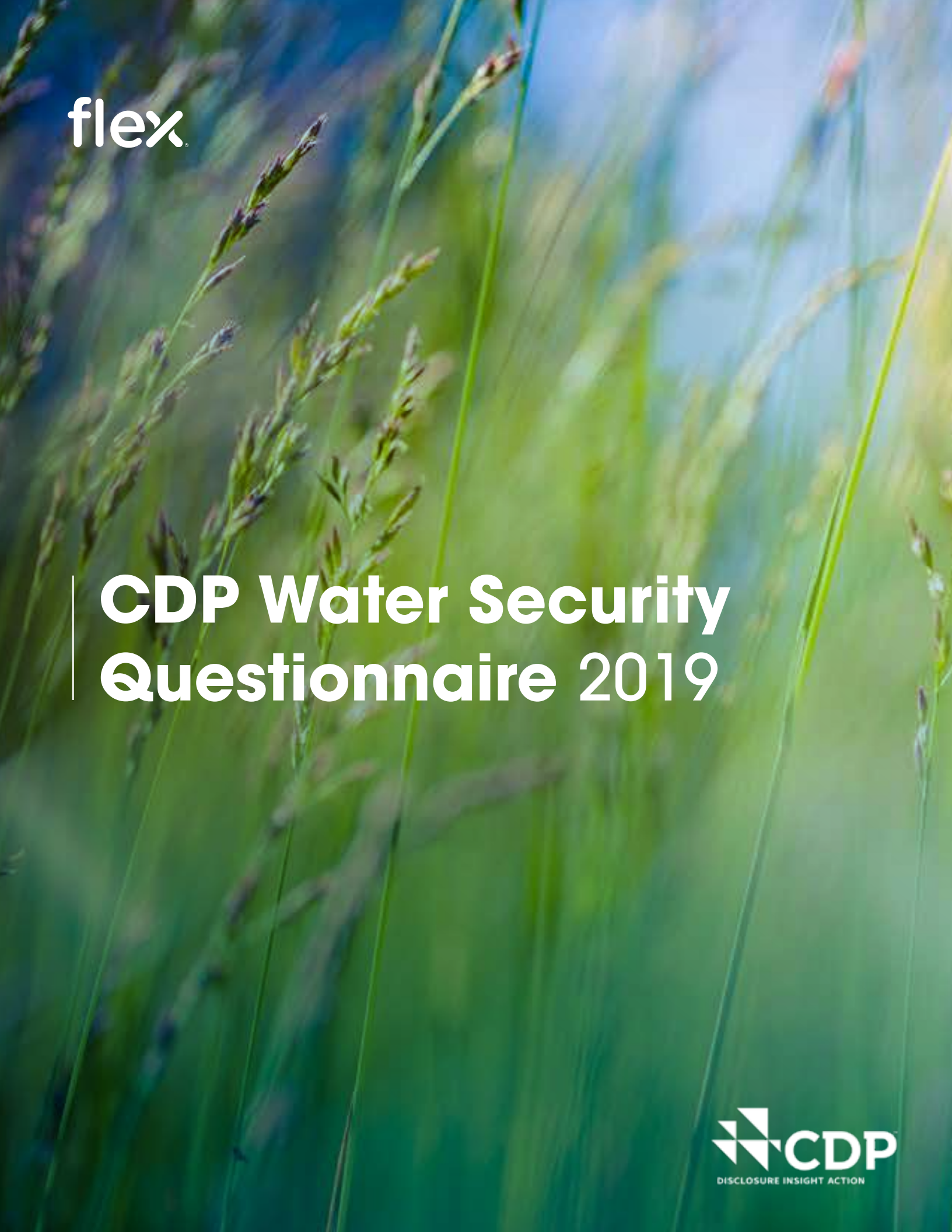
flex
CDP Water Security Questionnaire 2019
CDP
DISCLOSURE INSIGHT ACTION

CDP Water Security Questionnaire 2019

W0. Introduction

W0.1

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

Flex is the Sketch-to-Scale® solutions provider that designs and builds intelligent products globally. With approximately 200,000 professionals across 30 countries, Flex provides innovative design, engineering, manufacturing, real-time supply chain insight and logistics services to companies of all sizes across industries and 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 and 2019 Manufacturing Leadership Awards, and the Institutional Shareholder Services Inc. (ISS) awarded us with the highest disclosure and transparency score in the social category.

We believe that a sustainable approach to business is essential and forms a core part of the way we do business. We have a commitment to sustainable development across five cornerstones: people, community, environment, innovation, and Integrity. These cornerstones form the foundation of proactive solutions that drive us to improve 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, it's also good for the environment, people, and the communities where we live and work. This belief forms the cornerstone of our sustainability commitments and actions. Through our Flex Sustainability strategy, vision, and mission, we promise to deliver sustainable impact throughout the global communities where we live and work to become 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, 2018	December 31, 2018

W0.3

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

China
Malaysia
Mexico
United States of America

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?

No

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 an affordable, reliable and adequate freshwater supply is important to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. We do not anticipate our potable water needs changing, therefore our future freshwater dependency is unlikely to change. To date, we do not have any largescale reclaimed water systems than can offset our dependency. Indirect use: Supplier access to an affordable, reliable and adequate freshwater supply is important to the success of our business because

			it is required to meet our customer's needs. Our primary use of freshwater in our indirect operations is for manufacturing, sanitation, drinking water, cooking, bathing, etc. Our value chain is extensive, and we evaluate our suppliers based on management systems, including environmental management. To date, we have not engaged our suppliers in an examination of their water abstraction processes. We intend to do so in the future. We do not anticipate future freshwater dependency among our suppliers to change because we do not anticipate their potable water needs will change. To our knowledge, they are not currently implementing any largescale reclaimed water systems to offset their dependency.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	Direct use: Non-fresh water is important for our business because we have a select number of facilities that depend on recycled water for operations, irrigation, and cooling (the primary use). We anticipate our future non-fresh water dependency to increase as we continue to invest in reclaimed water systems and purchase recycled water from third-party suppliers. Indirect use: We have selected a rating of 'neutral' importance for non-fresh water for our suppliers because it is neither 'important' or 'not important' for product manufacturing or global logistics. The primary use of non-freshwater for our suppliers is for cleaning, irrigation, and cooling. We anticipate future dependency on non-freshwater among our suppliers to increase as customer requests help drive water conservation activities and suppliers continue to invest in reclaimed water systems.

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	100%	Water withdrawals are quantified for 100% of sites within our operational control. For the vast majority of our sites, water withdrawals are based on actual water bills/invoices and/or water meter records. Sites report this data on a

		monthly basis, and a regional group validates, reviews, and approves the data. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site. In 2018, 91% of our total water withdrawals was based on actual water invoices.
Water withdrawals – volumes from water stressed areas	100%	Water withdrawals are quantified for 100% of sites within our operational control. For the vast majority of our sites, water withdrawals are based on actual water bills/invoices and/or water meter records. Sites report this data on a monthly basis, and a regional group validates, reviews, and approves the data. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site. In 2018, 91% of our total water withdrawals was based on actual water invoices. The WRI Aqueduct tool was used to assess all of our sites, whether they had actual or estimated water withdrawal data in 2018. The baseline water stress indicator was used to determine whether a site was in a water stressed area. A baseline water stress score of "high" or "extremely high" qualified the site as being in a water stressed area. Sites are entered into the WRI Aqueduct tool on an annual basis.
Water withdrawals – volumes by source	100%	Water withdrawals by source are quantified for 100% of sites within our operational control. For the vast majority of our sites, water withdrawals are based on actual water invoices received monthly or quarterly. Water invoices and total water withdrawals are reviewed annually. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site. In 2018, 91% of our total water withdrawals was based on actual water invoices. We monitor all of our water withdrawals by source when actual invoice data is available. We assume that all estimated water is withdrawn from municipal sources.
Water withdrawals quality	100%	The quality of water withdrawals is monitored for 100% of our sites, primarily through our water utilities. We rely upon our utilities to provide suitable quality water. For the vast majority of our sites, water withdrawals are based on actual

		water bills/invoices and/or water meter records. Sites report this data on a monthly basis, and a regional group validates, reviews, and approves the data. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site.
Water discharges – total volumes	100%	Water discharges are monitored for 100% of our sites within our operational control. Sites report this data annually based on site-specific estimation. When site-specific estimation for discharges is not available, discharges are assumed to be equal to withdrawals.
Water discharges – volumes by destination	100%	Water discharges by destination are monitored for 100% of our sites within our operational control. Sites report this data annually based on site-specific estimation. When site-specific estimation for discharges is not available, discharges are assumed to be equal to withdrawals. The vast majority of our water discharge is to municipal/local off-site/common treatment facilities.
Water discharges – volumes by treatment method	1-25	We comply with our internal and external stakeholders' requests at the local and global level. Some of our sites have wastewater discharge permits requiring pre-treatment of industrial waste. Those sites perform monitoring as required by their permits (wither specific or general) and submit self-monitoring reports. In some cases the local authorities also take samples for compliance purposes. The vast majority of our water discharge is to municipal/local off-site/common treatment facilities.
Water discharge quality – by standard effluent parameters	1-25	We comply with our internal and external stakeholders' requests at the local and global level. Some of our sites have wastewater discharge permits requiring pre-treatment of industrial waste. At these sites we perform monitoring as required by our permits (whether specific or general) and submit self-monitoring reports; in some cases the local authorities also take samples for compliance purposes. The vast majority of our water discharge is to municipal/local off-site/common treatment facilities.

Water discharge quality – temperature	Not relevant	We do not run thermal processes; therefore, none of our sites are monitoring water discharge temperature. We do not expect this to be relevant in the future since we do not anticipate changing our business practices.
Water consumption – total volume	100%	Water consumption is monitored for 100% of our sites within our operational control. Water consumption is calculated by subtracting water discharge from water withdrawals. Sites report on water withdrawal monthly and water discharge annually.
Water recycled/reused	100%	Water recycled/reused is monitored for 100% of our sites. Sites report this data on a monthly basis, and a regional group validates, reviews, and approves the data.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We provide fully-functioning WASH services to all employees at 100% of our sites. We comply with our internal and external stakeholders' requests at the local and global level. We have dormitory, kitchen and cafeteria water standards. We 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, and 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	7,613	About the same	In 2017, total water withdrawals were 7,442 megaliters. Water withdrawals increased 2% from 2017 to 2018. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to continue to remain about the same, as they did in 2018. Total withdrawals equals the sum of total discharges and total consumption (W = D +

			C), because discharges are estimated to be total withdrawals minus total consumption.
Total discharges	5,507	About the same	In 2017, total water discharges were 5,333 megaliters. Water discharges increased 3% from 2017 to 2018. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to continue to remain about the same, as they did in 2018. Total discharges equals total withdrawals minus total consumption (D = W – C), because discharges are estimated to be total withdrawals minus total consumption.
Total consumption	2,106	About the same	In 2017, total water consumption was 2,109 megaliters. Water consumption decreased -0.2% from 2017 to 2018. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to continue to remain about the same, as they did in 2018. Total consumption equals the sum of total withdrawals minus the sum of total discharges (C = W - D), because consumption is estimated to be total withdrawals minus total discharges.

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	38	About the same	WRI Aqueduct	All our facilities were entered in the WRI Aqueduct tool. This assessment is focused on identifying facilities at extremely high risk of flooding, as well as establishing facilities with extremely high baseline water stress. Aqueduct is used to assess stress, using the baseline water stress indicator. We selected the risk type “baseline water stress” and identified which sites fell under the categories of ‘High” and “Extremely High”. When

				comparing with the previous reporting year: we found that the percent of locations stayed about the same. This is due to a similar facility list and similar amount of water withdrawn at our facilities in 2017 and 2018.

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	1	Much lower	Fresh surface water is relevant to Flex because we withdraw rain water at facilities in Turkey and Ukraine. This makes up less than 1% of total withdrawals. In 2018, we withdrew 1 megaliter from this source, which is 54% less than in 2017. We consider any change in water withdrawals, consumption, or discharges of more than 25% to be “much lower” than the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business. 2017 amounts reflect updated, rebaselined 2017 amounts due to a large divestiture and other methodology improvements.
Brackish surface water/Seawater	Not relevant			Water from brackish surface water/seawater is not relevant to Flex because we withdraw 0% of our water from this source. Less than 1% of water withdrawals are from fresh surface water, 13% are from renewable groundwater, and 87% are

				from municipal sources. As we have not used this water withdrawal source in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Groundwater – renewable	Relevant	1,021	About the same	Renewable groundwater is relevant to Flex because renewable groundwater makes up 13% of our total withdrawals. In 2018, we withdrew 1,021 megaliters from this source, which is 2% higher compared to 2017. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same" to the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business. 2017 amounts reflect updated, rebaselined 2017 amounts due to a large divestiture and other methodology improvements.
Groundwater – non-renewable	Not relevant			Water from non-renewable groundwater is not relevant to Flex because we withdraw 0% of our water from this source. Less than 1% of water withdrawals are from fresh surface water, 13% are from renewable groundwater, and 87% are from municipal

				sources. As we have not used this water withdrawal source in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Produced/Entrained water	Not relevant			Water from produced/process is not relevant to Flex because we withdraw 0% of our water from this source. Less than 1% of water withdrawals are from fresh surface water, 13% are from renewable groundwater, and 87% are from municipal sources. As Flex has not used this water withdrawal source in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Third party sources	Relevant	6,591	About the same	Water from third party sources is relevant to Flex because it makes up 87% of our total withdrawals. In 2018, we withdrew 6,591 megaliters from this source, which is 2% higher compared to 2017. We consider any change in water withdrawals,

				consumption, or discharges of less than 10% to be “about the same" to the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business. 2017 amounts reflect updated, re-baselined 2017 amounts due to a large divestiture and other methodology improvements.

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	147	Much lower	Discharges to fresh surface water is relevant to Flex because about 3% of our discharges are to surface waters. In 2018, we discharged 147 megaliters to fresh surface waters, leading to a 39% decrease compared to 2017. We consider any change in water withdrawals, consumption, or discharges of more than 25% to be “much lower” than the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business. 2017 amounts reflect updated, re-baselined 2017 amounts due to a large divestiture and other methodology improvements.
Brackish surface water/seawater	Not relevant			Water discharges to brackish surface water/seawater is not relevant to Flex because we discharge 0% of our water to this source. 3% of water discharges are to fresh surface water, and 97% are to third-party sources. As

				we have not used this water discharge destination in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Groundwater	Not relevant			Water discharges to groundwater is not relevant to Flex because we discharge 0% of its water to this source. 3% of water discharges are to fresh surface water, and 97% are to third-party sources. As we have not used this water discharge destination in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Third-party destinations	Relevant	5,360	About the same	Discharges to third-party sources is relevant to Flex because about 97% of our discharges are to third-party sources. In 2018, we discharged 5,360 megaliters to third-party sources, leading to a 5% increase compared to 2017. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business. 2017 amounts reflect updated, re-baselined 2017

				amounts due to a large divestiture and other methodology improvements.

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	1-10	About the same	In 2018, we recycled 664,349 megaliters of water, which is a 9% increase from 2017. Reusing this water reduces our dependency on potable water at the 15 facilities that have water recycling capability. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be “about the same” as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.

W1.4

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

Yes, our suppliers

Yes, our customers or other value chain partners

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

1-25%

% of total procurement spend

26-50

Rationale for this coverage

Our worldwide supply chain embraces roughly 16,000 direct, indirect and vertically integrated suppliers, most of whom are controlled by our customers. We have developed a Preferred Supplier Program (PSP) for our top suppliers based on spend. In 2018, there were 452 suppliers in our PSP, of which 98% had been assessed via our Self-Assessment Questionnaire (SAQ). Our supplier SAQ contains questions related to the measurement, monitoring and systems to reduce impacts from water use,

discharge, air emissions (e.g., VOCs, ozone depleting substances, GHG emissions), energy use, waste, and hazardous materials. We have strong relationships with these suppliers and will likely be able to influence their behavior on water-related issues. We incentivize global PSP suppliers through a Preferred Supplier Awards program. The awards recognize outstanding performance, strategic value-add, excellent service, innovation and collaboration.

Impact of the engagement and measures of success

To be included in our PSP, suppliers are required to meet key criteria established by a cross-functional team of senior leaders. Suppliers must (1) implement appropriate and effective policies to ensure compliance with our Flex Supplier Code of Conduct, which aligns with the RBA Code and (2) be approved via our supplier qualification process which covers key elements, including, product/ process environmental compliance, supply chain security, corporate social and environmental responsibilities, etc. PSP suppliers are also required to complete our self-assessment questionnaire (SAQ) so we can validate their commitment to supporting and respecting the standards of social, environmental and ethical issues in the supply chain. Flex measures of success include: (1) % of PSP suppliers assessed, (2) % spend represented by PSP suppliers, (3) # suppliers completing our SAQ, (4) # initial audits conducted, (5) # follow-up audits conducted.

Comment

W1.4b

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

Type of engagement

Onboarding & compliance

Details of engagement

Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

While conducting business with or on behalf of Flex, our suppliers and their employees, agents, and subcontractors must understand and adhere to our Supplier Code of Conduct. We expect all suppliers to implement appropriate and effective policies to ensure compliance with this code and all relevant laws and regulations. This code applies to all suppliers including, but not limited to, those engaged in:

• Manufacturing products, packaging, parts, components, subassemblies, materials or

otherwise involved in processes related to any of the foregoing; and
• Providing services to, or on behalf of Flex, regardless of type, location or duration.
Fundamental to this code is the adoption of compliance to the RBA Code, which embodies a set of standards on social, environmental and ethical issues in the supply chain. Our standards exceed those of the RBA Code and we require additional compliance with respect to the social and environmental responsibility requirements.

Impact of the engagement and measures of success

Our aim is to leverage the magnitude of our supply chain to make a positive impact in our industry and communities. We do this by monitoring our supply chain to ensure compliance with our social and environmental standards which exceed RBA standards. Through supplier training, onsite audits, screenings, self-assessment questionnaires we ensure the continuity and effectiveness of supplier social and environmental activities and mitigate potential risks. Beneficial outcomes include: (1) increased awareness and improved supplier reporting (2) supply chain resiliency, (3) reduced supply chain risk. Measures of success: # suppliers screened, % increase in YOY supplier due diligence assessments, # completed social and environmental assessments, # trained and certified Flex social and environmental supplier auditors and % increase from previous year, # labor agents assessed, # suppliers trained on social and environmental / RBA requirements, # new suppliers screened, # onsite audits.

Comment

Type of engagement

Innovation & collaboration

Details of engagement

Educate suppliers about water stewardship and collaboration

% of suppliers by number

1-25

% of total procurement spend

1-25

Rationale for the coverage of your engagement

One way we convey our requirements to suppliers is through on-site social and environmental training, which also provides an opportunity for us to meet face to face with our suppliers for information sharing and discussion. In 2018, 226 total suppliers received training on our social and environmental expectations for suppliers, our Supply Chain Social and Environmental Management Program, and the updated RBA standards. We selected these suppliers in 2018 because they were (1) local to our campus, (2) represented a diverse cross-section of our supplier base, or (3) were labor agency suppliers.

Impact of the engagement and measures of success

One way we convey our requirements to suppliers is through on-site social and environmental training, which also provides an opportunity for us to meet face to face with our suppliers for information sharing and discussion. In 2018, Flex conducted four training sessions at our Zhuhai, Suzhou and Gushu campuses, embracing 226 total suppliers. During the training sessions, we outlined our social and environmental expectations for suppliers, our Supply Chain Social and Environmental Management Program, and the updated RBA standards. Both our people and our suppliers shared best practices on social and environmental management with the group. Since 2010, more than 2,900 personnel, representing nearly 750 suppliers have been trained on the Flex / RBA social and environmental standards.

Comment

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Flex values feedback and input from our internal and external stakeholders. We prioritize engagements with our key stakeholders, or 'other partners in our value chain', which include, but are not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations. We prioritize these stakeholders because their concerns may have the potential to impact our business. Every year, we update our materiality assessment based on stakeholder concerns and publish information based on requests for qualitative and quantitative information on corporate GHG emissions, water withdrawals, performance trends, emissions reduction goals, climate change risks and opportunities, and governance practices.

We use multiple communication channels to engage stakeholders, including written communication, meetings, regular and specialized reports, contracts, surveys, and other methods. Engagement may be daily, monthly, quarterly, annually or as needed to identify key sustainability topics and concerns. Through our 2018 materiality assessment process, we identified, among other issues, energy, water, emissions and supplier environmental assessments as material for our business.

Each year, we publish our annual Sustainability Executive Report to share information on our climate- and water-related strategies and progress toward water, energy and GHG goals with our stakeholders. We measure success in terms of scores we receive for various sustainability ratings and rankings: in 2018, we achieved the Ecovadis Gold CSR Rating, and a “B-” score for our CDP 2018 Water response. In 2018, for the third year in a row, we were constituent of the FSTE4Good Index. These awards recognize our strong performance and oversight of environmental, social and governance issues.

W2. Business impacts

W2.1

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

No

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?

No

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?

>6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
International methodologies
Databases

Tools and methods used

WRI Aqueduct
Other, please specify

Internal company methods, external consultants, Responsible Business Alliance (RBA) Code of Conduct

Comment

We require all our sites to adopt our social and environmental management system to identify, assess and manage water-related risks as mentioned above. In addition, corporate sustainability, CSER and CREF conduct annual global water risk assessments using WRI Aqueduct. As part of this assessment, we identify which locations (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 3% of our global sales. In 2018, we concluded that our facilities that consume the largest percentage of water are not located in water stressed regions.

Results from operational risk assessments are reported quarterly to the VP of CSER and discussed with Enterprise Risk Management (ERM). Our annual ERM process includes input from compliance-area owners and more than 100 interviews with senior management from across our business. Key risks identified through this process are flagged by region and prioritized for mitigation based on impact and likelihood. Top risks are reported to our Executive Sponsor Group (ESG) and the audit committee of our board of directors for further evaluation and mitigation.

Supply chain

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?

>6 years

Type of tools and methods used

Tools on the market

International methodologies

Tools and methods used

Other, please specify

Responsible Business Alliance (RBA), Elevate Limited, Responsible Business Alliance Code of Conduct

Comment

To identify and assess risks in our supply chain, we continuously monitor our supply chain to ensure its compliance with our social and environmental standards which exceed RBA standards. We require our suppliers to follow our Supplier Code of Conduct and have a management system in place to ensure the continuity and effectiveness of their social and environmental activities, and to mitigate potential risks. Through supplier trainings, onsite audits, screenings, and self-assessment questionnaires, we are able to

identify potential risks and flag sites for potential compliance audits. In 2018, we screened 1,329 suppliers using Elevate Limited, a new tool provided by the Responsible Business Alliance (RBA) that integrates global risk analytics to assess supplier environmental and social compliance risk exposure.

Other stages of the value chain

Coverage

Partial

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?

>6 years

Type of tools and methods used

Other

Tools and methods used

Other, please specify

Materiality assessment, onsite audits

Comment

Flex values feedback and input from our internal and external stakeholders. We respond to all concerns identified during the engagement process. Every year, we update our materiality assessment based on requests for information from stakeholders, including but not limited to customers, external sustainability rankings and industry information. We recognize our employees, customers, shareholders, potential investors, suppliers, subcontractors, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations as key stakeholders. The engagement and interaction between us and our stakeholders is defined by the nature of company business, the scale of the organization, and the social, economic and environmental impacts of our operations.

Other water-related engagements include our labor agent sustainability assessments. For example, we have performed social and environmental on-site audits on our major labor agents in China since 2015. In recent years, we have extended these audits to Malaysia, India, Indonesia, Brazil, and Thailand. Twenty of our labor agents were assessed in 2018. We only conduct business with approved labor agents based on audit results.

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, always included	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. 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. Our sustainability site lead, together with our local cross-functional working committee, is responsible for identifying and assessing the current drought conditions and the impacts of both historical and potential droughts. Our local committee must assess and determine if any local quality requirements apply to the site. Our team must also report findings to our regional Corporate Social and Environmental Responsibility (CSER) and Corporate Real Estate and Facilities (CREF) representatives. Our CSER and CREF recommend operational and technical solutions to water-related issues and challenges. In addition, our corporate sustainability team, CSER and CREF conduct an annual global water risk assessment using WRI Aqueduct. As part of our annual water risk analysis, we evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 3% of our global sales. In 2018, we concluded that our facilities that consume the largest percentage of water are not located in water stressed regions.
Water quality at a basin/catchment level	Relevant, sometimes included	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. Our social and environmental management system brings together current environmental, health, safety, and

		Responsible Business Alliance (RBA) and Code of Conduct 5.1 requirements, as well as best practices in the electronics industry, and aligns them to ISO14001:2015 and OHSAS 18001. As part of this system, we require all sites to appoint a sustainability lead and working committee to represent their site. Our sustainability site lead, together with our local cross-functional working committee, is responsible for identifying and assessing the current drought conditions and the impacts of both historical and potential droughts. Our local committee must assess and determine if any local quality requirements apply to the site. Our team must also report findings to our regional CSER and CREF representatives. Our CSER and CREF recommend operational and technical solutions to water-related issues and challenges. In addition, our corporate sustainability team, CSER and CREF conduct an annual global water risk assessment using WRI Aqueduct. As part of our annual water risk analysis, we evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 3% of our global sales. Because these locations are at risk for freshwater shortages, we also consider them at risk of having water quality issues. In 2018, we concluded that our facilities that consume the largest percentage of water are not located in water-stressed regions.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, sometimes included	Addressing stakeholder conflicts concerning water resources at a basin/catchment level is relevant, because access to an affordable, reliable and adequate freshwater supply is critical to the success of our business and is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. Our social and environmental management system, brings together current environmental, health, safety, and Responsible Business Alliance (RBA) and Code of Conduct 5.1 requirements, as well as best practices in the electronics industry, and aligns them to ISO14001:2015 and OHSAS 18001. As part of this system, we require all sites to appoint a sustainability lead and working committee to represent their site. We participate in multiple industry associations and are a founding member of the RBA.

		Through active participation with the RBA, we are able to understand, assess and respond to potential stakeholder conflicts in the communities where we operate. Tools used in this assessment: materiality assessment, Responsible Business Alliance (RBA) and Code of Conduct 5.1, ISO14001:2015, internal company knowledge, external consultants, our social and environmental audit, Enterprise Risk Assessment.
Implications of water on your key commodities/raw materials	Relevant, sometimes included	Supplier access to an affordable, reliable and adequate freshwater supply is important for the success of our business because it is required to meet our customer's needs. The primary use of freshwater in our indirect operations is for manufacturing, sanitation, drinking water, cooking, bathing, etc. Catastrophic events such as cyclones and floods could have a material adverse effect on our operations and financial results. Our operations or systems could be disrupted by natural disasters, including cyclones, floods, climate-related wildfires caused by severe drought. We could experience interruptions of service from utilities, transportation or telecommunications providers, for example. Such events could make it difficult or impossible to manufacture or deliver products to our customers, or perform critical functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations. By way of example, in August 2017, Typhoon Hato struck the city of Zhuhai, China causing significant damage and business interruption (both shipments and supplies) at our local factory. To identify and assess risks in our supply chain, we continuously monitor our supply chain to ensure its compliance with our social and environmental standards which exceed RBA standards. We require our suppliers to follow our supplier code of conduct and have a management system in place to ensure the continuity and effectiveness of their social and environmental activities and mitigate potential risks. Through supplier training, onsite audits, screenings, and self-assessment questionnaires, we identify potential risks and flag sites for potential compliance audits. In 2018, we screened 1,329 suppliers using RBA's Elevate Limited, a new tool provided by the Responsible Business Alliance (RBA) that integrates global risk analytics to assess supplier environmental and social compliance risk exposure.

Water-related regulatory frameworks	Relevant, always included	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. Our social and environmental management system brings together current environmental, health, safety, and Responsible Business Alliance (RBA) and Code of Conduct 5.1 requirements, as well as best practices in the electronics industry, and aligns them to ISO14001:2015 and OHSAS 18001. As part of this system, we require all our sites to appoint a sustainability lead and working committee. This system 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. Tools used in this assessment: Responsible Business Alliance (RBA) and Code of Conduct 5.1, ISO14001:2015, internal company knowledge, external consultants, our social and environmental management system and audit protocol and Enterprise Risk Assessment.
Status of ecosystems and habitats	Not relevant, explanation provided	Our social and environmental management system brings together current environmental, health, safety, and Responsible Business Alliance (RBA) and Code of Conduct 5.1 requirements, as well as best practices in the electronics industry, and aligns them to ISO14001:2015 and OHSAS 18001. As part of this system, we require all our sites to appoint a sustainability lead and working committee. 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. We do not anticipate the status of ecosystems and habitats to be relevant in the future.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc.

		Our social and environmental management system brings together current environmental, health, safety, and Responsible Business Alliance (RBA) and Code of Conduct 5.1 requirements, as well as best practices in the electronics industry, and aligns them to ISO14001:2015 and OHSAS 18001. We require all our sites to appoint a sustainability lead and working committee. Per system standards, employees always have access to water for sanitation and drinking purposes. Our sustainability site lead, together with our local cross-functional working committee, is responsible for identifying and assessing the current drought conditions and the impacts of both historical and potential droughts. Our committees must assess and determine if any local quality requirements apply to the site. Our teams must also report findings to their regional CSER and CREF representatives. CSER and CREF recommend operational and technical solutions to water-related issues and challenges. In addition, our Corporate Sustainability team, CSER and CREF conduct an annual global water risk assessment using WRI Aqueduct. As part of this analysis, we evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 3% of our global sales. Because these locations are at risk for water shortages, we also consider them at risk for WASH services. In 2018, we concluded that our facilities that consume the largest percentage of water are not located in water stressed regions.
Other contextual issues, please specify	Not considered	

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 to meet our customers' expectations and requirements. We regularly engage with our customers through a variety of existing channels including customer surveys, the Responsible Business Alliance (RBA) and other industry conventions, and sustainability conferences. Our customers have begun requesting information on our management of

		environmental, social and governance (ESG) issues, and this has, in part, driven our sustainability program. In 2015, we set a goal to reduce overall water consumption by at least 10% absolute (base year 2015). Each year, we publish our annual Sustainability Executive Report to share information on our climate- and water-related strategy and progress toward water, energy and GHG goals with our stakeholders including customers. In 2018, we achieved the Ecovadis Gold CSR Rating, and a “B” score for our CDP 2018 Climate Change response. In 2018, for the third year in a row, Flex was a constituent of the FSTE4Good Index. These awards recognize our strong performance and oversight of environmental, social and governance issues.
Employees	Relevant, always included	Flex values feedback and input from our internal and external stakeholders. Our key stakeholders include, but are not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations. Every year, we update our materiality assessment based on stakeholder concerns and publish information based on requests for qualitative and quantitative information on corporate GHG emissions, water withdrawals, performance trends, emissions reduction goals, climate change risks and opportunities, and governance practices. Our corporate sustainability team holds regular “coffee talk” communication sessions in each region to create environmental awareness and 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 our 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	Flex values feedback and input from our internal and external stakeholders, including, but not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations. Every year, we update our materiality assessment based on stakeholder concerns and publish information based on requests for qualitative and quantitative information on corporate GHG emissions, water withdrawals, performance trends, emissions reduction goals, climate change risks and opportunities, and governance

		practices. We use multiple communication channels to engage stakeholders, including written communication, meetings, regular and specialized reports, contracts, surveys, and other methods. Engagement may be daily, monthly, quarterly, annually or as needed to identify key sustainability topics and concerns. For example, we engage investors in our quarterly earnings calls and analyst meetings, and financial disclosures. Through our 2018 materiality assessment process, we identified, among other issues, energy, water, emissions and supplier environmental assessments as material for our business. Each year, we publish our annual Sustainability Executive Report to share information on our climate- and water-related strategies and progress toward water, energy and GHG goals with our stakeholders, including investors. In 2018, we achieved the Ecovadis Gold CSR Rating, and a “B-” score for our CDP 2018 Water response. In 2018, for the third year in a row, Flex was a constituent of the FSTE4Good Index. These awards recognize our strong performance and oversight of environmental, social and governance issues.
Local communities	Relevant, always included	We value feedback and input from our internal and external stakeholders, including, but not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations. Our sustainability site leads also engage with local communities in accordance with social and environmental management system requirements. Water-related issues are discussed when applicable. Every year, we update our materiality assessment based on stakeholder concerns and publish information based on requests for qualitative and quantitative information on corporate GHG emissions, water withdrawals, performance trends, emissions reduction goals, climate change risks and opportunities, and governance practices. We use multiple communication channels to engage stakeholders, including written communication, meetings, regular and specialized reports, contracts, surveys, Flex Foundation grants, community events, and other methods. Engagement may be daily, monthly, quarterly, annually or as needed to identify key sustainability topics and concerns. Through our 2018 materiality assessment process, we

		identified, among other issues, energy, water, emissions and supplier environmental assessments as material for our business. Each year, we publish our annual Sustainability Executive Report to share information on our climate- and water-related strategies and progress toward water, energy and GHG goals with our stakeholders, including investors. In 2018, we earned the Ecovadis Gold CSR Rating, and a “B-” score for our CDP 2018 Water response. In 2018, for the third year in a row, Flex was a constituent of the FSTE4Good Index. These awards recognize our strong performance and oversight of environmental, social and governance issues.
NGOs	Relevant, always included	Flex values feedback and input from our internal and external stakeholders, including, but not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations. 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, including watersheds. Every year, we update our materiality assessment based on stakeholder concerns and publish information based on requests for qualitative and quantitative information on corporate GHG emissions, water withdrawals, performance trends, emissions reduction goals, climate change risks and opportunities, and governance practices. We use multiple communication channels to engage stakeholders, including written communication, meetings, regular and specialized reports, contracts, surveys, and other methods. Engagement may be daily, monthly, quarterly, annually or as needed to identify key sustainability topics and concerns. Through our 2018 materiality assessment process, we identified, among other issues, energy, water, emissions and supplier environmental assessments as material for our business. Each year, we publish our annual Sustainability Executive Report to share information on our climate- and water-related strategies and progress toward water, energy and GHG goals with our stakeholders, including investors. In 2018, we achieved the Ecovadis Gold CSR Rating, and a “B-” score for our CDP 2018 Water response. In 2018, for the third year in a row, Flex was a constituent of the FSTE4Good Index. These

		awards recognize our strong performance and oversight of environmental, social and governance issues.
Other water users at a basin/catchment level	Relevant, sometimes included	Flex values feedback and input from our internal and external stakeholders. Our key stakeholders include, but are not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, Non-Governmental Organizations (NGOs) and industry associations. Every year, we update our materiality assessment based on stakeholder concerns and publish information based on requests for qualitative and quantitative information on corporate GHG emissions, water withdrawals, performance trends, emissions reduction goals, climate change risks and opportunities, and governance practices. 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	Regulators at a local level are considered in our organization's water-related risk assessments because our Corporate Real Estate and Facilities (CREF) team monitors regulatory issues which may impact our local water utilities, e.g., water quality, price and availability. Method of engagement: website research, ongoing dialogue.
River basin management authorities	Not relevant, explanation provided	River basin management authorities are not relevant for our organization's water-related risk assessment because we do not make direct water withdrawals from river basins. Local water utility providers engage directly with river basin management authorities on our behalf. We do not anticipate river basin management authorities to be relevant in the future.
Statutory special interest groups at a local level	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), we have contributed to the development of industry standards to help evaluate the environmental impacts of key materials, services, and performance of suppliers. We also engage with trade associations that monitor applicable regulatory requirements, and we are involved with industry associations that represent our interests, including water issues.
Suppliers	Relevant, always included	While conducting business with or on behalf of Flex, our suppliers and their employees, agents, and subcontractors must understand and adhere to our Supplier Code of Conduct

		("Code"). We expect all of our suppliers to implement appropriate and effective policies to ensure compliance with this Code and all relevant laws and regulations. Our code applies to all suppliers. Our aim is to leverage the magnitude of our supply chain to make a positive impact in our industry and communities. We strive to do this by continuously monitoring our supply chain to ensure its compliance with our social and environmental standards which exceed RBA standards. Through supplier training, onsite audits, screenings, self-assessment questionnaires we ensure the continuity and effectiveness of supplier social and environmental activities, and mitigate potential risks. Beneficial outcomes include: (1) increased awareness and improved supplier reporting (2) supply chain resiliency, and (3) reduced supply chain risk. 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), 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	Water utilities at a local level are considered in our organization's water-related risk assessments because our Corporate Real Estate and Facilities (CREF) team engages in discussions with local water utilities on issues of quality, price and availability. Method of engagement: website research, ongoing dialogue.
Other stakeholder, please specify		

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.

Our facilities include an extensive network of design, engineering, manufacturing, and logistics in 30 countries, across more than 100 locations. In our worldwide facilities, we also provide Global Services and product introduction centers. Our worldwide supply chain embraces roughly 16,000 direct, indirect and vertically integrated suppliers, most of whom are controlled by our customers. Our company-wide risk identification and assessment process therefore encompasses the following potential water-related risks: current and emerging regulatory requirements; new customer requirements; diminished/interrupted supply or reduced quality of water, raw materials or components; brand/ reputation; and potential business interruption or facility damage, including those from frequent and/or extreme weather events.

Flex identifies and assesses these risks through annual materiality assessments and ongoing, formal operational and supply chain risk assessments and evaluation of customer requirements. Our Regulations Market Intelligence (RMI) lead monitors changes in global climate- and water-related regulations and evaluates applicability and relevance for us. The RMI lead and in-house legal counsel use web-based and in-person methods to identify, analyze, and act on relevant climate and water-related risks. Our customer-facing (CF) lead identifies customer environmental requirements and works with RMI to analyze the impact of such requirements and agreements. Our RMI and CF leads, along with Corporate Social and Environmental Responsibility (CSER), regularly engage in dialogue with industry workgroups, trade associations, and other forums as part of our risk identification process.

Our CSER and Corporate Real Estate and Facilities (CREF) teams collaborate to identify issues, interpret specific climate and water-related regulations and customer requirements, assess potential impacts, and ensure necessary resources are in place to mitigate potential risks at the regional- and site-level in all locations where we operate. All global sites are required to adopt and implement our social and environmental management system, to methodically identify, address, mitigate, and control site-level risks. All sites are audited against our social and environmental audit protocol. The Corporate Sustainability team, CSER and CREF conduct annual global water risk assessments using WRI Aqueduct wherein we identify which locations (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 3% of our global sales. In 2018, we concluded that our facilities that consume the largest percentage of water are not located in water stressed regions.

To identify and assess risks in our supply chain, we continuously monitor our supply chain to ensure its compliance with our social and environmental standards which exceed RBA standards. We require our suppliers to follow our Supplier Code of Conduct and have a management system in place to ensure the continuity and effectiveness of their social and environmental activities, and to mitigate potential risks. Through supplier training, onsite audits, screenings, and self-assessment questionnaires, we are able to identify potential risks and flag sites for potential compliance audits. In 2018, we screened 1,329 suppliers using Elevate Limited, a new tool provided by the Responsible Business Alliance (RBA) that integrates global risk analytics to assess supplier environmental and social compliance risk exposure.

Results from RMI, CF, CSER Regional Leads, operational and supply chain assessments are reported quarterly to the VP of CSER and discussed with Enterprise Risk Management (ERM). Our annual ERM process includes input from compliance-area owners and more than 100 interviews with senior management from across the business. Key risks identified through this process are flagged by region and prioritized for mitigation based on impact and likelihood. Top risks are reported to the Executive Sponsor Group (ESG) and the Audit Committee of the Board of Directors for further evaluation and mitigation.

In addition to the operational and supply chain risk assessments outlined above, we also identify and assess risks via annual updates to our materiality assessment. This process is based on requests for information from stakeholders (e.g., employees, customers, shareholders, potential investors, suppliers, subcontractors, governments/regulatory agencies, unions, non-profits, industry associations). In order to determine which sustainability topics are

most material to our business, we identify topics with the greatest influence for stakeholders, analyze feasibility of impact and influence for stakeholders, filter potential topics by geographic scope, and identify functional areas to validate material topics. In 2018, energy, water, emissions and supplier environmental assessments were identified as material issues for our business.

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, both in direct operations and the rest of our value chain

W4.1a

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

Flex evaluates risks based on potential impact and likelihood. For CDP reporting purposes, we define a substantive financial impact for either operations or supply chain as one that could create a $10M charge to our statement of operations, resulting in a one to two penny per share negative impact. This also could significantly impact revenues unfavorably. For example, severe weather events may impact our factories and cause substantive losses due to business interruption and facility damage (e.g., 2017 Typhoon Hato in Southern China).
Water-related risk to our operations is strictly due to interruption or curtailment or facility damage from severe storms or flooding, as opposed to water costs. Although most of our business processes do not depend on 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 sufficient 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. We conduct an annual water risk assessment using WRI Aqueduct. In 2018, we concluded that our facilities that consume the largest percentage of water are not located in water stressed regions. As part of our annual water risk analysis, we evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 3% 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	8	1-25	While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities (e.g. our mega-campus in Zhuhai China) have large 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

Mexico

River basin

Santiago

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Region

United States of America

River basin

Other, please specify

Coyote

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Region

Malaysia

River basin

Other, please specify

Muda

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Region

India

River basin

Other, please specify

Palar Ponnaiyar

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Region

China

River basin

Dong Jiang

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Region

China

River basin

Yangtze River (Chang Jiang)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Region

China

River basin

Xi Jiang - Bei Jiang

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

1-25

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

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

Severe weather events

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Catastrophic events such as cyclones and floods could have a material adverse effect on our operations and financial results. Our operations or systems could be disrupted by natural disasters, including cyclones, floods, climate-related wildfires caused by severe drought. We could experience interruptions of service from utilities, transportation or telecommunications providers, for example. Such events could make it difficult or impossible to manufacture or deliver products to our customers, or perform critical functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations. For example, in August 2017, Typhoon Hato struck the city of Zhuhai, China causing significant damage. Zhuhai, located in the Pearl River Delta, was exposed to a storm surge that caused severe flooding and wind gusts that reached 150 mph. As a result, losses were incurred at our Zhuhai factory, including business interruption (both shipments and supplies) as well as physical damage to our facilities. At over 5.5M square feet and one of our larger manufacturing facilities, our Zhuhai factory is critical to operations.

Timeframe

Current up to 1 year

Magnitude of potential impact

Medium

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

1

Potential financial impact figure - maximum (currency)

10,000,000

Explanation of financial impact

Financial impacts can include potential closure of operations, facility repair costs, lost work time, increased utility costs, lost revenue, damaged equipment, lost inventory, and increased insurance premiums. To illustrate the financial implications using specific events, total losses from storm-related impacts at our Zhuhai, China factory represented up to a $10M loss. This estimated financial impact is based on an assessment by our subject matter experts within Finance, Corporate Treasury, Corporate Real Estate and Facilities (CREF), Corporate Social and Environmental Responsibility (CSER), and business continuity teams. The company maintains insurance that mitigates the high end of financial impacts.

Primary response to risk

Amend the Business Continuity Plan

Description of response

While we maintain business recovery plans that are intended to allow us to recover from natural disasters or other events that can be disruptive to our business, some of our systems are not fully redundant, and we cannot be sure that our plans will fully protect us from all such disruptions. We maintain a program of insurance coverage for a variety of property, casualty, and other risks. Losses not covered by insurance may be large, which could harm our results of operations and financial condition. After Typhoon Hato impacted our Zhuhai China factory in 2017, we compiled lessons learned and developed mitigating steps to reduce potential facility impacts and keep employees safe during future storms, including: establishing a center of command and emergency response team; inspecting and reinforcing facilities, water tanks and back-up power sources; developing recovery plans with key suppliers to reduce down time; and minimizing activities during storms, sending our employees home, and stock piling food and water inside buildings for those unable to go home.

Cost of response

0

Explanation of cost of response

Capital and expense planning are parts of our normal budgetary cycle. As we adjust our strategy to address risks, we naturally incorporate those strategies into our spending, e.g. by adding features to new facilities, upgrading and/or repairing current facilities, disaster planning, etc. Managing physical risks in our operations falls within the normal course of business and incurs zero incremental costs.

W4.2a

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

Country/Region

India

River basin

Other, please specify

Palar Ponnaiyar

Stage of value chain

Supply chain

Type of risk

Physical

Primary risk driver

Severe weather events

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

We may be adversely affected by shortages of required electronic components. From time to time, we have experienced shortages of raw materials and electronic components. These shortages may be caused by events outside our control, including, but not limited to, natural or environmental occurrences such as severe storms or floods which impact our supply chain or inventory. Unanticipated component shortages could result in curtailed production or delays in production, which may prevent us from making scheduled shipments to customers. For example, in Chennai, India in 2018, a storm damaged air freight cargo in transit from one location to another. Our inability to make scheduled shipments could cause us to experience a reduction in sales, an increase in inventory levels and costs, and could adversely affect relationships with existing and prospective customers. Component shortages may also increase our cost of goods sold because we may be required to pay higher prices for components in short supply and redesign or reconfigure products to accommodate substitute components. As a result,

component shortages could adversely affect our operating results. Our performance depends, in part, on our ability to incorporate changes in component costs into the selling prices for our products.

Timeframe

Current - up to 1 year

Magnitude of potential financial impact

Medium

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

1

Potential financial impact figure - maximum (currency)

10,000,000

Explanation of financial impact

Financial impacts can include inventory damage, lost revenue from curtailed production or delays in production, increased cost of raw materials or components, increased costs related to redesign or reconfiguration of products to accommodate substitute components, and increased insurance premiums. While it is difficult to accurately quantify the financial implications, we estimate potential reduced revenue from physical risks impacting our supply chain to range from $0 to $10M annually which is our definition for ‘substantive’ for CDP reporting purposes. This estimate is based on an assessment by subject matter experts within Finance, Corporate Treasury, Corporate Real Estate and Facilities (CREF), Corporate Social and Environmental Responsibility (CSER), Procurement and Logistics. We maintain insurance that mitigates the high end of financial impacts.

Primary response to risk

Supplier diversification

Description of response

We have developed rigorous risk mitigating compliance programs which include collecting compliance data from our suppliers, full laboratory testing and public reporting of environmental metrics such as GHG emissions, energy, and water. To manage financial impacts from potential shortages of raw materials and electronic components, we aim to diversify our supply base and develop redundant capabilities. We have developed a Preferred Supplier Program (PSP) and work with key suppliers to identify, assess, and manage risks and ensure compliance with social and environmental standards that exceed RBA’s. In 2018, 452 suppliers participated in our PSP, of which

98% have been assessed via our Self-Assessment Questionnaire (SAQ). Our SAQ enables us to understand supplier efforts to measure, monitor and reduce climate-related impacts and mitigate risks. Through supplier training, onsite audits, screenings, and SAQs, we ensure the continuity and effectiveness of supplier social and environmental activities. In 2018, 226 of our suppliers received training on social and environmental expectations. Through direct engagement with our suppliers, we can also mitigate potential risks such as those related to component shortages caused by severe storms or flooding. Additionally, we are able to mitigate financial impacts from component shortages by increasing our cost of goods sold.

Cost of response

0

Explanation of cost of response

Managing risks in our supply chain falls within the normal course of business and incurs zero incremental costs.

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

We have committed to reducing absolute water withdrawals by 10% from 2015 to 2020. This opportunity is considered strategic for the company because our aim is to improve water efficiency in global operations, reduce operating expenses, increase brand value, and further engage employees in sustainability efforts. Our annual Sustainability Executive Report provides our stakeholders with information on our water management strategy and progress toward water goals. Numerous 2018 awards recognize our commitment to environmental, social and governance issues: Ecovadis Gold CSR Rating, FSTE4Good Index constituent. In 2018, we reduced water by ~400,000 cubic meters (5% reduction from 2015). We also set a goal to achieve a 10% recycled water rate by 2020; we achieved 9% as of 2018.

Our water management strategy incorporates water recycling and reuse. In 2017, we

upgraded our wastewater treatment plants in China and the U.S. We enhanced our treatment plant in Austin, TX by installing a wastewater recycling system and upgrading the prefilter system. As a result, our plant can now recycle almost 91,000 m3/yr. To further reduce water, our sites in Corlu and Mukachevo collect rainwater for irrigation and cooling.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

This opportunity is considered strategic for the company; however we are not able to calculate the financial impact at this time.

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

Mexico

River basin

Santiago

Latitude

20.58

Longitude

-103.45

Total water withdrawals at this facility (megaliters/year)

80

Comparison of withdrawals with previous reporting year

About the same

Total water discharges at this facility (megaliters/year)

0

Comparison of discharges with previous reporting year

About the same

Total water consumption at this facility (megaliters/year)

80

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. Water withdrawals, discharges, and consumption stayed about the same from 2017 because the operations of this facility stayed about the same.

Facility reference number

Facility 2

Facility name (optional)

Country/Region

United States of America

River basin

Other, please specify

Coyote

Latitude

37.42

Longitude

-121.9

Total water withdrawals at this facility (megaliters/year)

44

Comparison of withdrawals with previous reporting year

About the same

Total water discharges at this facility (megaliters/year)

13

Comparison of discharges with previous reporting year

Much lower

Total water consumption at this facility (megaliters/year)

32

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. The changes in water discharge and water consumption is reflective of normal variation in annual water metrics.

Facility reference number

Facility 3

Facility name (optional)

Country/Region

Malaysia

River basin

Other, please specify

Muda

Latitude

5.35

Longitude

100.41

Total water withdrawals at this facility (megaliters/year)

357

Comparison of withdrawals with previous reporting year

About the same

Total water discharges at this facility (megaliters/year)

32

Comparison of discharges with previous reporting year

Much lower

Total water consumption at this facility (megaliters/year)

325

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. The changes in water discharge and water consumption is reflective of normal variation in annual water metrics.

Facility reference number

Facility 4

Facility name (optional)

Country/Region

India

River basin

Other, please specify

Palar Ponnaiyar

Latitude

12.92

Longitude

79.88

Total water withdrawals at this facility (megaliters/year)

144

Comparison of withdrawals with previous reporting year

Much higher

Total water discharges at this facility (megaliters/year)

0

Comparison of discharges with previous reporting year

About the same

Total water consumption at this facility (megaliters/year)

144

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. The changes in water withdrawals and water consumption is reflective of normal variation in annual water metrics.

Facility reference number

Facility 5

Facility name (optional)

Country/Region

China

River basin

Dong Jiang

Latitude

22.89

Longitude

113.85

Total water withdrawals at this facility (megaliters/year)

472

Comparison of withdrawals with previous reporting year

Lower

Total water discharges at this facility (megaliters/year)

425

Comparison of discharges with previous reporting year

Lower

Total water consumption at this facility (megaliters/year)

47

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. The changes in water withdrawals, discharges and consumption is reflective of normal variation in annual water metrics.

Facility reference number

Facility 6

Facility name (optional)

Country/Region

China

River basin

Dong Jiang

Latitude

22.6

Longitude

113.87

Total water withdrawals at this facility (megaliters/year)

132

Comparison of withdrawals with previous reporting year

About the same

Total water discharges at this facility (megaliters/year)

132

Comparison of discharges with previous reporting year

About the same

Total water consumption at this facility (megaliters/year)

0

Comparison of consumption with previous reporting year

Much 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. The change in water consumption is reflective of normal variation in annual water metrics.

Facility reference number

Facility 7

Facility name (optional)

Country/Region

China

River basin

Yangtze River (Chang Jiang)

Latitude

31.31

Longitude

120.67

Total water withdrawals at this facility (megaliters/year)

303

Comparison of withdrawals with previous reporting year

Higher

Total water discharges at this facility (megaliters/year)

286

Comparison of discharges with previous reporting year

About the same

Total water consumption at this facility (megaliters/year)

17

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. The changes in water withdrawals and water consumption is reflective of normal variation in annual water metrics.

Facility reference number

Facility 8

Facility name (optional)

Country/Region
China

River basin
Xi Jiang - Bei Jiang

Latitude
22.16

Longitude
113.27

Total water withdrawals at this facility (megaliters/year)
1,583

Comparison of withdrawals with previous reporting year
About the same

Total water discharges at this facility (megaliters/year)
1,425

Comparison of discharges with previous reporting year
About the same

Total water consumption at this facility (megaliters/year)
158

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. Water withdrawals, discharges, and consumption stayed about the same from 2017 because the operations of this facility stayed about the same.

W5.1a

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

Facility reference number
Facility 1

Facility name

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

0

Brackish surface water/seawater

0

Groundwater - renewable

80

Groundwater - non-renewable

0

Produced/Entrained water

0

Third party sources

0

Comment

Facility reference number

Facility 2

Facility name

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/Entrained water

0

Third party sources

44

Comment

Facility reference number

Facility 3

Facility name

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/Entrained water

0

Third party sources

357

Comment

Facility reference number

Facility 4

Facility name

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

0

Brackish surface water/seawater

0

Groundwater - renewable

67

Groundwater - non-renewable

0

Produced/Entrained water

0

Third party sources

77

Comment

Facility reference number

Facility 5

Facility name

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/Entrained water

0

Third party sources

472

Comment

Facility reference number

Facility 6

Facility name

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/Entrained water

0

Third party sources

132

Comment

Facility reference number

Facility 7

Facility name

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/Entrained water

0

Third party sources

303

Comment

Facility reference number

Facility 8

Facility name

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/Entrained water

0

Third party sources

1,583

Comment

W5.1b

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

Facility reference number

Facility 1

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

0

Comment

Facility reference number

Facility 2

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

13

Comment

Facility reference number

Facility 3

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

32

Comment

Facility reference number

Facility 4

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

0

Comment

Facility reference number

Facility 5

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

425

Comment

Facility reference number

Facility 6

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

132

Comment

Facility reference number

Facility 7

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

286

Comment

Facility reference number

Facility 8

Facility name

Fresh surface water

0

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

1,425

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

% recycled or reused
76-99%

Comparison with previous reporting year
About the same

Please explain
This facility reuses water, accounting for 1% of total water withdrawals. This is about the same as last year because operations at this facility did not change significantly from 2017.

Facility reference number
Facility 2

Facility name

% recycled or reused
None

Comparison with previous reporting year
About the same

Please explain
Water reuse and recycling equipment is not installed at this facility

Facility reference number
Facility 3

Facility name

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Water reuse and recycling equipment is not installed at this facility

---

Facility reference number

Facility 4

Facility name

% recycled or reused

76-99%

Comparison with previous reporting year

About the same

Please explain

This facility reuses water, accounting for 1% of total water withdrawals. This is about the same as last year. This is about the same as last year because operations at this facility did not change significantly from 2017.

Facility reference number

Facility 5

Facility name

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Water reuse and recycling equipment is not installed at this facility

---

Facility reference number

Facility 6

Facility name

% recycled or reused

None

Comparison with previous reporting year

About the same

Please explain

Water reuse and recycling equipment is not installed at this facility

---

Facility reference number

Facility 7

Facility name

% recycled or reused

26-50%

Comparison with previous reporting year

About the same

Please explain

This facility reuses water, accounting for 1% of total water withdrawals. This is about the same as last year. This is about the same as last year because operations at this facility did not change significantly from 2017.

Facility reference number

Facility 8

Facility name

% recycled or reused

Less than 1%

Comparison with previous reporting year

Higher

Please explain

This facility reuses water, accounting for less than 1% of total water withdrawals. This is higher than last year due to normal variation in water use at this facility.

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

76-100

What standard and methodology was used?

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

Water withdrawals – quality

% verified

Not verified

What standard and methodology was used?

This water aspect (quality of water withdrawals) was not verified.

Water discharges – 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 discharges – volume by destination

% verified

Not verified

What standard and methodology was used?

This water aspect (discharge by destination) was not verified.

Water discharges – volume by treatment method

% verified

Not verified

What standard and methodology was used?

This water aspect (discharge by treatment method) was not verified.

Water discharge quality – quality by standard effluent parameters

% verified

Not verified

What standard and methodology was used?

This water aspect (discharge quality by standard effluent parameters) was not verified.

Water discharge quality – temperature

% verified

Not verified

What standard and methodology was used?

This water aspect (discharge quality by temperature) was not verified.

Water consumption – total volume

% verified

76-100

What standard and methodology was used?

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

Water recycled/reused

% verified

76-100

What standard and methodology was used?

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

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	Description of water-related performance standards for direct operations Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations and supply chain to meet customer needs. The primary use of freshwater in our operations and supply chain is for sanitation, drinking water, cooking, and bathing, etc. In manufacturing, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. For these reasons, we have incorporated water management into our social and environmental management system, Responsible Business Alliance (RBA) Code of Conduct 5.1 requirements, beyond ISO14001:2015 and OHSAS 18001, our Flex 20 by 2020 Sustainability Goals, and our company-wide Human Rights and Environmental, Health and Safety policies. We monitor our supply chain to ensure compliance with our social and environmental standards which exceed RBA standards. We require our suppliers to follow our Supplier Code of Conduct and have a management system in place. To align our efforts with the United Nations Sustainable Development Goals (SDGs), we committed to two water goals (2015-2020). These goals help drive water efficiency in global operations, reduce operating expenses, increase brand value, and further engage employees in sustainability efforts: (1) achieve 10% reduction in absolute water withdrawals by 10% and (2) increase our water recycling rate to 10%. Our publicly available water policies include a commitment to (1) taking the necessary measures to provide a safe and healthy workplace, prevent labor risks and protect the environment – conserve energy and natural resources and prevent pollution by applying appropriate management practices and technology, (2) monitoring and measuring our performance, complying with applicable EHS legal and other requirements (3) reviewing our EHS objectives, goals, practices and procedures to address changing circumstances, and continually improve our EHS management system.

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) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	Ultimate responsibility for climate- and water-related issues resides with the audit committee of our board of directors. The charter for the audit committee includes, among other activities, the responsibility to (1) review legal and regulatory matters that may have a significant impact on financial statements and related company compliance policies and programs and (2) assess the steps management has taken to minimize risks to us, including our risk assessment and risk management policies. Because the audit committee is responsible for regulatory matters and risk assessment, the committee is best positioned to oversee Flex's sustainability program, including climate-and water-related issues. Our board of directors conducts an annual strategic review in which climate-and water-related risks and opportunities are highlighted and directional initiatives are approved.

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 Overseeing major capital expenditures Providing employee incentives Reviewing and guiding business plans Reviewing and guiding major plans of action	The audit committee of our board of directors assists in fulfilling oversight of legal and regulatory matters that may have a significant impact on the financial statements and related company compliance policies and programs. This includes the responsibility to assess climate-related sustainability risks and opportunities. The board of directors conducts an annual strategic sustainability review in which climate-related risks and opportunities are highlighted and directional initiatives are approved, e.g., increases in our onsite solar power capacity and generation. At the operational level, our water inventory and reduction program is overseen by an Executive

		Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Other, please specify Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Sponsor Group (ESG) comprised of the Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, the Executive Vice President of Strategy and Resources (including real estate and facilities), the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Progress towards our water reduction goal is reviewed regularly by the ESG and periodically with the CFO and the Executive Committee. Flex's Corporate Sustainability Team conducts quarterly Sustainability Scorecard reviews to assess progress on key sustainability indicators and targets by program, region and site. In addition, the team conducts periodic reviews of key issue areas, including key performance indicators, e.g., environmental, health and safety are reviewed quarterly with senior management and every two months with groups of general managers from the regions.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

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

Chief Financial Officer (CFO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other C-Suite Officer, please specify

Chief Compliance Officer

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

General Counsel

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

Business Segment Presidents

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

Chief Human Resources Officer

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

VP Security + Brand Protection

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

VP of Audit + Risk Management

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

VP Corp Social + Environ Resp

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's

Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

VP of Corporate Real Estate+Facilities

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF as well as the Head of Internal Audit.

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

Other, please specify

Executive Sponsor Group (ES)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Executive Sponsor Group (ESG) is comprised of a Chief Financial Officer, Chief Human Resources Officer, Chief Compliance Officer, General Counsel, the Business Segment Presidents, Executive Vice President of Strategy and Resources (including real estate and facilities) the Vice President of Security and Brand Protection, and the Vice President of Audit and Risk Management. Meetings typically focus upon compliance, risk management and sustainability and are managed by the Company's Chief Ethics and Compliance Officer. Presentations are typically made by the VP of CSER and/or VP of CREF 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 implemented processes to ensure direct and indirect activities that influence policy are consistent with our overall water strategy: our Corporate Social and Environmental Responsibility (CSER) Regional Leads (RLs) and Corporate Real Estate and Facilities (CREF) Regional Leads (RLs) report any pertinent activity in their regions to CSER and CREF Vice Presidents (VPs) on a regular basis. CSER and CREF RLs provide communication links between sites and corporate, ensuring site-level activity is aligned to our corporate strategy. CSER and CREF VPs provide leadership and resources to drive global water-related activities. If we discovery an inconsistency, CSER and CREF VPs would engage with the CSER and CREF RLs to make them aware of the inconsistency and develop a plan for resolving it.

Our CSER VP, our CSER Customer Facing and Product Compliance representative, and our CSER Regulations Market Intelligence (RMI) lead representative actively participate in the Information Technology Industry Council's Environmental Leadership Committee (ELC). We are a member of the Silicon Valley Leadership Group's Sustainability and Energy Committee, which advocates for balanced, efficient, and effective policies and programs. In addition, our CSER in-house legal counsel support our Flex CSER team members. Through this active participation, we ensure our external engagements are consistent with our company strategy, including our water strategy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

2018-AR-Flex.pdf

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	Yes, water-related issues are integrated	5-10	Flex helps customers transform ideas into solutions that contribute to a healthier, more sustainable world. We joined the UN Global Compact (UNGC) and aligned our strategy and global efforts to its Ten Guiding Principles. Our sustainability commitment is integrated into every aspect of our business, including our supply chain. Our programs and initiatives exemplify our strategy, and our efforts contribute to the UN Sustainable Development Goals (SDGs). Our strategy guides our efforts to deliver sustainable operations to our customers and other stakeholders and to help create a smarter, safer and healthier world. This focus upon society and the environment sets us apart as a leader in Sketch-to-Scale® solutions, innovative technologies, and state-of-the-art manufacturing. We focus our commitments, policies, management systems, multiyear goals, programs, and initiatives on five cornerstones to drive sustainability across the company and our value chain: People, Community, Environment, Innovation and Integrity. In 2016, we aligned our efforts with the SDGs to our Flex 20 by 2020 goals. Our employees and sites adopted these global goals and implemented local programs and initiatives around the world, driving social and environmental action and awareness within our facilities and in local communities. We committed to two water goals: (1) achieve 10% reduction in absolute water withdrawals by 10% from 2015 to 2020 and (2) increase our water recycling rate to 10% from 2015 to 2020.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. For these reasons, we have incorporated water management into our Flex 20 by 2020 environmental goals. In 2016, we aligned our efforts with the SDGs to our

			Flex 20 by 2020 goals. Our employees and sites adopted these global goals and implemented local programs and initiatives around the world, driving social and environmental action and awareness within our facilities and in local communities. We committed to two water goals (2015-2020) to improve water efficiency in global operations, reduce operating expenses, increase brand value, and further engage employees in sustainability efforts: (1) achieve 10% reduction in absolute water withdrawals by 10% and (2) increase our water recycling rate to 10%. Our annual Sustainability Executive Report provides stakeholders with information on our water management strategy and progress toward water goals. Numerous 2018 awards recognize our commitment to environmental, social and governance issues: Ecovadis Gold CSR Rating, FSTE4Good Index constituent.
Financial planning	Yes, water-related issues are integrated	5-10	In 2016, we aligned our efforts with the SDGs to our Flex 20 by 2020 goals. Our employees and sites adopted these global goals and implemented local programs and initiatives around the world, driving social and environmental action and awareness within our facilities and in local communities. We committed to two water goals (2015-2020) to improve water efficiency in global operations, reduce operating expenses, increase brand value, and further engage employees in sustainability efforts: (1) achieve 10% reduction in absolute water withdrawals by 10% and (2) increase our water recycling rate to 10%. Our water management strategy and related financial planning addresses water recycling and reuse. In 2017, we upgraded our wastewater treatment plants in China and the U.S. We enhanced our treatment plant in Austin, TX by installing a wastewater recycling system and upgrading the prefilter system. As a result, this plant can now recycle almost 91,000 m3/yr. To further reduce water, our sites in Corlu and Mukachevo collect rainwater for irrigation and cooling.

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?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. We do not anticipate our potable water needs changing, and we do not yet have largescale reclaimed water systems to offset our dependency. As a result, we have not experienced, nor do we anticipate, a significant change in CAPEX or OPEX.

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	While climate risks have been factored into Flex's risk assessment processes, our enterprise risk assessment process has not identified these as top risks, and therefore, scenario analysis has not been prioritized to date. Instead, our current focus to mitigate future climate-related impacts is on achieving our Flex 20 by 2020 goals which are aligned to the UN SDGs. These goals reflect our commitment to the highest sustainability standards across our operations and supply chain and include reducing Scope 1 and 2 location-based CO2 emissions 10% per unit revenue from 2016 to 2020, increasing the utilization of renewable energy, powering 3.5 million homes with Flex Energy Solutions PV solar modules, and providing electricity to the grid at a cost 5% less than average fossil fuel sources through Flex Energy Solutions renewable energy systems. We are currently in the process of evaluating the use of climate-related scenario analysis and anticipate implementation 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 Business level specific targets and/or goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Flex has company-wide, business level, and site/facility specific targets and goals. Flex 20 by 2020 water goals: 1) Reduce overall water withdrawal by at least 10 percent absolute (base year 2015). 2) 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, including progress at a business segment and site level, is monitored monthly through a scorecard 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 withdrawals by at least 10% absolute (base year 2015). Reducing our water withdrawals supports achieving water security because we will withdraw less potable water overall.

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

50

Please explain

Threshold of success: 10% of water withdrawals reduction

2018 goal status: 5% reduction [(7,612,591-8,004,818)/ 8,004,818]*100 =5%]

2018 % achieved: 50% = (5/10)*100

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%. Reducing our water consumption supports achieving water security because we will withdraw less water overall.
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

% increase in water recycling/reuse

Baseline year

2015

Start year

2015

Target year

2020

% achieved

90

Please explain

Threshold of success: Recycling rate = 10%
2018 goal status: 9% recycled (664,349/ 7,612,591)*100 =9%
2018 % achieved: 90% = (9/10)*100

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

Monitor and measure our performance and comply with all applicable EHS legal and other requirements, including those related to water

Level

Company-wide

Motivation

Corporate social responsibility

Description of goal

We have an ongoing, annual goal to monitor and measure our performance and comply with all applicable EHS legal and other requirements, including those related to water. This commitment is stated in our EHS Policy.

Goal Level: Global, company-wide.

Achieving Water Security: Monitoring and measuring our performance and thus reducing water withdrawals helps achieve water security because we will withdraw less potable water overall.

Importance: Access to an affordable, reliable and adequate freshwater supply is important to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, and bathing, etc. In our manufacturing operations, freshwater is used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc.

Global Implementation: Flex recognizes its responsibility as a corporate citizen. Through our EHS management systems and policy, we have committed to monitoring and measuring our performance and complying with all applicable EHS legal and other requirements we subscribe (including water) to maintain our status as a responsible corporate citizen in all locations in which we operate. All sites are required to adopt and implement our social and environmental management system, to methodically identify, address, mitigate, and control site-level risks and are audited against our social and environmental audit protocol.

Baseline year

2018

Start year

2018

End year

2019

Progress

Threshold of success and description of indicators used to assess progress: (1) collecting water withdrawal and discharge data annually (2) achievement of our water target and (3) number of environmental violations related to water discharge or wastewater regulations. Flex has not had any water violations in 2018. This goal is ongoing. In 2018, we achieved 50% of our water target to reduce overall water consumption by at least 10% absolute (base year 2015) – this target is one of the measures of success for this qualitative goal.

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	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

Flex_Environmental_and_Community_Data_Verification_Statement_July 2019.pdf

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 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. We plan to do so, on an annual basis going forward.
W1. Current state	Total water recycled	ISAE3000	As part of our continual improvement process we added a 3rd party verification process for recycled water 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 have verified this water data. We plan to do so on an annual basis going forward.
W1. Current state	% water recycled	ISAE3000	As part of our continual improvement process we added a 3rd party verification process for the % recycled water 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 have verified this water data. We plan to do so, on an annual basis going forward.
W1. Current state	Total water discharged	ISAE3000	As part of our continual improvement process we added a 3rd party verification process for the total water discharged 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 have verified this water data. We plan to do so, on an annual basis going forward.
W1. Current state	Total water consumption	ISAE3000	As part of our continual improvement process we added a 3rd party verification process for total water consumption 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 have verified this water data. We plan to do so, on an annual basis going forward.
W1. Current state	Total Water Withdrawn by Source	ISAE3000	As part of our continual improvement process we added a 3rd party verification process for water withdrawn by source, 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. 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.

Please see the attached verification statement.

Flex_Environmental_and_Community_Data_Verification_Statement_July 2019.pdf

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

W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	26,490,274,000

SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

No

SW1.1

(SW1.1) Have you identified if any of your facilities reported in W5.1 could have an impact on a requesting CDP supply chain member?

SW1.2

(SW1.2) Are you able to provide geolocation data for your site facilities?

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services across its operations.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms