Flex Supplier Code of Conduct

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

- Manufacturing products, packaging, parts, components, subassemblies, materials or otherwise involved in processes related to any of the foregoing; and
- Providing services to, or on behalf of Flex, regardless of type, location, or duration.

Fundamental to this Code is the adoption of compliance to the Responsible Business Alliance Code of Conduct (“RBA Code”), which embodies a set of standards on social, environmental, and ethical issues in the supply chain. The RBA Code is made up of five sections, each shown in the following pages. Sections A, B, and C outline standards for Labor, Health and Safety, and the Environment, respectively; Section D adds standards relating to Business Ethics; and Section E outlines the elements of an acceptable system to manage conformity to the RBA Code.

Flex’s standards exceed those of the RBA Code, and we require additional compliance with respect to the social and environmental responsibility requirements specified in Sections A, C, and D of the RBA Code.

This code and best practices shall be cascaded throughout our supply chain, and it is communicated and enforced through contractual terms and conditions, supplier documents, guidelines, and supplier training to which it is expected to be attended to assure compliance with all the points mentioned on this document.

Chief Procurement & Supply Chain Officer

ABOUT FLEX

Flex (Reg. No. 199002645H) is the manufacturing partner of choice that helps a diverse customer base design and build products that improve the world. Through the collective strength of a global workforce across 30 countries and responsible, sustainable operations, Flex delivers technology innovation, supply chain, and manufacturing solutions to diverse industries and end markets.

The information in this document is proprietary and intellectual property of Flex and should not be disclosed to unauthorized recipients.
A. LABOR

Flex is committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community and as described in the Flex Human Rights Policy. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker. The recognized standards, as set out in the References, were used in preparing the Code and may be useful sources of additional information.

The labor standards are:

1. Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There shall be no unreasonable restrictions on workers’ freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company provided facilities including, if applicable, workers’ dormitories or living quarters. As part of the hiring process, all workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment. Foreign migrant workers must receive the employment agreement prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms. All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per worker’s contract. Employers, agents, and sub-agents may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Employers can only hold documentation if such holdings are required by law. In this case, at no time should workers be denied access to their documents. Workers shall not be required to pay employers’ agents or sub-agents’ recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

2. Young Workers

Child labor is not to be used in any stage of manufacturing. The term “child” refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. Suppliers shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Suppliers shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students’ rights in accordance with applicable laws and regulations. Suppliers shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. If child labor is identified, assistance/remediation is provided.
3. Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased turnover, and increased injury and illness. Working hours are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime must be voluntary. Workers shall be allowed at least one day off every seven days.

4. Waged and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. All workers shall receive equal pay for equal work and qualification. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

5. Non-Discrimination/Non-Harassment/Humane Treatment

Suppliers shall commit to a workplace free of harassment and unlawful discrimination. There shall be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment.

Companies shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers. Workers shall be provided with reasonable accommodation for religious practices and disability.

In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way. This was drafted in consideration of ILO Discrimination (Employment and Occupation) Convention (No.111)

6. Freedom of Association and collective bargaining

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. In conformance with local law, Suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or
harassment. Where the right of freedom of association and collective bargaining is restricted by applicable laws and regulation, workers shall be allowed to elect and join alternate lawful forms of worker representation.

B. HEALTH AND SAFETY

Flex recognizes that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. Suppliers also recognize that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace. Recognized management systems such as ISO 45001 and ILO Guidelines on Occupational Safety and Health were used as references in preparing the Code and may be useful sources of additional information.

The health and safety standards are:

1. **Occupational Health and Safety**

   Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) Shall be identified and assessed, mitigated using the Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance, and safe work procedures (including lockout/tagout), and providing ongoing occupational health and safety training. Where hazards cannot be adequately controlled by these means, workers shall be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards. Gender-responsive measures shall be taken, such as not having pregnant women and nursing mothers in working conditions, which could be hazardous to them or their child and provide reasonable accommodations for nursing mothers.

2. **Emergency Preparedness**

   Potential emergency situations and events shall be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills. Emergency drills must be executed at least annually or as required by local law, whichever is more stringent. Emergency plans shall also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment, and property.

3. **Occupational Injury and Illness**

   Procedures and systems shall be in place to prevent, manage, track and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes, and facilitate the return of workers to work. Supplier
shall allow workers to remove themselves from imminent harm, and not return until the situation is mitigated without fear of retaliation.

4. **Industrial Hygiene**

Worker exposure to chemical, biological, and physical agents shall be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards were identified, Suppliers shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards shall be controlled through proper design, engineering, and administrative controls. When hazards cannot be adequately controlled, workers shall be provided, with and use of appropriate, well-maintained, personal protective equipment free of charge. Suppliers shall provide occupational health monitoring to routinely evaluate if workers’ health is being harmed from occupational exposures. Protective occupational health programs shall be ongoing and include educational materials about the risks associated with exposure to workplace hazards.

5. **Physically Demanding Work**

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks is to be identified, evaluated, and controlled.

6. **Machine Safeguarding**

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks, and barriers shall be provided and properly maintained where machinery presents an injury hazard to workers.

7. **Sanitation, Food, and Housing**

Workers shall be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the supplier, or a labor agent shall be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting and heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

8. **Health and Safety Communication**

Suppliers shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training shall be provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without retaliation.
C. ENVIRONMENTAL

Flex recognizes that environmental responsibility is integral to producing world-class products. Suppliers shall identify the environmental impacts and minimize adverse effects on the community, environment, and natural resources within their manufacturing operations, while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001 and the Eco Management and Audit System (EMAS) were used as references in preparing the Code and may be a useful source of additional information.

Compliance with all RBA and Flex environmental requirements is mandatory, including, but not limited to the following documents located in Flex’s Supplier Information Webpage:

- Supplier Manual and Environmental Procurement Guidelines, CES-MAT-4-001-00
- General Specification on Environmental Compliance for Suppliers, CES-MAT-2-001-00
- Specification for Procurement of Lead (Pb)-Free Electronic and Electromechanical Components and Assemblies, CES-MAT-2-003-00
- Specification of Banned and Restricted Substances for Use, CES-REG-1-001-00

Suppliers shall take commercially reasonable steps to comply with Flex sustainability requirements to (a) reduce air pollution, energy, and water consumption, (b) avoid the generation of waste, including wastewater by creating value-adding cycles, and (c) reduce greenhouse gases. Upon Flex’s request, Supplier shall provide data related to its CO2 footprint (scope 1–3) for the Goods, manufacturing processes, and Services provided to Flex. The recording, calculation, evaluation, and communication of the CO2 footprint data shall be made in accordance with the GHG Protocol Corporate Accounting and Reporting Standards. In addition, established processes and procedures must exist within the supplier, subsidiary operations, and their Tier 1 supply chain to measure, and report to Flex, Green House Gas Emissions based on the latter protocol.

The RBA and Flex’s environmental standards are:

1. Environmental Permits and Reporting

   All required environmental permits (e.g., discharge monitoring), approvals, and registrations shall be obtained, maintained, and kept current, and their operational and reporting requirements shall be followed.

2. Pollution Prevention and Resource Conservation

   Emissions and discharges of pollutants and generation of waste shall be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

3. Soil Quality

   Suppliers shall constantly assess and mitigate their impact on soil quality to avoid soil erosion,
nutrient degradation, contamination, and subsidence. Suppliers must always comply with applicable soil laws and regulations.

4. **Hazardous Substances**

Chemicals, waste, and other materials posing a hazard to humans, or the environment shall be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal. Hazardous waste data shall be tracked and documented.

5. **Solid Waste**

Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Waste data shall be tracked and documented.

6. **Air Emissions**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations shall be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone-depleting substances shall be effectively managed in accordance with the Montreal Protocol and applicable regulations. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

7. **Materials Restrictions**

Suppliers shall adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

8. **Water Management**

Suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

9. **Energy Consumption and Greenhouse Gas Emissions**

Suppliers shall establish and report against an absolute corporate-wide greenhouse gas reduction goal. Energy consumption and all Scopes 1, 2 and significant categories of Scope 3 greenhouse gas emissions shall be tracked, documented, and publicly reported. Suppliers shall look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.
Flex is committed to reduce its greenhouse gas emissions in all its operations. Suppliers are expected to undertake measures to reduce its direct and indirect CO2e emissions considering their capabilities and restraints, aiming to set emission reduction targets.

10. Protection of biodiversity

Flex is committed to halting deforestation and the protection of biodiversity in our operations and through our supply chain. We expect our suppliers to comply with any applicable laws and regulations on protection of biodiversity. We expect our suppliers to conduct actions to protect natural ecosystems and mitigate any harming to the environment.

We expect our suppliers, where applicable, to commit to the principles of sustainable agriculture, use of land and forests and protection of marine life.

11. Protection of animal rights and welfare

Suppliers must respect the animal welfare and provide humane treatment in line with the five animal freedoms formalized by the World Organization for Animal Health (OIE) concerning animal welfare which include: freedom from hunger, thirst, and malnutrition; freedom from fear and distress; freedom from physical and thermal discomfort; freedom from pain, injury and disease; and freedom to express normal patterns of behavior. No animal should be raised and killed for the single purpose of being used in Flex products. Whenever animal testing is used for any substance, raw material, piece, or component inside the supply chain. It is also expected that our suppliers give preference to processes that do not need animal testing or its equivalent.

In any case the supplier must comply with all the regulations, certificates, necessary compliance documents and permits according to national and international laws regarding animal protection and animal testing.
D. ETHICS

To meet social responsibilities and to achieve success in the marketplace, Suppliers and their agents are to conform with the Flex Supplier Practices Guidelines, this Code, and to uphold the highest standards of ethics including the items listed below, as well as the Flex Ethics & Governance standards:

1. Business Integrity

   The highest standards of integrity shall be upheld in all business interactions. Suppliers shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion, and embezzlement.

2. No Improper Advantage

   Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, giving, or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

3. Disclosure of Information

   All business dealings should be transparently performed and accurately reflected on the Supplier’s business books and records. Information regarding the supplier’s labor, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4. Intellectual Property

   Intellectual property rights shall be respected, transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and supplier information shall be safeguarded.

5. Fair Business, Advertising and Competition

   Standards of fair business, advertising and competition shall be upheld.

6. Protection of Identity and Non-Retaliation

   Programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers\(^1\) shall be maintained, unless prohibited by law. Suppliers should have a

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\(^1\) Whistleblower definition: Any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official or official body.
communicated process for their personnel to be able to raise any concerns without fear of retaliation.

7. **Responsible Sourcing of Minerals**

Suppliers and their agents shall comply with Flex’s Conflict Minerals Policy, CSE-CPL-1-003-00, located in Flex’s [Supplier Quality Webpage](#), and shall adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, and gold in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

Suppliers and their agents shall make their due diligence measures available to Flex upon request.

8. **Right use of land**

Flex is committed to ethical practices and suppliers must respect the legal land rights of individuals, indigenous people, and communities over natural resources, such as forest or water. Suppliers shall not engage in forced eviction or illegal use of land. Upon Flex request, suppliers are required to demonstrate the legal right to use land and/or natural resources.

9. **Avoidance of unauthorized engagements of security forces**

Suppliers must not engage private or public security forces to protect the company if their engagement violates applicable human rights, freedoms, or labor rights.

10. **Privacy**

Suppliers are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Suppliers are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

E. **MANAGEMENT SYSTEMS**

Suppliers and their agents shall adopt or establish a management system with a scope that is related to the content of this Code. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the supplier’s operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

The management system should contain the following elements:
1. **Company Commitment**

Suppliers shall establish human rights, health and safety, environmental and ethics policy statements affirming the supplier’s commitment to due diligence and continual improvement, endorsed by executive management. Policy statements shall be made public and communicated to workers in a language they understand via accessible channels.

2. **Management Accountability and Responsibility**

Supplier clearly identifies senior executive and company representative(s) responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management systems on a regular basis.

3. **Legal and Customer Requirements**

Suppliers shall adopt or establish a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

4. **Risk Assessment and Risk Management**

Suppliers shall adopt or establish a process to identify the legal compliance, environmental, health and safety and labor practice and ethics risks including the risks of severe human rights and environmental impacts associated with the supplier’s operations. Suppliers shall determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5. **Improvement Objectives**

Suppliers shall establish written performance objectives, targets and implementation plans to improve the supplier’s social, environmental, and health and safety performance, including a periodic assessment of supplier’s performance in achieving those objectives.

6. **Training**

Suppliers shall establish programs for training managers and workers to implement Supplier’s policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

7. **Communication**

Suppliers shall establish a process for communicating clear and accurate information about Supplier’s policies, practices, expectations and performance to workers, suppliers, and customers.

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2 Areas to be included in a risk assessment for environmental health and safety are production areas, warehouse and storage facilities, plant/facilities support equipment, laboratories and test areas, sanitation facilities (bathrooms), kitchen/cafeteria and worker housing/dormitories.
8. Worker/Stakeholder Engagement and Access to Remedy

Suppliers shall establish processes for ongoing two-way communication with workers, their representatives, and other stakeholders where relevant or necessary. The process shall aim to obtain feedback on operational practices and conditions covered by this Code, and to foster continuous improvement. Workers shall be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.

9. Audits and Assessments

Suppliers shall conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code and customer contractual requirements related to social and environmental responsibility.

10. Corrective Action Process

Suppliers shall establish a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

11. Documentation and Records

Suppliers shall create and maintain documents to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

12. Supplier Responsibility

Supplier shall establish a process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

REFERENCES

The following standards were used in preparing this Code and may be a useful source of additional information. The following standards may or may not be endorsed by Flex.

- Ethical Trading Initiative [www.ethicaltrade.org/]
• ISO 14001
  www.iso.org

• National Fire Protection Association
  https://www.nfpa.org/

• OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
  http://www.oecd.org/corporate/mne/mining.htm

• OECD Guidelines for Multinational Enterprises

• OHSAS 18001

• Universal Declaration of Human Rights

• United Nations Consultation and free, prior, and informed consent (FPIC)

• United Nations Convention Against Corruption

• United Nations Convention on the Rights of the Child

• United Nations Convention on the Elimination of All Forms of Discrimination Against Women
  https://www.ohchr.org/EN/ProfessionalInterest/Pages/CEDAW.aspx

• United Nations Global Compact
  www.unglobalcompact.org

• United States Federal Acquisition Regulation
  www.acquisition.gov/far/

• SA 8000
  https://sa-intl.org/programs/sa8000/

• Social Accountability International (SAI)
  www.sa-intl.org