Slavery and Human Trafficking Statement

The California Transparency in Supply Chains Act of 2010 and the United Kingdom Modern Slavery Act of 2015 require certain businesses to provide disclosure concerning their efforts, if any, to address the issues of slavery and human trafficking in their supply chains. The disclosures are intended to provide consumers the ability to make better more informed choices about the products and services they buy and the companies they support. This disclosure covers Fiscal year ending March 31, 2019.

Summary

Flex is committed to maintaining and improving systems and processes to avoid complicity with human rights violations related to our own operations, our supply chain and our products. Flex acknowledges that slavery and human trafficking can occur in many forms such as forced labor, child labor, domestic servitude, sex trafficking and workplace abuse. Therefore, throughout this disclosure we use the terms “slavery and human trafficking” to encompass these various forms of coerced labor.

As discussed in greater detail below, Flex takes certain steps throughout the year to ensure that slavery and human trafficking are not taking place in our supply chains or other part of our business. To this end, Flex has established an integrated approach to managing human rights across our business including evaluating the risks related to slavery and human trafficking.

Our commitment to human rights is outlined in the Code of Business Conduct and Ethics (“Flex Code of Conduct”) and the Company’s Human Rights Policy. Every employee, officer and director of Flex must know, understand, and follow the Flex Code of Conduct as well as the procedures and related policies referenced in it. This is what we expect and rely on when we work with one another, interact with customers, address shareholders, collaborate with business partners, and contribute to our communities.

The Flex Code of Conduct dictates that:

» We Treat Others with Respect and Comply with Fair Labor and Employment Practices.

» We are open and honest with one another and treat each other with integrity and respect.

» We do not discriminate against anyone on the basis of race, color, gender, age, national origin, religion, or any other legally protected characteristic.

» We strive to maintain a workplace where individuals are free from all forms of harassment or abuse.

» We provide employees with, at a minimum, all legally required benefits.
We do not use child, forced, indentured, or bonded labor, and maintain a minimum age requirement for employment.

We recognize the rights of our workers to associate freely, and believe that open communication and direct engagement between workers and management is the most effective way to resolve workplace issues.

We do not allow retaliation against anyone who raises a concern about discrimination, harassment, or any labor and employment practice.

We expect our business partners to also meet these same standards.

The Flex Code of Conduct is available in 15 languages and employee training sessions incorporate real case scenarios. Employees are encouraged to raise questions and concerns and have multiple channels to do so – anonymously if they prefer through a hotline and as permitted by law.

The Human Rights Policy is explicitly aligned with the United Nations Guiding Principles on Business and Human Rights, extends to Flex’s entire value chain and outlines a reporting and escalation process for suspected issues. These commitments are reinforced by Flex’s participation in the United Nations Global Compact whose principles support respect for international human rights as well as the elimination of all forms of coerced labor.

In addition to these policies, Flex is an active member of the Responsible Business Alliance (RBA) (formerly known as the Electronic Industry Citizenship Coalition (EICC)). We have a commitment to improve our programs and implement the RBA Code of Conduct across our business including the supply chain. The RBA Code of Conduct contains specific requirements covering slavery and human trafficking that are incorporated into the RBA’s tools, such as self-assessment questionnaires (“SAQs”) and audit protocols. Flex is a founding member of the RBA. Through this industry organization’s efforts, including the Responsible Labor Initiative and the Responsible Minerals Initiative, we are working with other members of the electronics supply chain, customers, suppliers and competitors to better understand the full extent of this issue and to effectively combat the occurrence of trafficked and forced labor.

Additionally, Flex is an active member of the Global Business Initiative on Human Rights. The mission of this organization is to advance human rights in a business context through cross-

Flex overview

We are the Sketch-to-Scale® solutions provider that designs and builds Intelligent Products for a Connected World™. We turn ideas into globally distributed products and services.

With approximately 200,000 professionals in 30 countries, we provide intelligent design, engineering, manufacturing, supply chain insights and logistics services to clients of all sizes, in all industries.
We have invested significant time and resource in collaborating with others to address system level industry wide improvements. Flex continues to undertake efforts aimed at ensuring there is no human trafficking or slavery of any kind in our supply chain.

Verification

Flex takes steps to verify, evaluate and address risks of slavery and human trafficking in our supply chain. The first step in this process is to set clear expectations for our suppliers. For example, the vast majority of our supplier contracts and PO terms contain language requiring the suppliers to comply with these codes. Additionally, we monitor compliance through Self-Assessment Questionnaires completed by the suppliers. These expectations are codified in the RBA Code of Conduct. Central to this commitment are the principles of Freely Chosen Employment, which are included in Flex’s Code of Conduct and the RBA Code of Conduct, which states “Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used.” Flex adheres to the RBA Code of Conduct and has adopted the Flex Code of Conduct to address a number of compliance related issues including trafficked and forced labor.

Flex also publishes any significant findings in our supply chain in our annual Corporate Sustainability Report. See the latest Report our website at Flex Sustainable Living Report 2018.

Supplier Audits

Flex uses the Supplier Self-Assessment Questionnaire responses as well as other factors to assess risk within the supply base. Based on this risk assessment, internal Flex auditors perform audits covering social and environmental responsibility topics, including Slavery and Human Trafficking. Specifically, as part of focused efforts to combat Slavery and Human Trafficking in Asia, we performed audits of labor providers; security guard, cleaning and canteen services in the region. We are working with those firms to improve their labor practices where necessary or are exploring alternative providers where appropriate.

Flex conducts on average 170 on-site supplier audits annually primarily in China and Southeast Asia. Suppliers who present some risk of forced labor or underage labor are immediately required to present remediation plans that are closely monitored. Failure to complete those plans and to eliminate the risk may result in termination of the contract.

If deficiencies are found during an audit, Flex formally requests the supplier to develop and submit a Corrective Action Plan (CAP). It is expected that suppliers correct and improve their areas of deficiency within 90 days of the audit. The CAP should outline how the supplier will resolve the issue(s) following an 8D problem-solving methodology, addressing containment, root-cause analysis, correction and preventive action as well as assignment of action owners and timeline for completion.

Flex monitors, reviews and reports on compliance with these requirements using a Corrective Action tracker to initiate the request, track response times, and report on response status and outstanding supplier deficiencies.

Certification

Flex suppliers must comply with Flex supplier contracts and purchase order terms. Flex standard supplier contract terms require suppliers to comply with all applicable laws in the country or countries in which they do business and the RBA Code of Conduct, without limitation, which addresses freely chosen employment.

Internal Accountability

Through Flex’s Code of Conduct, the direction is set by our CEO, that we do not condone child, forced, indentured or bonded labor. Our Flex Labor and Human Rights Policy also makes those same standards clear.

Flex Pledge, the management system for our Corporate Social and Environmental Responsibility (CSER) programs, establishes policies, procedures and processes for managing compliance to all CSER topics, including Forced Labor and Human Trafficking, both at our internal operations as well as in the Supply Chain.

Flex also has an Audit Committee that is chartered by the Board of Directors to oversee the compliance program. The Chief Ethics & Compliance Officer (“CECO”) reports quarterly to the Audit Committee on the status of the compliance program. The CECO also reports quarterly to
the Executive Sponsors, a group of Flex executives who provide feedback and support on the scope and content of the compliance function and ensure implementation. In addition, the Compliance Program is supported by members of the Compliance Council, a cross-functional team of subject matter experts in the various compliance areas. The Compliance Council helps drive Flex’s culture of compliance in our Company across the globe. The Council consists of the Chief Ethics & Compliance Officer, Regional Compliance Attorneys, Compliance Directors, Corporate Compliance Team, and other relevant stakeholders from the business segments and functional areas within the company. The Council meets regularly to share best practices, learn from internal and outside speakers, highlight key policy, legal, and regulatory changes, and to share key accomplishments and future goals.

TRAINING

Flex provides mandatory training to all Flex employees on our Code of Conduct, which contains the content regarding Forced Labor and Human Trafficking. Every employee, officer and director of Flex must know, understand, and follow the Flex Code of Conduct as well as the procedures and related policies referenced in it.

Signed by: