

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

We are the Sketch-to-Scale® solutions provider that designs and builds Intelligent Products for a Connected World®. With approximately 200,000 professionals across 30 countries, we provide innovative design, engineering, manufacturing, real-time supply chain insight, and logistics services to companies of all sizes in various industries and end-markets.

We are a participant in the UN Global Compact, the world's largest sustainability initiative, as well as a constituent of the FTSE4Good Index. Frost and Sullivan recognized our sustainability efforts with the 2018 Manufacturing Leadership Award, and the Institutional Shareholder Services Inc. (ISS) awarded us with the highest disclosure and transparency score in the governance, environmental, and social categories.

We believe that a sustainable approach to business is essential and forms a core part of the way we do business. Flex Sustainability identifies our commitment to sustainable development across five cornerstones: People, Community, Environment, Innovation, and Integrity. These cornerstones form the foundation for proactive solutions that drive our corporate citizenship and workplace performance. We believe in the power of technology to connect people, products, and services to create a smarter, more sustainable future. It's not just good business, but it's good for the environment, people, and the communities where we live and work. This belief forms the cornerstone of our sustainability commitments and actions. With our Flex Sustainability strategy, we promise to deliver sustainable impact across the global communities where we live and work, so we can continue as a trusted investment, employer, and partner of choice.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2017	December 31 2017

W0.3

(W0.3) Select the countries/regions for which you will be supplying data.

- China
- Malaysia
- Mexico
- United States of America
- Other, please specify (Rest of the world)

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Offices, Hardware Design Centers, Software Design Centers	We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Our disclosure does include all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. In the future our water management strategy will report all micro-level data with respect to water.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Direct use: Access to affordable, reliable and adequate water supply is critical to the success of our business, the primary water use in our direct operations is: for sanitation, drinking water, cooking, and bathing, among others. Certain operations also consume water directly for uses, such as rinsing parts in our painting lines and other smaller cleaning operations, HVAC and cooling water, among others. Indirect use: We have not faced a challenge to date in providing adequate, affordable and reliable water supplies to support our indirect operations. We will continue to monitor the situation in the communities where we operate and determine if we need to take any action. Our value chain is quite extensive, and we have qualified our suppliers based on their management systems, including environmental management, but we have not yet engaged our suppliers in an examination of their water abstraction processes. We intend to do so in the future.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	Direct use: There are a select number of facilities that depend on recycled water for operations and cooling. Indirect use: We have not faced a challenge to date in providing adequate, affordable and reliable water supplies to support our indirect operations. We will continue to monitor the situation in the communities where we operate and determine if we need to take any action.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. In the future our water management strategy will report all micro-level data with respect to water. Frequency and monitoring method: All our operational locations report this data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it.
Water withdrawals – volumes from water stressed areas	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Frequency and monitoring method: All our operational locations report this data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it.
Water withdrawals – volumes by source	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Frequency and monitoring method: All our operational locations report this data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it.
Produced water associated with your metals & mining sector activities - total volumes	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not relevant	We comply with our internal and external stakeholders' requests at the local and global level. This is not monitored at the global level since there is not an active request around it. Since all of our withdrawals are from municipal systems, we rely upon those utilities to provide water of suitable quality.
Water discharges – total volumes	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Frequency and monitoring method: All our operational locations report this data on a yearly basis. Data is estimated.
Water discharges – volumes by destination	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Frequency and monitoring method: All our operational locations report this data on a yearly basis. Data is estimated.
Water discharges – volumes by treatment method	1-25	We comply with our internal and external stakeholders' requests at the local and global level. Aggregated data at the company level is not externally reported since there is not a request around it. Some number of our sites have wastewater discharge permits requiring pretreatment of industrial waste. Those sites perform monitoring as required by their permits (with specific or general) and submit self-monitoring reports; in some cases the local authorities also take samples for compliance purposes.
Water discharge quality – by standard effluent parameters	1-25	We comply with our internal and external stakeholders' requests at the local and global level. Aggregated data at the company level is not externally reported since there is not a request around it. Some number of our sites have wastewater discharge permits requiring pretreatment of industrial waste. Those sites perform monitoring as required by their permits (with specific or general) and submit self-monitoring reports; in some cases the local authorities also take samples for compliance purposes.
Water discharge quality – temperature	Not relevant	As we are not running thermal processes, none of our sites are monitoring water temperature.
Water consumption – total volume	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Frequency and monitoring method: All our operational locations report this data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it.
Water recycled/reused	76-99	Our disclosure includes all operational locations (manufacturing and logistics sites) due to their potential for large water consumption that would create a high impact. We have excluded our Offices, Hardware Design Centers, and Software Design Centers because of the low impact of their minimal water consumption. Frequency and monitoring method: All our operational locations report this data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We comply with our internal and external stakeholders' requests at the local and global level. Aggregated data at the company level is not externally reported since there is not a request around it. Flex has Dormitories, Kitchens and Cafeteria Standards. Among other things, these require that each dormitory floor must provide clean and safe drinking water and access to a hot water supply. All food preparation must be done with potable water, all ice must be prepared from potable or purified water, etc.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	11599	Lower	Comparison with previous year: Total withdrawals decreased mainly due to the upgrade and installation of water treatment plants in China and the U.S.A. Future volumes variation: We expect to have a lower volume in the future.
Total discharges	9746	Lower	Comparison with previous year: Total discharges decreased mainly due to the upgrade and installation of water treatment plants in China and the U.S.A. Future volumes variation: We expect to have a lower volume in the future.
Total consumption	1853	About the same	Comparison with previous year: Both, total withdrawals and discharges, decreased in the same proportion, mainly due to the upgrade and installation of water treatment plants in China and the U.S.A. Therefore, total consumption is about the same with respect to previous year. Future volumes variation: We expect to have a lower volume in the future. Total company-wide consumption was calculated subtracting total discharges from total withdrawals. As a result, figures balance out.

W1.2d

(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.

	% withdrawn from stressed areas	Comparison with previous reporting year	Identification tool	Please explain
Row 1	19	Lower	WRI Aqueduct	All manufacturing locations were entered to the WRI Aqueduct tool. We selected the risk type "Baseline Water Stress" and identified which sites fell under the categories of "High" and "Extremely High". Less than twenty locations were under these categories. Comparison with previous reporting year: % of locations decreased due to change in methodology and number of total locations in scope increased.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	2	Much higher	Relevance: This source is relevant because some of our sites (less than 5%) use it. Comparison with the previous reporting year: We have more sites collecting rainwater. Based on this, annual variation is much higher, since it increased by more than 50%. Future volume variation: We expect to have about the same volume in the future.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	Relevance: This source is not relevant as our sites do not withdraw from the source. Future volume variation: We don't expect a change here.
Groundwater – renewable	Relevant	1003	Higher	Relevance: This source is relevant because around 20% of our sites use it. Comparison with the previous reporting year: Volume is higher this year since it increased by more than 10%. Some of the new sites, integrated in 2017, use this source, that is why the total volume increased. Future volume variation: We expect to have about the same volume in the future.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Relevance: This source is not relevant as our sites do not withdraw from the source. Future volume variation: We don't expect a change here.
Produced water	Not relevant	<Not Applicable>	<Not Applicable>	Relevance: This source is not relevant as our sites do not withdraw from the source. Future volume variation: We don't expect a change here.
Third party sources	Relevant	10594	Lower	Relevance: This source is relevant because more than 90% of our sites use it. Comparison with the previous reporting year: Volume is lower this year since it decreased by more than 10%, due to our company saving programs implemented as part of the Flex 20 by 2020 goals efforts. Future volume variation: We expect to have a lower volume in the future.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	242	This is our first year of measurement	Relevance: A few of our sites (less than 10%) use this destination after water treatment process. Comparison with previous reporting year: This is our first year of measurement. Future volumes variation: We expect to have a lower volume in the future since our sites are committed to reduce water withdrawals and increase recycling water as part of our Flex 20 by 2020 environmental goals, this will also reduce total water discharges.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	Relevance: None of our sites discharge into brackish water bodies or into the sea. Future volume variation: We don't expect a change here.
Groundwater	Relevant	275	This is our first year of measurement	Relevance: A few of our sites (less than 10%) use this destination for irrigation or gardening purposes (after water treatment process). Comparison with previous reporting year: This is our first year of measurement. Future volume variation: We expect to have a lower volume in the future since our sites are committed to reduce water withdrawals and increase recycling water as part of our Flex 20 by 2020 environmental goals.
Third-party destinations	Relevant	9229	This is our first year of measurement	Relevance: Most of our sites use this destination (around 80%), mainly municipal treatment facilities. Comparison with previous reporting year: This is our first year of measurement. Future volume variation: We expect to have a lower volume in the future since our sites are committed to reduce water withdrawals and increase recycling water as part of our Flex 20 by 2020 environmental goals.

W1.2j

(W1.2j) What proportion of your total water use do you recycle or reuse?

	% recycled and reused	Comparison with previous reporting year	Please explain
Row 1	2-10	About the same	Current Impact: Reduced dependence on freshwater is one the benefits of reusing and recycling water. Comparison with previous year: Percentage is about the same, since it increased by less than 5%. More locations reported water recycling data in 2017(representing an increase); however, a few sites that used to recycle water stopped operations in the same year (representing a decrease). As a result, total volume was almost the same. Anticipated future trend: We expect this percent to increase in the future, according to our Flex 20 by 2020 goal: increase recycled water usage to 10%

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

76-100%

% of total procurement spend

51-75

Rationale for this coverage

Our worldwide supply chain embraces roughly 24,000 direct, indirect and vertically-integrated suppliers. Our customers determine most of our suppliers; however, our commitment to maintain the high standards of our sustainability supply chain program extends not only to those suppliers that our customers require but also to those that we choose. Working with all our suppliers, we were able to develop our preferred supplier program (PSP).

Impact of the engagement and measures of success

In order to be included in our PSP, a supplier has to fulfill certain criteria established by top management at our company. We expect all our suppliers to implement appropriate and effective policies to ensure compliance to our supplier code of conduct which also complies with the Responsible Business Alliance Code of Conduct (RBA Code). These requirements also are reflected into our internal supplier qualification process (SQP). Some of our KPIs on this topic are: a) By 2017, we have assessed 97% of the 475 Suppliers in the PSP. These assessments are conducted with our SAQ. b) In 2017 our PSP accounted for 52% of Flex's total spend with our controlled suppliers. c) In addition to our PSP, in 2017: • We assessed 361 suppliers with our SAQ • We conducted 171 physical audits:140 initial audits and 31 follow-up audits

Comment

Our SQP covers several key elements, including business, quality systems, operations, engineering/design, product/process environmental compliance, supply chain security, corporate social and environmental responsibilities and lean concepts which are represented in our self-assessment questionnaire (SAQ). The objective of the SAQ is to validate that all our suppliers are committed to support and respect the standards on social, environmental and ethical issues in the supply chain.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Other, please specify (Data collection)

% of suppliers by number

1-25

% of total procurement spend

1-25

Rationale for the coverage of your engagement

This is a pilot project sponsored by the RBA (Responsible Business Alliance) that mimics earlier work in the area of greenhouse gas emissions. The objective would be to follow up with educational and/or consulting offerings to get suppliers to utilize water conservation techniques and equipment.

Impact of the engagement and measures of success

This program is not yet at the point where we are able to measure reductions or other impacts. We are not providing incentives to responsive or higher performing suppliers, but plan to do so in the future.

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and total financial impact.

Country/Region

Singapore

River basin

Other, please specify (GHAASBasin1591)

Type of impact driver

Regulatory

Primary impact driver

Higher water prices

Primary impact

Increased operating costs

Description of impact

Financial impact: 30% increase in water price from total water consumption. However, impact is not substantial, since total annual amount is less than three thousand dollars.

Primary response

Adopt water efficiency, water re-use, recycling and conservation practices

Total financial impact

2600

Description of response

In alignment with our Flex 20 by 2020 environmental goals, this location implemented water saving programs focused on employee awareness and engagement. Final impact was estimated based on average monthly consumption and cost increase, and then it was aggregated considering 12 months in one year.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Please select

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

2 to 5 years

Type of tools and methods used

Enterprise Risk Management
International methodologies

Tools and methods used

Other, please specify (WRI Aqueduct)

Comment

We require all sites to adopt our social and environmental management system, called Flex Pledge, to identify, assess and manage water-related risks as mentioned above. In addition, our corporate real estate and facilities (CREF) department conducts water risk assessments at select geographic locations on an annual basis, taking into account the type of operation, water usage at that operation, and water quality.

Supply chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, sometimes included	As part of our social and environmental management system, we require all sites to appoint a sustainability lead and working committee to represent their site. The sustainability site lead, together with his or her local cross-functional working committee, is responsible for identifying and assessing the current drought conditions and the impacts of both historical and potential droughts. This committee must assess and determine if any local quality requirements apply to the site. This team also must report findings to their regional CSER and CREF representatives. We have established a corporate sustainability leadership committee (CSLC) that reports to senior management. The CSLC recommends operational and technical solutions to water-related issues and challenges. The CSLC also identifies and assesses other regions of concern and potential impacts, and reports on ongoing work and next steps.
Water quality at a basin/catchment level	Relevant, sometimes included	As part of our social and environmental management system, we require all sites to appoint a sustainability lead and working committee to represent their site. The sustainability site lead, together with his or her local cross-functional working committee, is responsible for identifying and assessing the current drought conditions and the impacts of both historical and potential droughts. This committee must assess and determine if any local quality requirements apply to the site. This team also must report findings to their regional CSER and CREF representatives. We have established a corporate sustainability leadership committee (CSLC) that reports to senior management. The CSLC recommends operational and technical solutions to water-related issues and challenges. The CSLC also identifies and assesses other regions of concern and potential impacts, and reports on ongoing work and next steps.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, sometimes included	Our social and environmental management system requires all our operations to identify, understand, analyze and address stakeholder concerns. We participated in multiple industry associations and are a founding member of the Responsible Business Alliance (RBA) (www.responsiblebusiness.org). Through active participation with the RBA, we are able to understand and respond to potential stakeholder conflicts in the communities where we operate.
Implications of water on your key commodities/raw materials	Relevant, sometimes included	At this time, we have not identified any water-specific risks impacting key commodities or raw materials that are critical to our business or our customers. We will continue to monitor potential water-related issues that impact our supply chain, and work with both suppliers and customers to ensure that we fully understand how water issues impact our value chain.
Water-related regulatory frameworks	Relevant, always included	A significant part of our business depends on reliable, affordable and adequate water supplies. Our social and environmental requires that all operations comply with applicable environmental laws and regulations. In select locations, our representatives engage and contribute at the local and state legislative and regulatory process. Regulatory compliance is an environmental goal and corporate metric for all business groups. For example, the latest Chinese discharge regulations require significant reductions in the quantity of discharge and we are responding accordingly. In our Sorocaba and Manaus, Brazil locations, water is restricted due to environmentally protected areas.
Status of ecosystems and habitats	Not relevant, explanation provided	Managing water is a key sustainability issue for us to ensure water quality, quantity and affordability throughout our value chain. We are not aware of any water impacts to sensitive environmental areas that exceed regulatory requirements.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	As a part of our global social and environmental management system standards, employees always have access to water for sanitation and drinking purposes.
Other contextual issues, please specify	Relevant, always included	Water is the world's most precious resource. At our own facilities, as well as those of our suppliers, we continue to look for ways to reduce water consumption during manufacturing, cooling, landscaping, and sanitation.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization’s water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Our business is driven by meeting our customers' expectations and requirements. We regularly engage with our customers through a variety of existing channels including customer surveys, the RBA and other industry conventions, and sustainability conferences.
Employees	Relevant, always included	Our corporate sustainability team holds regular “coffee talk” communication sessions in each region to educate and update employees regarding new regulations and other potential impacts. Our senior management teams, both at the corporate level and site level, hold regular town hall meetings for their respective audiences (corporate, business groups, sites). A Q&A session at the end of every meeting gives employees the opportunity to ask questions and share their ideas. Our EHS policy calls for raising employee awareness of the strategic importance of natural resources, including water.
Investors	Relevant, always included	We engage investors in our quarterly earnings calls and analyst meetings, financial disclosures, as well as surveys such as the CDP, on any water-specific risks that are material to our business or our customers.
Local communities	Relevant, sometimes included	Our social and environmental management system requires sustainability site leads to engage with local communities. This includes water-related issues when applicable.
NGOs	Relevant, sometimes included	We collaborate with environmental and social NGOs like the Institute of Public and Environmental Affairs (IPEA) in the People's Republic of China to preserve and protect natural resources.
Other water users at a basin/catchment level	Relevant, not included	Where we share space with other users (for example, other building tenants where we have the same landlord), we occasionally engage with them on water issues that have the potential to impact the supply of water to our operations.
Regulators	Relevant, always included	We engage with trade associations that monitor applicable regulatory requirements. We are involved with industry associations that represent our interests, which includes water.
River basin management authorities	Not relevant, explanation provided	We do not make direct withdrawals.
Statutory special interest groups at a local level	Not relevant, explanation provided	We are not engaging with any such groups at this time.
Suppliers	Relevant, sometimes included	As a large purchaser with the potential to influence the sustainability practices of our suppliers, we are active in industry efforts to improve supply chain operations. As one of the founders of the Responsible Business Alliance (RBA) (www.responsiblebusiness.org), we contributed to development of industry standards for evaluating the environmental impacts of key materials, services, and performance of suppliers.
Water utilities at a local level	Relevant, sometimes included	Our corporate real estate and facilities (CREF) department engages with local suppliers on issues of quality, price and availability.
Other stakeholder, please specify	Please select	

W3.3d

(W3.3d) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Water risks are assessed as part of our enterprise risk management framework. We require all sites to adopt our social and environmental management system, called Flex Pledge, to identify, assess and manage water-related risks as mentioned above. In addition, our corporate real estate and facilities (CREF) department conducts water risk assessments at select geographic locations on an annual basis, taking into account the type of operation, water usage at that operation, and water quality.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

The risk to our operations is strictly due to interruption or curtailment, as opposed to water costs. Although most of our business processes do not consume large quantities of water, we do require a sufficient supply in order to run our business. If our operations were to experience an event (in the form of an interruption) where we could not receive ample water, we could face significant limits to production. The more probable impacts would be to ancillary operations, e.g. dormitories housing our workers, as opposed to production. There are also potential impacts in our supply chain as some of those operations are more water intensive. During our risk assessment, we concluded that our facilities that consume the largest percentage of water are not in water stressed regions. As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk to drought, flood or water stress. Then we consider the ones from such list that represent more than 1% of our global sales.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	1-25	While the number of facilities is modest compared to our overall footprint, some of these facilities (e.g. our mega-campus in Zhuhai China) have larger strategic significance.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive impact on your business, and what is the potential business impact associated with those facilities?

Country/Region

China

River basin

Other, please specify (XI JIANG)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to our overall footprint, some of these facilities (e.g. our mega-campus in Zhuhai China) have larger strategic significance. The potential to affect larger numbers of customers at certain facilities is also a risk.

Country/Region

United States of America

River basin

Other, please specify (GHAASBasin3920)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-25

Comment

Country/Region

China

River basin

Dong Jiang

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-25

Comment

Country/Region

China

River basin

Dong Jiang

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-25

Comment

Country/Region

China

River basin

Dong Jiang

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-25

Comment

Country/Region

Mexico

River basin

Santiago

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-25

Comment

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Region

China

River basin

Other, please specify (XI JIANG)

Type of risk

Physical

Primary risk driver

Flooding

Primary potential impact

Disruption to sales

Company-specific description

As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk of drought, flood or water stress. Then we consider the ones from that list that represent more than 1% of our global sales.

Timeframe

1 - 3 years

Magnitude of potential impact

Medium-low

Likelihood

Unknown

Potential financial impact

Explanation of financial impact

Physical impacts to one or more of our campuses and the short-term disruption of sales that would accompany such impacts. Such an impact might be substantive, but we have not concluded such an impact would be material to our financial results. As a manufacturer with facilities in 32 countries, we have the ability to shift production to other sites if a site were to be impaired.

Primary response to risk

Other, please specify (Move operation to another location)

Description of response

Continue to assess risks for water stressed regions that are considered to be significant.

Cost of response

0

Explanation of cost of response

No further costs are estimated, since cost of management would be part of normal cost of doing business.

Country/Region

United States of America

River basin

Other, please specify (GHAASBasin3920)

Type of risk

Physical

Primary risk driver

Increased water stress

Primary potential impact

Constraint to growth

Company-specific description

As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk of drought, flood or water stress. Then we consider the ones from that list that represent more than 1% of our global sales.

Timeframe

1 - 3 years

Magnitude of potential impact

High

Likelihood

Unknown

Potential financial impact

Explanation of financial impact

Physical impacts to one or more of our campuses and the short-term disruption of sales that would accompany such impacts. Such an impact might be substantive, but we have not concluded such an impact would be material to our financial results. As a manufacturer with facilities in 32 countries, we have the ability to shift production to other sites if a site were to be impaired

Primary response to risk

Other, please specify (Move operation to another location)

Description of response

Continue to assess risks for water stressed regions that are considered to be significant.

Cost of response

0

Explanation of cost of response

No further costs are estimated, since cost of management would be part of normal cost of doing business.

Country/Region

China

River basin

Dong Jiang

Type of risk

Physical

Primary risk driver

Flooding

Primary potential impact

Disruption to sales

Company-specific description

As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk of drought, flood or water stress. Then we consider the ones from that list that represent more than 1% of our global sales.

Timeframe

1 - 3 years

Magnitude of potential impact

High

Likelihood

Unknown

Potential financial impact

Explanation of financial impact

Physical impacts to one or more of our campuses and the short-term disruption of sales that would accompany such impacts. Such an impact might be substantive, but we have not concluded such an impact would be material to our financial results. As a manufacturer with facilities in 32 countries, we have the ability to shift production to other sites if a site were to be impaired.

Primary response to risk

Other, please specify (Move operation to another location)

Description of response

Continue to assess risks for water stressed regions that are considered to be significant.

Cost of response

0

Explanation of cost of response

No further costs are estimated, since cost of management would be part of normal cost of doing business.

Country/Region

China

River basin

Dong Jiang

Type of risk

Physical

Primary risk driver

Flooding

Primary potential impact

Disruption to sales

Company-specific description

As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk of drought, flood or water stress. Then we consider the ones from that list that represent more than 1% of our global sales.

Timeframe

1 - 3 years

Magnitude of potential impact

High

Likelihood

Unknown

Potential financial impact**Explanation of financial impact**

Physical impacts to one or more of our campuses and the short-term disruption of sales that would accompany such impacts. Such an impact might be substantive, but we have not concluded such an impact would be material to our financial results. As a manufacturer with facilities in 32 countries, we have the ability to shift production to other sites if a site were to be impaired.

Primary response to risk

Other, please specify (Move operation to another location)

Description of response

Continue to assess risks for water stressed regions that are considered to be significant.

Cost of response

0

Explanation of cost of response

No further costs are estimated, since cost of management would be part of normal cost of doing business.

Country/Region

China

River basin

Dong Jiang

Type of risk

Physical

Primary risk driver

Flooding

Primary potential impact

Disruption to sales

Company-specific description

As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk of drought, flood or water stress. Then we consider the ones from that list that represent more than 1% of our global sales.

Timeframe

1 - 3 years

Magnitude of potential impact

Medium-low

Likelihood

Unknown

Potential financial impact

Explanation of financial impact

Physical impacts to one or more of our campuses and the short-term disruption of sales that would accompany such impacts. Such an impact might be substantive, but we have not concluded such an impact would be material to our financial results. As a manufacturer with facilities in 32 countries, we have the ability to shift production to other sites if a site were to be impaired.

Primary response to risk

Other, please specify (Move operation to another location)

Description of response

Continue to assess risks for water stressed regions that are considered to be significant.

Cost of response

0

Explanation of cost of response

No further costs are estimated, since cost of management would be part of normal cost of doing business.

Country/Region

Mexico

River basin

Santiago

Type of risk

Physical

Primary risk driver

Increased water stress

Primary potential impact

Constraint to growth

Company-specific description

As part of our risk analysis we included locations that are potentially exposed to high or extremely high risk of drought, flood or water stress. Then we consider the ones from that list that represent more than 1% of our global sales.

Timeframe

1 - 3 years

Magnitude of potential impact

Medium-low

Likelihood

Unknown

Potential financial impact

Explanation of financial impact

Physical impacts to one or more of our campuses and the short-term disruption of sales that would accompany such impacts. Such an impact might be substantive, but we have not concluded such an impact would be material to our financial results. As a manufacturer with facilities in 32 countries, we have the ability to shift production to other sites if a site were to be impaired.

Primary response to risk

Other, please specify (Move operation to another location)

Description of response

Continue to assess risks for water stressed regions that are considered to be significant.

Cost of response

0

Explanation of cost of response

No further costs are estimated, since cost of management would be part of normal cost of doing business.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Evaluation in progress	We are in the process of evaluating risks related to our supply chain and will incorporate this evaluation into our water strategy in the coming years. In addition, our operational footprint is regionalized as is our supply chain, helping minimize acute risks.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

As defined in our Flex 20 by 2020 environmental goals we are committed to reducing water usage in our operations through water recycling programs. We have some wastewater treatment plants operating in different sites around the globe and new water recycling projects are being implemented in China and the USA.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low

Potential financial impact

Explanation of financial impact

While we have not formally defined a dollar amount that constitutes a “substantive financial impact”, our water related business opportunity is sizeable.

Type of opportunity

Markets

Primary water-related opportunity

Improved staff retention

Company-specific description & strategy to realize opportunity

Our Flex 20 by 2020 employee actions encourage staff retention due to our sustainability efforts, including actions to use energy and water in a responsible manner; identify saving opportunities in the workplace; report leaks; and share ideas with operations management, facilities and/or EHS departments. These actions are in addition to water saving projects and programs that help us achieve the water reduction goal and simultaneously increase our employee engagement.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Low

Potential financial impact

Explanation of financial impact

While we have not formally defined a dollar amount that constitutes a “substantive financial impact”, our water related business opportunity is sizeable.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, total water accounting data and comparisons with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Country/Region

China

River basin

Other, please specify (XI JIANG)

Latitude

22.17

Longitude

113.29

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

1502

Comparison of withdrawals with previous reporting year

About the same

Total water discharges at this facility (megaliters/year)

1352

Comparison of discharges with previous reporting year

About the same

Total water consumption at this facility (megaliters/year)

150

Comparison of consumption with previous reporting year

About the same

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Annual comparison: Volumes are about the same this year with a decrease of less than 10%.

Facility reference number

Facility 2

Facility name (optional)

Country/Region

United States of America

River basin

Other, please specify (GHAASBasin3920)

Latitude

37.43

Longitude

-121.91

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

46

Comparison of withdrawals with previous reporting year

Higher

Total water discharges at this facility (megaliters/year)

Comparison of discharges with previous reporting year

Higher

Total water consumption at this facility (megaliters/year)

0

Comparison of consumption with previous reporting year

About the same

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Annual comparison: Volumes are higher due to increase of less than 15%.

Facility reference number

Facility 3

Facility name (optional)**Country/Region**

China

River basin

Dong Jiang

Latitude

23.03

Longitude

113.72

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

617

Comparison of withdrawals with previous reporting year

Lower

Total water discharges at this facility (megaliters/year)

556

Comparison of discharges with previous reporting year

Lower

Total water consumption at this facility (megaliters/year)

61

Comparison of consumption with previous reporting year

Lower

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Annual comparison: Volumes are lower due to decrease of less than 20%.

Facility reference number

Facility 4

Facility name (optional)**Country/Region**

China

River basin

Dong Jiang

Latitude

22.64

Longitude

113.81

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

346

Comparison of withdrawals with previous reporting year

Higher

Total water discharges at this facility (megaliters/year)

234

Comparison of discharges with previous reporting year

Higher

Total water consumption at this facility (megaliters/year)

112

Comparison of consumption with previous reporting year

Higher

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Annual comparison: Volumes are higher due to increase of less than 30%.

Facility reference number

Facility 5

Facility name (optional)

Country/Region

China

River basin

Dong Jiang

Latitude

22.6

Longitude

113.85

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

143

Comparison of withdrawals with previous reporting year

Lower

Total water discharges at this facility (megaliters/year)

Comparison of discharges with previous reporting year

Lower

Total water consumption at this facility (megaliters/year)

14

Comparison of consumption with previous reporting year

Much higher

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Annual comparison: Volumes are lower due to decrease of less than 30%. In 2016 there was no water consumption

Facility reference number

Facility 6

Facility name (optional)**Country/Region**

Mexico

River basin

Santiago

Latitude

21.89

Longitude

-102.3

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

65

Comparison of withdrawals with previous reporting year

About the same

Total water discharges at this facility (megaliters/year)

26

Comparison of discharges with previous reporting year

Much lower

Total water consumption at this facility (megaliters/year)

39

Comparison of consumption with previous reporting year

Much higher

Please explain

All our operational locations report water withdrawn data monthly . Data is obtained from their water invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged yearly, and this data is estimated based on local records. Water consumption is calculated annually. Withdrawn: Volumes increased less than 10%. Discharged: Volumes decreased to less than 50%. Consumption: Volumes increased by more than 50%.

(W5.1a) For each facility referenced in W5.1, provide withdrawal data by water source.

Facility reference number

Facility 1

Facility name

Zhuhai, China

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

0

Groundwater - non-renewable

0

Produced water

0

Third party sources

1502

Comment

Facility reference number

Facility 2

Facility name

Milpitas, US

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

0

Groundwater - non-renewable

0

Produced water

0

Third party sources

46

Comment

Facility reference number

Facility 3

Facility name

DongGuang, China

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

0

Groundwater - non-renewable

0

Produced water

0

Third party sources

617

Comment

Facility reference number

Facility 4

Facility name

FuYong Shenzhen, China

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

0

Groundwater - non-renewable

0

Produced water

0

Third party sources

346

Comment

Facility reference number

Facility 5

Facility name

Shenzhen GuShu, China

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

0

Groundwater - non-renewable

0

Produced water

0

Third party sources

143

Comment

Facility reference number

Facility 6

Facility name

Aguascalientes, Mexico

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

65

Groundwater - non-renewable

0

Produced water

0

Third party sources

0

Comment

W5.1b

(W5.1b) For each facility referenced in W5.1, provide discharge data by destination.

Facility reference number

Facility 1

Facility name

Zhuhai, China

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

1352

Comment

Facility reference number

Facility 2

Facility name

Milpitas, US

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

46

Comment

Facility reference number

Facility 3

Facility name

DongGuang, China

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

556

Comment

Facility reference number

Facility 4

Facility name

FuYong Shenzhen, China

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

234

Comment

Facility reference number

Facility 5

Facility name

Shenzhen GuShu, China

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

129

Comment

Facility reference number

Facility 6

Facility name

Aguascalientes, Mexico

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

26

Third party destinations

Comment

W5.1c

(W5.1c) For each facility referenced in W5.1, provide the proportion of your total water use that is recycled or reused, and give the comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name

Zhuhai, China

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Comparison with previous reporting year: It is the same, as the location is not recycling water. Anticipated trend: Treatment of waste water would generate more energy use, emissions, chemical use and air emissions as well as financial cost. Thus, we do not consider this as a useful performance metric and further recycling efforts are assessed on a case by case basis.

Facility reference number

Facility 2

Facility name

Milpitas, US

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Comparison with previous reporting year: It is the same, as the location is not recycling water. Anticipated trend: Treatment of waste water would generate more energy use, emissions, chemical use and air emissions as well as financial cost. Thus, we do not consider this as a useful performance metric and further recycling efforts are assessed on a case by case basis.

Facility reference number

Facility 3

Facility name

DongGuang, China

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Comparison with previous reporting year: It is the same, as the location is not recycling water. Anticipated trend: Treatment of waste water would generate more energy use, emissions, chemical use and air emissions as well as financial cost. Thus, we do not consider this as a useful performance metric and further recycling efforts are assessed on a case by case basis.

Facility reference number

Facility 4

Facility name

FuYong Shenzhen, China

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Comparison with previous reporting year: It is the same, as the location is not recycling water. Anticipated trend: Treatment of waste water would generate more energy use, emissions, chemical use and air emissions as well as financial cost. Thus, we do not consider this as a useful performance metric and further recycling efforts are assessed on a case by case basis.

Facility reference number

Facility 5

Facility name

Shenzhen GuShu, China

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Comparison with previous reporting year: It is the same, as the location is not recycling water. Anticipated trend: Treatment of waste water would generate more energy use, emissions, chemical use and air emissions as well as financial cost. Thus, we do not consider this as a useful performance metric and further recycling efforts are assessed on a case by case basis.

Facility reference number

Facility 6

Facility name

Aguascalientes, Mexico

% recycled or reused

26-50%

Comparison with previous reporting year

Lower

Please explain

Comparison with previous reporting year: It lower as the operational location recycled less water (decrease of more than 10%)
Anticipated trend: We expect this percent to increase in the future, according to our Flex 20 by 2020 goal: increase recycled water usage to 10%.

W5.1d

(W5.1d) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

Water withdrawals – total volumes

% verified

76-100

What standard and methodology was used?

(ISAE) 3000 – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised)

Water withdrawals – volume by source

% verified

Not verified

What standard and methodology was used?

Water withdrawals – quality

% verified

Not verified

What standard and methodology was used?

Water discharges – total volumes

% verified

Not verified

What standard and methodology was used?

Water discharges – volume by destination

% verified

Not verified

What standard and methodology was used?

Water discharges – volume by treatment method

% verified

Not verified

What standard and methodology was used?

Water discharge quality – quality by standard effluent parameters

% verified

Not verified

What standard and methodology was used?

Water discharge quality – temperature

% verified

Not verified

What standard and methodology was used?

Water consumption – total volume

% verified

Not verified

What standard and methodology was used?

Water recycled/reused

% verified

Not verified

What standard and methodology was used?

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Company water targets and goals Commitments beyond regulatory compliance Commitment to water stewardship and/or collective action	Included as part of our EHS policy that is also a company-wide policy. In addition, there are additional commitments in the RBA Code to which we subscribe, in our Human Rights Policy and in our Flex 20 by 2020 Sustainability Goals.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Other, please specify (Audit Committee)	The BOD Audit Committee provides oversight of our overall sustainability program, including, without limitation, our water management program. The Audit Committee meets quarterly.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	The Audit Committee of the BOD exercises oversight of the sustainability program and receives reports twice yearly. Water management is typically reviewed on an annual basis.

W6.3

(W6.3) Below board level, provide the highest-level management position(s) or committee(s) with responsibility for water-related issues.

Name of the position(s) and/or committee(s)

Sustainability committee

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Executive Sponsor Committee includes the CFO, COO, CHRO and Segment Presidents. The agenda typically focuses upon compliance, risk management and sustainability. The meeting is managed by the Company's Chief Ethics and Compliance Officer and presentations are typically made by the CSO as well as the Head of Internal Audit.

Name of the position(s) and/or committee(s)

Risk committee

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Executive Sponsor Committee includes the CFO, COO, CHRO and Segment Presidents. The agenda typically focuses upon compliance, risk management and sustainability. The meeting is managed by the Company's Chief Ethics and Compliance Officer and presentations are typically made by the CSO as well as the Head of Internal Audit.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

We have developed a process where policy commitments require review by our General Counsel and our Vice President of Investor Relations and Corporate Communications) in all cases and by the Executive Sponsor Committee if further input is required. In addition, we have Government Relations staff in key geographies (e.g. China) who will be consulted as well.

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	5-10	As noted previously, we are not a water-intensive business. In addition, while many of our customers are heavily involved in energy efficiency and renewables, fewer are involved in water conservation.
Strategy for achieving long-term objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	5-10	As noted previously, we are not a water-intensive business. In addition, while many of our customers are heavily involved in energy efficiency and renewables, fewer are involved in water conservation.
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	5-10	As noted previously, we are not a water-intensive business. In addition, while many of our customers are heavily involved in energy efficiency and renewables, fewer are involved in water conservation.

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

	Water-related CAPEX (+/- % change)	Anticipated forward trend for CAPEX (+/- % change)	Water-related OPEX (+/- % change)	Anticipated forward trend for OPEX (+/- % change)	Please explain
Row 1	100	10	0	0	We completed a major capital project in the past year and do not anticipate anything new on that scale.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	No, but we anticipate doing so within the next two years	

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

This is dictated by the nature of our business which is not water intensive and our exposure to a limited number of water-stressed regions.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Company-wide targets and goals. Flex 20 by 2020 Water goals: -Reduce overall water consumption by at least 10 percent absolute (Base year 2015). -Increase recycled water rate to 10 percent (Base year 2015). Our company approach is focused on creating a global culture around resource conservation (including water and energy). Therefore, our Flex 20 by 2020 environmental goals apply to all operational locations. Each operational location must define as part of their environmental management system their own goals and targets to meet corporate, customer and regulatory requests. Flex 20 by 2020 Goal Progress is monitored monthly and reported to top management on a quarterly basis. External updates are done twice per year. Site/facility specific targets and/or goals: Our company approach is focused on creating a global culture around resource conservation (including water and energy). Therefore, our Flex 20 by 2020 environmental goals apply to all operational locations. Operational locations shall adopt company-wide goals, with the flexibility to define the respective target, which could be the same, higher or lower than company-wide one. Each operational location must define as part of their environmental management system their own goals and targets to meet corporate, customer and regulatory requests. Flex 20 by 2020 Goal Progress is monitored monthly and reported to top management on a quarterly basis. External updates are done twice per year.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Water stewardship

Description of target

Reduce overall water consumption by at least 10% absolute (base year 2015). We share our new 2020 goals publicly in our 2017 Global Citizenship Report and our Flex 20 by 2020 progress report. Learn more at flex.com/sustainability

Quantitative metric

% reduction in total water withdrawals

Baseline year

2015

Start year

2015

Target year

2020

% achieved

100

Please explain

Threshold of success: 10% of water withdrawals reduction 2017 status: 11.3% $[(11,598,895 - 13,079,949) / 130,799,49 = 11.32\%]$

Target reference number

Target 2

Category of target

Water recycling/reuse

Level

Company-wide

Primary motivation

Cost savings

Description of target

Increase recycled water rate to 10%.

Quantitative metric

% increase in water recycling/reuse

Baseline year

2015

Start year

2015

Target year

2020

% achieved

62

Please explain

Threshold of success: Recycling rate = 10% 2017 status: $(724,713 / 11,598,895) = 6.2\%$; $6.2 / 10 = 62\%$

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Other, please specify (Water use efficiency)

Level

Company-wide

Motivation

Corporate social responsibility

Description of goal

Reduce overall water consumption by at least 10 percent absolute (Base year 2015). This is one of our Flex 20 by 2020 environmental goals. Goal Level: Global. This goal was adopted by all our manufacturing locations given that the larger consumption of water occurs there. Importance: Water is a vital resource and in some operational locations it is used as part of the production process. Global Implementation: Operational locations shall adopt company-wide goals, with the flexibility to define the respective target, which could be the same, higher or lower than company-wide one.

Baseline year

2015

Start year

2015

End year

2020

Progress

Threshold of success: 10% reduction 2017 progress status: 11.3% $[(11,598,895 - 13,079,949) / 130,799,49 = 11.32\%]$

Goal

Other, please specify (Water use efficiency)

Level

Company-wide

Motivation

Corporate social responsibility

Description of goal

Increase recycled water rate to 10 percent. This is one of our Flex 20 by 2020 environmental goals. Goal Level: Global. This goal was adopted by all our manufacturing locations given that the larger consumption of water occurs there. Importance: Water is a vital resource and in some operational locations it is used as part of the production process. Global Implementation: Operational locations shall adopt company-wide goals, with the flexibility to define the respective target, which could be the same, higher or lower than company-wide one.

Baseline year

2015

Start year

2015

End year

2020

Progress

Threshold of success: Recycling rate = 10% 2017 status: $(724,713 / 11,598,895) = 6.2\%$; $6.2 / 10 = 62\%$

W9. Linkages and trade-offs

W9.1

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

No

W9.1b

(W9.1b) Why has your organization not identified any linkages or tradeoffs between water and other environmental issues?

	Primary reason	Please explain
Row 1	Considered, but none were identified	Again, since our production processes are not particularly water intensive and our operations are in urban areas (served by municipal water companies) we do not see any linkages to energy, agriculture, land conversion, etc.

W10. Verification

W10.1

(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?

Yes

W10.1a

(W10.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1. Current state	Total Water Withdrawn	ISAE3000	As part of our continual improvement process we added a 3rd party verification process initially only for water withdrawn, and we plan to extend this to other water data in the future. The standard was defined by the 3rd party based on their own expertise. This is the first year we verify this water data. We plan to do so, on an annual basis going forward.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Group President, Global Operations	President