

2021 sustainability report

Key accomplishments

Sustainability, including environmental, social and corporate governance, is deeply embedded into every aspect of what we do as a responsible manufacturing solutions partner and how we live our purpose – building great products for our customers that create value and improve people’s lives. We are firmly committed to sustainable operations to reduce our environmental impact, investing in our communities, nurturing a safe, inclusive work environment for our people and driving responsible business practices to earn and retain stakeholder trust.

2020 marked the culmination of our Flex 20 by 2020 sustainability goals. Achieving 16 out of the 20 targets, we’re proud to share our 2020 achievements:

ENVIRONMENTAL

92%

increase in
renewable
energy use

We deployed 73MW of renewable energy capacity, a 92% increase year over year, generating the equivalent to powering more than 10,800 homes for one year.*

We notably expanded renewable energy sourcing at our site in Hartburg, Austria and engaged in a new power purchase agreement for renewable energy in Dongguan, China.

*Assuming an average annual electricity consumption for a U.S. residential utility customer of 10,649 kWh.

7%

decrease in
CO₂e emissions

We recognize that we have an extensive global footprint and that our operations consume energy that leads to greenhouse gas emissions. We continuously identify and deploy solutions that reduce our energy consumption and reduce our emissions related to the energy we consume.

We reduced our CO₂e emissions by 7% from 2019 and 22% since 2016 through our energy saving and emissions reduction program, providing solid momentum toward our goal of cutting operational emissions in half by 2030.

17%

decrease
in water
consumption

We decreased our water consumption by 17% from 2019 and 31% since 2016.

Our water strategy is focused on decreasing consumption where possible, leveraging recycling where use is more intensive, and installing collection systems for rainwater to meet irrigation and cooling demands.

91%

waste diversion

We aim to eliminate waste and advance a regenerative, closed loop future through our operations by leveraging our circular economy practices.

We diverted 91% of waste from landfills in 2020 and are committed to scaling best practices to certify 50% of our manufacturing and logistics sites as zero waste by 2025.

SOCIAL

21%

decrease
in safety
incident rate

We aspire to make the manufacturing floor as safe as possible and take steps to design risk out of our processes with industry 4.0 technologies like robotics and automation.

In 2020, we saw a significant reduction in the number of incidents involving a recordable injury or illness per 100 full-time employees, with a total case incident rate of 0.27, down 21% from 2019 and 53% from 2015.

9.62

average
training hours
completed by
employees

Our culture fosters a learn and adapt mentality, and we believe in providing employees opportunities to continuously gather new skills and prepare for their next role.

In 2020, a year that drastically impacted in-person learning, our employees completed an average of 9.62 training hours.

44%

of our total
workforce were
represented by
women

44% of our global workforce identified as female, up by 2% from 2019.

We recognize the undoubted advantages of a diverse organization, acknowledge that there is much more work to do and are striving to improve our female representation.

91.5%

of our global
sites held
community
outreach events

Investing in our communities accelerates positive change where we work and live and is the right thing to do.

91.5% of our sites hosted local community outreach activities in 2020, supported by more than 42,000 employee volunteer hours.

Community activities included COVID-19 relief efforts, raising environmental awareness, supporting inclusion and diversity initiatives and advocating for quality education.

16.5M

Flex-produced
masks donated
to our employees
and communities

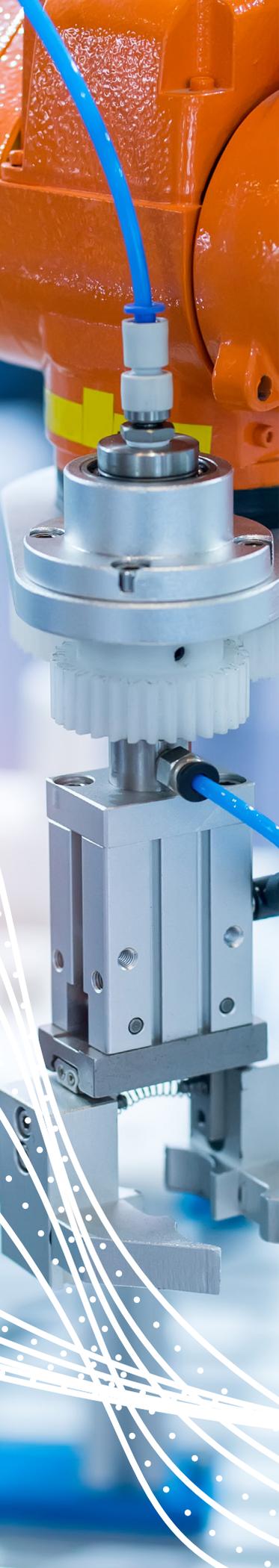
To help safeguard our employees, we quickly learned how to manufacture high-quality, non-surgical masks at scale without impacting healthcare workers' supplies.

We donated 16.5 million Flex-produced masks to our employees and communities, focusing on local schools and smaller non-profits.

30+

projects supported,
benefiting
~200,000 people

The Flex Foundation, our nonprofit charity arm, provided financial contributions, grants and mask donations to support 33 local projects in 12 countries benefiting an estimated 200,000 people.



GOVERNANCE

91%

increase in supplier social and environmental training

During trainings, we present our sustainability expectations for suppliers, our supply chain social and environmental management programs, updated standards from the Responsible Business Alliance (RBA), and share best practices on sustainability management.

We expanded our supplier training efforts to reach 551 suppliers and 1,153 supplier personnel in 2020 – nearly doubling the total number of trained suppliers since 2019 and driving sustainability awareness throughout the value chain.

100%

of Flex sites with employees on the manufacturing floor conducted in-person Code of Business Conduct and Ethics training

Through our Code of Business Conduct and Ethics, we seek to promote honest and ethical conduct, discourage and mitigate wrongdoing, familiarize employees and business partners with company policies, and act with integrity in all that we do.

We conducted in-person training at each of our Flex sites where employees work on the factory floor.

For our sustainability initiatives and results, we were recognized with several high rankings and awards from esteemed third-party organizations in 2020, including:

- FTSE4Good Index Series for the fifth consecutive year
- An A rating from CDP for water security, a historic company and industry first
- Manufacturing Leadership Award for the third consecutive year
- Cisco Excellence in Sustainability Award for the second year in a row
- A negligible risk score from Sustainalytics
- Maintained the highest disclosure and transparency score on ESG factors from Institutional Shareholder Services
- An advanced recognition from the United Nations Global Compact Communication on Progress
- Inclusion in the S&P's Sustainability Yearbook for the second consecutive year