



flex

# 2022 Sustainability report



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## About this report and external alignment

Our 2022 annual sustainability report is a summary of our most important sustainability activities, performance and results from the 2021 calendar year, from January 1, 2021 through December 31, 2021, unless otherwise noted. Flex Ltd. is a public company incorporated under the laws of the Republic of Singapore (Co. Reg. No. 199002645H), with its administrative headquarters in San Jose, California, U.S. The company is publicly traded on NASDAQ under the symbol FLEX. We have significant operations in Brazil, China, Hungary, India, Malaysia, Mexico, Poland, Romania, Ukraine and the U.S. Our financial statements reported in our Annual Report, and disclosed within this report, include the accounts of Flex and its majority-owned subsidiaries but do not include statements from the Flex Foundation, a private, non-profit organization that supports philanthropic initiatives, unless noted. Flex Ltd. activities and disclosures support and align with external frameworks, including the Global Reporting Initiative (GRI), United Nations (UN) Sustainable Development Goals (SDGs), the Sustainable Accounting Standards Board (SASB), the UN Global Compact (UNGC) and the Task Force on Climate-related Financial Disclosures (TCFD). This report has been prepared in accordance with the [GRI Standards: Core Option](#), which is indexed on page 77.

Our last sustainability report was published in June 2021 (see archived reports [here](#)). We appreciate your interest and welcome feedback on the information presented herein. If you have any comments or questions, please email us at [sustainability.feedback@flex.com](mailto:sustainability.feedback@flex.com).



## Letter from our CEO

Sustainability, including environmental, social, and corporate governance (ESG), remains a cornerstone of our long-term strategy and vision to become the world’s most trusted global technology, supply chain, and manufacturing partner. Recent global disruptions, geopolitical challenges, and COVID-19’s lasting effects have reaffirmed the need for a more sustainable way of work, across our operations and within our ecosystem of suppliers and customers.

Reflecting on the challenges and opportunities of last year, I am proud of our ~160,000<sup>1</sup> Flex team members for their unwavering dedication, resiliency, and support of one another, especially at a time when empathy and compassion mattered most. Our teams acted with discipline, focus, and consistency to deliver on our commitments to stakeholders, including our employees, customers, suppliers, shareholders, and many communities around the world.

In February 2022, we faced a new humanitarian crisis when Russia invaded Ukraine. [We stand with our Ukrainian colleagues and their families](#), and their safety remains our number one priority. We are committed to providing our Ukrainian employees with the support and resources needed during these difficult times.

### Our long-term sustainability strategy and commitment to net zero

Last year, we announced our 2030 sustainability strategy and targets spanning pillars that include the environment, community, health and safety, diversity, equity, and inclusion, customer and supplier engagement, and ethics, among others. To ensure that our climate strategy aligns with broader, concerted progress, we joined the [Science Based Targets initiative](#), which guides organizations to set greenhouse house emissions reduction targets required to limit global warming to 1.5 degrees above pre-industrial levels.

Our sense of urgency is backed by climate science, which consistently demonstrates that avoiding the worst effects of climate change will require us to reach net-zero emissions by 2050. This goal demands unprecedented partnership across governments, industries, corporations, and organizations.

In the spirit of collaborating to advance our shared climate action agenda, I joined the [World Economic Forum’s Alliance of CEO Climate Leaders](#), a global CEO community focused on driving action across all sectors and engaging policymakers, to help deliver the transition to a net zero economy. As part of our involvement, we are committed to reaching net-zero greenhouse gas emissions by 2040—a necessary stake in the ground to ensure Flex does its part to mitigate climate change.

### 2021 sustainability progress

2021 marked the first year working toward our newly set 2030 sustainability targets, our most ambitious and comprehensive to date. These goals reinforce our commitment to the UN Global Compact (UNGC)—including its ten principles—and align with the United Nations’ Sustainable Development Goals.

I am pleased to share this year’s sustainability report, which shows the strides we’ve made as a team. I invite you to explore the report’s contents to learn more. Here are a few highlights to provide a glimpse into last year’s sustainability activities and progress:

### Our world

**14%** reduction in scope 1 and 2 emissions from 2019 baseline

**97%** of our major sites<sup>1</sup> partnered with a local non-profit

We achieved a 14% reduction in operational emissions from 2019, our baseline year. We also maintained our position on the global environmental non-profit CDP’s ‘A List’ for water security, acknowledging our transparent, responsible resource management efforts. Beyond our walls, we remained steadfast in our community investment activities with 97% of our major sites partnering with a local non-profit.

## Our people

**17%** reduced incident rate year over year

**22%** We had 22% female representation at the director level and above globally

**31%** We had 31% racial and ethnic diverse representation at the director level and above in the U.S.

As a company of people, we place the utmost priority on the health, wellness and safety of our team members and are committed to advancing diversity, equity, and inclusion in our workplaces. To that end, Flex reduced our safety incident rate by 17% year over year and achieved our goal of providing 100% of employees with access to emotional and mental health programs—two years ahead of schedule. In 2021, we had 22% female representation at the director level and above globally, and 31% racial and ethnic diverse representation at the director level and above in the U.S., serving as a critical baseline for the continued development of diverse leadership.

## Our approach

**48%** of specified customers<sup>2</sup> had science-based targets

**29%** of preferred suppliers set greenhouse gas emission targets

**8%** Flex is part of the top 8% of companies who are actively measuring and limiting emissions across our supply chain

We continue to fortify a solid foundation in pursuit of our long-term aspirations of having a world-class ethics and compliance program and maintaining high governance standards. One of our core values is, “we do the right thing always.” As a company, we are committed to seeing these values in action in our everyday life at Flex. Additionally, we deepened our value chain partnerships with a segment of customers and suppliers. By collaborating on shared values, we saw 48% and 29% of specified customers and suppliers set science-based and greenhouse gas emissions reduction targets, respectively. In recognition of our actions to measure and limit emissions across our supply chain, CDP named us to its 2021 Supplier Engagement Leaderboard, which comprises the top 8% of companies that disclosed through the full climate questionnaire.

<sup>1</sup> As of calendar year 2021



#### Looking ahead

We have set specific, holistic goals to help address the broader environmental and social challenges ahead, cultivate a workplace that enhances employee experiences and opportunities, continue leading with integrity, and accelerate a more sustainable value chain. While only a year into this new chapter of our journey, I'm energized and inspired by what we've accomplished so far. We remain committed to driving meaningful progress on our long-term strategy.

Additionally, we are equally committed to helping our customers make progress toward their sustainability aspirations. Businesses are being held to a much higher standard for how and where their products are sourced and produced, and increasingly, how they are disposed. Through our [circular economy solutions](#), we further partner with customers—from design innovation and advanced manufacturing to aftermarket services and end-of-life—to minimize environmental impact across the product lifecycle. We view our circular economy solutions as a way to provide additional value to our customers as well as create new opportunities for Flex.

We recognize the importance of transparency and accountability. The trust we've built with our stakeholders is based on their ability to see and rely on our results consistently. We believe third-party assurance of our ESG data and our annual sustainability report is a way to demonstrate our commitment to accountability. We are pleased to partner with DNV again this year to provide assurance of our report. Another important step to show our dedication to sustainability is we included an ESG metric in our executive compensation program starting now in our 2023 fiscal year. We will continue to measure and assure our progress and communicate consistently with our stakeholders in the future.

Given our place in the supply chain ecosystem, we believe we have a tremendous opportunity and responsibility to contribute to developing and implementing solutions to address our global sustainability challenges and facilitate collective progress. We are thankful for the collaboration and partnership we have established with our suppliers and customers this past year and look forward to continuing in the coming years. Lastly, I would like to thank our employees who bring their passion and creativity to Flex every day to deliver on our sustainability commitments and live our purpose to make great products that create value and improve people's lives.

We appreciate your interest in Flex and our ongoing sustainability journey.



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# About Flex

Company profile



Our capabilities



Our industries



# Company profile

## Foundational strength (as of December 31, 2021)

**\$24B\***  
revenue

**~160k**  
employees

**30**  
countries

**FLEX**  
on NASDAQ

**100+**  
facilities  
globally

**44M sq ft**  
manufacturing  
and services  
space

**1k**  
customers

**16k**  
global  
suppliers

Our purpose is to make great products for our customers that create value and improve people's lives. As the diversified manufacturing partner of choice, Flex proudly helps market-leading brands design, build and deliver innovative products that make the world a better place. Through the collective strength of a global workforce and responsible, sustainable operations, Flex delivers advanced manufacturing solutions and operates one of the most trusted global supply chains, supporting the entire product lifecycle with fulfillment, after-market and circular economy solutions for diverse industries including cloud, communications, enterprise, automotive, industrial, consumer devices, lifestyle, healthcare and energy.

We provide design, manufacturing and supply chain services through a network of over 100 locations in approximately 30 countries. We have established global scale through an extensive network of innovation labs, manufacturing operations and services sites in the world's major consumer and enterprise products markets to serve the supply chain needs of both multinational and regional companies. Our global scale,

regional reach and services provide customers with a competitive advantage by delivering leading-edge manufacturing technology, supply chain expertise, improved product quality, increased flexibility, faster time to market and overall value. Our customers leverage our services to meet their requirements throughout their products' entire lifecycles.

We believe we have the broadest worldwide product development lifecycle capabilities in the industry, from concept design to manufacturing to aftermarket and end of life services. We recognize our key competitive advantages are our people, processes and capabilities for making products, systems and solutions for customers:

**Time to market advantage:** Our sophisticated supply chain management tools and expertise allow us to provide customers with access to real-time information that increases visibility and reduces risk throughout the entire product lifecycle. Our experience with new product introductions and manufacturing ramps provides customers with a time to market advantage.

**Broad range of services:** Our full range of services include innovation and design, engineering, manufacturing, supply chain management, forward and reverse logistics and circular economy solutions. Our deep cross-industry knowledge and multi-domain expertise accelerate the production of increasingly complex products for increasingly interconnected industries.

**Global scale:** Our physical infrastructure includes over 100 facilities in approximately 30 countries, staffed by approximately 160,000 employees, providing customers with truly global scale and strategic geographic distribution capabilities.

We offer global economies of scale in advanced materials and technology sourcing, manufacturing and after-market services, as well as market-focused expertise and capabilities in design and engineering. We bring a deep understanding of complex market dynamics, giving us the ability to anticipate trends that impact customers' businesses. Our expertise can help improve customers' market positioning by effectively adjusting product plans and roadmaps to efficiently deliver high quality products that meet their geographic and time to market requirements.

## Our culture and values

People are at the heart of everything Flex does. We believe in creating a work environment that empowers every team member to thrive, while prioritizing employee safety, well-being and inclusiveness. Our global workforce moves forward through a values-driven, high-performing and dynamic culture underlined by integrity, collaboration, resilient ingenuity and sustainability. We take pride in our craft, regardless of the role, discipline or talent as our work touches a wide spectrum of industries and aspects of people's lives for the better.

Our values are at the core of our interactions as we live our purpose, build a more inclusive workplace and champion for a more sustainable future. Flex continues to further a dynamic, ever-evolving culture where employees embody behaviors aligned with our values.

### Our values

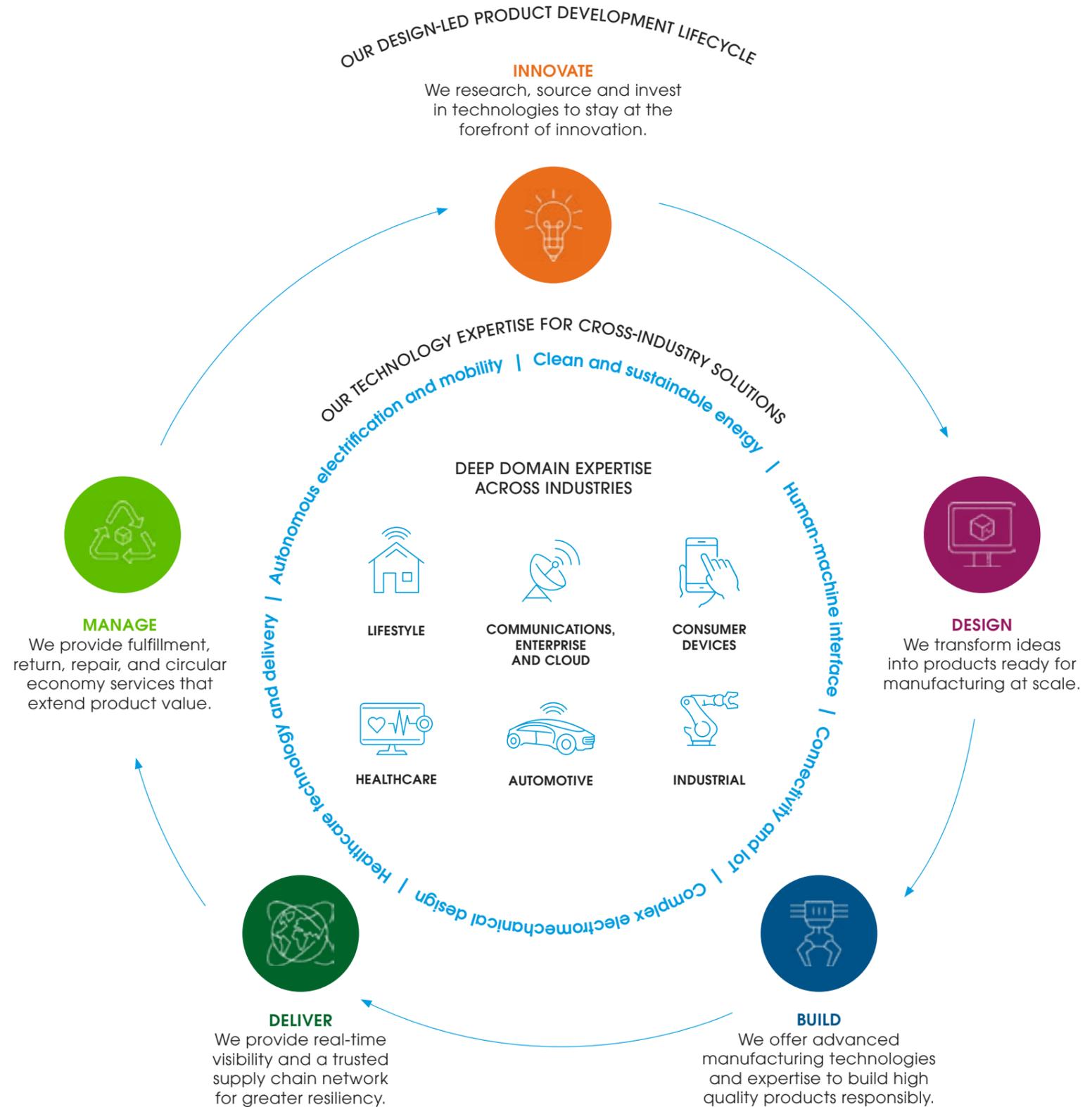
- We support each other as we strive to find a better way
- We move fast with discipline and purpose
- We do the right thing always

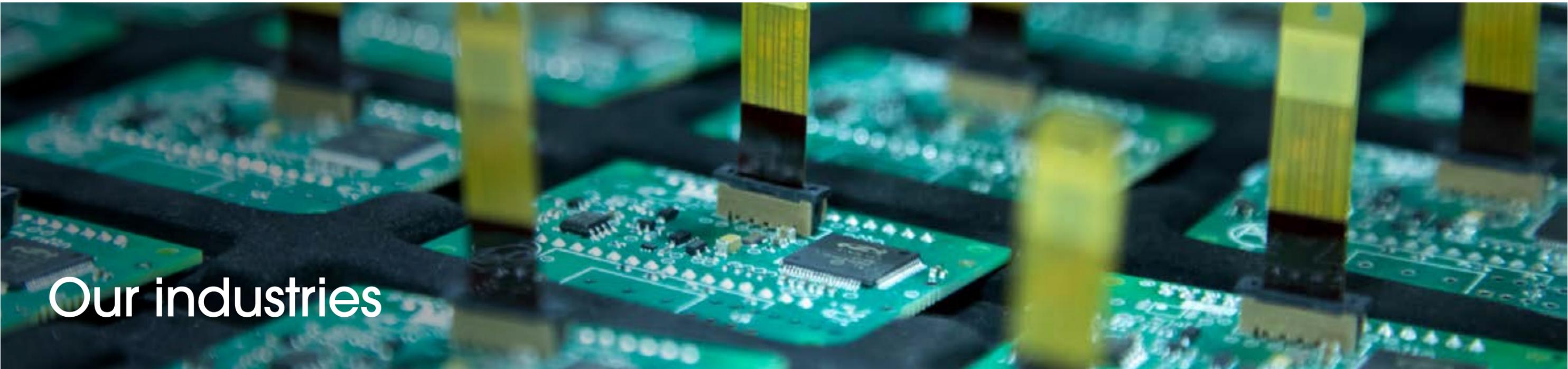


\*Calendar year 2021

# Our capabilities

Being able to create is the very foundation of who we are. Our global scale and regional connections, our advanced manufacturing technology and our incomparable teams make what we do possible.





# Our industries

Our operating segments are Flex Agility Solutions and Flex Reliability Solutions.

## Agility



**Communications, enterprise and cloud**



**Consumer devices**



**Lifestyle**

Flex Agility Solutions include our Communications, Enterprise and Cloud business unit, our Consumer Devices business unit and our Lifestyle business unit. We help make products with speed and efficiency in high-volume and highly competitive markets. We engage challenges with a responsive and scalable approach, while also keeping pace with the rapid evolution of technology. Our global footprint enables us to mass produce, integrate, and deploy products for our customers, with the dynamism that scale brings to manufacturing.

## Reliability



**Automotive**



**Health solutions**



**Industrial**

Flex Reliability Solutions include our Automotive business unit, our Health Solutions business unit and our Industrial business unit. We have the unique capabilities to make sophisticated, highly regulated products and are equipped for complex and innovative manufacturing processes. Our experience addressing complex challenges with precision and quality has instilled our customers' trust in our ability to create safe and reliable products. We enable our customers to manufacture products adhering to rigorous standards.

Agility

Industry	Our solutions	Our contribution to a sustainable world
<p><b>Communications, enterprise and cloud</b></p> 	<p>With our <b>Cloud</b> solutions, we help our customers design and build data status storage and compute solutions, build and validate complex data center switches and routers and customize data center infrastructure for greater differentiation.</p> <p>We understand the technologies that underpin the 5G network transformation and modernize communications infrastructure. Our <b>Communications</b> solutions enable such technologies, including radio access network (RAN), multi access edge compute (MEC), telco cloud and data center networking.</p>	<p>At Flex, we are proud to expand and connect the critical infrastructure that powers our world. We recognize that as this network demand increases, more energy will be required to scale and meet the global need.</p> <p>Our dual Cascade Lake CPU server motherboard, which launched in 2016 and continues to be produced today, is essential to our customers' growing compute fleet - building and distributing over 1M boards in 2021 alone.</p> <p>We are a critical part of this expanded global scale, and we are working to continuously optimize the supply chains our customers rely on for optimized efficiency and reduced carbon emissions. Our customers recognize the efficiencies and environmental impact that can be realized with our vertically integrated services and are taking advantage of the centralized, integrated services we can provide.</p> <p>We are also working to reduce our industry's environmental impact by leveraging our circular economy solutions for the refurbishment, repair and recycling of metal enclosures in our enterprise products.</p>
<p><b>Consumer devices</b></p> 	<p>We have the footprint and the expertise to mass-produce <b>Consumer Device</b> products in the world's most commercially significant regions. In this dynamic marketplace, we are a partner that can keep pace with the rapid evolution of technologies. In collaboration with our customers, we bring expertise in HMI, mechanicals, plastics and more to create products that stand out from the crowd.</p>	<p>The Consumer Devices business unit is focused on scaled manufacturing and design solutions for the mobile phone, tablet, set top box and laptop markets. Providing regional scale and local expertise, Consumer Devices helps our customers to go-to-market more quickly and efficiently.</p> <p>Our innovative solutions to improve the sustainability of our work has a ripple effect throughout the manufacturing industry. We leverage our expertise in the management of aftermarket service of consumer devices to find opportunities to reuse and recycle materials, enhancing the circularity of our products. We partner with our customers to discover opportunities to repurpose products and integrate recycled content to improve the sustainability of each item manufactured.</p>
<p><b>Lifestyle</b></p> 	<p>Within our <b>Lifestyle</b> unit, we enable premium brands to create smart and connected products for the home and office, for education and on the go. We offer a global network of vertically integrated resources that specialize in helping customers bring their products to market faster, more reliably and cost effectively. We are a one stop partner for enabling products that enhance the way we live.</p>	<p>In our Lifestyle business unit, we understand that succeeding at sustainability calls for intent, dedication and commitment. Designing for sustainability requires harmony between marketing, design, supply chain, engineering and manufacturing teams to achieve optimized results.</p> <p>We recognize that sustainably creating consumer products, spanning large and small appliances, floorcare, audio, personal care and smart living such as air treatment, home monitoring and controls, and safety sensors, among others, requires us to not only consider the features, function and price of the product, but also how the product will live its useful first life and secondary lives. Through collaboration with our global circular economy solutions team, the Lifestyle business unit strives to maximize our products' abilities to be reused, recycled and repurposed into other products.</p> <p>At Flex, we're proactively working with customers to insert sustainability into every conversation and we're energized by the progress we can make together to raise awareness and redefine the standard of excellence with sustainability in mind.</p>

Reliability

Industry	Our solutions	Our contribution to a sustainable world
<p><b>Automotive</b></p> 	<p>Our Automotive business unit is paving the way to advanced automotive solutions through four pillar of innovation:</p> <ul style="list-style-type: none"> <li>• <b>Autonomy/ADAS:</b> Enabling safer and more efficient driving with high end on-vehicle computing solutions that improve vehicle size, weight and power efficiency</li> <li>• <b>Connectivity:</b> Bolstering seamless connectivity while reducing waste in engineering and manufacturing processes</li> <li>• <b>Electrification:</b> Supporting the shift to hybrid and electric vehicles with our EV power electronics design and manufacturing expertise</li> <li>• <b>Smart Tech:</b> Helping reduce carbon emissions through active aerodynamics technology</li> </ul>	<p>Through our automotive solutions, we contribute to a greener and more efficient automotive economy by designing and building products that support the next generation of mobility, including activity safety and autonomous vehicles (AV), electric vehicles (EV) and emissions reduction.</p> <p>In partnership with our customers, we design new technologies that enable the success of the EV and AV space. These innovative partnerships have won us global recognition, and in 2021, we won the CLEPA Innovation Award in the Environmental category for our Smart Power Conversion Module.</p> <p>In partnership with our Industrial business unit, we are collaborating to improve the entire e-mobility ecosystem including residential and commercial charging stations and grid energy storage to advance the renewable energy economy.</p> <p>The Automotive business unit is committed to supplier diversity. Leveraging our robust customer and supplier network, we participate in a number of multi-stakeholder initiatives to drive diversity across the global supply chain.</p>
<p><b>Health solutions</b></p> 	<p>We are pleased that our <b>Health Solutions</b> business is enabling patients to participate in their own care, now more than ever. We create products that are as user-friendly as they are reliable, bringing the highest standards of performance and usability. With over 650 medical design engineers and 20,000 health solutions employees, we are committed to creating high quality medical equipment and devices, drug delivery systems, digital health and other medical products efficiently.</p>	<p>Throughout the COVID-19 pandemic, the Flex Health Solutions business unit was diligent in ramping up production of critical goods for our pharmaceutical and medical technology customers. Last year, Flex helped them design and produce diagnostic and imaging equipment, diabetes care, respiratory equipment, patient monitoring, laboratory equipment, drug delivery systems and surgical equipment. Our team is also working on point-of-care diagnostics to optimize the efficiency and usability of at-home tests that can detect COVID-19 and other diseases.</p> <p>In close partnership with Flex’s circular economy services team, and in accordance with regulations, we offer refurbishment solutions for medical equipment to extend their useful lives and reduce waste. To maximize impact, we offer this service for not only Flex-manufactured products but for non-Flex-built products as well. We follow Design for Environment (DfE) strategies to optimize product reuse, repair, refurbishment and recycling, including designing for: durability, standardization and compatibility, ease of maintenance and repair, upgradability and adaptability, and disassembly and reassembly.</p>
<p><b>Industrial</b></p> 	<p>In our <b>Industrial business</b>, we specialize in many product markets, including capital equipment, industrial devices, power and energy. We provide industrial engineering expertise and services, including value added engineering, design for excellence and test capabilities. From robotics and renewables to kiosks and instruments, we deliver reliable, complex products quickly and cost effectively.</p> <p>We embrace our role in growing the clean energy economy and work to enable our customers to meet increasing demand for renewables, power storage and smart technologies that improve energy efficiency.</p>	<p>The Flex Industrial Solutions business unit regularly integrates environmental best practices into the design, production, use and repair of its products. Our team follows a rigorous DfE policy and process to drive the development of high-efficiency products such as power modules, that decrease the energy consumption of end-user equipment, resulting in lower environmental impact. This approach does not only affect energy use, but also considers in the design process the dimensioning and cost of other system parts, such as cooling fans and air conditioning units, real estate requirements and battery back-up capacity. These considerations contribute to lower total cost of ownership for the end user and a more sustainable, resource-efficient economy.</p> <p>In 2021, we proudly began offering halogen-free products, to help advance our customers’ commitment to reducing the use of certain chemicals of concern.</p>

# Solar solutions with Nextracker<sup>1</sup>

Nextracker, a Flex company, is on a mission to be the world's leading energy solutions company – delivering the most intelligent, reliable and productive solar technology for future generations. Nextracker is a leader in the renewable energy transition, providing critical yield-enhancing PV system technology, expertise and strategic services to capture the full value and efficiency of solar plants. Through Nextracker, we develop industry-first software, such as TrueCapture and our NX Navigator control and monitoring platform, enabling power plant owners to get the most out of their assets.

In addition to powering plants that produce more than 50 GW of clean energy every year, Nextracker is dedicated to becoming the most sustainable solar tracking company in the world. Near its Fremont facility, Nextracker has a working power plant, which has a portion of solar panels in an adjacent field that provides electricity to the building. Mentioned solar panels can reach up to 120 kW and provide ~30% of the Nextracker Fremont facility's needed electricity. We also collaborate with our suppliers to reduce our emissions footprint and help them bolster their sustainability initiatives.

At Nextracker, we are proud to have earned the Fast Company Award for Established Excellence and achieved the Silver level of recognition for our sustainability efforts from EcoVadis. In addition, Nextracker has maintained #1 market share in its industry for the 6th year in a row.

<sup>1</sup>Beginning in the fourth quarter of Flex's fiscal year 2022, Flex now reports Nextracker as a separate operating segment. Before this, and during calendar year 2021, Nextracker was included within the Industrial business of our Flex Reliability Solutions segment.

# Our strategy

We strive to be the most trusted global technology, supply chain and manufacturing solutions partner. Sustainability, including environmental, social and governance (ESG), is integral to making this vision a reality. Sustainability is in Flex's DNA.

Our ESG strategy



Our commitments



Recognition of our performance



Our 2030 sustainability goals



ESG management systems



Stakeholder engagement



# Our ESG strategy

Guided by our purpose and values, and building on 20 years of investment and experience in sustainability, we apply an accountable, ethical approach to everything we do. We lead with integrity and drive disciplined practices to address the broader environmental and social challenges of our world, improve the outcomes and experiences for our people and help accelerate a more sustainable value chain with suppliers and customers.

As we advance in our journey, we are focused on our [2030 sustainability strategy](#), which takes a data-driven and long-term approach to the management of environmental, social and governance topics.

We're committed to reducing our environmental impact, investing in and engaging meaningfully with our communities, advancing a safe, diverse and inclusive workplace, collaborating with our ecosystem of customers and suppliers to help mitigate value chain emissions and driving sustainable practices with ethics and transparency. By partnering with our suppliers and our customers, our commitments span the entirety of the value chain and support the advancement of the United Nations Sustainable Development Goals ([SDGs](#)).

We're committed to reducing our environmental impact, investing in and engaging meaningfully with our communities, advancing a safe, diverse and inclusive workplace, collaborating with our ecosystem of customers and suppliers to help mitigate value chain emissions, and driving sustainable practices with ethics and transparency. And in the process, we'll continue to make products that improve the world and enable market-leading brands to maintain a competitive, enduring advantage.



**Our ESG framework**

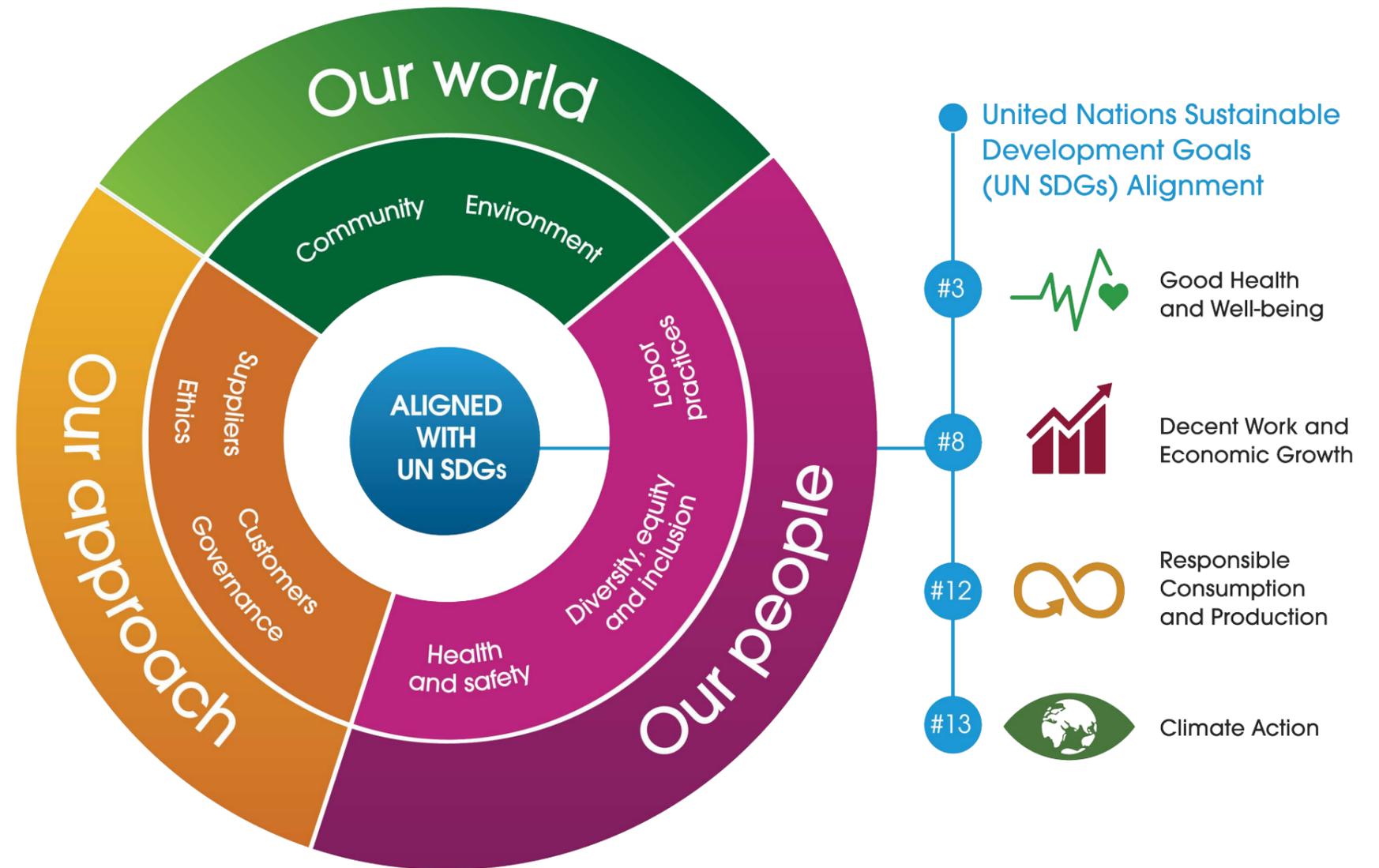
We focus our commitments, policies, management, goals and initiatives to drive sustainability through a strategic framework centered on our world, our people and our approach and spanning several pillars including environment; community; health and safety; diversity, equity and inclusion; labor practices; customers; suppliers; ethics and governance.

**Operationalizing our ESG strategy**

To ensure the ongoing success of our ESG strategy and the consistent meeting of our commitments, we create and maintain annual and five-year plans, which specify key performance indicators (KPIs) for measuring success, milestones, targets and goals across each pillar of ESG. We collaborate across our business functions to ensure complete comprehension of our ESG vision and strategy, and to ensure timely progress across our goals and initiatives.

We also maintain robust, standardized ESG management systems at each of our sites around the world to ensure our ESG strategy is translated to our work on the ground in an ethical, measurable and manageable way.

In 2020, we completed a set of aspirational goals: “the Flex 20 by 2020 goals” to support a more sustainable and equitable future. Building off our successes and gathered learnings, in 2021, we announced our most ambitious round of sustainability goals for completion by 2030, discussed in detail in the following sections.



# Our commitments

At Flex, we make commitments first and foremost to our valued stakeholders, including our employees, customers, shareholders, communities, governments and external partners. Through our actions, we are dedicated to ensuring the success and well-being of these stakeholders, and we communicate with them regularly to improve performance, share best practices and innovate for the future.

As a global company with vast reach and influence, we are also committed to fostering industry-wide progress on critical ESG topics, including climate change, human rights and business ethics. We know the value in sharing our best practices with our customers and suppliers to build capacity and enable accelerated change and we work closely with our value chain partners to ensure compliance with ESG requirements from external parties, laws and Flex standards regarding labor, ethics, health and safety and environmental protection.

We also partner with our customers, suppliers and other value chain partners to collect, measure and report on data and metrics related to ESG topics. We believe transparency is critical to fostering trust and improvement and we disclose these results to keep our stakeholders informed on our activities and progress.

## United Nations (UN)

Since 2018, Flex has been a member of the UN Global Compact (UNGC), and we've contributed at an 'advanced' level of participation since 2020. With this membership, we have pledged our commitment to follow the Ten Principles of human rights, labor, the environment and anti-corruption. We also commit and actively contribute to the UN SDGs, focusing our efforts in ways that can make the most positive impact to our workforce, community and the planet. In 2021, we revitalized our commitment and aligned our ESG strategy with the SDGs that we can make the most impact in addressing: Good Health and Well-being (#3), Decent Work and Economic Growth (#8), Responsible Consumption and Production (#12) and Climate Action (#13). We demonstrate this commitment to the SDGs through our 2030 sustainability goals which support improvement in the key areas of our strategy: our world, our people and our approach.

Within each of these pillars, we drive initiatives and goals that support the four UN SDGs where we believe we can have the most impact.



## Reporting best practices

Flex is intent on being an ethical, transparent company, and we strive to disclose our progress in an accessible way that aligns with industry best practices. Each year, we align our annual sustainability report to the Global Reporting Initiative (GRI) Core Standards and the Sustainability Accounting Standards Board (SASB) material topics and activity metrics. Through our annual CDP response, and in [Index F. Alignment to TCFD](#), we disclose our progress toward

aligning with the Task Force on Climate-related Financial Disclosures (TCFD) guidance for climate action. We also complete regular materiality assessments of our sustainability topics and strategy, through a process that is aligned with GRI, SASB, TCFD and the UN.

## Sustainability working groups

We further demonstrate our ongoing commitment to sustainability through our external memberships and participation in working groups, including the Responsible Business Alliance (RBA), which informs our [Code of Business Conduct and Ethics](#), and the UNGC, which guides our environmental and social activities. We are a member of the Responsible Minerals Initiative (RMI), Global Business Initiative Human Rights (GBI), the GRI Community, the Business for Social Responsibility (BSR) Network, the World Economic Forum's [Alliance of CEO Climate Leaders](#), the Supplier Ethical Data Exchange (Sedex) and Business Roundtable (BR), to name a few. To learn more about our memberships and associations, visit [Index A](#) of this report.



# Recognition of our performance

We're proud of our leading sustainability programs and the recognition we receive for them. Last year, we were honored to be recognized by third-party rankings, publications and our own customers.

In 2021, we were named one of the [World's Most Admired Companies](#) by FORTUNE magazine, a status which is based on surveys and peer ratings from top executives, directors and members of the financial community. For the second year in a row, we made CDP's (formerly Carbon Disclosure Project) "A List" for water security strategy and performance. We also received multiple customer awards, from leading companies such as Ericsson.

## Ericsson Supplier Sustainability Award

On Ericsson Global Supplier Day, a virtual live event, we received an [Ericsson Supplier Sustainability Award](#) in recognition of our leadership in climate action through sustainable efforts in managing our supply chain.

"We are tremendously proud of the hard work and dedication our global workforce has put into making Flex one of the most admired companies in the world. Over the past year, our disciplined execution and values-driven culture have enabled us to come together and demonstrate our purpose to make great products for our customers that create value and improve people's lives."

REVATHI ADVAITHI, CEO FLEX

For the third year in a row, we were included in the [S&P Global Sustainability Yearbook](#) for our 2021 sustainability performance. Our score of 67, our highest score to date, brings us within the top 15% in the [Electronic Equipment, Instruments & Components](#) category, and qualifies us as Yearbook Members. In 2021, we also received the Platinum rating from [EcoVadis](#), the world's most trusted provider of business sustainability ratings. Our Platinum rating, which places us in the top 1% of performers, covers a broad range of non-financial management systems, including Environmental, Labor & Human Rights, Ethics and Sustainable Procurement impacts, details of which are made available to our business partners on EcoVadis' online platform.

Accolades like these demonstrate how we embed our commitment to sustainability in every aspect of our business, solidifying our position as the employer, partner and investment of choice. Below are other third-party scores we've achieved that demonstrate our dedication to sustainability, transparency and global partnership. To learn more about our global recognition and achievements, visit the [Awards and Recognition](#) page of our website.

Key Index	Key Interested Stakeholders	Max/Best	2018	2019	2020	2021
<a href="#">DJSI (S&amp;P)</a>	Investors	Listed in index as industry best	52	58	62	67
<a href="#">MSCI</a>	Investors	AAA	A	A	A	AA
<a href="#">ISS ESG</a>	Investors	Excellence (A+)	Prime(C+)	Prime(C+)	Prime(C+)	Prime(C+)
<a href="#">FTSE4Good</a>	Investors	5	3.8	4.1	4.1	3.9
<a href="#">Sustainalytics</a>	Investors	Negligible (0)	N/A	Negligible (8.6)	Negligible (8.6)	Negligible (7.2)
<a href="#">CDP - Climate Change</a>	Investors / Customers	A	B	A-	A-	A-
<a href="#">CDP - Water Security</a>	Investors / Customers	A	B-	A-	A	A
<a href="#">EcoVadis</a>	Customers	Platinum	Gold	Gold	Platinum	Platinum

# Our 2030 sustainability goals

We create data-driven goals that support meaningful programs around the globe to address broad environmental and social challenges, cultivate a workplace that enhances opportunities for our people, lead with integrity in all that we do and advance a more sustainable value chain.

Continuing our purpose-driven journey, we've set new sustainability goals through 2030 within our new ESG framework centered on our world, our people and our approach. Each of these goals contribute to our support of the following four UN SDGs: Good Health and Well-being (#3), Decent Work and Economic Growth (#8), Responsible Consumption and Production (#12) and Climate Action (#13).

We are committed to:

- Reducing our environmental impact
- Investing in our communities
- Advancing a safe, inclusive and respectful work environment for all
- Partnering with customers and suppliers to help mitigate value chain emissions
- Driving ethical and ESG-focused practices with transparency

These goals, shared in detail on the next page, will be progressed and reported on in our annual sustainability report and other publications.



## Our world

ESG focus	Goal by 2030	Progress in 2021
Environment	Commit to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year <sup>1</sup>	Our absolute scope 1 and 2 GHG emissions were 756,731, a 14% decrease from our baseline year.
Environment	Achieve zero waste in 50% of our manufacturing and logistics sites by 2025	We zero waste certified 3% of sites within scope in 2021.
Environment	Reduce water withdrawn <sup>2</sup> by 5%, focusing on sites located in water scarce areas, by 2025	We increased water withdrawn at the sites located in water scarce areas by 7% from our 2019 baseline.
Community	Commit to 100% of our major sites <sup>3</sup> partner with a local NGO by 2025	97% of our major sites partnered with a local NGO in 2021.
Community	Commit to provide the tools needed to engage 75% of employees to volunteer by 2025 and 100% by 2030	Progress is under development.

<sup>1</sup>The target boundary includes biogenic emissions and removals from bioenergy feedstocks. Our revenue grew 8% during fiscal year 2022. With that growth, we saw an increase of our absolute scope 1 and 2 emissions from 2020 to 2021. We are developing an energy management strategy to account for growth and remain on track with our greenhouse gas emission reduction commitments. While we experienced an increase year over year, our absolute scope 1 and 2 market-based emissions in 2021 decreased from our 2019 baseline year.

<sup>2</sup> Per revenue

<sup>3</sup> Sites with more than 1,000 employees

## Our people

ESG focus	Goal by 2030	Progress in 2021
Health and Safety	Commit to reducing total case incident rate (TCIR) to below 0.2 by 2025	Our TCIR was 0.23 in 2021, a 17% reduction year over year.
Health and Safety	Commit to certifying all manufacturing sites with 'RBA factory of choice' by 2025	6% of our manufacturing sites were 'RBA factory of choice' certified, as of 2021.
Diversity, equity and inclusion	Increase female representation at the director level and above globally	We had 22% female representation at the director level and above globally.
Diversity, equity and inclusion	Increase racial and ethnic diverse representation at the director level and above in the U.S.	We had 31% racial and ethnic diverse representation at the director level and above in the U.S.
Diversity, equity and inclusion	Achieve pay parity in the U.S. by 2022	Progress is under development
Labor Practices	Ensure 100% of our employees have access to emotional / mental health programs by 2023	100% of employees had access to emotional / mental health programs in 2021.
Labor Practices	Target an average of 40 hours of training & development annually per employee by 2025	We provided 27 average hours of training per employee in 2021.

## Our approach

ESG focus	Goal by 2030	Progress in 2021
Suppliers	Commit that 50% of our 'Preferred Suppliers' will set their own GHG emissions reduction targets by 2025 and 100% by 2030	29% of our preferred suppliers set their own GHG reduction targets in 2021. This accomplishment puts us at 57% towards our 2025 goal, and 29% towards our 2030 goal.
Customers	Commit that 70% of our customers as measured by emissions covering purchased goods and services, capital goods and use of sold products will have science-based targets by 2025	48% of specified customers had science-based targets in 2021.
Ethics	Be independently evaluated as having a world-class ethics and compliance program by 2025	In 2021, we initiated benchmarking activities to get a firm and accurate baseline performance to measure and report our progress against.
Governance	Continue to maintain high (top quartile) governance standards as measured by investors, proxy advisory firms, and governance best practices	During 2021, we conducted governance shareholder outreach and received positive feedback on our governance program. During 2021, Institutional Shareholder Services (ISS) consistently awarded Flex its highest overall governance quality score rating.

# ESG management systems

We maintain a strong culture of integrity and compliance by instilling a sense of accountability and ethics in our employees, suppliers, customers and contractors around the world. This integrity, combined with our high standards of ethics and quality, ensures the success of our robust management systems. Our ESG management systems integrates global principles of ISO 14001, 45001, the RBA and the International Organization for Standardization (ISO) to ensure the highest standards of ethics and safety and maintain alignment with our stakeholders. This system is reinforced continuously through our policies, procedures, training and culture.

Our ESG management system is incorporated into our global policies. These policies include our [Code of Business Conduct and Ethics](#), [Environmental, Health and Safety Policy](#), [Human Rights Policy](#), [Responsible Sourcing Minerals Policy](#), [Forced Labor and Human Trafficking Policy](#) and our [Diversity and Inclusion Policy](#) and are available to all persons working with us, as well as to vendors, customers and the public.

In 2021, we began a refresh of our ESG management program and team, to emphasize our alignment with industry trends, customer expectations and fast-evolving regulation. As a part of this update, we have begun a major review of our ESG-related policies and benchmarking of our progress in the industry. We are also making strides in building strong relationships with our key stakeholders to magnify the impact of our ESG program and activities. As members of the multi-stakeholder forums GBI and Business for Social Responsibility (BSR), we closely watch global and industry trends, and we leverage thought leadership and collaboration opportunities for social impact.

## Management system components, training and evaluation

We provide regular training to our employees and working partners in the form of procedures, guidance documents and training sessions to ensure the full comprehension of and adherence to our policies. Our employees are required to complete annual compliance self-assessments, which allow us to track and monitor comprehension, learning and progress of compliance topics. We also conduct regular social and environmental corporate audits at each of our Flex manufacturing and logistic sites to verify ongoing compliance with our ESG management system requirements and applicable laws and regulations.

Our management system framework ensures compliance with policies, processes and best practices and enables us to identify opportunities for performance improvement, address long-term risks and protect our different stakeholders, including our employees, customers, suppliers and investors. Components of our management system framework and its evaluation are below, described as “Plan, Do, Check, Act.”

Plan	Do	Check	Act
<p><b>Social and environmental risk management</b></p> <p><b>Compliance obligations</b></p> <p><b>Objectives and programs</b></p>	<p><b>Support</b></p> <ul style="list-style-type: none"> <li>Resources</li> <li>Competence</li> <li>Awareness</li> <li>Communication, consultation and employee feedback</li> <li>Documented information</li> </ul> <p><b>Operation</b></p> <ul style="list-style-type: none"> <li>Operational planning and control</li> <li>Emergency preparedness and response</li> </ul>	<p><b>Monitoring, measurement, analysis and evaluation</b></p> <p><b>Evaluation of compliance</b></p> <ul style="list-style-type: none"> <li>Internal audit</li> <li>Corporate management system certification audit</li> <li>Management review</li> </ul>	<p><b>Nonconformity and corrective action</b></p> <p><b>Continual improvement</b></p>



We take action to evaluate our management approach in multiple ways, including:

- Performing regular corporate audits to:
  - identify opportunities and risks which are shared with our Board of Directors
  - measure sustainability compliance and performance at the global, regional and local levels
- Using a sustainability metrics system to monitor compliance and performance at global, regional and local levels
- Providing instructor-led and online training and verifying competency through physical audits conducted by our environmental, health and safety, human resources, supply chain and internal audit teams and regional leads
- Engaging third-party validation audits such as RBA's Validated Assessment Program (VAP), which is an important focus at our large operations

### Creating positive impact throughout our value chain

We strive to be the trusted global supply chain partner for our ~1,000 customer companies around the world, and we take pride in the reach of our supply network of 16,000 suppliers in over 100 locations across 30 countries.

The meaningful partnerships we have built with our suppliers and customers help us ensure our principles of quality, integrity and sustainability are infused into each stage of our supply chain.

Built into our supplier relationships and contracts is the emphasis on responsibility, as well as formalized standards of social and environmental best practices and requirements. Beginning with the onboarding process of new suppliers, to annual performance reviews and risk assessments, sustainability requirements are embedded throughout the supplier lifecycle to ensure expectations are met as ESG-related customer and regulatory requirements increase.

For over 50 years, we have been honored to collaborate with our customers on emerging technologies, such as autonomous vehicles, connected medical devices, solar energy, circular economy solutions and the next generation of communications and cloud technologies. Within the last few years, we've elevated these relationships to push our industry forward on ESG topics - we collaborate with our customers to share best practices and build capacity, enabling them to meet increasingly ambitious ESG goals. We're proud that our capabilities, expertise and purpose-driven focus on sustainability can support our customers at the forefront of innovation.

### Our precautionary approach

We consider the safety of our employees, customers and broader society as our top priority, and we follow the precautionary principle of the UNGC in all areas of our operations, including the design, manufacturing and assembly of our products. We continuously maintain a list of hazardous, restricted and prohibited substances at each of our sites to ensure the safety of operations for our employees, customers and communities around the globe. Our corporate chemical management standard is also applied to any new chemicals that are introduced into our facilities or our manufacturing processes.

# Stakeholder engagement



We recognize that our success as a company is made possible by the relationships we maintain with our key stakeholders, including our employees, customers, shareholders, suppliers, governments and regulatory agencies, unions, non-governmental organizations (NGOs) and industry associations. Through regular engagement, we take opportunities to update our stakeholders on our vision, goals and performance, as well as gather their feedback on meaningful issues related to environment, social and governance topics, as shared in our materiality assessment results. In the table below, we describe the ways in which we engage our stakeholders. We value the opportunities we have to hear from our stakeholders and take their feedback to heart. We make every effort to respond comprehensively to all concerns identified during these engagement sessions, and we strive to consistently incorporate the priorities of our stakeholders into our goals, strategies and programs.

## Engagement channels

Employees	Customers	Shareholders	Suppliers	Governments	NGOs	Unions	Industry associations
Surveys	Customer surveys	Earnings calls	Performance assessments	Community events	Materiality assessments	Regular negotiations	Materiality assessments
Town Halls	Quarterly business reviews	Materiality assessments	Audits	Regulatory input		Meetings	Meetings
1:1 Conversations	Materiality assessments	Conferences	Quarterly business reviews				Conferences
Materiality assessments	1:1 Conversations	Outreach meetings	Materiality assessments				



## Our materiality assessments

We conduct regular materiality assessments every three to five years, which help us determine the relative importance of current and emerging ESG issues and ensure alignment with our stakeholders. We also review our material topics list annually and make updates as needed to reflect the evolving needs of our customers, shareholders and employees. Our materiality assessment considers topics that are aligned with GRI, SASB, the UN SDGs, UNGC and TCFD, which are reviewed and narrowed down to those that have the greatest relevance to our business and our stakeholders.

Through this assessment, in which we spoke with experts from a wide range of stakeholder groups, we determined all topics included in the assessment are material for reporting and disclosure purposes. We used the qualitative and quantitative insights from this assessment to align the considered topics to our ESG strategy and 2030 goals. To view the full list of our material topics, visit [Index D](#) of this report.

### Our materiality assessment in six key steps:

- 1 **ASSESS**  
environmental, social and governance topics from GRI, SASB, TCFD, the UN and more
- 2 **FOCUS**  
on topics with the greatest potential for impact and importance to our business and stakeholders
- 3 **SELECT**  
internal and external stakeholders representing a wide range of functions, geographies and sectors
- 4 **ENGAGE**  
stakeholders through in-depth interviews to gain input
- 5 **ANALYZE**  
responses from stakeholder to determine material priorities
- 6 **INTEGRATE**  
our approach to integrating material topics into our ESG approach

The ESG topics that have been identified as material for disclosure and reporting are shown in the table below.

### Our world

Material topic	Sub-topics included
Emissions reduction and management	<ul style="list-style-type: none"> <li>• Scope 1, 2 and 3 GHG emissions reduction</li> <li>• Science-based goals</li> </ul>
Energy sourcing and consumption	<ul style="list-style-type: none"> <li>• Energy sourcing and reduction</li> <li>• Renewable energy mix</li> </ul>
Waste management	<ul style="list-style-type: none"> <li>• Waste management</li> <li>• Recycling, reuse and repair</li> </ul>
Water management	<ul style="list-style-type: none"> <li>• Water withdrawal and consumption</li> <li>• Sourcing from water-stressed areas</li> <li>• Treatment and discharge</li> </ul>
Community engagement and giving	<ul style="list-style-type: none"> <li>• Community engagement at global scale</li> <li>• Giving and philanthropy</li> </ul>

### Our people

Material topic	Sub-topics included
Employee benefits and well-being	<ul style="list-style-type: none"> <li>• Fair, inclusive and accessible benefits to employees globally</li> <li>• Physical and mental health and well-being</li> </ul>
Employee engagement and retention	<ul style="list-style-type: none"> <li>• Employee engagement, satisfaction and communication</li> <li>• Employee learning, development, career advancement and retention</li> </ul>
Diversity, equity, and inclusion	<ul style="list-style-type: none"> <li>• Diverse recruiting, hiring and promotion</li> <li>• Inclusion training, anti-bias awareness and fostering inclusive workplace</li> <li>• Equitable opportunities and compensation</li> </ul>
Occupational health and safety	<ul style="list-style-type: none"> <li>• Health and safety management systems</li> <li>• Incident and injury rate tracking and reduction</li> <li>• Training and safety-first culture</li> </ul>
Responsible labor practices	<ul style="list-style-type: none"> <li>• Human-rights focused labor practices addressing topics such as forced labor, harassment, discrimination, working hours, fair wages and more</li> <li>• Supply chain due diligence</li> </ul>
Universal human rights	<ul style="list-style-type: none"> <li>• Global advocacy for human rights</li> <li>• Alignment to internationally recognized frameworks</li> </ul>

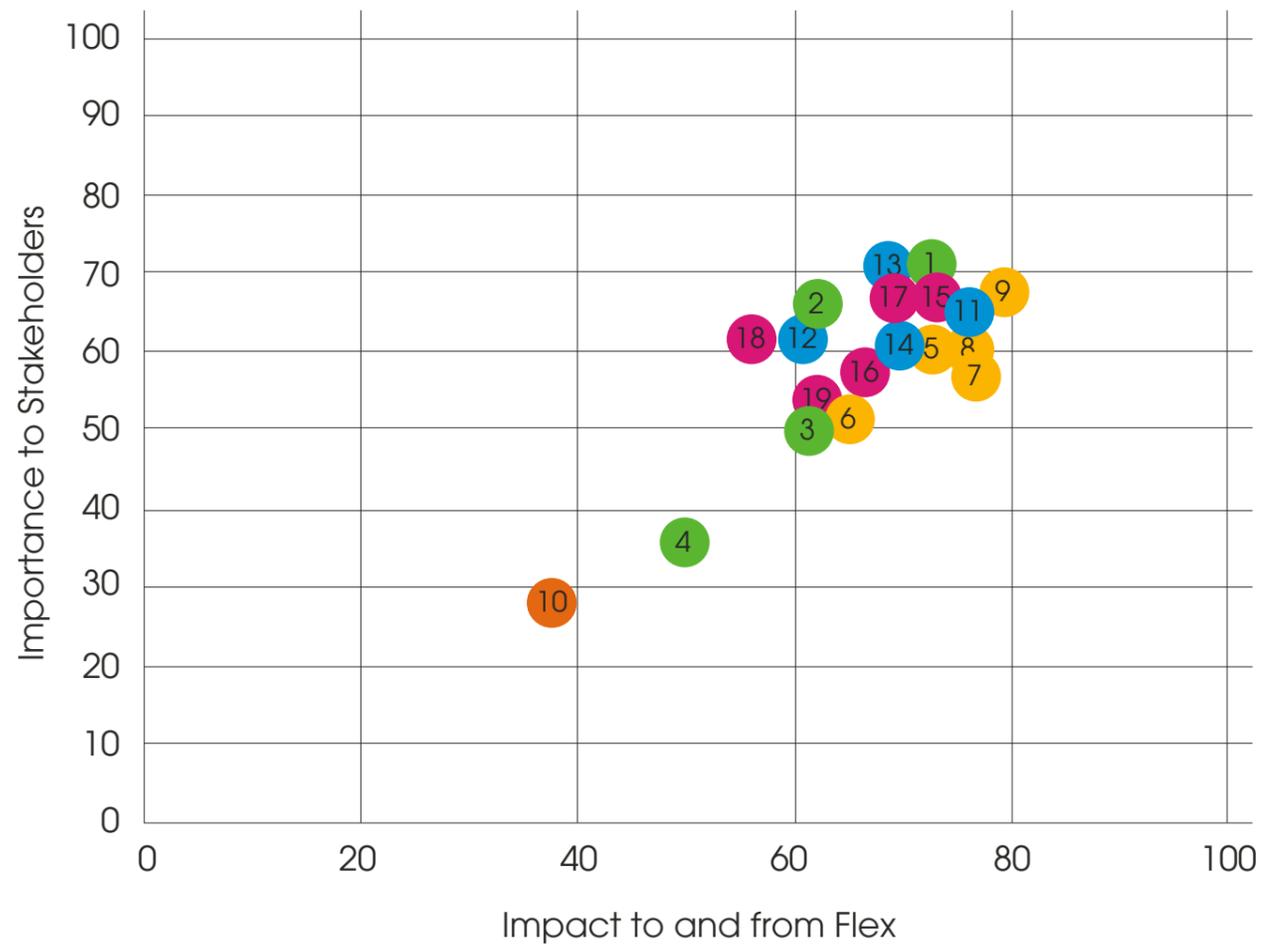
### Our approach

Material topic	Sub-topics included
Supplier ESG performance	<ul style="list-style-type: none"> <li>• Supplier screening, tracking and capacity building on ESG-related issues</li> </ul>
Responsible innovation and production	<ul style="list-style-type: none"> <li>• Responsible consumption of materials and production of goods</li> <li>• Customer partnership for social and environmental responsibility</li> </ul>
Responsible sourcing and supply chain management	<ul style="list-style-type: none"> <li>• Due diligence for responsible sourcing</li> <li>• Conflict mineral management and reporting</li> <li>• Engagement with suppliers for improvement and impact</li> </ul>
Design for environment	<ul style="list-style-type: none"> <li>• Innovation for environmentally focused design</li> <li>• Responsible management of materials</li> </ul>
Ethics and anti-corruption	<ul style="list-style-type: none"> <li>• Reporting of concerns through anonymous and accessible process</li> <li>• Tracking and resolution of grievances</li> <li>• Strong management systems and policies</li> <li>• Regular training of employees and business partners</li> <li>• Anti-corruption, antitrust and other compliance topics</li> </ul>
Leadership engagement and accountability	<ul style="list-style-type: none"> <li>• Engagement of leadership within company and at board level</li> <li>• Cultivating a strong culture of transparency and responsibility</li> </ul>
Privacy, data protection and cybersecurity	<ul style="list-style-type: none"> <li>• Stakeholder privacy and consent</li> <li>• Responsible collection, protection and management of personal and sensitive data</li> <li>• Secure IT systems, cyber hygiene and incident response strategy</li> </ul>
Risk management for ESG issues	<ul style="list-style-type: none"> <li>• Integration of ESG topics into the company's risk management system</li> <li>• Inclusion of environmental and social risks associated with major business decisions</li> </ul>

### Our materiality assessment results

The matrix below illustrates the results of our 2021 materiality assessment. Topics were scored by our stakeholders according to their relative importance, as well as impact on or not by Flex’s business. The results of this assessment and the priorities that our stakeholders shared with us will continue to inform our ESG strategy, programs and goals. For the purposes of this report, all topics represented on the chart or material to our reporting and disclosure strategy.

### Materiality Matrix



- Environment
- Social Capital
- Leadership and Governance
- Human Capital
- Business Model and Innovation

Environment	<span style="color: green;">1</span> Emissions Reduction and Management
	<span style="color: green;">2</span> Energy Sourcing and Consumption
	<span style="color: green;">3</span> Waste Management
	<span style="color: green;">4</span> Water Management
Human Capital	<span style="color: yellow;">5</span> Employee Benefits and Wellbeing
	<span style="color: yellow;">6</span> Employee Engagement and Retention
	<span style="color: yellow;">7</span> Diversity, Equity and Inclusion
	<span style="color: yellow;">8</span> Occupational Health and Safety
	<span style="color: yellow;">9</span> Responsible Labor Practices
Social Capital	<span style="color: orange;">10</span> Community Engagement and Giving
Business Model & Innovation	<span style="color: blue;">11</span> Supplier ESG Performance
	<span style="color: blue;">12</span> Responsible Innovation and Production
	<span style="color: blue;">13</span> Responsible Sourcing and Supply Chain Management
	<span style="color: blue;">14</span> Design for Environment
Leadership & Governance	<span style="color: pink;">15</span> Ethics and Anti-Corruption
	<span style="color: pink;">16</span> Leadership Engagement and Accountability
	<span style="color: pink;">17</span> Privacy, Data Protection and Cybersecurity
	<span style="color: pink;">18</span> Risk Management for ESG issues
	<span style="color: pink;">19</span> Universal Human Rights

Note: Materiality is used herein as defined by the GRI Standards for all our different stakeholders including our customers and SASB for the benefit and understanding of our investors and financial community. The chart shows the topics’ importance and impact to our stakeholders and does not indicate Flex’s performance. Last Update: December 2021.

# Our world

Our aim is to take science-based environmental action to contribute to a cleaner, healthier and more sustainable world and invest in the communities that enable us to thrive.

Environmental stewardship



Energy management and emissions reduction



Waste and materials management



Our circular economy solutions



Water use and management



Community investment



# Environmental key highlights

## 75%

75% of our manufacturing sites are certified to ISO 14001 environmental management standards across our operations

## 94%

In 2021, we diverted 94% of total waste, a 3% increase year over year

## 40k+

From 55 sites around the world, ~40k employees helped advance a more sustainable future by participating in our fifth annual Earth Day Challenge

## 12k+

We offset 12,000+ metric tonnes of scope 3 CO<sub>2</sub>e emissions through Certified Emission Reductions (CERs) Certificates from the Clean Development Mechanism from projects in China, India and the Philippines

## 19k+

We avoided more than 19k metric tonnes of scope 1 and 2 CO<sub>2</sub>e emissions through our energy management programs

## Flex 2030 goal progress: environment

### GOAL

Commit to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year<sup>1</sup>

### 2021 PROGRESS

Our absolute scope 1 and 2 GHG emissions were 756,731, a 14% decrease from our baseline year.

### GOAL

Achieve zero waste in 50% of our manufacturing and logistics sites by 2025

### 2021 PROGRESS

We zero waste certified 3% of sites within scope in 2021.

### GOAL

Reduce water withdrawn<sup>5</sup> by 5%, focusing on sites located in water scarce areas, by 2025

### 2021 PROGRESS

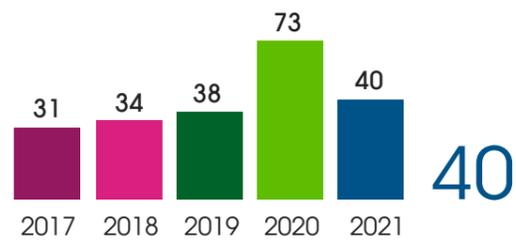
We increased water withdrawn at the sites located in water scarce areas by 7% from our 2019 baseline.

## Key performance indicators: environment

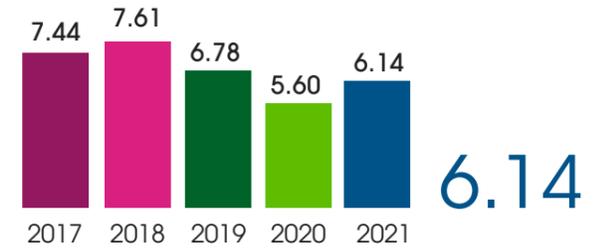
### CO<sub>2</sub>E EMISSIONS INTENSITY (TONNES/US \$M OF REVENUE)<sup>2</sup>



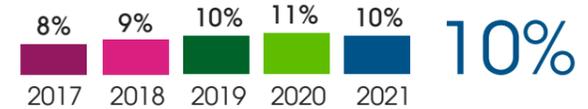
### USE OF RENEWABLE ENERGY (MW)<sup>3,4</sup>



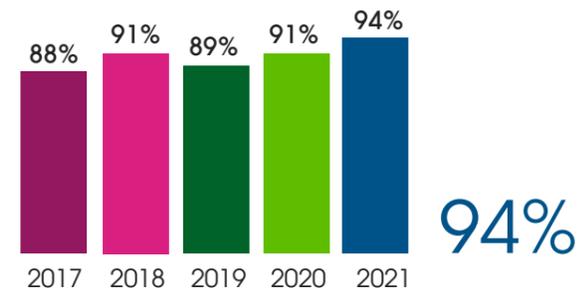
### WATER WITHDRAWN (MILLION M<sup>3</sup>)<sup>2</sup>



### PERCENTAGE OF RECYCLED WATER<sup>2</sup>



### WASTE DIVERSION RATE<sup>2,4</sup>



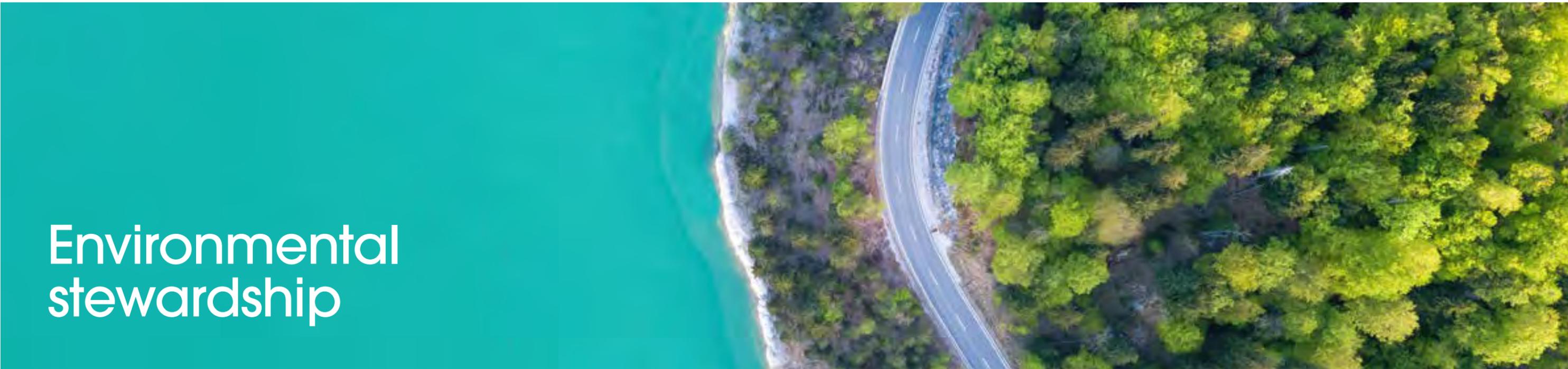
<sup>1</sup> The target boundary includes biogenic emissions and removals from bioenergy feedstocks

<sup>2</sup> The metric, KPI or target was re-baselined in 2018 due to our divestment from Multek and the change was reflected in the annual status from 2014 onwards. Since 2017, DNV has verified our CO<sub>2</sub> emissions and water data.

<sup>3</sup> Renewable energy used refers to the MWs of solar power installed, and the power procured from third-party renewable sources.

<sup>4</sup> In 2018, this verification extended to include waste and renewable energy use. For 2021, one of our sites in Asia had a contract to procure 100% of renewable energy, but did not obtain it due to a change in the energy provider's strategy.

<sup>5</sup> Per revenue



# Environmental stewardship

We are committed to being a leader in environmental stewardship and implementing sustainable strategies throughout our business. At each of our sites around the world, we aim to support global decarbonization through the management and reduction of our CO<sub>2</sub> emissions, reducing waste and energy use and optimizing the resources we use. Our sustainability goals and successes are the result of over a decade of company-wide investment and experience in environmental best practices, and partnerships with our customers and suppliers.

Our environmental strategy is focused on reducing energy use, curbing emissions and minimizing waste. We manage and disclose metrics, which include the measurement of our energy consumption, CO<sub>2</sub>e emissions, water usage, total waste generation and disposal performance. We aim to align our reporting with environmental management standards and are working towards a goal of having all manufacturing sites obtain ISO14001:2015 certification by 2025. As of December 31, 2021, 75% of our sites are certified.

As a trusted manufacturing partner, we strive to support our customers and suppliers to advance their environmental objectives. Through our global services and solutions (GSS) team, we identify opportunities to minimize environmental impact across the product lifecycle, including end-to-end circular economy innovations. We also have

developed proprietary CO<sub>2</sub> emissions measurement processes for repair and refurbishment operations to support our customers' reporting activities. By expanding access to information, we believe we can advance decarbonization strategies across the value chain.

Our global presence and expertise in a multitude of industries uniquely positions us to engage in a range of sustainability innovations and ensures our global compliance to regulation. We strive to meet and exceed a wide spectrum of global standards, while continuously improving and scaling our technologies. With first-hand experience in balancing the investment in sustainable operations with stewardship goals, we seek to overcome these constraints to the benefit of our operations, as well as our customers and suppliers. We engage in a measured approach to deploy solutions at a single site, then expand proven models to a larger scale. As we advance the transparency and accessibility of our reporting initiatives, we look forward to continuing to share both challenging and positive impacts to progress sustainability strategies industry wide.

## Flex Brazil awarded for sustainability

Flex Brazil was recognized for its actions in ESG and ranked second on a list of the most sustainable companies managed by [Estadão](#) in partnership with the Administration Institute Foundation (FIA). The methodology includes the Austin Database Rating, which aggregates more than 3,000 public and private companies and analyzes dimensions such as revenue, profitability, size and historical consistency. We are honored to be among the 100 companies and second in the general ranking of the sustainability category.

# Waste and materials management

## Our waste management approach

Our primary principle in waste management is to eliminate the production of waste from our operations through a regenerative, closed loop approach. We leverage advanced circular economy processes to adopt materials that can be reused or efficiently recycled. Where waste is unavoidable, we comply with the site-specific legal, social and environmental regulations to dispose of waste responsibly. To maintain progress in minimizing waste, we monitor the amount of waste generated, as well as the materials that are diverted for reuse and recycling. In 2021, we diverted 94% of our campus-generated waste from the landfill. Ongoing improvement is our priority, and we continuously explore opportunities to improve our diversion metrics in an effort to achieve a zero waste to landfill future. Through partnerships with suppliers, customers and other key stakeholders, we continue to enhance the scope and scale of our circular economy practices.

As with many companies and industries around the world, we have faced the challenge of increased usage of single-use products during the pandemic, including personal protective equipment (PPE) materials and disposable food service materials on our campuses. Our employees' health and safety is vital, and these precautions led to an increase in waste production in 2021 compared to previous years. However, we remain undeterred in achieving our goals of reducing our waste while keeping our employees safe.

## Our zero waste operations

We are proud to continue our journey of zero waste certifications at our manufacturing and logistics sites. Our circular economy practices help enable our sites to be zero waste certified and meet our sustainability goals. To date, we have received certifications including ISO 14000, ISO 45000 and UL 2799 (Zero Waste to Landfill) at multiple facilities in Brazil and Hungary. In Brazil, we have achieved Responsible Recycling certification (R2) for one site, and plans are in place to continue certifying other sites as well. In 2021, we received a [UL certification](#) for our Aguascalientes site at the top validation level, Zero Waste to Landfill. In 2021, our zero waste credential efforts focused more on UL2799, which requires at least 90% diversion from landfill and 10% max incineration. The UL certification also provides more flexibility around varying site requirements and access to information.

We have invested in operational enhancements to prepare over ten more sites for the certification pipeline by the end of 2023. Leveraging the resources from these validation partners enables us to define clear zero waste goals and maintain accountability in making improvements at our sites globally.

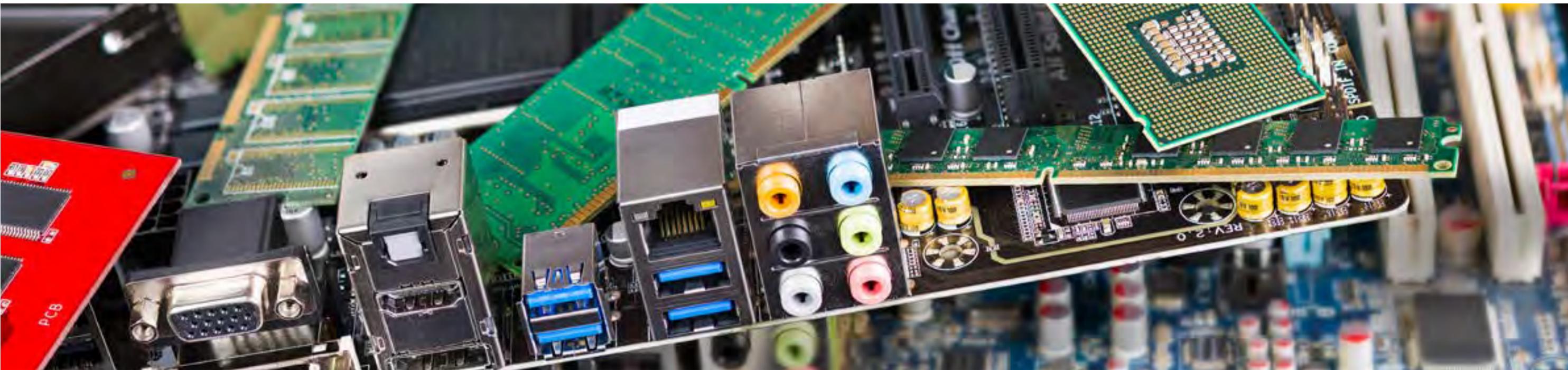
We have also continued to build on the global waste initiatives we implemented last year. For example, our site in Guadalajara diligently disassembles plastic from trays to increase the recyclability

of products. This led to a diversion of +790 metric tonnes of plastic diversion from landfills last year. We also progressed our scrap weighing system in our inventory management module to improve scrap transactions throughout our Asia sites.

## Waste management initiatives

Minimizing waste generation and practicing responsible diversion of waste throughout our operations is critical to achieving our zero waste goals. Our strategy leverages the ongoing success of our waste management programs, scales these initiatives to new sites, and operationalizes the processes into day-to-day procedures. This approach enables us to achieve meaningful impact, while advancing our objectives towards zero waste operations.

**Composting waste from our cafeterias:** We aim to reduce waste not only on the manufacturing floor, but in our cafeterias and canteens. For example, in Guadalajara, Mexico, food scraps from our facility are composted off-site to divert waste from landfills. In 2021, the site also donated 1 ton of waste to projects in the community to regenerate the soil of the Water Pedagogic Forest in Zapopan, Mexico, which was affected by a fire. Other sites such as Aguascalientes, Mexico, Jaguariúna, Brazil and Sorocaba, Brazil have composting efforts as well.



### Responsible disposal of waste

We strive to redirect materials for reuse or recycling; however, there remain circumstances where waste is unavoidable. In these cases, we ensure waste is disposed of safely and in compliance with local requirements. Our disposal metrics are recorded and validated through an efficient, automated system developed by our procurement team.

In collaboration with our environmental health and safety (EHS) team, we are continuously seeking partnerships that leverage disposal technologies around the world that can recapture and repurpose any value from the materials we use. We communicate our ESG criteria with our waste disposal partners and ensure they are

certified in responsible electronic recycling and disposal standards, such as [R2](#) or [E-stewards](#) programs. We conduct due diligence directly and through third-party service providers prior to authorizing waste shipments to hazardous and non-hazardous landfills.

### Materials management and safety compliance

We work diligently to ensure the safety of our products and compliance with legal requirements. At Flex, we also have our own rigorous standards for managing materials that span manufacturing, labeling, recycling and disposal. Our continued diligence enables our customers to comply with ever-evolving global regulatory requirements for product safety of hazardous substance management. Our Full Materials Declaration complies with necessary content restriction and registration regulations, including the Restriction of Hazardous Substances Directive (RoHS), the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), Prop 65, the Waste Electrical and Electronic Equipment Directive (WEEE) and other important customer specifications.

### Sustainable solutions for packaging design

We see our product packaging as a valuable opportunity to reduce waste. We leverage innovative processes to minimize waste materials and engineer recyclable packaging solutions. Through our global services and solutions (GSS) team, we have

identified several solutions for minimizing materials use in our packaging. Examples of these sustainable solutions include:

**Off the shelf project:** One of our products that was previously transported in individual corrugated boxes with foam cushion has been replaced with a converted packaging design from one of our Automotive projects. Instead of a disposable corrugated box, we're leveraging a returnable box that can hold multiple products with reduced use of the foam cushion.

**Collapsible box:** Using scrap resin materials, the Flex team in Sárvár, Hungary created a space-saving foldable box. This project provides an opportunity to upcycle waste resin and create a new package that can also be used to replace corrugated boxes.

We continue collaborating with our customers to uphold quality standards, while incorporating more recycled content and sustainable solutions into our packaging. By considering packaging design during each step of the product lifecycle, we are able to eliminate waste early and often.

# Water use and management

A critical component of our environmental stewardship approach is the responsible management of water resources around the globe. We evaluate the impact of water use at each of our facilities to prioritize mitigation operations in water-scare locations. Overall, we aim to decrease consumption wherever possible. Where water use is more intensive, we leverage recycled options and install collection systems to use rainwater for irrigation and cooling processes. We draw water from municipal sources at most of our facilities and discharge wastewater to public treatment systems. Our water management approach has earned consistent leadership scores for our annual [CDP: Water Security](#) disclosure, for which we've received an "A" score for the second year in a row.

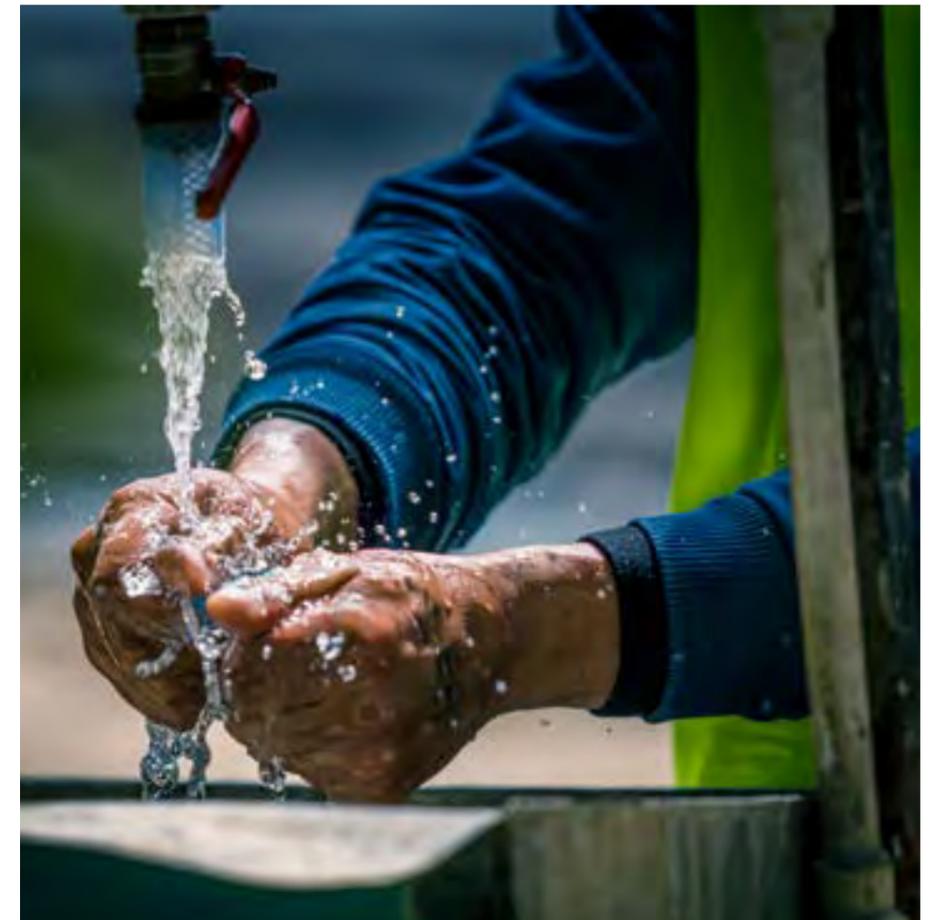
We review the water scarcity at each of our facilities, and while our operations don't require water as a material input, we are committed to the mitigation of potential impacts at these locations. We leverage the World Resources Institute and additional mapping tools to identify water risks and create plans to minimize consumption. In Austin, we completed a project to reduce water usage by gradually improving sensors and data monitoring which helped to identify and correct improper or malfunctioning valve settings. We also implemented a condensation collection system which significantly increased recycled water efficiencies and allowed for auxiliary equipment to

be returned to service. This on-going initiative, which projects further savings, has improved efficiencies, reduced amount of water sent to municipal treatment plants and lowered operating expenses.

**In 2021, our total water withdrawn, total water withdrawn by source, recycled water, total water discharge and total water consumption were verified by DNV.**

## We are a WASH pledge signatory

We continue our commitment to the World Business Council for Sustainable Development ([WBCSD](#))'s Pledge for access to safe water, sanitation and hygiene (WASH). The Pledge leverages corporate action to help achieve UN SDG Clean Water and Sanitation for all (#6) and set a higher standard of health and safety for our employees and communities as well as throughout our value chain. As a pledge signatory, we commit to implementing access to safe water, sanitation and hygiene at the workplace for all employees in all premises by 2023.



# Energy management and emissions reduction

In our journey to advance sustainable manufacturing, we recognize that our operations require energy consumption, which results in greenhouse gas (GHG) emissions. We are deeply invested in implementing solutions that minimize this consumption and our emissions throughout our operations, with the aim of reducing our global environmental impact. We acknowledge that a reliance on finite energy sources additional to their impact in the environment can be a risk to our business operations and we benefit from diversifying our energy supply in the event of extreme weather events or climate-related impacts. While our business is not energy intensive, investment in renewable energy aligns with our broader emission reduction strategy, reduces our risk exposure and fosters resilience throughout our operations.

## Our guiding strategy for energy management and emissions reduction includes:

1. Focusing on eliminating the need for energy consumption
2. Improving efficiency of systems to mitigate our impact
3. Leveraging renewable energy sources to reduce emissions from energy needed for operations

Our energy performance objectives are driven by Flex leadership, our operations teams and our customers. Through collaboration with our corporate real estate and facilities team, we conduct resilience assessments and identify opportunities to minimize our energy consumption. Over the last year, we established a strategic approach to prioritize sustainability initiatives when considering capital expenditures. This recalibration of investment decisions will advance our goals for long-term emissions reductions, improve efficiency and reduce operating costs. We are pleased that these initiatives have already enabled a decrease in energy consumption, while experiencing an increase in revenues and we look forward to furthering this trend.

We continue to build on our experience of over a decade in driving energy efficiency projects. Through a measured approach, we implement operations and maintenance improvements including installing energy-efficient heating, ventilation and air conditioning systems, replacing lighting with light emitting diodes (LEDs) and improving building controls. We're also improving facility controls to use sensors that power down machinery when not in operation. We are proud to have avoided more than 19k metric tonnes of CO<sub>2</sub> through projects like these and we have over 400 more projects in our pipeline across all of our facilities.

We leverage renewable energy sources, where possible. Currently, across our EMEA sites, 20% consume energy from renewable energy providers. We plan to install three more solar projects around the globe in the next year. These achievements at our facilities will support our progress in renewable energy production, reduce emissions and instill resilience along our value chain.

## Leveraging certified emissions reductions projects

One of our strategies to reduce impacts of our GHG emissions is through offsetting our Scope 3 emissions. We have collaborated with the [Clean Development Mechanism](#) on projects in Brazil, China, Costa Rica, India and the Philippines over the past four years to develop projects that offset carbon. Projects include a hydropower facility, a biomass power plant, a diversion barrage, a waste-to-energy project and a gas-turbine combined-cycle power plant. In 2021, Flex's contribution to these projects resulted in offsetting over 12,000 metric tonnes of Scope 3 CO<sub>2</sub>e emissions.



# Our circular economy solutions

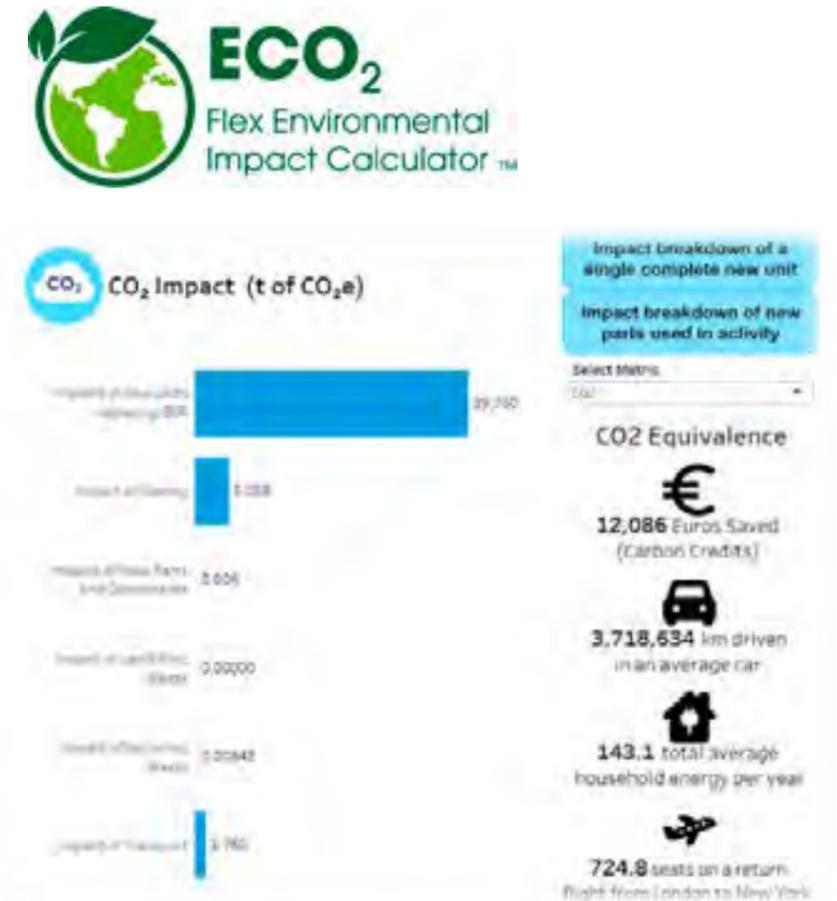
As our customers have an increasing interest in enhancing the sustainability of their products, they rely on our expertise and innovation at the forefront of circular economy solutions. We are proud that our solutions help contribute to a circular economy, which is an industrial system that is regenerative by intention and design. Our global services and solutions (GSS) team empowers customers to participate in a circular economy market through a variety of offerings including repair, refurbishment, asset recovery, returns and screening, parts harvesting and recycling and CO<sub>2</sub> reporting. This enables our customers to maximize the value of materials, minimize environmental impact and maintain a competitive, sustainable advantage.

We collaborate with all six of Flex's business units, as well as offer services outside of the business units, to re-engineer products and processes that increase circularity. Our innovative processes and services provide measurable solutions to inform product-based environmental impact enhancements. This facilitates our customers in setting and achieving their environmental goals. Our cross-industry reach enables us to evolve design and manufacturing perspectives toward circular focused designs in both forward and reverse logistics.

## Flex ECO<sub>2</sub>™ calculator

Over the last few years, we have developed a proprietary calculator to assist our customers in measuring, reporting and achieving their climate goals through circular economy solutions. Flex ECO<sub>2</sub>™ provides measurable insights into the carbon, energy, water and material circularity benefits that can be achieved through our circular solutions. These analyses help our customers make informed decisions on processing of materials and manufacturing products that can drive value from circular business models. Through a streamlined assessment and data visualization, the tool yields easily understandable, actionable findings for brands to pinpoint the optimal circularity interventions for their sustainability goals.

The Flex ECO<sub>2</sub>™ calculator takes into account inputs across the supply chain including product development, transport, repair and refurbishment. By comparing different components of circularity, our customers are able to improve their design process and invest in enhancements that will have the greatest impact. We are energized by the opportunities that this tool can unlock for our customers.





## Flex partners with Ellen MacArthur Foundation network

In 2021, Microsoft kicked off a project with members of the Ellen MacArthur Foundation Network including Flex and nine other companies to create a circular packaging solution to replace the existing linear path plastic-based stretch wrap that is used to stabilize and protect products in transit. In the [Stretch Wrap Alternative Project \(SWAP\) whitepaper](#), published by participating Ellen MacArthur Foundation members including Flex, we assessed whether different circular solutions are technically feasible, scalable and commercially viable while reducing the environmental impact when compared with the current stretch wrap option. We're continuing to work collaboratively with partners to explore different pathways to eliminating linear stretch wrap, including replacing stretch plastic with a compostable film, implementing reusable materials for securing pallets and improving the recovery of plastic-based film for higher value and closed loop recycling solutions.

## Our innovative solutions for global circular economy

Through a number of customer partnerships and projects with our business units, we deploy circular economy solutions around the world:

### Product as a Service (PaaS)

We support a program to refurbish off-lease commercial IT equipment including laptops, desktops, servers, etc. Our work involves screening, repairs, parts harvesting and logistics management. We are engaged with multiple customers' PaaS models to create a secondary market for our customers. Our customers' refurbished products save up to 90% of expected CO<sub>2</sub>e emissions through this life extension process compared with new products.

### Lifestyle product circularity

We facilitate a circular economy solution for a customer which includes rerouting defective returned units from end consumers. We facilitated an end-to-end solution including returns management, spare parts planning, warranty validation, testing, parts harvesting and refurbishment. The operations we facilitate save over 7,000 metric tonnes of CO<sub>2</sub> per year globally for the refurbished products over new manufacturing.

### Global medical device solution

We support the global health industry at our Budapest location with repair, refurbishment and reverse logistics supply chain management. Through our collaboration with over 1,500 hospitals in EMEA, we decontaminate and repair more than 19,000 products per year. Our engineering processes minimize costs, reduce carbon emissions, enable visibility over the processes and offer consistent quality to our customers.

# Community key highlights

## 807

We completed 807 community activities around the globe

## 33,283

We launched our first Global Giving Week at 51 sites across 18 countries where more than 1,600 employees volunteered over 5.4K hours to benefit 33k+ beneficiaries

## 56,581

13.9k+ of our volunteers gave 56K+ hours back to their communities, an increase of 14k since 2020<sup>1,2</sup>

## 92%

92% of our sites engaged in community activities throughout 2021<sup>1</sup>



<sup>1</sup>Data verified by DNV

<sup>2</sup>Number of volunteers are counted as participants of volunteering activities throughout the year (may include repeated employees)

## Flex 2030 goal progress: community

### GOAL

Commit to 100% of our major sites<sup>1</sup> partner with a local NGO by 2025

### 2021 PROGRESS

We achieved a 97% participation rate of our major sites to complete at least one community activity in 2021.

### GOAL

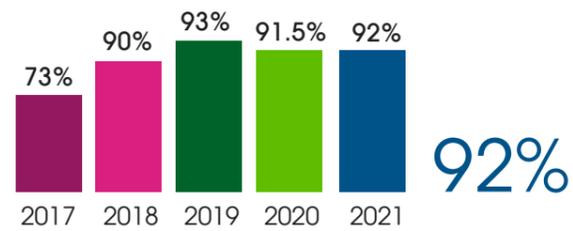
Commit to provide the tools needed to engage 75% of employees to volunteer by 2025 and 100% by 2030

### 2021 PROGRESS

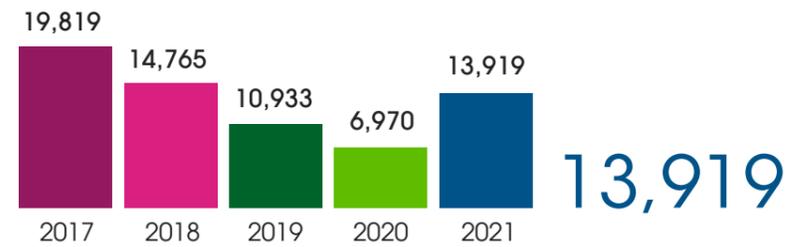
In 2021, we baselined our current volunteer rate, which sits at 8.3% of employees. We have spent time evaluating the tools required to accurately track global participation and employee engagement. Our objective for 2022 is to reach a 19% volunteer rate.

## Key performance indicators: community

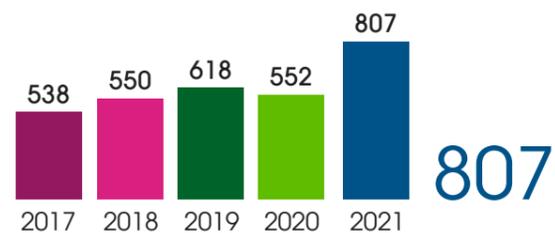
### % OF OPERATIONS THAT HAVE IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT ACTIVITIES



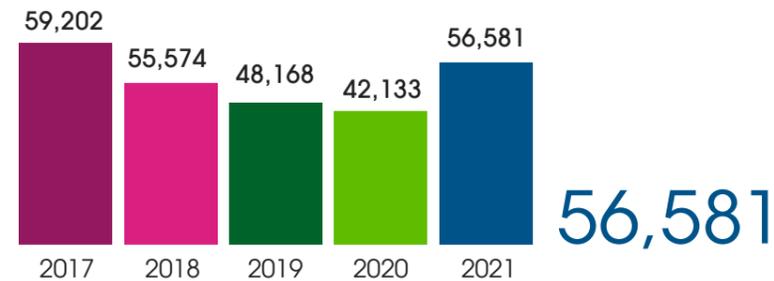
### TOTAL VOLUNTEERS



### TOTAL LOCAL COMMUNITY ENGAGEMENT ACTIVITIES



### TOTAL VOLUNTEER HOURS<sup>2</sup>



<sup>1</sup> defined as more than 1,000 employees per site

<sup>2</sup> Data verified by DNV

<sup>3</sup> Number of volunteers are counted as participants of volunteering activities throughout the year (may include repeated employees)

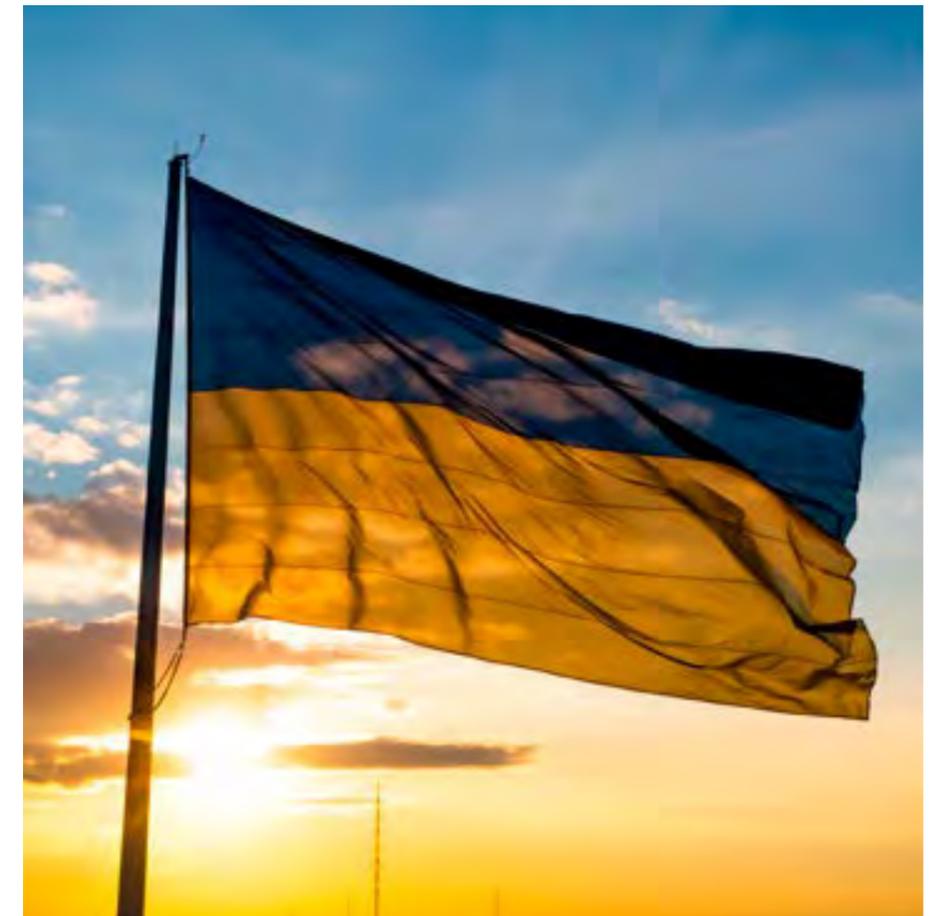
# Community investment

We are committed to improving the quality of life in the communities we serve, globally.

Flex is dedicated to creating a positive impact in our communities and fostering a culture of employee engagement, personal fulfillment and giving back. Our community investment strategy supports the UN SDGs and our commitment to social good is backed by grants from the [Flex Foundation](#), employee resource groups and direct employee donations, along with thousands of hours of volunteering. As a catalyst for positive change in our communities, we make strategic investments in local nonprofit organizations to support the environment, global public health, human rights, educational programs and more.

## We stand with Ukraine

We at Flex stand with our Ukrainian colleagues and their families, living under imminent threat and danger because of the war in their country. We are deeply concerned for the millions of Ukrainians and condemn violence and military attacks on civilians and essential infrastructure. We are committed to providing support and resources to our Ukrainian employees within and outside of Ukraine. The Flex Foundation is supporting The Red Cross, Save the Children, and GlobalGiving to deliver aid and assistance to Ukrainians. As a company with a global footprint, we hope for a swift end to this war and a peaceful resolution.





### Flex Foundation

The Flex Foundation is a private organization, supported by Flex, Ltd. and established in 2002, that awards grants to philanthropic initiatives and fosters positive change for the global communities where Flex, its customers, suppliers and partners operate. The Foundation's engagement, giving, and volunteer strategy aims to support Flex's 2030 ESG strategy and the following UN SDGs: #3 Good Health and Well-being, #8 Decent Work and Economic Growth, #12 Responsible Consumption and Production, and #13 Climate Action. The Flex Foundation collaborates effectively with nonprofits, NGOs, and communities around the world to build a healthier, more sustainable, and equitable future for all. In 2021, the Foundation partnered with a number of organizations, including [American Red Cross](#), [World Wildlife Foundation](#), [Hispanic Foundation of Silicon Valley](#), [Shanghai United Foundation](#), Caritas Kärnten and more.

### Flex Foundation 2021 accomplishments

We provided nearly \$1.53M in grants to support:

- 48 local projects in 15 countries
- Four regional projects, including [Give2Asia](#), [GlobalGiving](#) and two in [American Red Cross](#)
- A variety of organizations that support minorities and the planet around the world

**\$1.53M**  
in grants

**4**  
regional projects

**48**  
local projects

**15**  
countries





### Flex Giving Week

Last year, we launched our inaugural Flex Giving Week, and we celebrated its success after seeing participation from 51 sites across 18 countries, more than 1,600 employees volunteered upward of 5,400 hours and supported over 33,283 beneficiaries. We garnered global participation by creating fun and friendly competitions between sites and recognized winners in each region with awards and Flex-branded merchandise.

In the Americas region, our Manaus, Brazil site initiated six activities involving more than 2,250 employees and 45 official volunteers with over 200 volunteer hours. Nearly 900 community members and 20,000 school children benefited from projects aimed at improving the lives of individuals in rural areas. As a part of this activity, we distributed more than 8,000 masks for personal protection to nine schools.

In Asia, our Chennai, India site completed eight activities that garnered participation from nearly 500 employees who completed more than 1,200 volunteer hours. Through these activities, Flex volunteers donated over 53 liters of blood, made over \$4,000 of in-kind donations and supported 300 students for Back to School campaigns by providing critical school supplies.

In the European region, our site in Timisoara, Romania conducted three activities in total, one of which directly benefited the local community. In a two-day workshop, employees collaborated to develop the 2022 Giving Week action plan to engage in community activities. Employees collaborated with the WWF on a project to transform an empty land space to a plantation of birches, soft buckthorn, strawberries, sash, hazelnut and yellow acacia to create a local micro-forest.



## Volunteering with Flex

We strive to foster resilient and rewarding relationships between our employees, their local communities, and the planet. Our employees and their families value the opportunity to make a difference in the world, and we strive to encourage their ability to do so and to help them be proud to be a part of Flex. We encourage our employees to give back to their communities by volunteering their time, talent and resources to local organizations to make a positive difference.

Our global sustainability team and individual community representatives at each of our sites help coordinate local community activities around the world that give our employees a chance to volunteer in ways that support our values while complying with our corporate policies and guidelines. Below are examples of ways employees volunteered to chart missing map territories, donate food and get active for a cause:

### Helping first responders provide aid to critical areas

Last year, through the Flex Foundation, we partnered with the [American Red Cross](#) and Missing Maps. This unique opportunity to volunteer in Map-a-thon sessions was accessible at Flex sites, from volunteers' homes or any place with access to a computer and the internet. The Map-a-thon allowed us to give back to our communities while completing the mapping of critical areas that require support from first responders.

In 2021, we conducted several sessions for the Missing Maps activities per region - Asia, EMEA and Americas. Through these Map-a-thon sessions, we engaged nearly 1,500 volunteers from 28 different countries, accounting for over 1,035 volunteer hours. In total we achieved 31,348 map edits which will help put people and communities that are in critical need on the map!

### Vaccinating in solidarity

In 2021, our site in Jaguariúna, Brazil implemented a campaign called "Solidarity Vaccination," a partnership between Flex and its employees. Each time an employee received a COVID-19 vaccine, Flex donated half a kilo of food to one of four institutions in need. By the end of 2021, nearly 3,000 employees had been vaccinated and counted in this program, resulting in 3,320 kilos of food donated in the names of the employees who participated. By protecting themselves and their communities, Flex employees who participated were able to lend a helping hand to serve vulnerable people in their communities.



### Taking a hike for Pink Ribbon

On October 22, 2021, the team at Flex's campus in Venray, Netherlands, organized a hiking day for our employees. During this hiking day, employees walked one or more laps (1.38 kilometers) around the building to support Pink Ribbon, Inc., an organization dedicated to curing breast cancer. On that day, 260 employees registered and walked one or more laps for the cause, and some employees also donated via the Pink Ribbon website, which was combined with a donation of \$5,000 EUR from Flex.

## Supporting decent work and economic growth

### Promoting women empowerment with iSisters

As partners of the career connections program at [iSisters Technology](#) Mentoring in Canada, the Flex Foundation helps address the local needs for decent work and economic growth. Through this partnership, we support communications and information technology training, career exploration and entrepreneurship to help provide employment opportunities and skill development for participants of the program. In 2021, the Flex Foundation provided grants to iSisters that allowed them to deliver no-cost technology education and job search skills programs to empower local women in need at two community partner centers.

### Creating a sustainable digital village

Through our partnership with the NGO [Annai Trust](#), Flex has been working toward the goal of improving services and quality of life in the most rural parts of India. In 2021, we worked on the implementation of the Self-Sustaining Common Services Centre (CSC), which enables rural entrepreneurship in underserved communities. The CSC will be an IT-enabled common service delivery outlet for some of India's most rural populations to gain opportunities that enhance their quality of life.

## Promoting good health and well-being

### Flex Foundation COVID-19 Response Grant

We are honored to partner with [Fondo Unido I.A.P.](#), a project that aims to secure good health and well-being for people of all ages. Together, we're working toward the goal of strengthening the capacity of all countries, particularly those that are developing, in matters of early warning, risk reduction and risk management for national and global health.

As the pandemic caused devastating impacts around the world, we worked tirelessly to support relief efforts. With this project, and by collaborating with the Colegio de Bachilleres de Tijuana, we've worked to strengthen the abilities of young people who need help regulating their emotions and building their self-esteem, which reduces the socio-economic and mental health risks of these individuals. This project helped 100 young people through useful social activities that strengthened the capabilities and support networks of the next generation.



### Donating masks around the world

As the pandemic continued throughout 2021, Flex contributed more than 600,000 masks to our local communities to prevent the spread of COVID-19. A few examples of sites that engaged in these donations are:

- Cork, Ireland: The Flex team donated 12,000 masks to the Mercy House, a center that provides sustenance, healthcare and meaningful connections to the elderly community of Kanturk.
- Cebu, Philippines: More than 30,000 masks were distributed to Caritas Filipinas, to provide personal protection to the foundation's employees, directors, affiliates, contractors and vulnerable individuals in the local community.

### Revitalizing the Municipal Hospital of Jaguariúna, Brazil

Last year, Flex participated in a revitalization of the Municipal Hospital of Jaguariúna, which included renovating the electrical, air conditioning, tiles, lighting and paint. These improvements help create a harmonious environment between the building and its surroundings, in addition to providing improvements in the care of over 10,000 patients who rely on its services.

### Fighting climate change and promoting responsible production

#### Green innovation and infrastructure

Co-founded by [WWF Panda Labs](#) and Flex Foundation, the [WeWilder Hub](#) is Romania's first innovation center for green entrepreneurship. Located in a 17,000-hectare WWF priority conservation and bison rewilding area, the WeWilder Hub serves a 2,500-member social enterprise network that creates economic benefits for the local community. In 2020, Flex began the development of a state of the art green co-working and community kitchen facility, three autonomous housing units, and one remote hut. We also prototyped new ecotourism products, increased local capacity through co-design workshops and validated a sharing economy model through the Hub.

In 2021, we launched the second stage of the project, where we're focused on the environmental impact of the WeWilder Hub, as its campus will set an example for responsible use of materials and sustainable energy systems. The Hub will offset its emissions related to operations through local community forest restoration projects and aims to operate carbon-neutrally by 2025. The Hub will promote biodiversity in its surrounding area and has plans to reduce its plastic usage by five metric tonnes annually to achieve zero plastic procurement and operation.

#### Low-carbon future and marine conservation

In 2021, Flex provided two grants to the [Amity Foundation in Hong Kong](#), which focuses on promoting marine conservation and reducing ocean pollution through environmental education and coastal cleanup activities. We are excited to continue this partnership with an awareness program that will reach 1,500 community residents, college students and city cleaners, to promote education about waste and its risk to the environment and human life. This campaign will share actionable strategies of reduction, reuse and recycling to enable the community to contribute to a low-carbon and environmentally conscious future.

### Celebrating Earth Day around the globe

On April 22, 2021, we celebrated the fifty-first anniversary of Earth Day, an annual event committed to environmental protections. At Flex, we celebrated throughout the month of April at our campuses and with our remote employees through our Earth Day@Home campaign. For the sixth year in a row, Flex employees around the globe participated in more than 270 initiatives to engage with their communities, conserve resources and take innovative approaches to protecting our planet.

We're so proud that thousands of employees, across 55 sites in 23 countries, participated in activities to plant edible gardens, restore farm and forest land, clean parks and community benches, plant trees, recycle waste and spread awareness and education in their communities.

We also hosted a global Earth Day webinar on the topic of reducing our greenhouse gas emissions through science-based targets, to educate employees on the importance of mitigating climate change and on our progress to reduce our emissions. Speakers included senior leaders from our sustainability and environmental, health and safety teams along with a guest expert from WSP, a firm that provides management consulting to achieve greater harmony with the built and natural environment.

“On Earth Day, we strengthened our commitment to restore our planet through new, aggressive environmental targets. For Flex, we recognize our place in the value chain gives us an opportunity to lead and catalyze progress at scale.”

VP, SUSTAINABILITY, AND PRESIDENT, FLEX FOUNDATION



### Earth Day in Budapest, Hungary

To celebrate Earth Day in Budapest, employees organized six activities, five of which were employee engagement and awareness-building, and one of which directly benefited the local community. Through these activities, over 90% of the site's employees participated in tree planting, landscaping, and educational workshops that inspired a commitment for everyone to do their part to help preserve the earth for future generations.

### Earth Day in Chennai, India

Employees at our Chennai site celebrated Earth Day by organizing 16 activities to build and plant a local farm on 5,000 square feet of unused land that will provide fresh, organic vegetables at their local canteen. These employees also planted 5,925 trees, recycled 231 pounds of waste and undertook efforts to save 796 kWh of energy.



### Earth Day at Flex

In 2021, approximately 40,000 Flex employees did their part to protect the environment:

~40k employees participated	18.5k+ trees planted	9k+ pounds of waste recycled
~300k square feet of land reforested	38 nonprofit organizations benefitted	

### Earth Day in Manaus, Brazil

Through 11 different initiatives, the Flex Manaus team helped spread awareness within our internal and external communities on topics of sustainability and environmental protection. Through these activities, employees were able to plant more than 1,300 trees and conduct one webinar and one educational workshop. Employee efforts also directly benefited two nonprofit organizations in Brazil and the victims of a flood in the Amazonian River basin.

# Our people

Purpose, inclusion and empowerment. That's what motivates our people from around the world to come together and build great products that change lives for the better.

Supporting our employees through COVID-19



Employee health and safety



Diversity, equity and inclusion



Labor practices



Employee development



Fair wages and competitive benefits



Human rights



# Our people key highlights

27h

We provided 27 average hours of training per employee, totaling to 7.3M training hours in the last three years.

44%

By the end of 2021, 44% of our global workforce and 25% of our Board of Directors was female.

112+

By the end of 2021, we were pleased to have delivered 112,863 doses of COVID-19 vaccines at Flex facilities around the world.

25k+

Over 25K employees across 49 sites participated in our People with Disabilities Awareness Weeks, up 1K participants from 2020.

17%

We decreased our global incident rate by 17% compared to 2020.

8

After launching four new employee resource groups (ERGs) last year, we've grown the total number of ERGs to 8.



Flex Shenzhen Gushu volunteer team

# Supporting our employees through COVID-19

At Flex, we continue to prioritize the health and safety of our employees. In the second year of the COVID-19 crisis, we built on the processes we implemented in 2020 and enhanced safety procedures to drive behaviors that protect our employees. Our crisis management teams (CMTs) have representation at every one of our global facilities, and we have seven regional teams responsible for locations with a large operational footprint. The CMTs complete audits specific to the COVID-19 protocols at each facility each week, which resulted in over 4,500 audits completed in 2021. Regular risk assessments are also completed to understand metrics around Flex-specific cases, local cases and current local protocols. In alignment with local regulations and Flex's safety culture, the CMT defines the baseline procedures (such as masks, temperature screenings and disinfection frequency) followed by the facilities. Through this methodology, we completed over 31.9 million temperature screenings across all sites in 2021 and upheld hospital-quality safety protocols.

We are also proud to have delivered 112,863 doses of COVID-19 vaccines at Flex facilities around the world to ensure every employee has access to this life-saving measure.

Through local partnerships with government agencies and by preparing for vaccinations early, we were able to outpace local vaccine rates around the world. We strive to instill a culture of trust with our employees, and we ensure employees have access to health and science education through town halls and other information-sharing channels. Last year, we communicated the benefits of vaccinations alongside regional thought leaders including local experts, athletes and community leaders. We also supported our employees through transportation to vaccination sites (if they weren't available on-site), paid time off and sick time off, if needed.



# Employee health and safety

We prioritize the health and safety of our team members and invest in technologies to design risk out of manufacturing, remain in step with safety standards and make our factories as safe as possible.

## Flex 2030 goal progress: health and safety

### GOAL

**Commit to reducing total case incident rate (TCIR) to below 0.2 by 2025**

### 2021 PROGRESS

**Our TCIR was 0.23 in 2021, a 17% reduction year over year.**

### GOAL

**Commit to certifying all manufacturing sites with 'RBA factory of choice' by 2025**

### 2021 PROGRESS

**6% of our manufacturing sites were 'RBA factory of choice' certified, as of 2021.**

Our employees' physical and psychological safety is of utmost importance to us as we seek to cultivate an environment where every team member can thrive. Our strategy to maintain our employee's wellness, health and safety involves a systematic approach to engage employees and operate with a high standard of safety. We continue to mature our safety programs to progress in our goal of reducing our total case incident rate (TCIR) to 0.2 by 2025 and, ultimately, provide a zero injury workplace. We are pleased that injury rates have decreased consecutively each year, including a 17% decrease in 2021 compared to the previous year. We have invested more than \$5 million to enhance machine safety controls to minimize employee's exposure to point of hazards.

We also support Flex employees through improving access to exercise, nutritious meals and quality medical services at each of our facilities. 42% of our facilities are ISO45001:2018 certified and we plan to have all manufacturing sites certified to RBA's Factory of Choice by 2025. While the COVID-19 crisis has added barriers to conducting in-person certification audits, the practices and procedures that protect our employees remain in place. Our health and safety [management systems](#) have been integrated with our environmental management system to manage documentation, audits and protocols. This system improvement helps integrate [ISO](#) principals into site-level EHS systems and improves comprehensive management reviews.



### Our culture of safety

Flex's strong culture of safety is embodied by our company leaders and executive management team. Our commitment to safety is made through our CEO and department leaders, who direct resources and maintain accountability through regular reports. We uphold safety as a core value through a number of programs and operating procedures:

- **Safety as a core value:** We assess the maturity of our safety processes through our Culture of Safety Maturity Assessment (CoSMA). By evaluating 20 key processes, we report on leading indicators that guide individual sites to systematically enhance the culture of safety. The CoSMA is completed annually at target sites and provides recommendations on corrective or preventive actions. We are evolving our hazard

and mitigation controls communication, by using visual aids to ensure all employees are aware of hazards, risk and better understand the mitigations controls at their workplace.

- **Safety Gembas:** Flex adopted Gemba walks, a methodology from lean manufacturing, to observe employees doing their work and assess machine safety conditions and safety procedures to identify ways to make the workplace safer. Our management team and all employees are encouraged to engage in Gembas. We foster a "go see, fix and teach" approach during the Gemba safety walks to ensure opportunities are addressed as quickly as possible. In the coming year, we seek to add leading indicators to our processes to quantify the effectiveness of Gembas in our work.
- **Safety meetings:** We incorporate safety topics in a range of regular meetings. Our daily toolbox meetings, where teams discuss daily productivity goals, include discussions on safety feedback that employees have previously offered. Closing the communication loop is empowering for our employees and helps them understand how our management teams are listening and responding to their concerns. We also hold periodic safety talks to focus on specific topics and share Safety Global alerts and best practices where hazards are critical or there are new processes for improvement.

Each of our sites are required to have a health and safety management system, as well as safety committees in place. Our global standards, in combination with site-specific procedures, minimize risk to our employees. The maturity of our safety program has improved over the last few years, and we plan to continue improving, while standardizing safety practices across sites.

In 2020, we initiated a third-party assessment to review our short- and long-term plans for achieving an injury-free workplace. The results of this assessment, which was completed in 2021, informed topics of focus including machine safety validation, safety competence and uniform maturity through engagement with leaders. We anticipate new dynamics of operations and technologies that will require an evolved program of safety knowledge. As a result, we are investing in coaching and continuous feedback to ensure employees are operating as safely as possible.

# Diversity, equity and inclusion

With people at the heart of our operations, we foster a culture of inclusion, belonging and mutual respect to enhance employees' experiences and opportunities.

## Flex 2030 goal progress: diversity, equity and inclusion

### GOAL

**Increase female representation at the director level and above globally**

### 2021 PROGRESS

**We had 22% female representation at the director level and above globally.**

### GOAL

**Increase racial and ethnic diverse representation at the director level and above in the U.S.**

### 2021 PROGRESS

**We had 31% racial and ethnic diverse representation at the director level and above in the U.S.**

### GOAL

**Achieve pay parity in the U.S. by 2022**

### 2021 PROGRESS

**Progress is under development**

### Our approach to diversity, equity and inclusion

We value the individual contributions and unique perspectives of each employee within Flex and we strive to co-create a culture that improves equal engagement and inclusion with respect in our workplace. At Flex, we represent over 30 countries with unique cultures across the globe and our organization is naturally diverse in many dimensions including age, religion, gender identity, ableness, ethnicity and nationality. Our recognition and celebration of these differences contribute to innovation and creativity in our work, as well as a sense of belonging in our communities. As outlined in our diversity, equity and inclusion [commitment](#), we are continually focused on creating a workplace where every employee can be themselves and is empowered do their best work.

**We recognize that promoting gender diversity within management ranks, throughout technical and non-technical areas of the company, leads to better performance, as shown in research and from our own experiences. In 2021, 44% of our global workforce and 25% on our Board of Directors, including our CEO, were female.**

### Cultivating diverse leadership

It is critical for our leadership to reflect the diversity of our workforce. To advance this goal, as well as increasing racial and ethnically diverse representation at the director level and above in the U.S., we have implemented a diversity, equity and inclusion commitment statement prior to hiring. Through this commitment, hiring managers and company leaders must commit to considering candidates equitably, regardless of how they identify. Research has shown requiring degrees when skills and experience will suffice can discourage candidates from racial and ethnically diverse backgrounds from applying<sup>1</sup>, so we are rewriting our job descriptions to include more inclusive language and remove extraneous requirements, putting more focus on skills and experience over degrees whenever possible to attract a more diverse pool of talent.

<https://www.npr.org/2021/04/29/990274681/no-college-no-problem-some-employers-drop-degree-requirements-to-diversify-staff>

In 2021, we expanded our leadership development opportunities for underrepresented communities in the US. The [McKinsey Connected Academy](#) equips future leaders with networks, capabilities and other training opportunities for identity-based communities. We also implemented senior leadership coaching for employees from diverse communities to develop skills within Flex and continued to make progress with our SheLeads global program. Each of these initiatives have contributed to our employees' skills, confidence and readiness for career advancement, which improve our ability to promote from within.

## SheLeads

Our global leadership program, SheLeads, was created to advance the development and fortification of our talent pipeline for female leaders. Program participants are provided with training curriculum, executive-sponsored business projects and coaching. They are also invited into a network of global team members with a range of professional expertise to share experiences with.

### Fostering an inclusive workplace

In 2021, we focused on increasing awareness of the different perspectives of our workforce to enhance a sense of belonging across the globe. We unified our inclusion and diversity resources to improve access for all employees through an internal website. This platform brings together videos, reading lists, podcasts and other information for employees to learn about a range of social justice topics. It is also a space for leadership to share Flex's diversity, equity and inclusion goals, as well as data on workforce representation for various demographics. Providing transparency into these insights supports engagement and accountability throughout our organization. We have also elevated cultural celebrations to enable employees from around the world to learn about and participate in significant occasions for our peers. Our global awareness months create continuous learning opportunities and strengthen our culture of an inclusive and diverse company.

We also continued our Global Inclusion Council, first established in 2020. The purpose of the Global Inclusion Council is to provide internal advising on our diversity, equity and inclusion strategy at global, regional and functional levels. Council members are

representative of different regions, backgrounds, areas of expertise, gender identities and community outreach experiences. The Council is building a number of initiatives including a call to action for employees and advancing diversity in leadership positions.

### Employing people with disabilities (PwD)

We employ over 1,300 people with disabilities across all of our sites including individuals with hearing, speaking, sight, intellectual development and physical impairments and are actively working to expand that number. We also celebrate these individuals and their unique contributions. During our global People with Disabilities Awareness Weeks, over 25,000 employees participated in over 200 initiatives across 49 sites from several countries. Together, over 6,000 hours of volunteering benefited non-profits dedicated to increasing awareness and taking action in advocating for persons with disabilities. Internally, over 84 awareness training sessions were conducted.



## Job shadowing day in Singapore

In collaboration with SG Enable, a government agency dedicated to enabling persons with disabilities, and Pathlight School, we hosted a virtual job shadowing day for students in special education (SPED) schools aged 15 to 18 years old. We arranged hands-on activities for students to assemble parts and packaging of products alongside Flex employees. This was a great opportunity to give a glimpse into Flex's inclusive environment for employees and connect with local organizations.

## Employee resource groups

In 2021, we grew the number of Employee Resource Groups (ERGs) that we had in the previous year to a total of eight. The ERGs offer a safe, inclusive environment for employees to connect on shared interests and build communities. Each of their individual brand identities provide visibility for existing and future employees, as well as heighten the platform to amplify the voices of our underrepresented communities. Our ERGs are described below.



The focus of the Asian Pacific Flex Network (APFN) is to foster a spirit of belonging and pride for employees of Asian descent. The APFN also supports the overall workforce by raising awareness on issues of discrimination. Through global networking activities and local community events, the APFN encourages career advancement and allyship for all. In 2021, APFN hosted several virtual tours of Asian countries, sharing photos and stories of the vibrant and differentiated Asian cultures around the world. In addition, the ERG hosted many celebratory educational events for the global workforce, including “The Wedding Month” in June, where participants were encouraged to share the wedding customs and traditions followed in their native countries.



The Black Flex Network (BFN) cultivates a community that embraces diversity while encouraging a collective sense of belonging. Through education and shared experiences, BFN seeks to develop the next generation of leaders and foster an inclusive work environment. During Black History Month, BFN led a series of global webinars that focused on, among many topics, recognizing the achievements of Black historical figures and the relevancy of the legacies they left behind, educational institutions in the black community, advances in the employment gap, and one unique webinar, “Black Joy,” where the Zoom platform allowed employees from all sites to listen and dance along to afro-beats. BFN continually seeks to engage local communities to advance social justice and influence positive outcomes for Black youth.



Flex PRIDE is a designated space for the Flex LGBTQ+ community and celebrates all individuals and their identities to promote equity for the entire workforce. The mission of the PRIDE ERG is to create a place where people can come together with respect, celebrating our individuality and unique differences, while speaking to our common strengths and building equity for all. PRIDE welcomes everyone from the LGBTQ+ community and allies to advocate for supportive employment opportunities and a greater sense of belonging. In 2021, the ERG had the pleasure of hosting activities that centered around the importance of allyship, creating psychologically safe spaces and working to remove bias and stigma in the workplace.



LatinX advocates for culture awareness and professional advancement for the Hispanic and Latino community at Flex globally. Because of the company’s dispersed global footprint, this ERG organizes volunteer activities, external partnerships and networking events at the regional level to promote equal opportunities for the community. Together, we observed Hispanic Heritage Month in October. Globally in 2021, the ERG focused on engagement and growth by connecting with fellow ERGs and NGOs as well as forming five LatinX site groups in Aguascalientes, Guadalajara, Austin, San Jose/Milpitas and Sorocaba. Internally, members globally volunteered and hosted panels such as the “Intersection of Workplace and Diversity.”



People with DiversAbilities enhances our inclusive working environment across the entire workforce. PwD is focused on advocacy, learning and career development opportunities. Across Flex, we are working to improve the development of inclusive spaces and advance our commitment to equal opportunity to compete for jobs, whether individuals identify with a disability or not. Each year, the ERG celebrates World Down Syndrome Day, World Autism Awareness Day and “Purple Day,” an international day dedicated to epilepsy awareness, and in 2021, our Zhuhai site hosted a walkathon for disability awareness week. Last year, the ERG also hosted a mental health seminar which gave attendees accessible and actionable steps to help combat negative feelings.



The Veterans at Flex and its allies promote veteran talent through engaging with transition assistance advisors and supporting veterans entering new fields. The group also provides a safe space to share ideas and grow from each other’s experiences. In 2021, we celebrated Veterans Day by hosting a career Air Force officer and former Joint Chief of Staff for a conversation on service and leadership lessons from the military. The ERG also continues to create accessible resources for its members including spreading awareness about local veteran promotions and offers such as free vaccination programs.



Women in Flex (WIF) is an ERG dedicated to advancing gender equality across the workforce and accelerating female advancement. WIF leverages Flex’s global network to advance leadership skills through education and career development activities. In 2021, both Women in Flex and Women in Tech lead Women’s History Month celebrations, with thousands of employees at sites from all regions engaging in skill-based learning sessions and community involvement. Employees learned from several ERG-led webinars, including our Emotional Well-being webinar, a skills-building session on ‘Creating Executive Presentations’ and a webinar titled “Women’s Leadership, Achieving and Maintaining Excellence.” In line with this year’s theme, we’re proud to have hosted two “BreakTheBias” CEO panel sessions held with Flex women around the world.



The core focus of Women in Tech (WIT) is to create leadership opportunities for women entering and progressing in the technology and engineering profession. Through education and community, women have a platform to influence their career development trajectory. In 2021, WIT offered 150+ events and 30+ training sessions centered around culture, career, community and professional development. Some activities were in partnership with organizations like [Women in Automotive](#) that provides access to a global network of women across the Automotive industry or others like Laboratoria, offering talent assessment and training protocol for the She+Tech program. Scaled from Brazil to Mexico, She+Tech aims to recruit and develop women in IT functions. Launching in 2021, Women in Flex and Women in Tech co-sponsored an “EmpowerHer” talk series to help women navigate challenges in the workplace and share powerful success stories.

# Labor practices

We care for our workforce and invest in their growth by applying a learn-and-adapt mentality that empowers them to gain new skills and knowledge. We treat our team members with the utmost respect, dignity and care and promote human rights, holding ourselves to the highest standards.

## Flex 2030 goal progress: labor practices

### GOAL

Ensure 100% of our employees have access to emotional / mental health programs by 2023

### 2021 PROGRESS

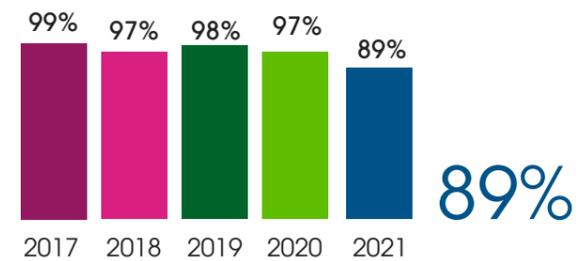
100% of employees had access to emotional / mental health programs in 2021<sup>4</sup>

## Key performance indicators: labor practices

### % OF SITES COMPLETING RBA FACTORY OF CHOICE AUDITS<sup>4</sup>



### % OF EMPLOYEES THAT COMPLIED WITH THE RBA REST DAY REQUIREMENTS<sup>2,3</sup>



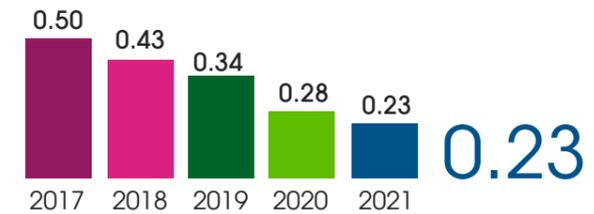
### GOAL

Target an average of 40 hours of training & development annually per employee by 2025

### 2021 PROGRESS

We provided 27 average hours of training per employee in 2021<sup>1</sup>

### INCIDENT RATE<sup>3</sup>



<sup>1</sup> Rate may include duplicate employees due to local systems of sites.

<sup>2</sup> In 2021, hourly production workers in China, Mexico, US, Brazil, Indonesia, Malaysia, Singapore, Japan are covered.

<sup>3</sup> In 2018, the KPI and target were re-calculated due to our divestment of Multek. Change was reflected from 2014 onwards.

<sup>4</sup> Flex previously tracked FlexPledge audits, prior to the introduction of our Factory of Choice certification goal in 2021

# Employee development

At Flex, our culture is led by the dedication, unique perspectives and incredible talent of each of our employees. We have built a strong foundation of purposeful execution, which we leverage to attract, develop and retain extraordinary talent.

We cultivate a respectful, inclusive and collaborative environment with opportunities to make a difference and thrive. Our strategy for employee development is to incorporate learning into the flow of work, and we seek to make learning accessible and convenient for employees to engage and ensure that their experience is impactful. Our people-leaders are also empowered to collaborate with their employees to guide development and training opportunities. In addition to our regional training, which focuses on job-specific and compliance education, we also provide people skill training, including on topics such as leadership, presentation skills, and effective communication.

We are invested in helping our employees reach their full potential through professional development opportunities. For our direct labor employees, we provide handouts and print materials alongside on-the-job training using the tools they have access to. Leveraging educational experiences, meaningful work assignments and impactful microlearning options, we are able to foster growth that supports a range of engaged learners.

## Learning has no boundaries with Flex Learn

In 2021, we launched Flex Learn, an on-demand 'one stop shop' learning experience platform. The platform provides our indirect labor employees with personalized recommendations and a wide variety of company-specific and third-party learning content. Flex Learn engages our employees through multiple learning styles including self-paced and live.

When employees first login to the platform, they are guided through a process to build their profile and self-assess their skills. Based on these ratings and the identified "focus skills" that they want to improve on, the system will use AI-driven technology to recommend appropriate content. This also helps facilitate development conversations with managers to identify strengths and skills development needed to achieve their career goals. Employees can also use the tool to partner with their managers to receive input on their skills, training recommendations and more. The social learning features of the platform enable our learners to share resources with each other, connect with internal SMEs and participate in a community of practices to enhance their skills development and power our culture of continuous learning. We've made this resource available to our entire workforce in all regions around the globe.

Since the launch of Flex Learn in April 2021, roughly 60% of our employees are actively using the platform and we've surpassed completion of 1 million training items. Our top focused skills are project management, leadership and communication. We plan to further develop the range of available content, focusing on leadership development in the next year.

## Career development for employees

Our annual goal setting, mid-year performance check-ins and year-end performance appraisals provide employees an opportunity to manage their development and career progression. Our people managers also support the growth of their direct reports through ongoing check-ins and feedback sessions. We provide several communication channels for employees to engage with leadership including town halls, all-hands meetings and an annual survey for all employees. Each Flex employee is encouraged to share feedback on how we are doing as a company, discuss employee engagement and identify areas for improvement.



## Flex awarded for Inclusive Leadership Experience

In 2021, our Inclusive Leadership Experience was awarded a coveted Brandon Hall Group's Human Capital Management Excellence Award in the category of Best Results of a Learning Program. This program was an interactive training for the executive leadership team to advance Flex's diversity, equity and inclusion strategy.

## Engaging our employees through Flex Ways of Working

We introduced Flex's Ways of Working to build on our values and highlight our people at the center of everything we do in Flex. The behaviors outline the actions we seek to practice each day to embody our values. Flex's Ways of Working are:

- Respect and value others
- Learn and adapt
- Collaborate and share openly
- Honor commitments

We leveraged our new Flex Learn platform to launch our Ways of Working learning programs, and we continue to develop online learning pathways for managers to collaborate with their team to build knowledge. Using Flex Learn, employees are able to engage in independent learning using videos and articles, then discuss the resources within their teams. We plan to continue providing these resources, expanding the Ways of Working training to all sites and direct labor employees globally.

Additionally, we launched a culture support network (CSN) to further accelerate the understanding and adoption of our Ways of Working. The CSN comprises of culture ambassadors and culture champions, who help facilitate quarterly learning sprints and discussions across the enterprise. The CSN also provides an opportunity for employees to develop their leadership and communications skills.

## Employee scholarship program

For more than 10 years, we have supported our employees with access to life-long learning through our employee scholarship program (ESP). Depending on the specifics of a site and the employee's program, we provide full or partial funding for our employees to receive external education and fulfill credentials including technical certifications, undergraduate and graduate degrees. Our commitment to employee education stems from our alignment with the UN SDGs to ensure decent work opportunities and continuous development for our employees.

# Wellness for our employees

We encourage a culture of health and wellness for our employees to thrive both personally and professionally. Our commitment to the well-being of our employees is evidenced through the programs that provide a range of support options.

- **Employee Assistance Program (EAP):** Our EAP mental health program for the U.S. was expanded during the COVID-19 health crisis to increase the number of covered visits. In 2021, we maintained this coverage, as well as the inclusion of Talkspace, an online therapy platform. Employees can communicate with their dedicated, licensed behavior therapist through text, video or audio messages. Each employee is offered 8 mental health sessions per year. Similar programs were also expanded in EMEA for mental health seminars and online psychological counseling, supplementing government resources as needed. In APAC, we broadened EAP offerings to all facilities which includes training for all employees and individual discussion opportunities.
- **Telemedicine platforms:** Our employees enrolled in our North America wellness program and medical plan have access to telemedicine. This allows employees to manage healthcare needs online, gain knowledge on wellness and communicate with physicians through live video consultation. This improves the accessibility of good health and well-being to our employees at a time when transportation can be a challenge.

## Flex's APAC region accelerates leadership in employee assistance programs

In 2021, Flex Asia provided training, counseling, consultation sessions and events to improve our employees' well-being. The region's focus on employees allowed us to hold over 230 training sessions with over 38,000 participants in 2021. Events covered a range of topics from sleep wellness, parenting and childcare and harmonious family support. Some topics were customized to the employee experience including how to navigate quarantine and the mental challenges with being COVID-19 positive.



## We are honored to be recognized for outstanding corporate well-being and benefits practices

For the second year in a row, our colleagues in China were awarded the Aon Healthiest Employer award in 2021. Selection criteria for the award includes a good company culture, consideration of employee feedback and human resources management. In addition, Flex China won the Top 100 Excellence Employer of China award from 51Job. Our Penang and Johor, Malaysia sites were also recognized for showcasing Flex's values. Our teams in Malaysia were recognized with Gold HR Excellence awards for their diversity and inclusion initiatives. In addition, the sites won Sustainability & CSR Malaysia awards for the third consecutive year thanks to the team's efforts in empowering people with disabilities (PwD), establishing continuous learning programs, spearheading community initiatives and more.

# Fair wages and competitive benefits

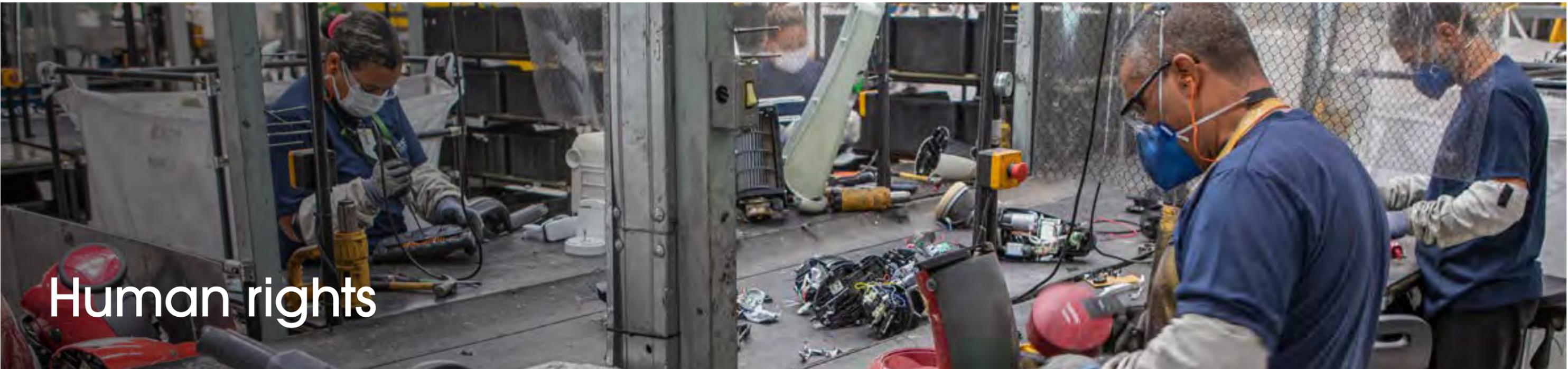
Our employees are the lifeblood of our company, and we strive to reflect this value in our culture and compensation. Our total rewards packages are informed by market data, company results, employee performance, grade-level and location. We closely review compensation at Flex to ensure pay parity and both company management and the Board of Directors are committed to achieving this goal. We aim to provide our employees with support for all dimensions of their lives, including financial security, health and work-life balance.

In 2021, we continued our U.S. parental leave benefits, including both birth and adoptive parents, which offers a leave of up to 8 weeks. We also maintained our expanded infertility benefits in the U.S. for donor tissue freezing to support employees in growing their families on their timeline. The mental and physical well-being of our employees is vital to their success, and we have a range of benefits to support our employees' health, including paid time off.

We seek to advocate for our employees' best interests and have great success working with them directly around the globe; we also respect our employees' right to freedom of association. This includes the right to form and join or refrain from joining trade unions or other worker organizations. Approximately 57% of our employees around the globe participate in collective bargaining agreements. In all situations, Flex fully complies with all applicable laws and regulations at the sites in which we operate.

## Improving the financial health of our employees

We seek to empower our employees to make financial decisions that are good for them and their families. Our employee-funded bank, directly translated as "Savings Box" and initiated at all Flex Mexico sites in 2020, provides employees with easy access to competitive savings accounts and loans. By the end of 2021, 63% of Flex Mexico employees were enrolled in the bank. In 2021, Flex added an "express" loan option where employees are able to receive funds within one day and can conveniently make payments in the following pay period. Currently, there are up to 1,000 requests on a weekly basis for the express loan across all our Mexico sites. In the coming years, we aim to expand this program to Brazil and the U.S. in locations with significant financial hardship.



# Human rights

We believe it is imperative to maintain human rights of all workers in our value chain, and to treat them with respect and dignity as understood by the international community. In implementing our robust social management system, we are able to demonstrate this commitment to human rights in each of our operations around the world. We are active participants in globally recognized external initiatives, such as the Global Business Initiative for Human Rights, the [UN Guiding Principles on Business and Human Rights](#) and the [RBA](#). Flex is working toward the elimination of forced labor in high-risk regions, including parts of Asia and Americas, by conducting risk assessments and performing due diligence activities. At sites that we have identified as potentially high-risk of forced labor, we mitigate these risks through employee relations programs.

## Labor rights and working hours

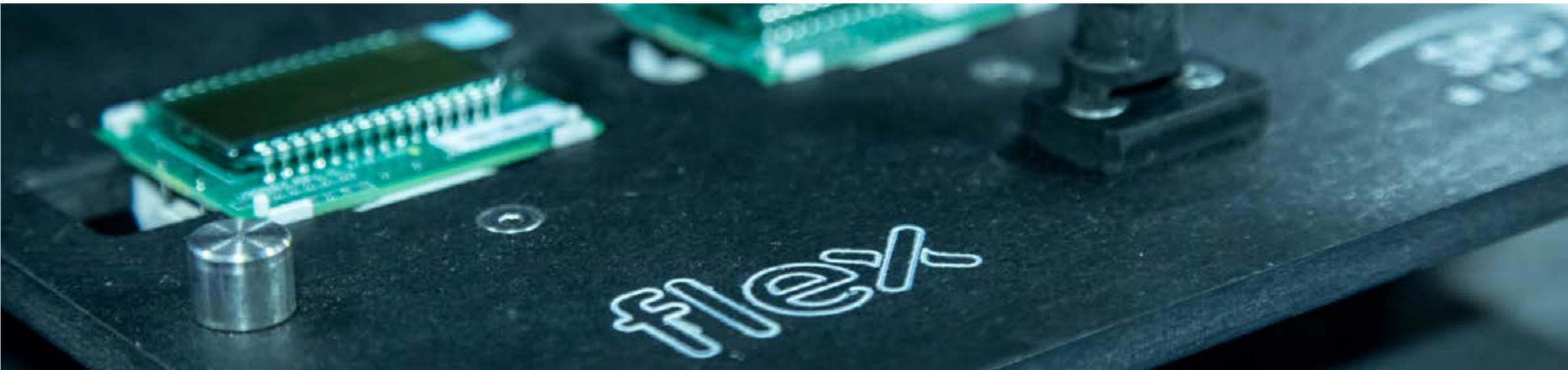
In order to support our effort in combating forced labor, in 2021 we created a migrant worker procedure guide that is a resource for hiring managers who employ migrant workers. These guidelines provide helpful processes in areas such as assessing agencies and making sure that contracts are provided in native languages. We are currently piloting our migrant worker procedure guide in Malaysia for our HR team to deploy, which serves to provide a guideline for the direct labor recruitment of migrant workers in a way that upholds human rights and ensures consistency with the RBA.

This year, we reviewed and updated our HR policy on human rights. Additionally in 2021, we have automated our HR assessments at sites to align with the Responsible Business Alliance's Self-Assessment Questionnaire (SAQ), which also enables site representatives to efficiently and systematically refer back to previous year assessments to visualize improvements over time. The automation of our HR assessments allows us to have greater visibility, recognize opportunities for improvement and support the creation of action plans.

In our effort to assess sites and leaders' ethics and compliance performance, we've completed integrated compliance scorecards at 50 sites and functions and aim to complete 60 by the end of FY22. More information about our integrated compliance scorecards can be found under the "Integrated Compliance Scorecards" section of this report. We are on a five-year plan to be independently evaluated as having a world-class ethics and compliance program by 2025 and are excited to have completed the first assessment with the program this past year.

We continue to monitor and work to resolve the issue of excessive working hours because it is an area of concern in our industry. Flex's policies do not allow employees to work over 60 hours per week or the local limit, whichever is considered lower. We have partnered with various stakeholders, including electronics manufacturing services (EMS) companies, original equipment manufacturers (OEMs), academia, NGOs and governments, in order to make progress towards solving this issue of excessive working hours. Additionally, we are a part of the RBA Task Forces on the UN Guiding Principles, Trafficking and Forced Labor, Transparency and Environmental Compliance. It is important for us to collaborate with a broad group of stakeholders to effectively combat the issue of excessive working hours.

For the last four years, we have provided a Human Rights Policy micro-learning course, with the objective of highlighting this policy for new employees. The training was made available in 15 languages, and by the end of 2021, 100% of our manufacturing and logistics facilities delivered the training to more than 95% of our employees and have integrated it into their orientation materials.



### Industry-wide action for human rights

Because we are an active RBA member, we evaluate our operations against the RBA Code of Conduct using a self-assessment process followed by audits. The RBA Code of Conduct ensures that we are compliant with respect to many human rights risks, including forced labor, underaged labor, working hours, discrimination, freedom of association and harassment. Each year, several of our facilities have on-site compliance audits conducted by independent third parties in accordance with the RBA's Validated Assessment Program (VAP). Given that the VAP program is the leading standard for on-site compliance verification, we are proud that we continually add sites to the RBA Factory of Choice level, where VAP scores are above 180.

We conduct pre-audits prior to the RBA's required audits using the RBA standards to identify gaps and follow up with action plans to help our sites better prepare for the audit. We take the time to prepare sites for these audits by focusing on these standards a few weeks to a few months in advance. It is our goal that by 2025, all of our manufacturing and logistics sites will be at the RBA Factory of Choice level. Also in alignment with RBA, we audit our preferred suppliers through a well-established program which provides an opportunity to ensure our partners are also compliant with environmental and social requirements. For more information concerning our work with our

preferred suppliers and sustainable management of our supply chain, please see the [Supply Chain Management](#) section of this report.

Flex believes and stands by the responsible sourcing of minerals in our products and are participants of the [RMI](#). This participation allows us to reduce our sourcing in conflict regions throughout the electronics industry. We have supported the examination of cobalt, mica and other substances of concern for industry action through our work on the RMI's Sensing and Prioritization committee.

It is our duty to uphold and respect the human rights of all people in our operations, communities and value chain. In doing so, we are in alignment with the United Nations' Guiding Principles on Business and Human Rights and continue to support the Responsible Labor Initiative ([RLI](#)), aimed at eradicating forced labor from supply chains, and are a member of the [GBI for Human Rights](#). We clearly and regularly communicate expectations with our suppliers and business partners and have established internal controls. It is through our industry-standardized policies, training and auditing that we are able to quickly assess situations that may arise.



# Our approach

We take pride in our strong corporate governance and ethical management systems throughout the past 50+ years. We are regularly strengthening our practices with robust risk management, ethical business oversight and performance-related compensation programs in order to ensure accountability to our shareholders, customers, employees and communities.

Corporate governance and board of directors



Integrity, ethics and compliance



Data protection and cybersecurity



Customer partnerships



Supply chain integrity





# Corporate governance and board of directors

## Flex 2030 goal progress: governance

### GOAL

**Continue to maintain high (top quartile) governance standards as measured by investors, proxy advisory firms and governance best practices.**

### 2021 PROGRESS

**During 2021, we conducted governance shareholder outreach and received positive feedback on our governance program. Our governance scores remain very high. During 2021, Institutional Shareholder Services (ISS) consistently awarded Flex its highest overall governance quality score rating.**

Demonstrated by our ongoing commitment to sustainability, we understand the importance of a strong foundation for governance. Responsibility, sustainability and good judgment are core business values that support decision-making for each and every employee at Flex, members of management and directors on our board. These core values, coupled with an engaged and collaborative Board of Directors, leads to our success. We realize the current and future impacts of climate change and accept our shared responsibility as a global company to address and mitigate its effects to the best of our ability.

Our Board of Directors engages in an annual review of Flex's sustainability program, which includes updates on our ESG efforts, and participates in an annual ESG director education session. Our Nominating, Governance and Public Responsibility Committee oversees Flex's sustainability risks and remediation efforts, including our corporate environmental and social policies and programs with respect to human rights, climate change and risks. The Nominating, Governance and Public Responsibility Committee also helps shape our ongoing ESG strategy and reviews emerging ESG issues for Flex's consideration. Our Compensation and People Committee also periodically reviews Flex's human capital management strategy, including corporate culture, diversity, equity and inclusion initiatives and high-level talent attraction, retention and training programs.

### Internal committees and governance alignment

Within Flex, we have a Corporate Sustainability Leadership Committee, which is a cross-functional group composed of global leaders throughout the company, including our CEO, who represent key functional areas with responsibility for sustainability efforts, including operations, human resources, supply chain, legal, account management and communications. This committee meets quarterly to share information across teams within Flex who are directly responsible for managing and implementing sustainability initiatives. Through this collaborative

approach, we are able to discover and define opportunities and create a holistic approach to our ESG strategy and implementation.

At each of our manufacturing and logistic sites, one functional sustainability team is led by the site's general manager. These sustainability teams are comprised of leaders from operations, customer account management, and other regional departments, and are responsible for developing and implementing corporate standards and tools, monitoring performance, capturing and addressing customer requirements and verifying that our programs are operating successfully.

We align our sustainability efforts with globally recognized organizations, frameworks and initiatives, including the [UNGC](#), that contribute to broader calls to action and collective progress toward a healthier and sustainable future. This past year, we joined the Science Based Targets initiative, and through joining such an initiative, we have adopted greenhouse gas emissions reduction targets necessary to meet the Paris Agreement goals, including limiting global warming to 1.5°C above pre-industrial levels. We measure the strength of our programs, disclosure and progress with the use of external benchmarks, including State Street's "R-Factor" score for responsibility and ISS's governance quality score.

# Integrity, ethics and compliance

## Key highlights

98%

98% of our employees completed the Code of Business Conduct and Ethics (CoBCE) refresher online training

1,255

We remedied 1,255 hotline reports, addressing a variety of issues through guidance, review and/or investigation

50

We completed 50 Integrated Scorecards, ensuring the highest standards in our manufacturing operations and corporate functions

<sup>1</sup> Does not include individuals who have recently joined us through acquisitions, employees on leave of absence and direct labor.

<sup>2</sup> Information on the total number and percentage of business partners to which the anti-corruption policies have been communicated is currently unavailable.

## Flex 2030 goal progress: ethics

### GOAL

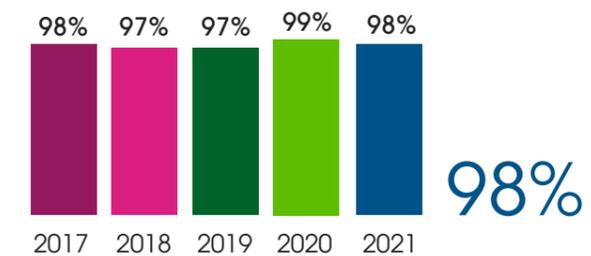
**Be independently evaluated as having a world-class ethics and compliance program by 2025**

### 2021 PROGRESS

**In 2021, we initiated benchmarking activities to get a firm and accurate baseline performance to measure and report our progress against.**

## Key performance indicators: ethics

### % OF EMPLOYEES COMPLETING CODE OF BUSINESS CONDUCT AND ETHICS ONLINE TRAINING<sup>1,2</sup>



We are committed to doing the right thing always. We live our values through operating with integrity, mutual respect and accountability.

### Ethics and compliance

We are steadfast in doing what is right. We hold ourselves to the highest ethical standards and expect the same from each of our valued stakeholders. Our behaviors and decision making are guided by our vision and values, and are compliant with laws and regulations. We provide regular training, education, communication, assessments and audits to ensure stakeholders understand the importance of doing what is right and are performing in line with our standards. We are dedicated to continuous improvement by setting targets and measuring our progress with regular KPIs. It is our ongoing responsibility to ethics and compliance that helps us earn and retain the trust and business of our customers, partners and investors, while fostering a transparent and honest culture that reflects our core values.

### Code of business conduct and ethics

Our [Code of Business Conduct and Ethics \(CoBCE\)](#) is designed to guide the behaviors and decision making of our employees, Board of Directors, contractors, consultants, suppliers and all who do business with us and our subsidiaries. The CoBCE prohibits unethical behavior such as conflicts of interest, kickbacks or bribery, and mandates compliance with the laws of the countries in which we do business. Our CoBCE, which maintains full alignment to the [RBA's Code of Conduct](#), is reviewed periodically, and all notable updates are approved by our Nominating and Governance Committee, Chief Ethics and Compliance Officer and the executive sponsors. All employees are required to participate in regular training on CoBCE principles, with a particular focus on updates that have been made during these annual reviews. We ensure that the CoBCE is made accessible to all of our stakeholders - it is currently available in 20 languages on our internal and [external](#) websites.



### Our corporate compliance program

Flex Corporate Compliance program helps integrate our commitment to ethics and integrity into our day-to-day business practices. This program links teams and activities through a common management system that is designed to identify risks, prevent violations of company policies and maintain conformance to regulatory requirements and laws. Led by our Chief Ethics and Compliance Officer, compliance directors and subject matter experts across our company, the program ensures the management, maintenance, monitoring and continuous improvement of our internal control system, including policies, procedures, training and communication, risk assessment, root cause analysis and remediation.

### Our ethical culture

We are always striving to be a trusted partner in global technology, supply chain and manufacturing solutions. In order to gain the trust of our customers, employees, suppliers and business partners around the world, we show up every day with doing the right thing at our core. Because of this, all employees, officers and directors of Flex are expected to not only understand but show through their actions how they live the CoBCE and our specific compliance policies. We believe that through strong leadership, regular training and a culture of transparency, we can identify risks and prevent violations of company policy, regulatory requirements and laws.

In our training, we utilize a combination of in-person and online learning, leadership conferences, regional staff meetings and site-level trainings. Additionally, we collect feedback from our employees through periodic global surveys, which are used to assess our ethics culture and provide input about key training topics.

It is important that our executive management lead by example and communicate in meaningful ways to employees. Our CEO and senior leadership team regularly communicate messages on business ethics and compliance at employee all-hands meetings and in relevant stakeholder group settings. We also maintain internal ethics and compliance online resources and share our newsletters that address relevant ethics issues, program improvements and policy updates.

### Integrated compliance scorecard

In an effort to assess managers' and leaders' ethics and compliance performance, in 2021, our ethics and compliance team implemented an integrated compliance scorecard program for our manufacturing

sites and corporate functions. The scorecard considers key data sources and systems, including ethics hotline reports, employee-engagement surveys, fraud risk/culture surveys, and other available data. This comprehensive assessment is provided by site and function, where leaders review their assessments, identify risks, provide a self-score and implement action plans to address them.

We are excited that through these scorecards, leaders are provided with critical feedback on the ethics and compliance performance of their site or function, which allows them to create stronger and more specific improvement plans. In addition to the performance data, the scorecards provide insight into developing trends and issues for further exploration. This awareness of emerging ethics and compliance issues allows leaders to embed program principles into the business by using a strong "tone at the top" messaging and identify opportunities for ethics and compliance improvements in their teams. This scorecard initiative is a big part of our CEO's overall strategy to improve our culture across all teams.

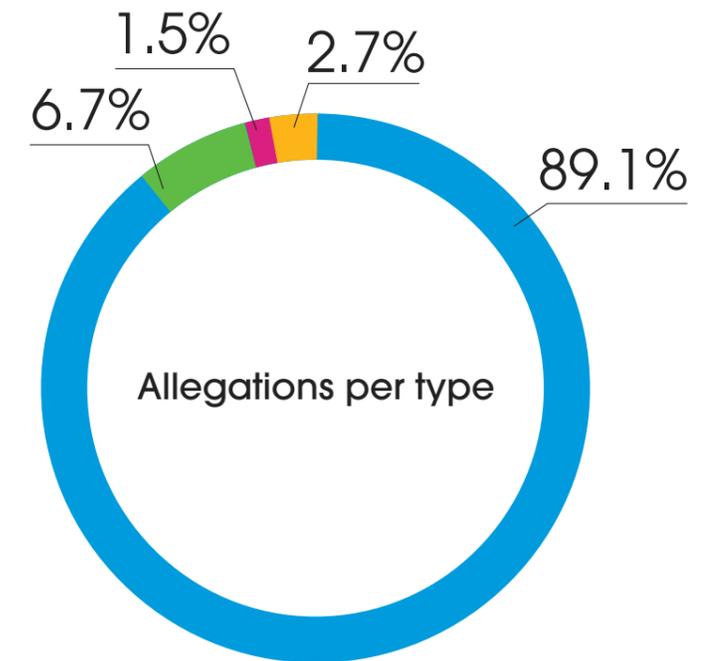
### Raising concerns

We work to ensure that all employees feel comfortable, confident and safe in raising issues and concerns in their workplace, as well as through the investigation and remediation process for reported issues. Our CoBCE and our anti-retaliation policy serve to protect all employees and their anonymity, as well as encourage our employees and business partners to know that if they report a concern, it will be handled promptly and with kindness and privacy. It is important that we encourage employees, partners and other third parties that work with us to report concerns or suspected compliance or ethical violations through our many reporting channels: email, web-based reports, toll-free hotline phone numbers, direct communication to management and Board of Directors, our human resources team, or our legal team. Our reporting system, Ethics Hotline, is accessible 24/7, in nine languages and can be accessed anonymously. Concerned parties can access it online or by phone via toll-free numbers provided at [www.flexethicshotline.com](http://www.flexethicshotline.com).

Ethics cases are handled by our corporate ethics and compliance team and investigated by cross-functional investigators, including members from different functional areas: brand protection and security, human resources, health and safety and legal. All cases follow a formalized process of intake review and are then directed to the appropriate team for investigation and remediation, as needed. Each case is tracked from

report submission to closure so that metrics are recorded and able to be reported quarterly to the executive sponsors and the audit committee of our Board of Directors. In 2021, we addressed 1,255 reported cases – an increase of approximately 20% compared to 2020, however, this figure is consistent with the average volume prior to the COVID-19 pandemic.

Because the pandemic has impacted our ability to travel to sites to investigate cases, we have come up with new and innovative ways to report, investigate and monitor the compliance of facilities. In 2021, we began providing more remote tools for reporting to our Ethics Hotline portal. For example, we have updated our Ethics Hotline (Integrity) posters in our facilities to include a QR code for users to quickly scan in using their mobile phones for easier access to the reporting platform. We believe that by making reporting easy and accessible, we will have the opportunity to resolve more issues as they arise, creating a safer work environment for our employees.



- Employee relations
- Environment, health and safety
- Business integrity
- Misuse and misappropriate of corporate assets



# Data protection and cybersecurity

We understand the important role we play in the ethical, responsible and compliant management and protection of personal data. At Flex, we have taken care to create robust organizational, contractual and technical measures to ensure the privacy and security of all personal data collected, stored and processed is done so in accordance with applicable data protection laws. Our information security program is focused on defending us against modern threats, complying with customer requirements and preserving the safety and integrity of all sensitive data.

Our ongoing strategy for information security includes three pillars of cyber resilience:

- Regular cyber hygiene to provide the fundamentals of protection
- Continued conformance to increasing customer expectations
- A robust response protocol to ensure that threats are swiftly detected, contained and addressed

We are committed to continuously improving our cybersecurity program. In 2021, we updated our cybersecurity data incident response plan and policy, improving our preparedness for incident responses. Two new functions were created in order to build out our team, the business chief information security officers, whose responsibility is

to build trust with customers, and a dedicated cyber engineering group, whose key responsibilities are to build a new engineering concept for cybersecurity and build cybersecurity resilience.

As we continue to cope with the impacts of COVID-19 and support a hybrid-remote model for our indirect labor workforce, we conduct continuous assessments for how our working environments affect the way we protect and manage our data. We are improving our end-point management and management of digital assets security for remote and hybrid workers, while implementing new controls to support our Industry 4.0 initiatives. In order to protect our employees and improve our vaccine accessibility measures, we also gathered global employee vaccine data, in full compliance with applicable laws.

We have registered binding corporate rules (BCR) that form the basis for cross-border, intra-group data processing and function as a compliance code for the proper handling of data. In 2021, we submitted our UK BCR in compliance to new UK law. Flex's use of personal data is limited to only permissible and legitimate business purposes. We have and continue to assess permissible and legitimate business purposes and the measures which we take, against the additional measures highlighted by the European Data Protection Board (EDPB) in its guidance on the Schrems II judgment of the Court of Justice of the European Union. We are proud

that we have also been able to update our standard contractual clauses in accordance with the latest legal requirements in the EU in the past year.

Our goal is to have global data privacy competency and unwavering compliance with all applicable data privacy regulations, including the General Data Protection Regulation (GDPR), the Brazilian General Data Protection Law and the California Consumer Privacy Act, and we closely monitor the regulatory landscape for upcoming changes in laws around the world. In 2021, we received no substantiated complaints regarding data privacy breaches.

# Customer partnerships

We value our opportunities to engage with our customers and explore opportunities to deepen our progress on ESG-related issues. Using customer surveys, business reviews, materiality assessments and regular collaboration we are able to gain understanding of our customers' vision to drive success. Our engagement strategy provides opportunities to align on sustainability goals where we can collaborate to make industry-wide impact. An example is through our science-based targets as we strive to lower our industry's greenhouse gas emissions in partnership with our customers and suppliers. We recognize that our emissions reduction goals are interdependent. Therefore, we have invited our customers to join this journey with us. As trusted partners with both our suppliers and customers, we leverage frameworks such as TCFD and CDP to share knowledge and best practices and accelerate sustainability throughout the value chain.

## Flex 2030 goal progress: customers

### GOAL

**Commit that 70% of our customers as measured by emissions covering purchased goods and services, capital goods and use of sold products will have science-based targets by 2025**

### 2021 PROGRESS

**48% of specified customers had science-based targets in 2021.**



# Suppliers key highlights

## 8.67%

Our supplier due diligence assessment increased by 8.67% compared to the previous year, totaling 2,419 completed social and environmental assessments.

## 7k+

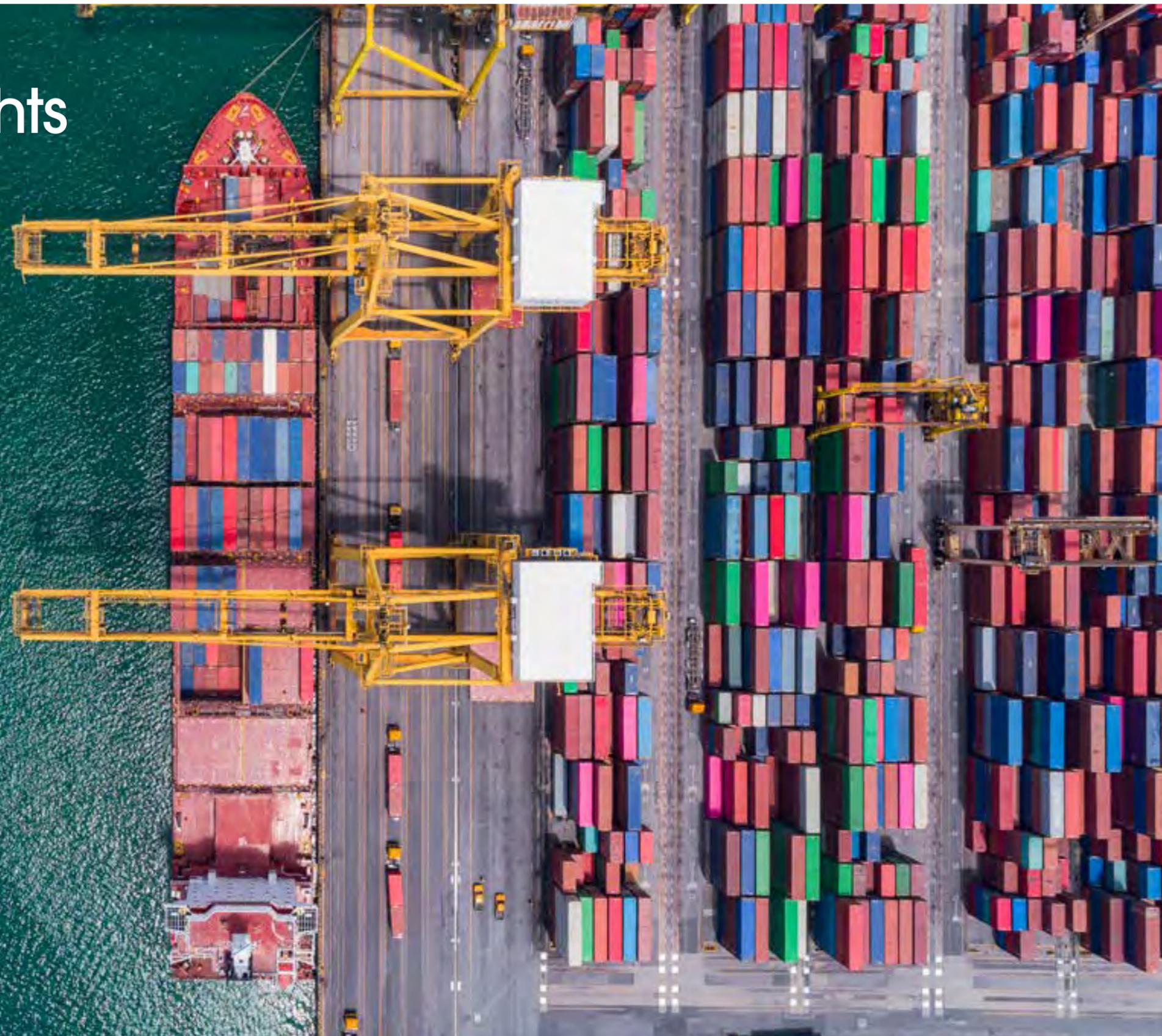
Since 2017, we have screened 7,192 suppliers, using a tool provided by the RBA that integrates global risk analytics.

## 100%

We screened 100% of our new global suppliers using social and environmental criteria.

## 69k+

We have collected and monitored 69,471 workers' working-hour records since 2010.



## Flex 2030 goal progress: suppliers

### GOAL

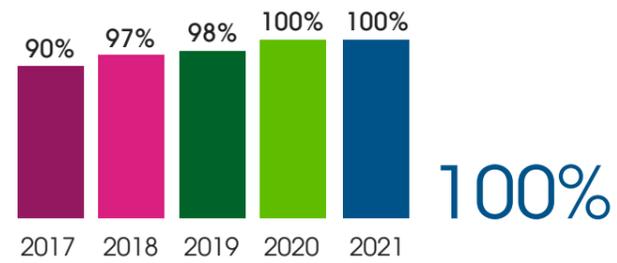
Commit that 50% of our 'Preferred Suppliers' will set their own GHG emissions reduction targets by 2025 and 100% by 2030

### 2021 PROGRESS

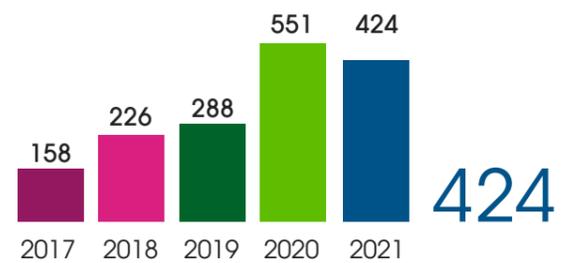
In 2021, 29% of our preferred suppliers set their own GHG reduction targets. This accomplishment puts us at 57% towards our 2025 goal, and 29% towards our 2030 goal.

## Key performance indicators: suppliers

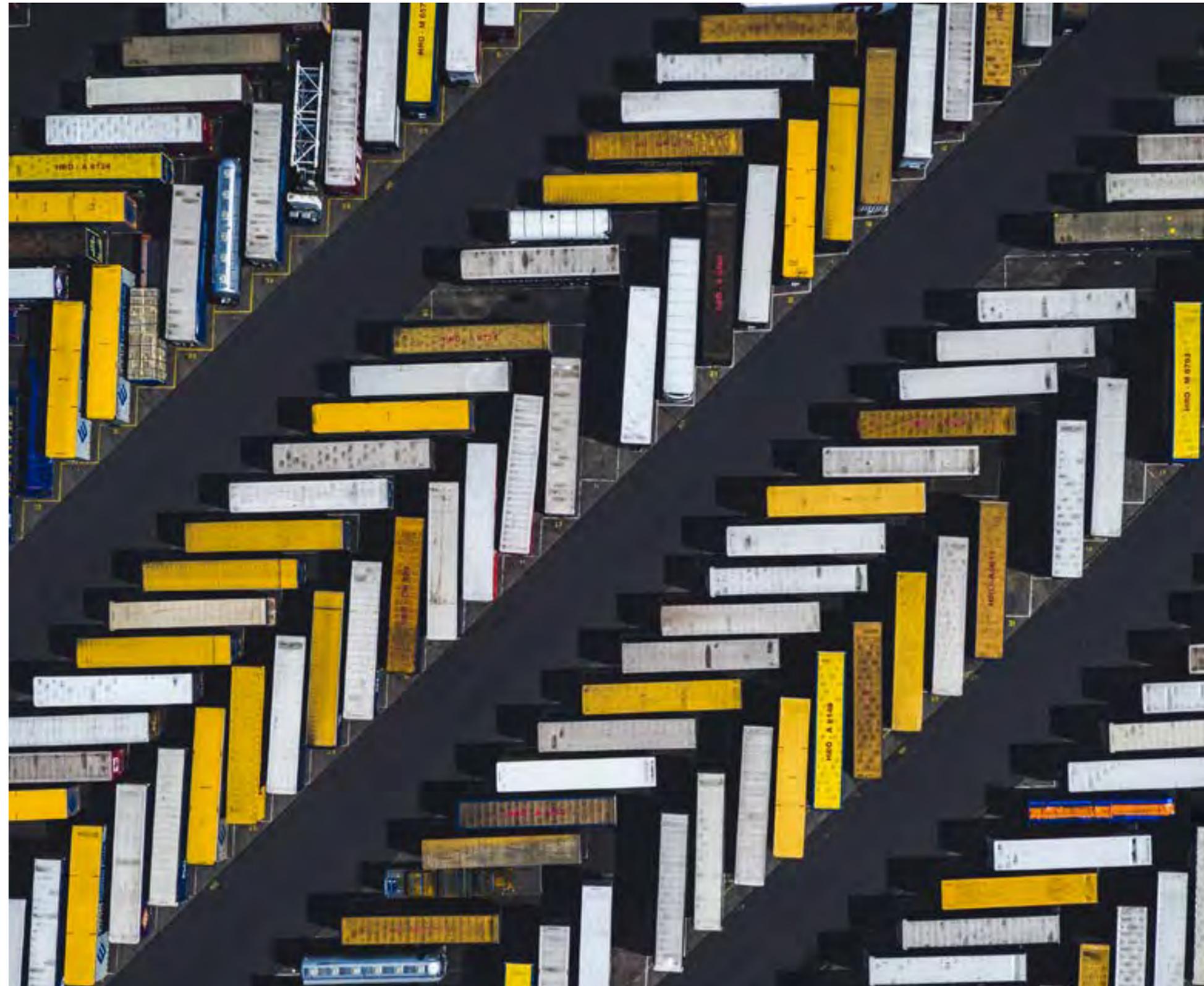
### % OF NEW SUPPLIERS SCREENED USING SOCIAL AND ENVIRONMENTAL CRITERIA<sup>1</sup>



### NUMBER OF SUPPLIERS TRAINED ON SOCIAL AND ENVIRONMENTAL / RBA REQUIREMENTS



<sup>1</sup> Includes only global suppliers, local suppliers are excluded from this goal





# Supply chain integrity

In the face of increasing uncertainty and disruption, our diverse supply chain network, paired with our breadth of experience and expertise, enables us to scale production, manage regional trade and manufacturing dynamics, and minimize risk. Together with our customers and our trusted supply chain partners, we can sustainably build and deliver products that improve the world.

## Building resilient supply chains

### 1k

~1,000 customers – each with unique supply chain requirements

### 25k

25,000 purchase orders executed daily

### 10k

10,000 supply chain professionals employed by Flex

### 1M+

More than a million parts managed

### 16k

16,000 suppliers committed to safe and responsible working practices

### 200+

Streams

# Supply chain management

Part of our mission is to make products that contribute positively to the world and steward sustainable manufacturing and operations practices to minimize environmental impact. Our suppliers play a critical role in not only helping Flex deliver on our commitments, but also advance our ongoing sustainability journey.

We adhere to ethical and professional standards, in alignment with the [RBA requirements](#) and our [supplier requirements](#). The topics covered in these standards include: freely chosen employment, anti-slavery and anti-human trafficking practices, working hours, forced labor, wages and benefits, human rights issues like child labor, conflict minerals, ethical conduct, freedom of association, health and safety, environmental protection and more.

Each of our suppliers is required to have strong management systems established to protect the continuity and effectiveness of social and environmental activities, as well as mitigate potential risks. We employ due diligence to ensure these systems are effectual and well-maintained. We aim to leverage the magnitude of our supply chain to drive beneficial practices in our industry.

Our well-established program for auditing preferred suppliers provides an opportunity to ensure our partners are compliant with environmental and social requirements. These audits are in alignment with the RBA and incorporate requirements from our customers, as well as our own rigorous standards.

We continuously keep pace with the changing landscape of customer expectations. In 2021, in line with our customers' increased focus on forced labor and human trafficking, we created training materials to discuss our policies, activities and standards, which are reviewed consistently and updated based on global regulations and industry trends.

While the COVID-19 crisis brought many challenges, the pandemic provided new perspectives and helped us understand our capacity to maintain progress in the face of adversity. We institutionalized new processes that will promote resilience throughout the value chain and

can be scaled across the globe. We are preparing to translate lessons learned to other business continuity measures throughout our organization.

## Emissions reduction in our supply chain

We aspire to leverage our position in the value chain for good, share knowledge as well as best practices, and create opportunities to collaborate in the spirit of sustainability. To do so, we have created a GHG reduction initiative as part of our broader supplier sustainability program. This GHG reduction initiative provides an opportunity for us to partner with our preferred suppliers to help us achieve our science-based targets. We are leveraging CDP's climate change questionnaire to guide our suppliers in managing their environmental impacts and setting measurable goals for improvement. To enable our suppliers' success on this journey, we are providing webinars and one-on-one meetings to build their capability through knowledge sharing on how to calculate emissions and set achievable goals. Our goal is to have 50% of our preferred suppliers set emissions targets by 2025 and to reach 100% of our preferred suppliers by 2030.

### 60%

of our preferred suppliers have publicly disclosed operational emissions

### 29%

of our preferred suppliers have publicly disclosed GHG emissions reduction targets

### 7%

of preferred suppliers have a renewable energy target



## Flex recognized for multiple sustainability supply chain leadership awards

We are honored to be named a [2021 CDP Supplier Engagement Leader](#) for the work on measuring and limiting GHG emissions across supply chain. This is the first time we have been recognized for this work. Flex earned this distinction following CDP's assessment of performance on supplier engagement using our response to selected questions on governance, targets, scope 3 emissions and value chain engagement in the CDP climate change questionnaire.

We have also received the Supply and Demand Chain Executive's [2021 Green Supply Chain award](#), which celebrates those in the industry that not only kept up green initiatives throughout a global pandemic and unprecedented disruptions, but also made them a priority.

"We strive to use our position, as a diversified manufacturer, in the value chain for good by collaborating, educating and sharing our best practices and experiences with suppliers so they can be part of this journey. We're excited to share that we have launched our supplier sustainability greenhouse gas emissions reduction program and are making good progress. Through working with CDP Supply Chain, a portion of our suppliers have disclosed their environmental information, and we look forward to growing this number."

DAVID GESSLER, VP OF PROCUREMENT & SUPPLY CHAIN MANAGEMENT

## Environmental packaging improvements

We continue to improve the sustainability of our packaging to use less material in order to minimize water and emissions. We have identified returnable packaging as an opportunity to reduce disposable packaging and support our environmental initiatives. In 2021, Flex participated in a [case study](#) with the MIT Center for Transportation and Logistics to demonstrate the state of the supply chain in 2021, emphasizing the momentum of sustainability that companies are seeing in their supply chains.

## Supplier assessments and on-site audits

We complete regular due diligence for our suppliers and labor agencies to mitigate potential risks and review sustainability performance. Our social and environmental assessment consists of six sections: labor, ethics, labor and ethics management system, health and safety, environmental, and EHS management system. Our supplier quality team also incorporates social and environmental criteria into its supplier management processes and policies, including our supplier code of conduct, training for suppliers, audits and corrective action plans.

We require our suppliers to complete a Self-Assessment Questionnaire (SAQ), a social and environmental assessment that covers, in depth, topics addressed in the RBA Code of Conduct. The SAQ was fully modernized in 2021 to a more intelligent process that now includes different automations to support auditors and Flex suppliers. The updated program allows suppliers to fully upload all the required information, guidance of the evidence required, and immediate visibility of all low score questions that need to be improved upon.

We empower our suppliers to implement necessary corrective actions based on their performance on the self-assessment. Each corrective action is assigned a reasonable timeline to implement, depending on the pressing nature of the offense. If necessary, we complete on-site audits to verify action has been taken. New suppliers are screened during the onboarding process by a data audit, risk assessment and an on-site audit, if required. This year, we're continuing to develop our screening process by enhancing several topics including sustainability, checking for adverse media, and reviewing geographic regions for risk of slave labor concerns.

Our on-site due diligence processes are instrumental to mitigate our supplier risk exposure. In light of the COVID-19 crisis restricting global travel, we were challenged with assessing suppliers in a safe manner for everyone. We continued remote supplier audits that were initiated in 2020, in order to maintain the health and safety of both our employees and our suppliers. In 2021, we conducted 167 initial audits (including 37 remote and 130 onsite) and eight follow-up audits (including four remote, four onsite) focused on suppliers located in high-risk regions, including China and Southeast Asia, Europe and South America. During the on-site audits, Flex representatives interviewed employees of the supplier directly. The most common issues we identified were working hours exceeding the standard, health and safety issues, recruitment fees charged to new employees, improper treatment of hazardous waste and improper sustainability management systems.

Additionally, our indirect procurement team started working with our indirect suppliers and service providers to expand our on-site assessment scope to ensure that these suppliers are compliant with Flex standards and the RBA Code of Conduct. During 2021, we assessed 95 on-site service providers using a SAQ where no findings were reported. The service providers that are part of the scope are: security companies, labor agencies, canteen suppliers, personnel transportation companies, cleaning and gardening services, among others. In 2022, we are targeting to increase our audit program and add 97 on-site service suppliers already identified in the assessment process.

## Regional breakdown



### Conflict minerals and responsible materials sourcing

We recognize the responsibility we have to uphold the highest standards of responsible sourcing in order to ensure the safety, respect and dignity of our supply chain workers around the world. Through our accessible policies, clear expectations, and diligent evaluation, we work to ensure our supplier partners meet these same high standards. Our responsible sourcing working group – which consists of members from our corporate compliance, sustainability, procurement, internal audit and legal teams – manages our responsible sourcing program. This team strives to continuously improve its processes and due diligence to help our key customers meet their compliance goals.

Our responsible sourcing program is guided first and foremost by our [Responsible Sourcing Minerals Policy](#), which describes the details of our commitment, sourcing activities and alignment to the guidelines and mission of the [RMI](#), the standards of the Organization for Economic

Co-operation and Development ([OECD](#)) and the United Nations. We are proud to be a founding member of and an active participant of the RMI, a multi-stakeholder initiative which works to mitigate the social and environmental impacts of raw materials extraction and processing.

Increased attention to minerals of concern beyond tin, tantalum, tungsten and gold (also referred to as 3TG) has driven us to enhance our due diligence program to include more minerals in our policies and process. In 2021, we fully integrated copper, aluminum, and nickel into our conflict minerals due diligence process, and are in the process of integrating cobalt and mica as well. Through our membership with the RMI, we work collaboratively to proactively address these minerals and other emerging minerals of concern.

We engage regularly with our supply chain partners in order to reduce the risk of conflict and human rights abuses in our sourcing, including requesting complete and accurate sourcing data from our suppliers. In 2021, we implemented an automated process to maintain efficient outreach and engagement with our suppliers on topics of conflict minerals and smelter and refiner sourcing. We file our annual conflict minerals risk assessment results through the U.S. Securities and Exchange Commission (SEC) [Form SD](#). In 2021, nearly 78% of recognized smelters or refiners (SORs) submitted in our supplier conflict minerals declarations either have been certified with the Responsible Minerals Assurance Program's assessment protocols ([RMAP](#)) or have committed to undergoing a RMAP audit.

Since 2020, the COVID-19 pandemic brought challenges to our business and the businesses of our suppliers. Due to the range of impacts on operations of many smelters and refiners of critical minerals, the RMAP conformance process presented a challenge to low-risk SORs around the world, maintaining an overall RMAP conformance rate consistent with previous years.

We closely monitor the development of global conflict minerals and responsible sourcing regulation to ensure that Flex and its international subsidiaries are taking the necessary steps to remain in compliance with all global requirements. In 2021, we conducted a thorough review of our [Responsible Sourcing Minerals Policy](#) to keep aligned to new global trends in this subject, specially regulations formed by the European Union on the Responsible Sourcing of Materials, [Regulation 2017/821](#).

## ESG training for our suppliers

The responsible business decisions of our suppliers lead to advancements throughout our value chain. That is why we communicate our ESG requirements and share knowledge and best practices through training opportunities with our suppliers. Virtual and on-site trainings create a forum to share information and discuss important topics of concern.

Trainings with our suppliers also provide an opportunity to discuss our ESG expectations, ESG management best practices, supply chain social and environmental management programs and updated standards from the RBA. Last year, we trained 424 suppliers and 695 supplier personnel.

In 2021, we launched our GHG reduction initiative in partnership with our preferred suppliers and CDP (to help us achieve our GHG emission reduction goals). Through this initiative, we are working to ensure that 50% of our 'Preferred Suppliers' set their own GHG emissions reduction targets by 2025, and 100% do so by 2030.

To begin the program, we conducted three internal webinars to communicate the supply chain goal to all internal stakeholders and we conducted seven webinars to our suppliers to kick off the program, coach them on how to start their emissions calculations, how to define a target and how to use CDP's platform. In addition, we conducted more than 60 one-on-one meetings with the suppliers that required more support to be able to disclose their progress on time. These efforts supporting our suppliers have helped us make great progress on our ESG goals. We plan to continue holding regular trainings on supplier social and environmental topics.



This report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and Section 27A of the Securities Act of 1933. All statements other than statements of historical or current facts, including statements regarding our future business expectations and our environmental and other sustainability plans and goals and related timeframes, made in this document are forward-looking. The words “will,” “may,” “designed to,” “believe,” “should,” “would,” “could,” “anticipate,” “plan,” “expect,” “intend,” “estimate,” “goals,” “opportunity,” “future,” “to be,” “achieve,” “grow,” “committed,” “seeks,” “targets,” “continues,” “likely,” “possible,” “might,” “potentially,” “will,” “on track,” “working to,” “encourage,” “continue,” “strive,” “endeavor,” “looking forward,” “efforts,” “aim,” and variations of such words and similar expressions identify forward-looking statements, which speak only as of the date of this report. Because these forward-looking statements are subject to risks and uncertainties, actual results could differ materially from the expectations expressed in the forward-looking statements. Important factors that could cause actual results to differ materially from the expectations reflected in the forward-looking statements include those described in Item 1A, “Risk Factors” and Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended March 31, 2022, and in our Quarterly Reports on 10-Q and Current Reports on Form 8-K that we file with the U.S. Securities and Exchange Commission. In addition, new risks emerge from time to time and it is not possible for management to predict all such risk factors or to assess the impact of such risk factors on our business. Given these risks and uncertainties, the reader should not place undue reliance on these forward-looking statements. We undertake no obligation to update or revise these forward-looking statements to reflect subsequent events or circumstances.

## Supplier due diligence in high-risk areas

We leverage proactive and engaging programs for our suppliers in geographic regions that have a higher risk of labor issues. These due diligence programs include working hours improvement reporting and rigorous labor agent assessments.

We have collaborated with our suppliers since 2013 to report and analyze their employees' monthly working hours to monitor this important indicator. As of 2021, 115 of our suppliers in China have reported their working hours data on a monthly basis; 99 of these suppliers have submitted their monthly report for a full one-year cycle. If any discrepancies occur in the working hours provided, we engage suppliers to review the data, review evidence of their corrective action and perform on-site audits, if necessary. Throughout 2021, we collected and monitored the records of more than 69,471 workers. Using this approach, we have successfully reduced the level of excessive working hours for all participating suppliers.

Suppliers that fail to report to us monthly or fail to achieve their committed improvement plans are identified as a high-risk. We take appropriate action with high-risk suppliers, which can include terminating the business relationship, if necessary. By the end of 2021, 27 out of 39 of suppliers that were audited corrected the issue to meet the RBA standard.

## Labor agent assessment program

We rigorously assess our material suppliers and labor agents to verify that each of our supply chain partners uphold the same labor standards that we use within Flex. We have completed both social and environmental on-site audits with our major labor agents in China since 2015. In 2021, all 13 of the labor agencies that we used for dispatched workers this year, which were located in China, were physically audited. Agents are approved or rejected as Flex partners with suppliers based on their audit results, and only approved agents are able to conduct business with our organization. The most common issues found during these audits are related to payroll transparency and inadequate social insurance.

## Supplier diversity and local spending

We are consistently striving to increase the use of diverse suppliers, and we proudly collaborate with our customers to include diverse suppliers in our procurement processes where our business needs and customer obligations are met. Flex is committed to supporting our customers' supplier diversity goals and programs, and through the use of our diverse supplier repository, we make important sourcing data easily accessible to our customers and partners. We also procure from local suppliers to support our business needs to make a positive impact in our local economies. By helping local minority suppliers enter the economic mainstream, we improve the economic stability and vitality of those communities and enable our business to thrive.

We regularly engage with our diverse and minority-owned suppliers, encouraging them to participate as a meaningful part of our merit-based supply chain. By meeting our quality, delivery and sustainability expectations and completing our required training, these suppliers can build capacity in these strategic areas of business and succeed further in the economic mainstream. In 2021, we continued to improve accessibility and accuracy of supplier data for more efficient tracking and engagement. The [registration](#) for diverse suppliers is available on our external website to provide an opportunity for all types of suppliers to promote themselves and offer their services as part of the Flex supply chain. Our diverse supplier repository allows our supply partners to upload and update their certifications, contact information and business data for easier tracking and accessibility. We screen more than 16,000 suppliers per year through the repository to identify if they are an ideal partner and we share this information with our customers.

All of our procurement decisions are made in a manner consistent with our customer satisfaction policy and in accordance with our highest moral, ethical and legal standards. Some of our diverse supplier advocacy partnerships are listed below:

- APACC – Asian Pacific American Chamber of Commerce
- CSDP – Council of Supplier Diversity Professionals
- GL WBC – Great Lakes Women's Business Council
- MHCC – Michigan Hispanic Chamber of Commerce
- MMSDC – Michigan Minority Supplier Development Council
- VOBRT – Veteran Owned Business Round Table

In 2021, Flex continued its participation in Ford Motor Company's strategic Supplier Diversity "WIN" program, which is a multi-stakeholder initiative that focuses on multiple supplier diversity growth and improvement programs. In addition, Flex's dedicated support of the Great Lakes Women's Business Council ([GLWBC](#)) resulted in award recognition as Corporate Advocate of the Year in 2021. This engagement, and our ongoing work with diversity advocacy organizations, have allowed us to provide mentorship and business opportunities to many diverse companies.



# Indices

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# Index A. Memberships and associations

In 2021, we held memberships in the following organizations:

**Boston College Center for Corporate Citizenship (BCC)**

<http://ccc.bc.edu>

**Business for Social Responsibility (BSR)**

<http://www.bsr.org>

**Business Roundtable**

<http://www.businessroundtable.org>

**The Conference Board**

<http://www.conference-board.org/us>

**CHWMEG Inc.**

<http://chwmeg.org>

**Ellen MacArthur Foundation**

<http://www.ellenmacarthurfoundation.org>

**Global Business and Disability Network (GBDN) - China Chapter**

<http://www.businessanddisability.org>

**Global Business Initiative (GBI)**

<http://gbihr.org>

**GRI Community Membership**

<http://www.globalreporting.org>

**Responsible Business Alliance (RBA)**

<http://www.responsiblebusiness.org>

**Responsible Minerals Initiative (RMI)**

<http://www.responsiblemineralsinitiative.org>

**Sedex (Supplier Ethical Data Exchange)**

<http://www.sedex.com>

**UN Global Compact**

<http://www.unglobalcompact.org>

**The Valuable 500**

<http://www.thevaluable500.com>

**World Economic Forum's Alliance of CEO Climate Leaders**

<http://www.weforum.org/projects/alliance-of-ceo-climate-leaders>

# Index B. Alignment to the UN SDGs

It is important that our global sustainability work contributes to most of the 17 United Nations Sustainable Development Goals (SDGs). In 2021, we focused our progress on four SDGs that have material alignment to our business and ESG strategy: #3 “Good Health and Wellbeing”, #8 “Decent Work and Economic Growth”, #12 “Responsible Consumption and Production” and #13 “Climate Action”. The right table shows our alignment to these four SDGs through our key programs, activities and metrics.

This UN SDG alignment was carried out based on the Global Reporting Initiative (GRI) standards, World Business Council for Sustainable Development (WBCSD) and the UN Global Compact: [SDG Compass](#).

**SDG** **Report alignment**



- Community investment
- Supporting our employees through COVID-19
- Employee health and safety
- Diversity, equity and inclusion
- Employee resource groups
- Labor practices
- Index G: Our 2021 KPIs



- Community investment
- Diversity, equity and inclusion
- Employee development
- Fair wages and competitive benefits
- Human rights
- Index G: Our 2021 KPIs

**SDG** **Report alignment**



- Environmental stewardship
- Waste and materials management
- Water use and management
- Energy management and emissions reduction
- Our circular economy solutions
- Community investment
- Human rights
- Supply chain integrity
- Index G: Our 2021 KPIs



- Environmental stewardship
- Waste and materials management
- Water use and management
- Energy management and emissions reduction
- Our circular economy solutions
- Community investment
- Index G: Our 2021 KPIs

# Index C. Alignment to the UNGC

The following table outlines this report’s alignment to the 10 UNGC principles. This alignment was carried out based on The Global Compact and Global Reporting Initiative’s “Making the Connection: Using the GRI Standards to Communicate Progress on the UN Global Compact Principles”. More information can be found in our Flex 2030 goals progress report in [Index H](#) of this report.

UNGC principle	Our alignment	UNGC principle	Our alignment
<b>Human rights: Principle 1</b> Businesses should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none"> <li>ESG management systems</li> <li>Human rights</li> <li>Index G: Our 2021 KPIs</li> </ul>	<b>Environment: Principle 7</b> Businesses should support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> <li>ESG management systems</li> <li>Index G: Our 2021 KPIs</li> </ul>
<b>Human rights: Principle 2</b> Make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> <li>Human rights</li> <li>Supply chain integrity</li> <li>Index G: Our 2021 KPIs</li> </ul>	<b>Environment: Principle 8</b> Undertake initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> <li>Environmental stewardship</li> <li>Waste and materials management</li> <li>Water use and management</li> <li>Energy management and emissions reduction</li> <li>Our circular economy solutions</li> <li>Community investment</li> <li>Index G: Our 2021 KPIs</li> </ul>
<b>Labor: Principle 3</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<ul style="list-style-type: none"> <li>Fair wages and competitive benefits</li> <li>Human rights</li> <li>Supply chain integrity</li> <li>Index G: Our 2021 KPIs</li> </ul>	<b>Environment: Principle 9</b> Encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> <li>ESG management systems</li> <li>Environmental stewardship</li> <li>Our circular economy solutions</li> <li>Index G: Our 2021 KPIs</li> </ul>
<b>Labor: Principle 4</b> The elimination of all forms of forced and compulsory labor	<ul style="list-style-type: none"> <li>Human rights</li> <li>Supply chain integrity</li> <li>Index G: Our 2021 KPIs</li> </ul>	<b>Anti-corruption: Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"> <li>Our ESG strategy</li> <li>Integrity, ethics and compliance</li> <li>Index G: Our 2021 KPIs</li> </ul>
<b>Labor: Principle 5</b> The effective abolition of child labor	<ul style="list-style-type: none"> <li>Human rights</li> <li>Supply chain integrity</li> <li>Index G: Our 2021 KPIs</li> </ul>		
<b>Labor: Principle 6</b> The elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"> <li>Diversity, equity and inclusion</li> <li>Human rights</li> <li>Index G: Our 2021 KPIs</li> </ul>		

# Index D. GRI content index

We have aligned our public sustainability reporting to the Global Reporting Initiative (GRI) framework since 2013 and became GRI community members in 2019.



For the Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

GRI Services has reviewed this GRI content index for clarity and to ensure that the references for all disclosures are aligned with the appropriate sections in the body of the report.

This report has been prepared in accordance with the GRI Standards: Core option. Additionally, this report includes topics and disclosures that were identified in our materiality assessment process. In 2021, we conducted a new materiality assessment which has changed our reporting topics from our last reporting cycle. All of our entities are covered in the scope of this report, however, the scope of significant topics and/or disclosures may be narrower - please refer to our GRI content index (Index D) for details.

The scope of this report includes all our entities, however, the scope of the significant topics and/or disclosures included may be narrower - please refer to our materiality assessment for details.

The Explanation (GRI 103-1), Boundary (GRI 103-1), Management Approach (GRI 103-2) and Outcomes (GRI 103-3) are included for each material topic.

## Material topic boundaries and management approach

Environmental sustainability topics			
Material Topic	GRI Disclosure(s) alignment	Boundary (GRI 103-1)	Material explanation, Management Approach and Outcomes (GRI 103-1, 103-2, 103-3)
Management system	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Environmental Stewardship</a> section.
Waste and materials management			
Waste	306-3 306-4 306-5	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in Our Materiality assessment section. Our management approach and outcomes are described in the <a href="#">Waste and Materials Management</a> section.
Water			
Water	303-1 303-2 303-3 303-4 303-5	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Waste use and management</a> section.
Energy management and emissions reduction			
Energy	302-1 302-4	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Energy Management and Emissions Reduction</a> section.
Emissions	305-1 305-2 305-3 305-4	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Energy Management and Emissions Reduction</a> section.

Material topic boundaries and management approach

Social responsibility topics			
Material Topic	GRI Disclosure(s) alignment	Boundary (GRI 103-1)	Material explanation, Management Approach and Outcomes (GRI 103-1, 103-2, 103-3)
<b>Employee development</b>			
Training and education	404-1 404-3	All entities	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Employee development</a> section.
<b>Health and safety and wellbeing</b>			
Management system	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Employee health and safety</a> section.
Occupational health and safety	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-9	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Employee health and safety</a> section.
<b>Human rights</b>			
Working hours	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Human Rights</a> section.
Forced or compulsory labor	409-1	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in our <a href="#">Human Rights</a> section.
<b>Community investment</b>			
Local communities	413-1	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Community investment</a> section.

## Material topic boundaries and management approach

Governance topics			
Material Topic	GRI Disclosure(s) alignment	Boundary (GRI 103-1)	Material explanation, Management Approach and Outcomes (GRI 103-1, 103-2, 103-3)
<b>Strategy and governance</b>			
Economic performance	201-1 201-2	All entities	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in <a href="#">Our ESG Strategy</a> section.
<b>Ethics and compliance</b>			
Management system	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Integrity, ethics and compliance</a> section.
Anti-corruption	205-2	All entities	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Integrity, ethics and compliance</a> section.
<b>Supply chain integrity</b>			
Procurement practices – local suppliers	204-1	Significant operations in the Americas, Europe, and Asia ***	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Supply Chain Integrity</a> section.
Supplier environmental assessment	308-1	Preferred supplier list (PSL)**	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Supplier Assessments and On-site Audits</a> section.
Supplier social assessment	414-1 414-2	Preferred supplier list (PSL)**	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Supplier Assessments and On-site Audits</a> section.
Responsible materials sourcing	Flex metric	****	Explanation of the materiality of the topic is provided in <a href="#">Our Materiality assessment</a> section. Our management approach and outcomes are described in the <a href="#">Conflict minerals and responsible materials sourcing</a> section.

\* Operations in the Americas, Europe, the Middle East, Africa (EMEA) and Asia: Austria, Brazil, Canada, China, Czech Republic, Denmark, Germany, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Malaysia, Mexico, Netherlands, Poland, Romania, Singapore, Sweden, Turkey, United Kingdom, Ukraine and the United States.  
 \*\*Preferred Supplier List (PSL): Geographical location varies, but more attention is on suppliers located in China.  
 \*\*\* Operations in the Americas, Europe, and Asia: Brazil, China, Malaysia, Mexico, Poland, Romania, and the United States.  
 \*\*\*\* The Smelter(s) or Refiner(s) (SORs) identified by our suppliers in their declarations, as well as the countries of origin for their Conflict Minerals can be found on the Appendix of our Form SD and Conflict Mineral Report.

GRI Standard	Disclosure	Report section(s), URL(s) and direct answers	Page(s)
<b>GRI 101: Foundation 2016</b>			
General Disclosures			
	102-1 Name of the organization	<a href="#">About this report and external alignment</a>	3
	102-2 Activities, brands, products, and services	<a href="#">About this report and external alignment</a> <a href="#">Company profile</a>	3 7
	102-3 Location of headquarters	<a href="#">About this report and external alignment</a>	3
	102-4 Location of operations	<a href="#">About this report and external alignment</a>	3
	102-5 Ownership and legal form	<a href="#">About this report and external alignment</a>	3
	102-6 Markets served	<a href="#">About this report and external alignment</a> <a href="#">Company profile</a> <a href="#">Our industries</a>	3 7 9
	102-7 Scale of the organization	<a href="#">Company profile</a>	7
	102-8 Information on employees and other workers	<a href="#">Index G: Our 2021 KPIs – Our people</a>	92
GRI 102: General Disclosures 2016	102-9 Supply chain	<a href="#">ESG management systems</a> <a href="#">Supply chain integrity</a>	20 67
	102-10 Significant changes to the organization and its supply chain	<a href="#">Index D: GRI Content Index</a>	77
	102-11 Precautionary Principle or approach	<a href="#">Our precautionary approach</a>	21
	102-12 External initiatives	<a href="#">Our ESG strategy</a> <a href="#">Our 2030 sustainability goals</a> <a href="#">Community investment</a> <a href="#">Supply chain integrity</a>	14 18 38 67
	102-13 Membership of associations	<a href="#">Index A: Memberships and associations</a>	74
	102-14 Statement from senior decision-maker	<a href="#">CEO Letter</a>	4
	102-15 Key impacts, risks, and opportunities	<a href="#">Stakeholder engagement</a>	22

GRI Standard	Disclosure	Report section(s), URL(s) and direct answers	Page(s)
<b>GRI 101: Foundation 2016</b>			
General Disclosures			
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behavior	<a href="#">Company profile – Our culture and values</a> <a href="#">Our ESG strategy</a> <a href="#">Stakeholder engagement</a> <a href="#">Integrity, ethics and compliance</a> <a href="#">Supply chain integrity</a> <a href="#">Employee health and safety</a> <a href="#">Human rights</a>	7 14 22 60 67 47 56
	102-17 Mechanisms for advice and concerns about ethics	<a href="#">Integrity, ethics and compliance – Raising concerns</a>	62
	102-18 Governance structure	<a href="#">Corporate Governance and Board Committees</a> <a href="#">Internal committees and governance alignment</a>	59 59
	102-19 Delegating Authority	<a href="#">Internal committees and governance alignment</a>	59
	102-40 List of stakeholder groups	<a href="#">Stakeholder engagement</a>	22
	102-41 Collective bargaining agreements	<a href="#">Fair wages and benefits</a>	56
	102-42 Identifying and selecting stakeholders	<a href="#">Stakeholder engagement</a>	22
	102-43 Approach to stakeholder engagement	<a href="#">Stakeholder engagement</a>	22
	102-44 Key topics and concerns raised	<a href="#">Stakeholder engagement</a>	22
	102-45 Entities included in the consolidated financial statements	<a href="#">About this report and external alignment</a> <a href="#">Index D: GRI Content Index</a>	3 77
102-46 Defining report content and topic Boundaries	<a href="#">Our materiality assessments</a> <a href="#">Index D: GRI Content Index</a>	23 77	
102-47 List of material topics	<a href="#">Our materiality assessments</a> <a href="#">Index D: GRI Content Index</a>	23 77	
102-48 Restatements of information	<a href="#">Index D: GRI Content Index</a>	77	

GRI Standard	Disclosure	Report section(s). URL(s) and direct answers	Page(s)
<b>GRI 101: Foundation 2016</b>			
General Disclosures			
	102-49 Changes in reporting	<a href="#">Index D: GRI Content Index</a>	77
	102-50 Reporting period	<a href="#">About this report and external alignment</a>	3
	102-51 Date of most recent report	<a href="#">About this report and external alignment</a>	3
	102-52 Reporting cycle	<a href="#">About this report and external alignment</a>	3
GRI 102: General Disclosures 2016	102-53 Contact point for questions regarding the report	<a href="#">About this report and external alignment</a>	3
	102-54 Claims of reporting in accordance with the GRI Standards	<a href="#">About this report and external alignment</a> <a href="#">Index D: GRI Content Index</a>	3 77
	102-55 GRI Content Index	<a href="#">Index D: GRI Content Index</a>	77
	102-56 External assurance	<a href="#">About this report and external alignment</a> <a href="#">Index I. Third-party verification statement</a>	3 99
	Management Approach		
	103-1 Explanation of the material topic and its boundary	<a href="#">Material topic boundaries and management approach</a> (all material topics covered)	77
GRI 103: Management Approach 2016	103-2 The management approach and its components	<a href="#">Material topic boundaries and management approach</a> (all material topics covered)	77
	103-3 Evaluation of the management approach	<a href="#">Material topic boundaries and management approach</a> (all material topics covered)	77

GRI Standard	Disclosure	Report section(s). URL(s) and direct answers	Page(s)
<b>GRI 101: Foundation 2016</b>			
Economic			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	<a href="#">2021 Annual Report – Performance and Company Highlights for Fiscal Year 2021</a>	47
	201-2 Financial implications and other risks and opportunities due to climate change	<a href="#">2022 form 10-K – Our business and operations could be adversely impacted by climate change initiatives</a>	10, 26-27
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	<a href="#">Index G: Our 2021 KPIs – Our approach, 204-1</a>	97
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	<a href="#">Index G: Our 2021 KPIs – Our approach, 205-2</a>	97
Environmental			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	<a href="#">Energy management and emissions reduction</a> <a href="#">Index G: Our 2021 KPIs – Environmental Sustainability, 302-1</a> <a href="#">2021 CDP Climate Change response</a>	33 89 39 (CDP)
	302-4 Reduction of energy consumption	<a href="#">Energy management and emissions reduction</a>	33
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	<a href="#">Water use and management</a> <a href="#">Index G: Our 2021 KPIs – Our world, 302-1</a> <a href="#">2021 CDP Water Security response</a>	32 89 3 (CDP)
	303-2 Management of water discharge-related impacts	<a href="#">Water use and management</a> <a href="#">2021 CDP Water Security response</a>	32 4-5 (CDP)
	303-3 Water withdrawal	<a href="#">Index G: Our 2021 KPIs – Our world; 303-3; 303-5</a> <a href="#">2021 CDP Water Security response</a>	89; 90 4-6 (CDP)
	303-4 Water discharge	<a href="#">Index G: Our 2021 KPIs – Our world</a> <a href="#">2021 CDP Water Security response</a>	89 4-6 (CDP)
	303-5 Water consumption	<a href="#">Index G: Our 2021 KPIs – Our world; 303-3; 303-5</a> <a href="#">2021 CDP Water Security response</a>	90 5 (CDP)

GRI Standard	Disclosure	Report section(s). URL(s) and direct answers	Page(s)
<b>GRI 101: Foundation 2016</b>			
Environmental			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<a href="#">Index G: Our 2021 KPIs – Our world; 305-1 2021 CDP Climate Change response</a>	89 31-32 (CDP)
	305-2 Energy indirect (Scope 2) GHG emissions	<a href="#">Index G: Our 2021 KPIs – Our world; 305-2 2021 CDP Climate Change response</a>	89 31-32 (CDP)
	305-3 Other indirect (Scope 3) GHG emissions	<a href="#">Index G: Our 2021 KPIs – Our world; 305-3 2021 CDP Climate Change response</a>	89 32-36 (CDP)
	305-4 GHG emissions intensity	<a href="#">Index G: Our 2021 KPIs – Our world; 305-4</a>	89
GRI 306: Waste 2020	306-3 Waste generated	<a href="#">Index G: Our 2021 KPIs – Our world; 306-3</a>	91
	306-4 Waste diverted from disposal	<a href="#">Index G: Our 2021 KPIs – Our world; 306-4</a>	91
	306-5 Waste directed to disposal	<a href="#">Index G: Our 2021 KPIs – Our world; 306-5</a>	91
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<a href="#">Supply chain management - Key Performance Indicators</a>	66
		<a href="#">Index G: Our 2021 KPIs – Our approach; 308-1</a>	97

GRI Standard	Disclosure	Report section(s). URL(s) and direct answers	Page(s)
<b>GRI 101: Foundation 2016</b>			
Social			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<a href="#">Employee health and safety</a>	47
	403-2 Hazard identification, risk assessment, and incident investigation	<a href="#">Employee health and safety</a>	47
	403-3 Occupational health services	<a href="#">Employee health and safety</a>	47
	403-4 Worker participation, consultation, and communication on occupational health and safety	<a href="#">Employee health and safety</a>	47
	403-5 Worker training on occupational health and safety	<a href="#">Employee health and safety</a>	47
	403-6 Promotion of worker health	<a href="#">Employee health and safety</a>	47
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">Employee health and safety</a>	47
	403-9 Work-related injuries	<a href="#">Index G: Our 2021 KPIs – Our people; 403-9</a>	93
	GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	<a href="#">Index G: Our 2021 KPIs – Our people; 404-1</a>
404-3 Percentage of employees receiving regular performance and career development reviews		<a href="#">Index G: Our 2021 KPIs – Our people; 404-3</a>	93
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Human rights</a>	56
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	<a href="#">Community investment- Key Performance Indicators</a>	37
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<a href="#">Supply chain integrity – Key Performance Indicators</a> <a href="#">Index G: Our 2021 KPIs – Our approach; 414-1</a>	66 97
	414-2 Negative social impacts in the supply chain and actions taken	<a href="#">Conflict minerals and responsible materials sourcing</a> <a href="#">Supply chain integrity - 2021 Key Highlights</a>	70 65

\* The Global Compact Principles Alignment was carried out based on The Global Compact and Global Reporting Initiative's Making the Connection: Using the GRI Standards to Communicate Progress on the UN Global Compact Principles, which was released on May 2013.  
\*The UN SDG alignment was carried out based on the GRI, WBCSD and UN Global Compact: SDG Compass- Linking the SDGs and GRI, which was released on October 2016.

# Index E. Alignment to SASB

The index below outlines our response to SASB's standards on material metrics for the "Electronic Manufacturing Services & Original Design Manufacturing" sector.

Topic	Accounting metric	Category	Unit of measure	Code	Reference in report	Our response
<b>Water management</b>	(1) Total water withdrawn, (a) percentage in regions with High or Extremely High Baseline Water Stress (2) total water consumed, (a) percentage in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m3), Percentage (%)	TC-ES-140a.1	<a href="#">Index H: Flex 2030 goals progress report</a>	(1) 6,143 Thousand m3, (1)a 29%. (2) 1,515 Thousand m3, (2)a 48%
<b>Waste management</b>	(1) Amount of hazardous waste from manufacturing, (2) percentage recycled	Quantitative	Metric tons (t), Percentage (%)	TC-ES-150a.1	<a href="#">Index G. Our 2020 KPIs - Our World</a>	(1) 6,433 Metric tonnes (2) 21%
<b>Labor practices</b>	(1) Number of work stoppages and (2) total days idle	Quantitative	Number, Days, idle	TC-ES-310a.1	N/A	Manufacturing experiences many micro-stoppages all the time. We will evaluate the feasibility to track and disclose this data in the short term.
<b>Labor conditions</b>	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate for (a) direct employees and (b) contract employees	Quantitative	Rate	TC-ES-320a.1	<a href="#">Index H: Flex 2030 goals progress report</a>	(1) 0.23 (2a) Continue our journey, by leverage leading indicators from some of our sites; near misses, safety GEMBA, employees observation, safety competence and safety talks to drive employees and leadership engagement (2b) Anyone that is directly supervised by a Flex supervisor is included in our reported KPIs
<b>Labor conditions</b>	Percentage of (1) entity's facilities and (2) Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Quantitative	Percentage (%)	TC-ES-320a.2	<a href="#">Index G: Our 2021 KPIs - Our People</a>	(1)a10% (1)b Flex does not have high risk facilities (2)a 15% (2)b 13%

Topic	Accounting metric	Category	Unit of measure	Code	Reference in report	Our response
<b>Labor conditions</b>	(1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances, broken down for (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities	Quantitative	Rate	TC-ES-320a.3	<a href="#">Index G: Our 2021 KPIs - Our People</a>	(1)a.i 0.4% (1)b.i 5.6% (2)a.i 100% (2)b.i 100% (1)a.ii 13% (1)b.ii 87% (2)a.ii 4% (2)b.ii 45%
<b>Product lifecycle management</b>	Weight of end-of-life products and e-waste recovered, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	TC-ES-410a.1	N/A	Our circular economy team is working to have these metrics in the short-term, and we are exploring to start tracking with the rest of the operational segments. For the majority of our business, we do not make our own products—we are the production provider for our customers. To understand our business model, please see Business Overview in our <a href="#">2021 Form 10-K</a> .
<b>Materials sourcing</b>	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	TC-ES-440a.1	<a href="#">Conflict minerals and responsible materials sourcing</a>	Please see the referenced section of the report

### SASB activity metrics

SASB Code	KPI	2021
TC-ES-000.A	Number of manufacturing facilities	100+
TC-ES-000.B	Area of manufacturing facilities	44M sq ft
TC-ES-000.C	Number of employees	167,504

# Index F.

## Alignment to TCFD

In the index below, we demonstrate our company's alignment to the Taskforce on Climate-related Financial Disclosure (TCFD). For more details on our approach to climate change, please read our [annual disclosure to CDP](#).

Governance	Strategy	Risk management	Metrics and targets
<p>Our board provides oversight of climate-related risks and opportunities. See page 4 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>Our organization has identified climate-related risks and opportunities over the short, medium and long term. See pages 7-16 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>We have processes for identifying and assessing climate-related risks. See pages 7-8 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>Our organization uses metrics to assess climate-related risks and opportunities in line with our strategy and risk management process. See pages 19-23 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>
<p>Our management assesses and manages climate-related risks and opportunities. See pages 5-9 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>We have identified the impact of climate-related risks and opportunities on our businesses, strategy and financial planning. See pages 16-19 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>Our organization has processes for managing climate-related risks. See page 7-8 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>We disclose Scope 1 and Scope 2 greenhouse gas (GHG) emissions, and the related risks. See pages 31-39 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>
	<p>We have identified the resilience of our strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. See page 17 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>Our processes for identifying, assessing, and managing climate-related risks are integrated into our company's overall risk management system. See pages 7-9 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>	<p>We have targets to manage climate-related risks and opportunities. See page 19-23 of our <a href="#">2021 CDP Climate Change Questionnaire</a>.</p>

# Index G. Our 2021 KPIs

Our annual sustainability KPIs keep us accountable to making progress against our goals.

Our World		2017	2018	2019	2020	2021
GRI DISCLOSURE(S) / SASB CODE	KPI					
305-4	CO <sub>2</sub> e location-based emissions Intensity - scope 1 and 2 (tonnes/US \$M of revenue) <sup>1,2,3,4</sup>	35.20	34.17	33.14	30.66	29.12
	Total scope 1, 2 and 3 CO <sub>2</sub> e gross emissions - location-based emissions (tonnes) <sup>2,8</sup>	1,175,092	1,189,545	107,676,959	102,718,686	104,403,018
	Total scope 1 and 2 CO <sub>2</sub> e gross emissions - location-based emissions (tonnes) <sup>1,2,4</sup>	876,163	905,181	826,828	715,644	739,671
305-1	Scope 1 CO <sub>2</sub> e <sup>1,2,4,5</sup>	77,032	82,432	102,364	76,427	81,647
305-2	Scope 2 CO <sub>2</sub> e location-based <sup>1,2,4,5,6</sup>	799,132	822,750	724,465	639,217	658,024
	Scope 2 CO <sub>2</sub> e market-based <sup>1,2,4,7</sup>	819,475	784,009	775,817	628,261	675,084
305-3	Total scope 3 <sup>1,2,8</sup>	298,929	284,364	106,850,677	102,003,042	103,663,347
	Scope 3 - Purchased Goods and Services <sup>8,20</sup>	No Data	No Data	5,103,717	5,420,078	6,331,683
	Scope 3 - Capital Goods <sup>8,20</sup>	No Data	No Data	283,086	218,920	266,457
	Scope 3 - Fuel- and Energy-Related Activities <sup>1,2</sup>	227,439	221,825	200,540	153,325	215,690
	Scope 3 - Upstream Transportation and Distribution <sup>8</sup>	No Data	No Data	235,625	230,715	345,576
	Scope 3 - Waste <sup>1,2</sup>	33,189	30,419	30,529	26,249	28,566
	Scope 3 - Business Travel <sup>1,2,9</sup>	38,300	32,119	24,166	4,692	4,684
	Scope 3 - Employee Commuting <sup>8</sup>	No Data	No Data	105,165	95,110	96,112
	Scope 3 - Downstream Transportation and Distribution <sup>8</sup>	No Data	No Data	12,401	12,143	18,188
	Scope 3 - Processing of Sold Products <sup>8,20</sup>	No Data	No Data	33	35	58
	Scope 3 - Use of Sold Products <sup>8,20</sup>	No Data	No Data	100,846,113	95,824,959	96,331,749
	Scope 3 - End of Life Treatment of Sold Products <sup>8,20</sup>	No Data	No Data	4,138	5,266	13,293
Scope 3 - Investments <sup>8</sup>	No Data	No Data	5,164	11,549	11,291	
	Offsets CO <sub>2</sub> e <sup>10</sup>	63,299	69,825	70,555	31,936	12,801
	Total CO <sub>2</sub> e net emissions (Total scope 1, 2 and 3 - offsets CO <sub>2</sub> e) <sup>2</sup>	1,111,793	1,119,720	24,257,626	35,068,554	104,390,217
	Water withdrawn intensity (m3 /US \$M of revenue) <sup>1,2,3,11</sup>	298.95	287.37	271.91	239.98	241.85
303-3	Water withdrawn (m3 ) <sup>1,2,11</sup>	7,441,827	7,612,591	6,784,656	5,601,838	6,143,047

Our World

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
SASB: TC-ES-140a.1	Water withdrawn from locations with High or Extremely High Baseline Water Stress as a % of the total water withdrawn	No data	No data	25%	30%	29%
	Water withdrawals in water stressed regions (m3)	No data	No data	No data	1,676,171	1,783,296
SASB: TC-ES-140a.1	Water withdrawn (thousand m3) <sup>1,2,11</sup>	7,442	7,613	6,785	5,602	6,143
303-3	Water withdrawn (Million m3) <sup>1,2,11</sup>	7.44	7.61	6.78	5.60	6.14
303-3	Municipal water supply <sup>1,2</sup>	6,384,433	6,453,210	5,762,248	4,674,416	5,101,275
303-3	Ground water <sup>1</sup>	1,002,828	1,020,859	852,351	743,661	852,222
303-3	Surface water <sup>1</sup>	0	0	0	0	0
303-3	Rainwater <sup>1</sup>	1,833	844	291	290	269
303-3	Waste water from another organization <sup>1</sup>	0	2,710	5,336	1,413	1,574
303-3	Private company water supply <sup>1</sup>	44,937	124,372	144,225	167,106	170,744
303-3	Other water utilities: untreated water for industrial use only <sup>1,2</sup>	7,796	10,596	20,206	14,952	16,964
	% of recycled water <sup>1,2,12</sup>	8%	9%	10%	11%	10%
	Recycled water (m3) <sup>1,2</sup>	612,253	664,349	681,198	592,168	602,303
303-4	Total Water discharged (m3) <sup>1,2,13,14</sup>	5,332,544	5,507,232	5,343,314	4,053,848	4,628,383
	Total water discharges to rivers and streams <sup>2</sup>	241,887	147,147	92,679	97,912	157,691
303-4	Total water discharges to sea or ocean	0	0	0	0	0
303-4	Total water discharges to lakes	0	0	0	0	0
303-4	Total water discharges to wetlands	0	0	0	0	0
303-4	Total water discharges to municipal/local off-site/common treatment facility <sup>2</sup>	5,090,656	5,303,617	5,212,075	3,910,916	4,470,692
303-4	Total water discharges to other <sup>2</sup>	0	56,468	38,560	45,020	435,843
303-5	Water Consumption (m3) <sup>15</sup>	2,109,283	2,105,359	1,441,343	1,547,990	1,514,665
SASB: TC-ES-140a.1	Water Consumption (Thousand m3) <sup>15</sup>	2,109	2,105	1,441	1,548	1,515

## Our World

1. In 2017, scope 1, 2 and 3 absolute CO<sub>2</sub>e emissions and total water withdrawn data were verified by DNV. In 2018, this verification extended to include water, waste and renewable energy use. In 2019, verification was extended to the new Scope 3 categories: Purchased Goods and Services, Capital Goods, Upstream Transportation and Distribution, Employee Commuting, Downstream Transportation and Distribution and Investments, Processing of Sold Products, Use of Sold Products and End of Life Treatment of Sold products were not verified, but will be in the future, building the capabilities to report more complete information. In 2020, verification was extended to include the rest of scope 3 categories: Processing of Sold Products, Use of Sold Products and End of Life Treatment of Sold Products. 2. The metric, KPI and target were re-baselined in 2018 due to our divestment of Multek and the change was reflected in the annual status from 2014 onwards. Since 2017, DNV has verified our CO<sub>2</sub> emissions and water data. 3. Revenue period considered: Calendar year (January-December). 4. Total includes: scope 1 and scope 2 emissions, only. Standards/Methodologies used: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Source of emission factors: Environmental Protection Agency (EPA) and International Energy Agency (IEA). Source of Global Warming Potential (GWP): IPCC. Consolidation approach for emissions: Operational control. Since 2016, refrigerants, jet fuel and steam related emissions were added to scope 1 and 2 calculations, as applicable. Since 2016, electricity factors have been updated on an annual basis, according to the latest reports. Base Year: 2016. In 2017, scope 1 and 2 CO<sub>2</sub>e emissions were re-baselined due to an improvement in the emissions quantification and the inclusion of new sites. The coverage is 100% of our operations. 5. Gases included in calculations CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and HFCs. 6. Gases included in calculations CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. 7. Since 2016, the market-based CO<sub>2</sub>e emissions were calculated. Information of market-based emissions for previous years is not available. 8. Since 2017, our total scope 3 emissions include Business Travel, Waste and Fuel- and Energy-Related Activities (not included in scope 1 and 2). Previous years only included business travel. Since 2019, our total includes Purchased Goods and Services, Capital Goods, Upstream Transportation and Distribution, Employee Commuting, Downstream Transportation and Distribution, Processing of Sold Products, Use of Sold Products, End of Life Treatment of Sold Products and Investments scope 3 categories. 9. Business Travel emissions were given by travel service providers, the GWP, emission factors and standards are not currently available. 10. Offsets of CO<sub>2</sub>e, refers to certified emission reduction (CER) certificates that are generated from a clean development mechanism (CDM) project. Each CER equals one tonne of CO<sub>2</sub>e. In 2018, we supported projects in Brazil, China and India, offsetting scope 3 emissions. In 2019, we supported projects in Brazil, China, Costa Rica and India, offsetting scope 3 emissions. In 2020, we supported projects in Brazil, China, Costa Rica, India and the Philippines offsetting scope 3 emissions. In 2021, we supported projects in China, India and the Philippines offsetting scope 3 emissions. 11. Most of the information has been obtained from invoices. The remaining information was obtained from meter readings and estimations. In 2017, total water withdrawn was verified by DNV. The coverage is 100% of our operations. 12. Percentage calculated based on water withdrawn. 13. During 2017, total withdrawals and discharges, decreased in the same proportion, due to the upgrade and installation of water treatment plants in China and the U.S. 14. Water quality data and treatment are unavailable. Future reports may include more information about this, building the capabilities to report more complete information. All sites meet local, regional, or national standards for water quality, as applicable. Total was obtained using the full number, including decimals. 15. To ensure consistency in reporting among different stakeholders (CDP and GRI Sustainability Reporting Standards), from 2018, discharges to soil are now included in the water consumption metric. 16. Most of the disposal method data was provided by the waste disposal contractors, unless waste was disposed directly by the reporting organization, or confirmed otherwise. Other disposal methods include mulching or a combination of methods where we are unable to separate per treatment method. Breakdown of hazardous and non-hazardous waste by disposal method is currently unavailable. Future reports may include more information about this, building the capabilities to report more complete information. Total was obtained using the full number, including decimals. The coverage in 2020 was 91% of our operations. In 2021, coverage was 88% of our operations. 17. Percentage of waste diverted from landfill destinations. 18. Recycling refers to waste that was composted, reused or recycled. 19. This amount includes solar installed capacity across the globe and wind energy purchased by our site in Austin, U.S. During 2018, solar installations were deployed at Guadalajara North, Mexico and Chennai, India sites. In 2019, solar installations were deployed at San Luis, Mexico and Venray, Netherlands sites. In 2020, solar installations were deployed in Hartberg, Austria and renewable energy was purchased in DongGuan, Althofen, Hartberg and Hoogeveen. For 2021, one of our sites in Asia had a contract to procure 100% of renewable energy, but did not obtain it due to a change in the energy provider's strategy. 20. In 2021, Processing of Sold Products, Use of Sold Products and End of Life Treatment of Sold Products Scope 3 categories were recalculated. 21. Status is considering sites in scope.

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
303-5	Water Consumption (Million m3) <sup>15</sup>	2.11	2.11	1.44	1.55	1.51
303-5 SASB: TC-ES-140a.1	Water consumed from locations with High or Extremely High Baseline Water Stress as a % of the total water consumed	No data	No data	48%	41%	48%
306-3	Waste Intensity (tonnes/US \$M of revenue)	5.70	5.55	5.22	5.16	6.41
306-3	Total Waste (tonnes) <sup>2,16</sup>	141,990	146,940	130,266	120,454	162,725
306-3	Non-hazardous Waste (tonnes) <sup>1,2</sup>	136,051	140,565	124,434	113,369	156,292
306-3 SASB: TC-ES-150a.1	Hazardous Waste (tonnes) <sup>1,2</sup>	5,939	6,375	5,832	7,084	6,433
306-5	Total Waste by Disposal Method (tonnes) <sup>1,2,16</sup>	141,990	146,940	130,266	120,454	162,725
306-5	Composting <sup>1,2</sup>	4,661	8,106	2,565	1,150	2,386
306-5	Reuse <sup>1,2</sup>	4,323	5,900	7,084	9,091	6,249
306-5	Recycling <sup>1,2</sup>	101,174	103,325	89,944	81,295	98,539
306-5	Recovery <sup>1,2</sup>	4,863	4,905	3,200	5,020	4,704
306-5	Incineration - or use as fuel <sup>1,2</sup>	7,573	7,637	8,562	8,239	11,126
306-5	Landfill <sup>1,2</sup>	16,378	13,524	13,989	11,364	10,303
306-5	Deep well injection <sup>1,2</sup>	14	0	0	0	0
306-5	On-site storage <sup>1,2</sup>	98	136	145	154	113
306-5	Other <sup>1,2</sup>	2,906	3,407	4,776	4,140	29,305
306-4	Waste diversion rate <sup>1,2,17</sup>	88%	91%	89%	91%	94%
306-4	Recycling rate <sup>1,2,18</sup>	78%	80%	76%	76%	66%
306-4 SASB: TC-ES-150a.1	Recycling rate of hazardous waste	No data	No data	22%	20%	21%
306-5	Use of Renewable Energy (MW) <sup>1,19</sup>	31	34	38	73	40
	Electricity generated on-site from renewable sources (MWh)	10,505	13,719	19,207	21,824	20,209
	% of sites with ISO 14001 certification <sup>21</sup>	No data	No data	74.1%	68.3%	75%

## Our People

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
102-8 SASB: TC-ES-000.C	Total Employees <sup>1</sup>	202,161	210,337	202,384	167,313	167,504
102-8	Direct laborers	158,713	167,773	160,045	130,129	128,652
102-8	Indirect laborers	43,448	42,564	42,339	37,184	38,849
102-8	Female <sup>2</sup>	78,848	85,698	85,941	73,489	73,839
102-8	Male <sup>2</sup>	109,585	119,386	116,443	88,398	89,605
405-1	% Female	39%	41%	42%	44%	44%
405-1	% Male	54%	57%	58%	53%	53%
102-8	Full-time	201,134	209,055	200,450	166,268	166,514
102-8	Female <sup>2</sup>	78,192	85,041	85,091	73,073	73,478
102-8	Male <sup>2</sup>	109,244	119,055	115,359	88,157	89,428
102-8	Part-time	1,027	1,282	1,934	1,045	990
102-8	Female <sup>2</sup>	656	657	850	416	361
102-8	Male <sup>2</sup>	341	331	1,084	241	177
405-1	Age group < 30 years old	No data	No data	No data	39%	35%
405-1	Age group 30 - 50 years old	No data	No data	No data	51%	54%
405-1	Age group > 50 years old	No data	No data	No data	10%	11%
	% of Indirect laborers who took the employee engagement survey	No data	No data	No data	83%	87%
	Female	No data	No data	No data	34%	46%
	Male	No data	No data	No data	66%	54%
	Female engagement score	No data	No data	No data	78%	83%
	Male engagement score	No data	No data	No data	77%	82%

## Our People

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
404-3	% indirect labor employees receiving regular performance and career development reviews (average) <sup>4</sup>	95%	96%	99%	74%	99%
404-3	% performance and career development reviews female	97%	96%	99%	75%	97%
404-3	% performance and career development reviews male	95%	95%	99%	74%	96%
405-1	% of Women in Management positions <sup>31</sup>	26%	18%	28%	26%	27%
405-1	% of women executives in the leadership team (including our CEO)	No data	No data	No data	17%	17%
	% of women in the Board of Directors (including our CEO)	No data	No data	No data	27%	25%
	% of female representation at the director level and above globally	No data	No data	No data	No data	22%
	% people with disabilities	No data	No data	1%	1%	0.86%
404-1	Global Training Hours <sup>5,6</sup>	No data	289,363	404,121	383,292	5,360,689
404-1	Average Hours of Training per Employee <sup>4,5,6,7,8</sup>	7.26	7.04	9.78	9.62	27
401-1	Total regular indirect labor voluntary turnover	No data	No data	No data	9.2%	14.5%
407-1	Freedom of Association <sup>34</sup>	No data	No data	58%	58%	57%
	% of sites with ISO 45001 certification	No data	No data	No data	22%	42%
403-9, TC-ES-320a.1	Incident Rate <sup>9,10,11,12,13</sup>	0.50	0.43	0.34	0.28	0.23
403-9	Injury rate <sup>9,12,13</sup>	0.49	0.43	0.34	0.28	0.23
403-9	Americas	0.79	0.62	0.48	0.41	0.30
403-9	Asia <sup>12</sup>	0.21	0.20	0.18	0.13	0.12
403-9	EMEA	0.89	1.02	0.71	0.51	0.41

## Our People

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
403-9	Occupational diseases rate <sup>9,11,12,13</sup>	0.00	0.00	0.00	0.01	0.01
403-9	Americas	0.01	0.01	0.01	0.02	0.02
403-9	Asia <sup>12</sup>	0.00	0.00	0.00	0.00	0.00
403-9	EMEA	0.00	0.00	0.00	0.00	0.00
403-9	Lost time cases rate <sup>9,12,13,14</sup>	0.35	0.33	0.24	0.13	0.12
403-9	Americas	0.50	0.44	0.26	0.18	0.11
403-9	Asia <sup>12</sup>	0.17	0.15	0.13	0.04	0.07
403-9	EMEA	0.74	0.85	0.62	0.33	0.29
403-9	Work-related fatalities (employees) <sup>9,15</sup>	0	0	0	0	1
403-9	Minor Injuries <sup>9,12,13,16</sup>	965	883	632	416	365
403-9	Americas	500	363	262	200	168
403-9	Asia <sup>12</sup>	225	239	184	95	91
403-9	EMEA	240	281	186	121	106
403-9	Serious Injuries <sup>9,17,18</sup>	4	10	15	20	10
403-9	Americas	4	5	1	8	3
403-9	Asia	0	4	14	12	4
403-9	EMEA	0	1	0	0	3
403-9	Fatal Injuries <sup>9</sup>	0	0	0	0	1
403-9	Americas	0	0	0	0	1
403-9	Asia	0	0	0	0	0
403-9	EMEA	0	0	0	0	0
Working Hours	% of employees that complied with RBA rest day requirements <sup>19</sup>	99%	97%	98%	97%	89%
Management System	% of manufacturing sites with 'RBA factory of choice'	No data	No data	No data	No data	6%

## Our People

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
	Ethics score <sup>26</sup>	94%	94%	96%	100%	100%
	Labor score <sup>26</sup>	90%	91%	91%	100%	90%
	Health & Safety score <sup>26</sup>	86%	92%	88%	100%	96%
	Management systems score <sup>26</sup>	81%	90%	89%	100%	98%
	Environment score <sup>26</sup>	83%	84%	73%	100%	96%
412-1	% of employees with the human rights training complete <sup>20,35</sup>	No data	No data	No data	No data	Progress is under development
413-1	% of operations that have implemented local community engagement activities <sup>20,21</sup>	73%	90%	93%	91.5%	92%
	Total local community engagement activities <sup>20</sup>	538	550	618	552	807
	Total volunteers <sup>32</sup>	19,819	14,765	10,933	6,970	13,919
	Total volunteer hours <sup>21</sup>	59,202	55,574	48,168	42,133	56,581
	% employees participating as volunteers	No data	No data	No data	No data	8%
	% of our major sites partner with a local NGO <sup>33</sup>	No data	No data	No data	No data	97%
SASB: TC-ES-320a.2	% of Flex facilities audited in the RBA Validated Audit Process (VAP) by all facilities <sup>27,28</sup>	4%	12%	6%	4%	10%
SASB: TC-ES-320a.2	% of Flex facilities audited in the RBA Validated Audit Process (VAP) by high risk facilities <sup>22</sup>	NA	NA	NA	Flex does not have high risk facilities	Flex does not have high risk facilities
SASB: TC-ES-320a.2	% of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) by all facilities <sup>23,25</sup>	No data	No data	24%	34%	15%
SASB: TC-ES-320a.2	% of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) by high risk facilities <sup>23,25</sup>	No data	No data	15%	60%	13%
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances for (i) the entity's facilities <sup>30</sup>	No data	0%	4%	0%	0.35%

## Our People

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (b) other non-conformances for (i) the entity's facilities <sup>30</sup>	100%	100%	96%	0%	5.64%
SASB: TC-ES-320a.3	Associated corrective action rate for (a) priority non-conformances, for (i) the entity's facilities <sup>23,30</sup>	100%	100%	100%	0%	100%
SASB: TC-ES-320a.3	Associated corrective action rate for (b) other non-conformances, for (i) the entity's facilities <sup>30</sup>	100%	100%	100%	0%	100%
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances for (ii) the entity's Tier 1 supplier facilities <sup>23,24</sup>	No data	No data	8.23%	9.17%	13%
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (b) other non-conformances, for (ii) the entity's Tier 1 supplier facilities <sup>23,24</sup>	No data	No data	91.77%	90.83%	87%
SASB: TC-ES-320a.3	Associated corrective action rate for (a) priority non-conformances, for (ii) the entity's Tier 1 supplier facilities <sup>23,24</sup>	No data	No data	1.84%	5.27%	4%
SASB: TC-ES-320a.3	Associated corrective action rate for (b) other non-conformances, for (ii) the entity's Tier 1 supplier facilities <sup>23,24</sup>	No data	No data	19.46%	56.88%	45%
	% of 'Preferred Suppliers' with GHG emissions reduction targets <sup>35</sup>	No data	No data	No data	No data	29%

1. The information of total number of employees by employment contract by gender and region is not currently available.  
 2. Gender information not available for all employees.  
 3. In 2021, our 2030 sustainability targets were set and the implementation of the % of employees with the human rights training began.  
 4. The information by employee category is currently unavailable. Future reports may include more information about this, as we're building the capabilities to report more complete information.  
 5. This year, we were able to report on all the online training for IDL. We implemented a new learning platform, Flex Learn, that tracks learning across the various learning platforms at Flex (formal and informal learning).  
 6. We had several corporate learning programs such as Ways of Working that we implemented as well.  
 7. In 2015 and before covering significant locations of operation in Asia, EMEA and Americas. In 2016, this was expanded to cover all our entities included in our training system.  
 8. In 2018, our online training system was replaced, and employees didn't have access to new system during the transition period.  
 9. Information broken down by gender is not available. Future reports may include more information about this, as we're building the capabilities to report more complete information. The coverage in 2020 and 2021 was 91% of our operations.  
 10. The absentee rate is currently unavailable.  
 11. Number of employees per 100 full-time employees that have been involved in a recordable injury or illness. Industry TCIR Benchmarks: Printed Circuit Assembly 1.4, Plastics and rubber products manufacturing 3.7, Warehousing and storage 4.8, Forging and stamping 4.9 (Source: U.S. Bureau of Labor Statistics November 4, 2020).  
 12. In 2018, the KPI and target were re-calculated due to our divestment of Multek. Historic data for this enterprise was removed from all calculations. Change was reflected for annual status from 2014 onwards.  
 13. In 2020, TCIR was re-calculated due to new cases found.  
 14. Any work-related injury that leads to missing day(s) of work after the date of injury. The focus of these cases is the employee's ability to be present in the work environment during his or her normal work shift to perform his or her routine job functions. Industry Lost Time Case Rate Benchmarks: Printed Circuit Assembly 0.4, Plastics and rubber products manufacturing 1.1, Warehousing and storage 1.9, Forging and stamping 1.3 (Source: U.S. Bureau of Labor Statistics November 4, 2020).  
 15. In 2016 and 2017, an unauthorized subcontractor was killed in an accident at one of our sites in Asia.  
 16. Minor injuries defined as work injuries.  
 17. From 2018, serious injuries cover those that required hospitalization for 24+ hours and treatment, amputation or disfigurement cases.  
 18. In 2019, a contractor suffered a serious injury at one of our sites in Asia.  
 19. In 2021, hourly production workers in China, Mexico, US, Brazil, Indonesia, Malaysia, Singapore, Japan are covered. For this year India was not included.  
 20. Local community development programs based on local communities' needs.  
 21. Data verified by DNV.  
 22. Flex does not have high risk facilities.  
 23. We have limited our Tier 1 suppliers to those suppliers that in aggregate account for 80% of our supplier spending.  
 24. After running an elevate test on 100% of our Tier 1 suppliers, we use an equivalent audit process based on a RBA Self-Assessment Questionnaire (SAQ), which covers the topics and scope of the RBA VAP.  
 25. The tool that we use as a first assessment is Elevate, an RBA screening tool, and last year Elevate changed their parameters which caused an increased number of high-risk suppliers, we are working on requesting a SAQ to these suppliers as well as a corrective action plan if applicable.  
 26. Since 2021, scores are referring to RBA Validated Audit Process.  
 27. The COVID-19 pandemic has disrupted most professions across the globe with auditing being no exception. Mandatory lockdown measures were imposed by governments to control the spread of the virus, with individuals having to work from home where possible. For auditors, this meant they couldn't travel to perform audits, nor even to their own offices, and audits had to be postponed. Due to this, we couldn't complete the audit schedule according to our plans in both cases, the internal and third-party audits.  
 28. The facilities considered here are only the manufacturing sites.  
 29. Four sites completed the training at the beginning of 2021.  
 30. In 2020, Zero priority findings and 0% of nonconformances identified were priority non-conformance. In 2021, 2 priority findings were identified, actions closed.  
 31. Refers to all levels of management, including junior, middle and senior level management.  
 32. Number of volunteers are counted as participants of volunteering activities throughout the year (may include repeated employees).  
 33. Sites with 1,000 or more employees.  
 34. 2019 number was corrected.  
 35. GHG progress towards 2030, including public and non-public targets.

## Our Approach

GRI DISCLOSURE(S) / SASB CODE	KPI	2017	2018	2019	2020	2021
308-1, 414-1	Percentage of new suppliers screened using environmental, human rights, labor practices and impact on society criteria	90%	97%	98%	100%	100%
	Number of suppliers trained on on corporate social and environmental responsibility/ RBA requirements	158	226	288	551	424
204-1	% spend on local suppliers <sup>3</sup>	24%	21%	16%	24%	22%
Conflict Minerals	% of global materials spend for the period that corresponds to suppliers that submitted valid complete declarations	68%	69%	59%	60%	60%
205-2	Code of business conduct and ethics training completion <sup>1,2</sup>	98%	97%	97%	99%	98%

1. Does not include individuals who have recently joined us through acquisitions, employees on leave of absence and direct labor.

2. Information on the total number and percentage of business partners to which the anticorruption policies have been communicated is currently unavailable.

3. 2016-2019 data based on top 10 locations. 2020 and 2021 data is based on top 30 locations.

# Index H. Flex 2030 goals progress report

We are proud to announce our new 2030 goals under our refreshed ESG strategy: Our world, our people, our approach. Please see our progress against these goals below.

## Our World

	Goal by 2030	Progress in 2021
<b>Environment</b>	Commit to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year <sup>1</sup>	Our absolute scope 1 and 2 GHG emissions were 756,731, a 14% decrease from our baseline year.
<b>Environment</b>	Achieve zero waste in 50% of our manufacturing sites by 2025	We zero waste certified 3% of sites within scope in 2021.
<b>Environment</b>	Reduce water withdrawn <sup>2</sup> by 5%, focusing on sites located in water scarce areas, by 2025	We increased water withdrawn at the sites located in water scarce areas by 7% from our 2019 baseline.
<b>Community</b>	Commit to 100% of our major sites <sup>3</sup> partner with a local NGO by 2025	97% of our major sites partnered with a local NGO in 2021.
<b>Community</b>	Commit to provide the tools needed to engage 75% of employees to volunteer by 2025 and 100% by 2030	Progress is under development

## Our People

<b>Health and safety</b>	Commit to reducing total case incident rate (TCIR) to below 0.2 by 2025	Our TCIR was 0.23 in 2021, a 17% reduction year over year.
<b>Health and safety</b>	Commit to certifying all manufacturing sites with 'RBA factory of choice' by 2025	6% of our manufacturing sites were 'RBA factory of choice' certified, as of 2021.
<b>Diversity, equity and inclusion</b>	Increase female representation at the director level and above globally	We had 22% female representation at the director level and above globally.
<b>Diversity, equity and inclusion</b>	Increase racial and ethnic diverse representation at the director level and above in the U.S.	We had 31% racial and ethnic diverse representation at the director level and above in the U.S.
<b>Diversity, equity and inclusion</b>	Achieve pay parity in the U.S. by 2022	Progress is under development
<b>Labor practices</b>	Ensure 100% of our employees have access to emotional / mental health programs by 2023	100% of employees had access to emotional / mental health programs in 2021.
<b>Labor practices</b>	Target an average of 40 hours of training & development annually per employee by 2025	We provided 27 average hours of training per employee in 2021.

## Our Approach

<b>Suppliers</b>	Commit that 50% of our 'Preferred Suppliers' will set their own GHG emissions reduction targets by 2025 and 100% by 2030	29% of our preferred suppliers set their own GHG reduction targets in 2021. This accomplishment puts us at 57% towards our 2025 goal, and 29% towards our 2030 goal.
<b>Customers</b>	Commit that 70% of our customers as measured by emissions covering purchased goods and services, capital goods and use of sold products will have science-based targets by 2025	48% of specified customers had science-based targets in 2021.
<b>Ethics</b>	Be independently evaluated as having a world-class ethics and compliance program by 2025	In 2021, we initiated benchmarking activities to get a firm and accurate baseline performance to measure and report our progress against.
<b>Governance</b>	Continue to maintain high (top quartile) governance standards as measured by investors, proxy advisory firms, and governance best practices	During 2021, we conducted governance shareholder outreach and received positive feedback on our governance program. During 2021, Institutional Shareholder Services (ISS) consistently awarded Flex its highest overall governance quality score rating.

1. The target boundary includes biogenic emissions and removals from bioenergy feedstocks

2. Per revenue

3. Sites with more than 1,000 employees

# Index I. Third-party verification



WHEN TRUST MATTERS

## Independent Assurance Statement

Flex Ltd. "Flex" commissioned DNV Business Assurance USA Inc. ("DNV", "we", or "us") to undertake independent assurance of the Flex Sustainability Report 2022 (the "Report") for the year ended 31<sup>st</sup> December 2021.



### Our Conclusion:

- On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe Flex's adherence to the Principles of stakeholder inclusiveness, materiality, sustainability context and completeness.
- In terms of quality of the Performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

Our observations and areas for improvement will be raised in a separate report to Flex's Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

### Stakeholder inclusiveness

**The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.**

Flex continues with its open and inclusive approach to engagement. It has a well defined, structured plan for engagement which operates at all levels of the organisation. The sustainability agenda is important to Flex. This is demonstrated through clear leadership and a commitment to work across the value chain in order to understand opportunities to improve products and services.

This includes engaging with customers to raise awareness of opportunities to improve performance as well as to innovate with customers aligned to the sustainability agenda. Flex was able to evidence an upturn in demand for sustainability related requests, especially in relation to Greenhouse Gas emissions and the circular economy. Importantly, it is linking relevant data to customers scope 3 emissions and providing information on financial savings from reducing emissions and circularity improvements.

Engagement evidence, including its work to address areas of sustainability risk, such as with its employees recruited via recruitment agents for its facilities and in relation to its supply chain, was provided and reviewed.

As the business grows, its challenge is to work with its partners on how it can accelerate a whole value chain transition to put it onto a sustainable footing. Its partner engagement and 2030 sustainability strategy will play a key part in delivering this and we recommend future disclosures expand on this.

### Materiality

**The process for determining the issues that are most relevant to an organisation and its stakeholders in relation to its impacts.**

In our opinion, the Report addresses the most material ESG issues facing Flex and its stakeholders. The materiality process follows good practice, recognised impacts from the perspective of the environment, society and individual rightsholders as well as on the organisation. The process used clearly defined materiality thresholds. Flex can demonstrate how issues raised by stakeholders feed into its strategy and reporting.

Flex continues to refine its approach to material issues at a corporate and operational level and to report on this.

### Sustainability context

**The presentation of the organisation's performance in the wider context of sustainability.**

Flex is increasingly using science and context-based evidence to inform its strategic priorities, and this is reflected in the report. This covers a range of issues including Greenhouse Gas emissions and Diversity,

### Equality and Inclusion.

Flex provides a broad and useful commentary to support the understanding of the context of its operations and solutions. We recommend it further seeks to understand and report on the rate and scale of change required to become a sustainable organisation.

Flex has set environmental goals to address climate change. Flex has joined the Science Based Targets Initiative (SBTI) and has aligned its emission reduction targets with SBTi Goal setting. Flex has conducted data analysis for all Scope 3 emissions and is reporting most of the Scope 3 Categories.

### Completeness

**How much of all the information that has been identified as material to the organisation and its stakeholders is reported.**

Flex continues to report comprehensively on the broad scope of material issues it has identified. To ensure the value from the report can be maximised, we repeat our recommendation from last year, to translate and promote the report into the main languages covered by its operations including Portuguese, Spanish and Mandarin.

Index F provides information on alignment to the requirements of the Task Force for Climate Related Financial Disclosures, and we look forward to seeing further information in future reports.

### Reliability and Quality

**The accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems.**

Our review of data management systems, internal reporting and our verification of the specified data indicate a comprehensive and consistent approach is generally used across Flex operations and for the roll up of this information. This enhances the quality of the disclosed information and ensures the timeliness of reported performance data. A range of controls and third-party verification support accuracy and the reliability of the information reported.

There are some inherent limitation to the accuracy of data for 3 Categories under Scope 3 (Processing of Sold Products, Use of sold products, and End of life treatment of sold products categories) emissions. The calculations of these 3 categories of Scope 3 emissions reported by Flex is based on some assumptions, extrapolation and estimations methods. Due to the inherent risk associated with estimation, there is a higher uncertainty associated with these 3 categories of Scope 3 emissions data.

Flex provides balanced reporting including on areas of performance where it would like to see improvements, such as in relation to excessive working hours and rest days and in relation to the opportunities of transitioning towards a circular economy.



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### Scope and approach

We performed our work using DNV's assurance methodology VeriSustain™, which is based on our professional experience, international assurance best practice including the International Standard on Assurance Engagements 3000 ("ISAE 3000"), and the Global Reporting Initiative ("GRI") Sustainability Reporting Guidelines. We evaluated the Report for adherence to the GRI Principles for defining report content of stakeholder inclusiveness, materiality, sustainability context and completeness (the "Principles").

We understand that the reported financial data and information are based on data from Flex's Annual Report and Accounts, which are subject to a separate independent audit process. The review of financial data taken from the Annual Report and Accounts is not within the scope of our work.

The scope of our work covers the following 2021 disclosures ("Performance data") from the Report:

<b>Energy</b>	
• Energy Consumed	1,789,323 MWh
• Renewable Energy Capacity	40 MW
<b>GHG Emissions</b>	
• Scope 1 Emissions	81,647 (MtCO <sub>2</sub> e)
• Scope 2 Emissions (location based)	658,024 (MtCO <sub>2</sub> e)
• Scope 2 Emissions (market based)	675,084 (MtCO <sub>2</sub> e)
• Total Scope 1 and 2 CO <sub>2</sub> e Gross Emissions - Location-based Emissions	739,671 (MtCO <sub>2</sub> e)
• Total Scope 1 and 2 CO <sub>2</sub> e Gross Emissions - Market-based Emissions	756,731 (MtCO <sub>2</sub> e)
• CO <sub>2</sub> e Gross Location-based Emissions Intensity - Scope 1 and 2	29.12 (tonnes/US\$M of revenue)
• Scope 3 Emissions	
• 1- Purchased Goods and Services	6,331,683 (MtCO <sub>2</sub> e)
• 2- Capital Goods	266,457 (MtCO <sub>2</sub> e)
• 3- Fuel- and Energy-Related Activities	215,690 (MtCO <sub>2</sub> e)
• 4- Upstream Transportation and Distribution	345,576 (MtCO <sub>2</sub> e)
• 5- Waste	28,566 (MtCO <sub>2</sub> e)
• 6- Business Travel	4,584 (MtCO <sub>2</sub> e)
• 7- Employee Commuting	96,112 (MtCO <sub>2</sub> e)
• 9- Downstream Transportation and Distribution	18,188 (MtCO <sub>2</sub> e)
• 10 - Processing of Sold Products	58 (MtCO <sub>2</sub> e)
• 11 - Use of sold products	96,331,749 (MtCO <sub>2</sub> e)
• 12 - End of life treatment of sold products	13,293 (MtCO <sub>2</sub> e)
• 15- Investments	11,291 (MtCO <sub>2</sub> e)
<b>Year on year change in emissions</b>	
• Scope 1 and Scope 2 (Location Based)	3%
• Scope 1 and Scope 2 (Market Based)	7%
Scope 3	
• Fuel- and Energy-Related Activities	41%
• Waste generated in operations	9%
• Business Travel	0%
<b>Water</b>	
• Total water withdrawn	6,143,047 m <sup>3</sup>
• Total water withdrawn by source:	
• Municipal water supply	5,101,275 m <sup>3</sup>
• Ground water	852,222 m <sup>3</sup>
• Surface water	0
• Rainwater	269 m <sup>3</sup>
• Wastewater from another organization	1,574 m <sup>3</sup>
• Private company water supply	170,744 m <sup>3</sup>
• Other water utilities:	16,964 m <sup>3</sup>
• Recycled water	602,303 m <sup>3</sup>
• Recycled water	10%
• Total water discharged	4,628,383 m <sup>3</sup>
• Total water consumption	1,514,665 m <sup>3</sup>

### Responsibilities of the Directors of Flex and of the assurance providers

The Directors of the Flex have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of Flex; however, our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

### Level of assurance

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our Assurance Opinion. We are providing a 'limited level' of assurance. A 'reasonable level' of assurance would have required additional work at Group and site level to gain further evidence to support the basis of our Assurance Opinion.

### Independence

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with Flex.

### DNV Business Assurance

DNV Business Assurance Services USA, Inc. Limited is part of DNV - Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. <https://www.dnv.com/services>



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### Performance data

<b>Waste</b>	
• Total Waste	162,725 (tonnes)
• Non-Hazardous Waste	156,292 (tonnes)
• Hazardous Waste	6,433 (tonnes)
• Total Waste by Disposal Method:	162,725 (tonnes)
• Composting	2,386 (tonnes)
• Preparation for reuse	6,249 (tonnes)
• Recycling	98,539 (tonnes)
• Recovery	4,704 (tonnes)
• Incineration	11,126 (tonnes)
• Landfill	10,303 (tonnes)
• Deep Well Injection	0 (tonnes)
• On-Site Storage	113 (tonnes)
• Other	29,305 (tonnes)
• Waste Diversion rate	94%
• Recycling Rate	66%
<b>Community</b>	
• Percentage of operations that have implemented local community engagement activities	92 %
• Total volunteer hours	56,581 Hours
<b>Occupational Health and Safety</b>	
• Incident Rate	0.23
<b>Supply Chain</b>	
• % of Preferred Suppliers that have a GHG emission target	29%

We evaluated the Performance data using the GRI Reporting Principles for defining report quality (accuracy, balance, clarity, comparability, reliability and timeliness) together with Flex's data protocols for how the data are measured, recorded and reported.

The review of any data from prior years is not within the scope of our work (this includes any data in scope in previous years that has been re-stated).

### Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed work remotely. We undertook the following activities:

- Review of the current sustainability issues that could affect Flex and are of interest to stakeholders;
- Review of Flex's approach to stakeholder engagement and recent outputs;
- Review of information provided to us by Flex on its reporting and management processes relating to the Principles;
- Interviews with 8 selected Directors and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed. We were free to choose interviewees and functions covered;
- Conducted an interview with two Sustainability Leads in the China region to review process and systems for supply chain sustainability, preparing regional level sustainability data and implementation of sustainability strategy. We were free to select this site for interview as it is representative of broader sites on the basis of material impacts;
- Review of supporting evidence for key claims in the Report. Our checking processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at a consolidated corporate / Group / head office level; and
- Review of the processes for gathering and consolidating the selected Performance data and, for a sample, checking the data consolidation.

For and on behalf of DNV Business Assurance Services USA, Inc

Assurance Team



Katy, Texas, USA  
7 July 2022

Role	Name
Lead Verifier	Dave Knight
Senior Verifier	Kyle Silon
Senior Verifier	Shruthi Bachamanda
Project Manager	Andrew Bhem
Technical Reviewer	Felipe Antunes