2020 sustainability report

Extraordinary starts here

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About this report and external alignment

The 2020 annual sustainability report serves as a summary of our most important activities, performance, and results from the 2019 calendar year, from January 1, 2019 to December 31, 2019, unless otherwise noted.

Flex Ltd. is a public company limited by shares incorporated under the laws of the Republic of Singapore (Co. Reg. No. 199002645H), with its administrative headquarters in San Jose, California, U.S., and publicly traded on NASDAQ under the symbol FLEX. We have significant operations in Brazil, China, Hungary, India, Malaysia, Mexico, Poland, Romania, Ukraine and the U.S. Our financial statements reported in our Annual Report, and disclosed within this report, include the accounts of Flex and its majority-owned subsidiaries but do not include statements from the Flex Foundation, a private, non-profit organization that supports philanthropic initiatives, unless noted. Our efforts contribute to and align with external frameworks, including the UN Sustainable Development Goals (SDGs), the Sustainable Accounting Standards Board (SASB) and the UN Global Compact (UNGC). Additionally, this report has been prepared in accordance with the GRI Standards: Core Option, which is indexed on page 69.

Our previous report was published in September 2019 (see archived reports). We appreciate your feedback on the information presented here. If you have any comments or questions, please email us at sustainability.feedback@flex.com.

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CEO letter

Part of our mission as a responsible manufacturing partner is to make great products that contribute positively to the world and steward sustainable manufacturing and operations practices to minimize environmental impact. As we commemorate Flex's 50th anniversary, 2019 marks another year of building on our strong manufacturing heritage and advancing our vision of sustainability. Our design, supply chain and manufacturing capabilities touch many industries and geographies, inspiring us to continuously push for progress globally and locally.

> Sustainability, including environmental, social and corporate governance (ESG), has always been important at Flex, and I am energized by our pace of accelerating positive change in this area. I am deeply proud of our dedicated employees, who are committed to doing the right thing for our customers, colleagues, shareholders and communities every day.

When reflecting on the past year, we must acknowledge the disruption, uncertainty and significant, lasting impact of the COVID-19 pandemic felt by us all. As we continue navigating this dynamic situation, our top priority remains our employees' health and safety. We are also focused on supporting our customers by leveraging our supply chain and manufacturing expertise to deliver essential healthcare and infrastructure products to support the critical needs created by the pandemic. Further, we contributed to relief efforts through the Flex Foundation, donating masks to frontline health workers and making monetary donations to the United Nations Foundation's COVID-19 Solidarity Response Fund in support of the World Health Organization, the American and international Red Cross, and many local charities in the communities where we work and live. We're in this together and connected through our communities and commitments to environmental stewardship, social equity and ethics more than ever.

Our advancement of sustainability includes clear, consistent communications about our goals, metrics and results. In this report, we have added another year of progress towards our Flex 20 by 2020 goals and affirmed our commitment to the UN Global Compact (UNGC) and its ten principles. We also align our programs and disclosures to the Global Reporting Initiative (GRI) standards, the United Nations Sustainable Development Goals (SDGs) and for the first time, the Sustainability Accounting Standards Board (SASB). Our alignment to external frameworks gives us a shared language to drive sustainability, show leadership and learn from others.

Environmentally, our facilities meet world-class standards and are focused on driving sustainable improvement in energy use, carbon emissions and water consumption, among other areas. We achieved a 10% increase in our renewable energy capacity (38 MW) in 2019, and we offset over 70,500 tonnes of Scope 3 CO_2e emissions through certified emission reductions. We are especially pleased with our A- ratings from CDP for our efforts around climate change and water security. We remain focused on strengthening our efforts and programs to minimize our operations' environmental impact and do our part to create a more sustainable future.

I am also inspired by the work our teams are doing to enable innovation outside of our four walls. Our circularity solutions continue to divert materials from landfills, helping our customers achieve their environmental goals. Nextracker, a Flex company, and its efforts for greater effectiveness in solar installations, has earned the position of #1 market share leader for the fifth year in a row. Through employee volunteerism, we partnered with our customer Xylem and non-profit groups in Mexico to install rainwater collection, filtration and purification systems that provide clean, reliable water for households and schools in communities of need. This is just one of the many meaningful activities carried out by our employees, who contributed more than 48,000 volunteer hours in 2019.

These extraordinary results are only possible when we create safe, inclusive workplaces for our people, demonstrate the best elements of our culture and foster the full talent of our colleagues. This year, we decreased our safety incident rate by 20%, making strides toward our zero injury goals. Upholding our commitment to diversity and inclusion is the right thing to do and a business imperative. Our employees are our strongest assets, and by celebrating our respective differences, we unlock a competitive advantage

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of our organization. We can only realize our full potential when our workplaces embrace all employees regardless of gender, race, age or disability status. We are reinvigorating our employee resource groups to encourage company-wide diversity and inclusion efforts, including our Black Flex Network, People with Disabilities and Women in Flex, among others.

We are proud of and will continue building on our 50-year legacy of corporate governance with ethical business oversight, robust risk management and pay-for-performance compensation programs to ensure accountability. Acting with integrity and operating ethically will continue to serve as the guiding force when making decisions at every level of the organization. Our Board of Directors engages in an annual review of our sustainability program and environmental, social and governance efforts as well as an annual environmental, social and governance director education session. Our Nominating and Governance Committee has oversight of our sustainability risks and remediation efforts, including the company's corporate responsibility and sustainability policies and programs with respect to human rights, social and environmental risks. Finally, our Audit Committee has oversight of our ethics and compliance program.

As part of our updated long-term strategy, we have introduced a new purpose statement, vision, mission and values that reinforce our role and duty to contribute positively to the world and focus on meeting the needs of all of our stakeholders. I am very proud of the path we are taking as a company and encouraged that the increased focus on sustainability will bring lasting, positive change to our world.

I would like to thank our employees and suppliers for their many contributions to our results this year. Looking ahead, we will continue to embed sustainability further into the fabric of our company and align goals with science-based targets and our global capabilities to achieve greater progress as we determine our next long-term goals for 2030 and beyond.

Thank you for your interest in Flex, and our sustainability and ESG programs, goals and results.

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About Flex

Create the extraordinary.

We are a pioneering, results-driven company that's earned respect around the world for making great products. At Flex, we're proud to lead the industry in responsible design and manufacturing, using the fastest and smartest technologies. Across industries and geographies, we deliver design, supply chain and manufacturing capabilities to help many of the world's leading brands bring their products to life. To ensure our continued leadership, and to do right by each of our stakeholders, we have set ambitious goals and commitments to run a responsible, sustainable business.

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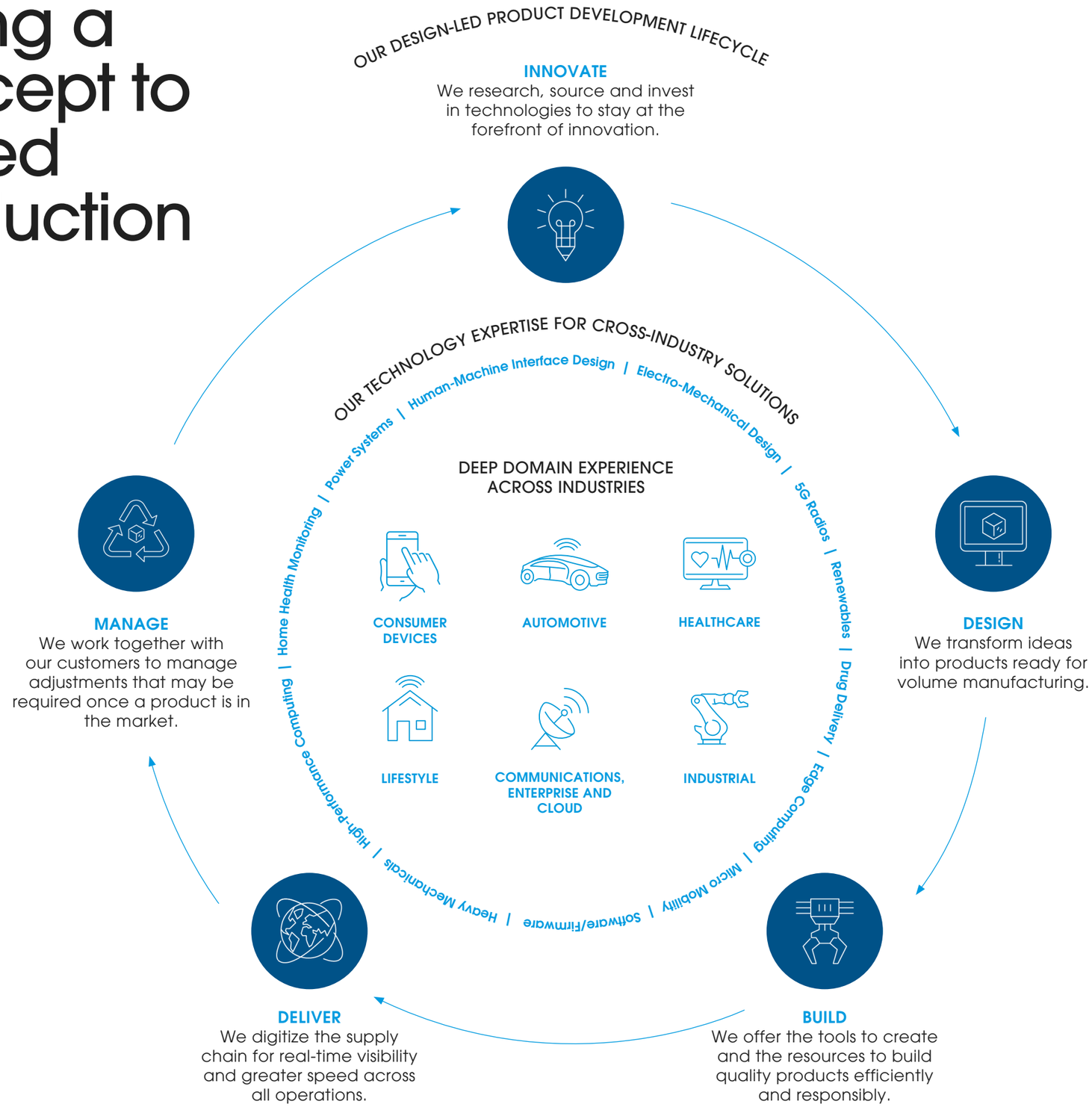
Taking a concept to scaled production



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Foundational strength (as of December 31, 2019)

$25B
REVENUE*

100+
FACILITIES GLOBALLY

500
GLOBAL FORTUNE 500 RANKING

20+
DESIGN CENTERS

~200k
EMPLOYEES

50M
SQ. FT. OF MANUFACTURING AND SERVICES SPACE

30
PRESENCE IN 30 COUNTRIES

1k
CUSTOMERS

16k
GLOBAL SUPPLIERS

*Calendar year 2019

Strategy and citizenship

At Flex, we aspire to live our purpose every day to make great products for our customers that create value and improve people's lives. Energized by our new mission statement and values, we will remain focused on helping our customers achieve their sustainability goals and our commitment to continuous improvement on our journey to be a more sustainable company.

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Our ESG strategy

Our environmental, social and governance (ESG) strategy is centered by five cornerstones to propel sustainability within our company and across our value chain: people, community, environment, innovation and integrity. Spanning across our supply chain, these cornerstones are aligned with principles set forth in the UNGC and the 2030 UN SDGs. Our efforts focused on each cornerstone ensures that our ESG strategy is comprehensive and balances the needs of all stakeholders in tandem.

Our strategy is guided by commitments we've made publicly, our goals, key performance indicators (KPIs) and robust environmental and social management systems. In our sustainability journey, we continually improve our programs with new initiatives, and measure, report and celebrate our progress along the way.

Our commitments

Our first commitment is to our five cornerstones, for which we disclose metrics and results to keep our stakeholders informed on our activities and progress. Throughout our organization, we have developed processes to collect and report on data and metrics related to environmental, social and governance topics.

We are also committed to aligning with priority external frameworks that promote sustainability best practices and participate as members of several associations. We are members of the Responsible Business Alliance (RBA), whose principles inform our Code of Business Conduct and Ethics, and we are signatories of the United Nations Global Compact (UNGC), which guides our environmental and social activities. We are also a member of the Responsible Minerals Initiative (RMI), Global Business Initiative Human Rights (GBI), the GRI Community, the Business for Social Responsibility (BSR) Network, the Environmental Leadership Council (ELC), the Clean Electronics Production Network (CEPN) and the Supplier Ethical Data Exchange (Sedex). Our CEO is a member of Business Roundtable

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(BRT) and signed the new BRT purpose of corporation that expands beyond financial results. We are also committed to monitoring and complying with social and environmental requirements across the supply chain. Our supplier standards contain specific guidelines regarding labor, ethics, health and safety and environmental protection. To learn more about our memberships and associations, visit Index B of this report.

We continue to be recognized for our sustainability efforts, including our performance in climate change and water security. In 2019, CDP (formerly Carbon Disclosure Project) gave us an A- score, placing us in the top quartile of respondents. We have also received Gold-level Recognition from EcoVadis and our level of commitment to the UNGC is rated 'Advanced.' Through these initiatives, we strive to reaffirm our commitment to sustainability and global partnership. To learn more about our global recognition, visit our awards and recognition page.

KEY INDEX	MATTERS FOR	MAX/ BEST	2018	2019
Morgan Stanley Capital International (MSCI)	Investors	AAA	A	A
ISS ESG (former Oekom)	Investors	Excellence (A+)	Prime (C+)	Prime (C+)
FTSE4Good	Investors	5	3.8	4.1
Sustainalytics	Investors	Negligible (0)	N/A	Negligible (8.6)
CDP Climate Change	Investors / Customers	A	B	A-
CDP Water Security	Investors / Customers	A	B-	A-
EcoVadis	Customers	Gold	Gold	Gold

As part of our pledge to the UNGC, we aim to follow the Ten Principles of human rights, labor, the environment and anti-corruption. We also contribute to the United Nations Sustainable Development Goals (SDGs), with an emphasis on Quality Education (#4), Affordable and Clean Energy (#7), Decent Work and Economic Growth (#8) and Responsible Consumption and Production (#12). These commitments allow our stakeholders to see our progress and take pride in working with us as industry leaders.

Our annual sustainability disclosure also aligns to the Global Reporting Initiative (GRI) standards, and beginning with this report, we are aligning our disclosure to the Sustainability Accounting Standards Board (SASB). Through our annual CDP response, we disclose our progress toward aligning with the Taskforce for Climate-related Financial Disclosure (TCFD) recommendations and disclosures.

Operationalizing our ESG strategy

To deliver on our commitments, we create annual and five-year plans, which specify key performance indicators (KPIs) with targets and goals. We make our goals known readily across the organization and report on our KPIs year over year. In 2016, we announced 20 company-wide goals for 2020. Through these goals, we strive to lead our industry in sustainable manufacturing while delivering consistent results and increased value to our stakeholders. An unwavering commitment to our goals fosters a sense of urgency, dedication and pride in our sustainability values through the entire organization.

Our strategic initiatives are brought to life with employee engagement and development programs, such as our Flex Leadership Development Program (FLDP), Employee Scholarship Program, Service-Learning Initiative, Earth Day Challenge and Worker Empowerment Training Program (WETP), among others.

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CSR MALAYSIA (SUSTAINABILITY) AWARDS 2020

Strong corporate citizenship at Flex Penang

We celebrate our employees and managers at our Penang, Malaysia facilities for receiving several recognitions and awards in 2019. Highlights include the CSR Malaysia Awards for Technology Solutions Provider Category, recognition from the Human Resources Ministry for our programs for hiring people with disabilities, and the Community Green Warrior Award from the Seberang Perai City Council.

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Flex 20 by 20 goals

In 2016, we targeted 20 goals to accomplish by 2020 that align to the UN Sustainable Development Goals (SDGs). We report on our progress annually, through this report.

SDG ALIGNMENT AND GOALS

4 8 INCREASE EMPLOYEE DEVELOPMENT: Increase the average training reach to employees by 5 percent year over year*

8 INCREASE RBA MANAGEMENT (FORMERLY FLEX PLEDGE) AUDITS: Audit 100 percent of all Flex manufacturing sites to ensure regulatory and RBA Management (formerly Flex Pledge) compliance

8 INCREASE HUMAN RIGHTS POLICY TRAINING COMPLETION: Train new employees on Flex human rights policy, with a 95 percent or higher completion rate

8 INCREASE RESPONSIBLE BUSINESS ALLIANCE (RBA) COMPLIANCE FOR REST DAY REQUIREMENTS: Ensure full compliance with Responsible Business Alliance rest day requirements

8 DECREASE INCIDENT RATE: Promote a zero-injury culture and achieve a reduction in the global incident rate of at least 10 percent**

8 INCREASE VOLUNTEER HOURS: Increase global volunteer hours by 15 percent**

4 7 12 INCREASE PERCENTAGE OF SITES WITH COMMUNITY ACTIVITIES: Maintain percentage of sites with implemented local community engagement activities at 90 percent or higher

8 IMPLEMENT WORKER EMPOWERMENT TRAINING PROGRAM: Improve the technical and vocational skills of manufacturing employees by partnering with non-governmental organizations (NGOs) to develop a Worker Empowerment Training Program at 20 supplier sites

4 7 8 12 IMPLEMENT FLEX FOUNDATION — COMMUNITY GRANTS: Partner with nonprofit organizations to provide life-long learning, technical and vocational skills, innovation and entrepreneurship at 100 percent of our sites that have an employee population of over 5,000

12 DECREASE CO_2 EMISSIONS: Reduce CO_2 emissions by at least 10 percent normalized to revenue*

7 12 INCREASE USE OF RENEWABLE ENERGY: Increase the utilization of renewable energy by deploying a minimum of two megawatts of solar power annually and/or procuring the same amount of power from third-party renewable sources

12 DECREASE WATER CONSUMPTION: Reduce overall water consumption by at least 10 percent absolute**

12 INCREASE WATER RECYCLING: Increase recycled water rate to 10 percent**

12 INCREASE WASTE DIVERSION RATE: Achieve and maintain a diversion rate of waste from manufacturing processes at or above 95 percent

7 12 INCREASE THE NUMBER OF POWERED HOMES EQUIVALENT: Flex Energy Solutions will have manufactured enough solar PV modules and solar trackers to power 3.5 million homes

7 DECREASE COST OF ELECTRICITY TO THE GRID VS FOSSIL FUELS: Flex Energy Solutions' renewable energy systems will provide electricity to the grid at a cost which is 5 percent less expensive than the average cost from fossil fuel sources

8 IMPLEMENT IN-PERSON TRAINING ON CODE OF BUSINESS CONDUCT AND ETHICS (CoBCE): Conduct in-person CoBCE training at 100 percent of Flex sites with direct labor employees

8 INCREASE CODE OF BUSINESS CONDUCT AND ETHICS TRAINING COMPLETION: New CoBCE online training to be completed annually by 100 percent of eligible employees

8 12 INCREASE SOCIAL AND ENVIRONMENTAL SUPPLIER TRAINING: Increase percentage of suppliers (Flex Tier 1 and Flex-controlled) who completed social and environmental training by 10 percent annually**

8 12 INCREASE SUPPLIER SCREENING ON SOCIAL AND ENVIRONMENTAL CRITERIA: Keep percentage of all new Flex-controlled suppliers screened on social and environmental criteria at 85 percent or higher

*Base year 2016 **Base year 2015

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ESG management systems

We create a culture of compliance by instilling a sense of responsibility in our employees, customers, suppliers and contractors at our sites around the world. We rely on a strong social and environmental management system, which integrates principles of OHSAS 18000 to ensure our business operates ethically, responsibly and safely through our continued compliance, policies and training.

Our management system incorporates current environmental, health and safety requirements, including the Responsible Business Alliance (RBA) standards, and aligns them to the International Organization for Standardization (ISO) format. Our policies, including our Environmental Health and Safety Policy, Human Rights Policy, Responsible Sourcing Policy, Anti-Human Trafficking, and our Diversity and Inclusion Policy, are available to all persons working with us, as well as to vendors, customers and the public.

We provide training in the form of procedures, guidance documents and video and in-person sessions. We also conduct annual employee self-assessments to track and monitor compliance learning and progress. Regular social and environmental corporate audits are performed at each Flex manufacturing and logistics site to verify compliance with social and environmental management system requirements.

Our comprehensive framework ensures policy adherence and includes mechanisms to identify opportunities for performance improvement. Components of our management system framework and its evaluation are on the following page.

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Management system components and evaluation

- Monitoring, measurement, analysis and evaluation
- Evaluation of compliance
- Internal audit
- Corporate management system certification audit
- Management review

Support:

- Resources
- Competence
- Awareness
- Communication, consultation and employee feedback
- Documented information

Operation:

- Operational planning and control
- Emergency preparedness and response

WE EVALUATE OUR MANAGEMENT APPROACH IN THE FOLLOWING WAYS:

1. We perform regular corporate audits to:
   - identify opportunities and risks, which are shared with our Board of Directors
   - measure sustainability compliance and performance at the global, regional and local levels
2. We use a sustainability metrics system to monitor compliance and performance at global, regional and local levels.
3. We provide instructor-led and online training and verify competency through physical audits conducted by our corporate Sustainability/CSER operations team and regional leads.
4. We engage third-party validation audits such as RBA's Validated Audit Program (VAP), which is an important focus at our large operations.

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Responsibility throughout our value chain

We take special pride in the breadth and value of our supply chain, a network of roughly 16,000 suppliers in over 100 locations across 30 countries.

Our strong supplier partnerships enable us to ensure the quality of the products we build, and the integrity of business decisions made throughout our supply chain. We include social and environmental requirements in the onboarding process of all new suppliers, positioning us as a leader in supply chain responsibility within and beyond our industry. This element of our strategy is increasingly relevant as regulations become stricter and customer expectations shift toward sustainability-driven values and greater transparency.

Beyond our internal sustainability measures, our solutions enable our customers to meet their sustainability goals. Our capabilities, expertise and cross-industry perspectives position us to generate intellectual capital through innovation. Customers of our products designed for energy and resource efficiency, such as LED lighting and solar trackers, enjoy returns on their investments as well as competitive environmental performance. Our successes generate new business as our brand builds a strong reputation within the cleantech industry. Over the years, we have had the privilege of working with our customers on emerging technologies, such as autonomous vehicles, connected medical devices and the latest generation of communications equipment. We're proud to support them at the forefront of innovation.

Our precautionary approach

Safety is a top priority, and we follow the precautionary principle of the UNGC in all areas of our operations, including the design, manufacturing and assembly of our products. We maintain our own list of restricted and prohibited substances at each site to ensure safe operations globally. In addition, we have a corporate chemical management standard that applies to any new chemical introduced into our facilities.

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Stakeholder engagement

We are all key stakeholders

We prioritize customer satisfaction yet recognize the need to balance this with the health and well-being of our people, the financial strength of our company, and our drive to do the right thing. Our employees, customers, shareholders, suppliers, regulatory agencies, unions, non-governmental organizations (NGOs) and industry associations are all considered key stakeholders. We seek out meaningful stakeholder feedback on issues related to environment, social and governance topics, which are discussed in the table on the following page.

Responding and taking action on all feedback from stakeholders

We value the input we receive from our stakeholders and respond to all concerns identified during the engagement process. We revise our materiality assessment annually, based on requests for information from stakeholders. Topics identified through this process are important for us to address, and we strive to incorporate the priorities of our stakeholders into our business and corporate sustainability strategies. Per the topics below, to address stakeholder concerns, we focus on environmental performance, labor practices and human rights, diversity and inclusion, responsible supply chain management, integrity and ethics, company performance, regulatory compliance and adherence to Responsible Business Alliance (RBA) standards.

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Environmental

Energy, water, emissions, effluents and waste

KEY TOPICS AND CONCERNS

- Energy consumption
- GHG emissions
- Waste management
- Water consumption

WHAT WE'RE DOING

We align our environmental disclosure to CDP (Climate Change and Water Security) and GRI reporting standards.

Through our use of energy-efficient systems and renewable energy, we strive to reduce our greenhouse gas emissions in our operations worldwide.

We have processes to systematically control, measure, and capture scrap and waste inventory, shipping and financial transactions.

We monitor and report our water consumption and operate wastewater treatment plants at different sites around the globe.

REPORT REFERENCE

- Environmental sustainability
- Waste management
- Water management
- Energy management and emissions reduction

Social

Occupational health and safety

KEY TOPICS AND CONCERNS

- Occupational health and safety performance
- Safe use of hazardous substances

WHAT WE'RE DOING

We ensure all of our sites have a health and safety management system which we verify through physical audits performed by the corporate team. All sites are also required to convene committees to address safety issues and concerns.

We protect employees and visitors from exposure to harmful substances through our industrial hygiene procedure.

REPORT REFERENCE

- Social and environmental management systems
- Wellness, health and safety

Training and education

KEY TOPICS AND CONCERNS

- Recognition for performance
- Opportunities to learn and grow

WHAT WE'RE DOING

We engage our employees and receive their feedback through coffee talks and town halls, lunch and learn sessions, management workshops, leadership skills training, recognition programs and annual surveys.

REPORT REFERENCE

- Employee development

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Working hours, forced/compulsory labor and other human rights issues

KEY TOPICS AND CONCERNS

- Excessive working hours per week
- Weekly day of rest
- Freedom of association
- Incorporation of UN Guiding Principles and/or International Labor Standards
- Non-discrimination
- Harassment and abuse
- Child labor and young workers

WHAT WE'RE DOING

We participate in RBA Task Forces on the UN Guiding Principles, Trafficking and Forced Labor, Transparency and Environmental Compliance, which sets guidelines for the working hours and conditions for employees.

We undertake targeted respect and dignity audits of high-risk sites, which focus on the social aspects of working conditions.

We engage with NGOs directly and indirectly to improve the substance of the RBA Code of Conduct and its implementation. We participate in the Global Business Initiative on Human Rights, including regional meetings, and attend the United Nations Annual Forum on Business and Human Rights.

REPORT REFERENCE

- Supply chain integrity
- Human rights

Local communities

KEY TOPICS AND CONCERNS

- Identify suitable community partners

WHAT WE'RE DOING

We support several nonprofit organizations in our SDG-aligned community focus areas of decent work, quality education, affordable clean energy and responsible consumption and production through the Flex Foundation (established in 2002).

REPORT REFERENCE

- Community
- SDG alignment

Governance

Economic performance, market presence and procurement practices

KEY TOPICS AND CONCERNS

- Company performance
- Direct labor salaries
- Local suppliers spend

WHAT WE'RE DOING

We meet regularly with major shareholders and key stakeholders on our company performance.

We evaluate employee compensation ranges on an annual basis to ensure we are competitive with our industry peers.

We drive materials spend to local suppliers, and work to increase our sourcing at our top ten locations.

REPORT REFERENCE

- Stakeholder engagement
- Fair wages and benefits
- Local procurement and supplier diversity

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Anti-corruption

KEY TOPICS AND CONCERNS	WHAT WE'RE DOING	REPORT REFERENCE
• The importance of our culture, integrity and ethics	Our Corporate Ethics and Compliance program is designed to identify risks and prevent violations of company policy, regulatory requirements and laws. Our ethics hotline provides an avenue for employees and others to anonymously raise ethical concerns of any kind.	• Ethics and compliance

Supplier assessments

KEY TOPICS AND CONCERNS	WHAT WE'RE DOING	REPORT REFERENCE
• Social and environmental supply chain management • Our standard of ethics and compliance throughout the supply chain • Applying our social and environmental initiatives	The supplier quality team incorporates social and environmental criteria into its supplier management processes and policies, including our supplier code of conduct, training for new suppliers, audits and corrective action plans.	• Supply chain integrity

Management systems

KEY TOPICS AND CONCERNS	WHAT WE'RE DOING	REPORT REFERENCE
• External certification of management systems achieved by our sites • Components of the management system and corresponding processes	We incorporate global environmental, health and safety requirements, as well as current RBA standards, into our integrated social and environmental management system and align these to the ISO format. We perform corporate audits at our sites to verify they are in compliance with our social and environmental management system requirements.	• Social and environmental management system • Human rights

Responsible materials sourcing

KEY TOPICS AND CONCERNS	WHAT WE'RE DOING	REPORT REFERENCE
• Country of sourcing • Smelters or refiners • Due diligence report	We're a founding member and active participant in the Responsible Minerals Initiative (RMI). Annually, we collect Conflict Minerals Reporting Templates from both customer-controlled suppliers and suppliers we control for due diligence and reporting obligations. Although not required, we file a Form SD with the Securities and Exchange Commission annually. View our most recent Form SD filing.	• Responsible materials sourcing

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Assess
Determine
Analyze
Narrow down
Identify
Validate

Materiality assessment

We update our materiality assessment annually to gauge the importance of environmental, social and governance topics to our most valued stakeholders. Our initial materiality assessment considered all GRI topics, which were reviewed and narrowed down to those that have the greatest influence for us and for our stakeholders. As part of this process, we collect data from internal and external stakeholders, which consistently evaluated against GRI standards. This process resulted in the emergence of 15 significant topics (identified at medium to high importance) covering a broad range of ESG topics, which are displayed on the matrix below. View a full list of our material topics.

OUR MATERIALITY ASSESSMENT IN SIX KEY STEPS:

1 **ASSESS**
GRI topics and disclose economic, social and environmental impacts

2 **DETERMINE**
topics with the greatest influence for stakeholders

3 **ANALYZE**
feasibility of impact and influence on stakeholders

4 **NARROW DOWN**
topics by geographic scope

5 **IDENTIFY**
the key functional areas of the company

6 **VALIDATE**
through functional executive approval

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Our materiality matrix

People · Community · Environment · Integrity · Supply chain · Economic performance

INFLUENCE ON STAKEHOLDERS

HIGH-LOW	HIGH-MEDIUM	HIGH-HIGH
	Responsible materials sourcing Market presence – fair wages and benefits	Occupational health and safety Working hours Forced or compulsory labor Energy Water Emissions Effluents and waste Supplier social assessment Supplier environmental assessment Economic performance
MEDIUM-LOW	**MEDIUM-MEDIUM**	**MEDIUM-HIGH**
	Diversity and equal opportunity Child labor Freedom of association and collective bargaining Non-discrimination Environmental compliance Innovation	Training and education Management system Local communities Anti-corruption Procurement practices
LOW-LOW	**LOW-MEDIUM**	**LOW-HIGH**
	Anti-competitive behavior Socio economic compliance	

SIGNIFICANCE OF ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS

Note: Materiality is used herein as defined by the GRI Standards. Chart shows relevance to our stakeholders, does not indicate performance. Last Update: July 2019.

Environmental sustainability

Our mission is to steward sustainable manufacturing and operational practices to minimize environmental impact.

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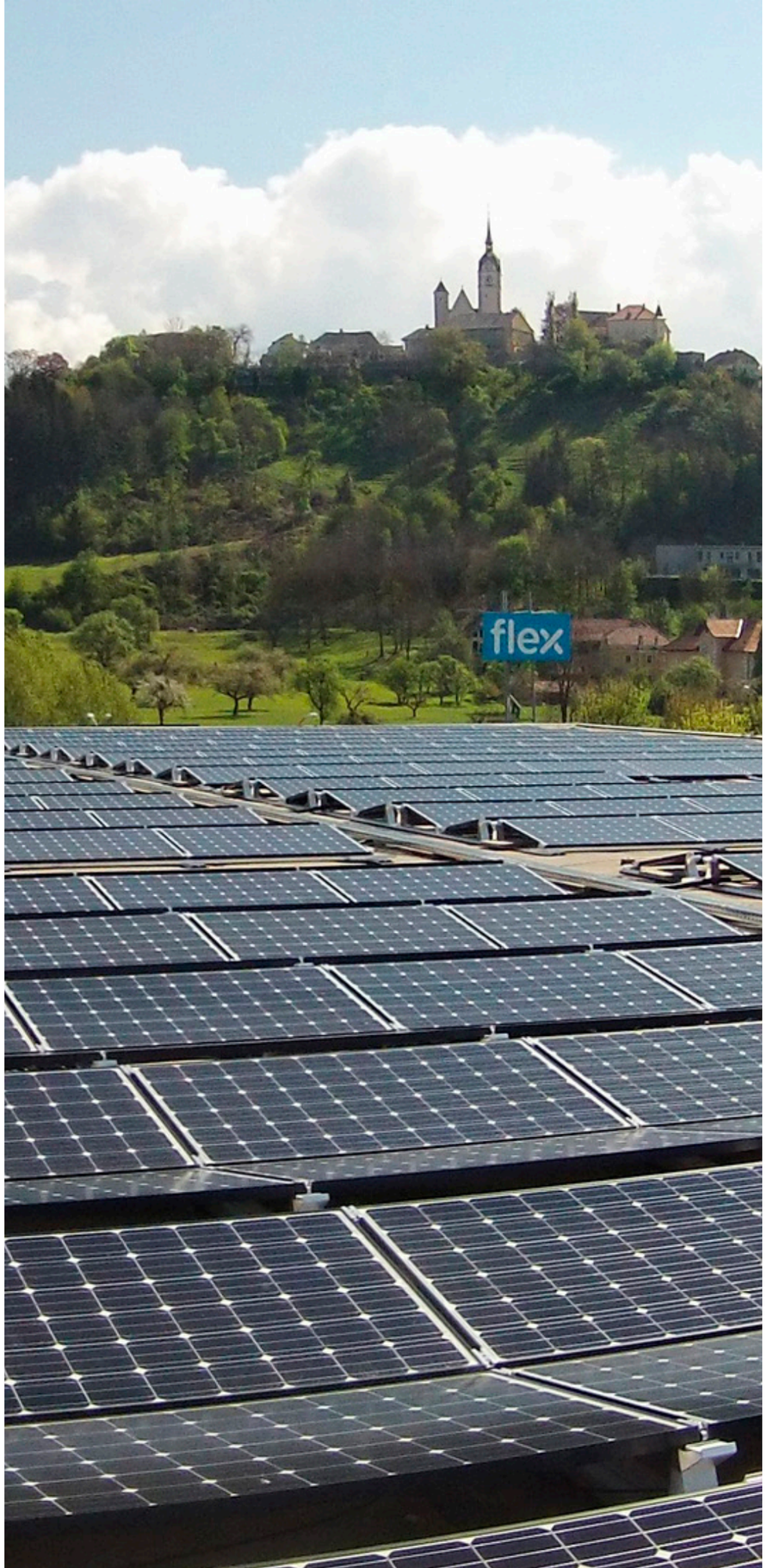

Environmental stewardship

At Flex, we recognize our responsibility to protect the environment by understanding and mitigating the impacts of our processes, operations and services around the world. Our company leadership is fully engaged in supporting the management systems we have implemented to establish and accomplish our goals. We also encourage innovation and problem-solving among our local teams, then replicate and scale those results.

We are focused on conserving energy and natural resources, minimizing carbon emissions and reducing waste. We track energy consumption, CO_2e emissions, water usage and total waste generation and disposal. We operate beyond compliance and ISO14001:2015 by including product environmental compliance and e-waste management. We also help our customers and partners mitigate their environmental impacts through circular economy offerings and supplier guidelines. In 2019, we were proud to be recognized by Cisco Systems with six awards, including Excellence in Sustainability for being "visionary and collaborative in the social and environmental sustainability space." We also received a Gold Medal from EcoVadis for our CSR programs. Through consistent practice of our values and constant push for innovation, we raise awareness and share the tools to drive change in our communities.

As a company with a global footprint, we are uniquely positioned to understand the geographic variability in environmental regulation and the availability of sustainable solutions. Our systems are meeting the challenge of diverse global standards expressed in regulations while leveraging emerging technologies to drive more rapid change. Customers play a key role in setting expectations for the value chain, and we're responding by providing creative and tested solutions at ever-increasing scale. We observe first-hand the obstacles to affordable green energy and other technologies that our sites, suppliers and partners may face, and we are working to overcome these limitations. We are committed to transparency and accessibility in reporting on our challenges, sharing our progress and continually raising our level of ambition moving forward.

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FLEX IS RECOGNIZED BY OUR CUSTOMERS

In 2019, Flex was recognized by Cisco Systems with six supplier appreciation awards, including 'Excellence in Sustainability' and 'Supplier of the Year.'

2019 KEY HIGHLIGHTS

60

Across our operations, 60 of our sites are certified to ISO 14001 environmental management standards

1.2M

We've installed energy efficient LED lighting to cover 1.2M square feet of our operations, saving an estimated 382,800 watts annually

40k+

In 2019, we celebrated our third annual Earth Day Challenge with 40,000 employees from 25 countries participating to benefit nearly 70 nonprofits

3.5MW

In 2019, 3.5 MW of renewable energy were added compared to last year

+70.5k

We offset +70,500 tonnes of scope 3 CO_2e emissions through Certified Emission Reductions (CERs) Certificates from the Clean Development Mechanism from projects in Brazil, China, Costa Rica and India

+22k

We avoided more than 22K tonnes scope 1 and scope 2 CO_2e emissions through our energy management programs

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Flex 20 by 2020 environment progress status

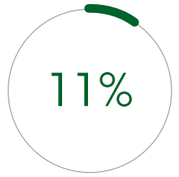
38MW

INCREASE USE OF RENEWABLE ENERGY

We exceeded our goal of deploying at least 2MW of renewable energy annually, with a total of 38 MW in 2019

DECREASE CO_2E EMISSIONS

We decreased our CO_2e emissions by 3%, keeping us on track to achieve a total decrease of 10% from 2016 to 2020



DECREASE WATER CONSUMPTION

We decreased our water use by 11%, keeping us on track for a total decrease of 10% since 2015

INCREASE WATER RECYCLING

We increased recycled water year over year by 15%, keeping us on track with our goal

INCREASE WASTE DIVERSION RATE

We diverted 89% of total waste in 2019 and are progressing toward our goal of at least 95%

DECREASE COST OF ELECTRICITY TO THE GRID VS. FOSSIL FUELS

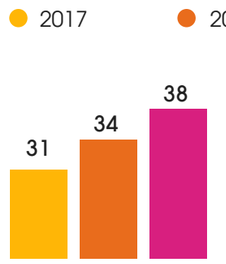
We exceeded our goal of beating the average fossil fuel cost by 5%, reaching 32%

5.3M

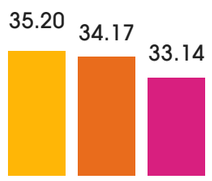
INCREASE THE NUMBER OF POWERED HOMES EQUIVALENT

We exceeded our goal of manufacturing enough solar PV modules and solar trackers to power 3.5 million homes, manufacturing enough modules and trackers in 2019 to power the equivalent of 5.3 million homes

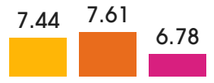
Key performance indicators



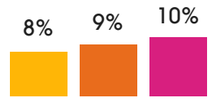
Use of renewable energy (MW)[2,6]



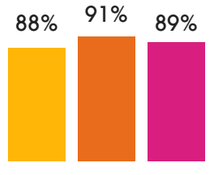
CO_2e emissions intensity (tonnes/US $M of revenue)[5]



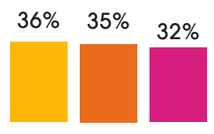
Water withdrawn (Million m^3)[5]



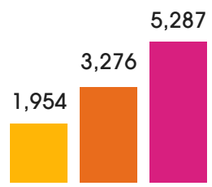
Percentage of recycled water[5]



Waste diversion rate[5,6]



% Cost reduction of electricity to the grid vs. fossil fuels[7]



Number of powered homes equivalent (in thousands)[1]

[1]Equivalency refers to the number of homes that can be powered with the MWs of solar panels and trackers we produce. The calculation assumes that a home's energy demands are equivalent to the energy demands of an average (5KW) household in California. The number of powered homes equivalent provided is the accumulated value till 2019.

[2]Renewable energy used refers to the MWs of solar power installed, and the power procured from third-party renewable sources.

[3]Assumes 50 weeks per year, six days per week, and 24 hours per day.

[4]Assumes an average annual electricity consumption for a US residential utility customer of 10,972kWh.

[5]The metric, KPI or target were re-baselined in 2018 due to our divestment from Multek and the change was reflected in the annual status from 2014 onwards. In 2017, DNV verified CO_2 emissions and water data.

[6]In 2018, this verification extended to include waste and renewable energy use.

[7]Fossil Fuel Average LCOE ($MWh) = $77, Source: Lazard's Levelized Cost of Energy Analysis (Ver 13.0), Nov, 2019. Flex Cost LCOE ($MWh) = $53. Petroleum cost is based on Lazard's Levelized Cost of Energy Analysis (Ver 11.0), Nov, 2017.

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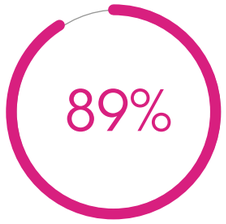
Waste and materials management

We are working to eliminate waste from our operations around the world by using all of the techniques available to us. We are modifying processes to avoid waste production in the first place, substituting materials to promote reusability and managing scrap to promote recycling. Where waste still exists, we dispose of it safely and in accordance with legal, social, environmental and ethical requirements. Our close tracking of these metrics indicates that we diverted 89% of our campus-generated solid waste from landfills in 2019. We seek to continually improve on these results by scaling programs that have been proven effective at certain sites and strengthening our partnership with suppliers and other key partners.



We diverted 89% of our campus generated solid waste from landfills in 2019

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Scrap weighting system

We are developing a rigorous, global approach to waste prevention and diversion throughout our operations. By recognizing the factors that have made various programs successful and standardizing these throughout the company, we can set meaningful goals and scale our progress toward zero waste globally. Some examples of success that we're replicating include:

COMPOSTING WASTE FROM OUR CAFETERIAS

To service our workforce, we operate cafeterias at most of our campuses. Wherever possible, we reduce our waste through composting food scraps and organic materials. At our design center in Cebu, Philippines, we use waste for vermicomposting, a process that uses worms to create a mixture of decomposing vegetable or food waste, bedding materials and vermicast. Our use of compostable cups and lids in Cork, Ireland, replaces approximately 170,000 disposable cups per year. Effective and large-scale composting of food waste is another way we can have a positive impact on our communities, by supporting local community gardens and independent growing operations.

REDUCING OUR USE OF CARDBOARD

By recognizing individual site programs that avoid cardboard consumption and waste, we can scale our results for greater impact. Our approach to material flow in key production areas in Juarez, Mexico has been successful in avoiding nearly 90% of cardboard pieces consumed. The recognition earned by our Sarvar site in Hungary, after they recycled operational scrap to create reusable plastic boxes, highlights another example of how Flex promotes and scales the innovative solutions our colleagues are implementing around the world.

Responsible disposal of waste

When waste is unavoidable, we seek to recapture the residual value from the material and safely dispose of the remainder. We collaborate with key stakeholders in this endeavor: our procurement team is developing an automated system to validate disposal metrics, and our EHS team looks for partners with disposal technologies around the world.

We establish and communicate our environmental and social criteria with all waste disposal partners and require that they be certified in either the R2 or E-Stewards programs, which are sets of standards for responsible electronic recycling and disposal. We conduct due diligence directly or through a third-party service provider prior to authorizing waste shipments to hazardous and non-hazardous landfills.

Full materials compliance

To ensure safety, we follow legal requirements and our own rigorous standards in all of our manufacturing, labeling, recycling and disposal. We have developed a full materials compliance process that focuses on customer, regulatory and internal requirements, and strictly adheres to global regulations for hazardous substances to ensure safety in our manufacturing processes. Our program includes a Full Material Content Declaration to comply with necessary content restriction and registration regulations, including RoHS, REACH, Prop 65, WEEE and other important customer specifications.

We design our packaging solutions with sustainability top of mind. Our packaging teams consistently look to minimize the quantity of material used through our innovative designs and enable closed-loop systems through the creation of reusable packages and the use of recycled materials. We also work to optimize transportation loads to reduce shipping-related greenhouse gas emissions.

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Water management

Our environmental management system approach is used to evaluate the significance of water-related impacts so that we can focus our attention on the highest-priority operations. Our water strategy relies on decreasing consumption where possible, leveraging recycling in our more intensive uses and installing collection systems for rainwater to meet irrigation and cooling demands. We recognize the scarcity of water in many parts of the world and utilize water management practices that help reduce our consumption. Our facilities typically draw water from municipal sources, and eventually, discharge wastewater to public treatment systems. While our operations are not "water-intensive" relative to some industries, we do have sites in water-stressed areas, and so we pay particular attention to those operations. We mitigate the potential impacts of consumption by implementing water recycling, where feasible, and work to reduce the potential impacts of discharge by following appropriate local regulations. These strategies drive our water stewardship forward and help to support our consistent leadership scores for our annual CDP: Water Security disclosure (for which we received an A- in 2019).

In 2019, our total water withdrawn, total water withdrawn by source, recycled water, total water discharged and total water consumption were verified by DNV.

Bringing clean water sources to communities in Mexico

After installing rainwater collection systems at three of our sites in EMEA for our irrigation or cooling systems, we extended this expertise by reaching out to some of the impacted communities in the regions where we operate. In late 2019, we partnered with TECHO, a local nonprofit, to provide rainwater collection and filtration systems for 10 households in Guadalajara, Mexico. They are located in a neighborhood where water availability is severely limited even though periodic rainfall events can bring large volumes of water. We also partnered with Xylem Watermark, Planet Water Foundation and nearly 100 volunteers to install water filtration systems at 10 schools in Aguascalientes, Mexico, where the quality of water is poor due to high metals concentration. These school sources serve the students and staff, in addition to local families who can now access safe drinking water.

Responsible water management is also a part of our supplier expectations, and we continually encourage our suppliers to participate in water-use reporting. We expect our suppliers to increase their efforts on water management within their facilities and involve their suppliers as well. Our aim is to reduce water use and pollution throughout our supply chain to better protect the environment.

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Energy management and emissions reduction

With a global footprint, we recognize that our operations consume energy and that this leads to greenhouse gas (GHG) emissions. Through diverse and creative programs throughout our operations, we have been identifying and deploying solutions that reduce our energy consumption and emissions.

Our efforts in energy efficiency cover hundreds of individual projects over more than ten years. These include installing energy-efficient HVAC systems, replacing lighting installations with LEDs, improving maintenance programs and building control systems. We describe key updates in our lighting program below. In total, we have avoided more than 22K tonnes of CO_2e emissions in 2019.

We also strive to continually reduce the climate impacts of the energy our operations consume; for this, we turn to renewable energy sources and reliable off-sets. We continue to expand and operate solar energy installations, most notably at our sites in Mexico, India and China, which total around 22 MW of production globally. We also operate a thermal cogeneration facility in Guadalajara, Mexico. It generates more than 61 GWh/year, which could power more than 5,560 homes for a year.[4] At our Austin, Texas site, in 2019, we bought the equivalent to more than 16MW on average, per year, of wind and solar renewable energy.

LED light fixtures replacement

Between 2013 and 2019, we installed more than 115,000 LED light fixtures in 15 countries. Through this program, we have saved over 89 GWh/year[3], which could power the equivalent of more than 8,180 homes for one year.[4] This avoids the generation of 63,500 tonnes of CO_2e emissions per year.[3] Our LED lighting fixtures covered approximately 1.2M sq. ft. of Flex space last year for an estimated total power savings of 382,800 Watts.

Making a difference with Certified Emissions Reductions (CER) projects

In addition to our energy reduction efforts, we actively work to offset our Scope 3 greenhouse gas emissions through Certified Emissions Reductions (CER) certificates. Since 2017, we've collaborated with the Clean Development Mechanism on projects in Brazil, China, Costa Rica and India. These projects, which offset carbon through the generation of renewable sources of energy, including a hydropower facility, diversion barrage, biomass power plant, waste-energy project and gas turbine-based combined-cycle power plant, resulted in us offsetting +70,500 tonnes of Scope 3 CO_2e emissions in 2019.

SAN LUIS, MEXICO

In 2019, we implemented about 300 different projects for energy conservation across our operations. Our newest renewable energy project, a solar generation plant at our San Luis Rio Colorado facility, is a 1.56MW rooftop solar system.

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Innovation for sustainability

We use our manufacturing expertise to make products that contribute positively to the world.

Circular services and sustainable manufacturing

The World Resources Institute defines a circular economy as "an industrial system that is regenerative by intention and design. It replaces the end-of-life concept with restoration, shifts towards the use of renewable energy, eliminates the use of toxic chemicals, and aims for the elimination of waste through the superior design of materials, products, systems and business models." Our customers are among the world's leaders in circular economy, and they are counting on our expertise and innovation to achieve their goals. We continually invest in our manufacturing, design, sourcing, reverse logistics, repair and refurbishment operations to offer customers end-to-end visibility throughout their products' lifecycles to maximize the value of materials and components and to minimize environmental impact.

2019 KEY HIGHLIGHTS

30+ sites

We have Global Services and Solutions (GSS) available at 30+ sites. These services include warehousing, service parts logistics, and returns, repairs and recovery services.

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We work with customers in both the industrial and consumer product spaces to engineer or re-engineer products and processes to dramatically increase circularity. Our efforts are focused on providing measurable solutions to reduce product-based environmental impacts. Sinctronics, a division of Flex in Brazil, is pioneering circular manufacturing processes that are making the information technology industry greener and more sustainable.

PRODUCT AS A SERVICE (PAAS)

We implemented a program for refurbishment of off-lease commercial IT equipment (laptops, desktops, servers, etc.) that includes screening, parts harvesting and logistics. Refurbished units are sold, saving an estimated 75% – 80% of expected CO_2e emissions compared with new products. Annual volumes of this program exceed 12,000 units per month, with 85% of off-lease units directed to higher-value refurbishment versus 15% directed to parts harvesting and recycling operations.

PRODUCT LIFE EXTENSION

In order to maximize the value of defective networking and storage equipment (blades, medium network racks, switches, routers, etc.), we combined repair services, root cause failure analysis, re-manufacture and other services across four global sites. Our customer was able to provide the same certified warranty on these products while saving approximately $1 million per year and avoiding 150 tonnes of CO_2e on refurbished parts compared to new parts.

ZERO-LANDFILL PRODUCT RECYCLING

We offer customers the ability to launch global product take-back programs with zero-landfill, full end-to-end traceability, and legal compliance. Our success in material recovery is enabled by our expertise in asset recovery and logistics, and by our global footprint. Our CO_2 calculator enables customers to quantify the environmental benefits of their circular economy programs and to make better decisions.

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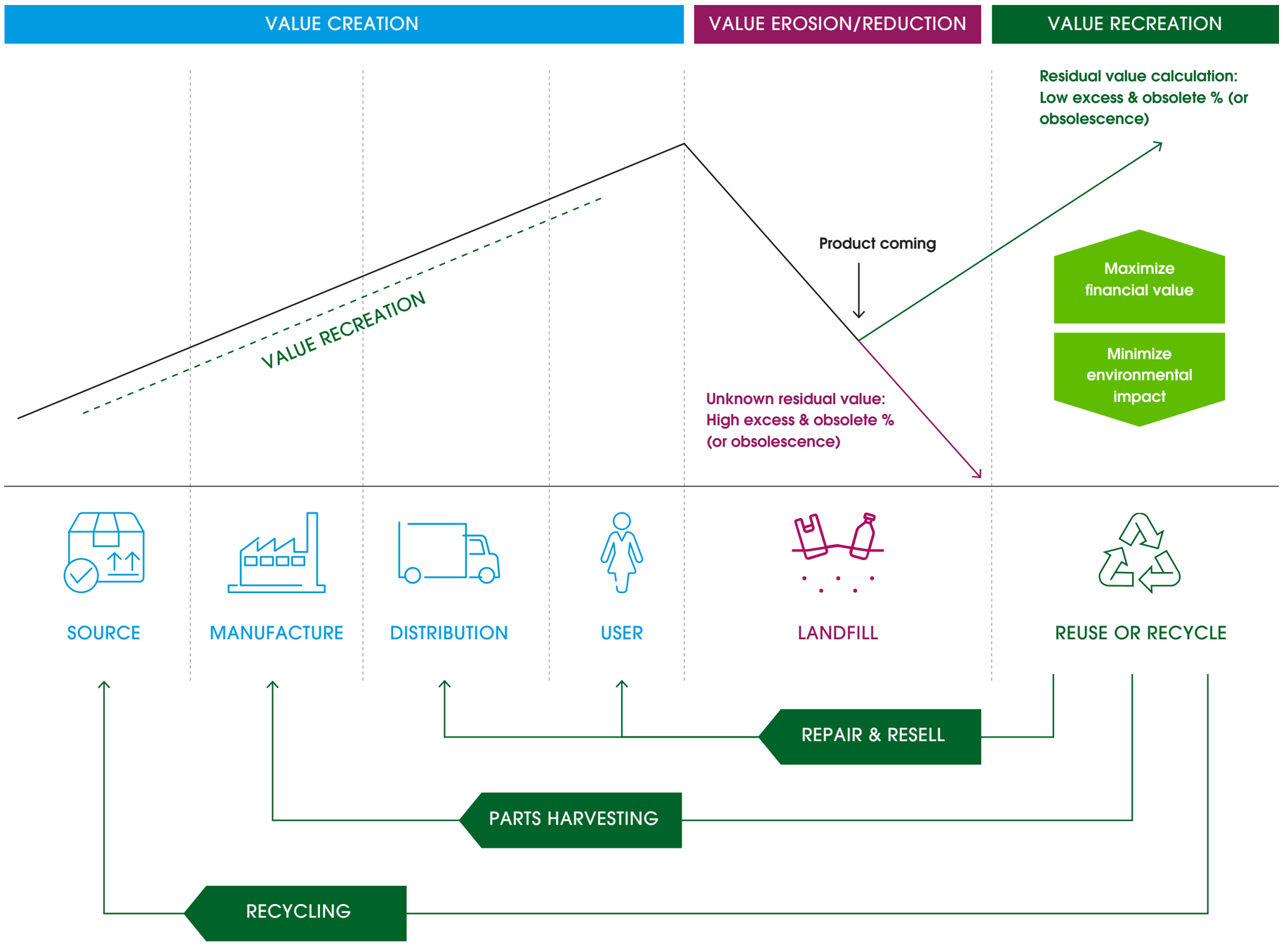

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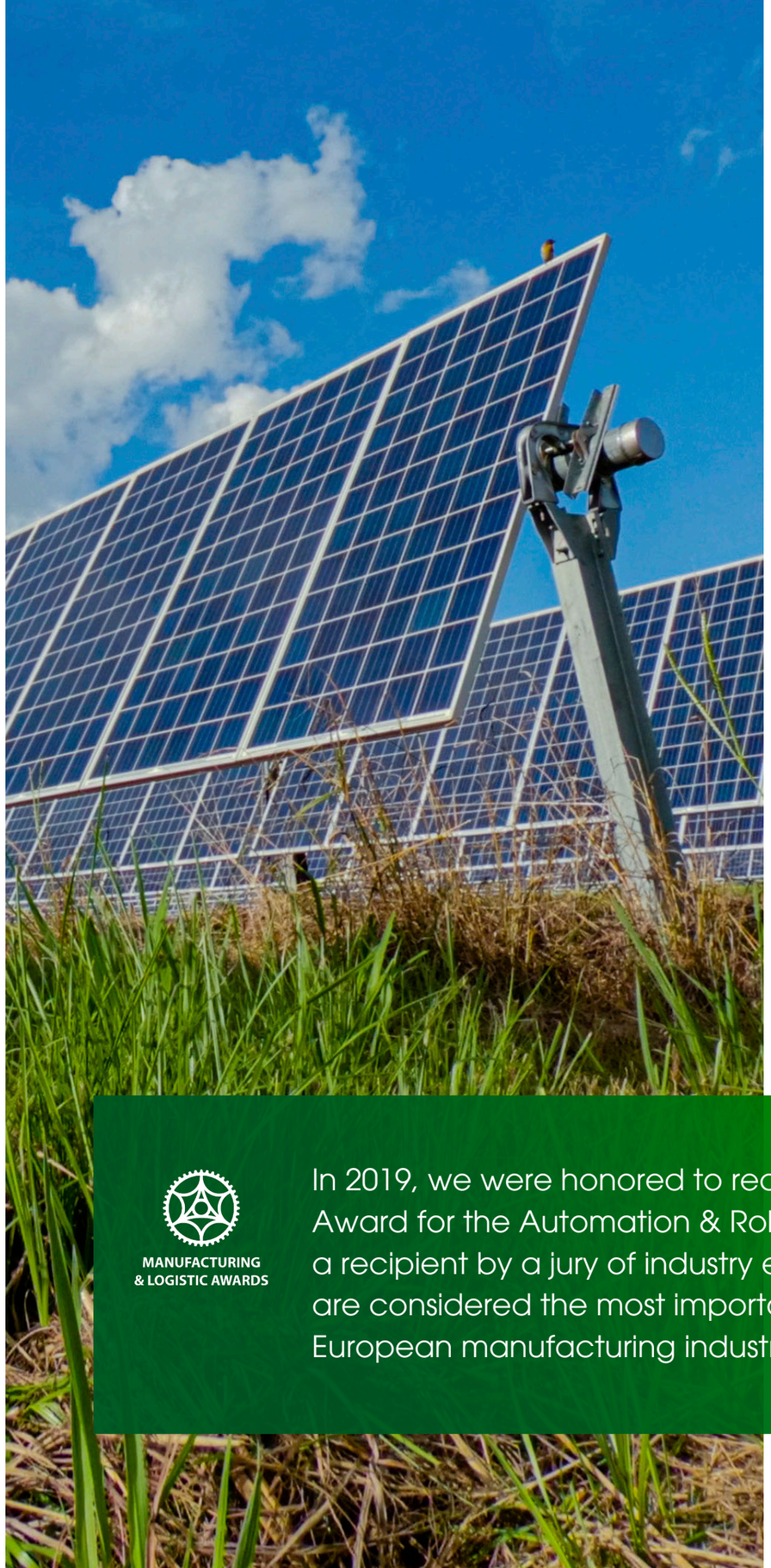

Our sustainable technology solutions

Energy solutions

We are proud of the role we play in the growing clean energy sector, enabling our customers to meet increasing demand for renewables, power storage and smart technologies that improve energy efficiency.

SOLAR

Guided by a vision of a world powered by affordable renewable energy, Nextracker, a Flex company, is on a mission to be the world's leading energy solutions company delivering the most intelligent, reliable and productive solar technology for future generations. Nextracker is a leader in the renewable energy transition, providing critical yield-enhancing PV system technology, expertise and strategic services to capture the full value and efficiency of solar plants. In addition to field-proven, high-performing solar PV solutions, Nextracker develops industry-first software, such as TrueCapture and its NX Navigator control and monitoring platform, enabling power plant owners to get the most out of their assets.

We're pleased to announce that in 2019, Nextracker earned the #1 market share leader position for the fifth consecutive year, as indicated by analyst firms IHS Markit and Wood Mackenzie Power & Renewables.

MANUFACTURING & LOGISTIC AWARDS

In 2019, we were honored to receive the CEE Manufacturing & Logistics Award for the Automation & Robotics category. We were chosen as a recipient by a jury of industry experts and leaders, and the awards are considered the most important event in the Central and Eastern European manufacturing industry.

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Sustainable packaging design

We deliver Industry 4.0 automation and smart factory development while putting sustainability top of mind. We work with our customers to create innovative processes and advanced engineering solutions to reduce waste and improve reuse and recyclability. As consumers move away from single-use plastic, we work closely with our customers to deliver alternative solutions. Our innovative tool designs allow us to create reusable packaging for our Lifestyle customers, specifically for personal care and beauty products.

Our global services team collaborates closely with our reverse logistics team to assess the use of bio-materials and minimize the use of oil-based plastics. In 2019, this cross-functional collaboration was brought in earlier in the design phase to help meet the increasing demand we see from our customers' decisions and expect to continue seeing in years to come.

Social responsibility

OUR PEOPLE

We provide a physically and psychologically safe environment with fulfilling growth opportunities for a large, diverse, eager-to-learn group of employees throughout the world.

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We commit to providing a safe and secure workplace, a respect for human rights throughout our business and opportunities for personal and professional learning and development. At Flex, we embrace each other's differences and recognize our diversity and culture of inclusion as a strength. We are increasingly focused on enhancing the diversity of our workforce and supply chain.

2019 KEY HIGHLIGHTS

9.78

We provided 9.78 average hours of training per employee, totaling to 1.5M training hours in the last three years

42%

At the end of 2019, over 40% of our global workforce and 30% of our Board of Directors were female

20%

We decreased our incident rate by 20% from the previous year

19k

More than 19,000 employees across 56 sites participated in our People with Disabilities Awareness Week, an increase of 2,000 from 2018

53

More than 2,150 employees benefitted from 53 educational programs offered through our Employee Scholarship Program

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Flex 20 by 2020 people progress status

INCREASE EMPLOYEE DEVELOPMENT

We increased our average number of training hours per employee by 39% from 2018, exceeding our goal to increase hours by 5% year-over-year

INCREASE FLEX PLEDGE AUDITS

We are progressing toward our goal of auditing 100% of our Flex manufacturing sites

INCREASE HUMAN RIGHTS POLICY TRAINING COMPLETION

We are progressing toward our goal of a 95% completion rate of our human rights training for new employees

INCREASE RBA COMPLIANCE FOR REST DAY REQUIREMENTS

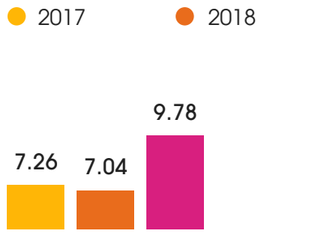
We exceeded our 95% goal for RBA compliance for rest day requirements

.34

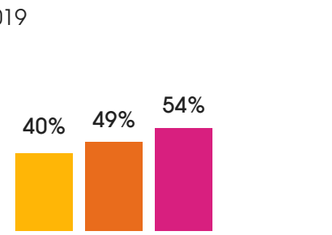
DECREASE INCIDENT RATE

In 2019, we had a .34 incident rate, which accounts for a recordable injury or illness per 100 full-time employees and is a 20% decrease from 2018. We are on track to reaching our goal of a 10% incident rate reduction by 2020.

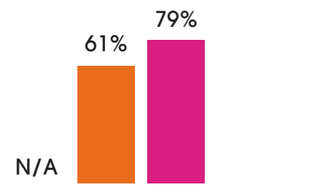
Key performance indicators



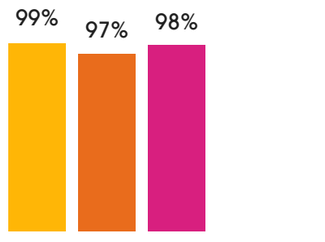
Average hours of training per employee[1]



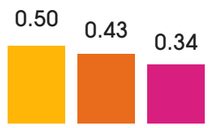
% of sites completing Flex Pledge audits[2]



Increase human rights policy training completion[3]



% of employees that complied with the RBA Rest Day Requirements[4,5]



Incident Rate[5]

[1] In 2018, our online training system was replaced, and employees didn't have access to new system during the transition period.

[2] Version: Flex Pledge 3.0.

[3] Human Rights Policy training was launched in 2018, sites shall deliver this to at least 95% of our employees and integrate this training into orientation materials.

[4] Hourly production workers in China, Mexico, the US, Brazil, Indonesia, Malaysia, Singapore and India are covered.

[5] In 2018, the KPI and target were re-calculated due to our divestment of Multek. Change was reflected from 2014 onwards.

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Employee development

We leverage our integrity, values and culture to attract, develop and retain the world's best talent. A key area of our mission is to provide a safe environment with growth opportunities for our employees to prosper. Ongoing engagement and professional growth for employees is critical to our success, and we help foster this growth through educational opportunities, dynamic work assignments and leadership development. We provide instructor-led classes, online learning and on-the-job training, covering topics including emotional intelligence, presenting with impact and negotiations. Our employees manage their career progression through annual goal-setting and performance appraisals. Managers are empowered to facilitate this growth through ongoing check-ins and feedback sessions with their direct reports.

We invest in our employees to enable them to achieve their highest potential. Through our Flex Leadership Development Program (FLDP), we work to serve as a long-term talent pipeline for the company, develop next-generation leadership and build a connected network of leaders across Flex. During the six-month program, the top 1% of available talent works on three cross-functional high-impact assignments, at least one of which is international. Through these activities, employees gain visibility to senior leaders, receive comprehensive mentorship and participate in ongoing leadership training.

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Our employees also build critical management skills through innovative, situation-based learning environments like My Flex Factory, a competitive and collaborative team-based business simulation. Custom fit to Flex's specific business challenges, My Flex Factory gives participants an opportunity to create and execute on their own business strategy, allowing them to develop the skills necessary to perform and deliver.

We focus our learning programs on:

- **GLOBAL REACH**: Offering extensive online options for our learners – both e-learning and instructor-led to reach a wider audience
- **LEARNING IN THE FLOW OF WORK:** Providing bite-sized micro-learning that our employees can consume more conveniently
- **LEARNER EXPERIENCE:** Enhancing our current learning platforms to engage more learners
- **POWER AND SOFT SKILLS:** Focusing offerings on developing behavioral skills

We encourage our employees to engage with leadership and provide feedback on how we're doing and how we can better meet their needs. In addition to engagement activities such as town halls and all-hands meetings, we survey employees annually to evaluate the performance of our management system.

Employee Scholarship Program

To support our commitment to the UN SDGs, we work to ensure that we provide decent work opportunities as well as access to quality education to all of our employees. For over a decade, through our Employee Scholarship Program (ESP), we have worked with local accredited educational institutions to give our employees access to life-long learning. Depending on the program, we provide full or partial funding for our employees to receive education ranging from technical certifications to graduate degrees.

We've implemented ESP in 39 locations in 15 countries across the Americas, Asia and EMEA. In 2019, more than 2,150 employees benefitted from this program, which offered 53 different programs, including technical certificates, language courses, high school programs and bachelors' and masters' degrees.

MY FLDP EXPERIENCE

"Joining FLDP was a lifetime opportunity to explore, learn and build my professional network. I learned so much during my rotations in India and China, and worked on my non-core zones like SMT engineering, HR and business development. Happily, this resulted in a career shift from my GBS supply chain manager role to a program manager role at a manufacturing site. FLDP taught me how to rapidly adapt to change, understand our business strategy and be collaborative at work."

RAJA SHENBAGAM,
SENIOR PROGRAM MANAGER,
MALAYSIA

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flex | 50 YEARS

Celebrating 50 years of Flex

Our history at Flex is half a century's worth of building complex products for our customers and individual moments of inspiration, encouragement and teamwork, and what an incredible history it has been! That is why, to mark our 50th anniversary, we invited our employees to take part in celebrations around the globe, giving back to their communities and connecting with each other.

Nearly 40 sites across 17 countries took part in community activities. Our employees contributed to wonderful causes that embody the spirit of Flex, a few of which are called out below.

PARDUBICE, CZECH REPUBLIC

For our employees in Pardubice, a celebration of Flex meant a celebration of the community. For over three years, volunteers at this site have been engaged with Stredisko Rane Pece, a nonprofit that helps children with disabilities, and for our 50th anniversary, they prepared a very special event. Employees created 50 stuffed teddy bears embroidered with our logo to commemorate our anniversary and our relationship with Stredisko Rane Pece. These teddy bears were then auctioned off to employees to help support the cause. Collectively, this activity raised CZK25,000, and showed the generosity, kindness and collaboration of Flex employees.

JAGUARIÚNA, BRAZIL

At our Jaguariúna site, our employee volunteers brought new clothes and shoes to citizens of Campinas, a nearby city that is known for a high population of homeless people. With this in mind, to commemorate the anniversary of a company that cares deeply about the community, our employees met these individuals with compassion and new clothes, helping to improve their self-esteem.

SHENZHEN GUSHU, CHINA

In Shenzhen Gushu, our employees coordinated a donation drive to support students from impoverished and under-developed areas. Together, they collected and brought books, stationary, school bags and sporting goods to Pingshan, a small, rural primary school in Gaozhou. It is our hope that this act of care will help provide students with the materials they need to grow, learn and thrive.

These are just a few examples of the many community events held around the world to celebrate our 50th anniversary. With our talented and generous employees, we look forward to the next 50 years of Flex.

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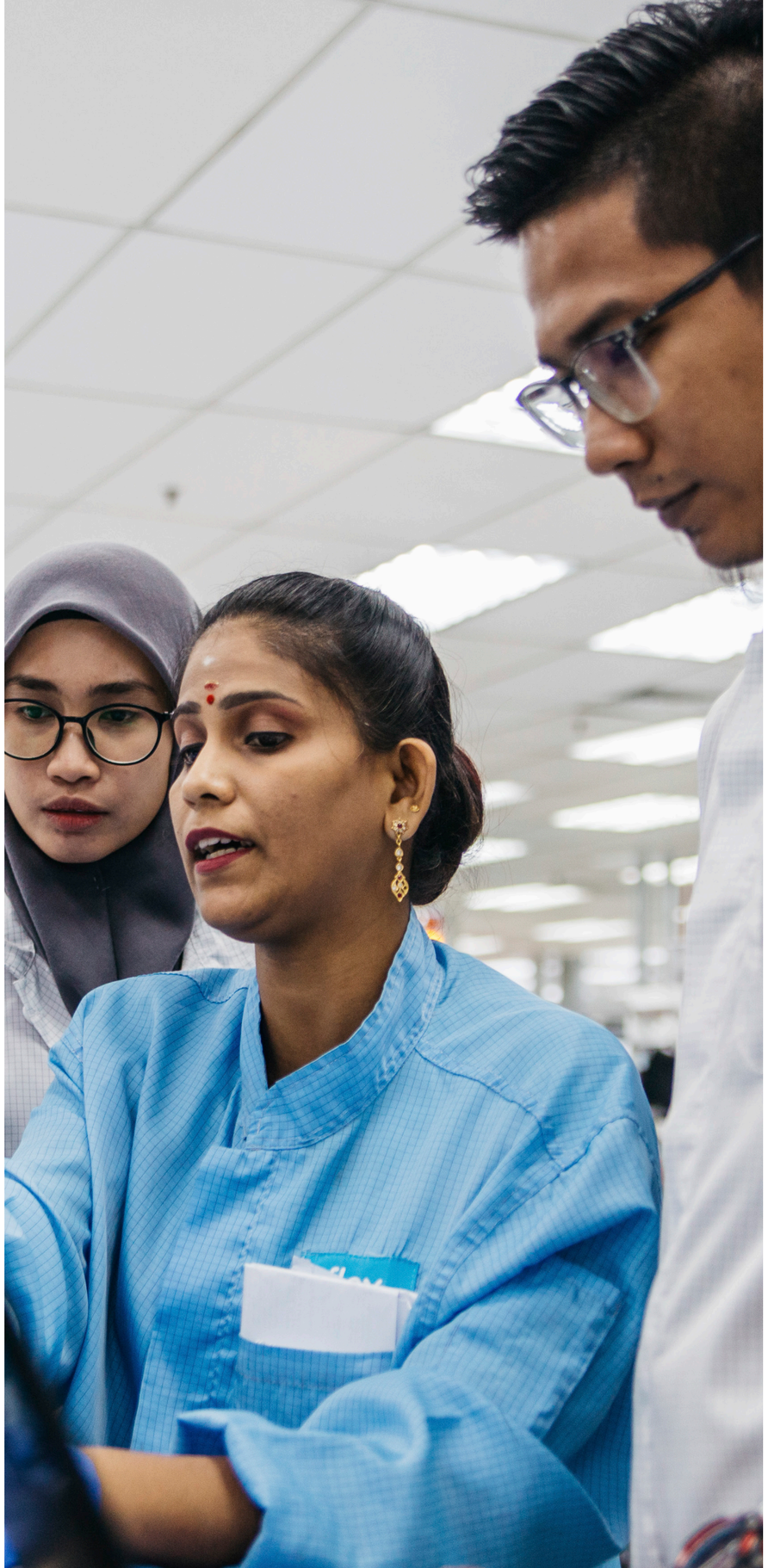

Diversity and inclusion

At Flex, we strive to instill a culture of embracing global perspectives, difference of thought and inclusiveness. Our strength comes from the dedication, talent, experience and perspective of every employee in our operation, and we celebrate that. Spread over 30 countries across the globe, our organization is naturally diverse in many dimensions including age, religion, gender, ableness, sexual preferences and nationality. As outlined in our Diversity and Inclusion commitment, we celebrate this diversity as a major contributor to our culture of innovation and inclusion.

In 2019, we worked to improve our talent acquisition process, starting with a thorough review of our job descriptions to ensure gender neutrality and remove unconscious bias. We also implemented the ability to have candidates self-disclose gender to ensure our hiring promotes equity among our talent pool.

A key part of our diversity and inclusion strategy is to promote gender diversity within leadership and management ranks, and throughout technical and non-technical areas of the company. A large body of research suggests that diverse companies perform better and our own experience confirms that. We're proud that in 2019, more than 40% of our global workforce were female, and we achieved 30% female representation on our Board of Directors.

At Flex, we are committed to diversity and inclusion and place a high value on enabling employees to reach their full potential through inclusion, representation and access to accommodations. In the coming years, we look forward to improving on our strategy to foster an inclusive working environment, and to celebrating all of the differences among us.

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SheLeads and Women in Flex

In 2019, we completed our first cycle of SheLeads, a global program focused on creating equal opportunity, fortifying our talent pipeline at Flex and increasing a greater sense of diversity and inclusion. Through a talent review process, over 20 women were invited and/or nominated to participate in this 12-month, multi-faceted program, dedicated to helping participants advance their leadership potential, learn more about our business and enhance career navigation with a certified coach and mentor.

We're excited to elevate our SheLeads program, which will include activities like a sponsorship project and an assignment to an impactful company initiative. We also hope to increase the number of participants by up to 45% globally.

Since 2018, Women in Flex (WIF), an employee resource group, has succeeded in creating opportunities for women across our company. WIF aims to promote gender equality and balance, expose more women to technology, encourage an inclusive work environment and expand learning and career growth opportunities for women. In March 2019, Flex celebrated Women in Flex week, where we hosted over 80 activities across 28 sites to provide professional enrichment, share rich histories of female pioneers, inventors and innovators and engage with our communities to raise money for women's health.

Black Flex Network

The Black Flex Network (BFN) is an employee resource group that supports this effort by fostering freedom of self while building awareness and developing a new generation of Black leaders at Flex.

In 2019, our employees formalized the BFN structure and strategy, working to identify the most material topics to Black employees at Flex. Those topics then became the pillars of the BFN program and serve to guide the strategy and business alignment moving forward. These three pillars - Community, Representation and Recruitment – help ensure that Flex attracts, retains and develops Black employees, while supporting local communities with minority empowerment.

Last year, in recognition of Black History Month, BFN held a diversity, equity and inclusion (DEI) panel discussion with leaders and an external DEI expert to identify how we can improve opportunities and experiences at Flex for Black recruits and employees. During National Engineers Week, members of BFN partnered with local schools to support their robotics program through hands-on learning opportunities to promote STEM, helping to uplift the next generation of talent.

We look forward to building on the strategy and work that we started in 2019, progressing towards better outcomes for Black employees at Flex by working to establish measurable goals with leadership.

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People with Disabilities (PwD) employment

Globally, we employ over 2,000 people with disabilities (more than 1% of our total population), including individuals with hearing, speaking, sight, intellectual development and physical impairments, across 67 of our sites and actively work to expand that number.

In Zhuhai, China, we recognize that we have an opportunity to make a major impact in offering economic opportunities for people with disabilities. Our Zhuhai team provides accessible accommodations to attract a diverse talent pool and is proud to employ more than 200 people with disabilities, who receive 100% equal employment opportunities. People with disabilities are employed in every department, and inclusive workspaces are located throughout the facility. Through the Mechanical Inclusive Factory (MIF), our Zhuhai team created dedicated workstations, equipped with tools and resources, for employees with intellectual disabilities, including autism and down syndrome, to do their best work.

In order to foster an inclusive working environment around the world, we provide our employees with communications, leadership development and discrimination training. Our PwD receive regular trainings to improve their professional skills and build self-confidence, while our non-PwD employees have an opportunity to learn sign language, and coworking best practices and gain disability awareness.

In 2019, we celebrated our third annual PwD Awareness Week, marking the UN International Persons with Disabilities Day, by hosting volunteer activities at our sites and in our local communities. Over 19,000 employees participated in 56 locations across 22 countries and engaged in 187 local initiatives and community activities.

MY EXPERIENCE AT FLEX

"Having joined the CSER team at Flex in February 2019, I transferred to HR in June 2020. Thanks to the accessibility improvements by Facilities, IT and the site administration department, I'm proud to contribute to the broader team and work equally as others. I hope we continue implementing accessibility enhancements in our systems and facilities and that other people with visual impairments experience employment opportunities at Flex."

ANGELA GU, HR ASSISTANT, CHINA

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Wellness, health and safety

Providing a safe, inclusive environment for our employees to thrive is one of our core values. We recognize that we have an opportunity to promote and support a culture of wellness, health and safety among our employees. Throughout Flex, we provide access to exercise, nutritious food and quality medical services. We promote a "zero-injury" culture through health and safety management systems, some of which are certified ISO45001:2018, that implement a data-driven and risk-based approach in monitoring and reporting performance regularly.

A culture of safety

Our culture of safety is set by our executives and company leaders. By directing resources and requiring regular reports, our CEO and department leaders convey to all employees that safety is a core value of the company. Accountability in all business areas drives continuous improvement through a number of specific programs:

SAFETY AS A CORE VALUE

Our Culture of Safety Maturity Assessment (CoSMA) is used to assess the maturity of 20 key processes required to develop and maintain a strong culture of safety. It produces leading indicators that focus on people, processes and leadership activities. Our CoSMA results drive individual sites to prioritize the efforts and resources they need to systematically and sustainably develop and maintain a culture of safety. We completed this assessment at approximately 90% of our manufacturing sites in 2019 and deployed at non-manufacturing locations as well. Our goal for 2020 is to assess 100% of our sites. These evaluations will be repeated annually and require improvement actions to address the opportunities to improve that are identified.

SAFETY FIRST PROGRAM

We build awareness and share specific information about safety with employees around the world through a number of pathways, including an annual education workshop and new hire orientation videos. Safety First posters in conference rooms globally emphasize specific actions to minimize injuries and illnesses, including encouraging everyone to start meetings with a safety discussion. These programs feature site general managers, who set the tone for our safety culture and remind everyone of their shared responsibility to keep everyone safe.

SYSTEMATIC RISK REDUCTION

The key to preventing injuries and illnesses is minimizing the risk within operations. Two critical processes required to accomplish this risk mitigation is having effective risk assessment and incident reporting and analysis processes. A common process has been developed providing consistent identification, evaluation and control of existing and potential workplace hazards. This global process enables us to proactively mitigate risk in a systematic and sustainable way. Our standardized incident analysis process enables us to determine root causes of injuries, implement effective corrective actions and prevent recurrence, and provides improved data analytics and lessons learned.

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Considering the industry we are a part of, we need to address the health of our employees as they perform repetitive actions. In 2019, our talented Health and Safety team in Sorocaba, Brazil, developed new software that provides ergonomic visibility with reports on employee ergonomic exposure history at the site. When an employee experiences an injury, this software allows us to track all the production lines where he or she has been working to assess and deliver the best treatment options. We intend to expand this program to other sites in Brazil initially, and then to other sites around the world.

We require that all of our sites have a health and safety management system and safety committees in place, which we verify through physical audits performed by the corporate team. Additional procedures cover machine safety, risk assessment, incident reporting, etc. Furthermore, our industrial hygiene procedure is designed to protect employees and visitors from exposure to chemical, physical and biological substances.

Safety is our priority

In October 2019, our operations in Penang, Malaysia achieved 4 million safe work hours. Thank you to our safety managers and teams in Penang and around the globe, who are dedicated to promoting a zero-injury culture and keeping us all safe at work.

Health and wellness for our employees

In 2019, we deployed well-being programs at 25 of our sites in 18 countries, and saw an incredible response from nearly 14,000 employees, who participated in and benefited from online healthcare management opportunities, dance and exercise lessons, weight management challenges, sports tournaments, physical and mental health examinations and nutritional assessments. Some examples of these efforts include:

TELEMEDICINE PLATFORMS

As a part of our North America wellness program, we provide employees enrolled in our medical plan with access to telemedicine, a hub for virtually managing healthcare needs. This hub allows our employees to explore wellness tips and communicate with top physicians through live video consults anywhere, anytime. In 2019, we expanded this offering to include eligible employees in Mexico.

PHYSICAL EXAMINATIONS IN SUZHOU

Every year, we provide the opportunity for our Suzhou employees to have health examinations at Meinian University. We believe improving accessibility and maintaining proactive exams are critical to employee health and well-being. In 2019, 2,962 employees at the Suzhou site participated in the program – an increase of 97% from 2018.

Fair wages and benefits

Our total rewards packages are informed by both company results and employee performance, as well as grade-level, job function and location. Compensation ranges are evaluated annually to ensure our salary offerings are competitive with our industry peers. We provide the tools to help our employees optimize the dimensions that they find most valuable in life, whether it's financial security, good health or better work-life balance.

We provide financial health trainings, empowering our employees to make good financial decisions around budgeting, investing and retirement planning. We also promote physical wellness, enabling our employees to be proactive with their healthcare. At Flex, we also recognize that mental and emotional wellness play a major role in employee satisfaction and productivity – which is why we also offer employees paid time off to recharge and feel prepared to do their best work.

We respect the right of our employees to have freedom of association. This includes the right to form or join trade unions or other worker organizations. Approximately 70% of our employees around the globe participate in collective bargaining agreements. In all situations, Flex fully complies with all applicable laws and regulations at the sites in which we operate.

Human Rights

We know that our role in upholding human rights and dignity extends beyond our four walls and requires us to conduct due diligence throughout our entire value chain. Flex is an active participant in external initiatives to protect human rights, including the RBA and the Global Business Initiative on Human Rights. Our commitment to human rights is demonstrated by our strong social management system, which is aligned to the RBA code of conduct. In 2016, we refreshed our human rights policy to align with the UN Guiding Principles

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on Business and Human Rights to include a prohibition on discrimination on the basis of "gender identity and expression" and address implementation, reporting and escalation processes. To mitigate risk of human rights violations, we implemented employee relations programs at the sites posing the greatest risk for forced and compulsory labor. Currently, we are actively working toward the elimination of forced and compulsory labor in Singapore, Indonesia, Eastern Europe and Malaysia.

Our policy prohibits employees from working excessive hours – either 60 hours per week or the local legal limit, whichever is lower. We participate in RBA Task Forces on the UN Guiding Principles, Trafficking and Forced Labor, Transparency and Environmental Compliance. We've advocated for a solution to issues regarding excessive working hours with interested parties including the RBA, original equipment manufacturers (OEMs), electronics manufacturing services (EMS) companies, NGOs, academia and governments. We recognize that there are many factors that contribute to this situation, and only through a broad consortium of stakeholders will we find effective solutions.

In 2018, we launched a Human Rights Policy micro-learning course, with the objective of highlighting our policy for new employees. The training is available in 15 languages. By the end of 2019, 79% of our manufacturing and logistics facilities delivered the training to more than 95% of our employees and have integrated it into their orientation materials.

As an active RBA member, we assess our operations against the RBA Code using a self-assessment process followed by audits. These assessment and audits ensure we are compliant with the RBA Code with respect to an array of human rights risks including underaged labor, forced labor, discrimination, excessive working hours, freedom of association and harassment. Each year, a number of our facilities host onsite compliance audits conducted by independent third parties, in accordance with the RBA's Validated Assessment Program (VAP). This program is the leading standard for onsite compliance verification, and we proudly continue to add sites to the RBA Factory of Choice level where VAP scores must be above 180.
The RBA has also initiated several multi-stakeholder programs with a focus on specific human rights issues. As participants in the Responsible Minerals Initiative (RMI), we amplify our ability to promote the responsible sourcing of minerals, working to reduce conflict-sourcing throughout the electronics industry. Our work on the RMI's Sensing and Prioritization committee has led to the examination of cobalt and other substances of concern for industry action.

We are committed to respecting the human rights of all people through our operations and in our value chain, in alignment with the United Nations' Guiding Principles on Business and Human Rights. We have established internal controls and we regularly communicate these expectations with our business partners. A recent report by the Australia Strategic Policy Institute highlighted manufacturing facilities suspected of human rights abuses, including forced labor conditions, against Uyghurs in China. Our longstanding policies, training and auditing allowed us to rapidly assess the situation and convey to our customers that we were not aware of such practices in our own operations, nor in those of the suppliers we had selected. We further support the Responsible Labor Initiative (RLI), aimed at eradicating forced labor from supply chains, and we are a member of the Global Business Initiative on Human Rights (GBI).

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Technology solutions for quality of life

We foster a culture where our people push the limits and work together globally to go further than they ever imagined. Our innovation ecosystem helps customers define and develop cutting-edge products that improve the quality of life of people all around the world.

Micro-mobility

We are working on the forefront of micro-mobility by enabling our customers to bring electric bikes and scooters to the market at scale. We're proud of the role that we play in improving the quality of life for people around the world by improving accessibility of transportation and reducing its impact on the environment. In 2019, we experienced significant growth in this industry of carbon-free transportation.

Digital health

At Flex, we design easy-to-use systems that take human factors into account. Our integrated technology platforms help medtech and pharmaceutical companies bring intelligence-enabled products to market faster and with the most advanced technologies available.

In 2019, we designed and manufactured products with integrated technologies to help people connect more easily to family and healthcare providers to help patients manage their health in real time. In clinical trials, we help enable passive data collection of consenting patients by automatically tracking key metrics. This provides medical and pharmaceutical companies with better and more complete data, enabling meaningful research and innovation.

GLOBAL TOP 20

We work with 17 out of 20 of the world's top medical device makers and 18 out of 20 of the world's top biopharmaceutical companies to develop, design and manufacture medical products globally.

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FROST & SULLIVAN

2019 BEST PRACTICES AWARD

Flex awarded Company of the Year by Frost and Sullivan

In 2019, we were proud to be awarded "Company of the Year" by analyst firm Frost and Sullivan for our innovation and performance in the medical device market. The award, which was presented to us in London, England, recognized our performance on three criteria:

1. Excellence in growth, innovation and leadership
2. Superior performance in demand generation, brand development and competitive positioning
3. Rigorous focus on visionary innovation and performance to enhance customer impact

We're proud of the work we do in partnership with our customers and look forward to continuing our innovation at the forefront of healthcare technology.

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Community investment

We invest in the communities that enable us to thrive.

Our ambition is to create positive impact in our communities while building a culture of community investment. By supporting the UN SDGs, we offer education, career-building opportunities, natural resource protection and disaster relief, helping our communities to flourish. Through the Flex Foundation and our incredible employee volunteerism, we bring these programs to life in collaboration with nonprofit organizations, community leaders and governments.

2019 KEY HIGHLIGHTS

618

We completed 618 community activities, a 12% increase compared to 2018

7k

As of 2019, over 7,000 workers benefitted from the Worker Empowerment Training Program (WETP), enabling participants to lead the future of automation

48k+

~10.9K of our volunteers gave 48K+ hours back to their communities.[1]

93%

93% of our sites implemented community activities throughout the year.[1]

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Flex 20 by 2020 community progress status

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IMPLEMENT WORKER EMPOWERMENT TRAINING PROGRAM

In 2019, we exceeded our goal of 20 factories, and now support 46

100%

IMPLEMENT FLEX FOUNDATION - COMMUNITY GRANTS

We achieved our goal of providing Flex Foundation community grants to 100% of our sites that have at least 5,000 employees

48,168

INCREASE VOLUNTEER HOURS

We are in progress toward our volunteer hours goal, hitting 48,168 in 2019

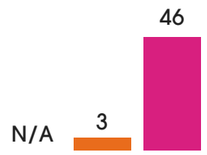
93%

INCREASE PERCENTAGE OF SITES WITH COMMUNITY ACTIVITIES

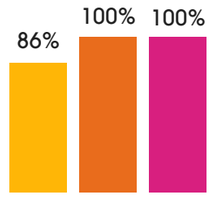
We exceeded our goal of at least 90% of sites engaged with community activities

Key performance indicators

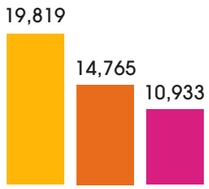
2017 2018 2019



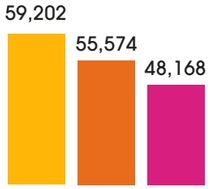
Total number of suppliers that have implemented our worker empowerment training program (WETP)[3]



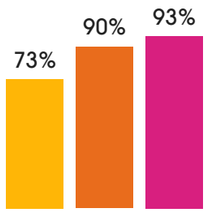
% sites with community grants[2]



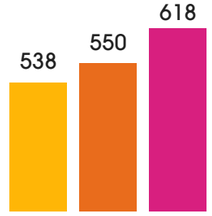
Total volunteers



Total volunteer hours[1]



% of operations that have implemented local community engagement activities[1]



Total local community engagement activities

[1] In 2018 and 2019, DNV verified the data.

[2] Sites with 5,000 or more employees.

[3] In 2017, we began the phase one implementation of the WETP program, which included three pilot sites in China and Mexico. Phase one was completed in 2018. The same year, we commenced phase two, which was completed in 2019. The third and final phase started and concluded in 2019.

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Flex Foundation

The Flex Foundation is a private organization and awards grants to philanthropic initiatives supported by Flex. Established in 2002, the foundation supports and fosters positive change for the global communities where Flex, its customers, suppliers and partners operate. The Flex Foundation's giving and volunteer strategy is aligned with four of the UN sustainable development goals spanning quality education, decent work and economic growth, affordable and clean energy and responsible consumption and production.

Volunteerism

Our Foundation's vision is to foster meaningful relationships between our employees and their local communities. We know our employees and their families want to make a positive difference in the world, and we want them to feel proud to be a part of Flex. Therefore, we encourage our employees to give back to their communities by volunteering time, talent and resources to local organizations. Our global sustainability team and site community representatives help to coordinate local community activities around the world that align with our values and comply with our corporate volunteer policy and guidelines.

SDG 4: Quality education

Because of its profound impact on society, we invest in quality education to provide people with the opportunity to access decent work. In 2019, we made strides in improving access to education to our local communities.

GETCH FOUNDATION

Zhuhai, Dongguan and Shenzhen Gushu, China

The Guangdong Canpei Education and Development Foundation (GETCH) believes that people with disabilities deserve equality and works to empower them by providing educational resources and employment opportunities. Since 2016, through our community partnership with GETCH, we have engaged in five projects that enable people with disabilities to build personal and professional skills, access jobs and learn about culture and the environment. In 2019, we worked with GETCH on the Connecting Environment-friendly and Inclusive Community to Future (CARE) project, in which 120 youths with disabilities learned about environmental stewardship and conservation practices such as how to save energy, classify reusable material and promote environmental protection.

ELEVATE TEACHER WORKFORCE TRAINING INITIATIVE

Bay Area, California, US

For the fourth year in a row, the Flex Foundation supported the Silicon Valley Education Foundation (SVEF) and its Elevate Teacher Workforce Training Initiative, which aim to better prepare teachers and improve their effectiveness. Through the program, teachers receive 30 hours of professional development, and 75-125 hours of instructional practicum with the Elevate (Math) program. All teachers who complete the full 30-hour professional development training are eligible to receive 2 credits of Continuing Education Units (CEUs), which makes them more competitive, eligible for higher salaries, and helps advance their professional careers. In 2019, 192 teachers and 21 instructional coaches were supported by this grant.

SDG 7: Affordable and clean energy

We believe one of the most effective ways to mitigate the impacts of climate change is to ensure clean energy is accessible to all. Our support of clean energy projects around the globe allows us to make progress toward a green energy future.

GRID ALTERNATIVES

Mexico and the US

GRID Alternatives' (GRID) vision is a successful transition to clean, renewable energy that includes everyone. Their mission is to make renewable energy technology and job training accessible to underserved communities. In 2019, the Flex Foundation supported GRID's Energy for All program in addition to international programs, which makes solar power accessible to families who need the savings most, while providing hands-on solar installation experience to volunteers and job trainees. Flex provided support for GRID to fund no-cost solar PV systems on the rooftops of 10 low-income families throughout California and Mexico. Supported organizations in Tijuana include Casa Hogar Sion Orphanage, home to 75 children and young adults, and Madre Asunta Migrant Center, which provides daily services and housing to 150 women and children. Through 24 total projects across Mexico and the US, we've contributed to GRID Alternatives improving the lives of over 1,800 people since 2016.

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SDG 8: Decent work and economic growth

To address global inequality, we believe in providing access to decent work and the training and education necessary to succeed in career advancement. In 2019, we, along with the Flex Foundation, partnered with multiple organizations to help foster decent work and economic growth.

WORKER EMPOWERMENT TRAINING PROGRAM (WETP)

China and Mexico

In 2016, we began working with Business for Social Responsibility™ (BSR™) to launch a training program for our suppliers' employees with the goal of building their personal and professional skills. The program, which also supports SDG 4: Quality education, is provided at our suppliers' factories, through a Trainer-of-Trainer (TOT) course. What started as a program with three suppliers in 2017 has now expanded to 12 suppliers in China and 34 suppliers in Guadalajara and Tijuana, Mexico. As of 2019, 46 suppliers have benefitted and over 7,000 workers have been trained to lead the future of automation.

WORLD WILDLIFE FUND (WWF) DANUBE CARPATHIAN PROGRAMME

Romania

We support WWF Romania in its mission to empower rural communities to create a fundamental shift in the way people perceive and engage with nature. By identifying challenges and threats at a local level, the gatekeepers of pristine wilderness can inspire innovation in business, education, science and technology, design, urban planning, agriculture and waste management. With our support in 2019, WWF is creating the Nature Innovation Lab, a co-working space shared by local communities, students, researchers and makers, to develop an innovation ecosystem that harmonizes environmental protection and economic development.

SDG 12: Responsible consumption and production

At Flex, we drive environmental conservation to protect the earth's most valuable resources.

THE BARN OWL FOUNDATION (GYÖNGYBAGOLYVÉDELMI ALAPÍTVÁNY)

Hungary

We are proud to support the Barn Owl Foundation (BOF), which works for the preservation of environmental resources and wildlife habitats. Barn owls, as a flagship species, demonstrate the complexity and interrelation of humans, their decisions and their impact on the environment. The work of BOF can help people think about their consumption habits and their relation to the natural world. In 2019, we supported the organization and its efforts in progress to create:

40+
BARN OWL NEST SITES CREATED

10+
BAT ROOST SITES CREATED

15+
SOCIAL MEDIA PUBLICATIONS

2+
VIDEO PUBLICATIONS ABOUT THE SDGS

250+
PEOPLE TRAINED ABOUT THE SDGS

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OUR SUPPORT OF REFORESTATION PROJECTS

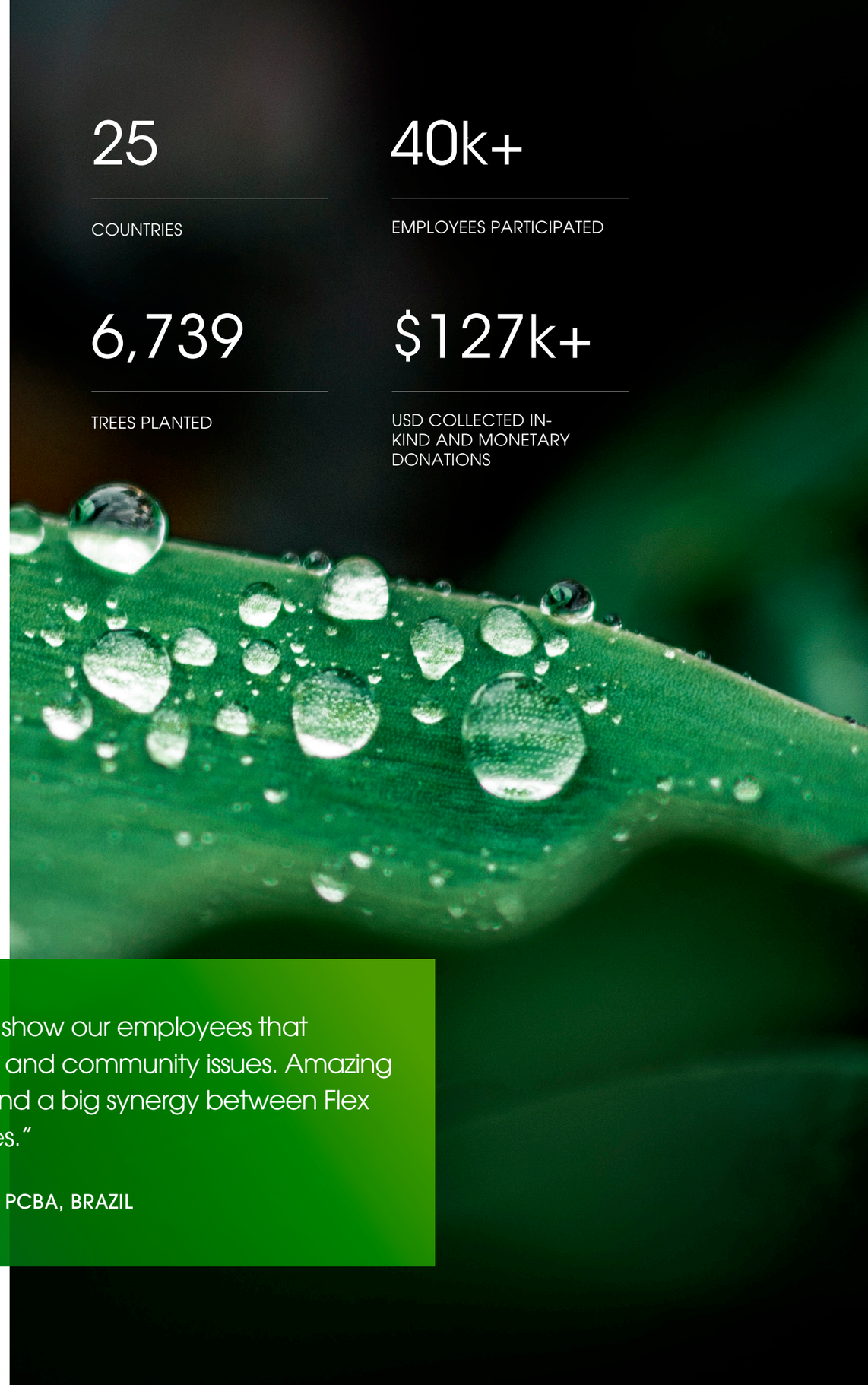
Hungary and Mexico

We recognize the immense value that trees provide and in 2019, we supported multiple reforestation projects around the world. Through our partnerships with nonprofit organizations in Hungary and Mexico, we worked to plant and reproduce multiple species of trees, including pine, which is the largest producer of oxygen, and which captures CO_2 to a large extent. These trees will help to regulate the climate, preserve soil to prevent flooding and provide shade, which reduces the need for air conditioning in nearby locations.

Earth Day Challenge 2019: Over 12,000 hours of environmental action in our communities

We engage directly with the communities where we work to deploy climate-conscious, environment-friendly programs. For the third year in a row, we celebrated Earth Day through a global employee volunteer challenge and received tremendous support from our employees and their families. Over two weeks, we participated in activities to benefit 69 nonprofit organizations across the globe.

Last year, we volunteered to clean up beaches, revitalize public spaces and schools and plant trees. We cleaned roads, parks and forests and even did some deep diving to collect garbage from the ocean. Additionally, we initiated campaigns to reduce paper and plastic use, and encouraged the use of bicycles and public transport to reduce CO_2 emissions. These activities help us do our part to serve our planet and connect us to the communities where we work.



"The Earth Day Challenge is a great opportunity to show our employees that everyone can make a difference in environmental and community issues. Amazing activities are performed with dedication, passion and a big synergy between Flex employees, local government and our communities."

THIAGO PINTO, QUALITY AND EHS MANAGER AT FLEX MANAUS - PCBA, BRAZIL

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Disaster relief

As a company with operations in the Americas, Asia and EMEA, we strive to provide relief to communities impacted by natural disasters all around the globe. In 2019, through the Flex Foundation, our partnership with Save the Children enabled us to contribute to India with the Cyclone Fani Children's Relief Fund. In 2019, we contributed to:

25k

Providing 25,000 shelter kits and financial support to families whose homes were damaged

7.5k

Giving 7,500 students support for textbooks and study materials

Education

Educating children, girls and women on good hygiene and safe sanitation

25

Helping to repair 25 damaged schools

Anganwadi center

Supporting Anganwadi centers with water filters, medicines and micronutrients for children, pregnant women and nursing mothers

Governance

At Flex, we strive to be leaders in governance and hold ourselves to the highest ethical standards. Our environmental, social and governance (ESG) strategy supports our vision of a sustainable future and is governed by our leaders at the highest level.

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Board of Directors and Board Committees

At Flex, sustainability, responsibility and judgment are core business values from the top down that underpin decision-making for every employee, members of management and our Board of Directors. The Nominating and Corporate Governance (NCG) Committee of our Board of Directors shapes and oversees the application of our environmental, social and corporate governance policies and procedures. The NCG Committee periodically reviews emerging ESG trends and Flex's environmental and social programs discussed in this report. Further, the Compensation Committee of our Board of Directors periodically reviews Flex's human capital management strategy, including corporate culture, inclusion and diversity initiatives, and high-level talent attraction, retention and training programs. Through direct, consistent engagement of the board on these topics we ensure that our ESG principles are woven into the fabric of our corporate DNA.

Internal Committees

We know that cross-functional collaboration is essential to boosting innovation and delivering results. That's why our Sustainability Council and Executive Sponsor Group meet quarterly to make progress on our sustainability strategy and ESG initiatives. This gathering consists of a multidisciplinary group comprised of global leaders of the company representing the key functional areas with responsibility for sustainability efforts, including operations, human resources, supply chain, legal and governance, regulatory compliance, account management, and communications, who meet to share information with individuals across various organizations who are directly responsible for implementing and managing sustainability initiatives. This interdisciplinary participation enables us to recognize opportunities and create a comprehensive approach to our ESG initiatives and strategy.

Our corporate sustainability leadership committee meets semi-annually and reports to the Executive Sponsor Group. The committee is a multidisciplinary group comprised of global directors and managers (including operations, customer facing, supply chain, regulatory compliance, metrics and communications) whose organizations are directly responsible for implementing ESG initiatives chosen by the Executive Sponsor Group and the board.

At the local level, one functional sustainability, or corporate social and environmental responsibility (CSER), team is established per manufacturing or logistic site and is led by the site's general manager. Our sustainability teams are comprised of operations, customer account managers and regional leads. The team helps to develop corporate standards and tools, monitors performance, captures customer requirements, supports the management system implementation and verifies our programs are operating as expected.

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Integrity, ethics and compliance

Our values are embedded in our daily work and demonstrated through our mutual respect, accountability and results.

Ethics and compliance

A cornerstone of our culture and vision is our commitment to doing the right thing always. We adhere to the highest ethical standards and expect the same from all of our business partners. It is our commitment to ensure our decisions and behaviors reflect our vision and values, that we act in an ethical manner, while ensuring compliance with laws and regulations. We use training, education, communication, assessments and audits to embed our values and partner with the business to set KPIs with targets for continuous improvement. Our ongoing commitment to ethics and compliance has helped us earn and maintain the trust and business of our customers, partners and investors, while creating a positive, inclusive and trusted ethics and compliance culture that reflects our mission, vision and values.

2019 KEY HIGHLIGHTS

97%

97% of our employees completed the Code of Business Conduct and Ethics (CoBCE) online training

1,200

We remedied approximately 1,200 hotline reports covering a variety of issues through guidance, review and/or investigation

Targeted training

We launched several training initiatives on CoBCE topics, including trade sanctions, anti-sexual harassment, and email etiquette

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Flex 20 by 2020 integrity progress status

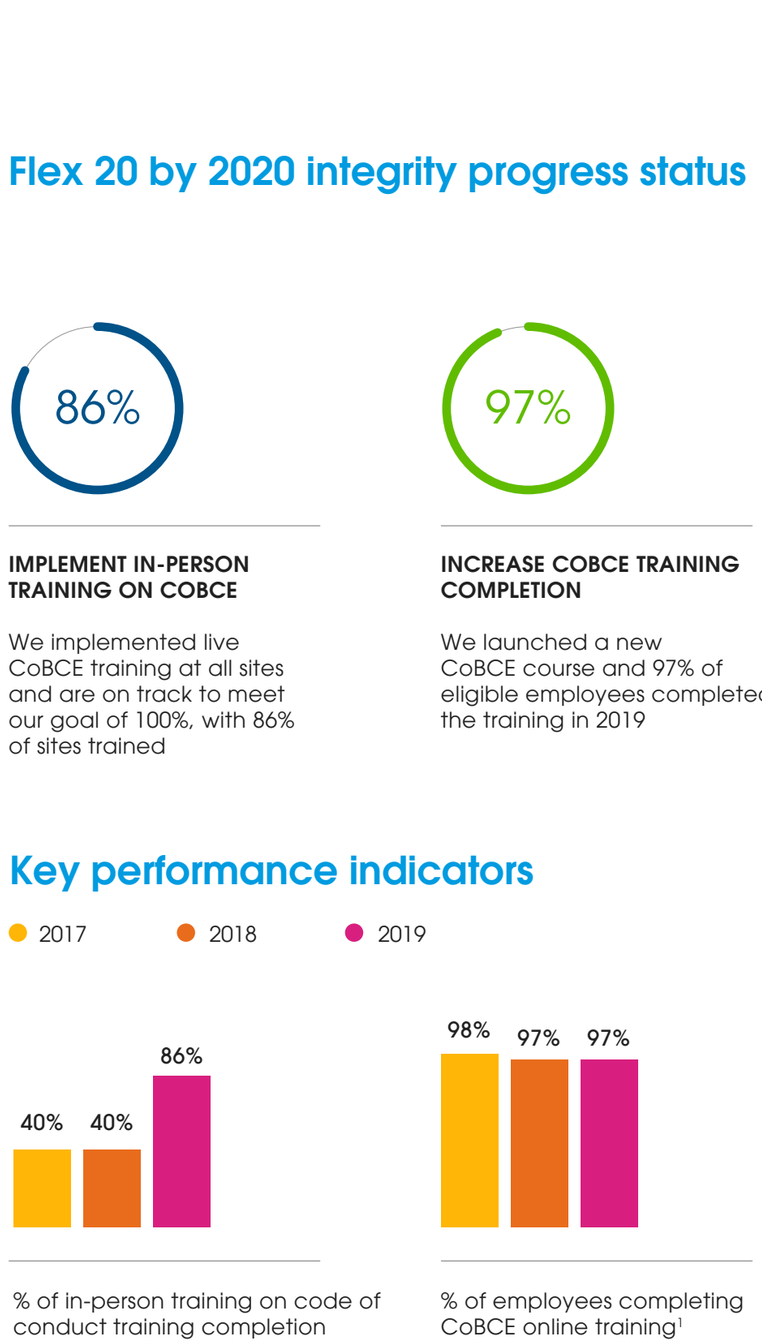
IMPLEMENT IN-PERSON TRAINING ON COBCE

We implemented live CoBCE training at all sites and are on track to meet our goal of 100%, with 86% of sites trained

INCREASE COBCE TRAINING COMPLETION

We launched a new CoBCE course and 97% of eligible employees completed the training in 2019

Key performance indicators



% of in-person training on code of conduct training completion

% of employees completing CoBCE online training[1]

Code of business conduct and ethics

Our Code of Business Conduct and Ethics (CoBCE) is designed to affirm the principles that guide the behavior of our employees, Board of Directors, independent contractors, consultants, suppliers and all who do business with us and our subsidiaries. Through our CoBCE, we seek to promote honest and ethical conduct, deter wrongdoing, help our workforce and supply chain partners become more familiar with company policies, detect potential issues and act with integrity in all that we do. The CoBCE, which incorporates the Responsible Business Alliance (RBA) Code of Conduct, is reviewed annually, and all updates are approved by our Board of Directors, chief ethics and compliance officer, and the Ethics & Compliance executive sponsors. All employees are required to participate in training on its principles and on any elements that have been updated. The CoBCE is available in 20 languages on our internal and external websites.

Ethics & compliance team

The ethics & compliance team is led by our chief ethics and compliance officer. Our ethics & compliance function links compliance activities and teams through a common management system designed to identify risks and prevent violations of company policy, regulatory requirements and laws. Activities are driven by the Corporate Ethics & Compliance team in partnership with compliance directors from across our company, who are subject matter experts in our various compliance areas. Every compliance director is accountable for managing, maintaining, monitoring and continuously improving his/her own program and internal control system, including policies, procedures, training and communication, risk assessment, root cause analysis and remediation.

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

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Ethical culture

Our vision is to be the most trusted global technology, supply chain and manufacturing solutions partner to improve the world. To earn this trust, we must show up every day with doing the right thing in mind. We expect and rely on every employee, officer and director of Flex to understand and follow the CoBCE and our specific compliance policies.

All employees are required to complete annual training on key compliance issues. We strive for an interactive training approach via in-person and online trainings, leadership conferences, regional staff meetings and site-level trainings. We periodically send out surveys to employees throughout the world to assess our culture and provide information about our training plan and key topics.

Our CEO and senior management team regularly convey messages on business ethics and compliance at all-hands meetings and relevant stakeholder groups. We also maintain an internal ethics and compliance online resource and circulate newsletters addressing top issues, program notes and policy information.

We promote a culture of transparency and work together to identify risks and prevent violations of company policy, regulatory requirements and laws.

Raising concerns

Employees, partners and third parties are encouraged to report concerns or suspected ethical violations using any of our many reporting channels; hotline, email, web, direct communication to management and Board of Directors, human resources or our legal team. Available seven days a week and 24 hours a day, our anonymous reporting system is accessible in multiple languages and online or by phone via toll-free numbers provided at www.flexethicshotline.com. Recognizing that it takes courage to come forward and raise an issue, we provide ways to report and engage with investigators anonymously. We treat each report with respect and do what we can to ensure the reporter is comfortable with the process.

Our Ethics and Compliance program and strict anti-retaliation policy are designed to make employees feel safe, confident and comfortable in raising issues in the investigations and remediation process. In 2019, we internally released a new whistle-blower policy, which extends to all employees and suppliers.

Our case review team is comprised of members from four functional areas: brand protection and security, human resources, internal audit and legal. Each case follows a formalized process of review then is directed to the appropriate functional area for investigation and remediation, as needed. Cases are tracked from report submission to closure and we report metrics to the executive management and the audit committee of our Board of Directors quarterly. In 2019, we managed approximately 1,200 reported cases.

Data privacy and security

We embrace the use of data and analytics, which, in combination with personal experience, lead to better decisions. We recognize the role we play in the ethical, responsible management and protection of data. We have built a robust management system to ensure the privacy and security of all data collected and/or stored by Flex. We have made significant investments in software tools, to detect, prevent and respond to cybersecurity threats and safeguard our and our customers' information and assets. We have registered binding corporate rules (BCR) that form the basis for cross-border, intra-group data processing and function as a compliance code for the proper handling of data. We comply with all data privacy regulations, including the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act.

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Supply chain integrity

We leverage our global supply chain know-how to mitigate risk, minimize complexity and ensure social and environmental responsibility.

Supply chain management

We want to be recognized as a world class end-to-end global procurement organization by our customers and suppliers through collaboration, technical expertise and unparalleled quality. We are always working to build a more responsible supply chain that complies with our standards of quality and social and environmental sustainability. These standards are integrated into our supplier training, which aligns with both the Responsible Business Alliance (RBA) requirements and our supplier requirements, and address a range of labor practice issues including freely chosen employment, humane treatment, working hours, forced labor, wages and benefits, human rights issues like child labor, conflict minerals, ethical conduct, freedom of association, health and safety, environmental protection and more. We require our suppliers to have strong management systems in place to ensure the continuity and effectiveness of social and environmental activities and the mitigation of potential risks. In 2018, we released a new supplier code of conduct outlining our expectations for supplier compliance to the policy and to all applicable laws and regulations.

2019 KEY HIGHLIGHTS

+22%

Our supplier due diligence assessment increased by 22% compared to 2018, totaling 1,770 completed social and environmental assessments

64,570

We collected and monitored working hour records of ~64,570 employees in 2019

4,012+

Since 2017, we have screened 4,012+ suppliers, using a new tool provided by the RBA that integrates global risk analytics

98%

We screened 98% of our new suppliers using social and environmental criteria

52

We have trained and certified 52 social and environmental supplier auditors internally, up 15% from 2018

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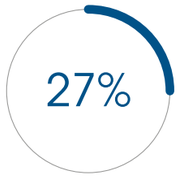
Flex 20 by 2020 supply chain progress status



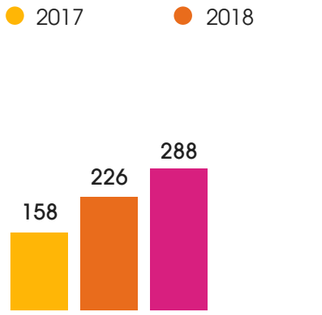
INCREASE SOCIAL AND ENVIRONMENTAL SUPPLIER TRAINING

We increased our supplier social and environmental training sessions by 27% from 2018, exceeding our goal of a 10% increase year-over-year

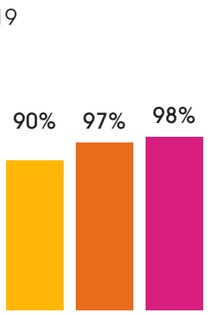
INCREASE SUPPLIER SCREENING ON SOCIAL AND ENVIRONMENTAL CRITERIA

98% of new suppliers were screened, exceeding our goal of 85%

Key performance indicators



Number of suppliers trained on social and environmental / RBA requirements



% of new suppliers screened using social and environmental criteria[1]

Supplier assessments and onsite audits

Our social and environmental assessment consists of six sections, including labor, ethics, labor and ethics management system, health and safety, environmental and EHS management system. We also monitor our labor agents for compliance to these standards. The supplier quality team also incorporates social and environmental criteria into its supplier management processes and policies, including our supplier code of conduct, training for new suppliers, audits and corrective action plans.

Suppliers are required to complete a Supplier Assessment Questionnaire (SAQ), which includes a social and environmental assessment based on the RBA Code of Conduct. The assessment includes five sections: labor, ethics, health and safety, environment, and management systems, and suppliers are given the opportunity to implement necessary corrective actions before the audit team visits their locations. We screen new suppliers by auditing data, performing a risk assessment and conducting an onsite audit.

During 2019, we conducted 223 initial onsite audits and 24 follow-up audits focused on suppliers located in high-risk regions, including China and Southeast Asia, Europe and South America. During the onsite audits, Flex representatives interview employees of the supplier directly. The most common issue we identified was the practice of assigning working hours in excess of the standard, followed by workers not receiving the minimum standard of one day off per week.

[1] The screening applied to suppliers over a certain spend threshold.

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Responsible materials sourcing

At Flex, we're committed to safeguarding the environment by responsibly sourcing materials throughout our global supply chain and continuously evaluating our supplier partners to ensure they meet the same high standards. We manage our responsible sourcing program through our Responsible Sourcing Working Group, consisting of cross-functional representatives from our compliance, sustainability, procurement, internal audit, and legal groups. We are proud to be a founding member of and an active participant of the Responsible Minerals Initiative (RMI), an external organization that promotes the understanding and mitigation of the social and environmental impacts of raw materials extraction and processing in supply chains. Our Responsible Sourcing Policy is informed by the guidelines and mission of the RMI and outlines the details of our activities around responsible sourcing. The policy is further aligned with international Standards of the Organization for Economic Co-operation and Development (OECD) and the United Nations (UN).

We are proud that over 90% of recognized smelters or refiners (SORs) submitted in our supplier conflict minerals declarations either have been certified as with the Responsible Minerals Assurance Program's assessment protocols (RMAP) or have committed to undergoing a RMAP audit. Although we are not required by law, we file our annual conflict minerals risk assessment results through the U.S. Securities and Exchange Commission (SEC) Form SD.

Training suppliers on ESG management

We communicate our requirements to suppliers and empower them to make responsible business decisions through on-site training. These trainings give us an opportunity to meet our suppliers face-to-face, share information and discuss important topics of concern.

We expanded our supplier training efforts in 2019, using the opportunity of on-site audits to extend our reach. Our aim is to leverage the magnitude of our supply chain to make a positive impact in our industry.

Our trainings cover the social and environmental responsibility standards that Flex expects its suppliers to meet, our supply chain social and environmental management programs and updated standards from the Responsible Business Alliance (RBA). We also share best practices on social and environmental management with the group. In 2019, we expanded our supplier training efforts and successfully completed training with 288 suppliers and 607 supplier personnel.

Supplier due diligence in high risk areas

We deploy Asia-specific supply chain programs, such as our labor agent assessments and the working hours improvement program.

LABOR AGENT ASSESSMENT PROGRAM

To ensure that we operate an ethical supply chain, we assess both our material suppliers and our labor agents. Since 2015, we have performed social and environmental on-site audits with our major labor agents in China. In 2019, we assessed twenty of our labor agents, and found the most common issues are related to payroll accuracy and transparency. Agents are approved or rejected as Flex partners with suppliers based on their audit results, and only approved agents are able to conduct business with our organization.

WORKING HOURS IMPROVEMENT PROGRAM

Since 2013, we have requested our suppliers' collaboration on reporting their employees' monthly working hours to help us monitor this important indicator. As of 2019, 99 of our suppliers in China report their working hour data on a monthly basis; 86 of these suppliers have submitted their monthly report for a full one-year cycle. Through 2019, we have collected and monitored almost 65,000 workers' records. Records showing excessive working hours are highlighted, and we require suppliers to take corrective action to ensure improvement in subsequent months.

Using this approach, we have successfully reduced the level of excessive working hours for all participating suppliers. At the end of 2019, over two-thirds of suppliers that were audited corrected the issue to meet the RBA standard. Suppliers that fail to report to us monthly or fail to achieve their committed improvement plans are identified as a high-risk. We take appropriate action with high-risk suppliers, which can include terminating the business relationship.

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Local procurement and supplier diversity

We measure our impact on local economies in the countries where we do business by tracking the proportion of our spending on local suppliers. While this can vary due to the nature of the projects and related original equipment manufacturers (OEMs) customers, in 2019, 16% of our total spend on direct materials went to local suppliers at our top ten locations. Local suppliers support our business by providing inventory rotation, saving freight costs and enabling prompt response for business needs.

We engage diverse and minority-owned suppliers to become a merit-based part of our supply chain. By meeting our quality and sustainability expectations and participating in our training offerings, these suppliers build capacity in these key areas and succeed further in the economic mainstream. We compete more effectively on a global scale when our suppliers thrive. A few of our diverse supplier partnerships are listed below:

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

In 2018, Flex was invited to participate in Ford Motor Company's strategic supplier diversity program, comprising of multiple supplier diversity growth and improvement initiatives. As a result of this engagement, over the last year, we have begun mentorship and sourcing relationships with several diverse suppliers, winning us the ACE Ambassador Medal by the Michigan Minority Supplier Development Council (MMSDC).

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Index A. COVID-19 relief and company actions

Our foremost focus in our response to the COVID-19 pandemic has been the health and safety of our employees. Our leadership teams initiated enhanced health and safety measures across all facilities, and we modified practices at our manufacturing locations and offices to require personal protective equipment, sanitization measures, temperature checks and physical distancing well before these measures were mandated.

Our protocols to protect employees and safely operate our facilities have been in partnership with several governments, including in China, Mexico, Malaysia, Brazil and Europe. These measures also have enabled us to continue to conduct operations which are considered to be essential services, including but not limited to the manufacturing of critical health care products. As one of the world's largest medical device manufacturers, we recognized that we had a responsibility to do our part to make a difference in the fight against this disease. With many of the products we make for our healthcare customers related to critical care quickly running in short supply, we ramped up our efforts to expand delivery of critical products, including ventilators, personal protective equipment, oxygen concentrators, patient monitors, infusion pumps and ICU beds. A couple of detailed examples include:

- **INCREASING PRODUCTION SPEED FOR CT SCANNERS**
  Throughout China, as commerce and transportation felt the effects of the lockdown, the healthcare system faced great strain. At that time, to diagnose COVID-19, healthcare workers relied on CT scanners – one of the fastest and most conclusive diagnostic tools for spotting telltale signs of the disease. These scanners were also in short supply as manufacturing at several sites had shut down. To help address this problem, we worked with our customer to supply the printed circuit board assembly (PCBA), a component of the scanners. By tapping into our global supply chain expertise, we accelerated the PCBA production and delivery from weeks to days.

- **SUPPORTING RESPIRA BRAZIL**
  When the Brazilian Ministry of Health put out a call for manufacturing support in response to the global pandemic, we answered swiftly. The Ministry's initiative, known as RESPIRA Brazil (BREATHE Brazil), matched ventilator companies with manufacturing partners to increase capacity from 200 units per month to 4,000. With a life-saving product on the line, all of our teams in Brazil made the RESPIRA initiative their top priority. We assembled an expert team that included representatives from government affairs, operations, finance and business development to better understand the needs of each ventilator company. As of May 2020, we had shipped 1000 units – the equivalent of one full year of regular production. Our current target is to ship 500 units a week until the end of July for a total of 6,500 units.

Especially during these challenging times, we recognize the importance of all types of safety, including cybersecurity. As our employees work from their homes to slow the spread of COVID-19, we've taken additional precautions to ensure our information and assets stay secure. We've worked to provide additional training to employees who are participating in remote or flexible work, ensuring all safety protocols are followed and all data remains secure.

We also work with nonprofits, community leaders and governments to promote inclusive and sustainable economic growth, employment and decent work for all. In response to the COVID-19 pandemic, the Flex Foundation has been working with leading organizations and making financial contributions to help support efforts in combating COVID-19 in the countries where we have a presence.

Critical times call for dedicated and responsible partners. Working together across the world – from healthcare providers, partners, suppliers and employees to local and national governments – we can all help address the effects of the pandemic we are facing.

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Index B. Memberships and associations

We hold memberships in the following organizations:

- Boston College Center for Corporate Citizenship (BC CCC) https://ccc.bc.edu/
- Business for Social Responsibility (BSR) https://www.bsr.org/
- Business Roundtable https://www.businessroundtable.org/
- CHWMEG Inc. https://www.chwmeg.com/
- Clean Electronics Production Network (CEPN) http://www.centerforsustainabilitysolutions.org/clean-electronics
- Environmental Leadership Council (ELC) https://www.c2es.org/our-work/belc/
- Global Business Initiative (GBI) https://gbihr.org/
- GRI Community (GRI) https://www.globalreporting.org/
- Responsible Business Alliance (RBA) http://www.responsiblebusiness.org/
- Responsible Minerals Initiative (RMI) http://www.responsiblemineralsinitiative.org/
- Sedex (Supplier Ethical Data Exchange) https://www.sedex.com/

Index C. Alignment to the UN SDGs

While our global sustainability efforts contribute to most of the 17 United Nations Sustainable Development Goals (SDGs), we drive progress by prioritizing four SDGs that have material alignment to our business priorities and our ESG strategy: quality education, affordable and clean energy, decent work and economic growth and responsible consumption and production. In the table below, we demonstrate our alignment to and support of these four SDGs, through our key programs, initiatives and metrics. Read more about this process and our accomplishments here.

SUSTAINABLE DEVELOPMENT GOALS (SDG) INDEX

SDG	DISCLOSER OF OUR ALIGNMENT
4 QUALITY EDUCATION	Employee development Diversity and inclusion Community investment Key performance indicators: social
7 AFFORDABLE AND CLEAN ENERGY	Environmental stewardship Energy management and emissions reduction Our sustainable technology solutions Community investment Key performance indicators: environment
8 DECENT WORK AND ECONOMIC GROWTH	Employee development Diversity and inclusion Fair wages and benefits Wellness, health and safety Human rights Community investment Key performance indicators: environment, social, governance
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Environmental stewardship Waste and materials management Water management Energy management and emissions reduction Circular services and sustainable manufacturing Our sustainable technology solutions Technology solutions for quality of life Key performance indicators: environment

The UN SDG alignment was carried out based on the Global Reporting Initiative (GRI) standards, World Business Council for Sustainable Development (WBCSD) and the UN Global Compact: SDG Compass- Linking the SDGs and GRI.

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Index D. Alignment to the UNGC

The following table outlines this report's alignment to the 10 UNGC principles. This alignment was carried out based on The Global Compact and Global Reporting Initiative's "Making the Connection: Using the GRI Standards Guidelines to Communicate Progress on the UN Global Compact Principles". More information can be found in our Flex 20 by 2020 goals progress report in Index H of this report.

UN GLOBAL COMPACT PRINCIPLE ALIGNMENT

PRINCIPLE	ALIGNMENT
Human rights: Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights	ESG management systems Stakeholder engagement: Working hours, forced/compulsory labor and other human rights issues Human rights Key performance indicators: social
Human rights: Principle 2 make sure that they are not complicit in human rights abuses	Stakeholder engagement: Working hours, forced/compulsory labor and other human rights issues Human rights Supply chain integrity Key performance indicators: social
Labor: Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Fair wages and benefits
Labor: Principle 4 the elimination of all forms of forced and compulsory labor	Stakeholder engagement: Working hours, forced/compulsory labor and other human rights issues Human rights Supply chain integrity Key performance indicators: social
Labor: Principle 5 the effective abolition of child labor	Stakeholder engagement: Working hours, forced/compulsory labor and other human rights issues Human rights Supply chain integrity Key performance indicators: social

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PRINCIPLE	ALIGNMENT
Labor: Principle 6 the elimination of discrimination in respect of employment and occupation.	Stakeholder engagement: Working hours, forced/compulsory labor and other human rights issues Diversity and inclusion Human rights Key performance indicators: social
Environment: Principle 7 Businesses should support a precautionary approach to environmental challenges	Our precautionary approach Key performance indicators: environment
Environment: Principle 8 undertake initiatives to promote greater environmental responsibility	Environmental stewardship Waste and materials management Water management Energy management and emissions reduction Key performance indicators: environment
Environment: Principle 9 encourage the development and diffusion of environmentally friendly technologies	ESG management systems Environmental stewardship Circular services and sustainable manufacturing Our sustainable technology solutions Technology solutions for quality of life Key performance indicators: environment
Anti-corruption: Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery	ESG management systems Integrity, ethics and compliance Key performance indicators: governance

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Index E. GRI Content Index

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

GRI Content Index
Flex Ltd
Aug 2020 Service

This report has been prepared in accordance with the GRI Standards: Core option and includes significant topics and disclosures identified in our materiality assessment process. The scope of this report includes all our entities, however, the scope of the significant topics and/or disclosures included may be more narrow – please refer to our materiality assessment for details.

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

We carried out no significant changes to the topics that are considered material, though we did expand the scope to include two additional topics, due to growing interest from our stakeholders. Those topics are listed below (Market presence – fair wages and benefits and Responsible materials sourcing). There are 15 material topics, 13 of which are covered within the organization and two outside of it (see topics in the following table). Note that the topic of "Management system" is repeated for each ESG section as it spans multiple categories.

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

MATERIAL TOPIC BOUNDARIES AND MANAGEMENT APPROACH

Environmental sustainability topics

MATERIAL TOPIC	GRI TOPIC DISCLOSURE(S)	BOUNDARY (GRI 103-1)	MATERIAL EXPLANATION, MANAGEMENT APPROACH AND OUTCOMES (GRI 103-1, 103-2, 103-3)
Management system	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Environmental Stewardship section.
Waste and materials management			
Effluents and waste	306-2	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Waste and Materials Management section.
Water			
Water	303-1 303-2 303-3 303-4 303-5	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Water Management section.

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MATERIAL TOPIC	GRI TOPIC DISCLOSURE(S)	BOUNDARY (GRI 103-1)	MATERIAL EXPLANATION, MANAGEMENT APPROACH AND OUTCOMES (GRI 103-1, 103-2, 103-3)
Energy management and emissions reduction			
Energy	302-1 302-4	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Energy management and emissions reduction section.
Emissions	305-1 305-3 305-2 305-4	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Energy management and emissions reduction section.

Social responsibility topics

MATERIAL TOPIC	GRI DISCLOSURE(S)	BOUNDARY (GRI 103-1)	MANAGEMENT APPROACH AND OUTCOMES (GRI 103-2, 103-3)
Employee development			
Training and education	404-1 404-3	All entities	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Employee development section.
Health and safety and wellbeing			
Management system	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Wellness, health and safety section.
Occupational health and safety	403-1 403-4 403-7 403-2 403-5 403-9 403-3 403-6	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Wellness, health and safety section.
Human rights			
Working hours	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Human rights section.
Forced or compulsory labor	409-1	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Energy management and emissions reduction section.
Community investment			
Local communities	413-1	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Community section.

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Governance topics

MATERIAL TOPIC	GRI DISCLOSURE(S)	BOUNDARY (GRI 103-1)	MANAGEMENT APPROACH AND OUTCOMES (GRI 103-2, 103-3)
ESG strategy and governance			
Economic performance	201-1 201-2	All entities	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in our Strategy and Governance section.
Market presence – fair wages and benefits	202-1	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Fair Wages and Benefits section.
Ethics and compliance			
Management system	Flex metric	All manufacturing and logistics sites*	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Integrity section.
Anti-corruption	205-2	All entities	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Integrity section.
Supply chain integrity			
Procurement practices – local suppliers	204-1	Significant operations in the Americas, Europe and Asia ***	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Supply Chain Integrity section.
Supplier environmental assessment	308-1	Preferred supplier list (PSL)**	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Supplier Assessments and On-site Audits section.
Supplier social assessment	414-1 414-2	Preferred supplier list (PSL)**	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Supplier Assessments and On-site Audits section.
Responsible materials sourcing	Flex metric	****	Explanation of the materiality of the topic is provided in the Materiality assessment section. Our management approach and outcomes are described in the Responsible Materials Sourcing section.

* Operations in the Americas, Europe, the Middle East, Africa (EMEA) and Asia: Austria, Brazil, Canada, China, Czech Republic, Denmark, Germany, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Malaysia, Mexico, Netherlands, Poland, Romania, Singapore, Sweden, Turkey, United Kingdom, Ukraine and the United States.

**Preferred Supplier List (PSL): Geographical location varies, but more attention is on suppliers located in China.

*** Operations in the Americas, Europe and Asia: Brazil, China, Malaysia, Mexico, Poland, Romania and the United States.

**** The Smelter(s) or Refiner(s) (SORs) identified by our suppliers in their declarations, as well as the countries of origin for their Conflict Minerals can be found on the Appendix of our Form SD and Conflict Mineral Report.

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GRI STANDARD	DISCLOSURE	REPORT SECTION(S) / URL(S)	PAGE(S)
GRI 101: Foundation 2016			
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	102-1 Name of the organization	About this report and external alignment	2
	102-2 Activities, brands, products and services	About this report and external alignment Taking a concept to scaled production	2 6
	102-3 Location of headquarters	About this report and external alignment	2
	102-4 Location of operations	About this report and external alignment	2
	102-5 Ownership and legal form	About this report and external alignment	2
	102-6 Markets served	About this report and external alignment Taking a concept to scaled production	2 6
	102-7 Scale of the organization	Foundational strength	7
	102-8 Information on employees and other workers	Index G: Our 2019 KPIs – social responsibility	83
	102-9 Supply chain	ESG management systems Responsibility throughout our value chain Supply chain management	13 15 60
	102-10 Significant changes to the organization and its supply chain	Index E: GRI content index	69
	102-11 Precautionary principle or approach	Our precautionary approach	15
	102-12 External initiatives	Strategy and governance – our commitments Flex 20 by 20 goals Supply chain integrity Community investment	9 12 60 49-54
	102-13 Membership of associations	Index B: Memberships and associations	66
	102-14 Statement from senior decision-maker	CEO letter	3
	102-15 Key impacts, risks and opportunities	Stakeholder engagement	16
	102-16 Values, principles, standards and norms of behavior	Strategy and citizenship Stakeholder engagement Integrity, ethics and compliance Supply chain integrity A culture of safety Human rights	8 16 57 60 44 45

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GRI 102: General Disclosures 2016	102-17 Mechanisms for advice and concerns about ethics	Integrity, ethics and compliance – raising concerns	59
	102-18 Governance structure	Board of directors and board committees Internal committees	56
	102-19 Delegating authority	Internal committees	56
	102-40 List of stakeholder groups	Stakeholder engagement	16
	102-41 Collective bargaining agreements	Fair wages and benefits	45
	102-42 Identifying and selecting stakeholders	Stakeholder engagement	16
	102-43 Approach to stakeholder engagement	Stakeholder engagement	16
	102-44 Key topics and concerns raised	Stakeholder engagement	16
	102-45 Entities included in the consolidated financial statements	About this report and external alignment Index E: GRI content index	2 69
	102-46 Defining report content and topic boundaries	About this report and external alignment Index E: GRI content index	2 69
	102-47 List of material topics	Materiality assessment Index E: GRI content index	20 69
	102-48 Restatements of information	Index E: GRI content index	69
	102-49 Changes in reporting	Index E: GRI content index	69
	102-50 Reporting period	About this report and external alignment	2
	102-51 Date of most recent report	About this report and external alignment	2
	102-52 Reporting cycle	About this report and external alignment	2
	102-53 Contact point for questions regarding the report	About this report and external alignment	2
	102-54 Claims of reporting in accordance with the GRI Standards	About this report and external alignment Index E: GRI content index	2 69
	102-55 GRI content Index	Index E: GRI content index	69
	102-56 External assurance	About this report and external alignment Third-party verification statement	2 97

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MANAGEMENT APPROACH			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	Material topic boundaries and management approach (all material topics covered)	69
	103-2 The management approach and its components	Material topic boundaries and management approach (all material topics covered)	69
	103-3 Evaluation of the management approach	Material topic boundaries and management approach (all material topics covered)	69
ECONOMIC			
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	2020 Annual Report – Performance and Company Highlights for Fiscal Year 2020	45 (2020 Annual Report)
	201-2 Financial implications and other risks and opportunities due to climate change	2020 Form 10 K – Our business and operations could be adversely impacted by climate change initiatives	26 (2020 Form 10K)
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Index G: 2019 KPIs – Social responsibility	83
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	Index G: Our 2019 KPIs – Corporate governance	87
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Index G: Our 2019 KPIs – Corporate governance, 205-2	87
ENVIRONMENTAL			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy management and emissions reduction Index G: Our 2019 KPIs – Environmental sustainability, 302-1 2019 CDP Climate change response	29 80 61 (CDP)
	302-4 Reduction of energy consumption	Energy management and emissions reduction	29

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ENVIRONMENTAL			
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Water management Index G: Our 2019 KPIs – Environmental sustainability 2019 CDP Water Security Response	28 79 2 (CDP)
	303-2 Management of water discharge-related impacts	Water management 2019 CDP Water Security Response	28 5-6 (CDP)
	303-3 Water withdrawal	Index G: Our 2019 KPIs – Environmental sustainability, 303-3; 303-5 2019 CDP Water Security Response	80-81 6-11 (CDP)
	303-4 Water discharge	Index G: Our 2019 KPIs – Environmental sustainability 2019 CDP Water Security Response	79 6-7, 11-13 (CDP)
	303-5 Water consumption	Index G: Our 2019 KPIs – Environmental sustainability, 303-3; 303-5 2019 CDP Water Security Response	80-81 6-7 (CDP)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Index G: Our 2019 KPIs – Environmental sustainability, 305-1 2019 CDP Climate change response	79 59 (CDP)
	305-2 Energy indirect (Scope 2) GHG emissions	Index G: Our 2019 KPIs – Environmental sustainability, 305-2 2019 CDP Climate change response	79 59 (CDP)
	305-3 Other indirect (Scope 3) GHG emissions	Index G: Our 2019 KPIs – Environmental sustainability, 305-3 2019 CDP Climate change response	79 59 (CDP)
	305-4 GHG emissions intensity	Index G: Our 2019 KPIs – Environmental sustainability, 305-4	79
GRI 306: Effluents and waste 2016	306-1 Water discharge by quality and destination	Water management Index G: Our 2019 KPIs – Environmental Sustainability, 306-1 2019 CDP Water Security Response	28 81 6-7, 11-13 (CDP)
	306-2 Waste by type and disposal method	Index G: Our 2019 KPIs – Environmental Sustainability, 306-2	81
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply chain management – Key highlights 2019 Index G: Our 2019 KPIs – Corporate Governance, 308-1	60 87

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SOCIAL			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Wellness, health and safety	45
	403-2 Hazard identification, risk assessment, and incident investigation	Wellness, health and safety – a culture of safety	45
	403-3 Occupational health services	Wellness, health and safety	45
	403-4 Worker participation, consultation, and communication on occupational health and safety	Wellness, health and safety – a culture of safety	45
	403-5 Worker training on occupational health and safety	Wellness, health and safety	45
	403-6 Promotion of worker health	Wellness, health and safety	45
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Wellness, health and safety – systemic risk reduction	45
	403-9 Work-related injuries	Index G: Our 2019 KPIs – Social responsibility, 403-9	85
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Index G: Our 2019 KPIs – Social responsibility, 404-1	83
	404-3 Percentage of employees receiving regular performance and career development reviews	Index G: Our 2019 KPIs – Social Responsibility, 404-3	83
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human rights	45
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	Social Responsibility – Flex 20 by 2020 progress status	37
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Index G: Our 2019 KPIs – Social Responsibility, 413-1	85
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management – 2019 key highlights Index G: Our 2019 KPIs – Corporate governance, 414-1	60 87
	414-2 Negative social impacts in the supply chain and actions taken	Responsible materials sourcing Supply chain management	62 60

Notes:

* The Global Compact Principles alignment was carried out based on The Global Compact and Global Reporting Initiative's Making the Connection: Using the GRI Standards Guidelines to Communicate Progress on the UN Global Compact Principles, which was released in May 2013.

*The UN SDG alignment was carried out based on the GRI, WBCSD and UN Global Compact: SDG Compass- Linking the SDGs and GRI, which was released in October 2016.

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Index F. Alignment to SASB*

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	CODE	REFERENCE IN REPORT	OUR RESPONSE
Water Management	(1) Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m3), Percentage (%)	TC-ES-140a.1	(1) Index G. Our 2019 KPIs – environmental sustainability, 303-1 (2) Index G. Our 2019 KPIs – environmental sustainability, 303-5	(1) 6,785 Thousand m3 (2) 1,441 Thousand m3 (2) 25% (2)48%
Waste Management	(1) Amount of hazardous waste from manufacturing (2) Percentage recycled	Metric tons (t), Percentage (%)	TC-ES-150a.1	Index G. Our 2019 KPIs– environmental sustainability, 306-2 Index G. Our 2019 KPIs – environmental sustainability	(1) 5,832 Metric tonnes (2) 22%
Labor Practices	(1) Number of work stoppages and (2) total days idle	Number, Days idle	TC-ES-310a.1	N/A	Manufacturing experiences many micro-stoppages all the time. We will evaluate the feasibility to track and disclose this data in the short term.
Labor Conditions	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate for (a) direct employees and (b) contract employees	Rate	TC-ES-320a.1	(1) Index G. Our 2019 KPIs – social responsibility (403-9) (2)a No data (2)b N/A	(1) 0.34 (2)a Near miss information is currently managed at the site level. We do track high potential near misses at the corporate level involving incidents at risk of causing significant injuries and illnesses. We will be incorporating actions to begin more formal tracking of first aid incidents and near misses within our 3-year plan (2)b Anyone that is directly supervised by a Flex supervisor is included in our reported KPIs
Labor Conditions	Percentage of (1) entity's facilities and (2) Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Percentage (%)	TC-ES-320a.2	Index G. Our 2019 KPIs – social responsibility	(1)a 6% (1)b Flex does not have high risk facilities (2)a 24.26% (2)b 14.58%

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TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	CODE	REFERENCE IN REPORT	OUR RESPONSE
Labor Conditions	(1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances, broken down for (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities	Rate	TC-ES-320a.3	Index G. Our 2019 KPIs – social responsibility	(1)a.i 4% (1)b.i 96% (2)a.i 100% (2)b.i 100% (1)a.ii 8.23% (1)b.ii 91.77% (2)a.ii 1.84% (2)b.ii 19.46%
Product Lifecycle Management	Weight of end-of-life products and e-waste recovered, percentage recycled	Metric tons (t), Percentage (%)	TC-ES-410a.1	N/A	Our circular economy team is working to have these metrics in the short-term, and we are exploring to start tracking with the rest of the operational segments. For the majority of our business, we do not make our own products—we are the production provider for our customers. To understand our business model, please see Business Overview in our 2020 Form 10-K.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	NA	TC-ES-440a.1	Responsible materials sourcing	Please see the referenced section of the report

ACTIVITY METRIC	UNIT OF MEASURE	CODE	REFERENCE IN REPORT	OUR RESPONSE
Number of manufacturing facilities	Number	TC-ES-000.A	Index G. Our 2019 KPIs	81 manufacturing and logistics sites
Area of manufacturing facilities	Square Ft (ft2)	TC-ES-000.B	Index G. Our 2019 KPIs	50M ft2
Number of employees	Number	TC-ES-000.C	Index G. Our 2019 KPIs	202,384 employees

*Information as of December 31, 2019

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Index G. Our 2019 KPIs

SUSTAINABILITY KEY PERFORMANCE INDICATORS (KPIS) ANNUAL TREND

SASB CODE	KPI	2019
TC-ES-000.A	Number of manufacturing facilities	81
TC-ES-000.B	Area of manufacturing facilities	50M sq. ft

Notes:

1. In the following charts, GRI disclosure(s) will be identified with a numerical code, including the 100s, 200s, 300s and 400s, and SASB will be identified with its acronym at the beginning of the appropriate code.

2. Our Environmental and Social KPIs cover more than 80% of our manufacturing and logistic sites. In the case of Water and CO_2e emissions, our KPIs cover 100% of Flex locations.

Environmental sustainability

GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
305-4	CO_2e location-based emissions Intensity - scope 1 and 2 (tonnes/US $M of revenue)[1,2,3,4]	36.29	39.52	35.20	34.17	33.14
	Total scope 1, 2 and 3 CO_2e gross emissions/location-based emissions (tonnes) [2,8]	926,215	977,349	1,175,092	1,189,545	20,852,506
	Total scope 1 and 2 CO_2e gross emissions/location-based emissions (tonnes)[1,2,4]	892,590	939,520	876,163	905,181	826,828
305-1	Scope 1 CO_2e[1,2,4,5]	29,870	73,527	77,032	82,432	102,364
305-2	Scope 2 CO_2e location-based[1,2,4,6]	862,720	865,993	799,132	822,750	724,465
	Scope 2 CO_2e market-based[1,2,4,6,7]	No data	857,097	819,475	784,009	775,817
305-3	Total scope 3 [1,2,8]	33,625	37,829	298,929	284,364	20,025,678
	Scope 3 – Purchased Goods and Services[8]	No data	No data	No data	No data	6,589,519
	Scope 3 – Capital Goods[8]	No data	No data	No data	No data	417,987
	Scope 3 – Fuel- and Energy-Related Activities[1,2]	No data	No data	227,439	221,825	200,540
	Scope 3 – Upstream Transportation and Distribution[8]	No data	No data	No Data	No Data	235,625
	Scope 3 – Waste[1,2]	No data	No data	33,189	30,419	30,529
	Scope 3 – Business Travel[1,2,9]	33,625	37,829	38,300	32,119	24,166
	Scope 3 – Employee Commuting[8]	No data	No data	No data	No data	105,165
	Scope 3 – Downstream Transportation and Distribution[8]	No data	No data	No data	No data	12,401

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GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
	Scope 3 – Processing of Sold Products[8]	No data	No data	No data	No data	66
	Scope 3 – Use of Sold Products[8]	No data	No data	No data	No data	12,390,093
	Scope 3 – End of Life Treatment of Sold Products[8]	No data	No data	No data	No data	14,422
	Scope 3 – Investments[8]	No data	No data	No data	No data	5,164
	Offsets CO_2e[10]	No data	No data	63,299	69,825	70,555
	Total CO_2e net emissions (Total scope 1, 2 and 3 - offsets CO_2e)[2]	926,215	977,349	1,111,793	1,119,720	20,781,951
	Water withdrawn intensity (m^3/US $M of revenue)[1,2,3,11]	325.43	343.57	298.95	287.37	271.91
303-3	Water withdrawn (m^3)[1,2,11]	8,004,818	8,167,763	7,441,827	7,612,591	6,784,656
SASB: TC-ES-140a.1	Water withdrawn from locations with High or Extremely High Baseline Water Stress as a % of the total water withdrawn	No data	No data	No data	No data	25%
SASB: TC-ES-140a.1	Water withdrawn (Thousand m^3)[1,2,11]	8,005	8,168	7,442	7,613	6,785
303-3	Water withdrawn (Million m^3)[1,2,11]	8.00	8.17	7.44	7.61	6.78
303-3	Municipal water supply[1,2]	7,175,954	7,241,381	6,384,433	6,453,210	5,762,248
303-3	Ground water[1]	773,768	875,065	1,002,828	1,020,859	852,351
303-3	Surface water[1]	0	0	0	0	0
303-3	Rainwater[1]	1,334	931	1,833	844	291
303-3	Waste water from another organization[1]	0	2,703	0	2,710	5,336
303-3	Private company water supply[1]	53,729	42,535	44,937	124,372	144,225
303-3	Other water utilities: untreated water for industrial use only[1,2]	34	5,147	7,796	10,596	20,206
-	% of recycled water[1,2,12]	7%	8%	8%	9%	10%
-	Recycled water (m^3)[1,2]	549,119	635,405	612,253	664,349	681,198
303-4/306-1	Total Water discharged (m^3)[1,2,13,14,15]	6,177,081	6,010,114	5,332,544	5,507,232	5,343,314
303-4/306-1	Total water discharges to rivers and streams[2]	No data	No data	241,887	147,147	92,679
303-4/306-1	Total water discharges to sea or ocean	No data	No data	0	0	0
303-4/306-1	Total water discharges to lakes	No data	No data	0	0	0
303-4/306-1	Total water discharges to wetlands	No data	No data	0	0	0

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GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
303-4/306-1	Total water discharges to municipal/local off-site/common treatment facility[2]	No data	No data	5,090,656	5,303,617	5,212,075
303-4/306-1	Total water discharges to other[2]	No data	No data	0	56,468	38,560
303-5	Water Consumption (m^3)[15]	1,827,737	2,157,649	2,109,283	2,105,359	1,441,343
SASB: TC-ES-140a.1	Water Consumption (Thousand m^3)[15]	1,828	2,158	2,109	2,105	1,441
303-5	Water Consumption (Million m^3)[15]	1.83	2.16	2.11	2.11	1.44
SASB: TC-ES-140a.1	Water consumed from locations with High or Extremely High Baseline Water Stress as a % of the total water consumed	No data	No data	No data	No data	48%
306-2	Waste Intensity (tonnes/US $M of revenue)[2,3]	4.65	5.39	5.70	5.55	5.22
306-2	Total Waste (tonnes)[2,16]	114,324	128,171	141,990	146,940	130,266
306-2	Non-hazardous Waste (tonnes)[1,2]	107,962	121,725	136,051	140,565	124,434
306-2, TC-ES-150a.1	Hazardous Waste (tonnes)[1,2]	6,362	6,445	5,939	6,375	5,832
306-2	Total Waste by Disposal Method (tonnes)[1,2,16]	114,324	128,171	141,990	146,940	130,266
306-2	Composting[1,2]	5,156	4,321	4,661	8,106	2,565
306-2	Reuse[1,2]	1,829	3,454	4,323	5,900	7,084
306-2	Recycling[1,2]	86,282	95,807	101,174	103,325	89,944
306-2	Recovery[1,2]	3,870	3,453	4,863	4,905	3,200
306-2	Incineration - or use as fuel[1,2]	5,637	5,798	7,573	7,637	8,562
306-2	Landfill[1,2]	10,047	13,527	16,378	13,524	13,989
306-2	Deep well injection[1,2]	0	0	14	0	0
306-2	On-site storage[1,2]	159	71	98	136	145
306-2	Other[1,2]	1,344	1,740	2,906	3,407	4,776
306-2	Waste diversion rate[1,2,17]	91%	89%	88%	91%	89%
	Recycling rate[1,2,18]	82%	81%	78%	80%	76%

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GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
SASB: TC-ES-150a.1	Recycling rate of hazardous waste (tonnes)	No data	No data	No data	No data	22%
302-1	Renewable energy installed capacity (MW)[1,19]	No data	25	31	34	38
302-1	Electricity generated on-site from renewable sources (MWh)	10,659	12,037	10,505	13,719	19,207
302-1	# of powered homes (solar modules manufacturing)[20]	No data	782,264	1,953,914	3,275,578	5,286,525

1. In 2017, scope 1, 2 and 3 absolute CO_2e emissions and total water withdrawn data were verified by DNV. In 2018, this verification extended to include water, waste and renewable energy use. In 2019, verifcation was extended to the new Scope 3 categories: Purchased Goods and Services, Capital Goods, Upstream Transportation and Distribution, Employee Commuting, Downstream Transportation and Distribution and Investments. Processing of Sold Products, Use of Sold Products and End of Life Treatment of Sold Products were not verified, but will be in the future, building the capabilities to report more complete information.

2. The metric, KPI and target were re-baselined in 2018 due to our divestment from Multek and the change was reflected in the annual status from 2014 onwards. In 2017, DNV verified CO_2 emissions and water data.

3. Revenue period considered: Calendar year (January-December).

4. Total includes: scope 1 and scope 2 emissions, only. Standards/Methodologies used: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Source of emission factors: Environmental Protection Agency (EPA) and International Energy Agency (IEA). Source of Global Warming Potential (GWP): IPCCC. Consolidation approach for emissions: Operational control. Since 2016, refrigerants, jet fuel and steam related emissions were added to scope 1 and 2 calculations, as applicable. Since 2016, electricity factors have been updated on an annual basis, according to the latest reports. Base Year: 2016. In 2017, scope 1 and 2 CO_2e emissions were re-baselined due to an improvement in the emissions quantification and the inclusion of new sites.

5. Gases included in calculations CO_2, CH_4, N_2O and HFCs.

6. Gases included in calculations CO_2, CH_4 and N_2O.

7. Since 2016, the market-based CO_2e emissions were calculated. Information of market-based emissions for previous years is not available.

8. Since 2017, our total scope 3 emissions include Business Travel, Waste and Fuel- and Energy-Related Activities (not included in scope 1 and 2). Previous years only included business travel. Since 2019, our total includes Purchased Goods and Services, Capital Goods, Upstream Transportation and Distribution, Employee Commuting, Downstream Transportation and Distribution, Processing of Sold Products, Use of Sold Products, End of Life Treatment of Sold Products and Investments scope 3 categories.

9. Business Travel emissions were given by travel service providers, the GWP, emission factors and standards are not currently available.

10. Offsets of CO_2e, refers to certified emission reduction (CER) certificates that are generated from a clean development mechanism (CDM) project. Each CER equals one tonne of CO_2e. In 2018, we supported projects in Brazil, China, and India, offsetting scope 3 emissions. In 2019, we supported projects in Brazil, China, Costa Rica and India, offsetting scope 3 emissions.

11. Most of the information has been obtained from invoices. The remaining information was obtained from meter readings and estimations. In 2017, total water withdrawn was verified by DNV.

12. Percentage calculated based on water withdrawn.

13. During 2017, total withdrawals and discharges, decreased in the same proportion, due to the upgrade and installation of water treatment plants in China and the U.S.

14. Water quality data and treatment are unavailable. Future reports may include more information about this, building the capabilities to report more complete information. All sites meet local, regional, or national standards for water quality, as applicable. Total was obtained using the full number, including decimals.

15. To ensure consistency in reporting across among different stakeholders (CDP and GRI Standards), from 2018, discharges to soil are now included in the water consumption metric.

16. Most of the disposal method data was provided by the waste disposal contractors, unless waste was disposed directly by the reporting organization, or confirmed otherwise. Other disposal methods include mulching or a combination of methods where we are unable to separate per treatment method. Breakdown of hazardous and non-hazardous waste by disposal method is currently unavailable. Future reports may include more information about this, building the capabilities to report more complete information. Total was obtained using the full number, including decimals.

17. Percentage of waste diverted from landfill destinations.

18. Recycling refers to waste that was composted, reused or recycled.

19. This amount includes solar installed capacity across the globe and wind energy purchased by our site in Austin, US. During 2018, solar installations were deployed at Guadalajara North, Mexico and Chennai, India sites. In 2019, solar installations were deployed at San Luis, Mexico and Venray, Netherlands sites.

20. Equivalency refers to the number of homes that can be powered with the MWs of solar panels and trackers produced by Flex. Calculation is based on the assumption that the energy demands of a home are equal to the energy demands of an average (5KW) California household. Reported value is the accumulated total.

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GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
102-8 SASB: TC-ES-000.C	Total employees[1]	180,750	184,213	202,161	210,337	202,384
102-8	Direct laborers	141,143	142,228	158,713	167,773	160,045
102-8	Indirect laborers	39,607	41,985	43,448	42,564	42,339
102-8	Female[2]	72,096	74,309	78,848	85,698	85,941
102-8	Male[2]	105,150	105,589	109,585	119,386	116,443
102-8	Full-time	180,774	181,793	201,134	209,055	200,450
102-8	Female[2]	72,007	73,752	78,192	85,041	85,091
102-8	Male[2]	105,256	105,241	109,244	119,055	115,359
102-8	Part-time	823	930	1,027	1,282	1,934
102-8	Female[2]	472	558	656	657	850
102-8	Male[2]	320	349	341	331	1,084
202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation[3]	1.16	1.30	1.28	1.29	1.26
202-1	Female	1.16	1.28	1.28	1.29	1.25
202-1	Male	1.16	1.31	1.28	1.29	1.26
404-3	% indirect labor employees receiving regular performance and career development reviews (average)[4]	96%	97%	95%	96%	99%
404-3	% performance and career development reviews female	96%	97%	97%	96%	99%
404-3	% performance and career development reviews male	95%	97%	95%	95%	99%
404-1	Average hours of training per employee[4,5,6]	6.24	7.23	7.26	7.04	9.78
404-1	Average hours of training – female[2]	6.31	7.05	7.39	7.60	10.33
404-1	Average hours of training – male[2]	6.19	7.50	7.33	6.80	9.50
403-9 TC-ES-320a.1	Incident rate[7,8,9,10]	0.58	0.55	0.50	0.43	0.34

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GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
403-9	Injury rate[7,10]	0.57	0.54	0.49	0.43	0.34
403-9	Americas	1.01	0.92	0.79	0.62	0.48
403-9	Asia[10]	0.30	0.26	0.21	0.20	0.18
403-9	EMEA	0.82	0.90	0.89	1.02	0.71
403-9	Occupational diseases rate[7,10]	0.01	0.02	0.00	0.00	0.00
403-9	Americas	0.02	0.03	0.01	0.01	0.01
403-9	Asia[10]	0.00	0.01	0.00	0.00	0.00
403-9	EMEA	0.00	0.00	0.00	0.00	0.00
403-9	Lost time cases rate[7,10,11]	0.40	0.40	0.35	0.33	0.24
403-9	Americas	0.69	0.64	0.50	0.44	0.26
403-9	Asia[10]	0.18	0.18	0.17	0.15	0.13
403-9	EMEA	0.76	0.77	0.74	0.85	0.62
403-9	Work-related fatalities (employees)[7,12]	0	0	0	0	0
403-9	Minor Injuries[7,10,13]	1071	1028	965	883	632
403-9	Americas	551	518	500	363	262
403-9	Asia[10]	331	279	225	239	184
403-9	EMEA	189	231	240	281	186
403-9	Serious Injuries[7, 14, 15]	6	3	4	10	15
403-9	Americas	6	3	4	5	1
403-9	Asia	0	0	0	4	14
403-9	EMEA	0	0	0	1	0
403-9	Fatal Injuries[7]	0	0	0	0	0
403-9	Americas	0	0	0	0	0
403-9	Asia	0	0	0	0	0
403-9	EMEA	0	0	0	0	0

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GRI DISCLOSURE(S) / SASB CODE	KPI	2015	2016	2017	2018	2019
Working Hours	% of employees that complied with RBA rest day requirements[16]	98%	99%	99%	97%	98%
Management System	% of sites completing Flex Pledge audits audits[17]	5%	31%	40%	49%	54%
	Ethics score	No data	97%	94%	94%	96%
	Labor score	No data	94%	90%	91%	91%
	H&S score	No data	88%	86%	92%	88%
	Management systems score	No data	86%	81%	90%	89%
	On-site service providers score	No data	85%	67%	81%	63%
	Material restriction score	No data	84%	76%	89%	91%
	Environmental score	No data	83%	83%	84%	73%
412-1	% Sites that completed human rights policy training[18]	No data	No data	No data	61%	79%
413-1	Percentage of operations that have implemented local community engagement activities[1,2]	86%	87%	81%	73%	93%
	Total local community engagement activities[19]	528	530	427	538	618
	Total volunteers	15,966	13,952	19,254	19,819	10,933
	Total volunteer hours[20]	55,871	43,777	48,429	59,202	48,168
	% Sites with community grants[21]	No data	No data	50%	86%	100%
SASB: TC-ES-320a.2	% of Flex facilities audited in the RBA Validated Audit Process (VAP) by all facilities	11%	10%	4%	12%	6%
SASB: TC-ES-320a.2	% of Flex facilities audited in the RBA Validated Audit Process (VAP) by high risk facilities[22]	NA	NA	NA	NA	NA
SASB: TC-ES-320a.2	% of Tier 1 supplier facilities[23] audited in the RBA Validated Audit Process (VAP) by all facilities	No data	No data	No data	No data	24.26%
SASB: TC-ES-320a.2	% of Tier 1 supplier facilities[23] audited in the RBA Validated Audit Process (VAP) by high risk facilities	No data	No data	No data	No data	14.58%
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances for (i) the entity's facilities	6%	0%	0%	0%	4%

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GRI STANDARD	KPI	2015	2016	2017	2018	2019
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (b) other non-conformances, for(i) the entity's facilities	94%	0%	100%	100%	96%
SASB: TC-ES-320a.3	Associated corrective action rate for (a) priority non-conformances, for (i) the entity's facilities	100%	100%	100%	100%	100%
SASB: TC-ES-320a.3	Associated corrective action rate for (b) other non-conformances, for (i) the entity's facilities	100%	100%	100%	100%	100%
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances for (ii) the entity's Tier 1 supplier facilities [23,24]	No data	No data	No data	No data	8.23%
SASB: TC-ES-320a.3	Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (b) other non-conformances, for (ii) the entity's Tier 1 supplier facilities [23,24]	No data	No data	No data	No data	91.77%
SASB: TC-ES-320a.3	Associated corrective action rate for (a) priority non-conformances, for (ii) the entity's Tier 1 supplier facilities [23,24]	No data	No data	No data	No data	1.84%
SASB: TC-ES-320a.3	Associated corrective action rate for (b) other non-conformances, for (ii) the entity's Tier 1 supplier facilities [23,24]	No data	No data	No data	No data	19.46%

1. The information of total number of employees by employment contract by gender and region is not currently available.

2. Gender information not available for all employees.

3. In 2016, 2017, 2018 and 2019 this included the wages of the following countries Brazil, China, Hungary, India, Malaysia, Mexico, Poland and Romania.

4. The information by employee category is currently unavailable. Future reports may include more information about this, building the capabilities to report more complete information.

5. In 2015 and before covered significant locations of operation in Asia, EMEA and Americas, and in 2016 this was expanded to cover all our entities included in our training system.

6. In 2018, our online training system was replaced, and employees didn't have access to new system during the transition period.

7. Information broken down by gender is not available, future reports may include more information about this, building the capabilities to report more complete information. We have internal procedures covered under the Flex Pledge Audit for recording and reporting accident statistics.

8. The absentee rate is currently unavailable.

9. Number of employees per 100 full-time employees that have been involved in a recordable injury or illness. Industry TCIR Benchmarks: Printed Circuit Assembly 1.1, Plastics and Rubber Manufacturing 3.8, Warehousing and storage 5.1, Stamping 5.5 (Source: U.S. Bureau of Labor Statistics November 7, 2019).

10. In 2018, the KPI and target were re-calculated due to our divestment of Multek. Historic data for this enterprise was removed from all calculations. Change was reflected for annual status from 2014 onwards.

11. Industry Lost Time Case Rate Benchmarks: Printed Circuit Assembly 0.2, Plastics and Rubber Manufacturing 1.1, Warehousing and storage 2.1, Stamping 1.4 (Source: U.S. Bureau of Labor Statistics November 7, 2019).

12. In 2016 and 2017, an unauthorized subcontractor was killed in an accident at one of our sites in Asia.

13. Minor injuries defined as work injuries

14. From 2018, serious injuries cover those that required hospitalization for 24+ hours and treatment, amputation or disfigurement cases.

15. In 2019, a contractor suffered a serious injury at one of our sites in Asia

16. In 2015, only covering hourly production workers in USA, Mexico and China. In 2016, Malaysia, Brazil, Indonesia and Singapore were added. Our metrics system consolidates the working hours information from time and attendance tracking systems and then calculates compliance automatically. Our labor and human rights metrics are focused on RBA compliance.

17. Version: Flex Pledge 3.0.

18. Human rights policy training was launched in 2018, sites shall deliver this to at least 95% of our employees and integrate this training into orientation materials.

19. Local community development programs based on local communities' needs.

20. In 2018 and 2019, DNV verified the data.

21. Sites with 5,000 or more employees as of the end of 2016 (base year).

22. Flex does not have high risk facilities

23. We have limited our Tier 1 suppliers to those suppliers that in aggregate account for 80% of our supplier spending.

24. After running an elevate test on 100% of our Tier 1 suppliers, we use an equivalent audit process based on a RBA based Self-Assessment Questionnaire (SAQ), which covers the topics and scope of the RBA VAP.

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Corporate governance

GRI DISCLOSURE (S)/ SASB CODE	KPI	2015	2016	2017	2018	2019
308-1, 414-1	Percentage of new suppliers screened using environmental, human rights, labor practices and impact on society criteria	70%	94%	90%	97%	98%
	Number of suppliers trained on corporate social and environmental responsibility/ RBA requirements	121	136	158	226	288
204-1	% spend on local suppliers[3]	24%	24%	24%	21%	16%
Conflict Minerals	% of global materials spend for the period that corresponds to suppliers that submitted valid complete declarations	67%	72%	68%	69%	59%
205-2	Code of business conduct and ethics training completion[1,2]	98%	97%	98%	97%	97%
205-2	% in-person training on code of conduct training completion	No data	No data	40%	40%	86%
205-2	Total number of board of directors informed and trained on anti-corruption policies	No data	8	8	10	10
205-2	Americas	No data	No data	6	8	8
205-2	Asia	No data	No data	2	2	2
205-2	EMEA	No data	No data	0	0	0
205-2	Percentage of board of directors informed and trained on anti-corruption policies	No data	100%	100%	100%	100%
205-2	Americas	No data	No data	100%	100%	100%
205-2	Asia	No data	No data	100%	100%	100%
205-2	EMEA	No data	No data	NA	NA	NA

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

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

3. Top ten locations.

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OUR COMMITMENT TO THE HIGHEST SUSTAINABILITY STANDARDS, ACROSS OUR COMPANY AND GLOBAL SUPPLY CHAIN.

We've targeted 20 goals to accomplish by 2020 that align with the United Nations Sustainable Development Goals.

People

#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
1	**Increase employee development** Increase the average training reach to employees by 5 percent year over year (Base year 2016).	**CY2016**	**5% year over year Target 2020**	**Average number of hours of training per employee[1]** [1] This metric includes global online training and leadership and supply chain and engineering training programs. Prior to 2016, only major sites (based on population) were measured. In 2016, the metric was expanded to cover all Flex entities. In 2018, online training system was replaced, and employees didn't have access to new system during transition period.	**6.24** Status: **NA**	**7.23** Status: **Baseline Set**	**7.26** Status: **In Progress**	**7.04** Status: **In Progress**	**9.78** Status: **Exceeded**	**8.78**
2	**Increase Flex Pledge audits** Audit 100 percent of all Flex manufacturing sites to ensure regulatory and Flex Pledge compliance.	**100% Target 2020**		**Percentage of sites completing Flex Pledge audits[2]** [2] Version: Flex Pledge 3.0.	**5%** Status: **In Progress**	**31%** Status: **On Track**	**40%** Status: **On Track**	**49%** Status: **In Progress**	**54%** Status: **In Progress**	**100%**

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#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
3	**Increase human rights policy training completion** Train new employees on Flex human rights policy, with a 95 percent or higher completion rate.	**CY2016**	**100% Target 2020**	**Percentage of Sites completing Human Policy Training**[3] [3] Human Rights Policy training was developed, and started implementation in 2018. Sites were also requested to integrate this training into their orientation materials.		Status: **Under dev**	Status: **Under dev**	**61%** Status: **On Track**	**79%** Status: **In Progress**	**100%**
4	**Increase Responsible Business Alliance (RBA), formerly EICC, Compliance for Rest Day Requirements** Ensure full compliance with Responsible Business Alliance (RBA), formerly EICC, rest day requirements.		**95% Annual Target**	**Percentage of Employees that Complied with the Responsible Business Alliance (RBA), formerly known as EICC, Rest Day Requirements**[4] [4] In 2015, only covering hourly production workers in China, Mexico and USA. In 2016, Brazil, Indonesia, Malaysia and Singapore were added. In 2018, the metric and target were re-calculated due to the Flex divestment of Multek. Historic data for this enterprise was removed from all calculations. Change was reflected for annual status from 2014 onwards.	**98%** Status: **Exceeded**	**99%** Status: **Exceeded**	**99%** Status: **Exceeded**	**97%** Status: **Exceeded**	**98%** Status: **Exceeded**	**95%**
5	**Decrease incident rate** Promote a zero injury culture and achieve a reduction in the global incident rate of at least 10 percent (Base year 2015).	**CY2015**	**10% Target 2020**	**Incident rate**[5] [5] Number of employees per 100 full-time employees that have been involved in a recordable injury or illness. In 2018, the metric and target were re-calculated due to the Flex divestment of Multek. Historic data for this enterprise was removed from all calculations. Change was reflected for annual status from 2014 onwards.	**0.58** Status: **Baseline set**	**0.55** Status: **In Progress**	**0.50** Status: **On Track**	**0.43** Status: **On Track**	**0.34** Status: **On Track**	**0.52**

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Community

#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
6	**Increase volunteer hours** Increase global volunteer hours by 15 percent (Base year 2015).	CY2015	15% Target 2020	**Number of Volunteer Hours[6]** [6] In 2018 and 2019, data was verified by DNV.	**43,777** Status: **Baseline set**	**48,429** Status: **On Track**	**59,202** Status: **Exceeded**	**55,574** Status: **Exceeded**	**48,168** Status: **In Progress**	**50,344**
7	**Increase percentage of sites with community activities** Maintain percentage of sites with implemented local community engagement activities at 90 percent or higher.		90% Annual Target	**Percentage of Sites with Community Activities[7]** [7] In 2018 and 2019, data was verified by DNV.	**87%** Status: **In Progress**	**81%** Status: **In Progress**	**73%** Status: **In Progress**	**90%** Status: **Completed**	**93%** Status: **Exceeded**	**90%**

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#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
8	**Implement Worker Empowerment Training Program** Improve the technical and vocational skills of manufacturing employees by partnering with an NGO to develop a Worker Empowerment Training Program at 20 supplier sites.		**20 suppliers Target 2020**	**Number of supplier locations that participated in Worker Empowerment Training Program[8]**		Status: **Under dev**	Status: **Under**	**3** Status: **In Progress**	**46** Status: **Exceeded**	**20 suppliers**
9	**Implement Flex Foundation – Community Grants** Partner with nonprofit organizations to provide life-long learning, technical and vocational skills and innovation and entrepreneurship at 100 percent of our sites that have an employee population of over 5,000.		**100% Target 2020**	**Percentage of sites with community grants[9]**		**50%** Status: **Under dev**	**86%** Status: **On track**	**100%** Status: **On track**	**100%** Status: **Completed**	**100%** Status: **Completed**

[8] Sites with 5,000 or more employees.

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Environment

#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
10	**Decrease CO_2 emissions** Reduce CO_2 emissions by at least 10 percent normalized to revenue (Base year 2016).	**CY2016**	**10% Target 2020**	**CO_2e emissions intensity (tonnes/$ M of revenue)[10]** [10] In 2016, GHG tracking process was enhanced by adding steam, refrigerants and jet fuel related emissions as well as updating electricity factors according to the latest Environmental Protection Agency (EPA) and International Energy Agency (IEA) reports. WSP has conducted a review of Flex's 2016 greenhouse gas inventory to evaluate alignment with the GHG Protocol. In 2017, Scope 1 & 2 absolute CO_2e emissions were verified by DNV. Scope 1 and 2 CO_2 emissions were re-baselined due to an improvement in the emissions quantification and the inclusion of new sites. In 2018, absolute and intensity data was verified by DNV and the metric and target were re-calculated due to the Flex divestment of Multek. Historic data for this enterprise was removed from all calculations. Change was reflected for annual status from 2014 onwards. In 2019 data was also verified by DNV.	**36.29** Status: **NA**	**39.52** Status: **Baseline set**	**35.20** Status: **On track**	**34.17** Status: **On track**	**33.14** Status: **On track**	**35.57**
11	**Increase use of renewable energy** Increase the utilization of renewable energy by deploying a minimum of two megawatts of solar power annually and/or procuring the same amount of power from third-party renewable sources.	**CY2016**	**2MW year over year Target 2020**	**MW of renewable energy capacity**	Status: **Under dev**	**25** Status: **Baseline set**	**31** Status: **On track**	**34** Status: **Exceeded**	**38** Status: **Exceeded**	**33**

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#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
12	**Decrease water consumption** Reduce overall water consumption by at least 10 percent absolute (Base year 2015).	**CY2015**	**10% Target 2020**	**Water withdrawn (m^3)**[11] [11] In 2017, total water withdrawn was verified by DNV. In 2018, the metric and target were re-calculated due to the Flex divestment of Multek. Historic data for this enterprise was removed from all calculations. Estimated water consumption data for design centers and corporate offices was included into annual calculations. Changes were reflected for annual status from 2014 onwards. In 2018 and 2019, data was verified by DNV.	**8,004,818** Status: **Baseline set**	**8,167,763** Status: **In progress**	**7,441,827** Status: **On track**	**7,612,591** Status: **In progress**	**6,784,656** Status: **On track**	**7,204,337**
13	**Increase water recycling** Increase recycled water rate to 10 percent (Base year 2015).	**CY2015**	**10% Target 2020**	**Percentage of recycled water**[12] [12] In 2018, the metric and target were re-calculated due to the Flex divestment of Multek. Historic data for this enterprise was removed from all calculations. Changes were reflected for annual status from 2014 onwards. In 2018, data was verified by DNV. In 2019, data was also verified by DNV.	**7%** Status: **Baseline set**	**8%** Status: **On track**	**8%** Status: **On track**	**9%** Status: **On track**	**10%** Status: **On track**	**10%**
14	**Increase waste diversion rate** Achieve and maintain a diversion rate of waste from manufacturing processes at or above 95 percent		**95% Annual Target**	**Waste diversion rate**[13] [13] Percentage of waste diverted from landfill destinations. In 2018, the metric and target were re-calculated due to the Flex divestment of Multek. Historic data for this enterprise was removed from all calculations. Change was reflected for annual status from 2014 onwards. In 2018 and 2019, data was verified by DNV.	**91%** Status: **In progress**	**89%** Status: **In progress**	**88%** Status: **In progress**	**91%** Status: **In progress**	**89%** Status: **In progress**	**95%**

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#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
15	**Increase the number of powered homes equivalent** Flex Energy Solutions will have manufactured enough solar PV modules and solar trackers to power 3.5 million homes.		**3.5 million of homes Target 2020**	**Number of powered homes equivalent**[14] [14] Equivalency refers to the number of homes that can be powered with the MWs of solar panels and trackers produced by Flex. Calculation is based on the assumption that the energy demands of a home are equal to the energy demands of an average (5KW) California household. The number of powered homes equivalent provided is the accumulated value since 2016.	Status: **Under dev**	**782,264** Status: **On track**	**1,953,914** Status: **On track**	**3,275,578** Status: **On track**	**5,286,525** Status: **Exceeded**	**3,500,000**
16	**Decrease cost of electricity to the grid vs fossil fuels** Flex Energy Solutions' renewable energy systems will provide electricity to the grid at a cost which is 5 percent less expensive than the average cost from fossil fuel sources.		**5% Target 2020**	**Percentage of cost reduction of electricity to the grid vs fossil fuels**[15] [15] Fossil Fuel Average LCOE ($MWh) = $77, Source: Lazard's Levelized Cost of Energy Analysis (Ver 13.0), Nov, 2019. Flex Cost LCOE ($MWh) = $53.		**38%** Status: **Exceeded**	**36%** Status: **Exceeded**	**35%** Status: **Exceeded**	**32%** Status: **Exceeded**	**5%**

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Integrity

#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
17	**Implement in-person training on CoBCE** Conduct in-person Code of Business Conduct and Ethics (CoBCE) training at 100 percent of Flex sites with direct labor employees.		**100% Target 2020**	**Percentage of sites completing in-person training on Code of Business Conduct and Ethics**		Status: **Under dev**	**40%** Status: **On track**	**40%** Status: **In progress**	**86%** Status: **On track**	**100%**
18	**Increase CoBCE training completion** New Code of Business Conduct and Ethics online training to be completed annually by 100 percent of eligible employees.		**100% Annual Target**	**Percentage of employees Completing Code of Business Conduct and Ethics online ttraining[16]** [16] Does not include individuals who have recently joined Flex through acquisitions, employees on leave of absence and direct labor.	**98%** Status: **On track**	**97%** Status: **On track**	**98%** Status: **On track**	**97%** Status: **On track**	**97%** Status: **On track**	**100%**

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Supply chain

#	GOALS	BASE YEAR	TARGET	KPI	2015	2016	2017	2018	2019	TARGET 2020
19	**Increase social and environmental supplier training** Increase percentage of suppliers (Flex Tier 1 and Flex-controlled) who completed social and environmental training by 10 percent annually (Base year 2015).	**CY2015**	**10% year over year Target 2020**	**Number of suppliers trained on social and environmental/ Responsible Business Alliance (RBA) requirements**[17] [17] The number of suppliers trained increased by 12% in 2016 and by 16% in 2017. In 2018, total number increased by 43%. In 2019, total number increased by 27%.	**121** Status: **Baseline set**	**136** Status: **On track**	**158** Status: **On track**	**226** Status: **Exceeded**	**288** Status: **Exceeded**	**195**
20	**Increase supplier screening on social and environmental criteria** Keep percentage of all new Flex-controlled suppliers screened on social and environmental criteria at 85 percent or higher.	**85% Annual Target**		**Percentage of new suppliers screened on social and environmental criteria**[18] [18] Includes only global suppliers, local suppliers are excluded from this goal.	**70%** Status: **In progress**	**94%** Status: **Exceeded**	**90%** Status: **Exceeded**	**97%** Status: **Exceeded**	**98%** Status: **Exceeded**	**85%**

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DNV·GL

Flex Sustainability Team

Flex Ltd.

07/06/2020

To whom it may concern,

The purpose of this letter is to clarify matters set out in the assurance report. It is not an assurance report and is not a substitute for the assurance report.

This letter and the verifier's assurance report, including the opinion(s), are addressed to you and are solely for your benefit in accordance with the terms of the contract. We consent to the release of this letter by you to any global or regional disclosure system in order to satisfy the terms of energy and greenhouse gas disclosure requirements but without accepting or assuming any responsibility or liability on our part to any global or regional disclosure system or standard or any other party who may have access to this letter or our assurance report.

In accordance with our engagement contract with you dated 02/06/2020 (the "contract") and for the avoidance of doubt, we confirm that our Verification Report – 2019 Environmental and Community Engagement Verification – Flex Ltd. to you dated 07/10/2020 (the "assurance report") incorporated the following matters:

1. Boundaries of the reporting company covered by the assurance report and any known exclusions

Energy and Scope 1, 2, and 3 (1- Purchased Goods and Services, 2- Capital Goods, 3- Fuel- and Energy-Related Activities, 4- Upstream Transportation and Distribution, 5- Waste, 6- Business Travel, 7- Employee Commuting, 9- Downstream Transportation and Distribution, and 15- Investments) greenhouse gas (GHG) emissions inventory, renewable energy capacity, water withdrawals, waste generation, waste diversion, recycling, volunteer hours and community engagement for its global locations under its operational control for calendar year 2019, excluding design centres and corporate offices for the community engagement scope.

2. Environmental and Community Engagement data verified

DNV·GL

Flex Global Operational Control

○ Energy Consumed	*1,842,248 MWh*
○ Scope 1 Emissions	*102,364* ($MtCO_2e$)
○ Scope 2 Emissions (location based)	*724,465* ($MtCO_2e$)
○ Scope 2 Emissions (market based)	*775,817* ($MtCO_2e$)
○ Total Scope 1 and 2 CO_2e Gross Emissions/Location-based Emissions (Tonnes)	*826,828* ($MtCO_2e$)
○ CO_2e Gross Location-based Emissions Intensity - Scope 1 and 2 (Tonnes/US$ of revenue)	*33.14*
○ Scope 3 Emissions	
○ 1- Purchased Goods and Services	6,589,519 ($MtCO_2e$)
○ 2- Capital Goods	*417,987* ($MtCO_2e$)
○ 3- Fuel- and Energy-Related Activities	*200,540* ($MtCO_2e$)
○ 4- Upstream Transportation and Distribution	*235,625* ($MtCO_2e$)
○ 5- Waste	*30,529* ($MtCO_2e$)
○ 6- Business Travel	*24,166* ($MtCO_2e$)
○ 7- Employee Commuting	*105,165* ($MtCO_2e$)
○ 9- Downstream Transportation and Distribution	*12,401* ($MtCO_2e$)
○ 15- Investments	*5,164* ($MtCO_2e$)
○ Year on year change in emissions	
▪ Scope 1 and Scope 2 (Location Based)	*-9%*
▪ Scope 3	
• Fuel- and Energy-Related Activities	*-10%*
• Waste generated in operations	*0%*
• Business Travel	*-25%*
○ Renewable Energy Capacity	38 MW
○ Water	
▪ Total water withdrawn	*6,784,656 m^3*
▪ Total water withdrawn by source:	
• Municipal water supply	*5,762,248 m^3*
• Ground water	*852,351 m^3*
• Surface water	*0 m^3*
• Rainwater	*291 m^3*
• Waste water from another organization	*5,336 m^3*
• Private company water supply	*144,225 m^3*
• Other water utilities:	*20,206 m^3*
▪ Recycled water (m^3)	*681,198 m^3*
▪ Recycled water%	*10%*
▪ Total water discharged (m^3)	*5,343,314 m^3*
▪ Total water consumption (m^3)	*1,441,343 m^3*

DNV·GL

○ Waste	
▪ Total Waste	*130,266 (tonnes)*
• Non-Hazardous Waste	*124,434 (tonnes)*
• Hazardous Waste	*5,832 (tonnes)*
▪ Total Waste by Disposal Method:	
• Composting	*2,565 (tonnes)*
• Reuse	*7,084 (tonnes)*
• Recycling	*89,944 (tonnes)*
• Recovery	*3,200 (tonnes)*
• Incineration	*8,562 (tonnes)*
• Landfill	*13,989 (tonnes)*
• Deep Well Injection	*0 (tonnes)*
• On-Site Storage	*145 (tonnes)*
• Other	*4,776 (tonnes)*
▪ Waste Diversion rate	*89%*
▪ Recycling Rate	*76%*
Community	
○ Percentage of operations that have implemented local community engagement activities	*93%*
○ Total volunteer hours	48,168 *hours*

3. Period covered

1 January 2019 to 31 December 2019

4. Verification standard used

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

ISO 14064-3:2006 – Greenhouse Gases Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas assertions.

DNV·GL

5. Assurance opinion

Limited Assurance
Based on the verification process conducted by DNV GL, we provide a Limited Assurance of the Environmental and Community data Assertions for Flex Ltd. DNV GL found no evidence that the assertion:
- is not materially correct;
- is not a fair representation of the GHG emissions information; and
- is not prepared in accordance with the World Business Council for Sustainable Development (WBCSD) / World Resources institute (WRI) Greenhouse Gas Protocol (GHG Protocol) and Global Reporting Initiatives and Principles.

6. Verification provider and accreditations

The Verification provider is DNV GL.

DNV GL was not involved in the preparation of any part of Flex's data or report. We adopt a balanced approach towards all stakeholders when performing our evaluation.

7. Lead verifier name and relevant accreditations/professional membership

Shruthi Poonacha Bachamanda, Lead Verifier, Qualified ISO GHG Verifier

Alexa Kandaris, Verifier, Qualified ISO GHG Verifier

Signature
Lead Verifier
(Shruthi Poonacha Bachamanda)

Signature
Technical Reviewer
(Shaun Walden)

Signature
Approver
(Kathleen Wybourn)