the proxy statement rules under U.S. securities laws as well as Swiss regulations and best corporate governance practices. This Report is an integrated part of our Annual Report, Invitation and Proxy Statement for our 2012 Annual General Meeting.

### Compensation Discussion and Analysis

### EXECUTIVE SUMMARY

During Fiscal Year 2012, Logitech faced multiple challenges including execution issues in our EMEA region, much lower than expected demand for Logitech Revue with Google TV, and a product portfolio that was weaker than anticipated. While we addressed these issues as we progressed through the year, they were the primary drivers of our disappointing full fiscal year performance, with sales essentially flat and major year-over-year declines in our operating income and share price.

The following are key developments in fiscal year 2012 relating to compensation:

- *Impact of Logitech's Performance Against Expectations and Relative to Overall Market.* When making compensation decisions in both fiscal year 2012 and at the start of fiscal year 2013, the Compensation Committee gave considerable weight to Logitech's continued challenges in executing against our stated financial plans as well as Logitech's performance relative to the overall market and our compensation peer group, as highlighted in Compensation Elements and other parts of this discussion below.
- *Base Salary Actions.* Given Logitech's financial performance exiting fiscal year 2011, only two of our executive officers received base salary increases for fiscal year 2012—Mr. Bardman and Mr. Sullivan. Given Logitech's relative market performance for the whole of fiscal year 2012 and our executives' salary position versus the market, only one executive officer, Mr. Bardman, received a base salary increase for fiscal year 2013.
- *No Bonus Plan Payouts.* Based on Logitech's failure to execute against our fiscal year 2012 plan, as well as our disappointing performance relative to our overall industry, the Compensation Committee elected not to provide any payouts for executive officers under our annual cash incentive bonus plan, the Logitech Management Performance Bonus Plan, including those who were eligible to receive a payment under the Bonus Plan.

- *Reduced Equity Grants.* When determining the size of the annual equity grants provided in fiscal year 2012, the Compensation Committee had the expectation that our executive officers must build Logitech's value at a rate greater than the overall market for these particular grants to deliver value in line with those of our compensation peer group companies. To reflect this, all executive officers, with the exception of our Chairman, received smaller equity grants in fiscal year 2012.
- *Organizational Changes.* The past 12 months have seen significant changes in our executive officer group. Mr. Quindlen, Logitech's former President & Chief Executive Officer, resigned from Logitech effective July 27, 2011. Upon Mr. Quindlen's departure, Mr. De Luca, Logitech's Chairman of the Board and former Chief Executive Officer, was appointed to the role of acting President and Chief Executive Officer. In April 2012, Logitech appointed Bracken Darrell to the role of President with the expectation that he will succeed Mr. De Luca as Chief Executive Officer in January 2013. As part of our fiscal year 2013 Q1 restructuring, Mr. Heid's role as Senior Vice President of Worldwide Sales and Marketing was eliminated and he left the Company. As part of that same restructuring, Mr. Labrousse's roles as Executive Vice President of the Products Group and President of Logitech Europe were eliminated, he ceased to be an executive officer and he assumed the role of Senior Vice President, Consumer Computing Platform Group.
- *No Vesting of Prior Performance-Based Stock Units.* In fiscal year 2012, Logitech's performance resulted in a total shareholder return, or TSR, that was below the overall market. As a result, executive officers received no shares, and therefore no actual delivered value, from the performance-based stock units, or PSUs, granted June 2009 whose two-year performance period ended in fiscal year 2012, because the minimum TSR performance threshold was not met. We believe this appropriately reflects our pay for performance philosophy and our focus on aligning our executive officers' compensation with providing above average performance for our shareholders.
- *Effective Compensation Program Design.* The Compensation Committee believes the design of our executive compensation programs has and will continue to meet our goal of providing our executives with market competitive compensation packages that provide for above market rewards when Logitech outperforms our internal goals, and limited rewards when Logitech's performance does not meet those goals. The balance we have built between fixed compensation (base salary), short-term incentives (annual incentive bonus program), and long-term incentives (equity) ensures that, while our executives received no short-term incentives in fiscal year 2012, they received market competitive base salaries, and have every opportunity to receive significant rewards from their long-term incentives if they are able to deliver above market performance in the coming years. Looking forward, we fully expect Logitech's leadership team to drive a turnaround of the Company's performance that will reward both our shareholders and the executives who help to deliver improved results.

#### **EXECUTIVE COMPENSATION OBJECTIVES AND PHILOSOPHY**

Logitech's executive compensation programs have been designed to:

- be competitive with comparable companies in our industry and in the region where the executive is based;
- maintain a balance between fixed and variable compensation and place a significant portion of total compensation at risk based on the Company's performance, while maintaining controls over inappropriate risk-taking;
- align executive compensation with shareholders' interests by tying a significant portion of compensation to increasing share value;
- support a performance-oriented environment that rewards superior performance; and

- reflect the Compensation Committee's assessment of an executive's role and past performance through base salary and short-term cash incentives, and his or her potential for future contribution to Logitech through long-term equity incentive awards.

An important component of Logitech's executive compensation philosophy is to pay executives at or near the median of other companies that compete for similar executive talent, and that individual performance and importance to Logitech should be reflected in the compensation of each executive. However, while compensation is a central part of attracting, retaining and motivating the best executives and employees, we believe it is not the sole or exclusive reason why exceptional executives or employees choose to join and stay at Logitech, or why they work hard to achieve results for shareholders. In this regard, both the Compensation Committee and management believe that providing a working environment and opportunities in which executives and employees can develop, express their individual potential, and make a difference are also a key part of Logitech's success in attracting, retaining and motivating executives and employees.

#### **EXECUTIVE COMPENSATION PRACTICES**

Logitech has employed a number of executive compensation practices that reflect its compensation philosophy:

- The majority of executive officers' compensation is designed to be performance-based, using a variety of performance measures, including measuring Logitech's performance against Board-established fiscal and other targets for annual incentive cash bonuses, and relative total shareholder return for performance-based equity awards.
- Logitech has claw-back provisions that apply to its annual incentive cash plan and its equity awards plans, which provide for the recovery of compensation by Logitech in the event of misconduct.
- Logitech does not maintain any payment arrangements that would be triggered solely by a change in control of Logitech.
- Logitech does not provide special retirement benefits designed solely for executive officers.

In addition, Logitech has been a leader in providing our shareholders advisory votes on compensation. Beginning in 2009, Logitech voluntarily submitted its compensation philosophy, policies, and procedures to a shareholder advisory vote. Our voluntary practice is now a requirement under U.S. legislation that guarantees shareholders the ability to periodically cast advisory votes on executive compensation, and is reflected in Proposal 2 for our Annual General Meeting in September 2012. We remain committed to providing clear and thorough disclosure on our executive compensation practices and actions, and our Compensation Committee will carefully consider the voting results.

At our 2011 Annual General Meeting, shareholders demonstrated strong support for the compensation of our named executive officers voting in favor of our advisory compensation resolution. The Compensation Committee was mindful of this support for our pay-for-performance compensation philosophy in retaining our general compensation practices and setting fiscal year 2012 compensation for our executive officers.

#### **NAMED EXECUTIVE OFFICERS**

In this Compensation Report, we refer to our named executive officers in many places. This term includes the following individuals:

- Guerrino De Luca, our Chief Executive Officer and Chairman.
- Erik K. Bardman, our Chief Financial Officer.

- Junien Labrousse, our Senior Vice President, Consumer Computing Platform Group.
- L. Joseph Sullivan, our Senior Vice President, Worldwide Operations.
- Two former officers who either served as Chief Executive Officer during fiscal year 2012 or were serving as an executive officer of Logitech at the end of fiscal year 2012: Gerald P. Quindlen and Werner Heid, respectively.

**ELEMENTS OF COMPENSATION**

The principal components of our executive compensation programs are:

- Base salary.
  
- Performance-based cash compensation, in the form of annual incentive cash payments.
  
- Long-term equity incentive awards, which in fiscal year 2012 consisted of performance-based stock units and time-based restricted stock units.

Our executive officers are also eligible to participate in our health and benefits plans, retirement savings plans, and our employee share purchase plans, which are generally available to our employees. We also provide limited perquisites, as described in Other Compensation Elements Perquisites below.

The following table outlines our objectives for each of the principal components of executive compensation.

Element of Compensation	Objective
Base salary	<ul style="list-style-type: none"> <li>• Reward individuals for their current contributions to the Company</li> <li>• Compensate individuals for their expected day-to-day service</li> </ul>
Performance-based cash compensation	<ul style="list-style-type: none"> <li>• Align executive compensation with Logitech's annual performance goals</li> <li>• Make a significant portion of the executive's annual cash compensation variable and subject to the achievement of Board-approved, Company-oriented business goals</li> <li>• Motivate and reward the executive for above-target performance</li> </ul>
Long-term equity incentive awards	<ul style="list-style-type: none"> <li>• Deliver the majority of total potential compensation via long-term equity incentives</li> <li>• Align executive and shareholder interests</li> </ul>



- Provide a direct incentive for future performance
- Support retention of the executive

**Pay Mix**

In determining how we allocate an executive's total compensation package among base salary, performance-based cash compensation and long-term equity incentives, we emphasize compensation elements that reward performance against measures that correlate closely with increases in shareholder value. Accordingly, the majority of our executive compensation is at-risk, including the annual performance-based cash bonus and the majority of our long-term equity incentive grants. Our CEO and other executive officers have a higher percentage of at-risk compensation (and thus greater upside potential and downside risk) relative to Logitech's other employees.

The charts below indicate the percentage of total compensation costs in fiscal year 2012 represented by base salary, performance-based cash compensation, and long-term equity incentive awards for our Chief Executive Officer, Guerrino De Luca, and for all other named executive officers who remained executive officers through fiscal year 2012. All underlying amounts are taken from the Summary Compensation Table on page [\_\_\_].

We design our programs to have the largest portion of potential compensation to be based on long-term performance (equity), the next largest portion based on short-term performance (annual performance bonus), and the smallest portion as regular salary. While the fiscal year 2012 pay mix does not appear to reflect this design philosophy, with executive officers receiving almost half of their annual compensation in base salary and the other half in equity, it should be noted that the executive officers received only 65% to 75% of their target compensation for the year. This reflects the impact of: (1) not meeting internal expectations (Board-approved financial targets) which resulted in 0% bonus payouts under the annual incentive program; and (2) Logitech's stock price performance in fiscal year 2012, which resulted in fiscal year 2012 annual equity grant values that were approximately half the value of the prior year.

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(1) Includes Messrs. Bardman, Labrousse, Sullivan and Heid. Mr. Quindlen only served for a portion of fiscal year 2012.

**Base salary**

Consistent with Logitech's philosophy of tying pay to performance, we aim to deliver a relatively small percentage of our executive officers' overall compensation in the form of base salary. Base salary is intended to recognize the executive's current contributions to Logitech and compensate the executive for his or her expected day-to-day service. The Committee targets executive salaries to be at or near the market median for comparable positions. In fiscal year 2012, due to the annual performance bonuses not paying out, base salaries comprised approximately 40% to 60% of total compensation in fiscal year 2012 for our named executive officers. Had the Logitech Management Performance Bonus Plan for fiscal year 2012 paid in full, base salary would have represented approximately 30% of total compensation costs.

In setting base salary levels for fiscal year 2012, the Compensation Committee considered each executive's pay against similar roles among our compensation peer group companies, based on data provided by the Committee's independent compensation consultant in March 2011, overall salary increase trends for executive officers, and each executive's performance over the past year.

In fiscal year 2012, given the disappointing conclusion to our fiscal year 2011 and the position of our executive officers' salaries relative to the median for our compensation peer group companies, we provided salary increases to only two of our executive officers. Mr. Sullivan, whose compensation was at market median for his role, received an increase of 3%, which was the average increase for our compensation peer group. Mr. Bardman, whose salary was below the market median for his position, received a slightly larger increase of 5%. In light of Logitech's performance exiting fiscal year 2011, Mr. Quindlen, whose salary was at market median, did not receive a fiscal year 2012 salary increase. Given that the salaries for Mr. Heid and Mr. Labrousse were significantly above market median for their roles, neither received a salary increase in fiscal year 2012. Mr. De Luca's salary was reduced by 9% at the start of the fiscal year to recognize his continued transition to a dedicated Chairman of the Board role. No adjustment was made to Mr. De Luca's compensation upon his assumption of the duties of Chief Executive Officer after the resignation of Mr. Quindlen in July 2011. This resulted in substantially lower-than-median compensation for our Chief Executive Officer relative to our compensation peer group.

Named Executive Officer	2012 Base Salary	2011 Base Salary	Change 2011 to
	(\$)	(\$)	2012
Guerrino De Luca	500,000	550,000	-9%
Erik K. Bardman	440,000	420,000	5%
L. Joseph Sullivan	402,000	390,000	3%

*Former Officers:*

Gerald P. Quindlen	825,000 <sup>(1)</sup>	825,000	0%
Werner Heid	570,000	570,000	0%

Named Executive Officer	2012 Base Salary	2011 Base Salary	Change 2011 to
	(CHF)	(CHF)	2012
Junien Labrousse	710,000 <sup>(2)</sup>	710,000 <sup>(3)</sup>	0%

(1) The base salary of Mr. Quindlen, our former President and Chief Executive Officer who resigned from the Company in July 2011, was annualized based on salary earned through July 2011.

(2) Mr. Labrousse's fiscal year 2012 base salary was set in Swiss francs. The base salary in U.S. dollars was \$804,135, which was based on converting from Swiss francs to U.S. dollars using an average monthly exchange rate.

(3) Mr. Labrousse's fiscal year 2011 base salary was set by the Compensation Committee in U.S. dollars at \$700,000. Mr. Labrousse subsequently relocated to Switzerland during fiscal year 2011 and his base salary was set to be equivalent at CHF 710,000 based on converting from U.S. dollars to Swiss francs using the conversion rate of 1.0111 on September 6, 2010, the date on which his relocation was announced.

When evaluating salaries at the start of fiscal year 2013, the Committee took into consideration Logitech's disappointing performance in fiscal year 2012 and the relative market position of our executive officers' salaries. The Committee authorized an increase only for Mr. Bardman, as his salary was well below the median CFO salary of our compensation peer group, and the Committee viewed his contributions as important to the financial health of the Company.

As part of Logitech's fiscal year 2013 first quarter restructuring, Mr. Labrousse's role of Executive Vice President of the Products Group was eliminated, and he assumed the role of Senior Vice President, Consumer Computing Platform Group. Given this role change, the Committee approved a 12% reduction to Mr. Labrousse's annual salary from CHF 710,000 to CHF 625,000. In addition, Mr. Labrousse's target annual bonus percentage decreased from 75% to 65% of annual salary, resulting in an annual targeted cash compensation reduction of 17%.

**Performance-based cash compensation**

Logitech's annual performance-based bonuses, under a program established under the Logitech Management Performance Bonus Plan, or Bonus Plan, compensate executives based on achievement against the key financial metrics of revenue and adjusted operating income, each of which is equally weighted. These metrics address both top line (revenue) and bottom line (adjusted operating income) corporate financial goals, both of which the Committee believes are critical to driving long-term shareholder value.

The Bonus Plan is designed to motivate and reward executives for above-target performance. These annual performance-based bonuses represent a significant portion of each executive's potential annual cash compensation, ranging from 40% to 50% of annual targeted cash compensation. Payout under the incentive plan is variable, based on the achievement against Logitech financial goals, and can range from 0% to 200% of the executive's target incentive.

**Named executive officer bonus targets for fiscal year 2012**

In fiscal year 2012 the Committee approved an increase to the target bonus percentage for Mr. Labrousse. This action was based on management's request to align bonus target percentages for our senior executives reporting to the Chief Executive Officer, which raised Mr. Labrousse's target bonus percentage from 67% to 75% of his base salary. The bonus targets as a percentage of base salary for the other named executive officers remained the same as those in fiscal year 2011. The cash bonus target percentages for fiscal year 2012 are summarized in the table below.

<b>Named Executive Officer</b>	<b>2012 Annual Target Bonus Percentage of Base Salary</b>	<b>2011 Annual Target Bonus Percentage of Base Salary</b>	<b>Change 2011 to 2012</b>
Guerrino De Luca	100%	100%	0%
Erik K. Bardman	75%	75%	0%
Junien Labrousse	75%	67%	12%
L. Joseph Sullivan	75%	75%	0%
<b>Former Officers:</b>			
Gerald P. Quindlen	125%	125%	0%
Werner Heid	75%	75%	0%

The target bonus opportunities for named executive officers in fiscal year 2012 are in aggregate at the median of our compensation peer group, based on peer group data provided by the Committee's independent compensation consultant to the Committee in March 2011.

No bonuses were paid to executive officers under the Bonus Plan for fiscal year 2012. The Compensation Committee paid a discretionary bonus to Mr. Bardman for fiscal year 2012, separate from the Bonus Plan, based on Mr. Bardman's contributions during fiscal year 2012.

**Performance measures for fiscal year 2012 bonus program**

In fiscal year 2012, the Bonus Plan was based on the following performance measures:

<b>Performance Measure</b>	<b>Why It is Used</b>	<b>Measurement Basis</b>
Revenue	Revenue growth is an essential component of long-term success and viability and enables future strategic investments.	Generally Accepted Accounting Principles (GAAP), with adjustments for over/under performance in key strategic focus areas.
Adjusted Operating Income/ Contribution Margin	Generating an increase in per-share value for investors is a priority, as operating profit allows Logitech to re-invest in research & development (R&D), operations and people for future success.	GAAP, excluding one-time transaction charges related to acquisitions and divestitures.
Period Costs & Variances (PC&V)	PC&V consists of period costs that are not included in standard cost and variances regarding standard cost and actual cost. Lower PC&V results in higher gross margin and operating income.	GAAP.
Total Supply Chain Costs	Total Supply Chain costs consist of elements included in standard cost and costs that are not included in standard cost but are a part of Total Cost of Goods Sold. Efficiencies in Supply Chain increase gross margin and operating income.	GAAP, with measurement made as a % of Gross Shipments.



For all named executive officers, the 2012 Bonus Plan goals were set equal to Logitech's annual business plan for fiscal year 2012 as approved by the Board in July 2011, with the exception of the Operating Income and Contribution Margin goals which were based on the Board approved figures and then adjusted to reflect the Logitech Revue inventory write-off taken in the first quarter of fiscal year 2012. In addition to 50% of his bonus being tied to Logitech's annual revenue and adjusted operating income goals, Mr. Labrousse had 50% of his bonus based on the annual performance of the Product Group; Mr. Heid had 50% of his bonus based on the annual performance of the Worldwide Sales & Marketing function; and Mr. Sullivan had 50% of his bonus based on the annual performance of the Worldwide Operations function, including the Period Costs & Variances and Total Supply Chain Costs performance measures. All other named executive officers' bonuses were based 100% on achievement against Logitech's revenue and adjusted operating income goals. Please see further details below under the heading "Bonus Plan performance targets and results for fiscal year 2012."

The minimum performance required before any bonus payment is made under the fiscal year 2012 Bonus Plan was 94% of the target performance for all revenue-based metrics, 75% to 85% of the target performance for profit-based metrics, and 80% of the target performance for the Operations metrics.

**Bonus Formula**

The formula for determining the bonus awards for fiscal year 2012 was as follows:

$$\frac{\text{Executive's eligible wages}}{\text{Executive's target bonus percentage}}^{(1)} \times \frac{\text{Bonus Plan funding percentage}}{\text{percentage}}^{(2)} = \text{Annual bonus award}$$

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(1) Expressed as a percentage of base salary.

(2) Based on achievement against target performance measures, including the potential for a greater than 1-to-1 acceleration or deceleration of the funding percentage for each percentage by which actual performance exceeds or falls below target performance thresholds. If earned, the bonus is paid to the executive in May for the fiscal year ended March 31.

**Bonus Plan performance targets and results for fiscal year 2012**

Logitech did not pay any bonuses to the named executive officers for fiscal year 2012 regardless of the Bonus Plan formula. The cash bonus awards for fiscal year 2012 were calculated solely on the formula funding results prescribed by the measures noted in the following table. This resulted in all but two Logitech executives earning 0% bonus payout under the bonus program formula. In evaluating Logitech's overall performance against the Board-approved fiscal year 2012 financial goals, the Compensation Committee used its discretionary authority under the Bonus Plan to reduce to 0% the payouts for Mr. Labrousse and Mr. Sullivan who otherwise would have earned bonuses under the Bonus Plan formula. The performance targets, actual performance and funding percentages from the Bonus Plan in fiscal year 2012 for our named executive officers are set out in the following table:

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Participant	Performance Measure	Minimum	Performance	Maximum	Actual	Funding		
		Performance Target (\$ in millions)	Target (\$ in millions)	Performance Target (\$ in millions)	Achievement (\$ in millions)	Performance Against Target (Per Plan)	Percentage	Paid (7)
Gerald P. Quindlen	Annual Revenue (50%)	2,491.0	2,650.0	3,975.0	2,316.2	87%	0%	0%
Erik K. Bardman	Adjusted Operating Income (50%) <sup>(1)</sup>	130.6	174.1	261.2	72.0	41%	0%	0%
Guerrino De Luca						<b>64%</b>	<b>0%</b>	<b>0%</b>
Werner Heid	Annual Revenue (25%)	2,491.0	2,650.0	3,975.0	2,316.2	87%	0%	0%
	Adjusted Operating Income (25%) <sup>(1)</sup>	130.6	174.1	261.2	72.0	41%	0%	0%
	Sales Group Revenue (25%)	2,109.7	2,244.4	3,366.6	1,977.0	88%	0%	0%
	Sales Group Contribution Margin (25%) <sup>(2) (3)</sup>	600.1	706.0	847.2	586.3	83%	0%	0%
						<b>75%</b>	<b>0%</b>	<b>0%</b>
Junien Labrousse	Annual Revenue (25%)	2,491.0	2,650.0	3,975.0	2,316.2	87%	0%	0%
	Adjusted Operating Income (25%) <sup>(1)</sup>	130.6	174.1	261.2	72.0	41%	0%	0%
	Product Group Revenue (25%)	2,331.6	2,480.4	3,720.6	2,165.7	87%	0%	0%
	Product Group Contribution Margin (25%) <sup>(2) (4)</sup>	631.8	743.3	892.0	705.1	95%	80%	0%
						<b>78%</b>	<b>20%</b>	<b>0%</b>
L. Joseph Sullivan	Annual Revenue (25%)	2,491.0	2,650.0	3,975.0	2,316.2	87%	0%	0%
	Adjusted Operating Income (25%) <sup>(1)</sup>	130.6	174.1	261.2	72.0	41%	0%	0%
	Period Costs & Variances (25%) <sup>(5)</sup>	214.0	178.3	89.2	149.2	116%	116%	0%
	Total Supply Chain Costs (25%) <sup>(6)</sup>	8.7%	7.7%	6.7%	7.5%	102%	102%	0%
						<b>87%</b>	<b>55%</b>	<b>0%</b>
All named executive officers							<b>4%</b>	<b>0%</b>

- (1) Adjusted Operating Income target reflects a reduction of \$34 million from the Board-approved Operating Income target resulting from the Logitech Revue inventory write-off during the fiscal year.
- (2) Contribution Margin targets for the Sales Group and the Product Group reflect a reduction of \$10.8M for Logitech Revue inventory write-off charges.
- (3) Sales Group Contribution Margin consists of Net Sales less Standard Cost less Sales & Marketing Direct Operating Expense plus Capital Usage Fees.
- (4) Product Group Contribution Margin consists of Standard Margin less Product Group Cost of Goods Sold less Product Group Operating Expenses (excluding PC&V).
- (5) Period Costs & Variances consists of period costs that are not included in the standard cost and variances regarding the standard cost and the actual cost.
- (6) Total Supply Chain Costs consists of elements included in the standard cost and costs that are not included in standard cost but are a part of the Total Cost of Goods Sold.
- (7) Compensation Committee resolved that no payouts would be made under the fiscal year 2012 annual cash incentive plan, even if the funding percentage was greater than zero.

**Annual performance-based cash payments**

The following table details the fiscal year 2012 and fiscal year 2011 annual performance-based cash payments for each named executive officer:

Named Executive Officer	2012 Annual	2011 Annual	Change 2011 to 2012
	Incentive Plan Bonus Earned (\$)	Incentive Plan Bonus Earned (\$)	
Guerrino De Luca	\$ -	\$ 578,000	-100%
Erik K. Bardman <sup>(1)</sup>	-	331,000	-100%

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Junien Labrousse	-	535,276 <sup>(2)</sup>	-100%
L. Joseph Sullivan	-	308,000	-100%
<i>Former Officers:</i>			
Gerald P. Quindlen <sup>(3)</sup>	-	1,083,000	-100%
Werner Heid	-	415,000	-100%

- 
- (1) Mr. Bardman received a bonus at the discretion of the Compensation Committee, outside of the Bonus Plan, of \$25,000 in recognition of his contributions in fiscal year 2012.
- (2) Mr. Labrousse's fiscal year 2011 bonus was paid in Swiss francs. The amount reported above was converted to U.S. dollars at a rate of 1.0924 Swiss francs per dollar, the exchange rate as of March 31, 2011.
- (3) Mr. Quindlen did not receive a bonus under the Bonus Plan for fiscal year 2012 given his resignation from the Company in July 2011.



### Long-term equity incentive awards

During fiscal year 2012 the Compensation Committee granted our named executive officers long-term equity incentive awards in the form of performance-based stock units, or PSUs, and time-based restricted stock units, or RSUs, in order to align their incentives with the long-term interests of our shareholders, to support retention of the executives, to provide competitive total compensation packages, and to provide a direct incentive for future performance. In fiscal year 2013, the Compensation Committee granted Logitech's new President, Mr. Darrell, a mix of stock options, RSUs, and premium-priced stock options, or PPOs. We believe this equity package, and use of the PPOs in particular, will serve to motivate and reward Mr. Darrell to lead the Company in delivering significantly higher stock value for our shareholders.

*PSUs.* The majority (60%) of the value of the fiscal year 2012 equity awards were in the form of PSUs. The PSUs are at-risk compensation because Logitech's relative total shareholder return performance must be at or above the minimum threshold percentile against the NASDAQ-100 Index over the performance period of three years in order for the executive to receive any shares from the PSU grant. If, at the end of the performance period, threshold performance is achieved, the number of shares in which the executive officer vests is pro-rated according to performance.

The Compensation Committee adopted the use of PSUs for executive officers during fiscal year 2009 in part to align Logitech's equity compensation for executives more closely with its compensation peer group, but most importantly to further align the interests of executive officers with shareholders. The PSUs are intended to:

- Link compensation to key financial metrics of growth and profitability.
- Provide vesting based on Logitech's stock price performance relative to a benchmark (NASDAQ-100 Index).
- Require a relatively high standard for any vesting to occur, and provide an extraordinary payout if Logitech's performance significantly exceeds that of the benchmark group.
- Support pay-for-performance philosophy and retention efforts.
- Be less dilutive to shareholders than stock options.

The performance measure for the performance-based restricted stock units granted in fiscal years 2009 to 2012 is the relative total shareholder return, or TSR, expressed as a percentile rank, of Logitech shares against the TSR of companies included in the NASDAQ-100 Index. The Compensation Committee believes this measure is a key reflection of Logitech's operational and financial performance, because it focuses on relative performance against other mid- to large-size technology companies.

For purposes of the PSUs, relative TSR reflects (i) the aggregate change in the 30-day average closing price of Logitech shares against the companies in the NASDAQ-100 Index, and (ii) the value (if any) returned to shareholders in the form of dividends or similar distributions, assumed to be reinvested in shares when paid, each at the beginning and the end of a three-year performance period (for grants made in fiscal year 2011 or later) or two-year performance period (for grants made prior to fiscal year 2011).

In fiscal year 2012, the Compensation Committee adjusted the structure of the PSU vesting schedule based on our compensation peer group and high-technology market data provided by the Compensation Committee's independent compensation consultant. The vesting schedule was adjusted to be more consistent with general market practice that uses a lower threshold percentile for vesting and a lower vesting multiplier for maximum performance. The TSR percentile threshold was lowered from 40<sup>th</sup> percentile to 30<sup>th</sup> percentile - with the vesting percentage remaining at 50% for achievement at this performance level. If the minimum performance threshold of a 30<sup>th</sup> percentile rank of Logitech TSR against the NASDAQ-100 Index TSR over the performance period is not met, no shares subject to the PSUs will vest. The target performance level remains unchanged at the 60<sup>th</sup> percentile, which yields a vesting percentage of 100%, and the maximum performance level remains unchanged at the 75<sup>th</sup> percentile, but the vesting percentage was reduced from 200% to 150%. For a percentile rank between the 30<sup>th</sup> and 60<sup>th</sup> percentiles, or between the 60<sup>th</sup> and 75<sup>th</sup> percentiles, the percent of shares subject to the PSU that will vest will be determined by straight-line interpolation.

The structure of the PSUs granted in fiscal year 2012 is summarized in the table below:

<b>PSU Grants Made On or After April 2011:</b>	<b>Percentage of Shares that Vest</b>
<b>Percentile Rank of Logitech TSR Against NASDAQ-100</b>	
<b>Index TSR</b>	<b>Under PSU</b>
Below 30 <sup>th</sup> Percentile Rank (threshold)	0 %
30 <sup>th</sup> Percentile Rank	50 %
60 <sup>th</sup> Percentile Rank (target)	100 %
75 <sup>th</sup> Percentile Rank and Above	150 %

*RSUs.* Less than half (40%) of the value of the fiscal year 2012 equity awards were granted in the form of restricted stock units. Time-based restricted stock units, or RSUs, provide for the issuance of shares at a future date upon vesting of the RSUs. RSUs issued to executive officers and other employees generally have a four-year vesting period, with the RSUs vesting in four equal annual increments. The Committee believes RSUs create incentives for performance and further align the interests of executives with those of shareholders because an RSU's value increases or decreases in conjunction with the Company's stock price. Because the value at grant of RSUs is generally greater than that of stock options, we are able to grant a smaller number of RSUs while delivering similar grant-date award value. As a result, granting RSUs helps minimize the dilutive effects of our equity awards on our shareholders and, in the Committee's view, provides a more cost effective balance of incentive and risk than standard stock options.

*PPOs.* In April 2012, the Compensation Committee made its first grant of premium-priced options, or PPOs. The Committee believes PPOs create exceptional incentives for performance and further align the interests of executives with those of shareholders because a PPO has no value until Logitech's stock price performance has been considerably increased. Because the value at grant of PPOs is significantly lower than that of RSUs, PSUs or standard stock options, we need to grant a larger number of PPOs to deliver similar grant-date award value. As a result, granting PPOs will more rapidly deplete our stock pool, but in the Committee's view, this will be offset by the increased incentive value and potential upside to our shareholders and to the grant recipients. PPOs were granted to Mr. Darrell as part of his new hire equity package. PPOs are stock options that have an exercise price that is set higher than Logitech's trading price on the date of grant. In the case of Mr. Darrell, his PPO grants had exercise prices between 175% and 250% of Logitech's stock price on date of grant. The Committee plans to use PPOs in fiscal year 2013 as part of the annual equity package provided to our executive officers to further motivate and reward the team to drive Logitech's performance in the coming years.

#### ***Long-term equity incentive awards granted in fiscal year 2012***

During fiscal year 2012 the target value of long-term equity incentive awards granted to Logitech's named executive officers was determined by the Compensation Committee at the beginning of the fiscal year based on our compensation peer group data provided by the Compensation Committee's independent compensation consultant and data from the Radford Global Technology Executive Compensation survey, recommendations from the Committee's independent compensation consultant and Logitech management with regard to grant values, anticipated compensation expense and shareholder dilution, as well as the Compensation Committee's judgment on the relative impact of each executive officer's position within Logitech and the performance of each executive officer.

For fiscal year 2012, the Compensation Committee approved long-term incentive grant values for each named executive officer that were approximately 10% below the 50th percentiles of grant values for comparable executives at our compensation peer group companies. This was to reflect the Committee's expectation that our executive officers must build Logitech's value at a rate greater than the overall market to receive equity values in line with those of our compensation peer group companies. To earn market levels of equity, Logitech will have to outperform the market in terms of stock price appreciation. Grants were made in particular as follows:

*Grants to Mr. Quindlen.* On April 11, 2011, as part of the annual executive compensation review, Mr. Quindlen received a PSU grant for 124,000 shares, assuming 100% target performance, and an RSU grant of 83,000 shares, as part of his fiscal year 2012 annual compensation as CEO. In the analysis provided by the Committee's independent compensation consultant, this grant was slightly below market median annual equity grant values for CEOs in our compensation peer group.



*Grant to Mr. De Luca.* On April 11, 2011, as part of the annual executive compensation review, Mr. De Luca received a PSU grant for 30,000 shares, assuming 100% target performance, as part of his fiscal year 2012 compensation as Chairman. Mr. De Luca did not receive any other equity incentive grants during fiscal year 2012.

*Grants to Other Named Executive Officers.* The equity incentive award grants made to all Logitech named executive officers during fiscal year 2012 are set out in the Grants of Plan-Based Awards in Fiscal Year 2012 table on page [\_\_\_].

The following table illustrates grant date fair values, which is the accounting cost to Logitech, of the equity awards that each named executive officer received in fiscal year 2012 and 2011. The grant date fair values in fiscal year 2012 decreased by approximately 50% from those in fiscal year 2011 due to:

- the decrease in the number of shares subject to equity grants made to the named executive officers in fiscal year 2012 over those in 2011, for the reasons described above;
- the fiscal year 2012 change to the structure of the PSU vesting schedule to reduce the maximum vesting percentage from 200% to 150% resulted in significantly lower grant date fair values; and
- the decrease in Logitech's stock price of approximately 30% between the grant date of the grants made in 2011 and the grants made in 2012, which impacts the grant date fair value of RSUs on a dollar-for-dollar basis, and impacts the grant date fair value of PSUs on a greater-than-dollar-for-dollar basis.

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Named Executive Officer	Type of Equity Grant	2012 Shares Subject to Equity Grants (#)	2011 Shares Subject to Equity Grants (#)	Shares Subject to Equity Grants - Change 2011 to 2012	2012 Grant Date Fair Value (\$) <sup>(1)</sup>	2011 Grant Date Fair Value (\$) <sup>(1)</sup>	Grant Date Fair Value Change 2011 to 2012
Guerrino De Luca	PSUs	30,000	30,000	0%	392,400	835,500	-53%
	Options	n/a	n/a	n/a	n/a	n/a	n/a
		30,000	30,000	0%	392,400	835,500	-53%
Erik K. Bardman	PSUs	35,000	36,000	-3%	457,800	1,002,600	-54%
	RSUs	23,000	24,000	-4%	331,200	487,200	-32%
	Options	n/a	n/a	n/a	n/a	n/a	n/a
		58,000	60,000	-3%	789,000	1,489,800	-47%
Junien Labrousse	PSUs	35,000	36,000	-3%	457,800	1,002,600	-54%
	RSUs	23,000	24,000	-4%	332,580	487,200	-32%
	Options	n/a	n/a	n/a	n/a	n/a	n/a
		58,000	60,000	-3%	790,380	1,489,800	-47%
L. Joseph Sullivan	PSUs	25,000	27,000	-7%	327,000	751,950	-57%
	RSUs	16,000	18,000	-11%	230,400	365,400	-37%
	Options	n/a	n/a	n/a	n/a	n/a	n/a
		41,000	45,000	-9%	557,400	1,117,350	-50%
<b>Former Officers:</b>							
Gerald P. Quindlen	PSUs	124,000	141,000	-12%	1,621,920	3,926,850	-59%
	RSUs	83,000	94,000	-12%	1,195,200	1,908,200	-37%
	Options	n/a	n/a	n/a	n/a	n/a	n/a
		207,000	235,000	-12%	2,817,120	5,835,050	-52%
Werner Heid	PSUs	35,000	36,000	-3%	457,800	1,002,600	-54%
	RSUs	23,000	24,000	-4%	331,200	487,200	-32%
	Options	n/a	n/a	n/a	n/a	n/a	n/a
		58,000	60,000	-3%	789,000	1,489,800	-47%

- (1) Grant date fair value represents the accounting cost to Logitech associated with equity awards. The actual equity award value delivered to each named executive officer may be considerably lower or higher than the grant date fair value of the award. The actual equity award value delivered depends on, in the case of performance-based awards such as PSUs, whether or not the minimum performance condition is met, and, if so, the level of performance. Actual equity award value delivered also is significantly impacted by appreciation or depreciation in Logitech's share price between the grant and vesting dates.

**Determination of long-term equity incentive awards**

The Compensation Committee is responsible for approving who should receive equity incentive awards, when the awards should be made, the vesting schedule, and the number of shares or other rights to be granted. Long-term equity incentive awards may be granted only by the Compensation Committee or the full Board of Directors. The Compensation Committee regularly reports its activity, including approvals of grants, to the Board. We do not have any program, plan, or practice to select equity compensation grant dates in coordination with the release of material non-public information, nor do we time the release of information for the purpose of affecting value. We do not backdate options or grant options retroactively.

**Timing of grants**

Long-term equity incentive award grants to executive officers are typically and predominantly made at regularly scheduled, predetermined meetings of the Compensation Committee. These meetings are scheduled up to 18 months in advance and take place before the regularly scheduled, predetermined meetings of the full Board. On limited occasions, grants may be made at an interim meeting of the Compensation Committee or by consent, for the purpose of approving the hiring and compensation package for newly hired or promoted executives. The timing of interim meetings or consents, if they occur, is based on the activity which generated the need for the meeting or the consent, not Logitech's share price. In fiscal year 2012 grants were made to new hires and promoted employees, including those at the executive officer level,

through regularly scheduled monthly written consents of the Compensation Committee.

## **BRACKEN DARRELL S NEW HIRE PACKAGE**

In April 2012, Logitech appointed Mr. Darrell to the role of President, and he is expected to succeed Mr. De Luca as Chief Executive Officer in January 2013. When establishing Mr. Darrell's compensation package, the Compensation Committee based its decisions on our compensation peer group and high-technology market data for chief executive officer positions provided by the Compensation Committee's independent compensation consultant, as well as the compensation and benefits package Mr. Darrell had with his previous employer.

The Compensation Committee positioned Mr. Darrell's cash compensation package between the 25<sup>th</sup> and 50<sup>th</sup> percentile of the market data given that it is expected that he will be assuming the chief executive officer position in January 2013. Mr. Darrell's base salary is \$750,000 and his annual bonus target percentage is 100%.

When developing Mr. Darrell's equity package, the Compensation Committee targeted his new hire equity package at the 50<sup>th</sup> percentile of the market to ensure that, over time, he will have an ownership position and equity value consistent with those held by our compensation peer group chief executive officers. Mr. Darrell's equity package consists of (1) 500,000 stock options to provide a meaningful upside for success in driving the profitable growth of the business; (2) 100,000 RSUs to offset a portion of the earned, but not vested long-term incentives Mr. Darrell lost when leaving his former employer; (3) 1.2 million premium-priced stock options, or PPOs, that have value only if there is a significant increase in Logitech's stock value. We believe this equity package will provide exceptionally rewarding incentives to Mr. Darrell if he is able to lead the Company in driving a substantial increase in Logitech's market value.

Mr. Darrell received a relocation assistance package to move him and his family from Switzerland to the United States that includes payments for certain relocation costs and expenses such as airfare, house purchase and sale assistance (including reimbursement for a qualified home purchase of up to 2% of the purchase price and reimbursement for qualified home sales expenses of up to 1% of the home sale price), a relocation bonus equivalent to two months' salary, tax advice assistance, moving costs and temporary living benefits including lodging, meals and auto rental.

As part of his terms of employment, Mr. Darrell will receive severance benefits in the case of a termination without cause or under certain conditions associated with a Change of Control, as described in the section Potential Payments Upon Termination or Change in Control.

## **DETERMINING TOTAL EXECUTIVE COMPENSATION**

### **Role of the Compensation Committee**

The Compensation Committee reviews and approves our compensation programs, including the specific compensation of our Chairman, our Chief Executive Officer, and our other executive officers.

Under the Compensation Committee's charter, the Committee has the authority to engage its own advisors (including compensation consultants) to assist it in carrying out its responsibilities. In February 2011 the Committee retained Radford Consulting, or Radford, an AON/Hewitt company, to provide analysis, advice and guidance with respect to executive compensation. On the request of the Committee, Radford developed specific executive compensation analyses and recommendations for Logitech's Chairman, CEO, and executive officers for fiscal year 2012. In fiscal year 2012, at the request of the Compensation Committee, Radford provided advice and recommendations to the committee on competitiveness of executive officer compensation levels, revisions and additions to the Company's compensation peer group, goal metrics and bonus design, compensation mix between cash and equity, employment contract provisions, executive severance packages, executive officer hiring packages, developments in high technology compensation programs, trends in executive compensation for the Silicon Valley and Europe, legislation and regulation affecting executive compensation, and the impact of the global economy on executive compensation and director compensation. Logitech paid fees of less than \$100,000 to various divisions and subsidiaries of AON Corporation for services not related to executive compensation consulting services. The majority of these additional services consisted of activities Radford or AON/Hewitt have provided to Logitech for several years, and include the purchase of Radford's industry compensation surveys, the accounting valuations of equity grants, and the calculation of PSU grant performance.

### **Role of Executive Officers in Compensation Decisions**

While the Compensation Committee sets the compensation of our CEO and other executive officers with assistance from the independent compensation consultant, the Committee looks to management to make recommendations to the Committee with respect to both design of compensation programs and specific compensation decisions. We expect that the Compensation Committee will continue to solicit input from our Chairman and CEO with respect to compensation decisions affecting executive officers. The Compensation Committee deliberates and makes decisions on the executive officers' compensation without the presence of the Chairman or CEO.

The fiscal year 2012 executive officer compensation proposals for base salary, bonus targets and equity grant values were developed by Radford and presented to both the Compensation Committee and Logitech's management. Based on the analysis performed by Radford, Logitech's Vice President of Worldwide Human Resources and its compensation department, in consultation with Guerrino De Luca, Logitech's Chairman, and Gerald Quindlen, Logitech's former President and Chief Executive Officer, (other than with respect to their own proposed compensation) provided specific recommendations to the Compensation Committee.

As part of the annual personnel review and succession planning process, Mr. Quindlen also provided the Board and the Compensation Committee with his perspective on the performance of Logitech's executive officers, and Mr. De Luca provided the Board with his perspective on the performance of Mr. Quindlen. This performance feedback provided additional input to the Committee when making its decisions on fiscal year 2012 compensation.

Once the Compensation Committee received the analysis and recommendations from both Radford and Logitech's management, who were in agreement on the recommended actions, the Committee made all decisions regarding executive officer fiscal year 2012 compensation without Mr. De Luca, Mr. Quindlen or any executive officer present. The Committee considered, but was not in any way bound by, the recommendations made by management.

### **Overview of Factors Considered by Committee**

The Compensation Committee considers a variety of factors when determining total executive compensation, including:

- Competitive considerations.
- Subjective elements, such as the scope of the executive's role, experience and skills, the individual's performance during the prior fiscal year and potential for future contribution to Logitech.
- The performance of Logitech in the prior fiscal year.
- Logitech's performance relative to the Company's compensation peer group and the overall technology industry.
- Accrued and realized gains from past equity incentive awards.

### **Competitive considerations**

We attempt to compensate our executive officers competitively relative to industry peers. Both peer group and broader industry compensation survey data is used by our Compensation Committee when setting Logitech's executive compensation, as well as to assist the Compensation Committee in the evaluation of the design of bonus plan and equity compensation programs.

Prior to the start of fiscal year 2012, the Compensation Committee asked the Committee's independent compensation consultant, Radford, to review the composition of Logitech's compensation peer group, which was established in partnership with Fred W. Cook Consulting in March 2008, and re-evaluated by Fred W. Cook in March 2010, to ensure the companies included remained appropriate for Logitech's use in executive compensation benchmarking.



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In February 2011, Radford evaluated the current compensation peer group and made recommendations based on the criteria of (i) involvement in the PC-based consumer electronics industry, or (ii) revenues approximately equal to Logitech's and a presence near Silicon Valley in the San Francisco Bay Area. Although Logitech is a Swiss company, Logitech primarily competes for executive management talent with technology companies in the United States, and particularly in the high-technology area of Silicon Valley. As a result, our compensation peer group consists primarily of U.S. public technology companies.

While the composition of the new compensation peer group remains substantially the same as our prior peer group, Radford recommended, and the Committee approved, the removal of 6 companies whose revenues were significantly above or below our target annual revenue range of \$1 billion to \$3 billion, and the addition of 5 companies who met our peer company criteria. Additionally, over the past 18 months, 4 of the companies in our prior peer group were removed due to acquisition. For fiscal year 2012, the compensation peer group consisted of:

Activision Blizzard, Inc.	Electronic Arts, Inc.	Plantronics
Agilent Technologies, Inc.	Intuit, Inc.	Polycom, Inc.
Analog Devices, Inc.	Lexmark International, Inc.	SanDisk Corporation
Autodesk, Inc.	NetApp, Inc.	Take-Two Interactive
BMC Software, Inc.	Nuance Communications, Inc.	VeriFone Systems, Inc.
Brocade Communications Systems, Inc.	NVIDIA Corporation	

The Committee believes the updated compensation peer group is more representative of the companies with which Logitech competes for talent and, accordingly, benchmarks its compensation against. The peer group used in fiscal year 2012 has average annual revenues, net income and market capitalization that are closer to Logitech's current financial performance, than the peer group established in March 2008.

At the time the fiscal year 2012 executive compensation review was performed, in March 2012, Logitech ranked at approximately the 40<sup>th</sup> percentile among the peer group for revenues, at approximately the 20<sup>th</sup> percentile for market capitalization and below the 25<sup>th</sup> percentile for operating income.

	<b>Revenues</b> (in millions)	<b>Operating</b> <b>Income</b> (in millions)	<b>Market</b> <b>Capitalization</b> (in millions)
75th Percentile	\$ 3,931	\$ 418	\$ 11,673
Median	2,762	253	8,769
25th Percentile	1,219	68	4,309
Logitech	1,967	65	3,477

*Most recently available four quarters as of February 2011. Market Capitalization as of March 28, 2011.  
Produced by Radford, Source: Hoovers, A D&B Company*

In addition, to assist the Committee in its review of executive compensation, Logitech's compensation department provides compensation data compiled from widely recognized high-technology executive compensation surveys.

We generally seek to be at the median for total compensation, as well as for each of the elements of compensation, for our executives in comparison to the companies with whom we compete for executive talent, based on compensation peer group and survey data.

### Effect of individual performance

The differences in compensation among the individual named executive officers, as disclosed in the Summary Compensation Table on page [\_\_\_], were primarily related to market compensation in each position, based on compensation peer group and survey data, a subjective assessment of the executive's impact on the Company's past and future performance, succession planning and retention. Except with respect to the Bonus Plan, the Compensation Committee does not review executive officers' individual performance against pre-established individual performance metrics devised by the Compensation Committee, between the Compensation Committee and the respective executive, or otherwise.



**Other factors**

For newly hired executives, in addition to market compensation for the position, consideration is given to the base salary of the individual at his or her prior employment and any unique personal circumstances that motivated the executive to leave that prior position and join Logitech.

**Timing of compensation decisions**

Executive compensation (base salary, target bonus, and equity grants) is typically reviewed and actions are taken at the start of the fiscal year in order to align all compensation actions, and the related performance periods, with the fiscal year or multiple fiscal years. The Committee may also make executive compensation decisions at other times during the fiscal year in the event of an executive new hire or promotion or other reasons.

**OTHER COMPENSATION ELEMENTS**

**Other cash compensation**

The Compensation Committee may award discretionary bonuses in order to recognize outstanding individual performance, to assist in the retention of key talent, or for other reasons. The Committee approved a one-time discretionary bonus to Mr. Bardman in the amount of \$25,000 in fiscal year 2012 to recognize his outstanding individual contributions during the fiscal year. The Committee did not otherwise award any discretionary bonuses in fiscal year 2012.

**Deferred compensation plan**

Executive officers based in the United States are also eligible to participate in the Logitech Inc. Deferred Compensation Plan and a predecessor plan, which is an unfunded and unsecured plan that allows employees of Logitech Inc., the Logitech subsidiary in the United States, who earn more than a threshold amount the opportunity to defer U.S. taxes on up to 80% of their base salary and up to 90% of their bonus or commission compensation. Under the plan, compensation may be deferred until termination of employment or other specified dates chosen by the participants, and deferred amounts are credited with earnings based on investment benchmarks chosen by the participants. The earnings credited to the participants are intended to be funded solely by the plan investments. Logitech does not make contributions to this plan. Information regarding named executive officer participation in the Deferred Compensation Plan can be found in the Non-Qualified Deferred Compensation for Fiscal Year 2012 table and the accompanying narrative.

Because the listed officers do not receive preferential or above-market rates of return under the deferred compensation plan, earnings under the plan are not included in the Summary Compensation table, but are included in the Non-Qualified Deferred Compensation table.

Mr. Labrousse participates in the Switzerland Logitech Employee Pension Fund. This is a defined benefit pension plan available to all our employees in Switzerland.

**Severance and related benefits**

All named executive officers are eligible to receive benefits under certain conditions in accordance with Logitech's Change of Control Severance Agreement (Change of Control Agreement), as described in the section Potential Payments Upon Termination or Change in Control.

The purpose of the Change of Control Agreements is to support retention in the event of a prospective change of control. Should a change of control occur, benefits will be paid after a double trigger event meaning that there has been both a change of control, and the executive is terminated without cause or resigns for good reason within 12 months thereafter as described in Potential Payments Upon Termination or Change in Control. At the time of this report, Logitech does not provide any payments to reimburse its executive officers for additional taxes incurred (also known as gross-ups) in connection with a change of control.

Both Mr. Quindlen and Mr. Heid were entitled to severance payments and benefits in connection with their employment agreement and offer letter, respectively. Upon their departures, they received only the payments or benefits set forth in those agreements as described in Potential Payments Upon Termination or Change in Control.

When Mr. Darrell was hired, leaving his role as an executive officer of Whirlpool and relocating from Europe to Silicon Valley, California, he negotiated severance terms in his offer letter. Under that agreement, if Mr. Darrell's employment is involuntarily terminated without cause or he resigns for good reason, other than after a change in control, he is entitled to his base salary and target bonus for between one and two years, depending on the timing of such termination, and, if he is terminated within his first year of employment, accelerated vesting of a portion of his new hire grants, as described in Potential Payments Upon Termination or Change in Control. The terms in Mr. Darrell's agreement are intended to provide consideration for his service to Logitech and the potential length of time until subsequent employment is secured if he is involuntarily terminated without cause or resigns for good reason. The Compensation Committee believes that the terms of Mr. Darrell's severance are consistent with those of chief executive officers in our compensation peer group as well as the overall technology industry.

The PSU and RSU award agreements for named executive officers other than Guerrino De Luca provide for the acceleration of vesting of the RSUs and PSUs subject to the award agreements under the same circumstances and conditions as under the Change of Control Agreements; namely, if the named executive officer is subject to an involuntary termination within 12 months after a change of control because his or her employment is terminated without cause or the executive resigns for good reason. In the event of such an involuntary termination:

- All shares subject to the RSUs will vest.
- 100% of the shares subject to the PSUs will vest if the change of control occurred within 1 year after the grant date of the PSUs. If the change of control occurs more than 1 year after the grant date of the PSUs, the number of shares subject to the PSU that will vest will be determined by applying the performance criteria under the PSUs as if the performance period had ended on the date of the change of control.

To determine the level of benefits to be provided under each change of control agreement and other agreements, the Committee considered the circumstances of each type of severance, the impact on shareholders, and market practices.

#### **Perquisites**

Logitech's executive officer benefit programs are substantially the same as for all other eligible employees except as set out below.

Mr. Quindlen, Logitech's former President and Chief Executive Officer, was provided with personal tax preparation services in fiscal year 2012. Expenses related to these services were imputed as income to Mr. Quindlen and the additional tax liabilities were paid by Logitech as a gross-up payment. In addition, Mr. Quindlen received the use of a car and the payment of travel costs generated when he worked out of our California office. These benefits were provided in lieu of relocating Mr. Quindlen from his East Coast residence. Expenses related to these services were imputed as income to Mr. Quindlen and the additional tax liabilities were paid by Logitech as a gross-up payment. The aggregate amount of Mr. Quindlen's benefits is reflected in the Summary Compensation Table below under the heading All Other Compensation.

Upon Mr. De Luca's appointment to the Chief Executive Officer role after the resignation of Mr. Quindlen, he was provided with the occasional use of a company car and driver during fiscal year 2012. Expenses related to these services are imputed as income to Mr. De Luca and the additional tax liabilities are paid by Logitech as a gross-up payment. Mr. De Luca has received no other compensation for his assumption of the Chief Executive Officer role. The aggregate amount of Mr. De Luca's benefits is reflected in the Summary Compensation Table below under the heading All Other Compensation.

In fiscal year 2012, Logitech paid a total of approximately \$72,749 in costs associated with Mr. Labrousse's relocation, including tax consulting services associated with his relocation, from the United States to Switzerland, which was initiated in fiscal year 2011 under the terms of the relocation policy applicable to executive international transfers. The aggregate amount of the fiscal year 2012 relocation costs for Mr. Labrousse is reflected in the Summary Compensation Table below under the heading All Other Compensation.

## Other Benefits

Logitech's executive officers are eligible to receive the same benefits as all other employees, including the following:

- Company contributions to retirement programs are based on location of employing company, such as the Logitech Inc. 401(k) in the United States and the Logitech Employee Pension Fund in Switzerland.
- Health, welfare and life insurance benefits.
- Opportunity for participation in the Logitech Employee Share Purchase Plans.

## OTHER COMPENSATION POLICIES

### Derivatives

We do not permit certain persons designated by the Company as insiders, including officers and directors, to trade in puts, calls, warrants or other derivative Logitech securities traded on an exchange or in any other organized securities market.

### Recovery of compensation for restatements and misconduct

In June 2010, the Compensation Committee adopted a policy regarding the recovery of compensation paid to an executive officer or the principal accounting officer of the Company. Under the terms of the policy we may recover bonus amounts, equity awards or other incentive compensation awarded or paid within the prior three years to a covered officer if the Compensation Committee determines the compensation was based on any performance goals that were met or exceeded as a result, in whole or in part, of the officer's fraud or misconduct, or the officer knew at the time of the existence of fraud or misconduct that resulted in performance goals being met or exceeded, and a lower amount would otherwise have been awarded or paid to the officer. In addition, under the policy Logitech may recover gains realized on the exercise of stock options or on the sale of vested shares by an executive officer or the principal accounting officer if, within three years after the date of the gains or sales, Logitech discloses the need for a significant financial restatement, other than a financial restatement solely because of revisions to US GAAP, and the Compensation Committee determines that the officer's fraud or misconduct caused or partially caused the need for the restatement, or the covered officer knew at the time of the existence of fraud or misconduct that resulted in the need for such restatement.

In addition, our 2006 Stock Incentive Plan and our Management Performance Bonus Plan provide that awards under the plans are suspended or forfeited if the plan participant, whether or not an executive officer:

- has committed an act of embezzlement, fraud or breach of fiduciary duty;
- makes an unauthorized disclosure of any Logitech trade secret or confidential information; or
- induces any customer to breach a contract with Logitech.

Any decision to suspend or cause a forfeiture of any award held by an executive officer under the 2006 Stock Incentive Plan or the Management Performance Bonus Plan is subject to the approval of the Board of Directors.

### Additional tax and accounting considerations

#### *U.S. Tax Code Section 162(m)*

We are limited by Section 162(m) of the U.S. Tax Code, or Section 162(m), to a deduction for U.S. federal income tax purposes of up to \$1 million of compensation paid to our CEO and any of our three most highly compensated executive officers, other than our Chief Financial Officer, in a taxable year. Compensation above \$1 million may be deducted if, by meeting certain technical requirements, it can be classified as performance-based compensation. The Compensation Committee considers the implications of Section 162(m) in setting and determining executive officer long-term equity incentive award grants and in setting short-term cash incentive award compensation.

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The Logitech International S.A. 2006 Stock Incentive Plan approved by our shareholders in 2006 permits certain grants of awards under that plan to qualify as performance-based compensation. Bonuses paid to executives under the Bonus Plan may similarly qualify under Section 162(m). Although the Compensation Committee uses the requirements of Section 162(m) as a guideline, deductibility is not the sole factor it considers in assessing the appropriate levels and types of executive compensation, and it will elect to forego deductibility when the Committee believes it to be in the best interests of the Company and its shareholders.

In addition to considering the tax consequences, the Compensation Committee considers the accounting consequences, including the impact of the Financial Accounting Standard Board's Accounting Standards Codification Section 718, on its decisions in determining the forms of different equity awards.

#### **COMPENSATION BELOW THE EXECUTIVE LEVEL**

Similar to Logitech's executive compensation programs, Logitech's compensation for its employees below the level of executive officer have been designed to attract, retain and motivate the skilled employees that are essential to Logitech's success. However, one essential difference between compensation of executives and for employees below the executive level is that, for employees below the executive level, short-term incentives in the form of cash bonuses or profit sharing and long-term equity incentive awards comprise a smaller portion of the employee's total target compensation. This means there is less total compensation at risk for non-executive employees based on the Company's performance, while also meaning, similarly, that there is less potential for increased compensation from superior Company performance.

#### **Components Non-Executive Compensation**

The key components of Logitech's compensation for employees below the executive level are as follows:

*Base salary.* Base salary is set to reward employees' current contributions to Logitech and compensate them for their expected day-to-day service.

*Short-term cash incentives.* Logitech has a bonus program for employees at the director level or above, a profit-sharing program for employees below the director level, and, for sales personnel, sales commission plans. All professional staff other than sales personnel participate in the bonus program or the profit sharing program. The potential target compensation from the bonus and profit sharing programs is established as a percentage of the employee's annual base salary. The potential target compensation for sales personnel under sales commission plans is set on the basis of their sales quotas.

*Long-term equity incentive awards.* Approximately one-third of the Company's professional staff receives long-term equity incentive awards, in the form of RSUs. Eligible employees at the level of Vice-President or above also receive PSUs. In addition, full-time professional staff, in countries where Logitech is able to offer the program, are eligible to participate in the Company's employee share purchase plans, which allow eligible employees to purchase Logitech shares at a 15% discount from the market price of Logitech's shares at the beginning or end of each six-month offering period.

*Health and welfare, and other local benefits.* Health and welfare and other local benefits are offered to employees based on the market practices and local law requirements of the various jurisdictions in which employees are based. In a limited number of jurisdictions we offer defined benefit or defined contribution pension plans or required severance benefits for employees.

#### **Compensation Philosophy Non-Executive Compensation**

The key features of Logitech's compensation philosophy for employees below the executive level are as follows:

- Base salary should be at approximately the median for comparable companies in the industry and in the region where the employee is based.
- The total level of at-risk compensation should increase with the level of the employee, to reflect the relative impact of the employee on the Company's performance.
- High-performing employees should receive significantly higher potential compensation in the form of equity incentive awards in order to help retain and motivate these employees.

- Other than for the compensation of employees in the Company's sales organization, the performance measures under the Company's short-term incentives in the form of cash bonuses, profit sharing, or long-term equity incentive awards should be based on the performance of the entire Logitech group, or the performance of the Logitech group plus the performance of the employee's department or unit, rather than on the performance of the individual employee. This is primarily to encourage collaboration among the Company's employees.
- For employees in the Company's sales organization, compensation should include commissions based on the employee's sales performance against sales quotas or targets. Approximately 30% to 40% of a salesperson's total target compensation is based on commissions. The Company believes this direct linking of salesperson compensation to individual performance helps drive sales performance and reflects competitive market practice.
- Equity incentive compensation is an important component of employee compensation. This reflects market practice, especially in California's Silicon Valley, where the Company has a significant presence, but the Company also believes that equity incentive compensation is a key differentiator in attracting and retaining employees in employment markets outside of the United States where, historically, equity incentive compensation was not or is not common.

Compensation for employees below the executive level is established based on guidelines developed by the Company's compensation & benefits department, market practices, and assessment of individual performance and potential for future contribution to Logitech by the employee's manager and the Company's human resources department. The Compensation Committee of the Board provides oversight of compensation below the executive level, reviews the yearly short-term incentive program design and performance measures, reviews and approves the yearly long-term equity incentive award budget, and reviews and approves all long-term equity incentive award grants.

#### **Compensation Risks Assessment**

The Compensation Committee conducted a review, with the assistance of Radford, the Committee's independent compensation consultant, of Logitech's compensation programs in April 2011 to assess the risks associated with their design. The Committee reviewed in particular the following compensation programs and associated practices:

- 2006 Stock Incentive Plan.
- Management Performance Bonus Plan.
- Profit Sharing Plan.
- Sales commissions plans.
- Change of Control Severance Agreements in place with executive officers.

The review included a consideration of compensation risk areas associated with Logitech's current compensation programs, and risk controls. Based on this review, we have concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. The Compensation Committee conducted a similar risk assessment review in March 2012, and the Compensation Committee does not believe that there have been any changes in our compensation programs that would alter the risks involved.



**REPORT OF THE COMPENSATION COMMITTEE**

The Logitech Compensation Committee, which is composed solely of independent members of the Logitech Board of Directors, assists the Board in fulfilling its responsibilities with regard to compensation matters. The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis section of this Compensation Report with management. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in Logitech's 2012 Invitation and Proxy Statement and Annual Report.

**Compensation Committee**

MATTHEW BOUSQUETTE, *Chairman*

KEE-LOCK CHUA

NEIL HUNT

RICHARD LAUBE

**SUMMARY COMPENSATION TABLE**

The following table provides information regarding the compensation and benefits earned during fiscal years 2012, 2011 and 2010 by our named executive officers. For more information, please refer to Compensation Disclosure and Analysis, as well as Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards(\$) <sup>(1)</sup>	Option Awards (\$) <sup>(1)</sup>	Non-equity Incentive Plan Compensation (\$) <sup>(2)</sup>	Changes in Nonqualified Deferred Compensation Earnings(\$)	All Other Compensation (\$) <sup>(3)</sup>	Total
Guerrino De Luca (4) Chief Executive Officer and Chairman of the Board	FY12	500,000	-	392,400	-	-	-	30,306	922,706
	FY11	550,000	-	835,500	-	578,000	-	12,168	1,963,508
	FY10	550,000	-	-	118,200	907,000	-	12,168	1,587,268
Erik K. Bardman Sr. Vice President, Finance and Chief Financial Officer	FY12	440,000	25,000	789,000	-	-	-	9,278	1,253,278
	FY11	420,000	-	1,489,800	-	331,000	-	7,800	2,247,600
	FY10	184,615 <sup>(5)</sup>	-	-	620,000	162,000	-	3,257	809,672
Junien Labrousse <sup>(6)</sup> Executive Vice-President, Products and President, Logitech Europe	FY12	804,135	-	790,380	-	-	-	176,736	1,771,251
	FY11	718,588	133,547 <sup>(7)</sup>	1,489,800	-	535,276	-	169,128	3,007,339
	FY10	680,000	-	545,860	491,400	680,000	-	12,271	2,399,531
L. Joseph Sullivan Senior Vice-President, Worldwide Operations	FY12	402,000	-	557,400	-	-	-	11,762	970,162
	FY11	390,000	-	1,117,350	-	308,000	-	10,501	1,825,851
	FY10	378,461	-	362,520	354,900	408,000	-	10,398	1,503,880
<b>Former Officers:</b>									
Gerald P. Quindlen (8) President and Chief Executive Officer	FY12	264,000	-	2,817,120	-	-	-	1,770,033	4,851,153
	FY11	825,000	-	5,835,050	-	1,083,000	-	62,365	7,745,415
	FY10	787,500	-	1,007,600	394,000	1,299,000	-	50,370	3,488,470
Werner Heid <sup>(9)</sup> Senior Vice President, Sales and Marketing	FY12	570,000	-	789,000	-	-	-	12,331	1,371,331
	FY11	570,000	-	1,489,800	-	415,000	-	9,741	2,484,541
	FY10	550,000	40,467 <sup>(10)</sup>	362,520	450,450	607,000	-	9,648	2,419,485

(1) These amounts do not represent the actual economic value realized by the named executive officer. Under SEC rules, the values reported in the "Stock Awards" and "Option Awards" columns reflect the aggregate grant date fair value of grants of stock options and stock awards to each of the listed officers in the fiscal years shown. The key assumptions and methodology of valuation of stock options and stock awards are presented in Note 4 to the Consolidated Financial Statements included in Logitech's Annual Report to Shareholders.

For FY12: Assuming the highest level of performance is achieved, the maximum possible value of the PSUs allocated in FY12, using the market value of our shares on the grant date of the PSUs, was: (a) in the case of Mr. De Luca, \$588,600; (b) in the case of Mr. Bardman, Mr. Labrousse and Mr. Heid, \$686,700 each; (c) in the case of Mr. Sullivan, \$490,500; and (d) in the case of Mr. Quindlen, \$2,432,880.

For FY11: Assuming the highest level of performance is achieved, the maximum possible value of the PSUs allocated in FY11, using the market value of our shares on the grant date of the PSUs, was: (a) in the case of Mr. De Luca, \$1,218,000; (b) in the case of Mr. Bardman, \$1,461,600; (c) in the case of Mr. Labrousse, \$1,461,600; (d) in the case of Mr. Sullivan, \$1,503,900; (e) in the case of Mr. Quindlen, \$5,724,600; and (f) in the case of Mr. Heid, \$1,461,600.

For FY10: None of the shares represented by PSUs granted in FY10 vested because the minimum performance condition was not met. Assuming the highest level of performance was achieved, the maximum possible value of the PSUs allocated in FY10, using the market value of our shares on the grant date of the PSUs, is: (a) in the case of Mr. Labrousse, \$560,800; (b) in the case of Mr Sullivan, \$472,680; (c) in the case of Mr. Quindlen, \$1,121,600; and (d) in the case of Mr. Heid, \$364,520.

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- (2) Reflects amounts earned under the Logitech Management Performance Bonus Plan.
- (3) Details regarding the various amounts included in this column are provided in the following table entitled "All Other Compensation."
- (4) Mr. De Luca was appointed Chief Executive Officer effective April 9, 2012. He had been appointed acting President and Chief Executive Officer effective July 27, 2011.
- (5) Mr. Bardman joined Logitech as Sr. Vice President, Finance and Chief Financial Officer commencing on October 5, 2009.
- (6) Mr. Labrousse was the Senior Vice President, Products and President, Logitech Europe until April 22, 2012. In connection with a restructuring, he ceased to be an executive officer as of April 22. On behalf of the Company, Mr. Labrousse moved to Switzerland as of January 1, 2011 and his base salary was set at 710,000 Swiss francs. Mr. Labrousse's salaries for fiscal year 2012 and a portion of fiscal year 2011 reflect a conversion to U.S. dollars using a Swiss franc to U.S. dollar exchange rate.
- (7) Reflects (1) a bonus of \$21,047 approved by the Compensation Committee to enable Mr. Labrousse to offset taxes incurred on a life insurance contract on his life held by the Company in connection with the Logitech Inc. deferred compensation plan, which life insurance contract the Company surrendered for cash in December, 2010, and (2) a bonus in the amount of \$112,500 approved by the Compensation Committee to offset some of the costs of Mr. Labrousse's relocation to Switzerland.
- (8) Mr. Quindlen's service as President and Chief Executive Officer ended July 27, 2011.
- (9) Mr. Heid's service as Senior Vice President, Sales and Marketing ended May 15, 2012.
- (10) The Compensation Committee approved the payment of this bonus to Mr. Heid to enable him to purchase a value of Logitech shares equal to what he would have purchased under the Logitech Employee Share Purchase Plan for the February 1 - July 31, 2009 offering period but for his employment start date being after the offering start date.

**All Other Compensation Table**

Name	Year	Car Use or Service (\$) <sup>(1)</sup>	Tax Preparation Services (\$) <sup>(2)</sup>	401(k) (\$) <sup>(3)</sup>	Group Term Life Insurance (\$)	Relocation or Travel in lieu of Relocation (\$) <sup>(4)</sup>	Premium for Deferred Compensation Insurance (\$) <sup>(5)</sup>	Defined Benefit Pension Plan Employer Contrib. (\$) <sup>(6)</sup>	Severance (\$) <sup>(7)</sup>	Other Awards (\$)
Guerrino De Luca	FY12	16,679	-	7,350	6,277	-	-	-	-	-
	FY11	-	-	6,750	5,418	-	-	-	-	-
	FY10	-	-	6,750	5,418	-	-	-	-	-
Erik K. Bardman	FY12	-	-	7,350	1,928	-	-	-	-	-
	FY11	-	-	6,750	1,050	-	-	-	-	-
	FY10	-	-	2,841	416	-	-	-	-	-
Junien Labrousse	FY12	-	21,784	-	-	50,965	-	103,987	-	-
	FY11	-	21,290	5,063	2,921	115,109	1,889	22,856	-	-
	FY10	-	-	6,750	3,616	-	1,905	-	-	-
L. Joseph Sullivan	FY12	-	-	7,350	4,412	-	-	-	-	-
	FY11	-	-	6,750	3,751	-	-	-	-	-
	FY10	-	-	6,750	3,648	-	-	-	-	-
<i>Former Officers:</i>										
Gerald P. Quindlen	FY12	1,652	8,775	2,856	1,580	36,420	-	-	1,718,750	-
	FY11	5,936	17,698	2,758	4,384	-	-	-	-	-