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## Supply Chain Sustainability Program GHG kick-off webinar

flex.

## Honored guests



**Vincent Cellard** 

SVP, Chief Procurement Officer



**David Gessler** 

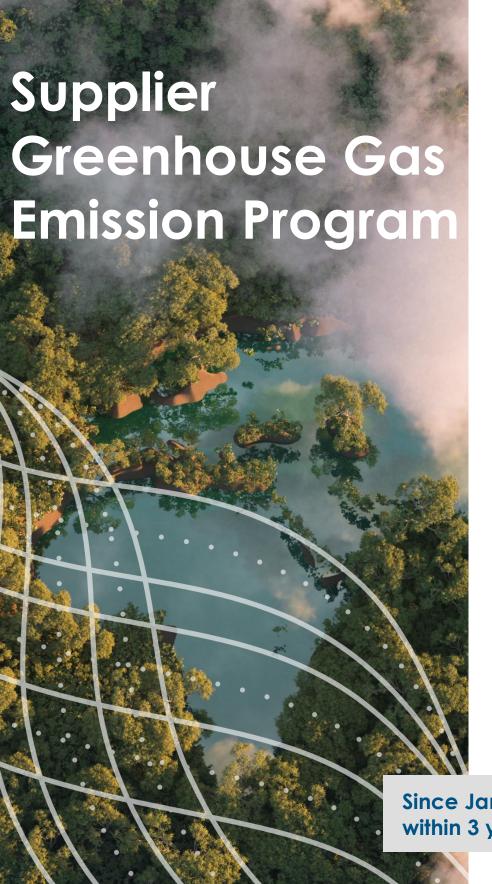
VP, Mech Commodity
Management Supplier
Quality & Sustainability
Procurement Compliance
Director



**Jonathan Lee** 

VP, EE Commodity Management & Strategic Sourcing





Flex has adopted greenhouse gas emissions reduction targets necessary to meet the Paris agreement goals, limiting global warming to 1.5°C above preindustrial levels.



In order to support <u>Flex's 2030 goals</u>, the supplier sustainability team launched a GHG emission reduction program with our preferred suppliers and in partnership with CDP (formerly known as the Carbon Disclosure Project) to help us achieve our GHG emission reduction goals.

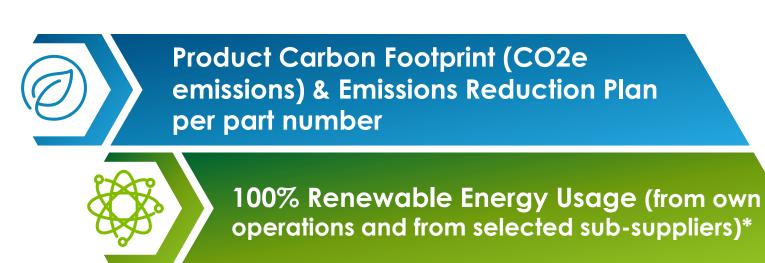
Since January 2023, to remain in the PSP, suppliers will be required to commit to have an emissions reduction target within 3 years from the approval date in the PSP

# Sustainability industry and customer requirements



Below are listed the most common sustainability requirements from the industry, government regulations and Flex's customers.

This information is a critical component to select suppliers for a given project.





Emission reduction targets p/material with supplier commitment



Recycled content (secondary raw material, biodegradable, biogenic...)

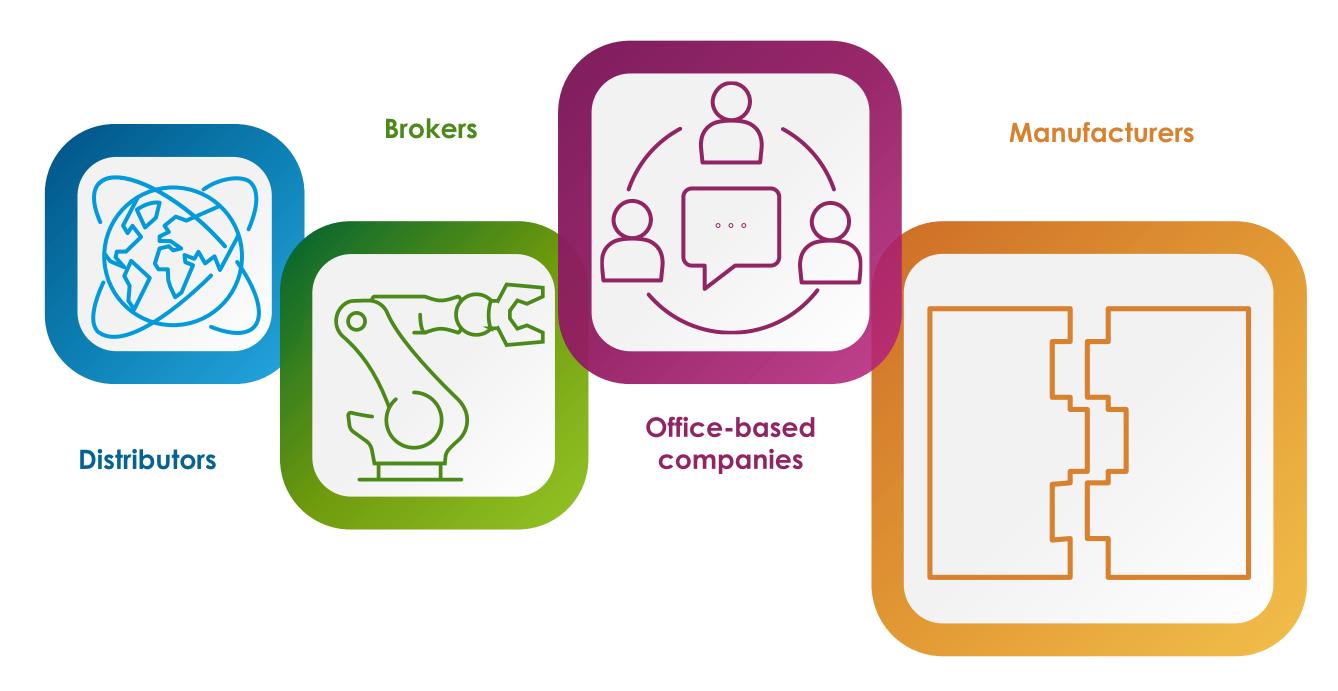


This data must be requested to subtier suppliers as well



\*Availability to purchase & redeem green energy certificates

### Companies included in this initiative



All companies generate emissions (e.g., by purchasing electricity or driving vehicles) and we all have improvement areas in our daily operations where we can reduce our emissions and environmental impact.

## Suppliers involved in the GHG program







景旺电子

Nordson

Lenovo

Micron

muRata

PT. INTERPAK INDUSTRIES BATAM

**Elite Packaging Pte Ltd** 

**TOYOTA** 

Senju Metal Industry Co., Ltd.















Chartered Electronics



(I SYNERGY))

PANJII









**NVNET** 































MAX ECHO



TEXAS INSTRUMENTS



mentech

ACES

**ARNOLD** 



















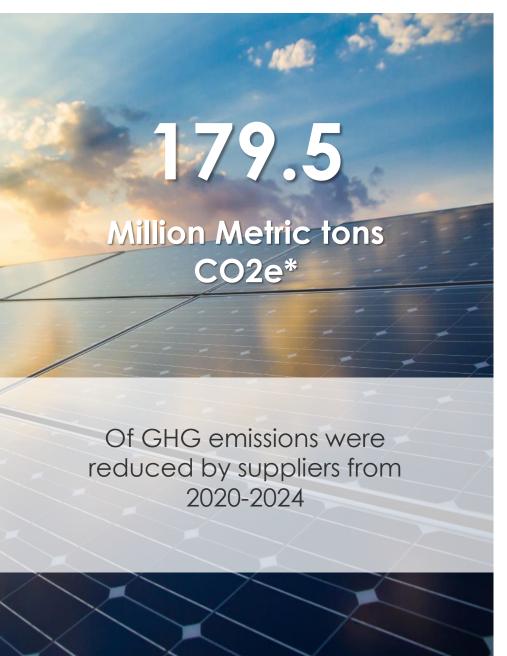


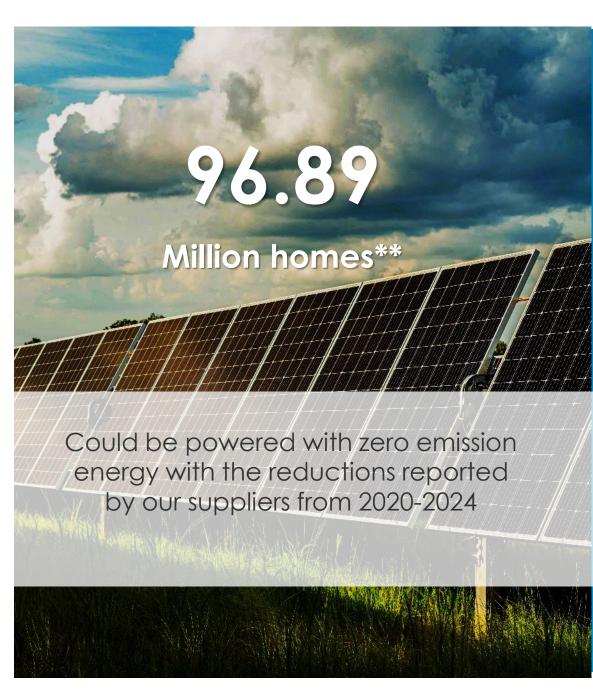




## GHG Program preferred suppliers' impact











## Supplier awards program

Our Supplier Rewards
Program is designed to
recognize your efforts
through unique and
sustainable awards from Flex.

Designed with recycling in mind, our trophies are made from recycled wood and recycled metal materials.





#### 2<sup>nd</sup> Place





## Supplier feedback and quotes

"I would like to express my heartfelt gratitude for the is award, Thank you & flex team for this incredible honor, we will continue to do better in the future!"

"I am both honored and humbled to receive so hu ge an Award from Flex. Thank you for recognizing our amazing team who have worked hard to satisf y Flex's need. We will continue our unwavering co mmitment to fully support Flex. Again, we are sinc erely grateful for the opportunities to working with Flex."

"Being SME, we tried to comply with Flex ongoing sustainability effort. Thank you to Flex GPSC team for the info & guidelines presented in the webinar. Appreciate this valuable recognition. "

The physical award has been received, really appreciated!

We will share with related team and show the Award in our display cabinet.

As always, we value our business partnership, and we will continue to strive for sustainability. Thanks again.

"First of all, thank you and your team for giving Yeakin Plastic this prestigious award."

"This Earth Week, we're proud to share <u>Flex</u> has honored C.H. Robinson with a Supplier Sustainability Award in recognition of our contributions to accelerate a more sustainable future.

The accolade names Team Robinson as runnerup in the category of "achieved GHG reduction structured target," re cognizing the major accomplishment of meeting our 2025 corporate e missions intensity reduction goal two years early in 2023." "Many thanks for this wonderful recognition; we very much appreciate our partnership with you and the shared commitment to driving more su stainable ways of doing business."

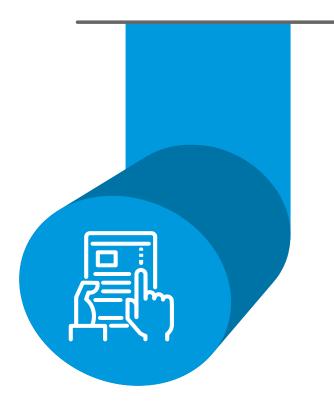


## Supplier key deliverables

01

#### Questionnaire Disclosure

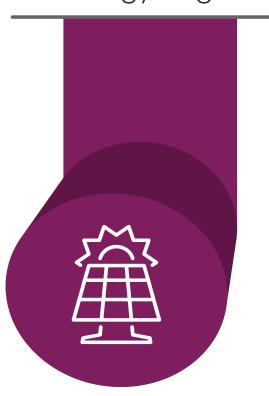
CDP or Flex's Questionnaire



02

## Greenhouse gas and renewable energy targets

Setting new or updating company greenhouse gas and renewable energy targets



03

## Communication and participation

Participate in trainings and respond on time





## Importance of setting emissions reduction targets

These targets are the reduction percentage that a company has defined for their greenhouse gas emissions they help the organization to reach sustainability goals, and impact areas such as financing, business and new opportunities with customers



peers



Identify risks and opportunities and communicate risk management practices



Identify cost savings and areas to improve operational efficiency



Propose
collaborative
opportunities and
increase value from
customer
relationships



Demonstrate transparency and operational competence to your customers



## How will Flex support you?





Email support and 1:1 meetings for questions and guidance



## 2025 GHG Program timeline

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Disclosure cycle		PRE-	DISCLOSURE (	CYCLE		H	DISCLOSU	IRE CYCLE	<b>→</b>	POST-I	DISCLOSURE CY	CLE
Target setting webinar												
Emissions calculations webinar												
Kick-off webinar												

- Sustainability questionnaire launch
- Sustainability questionnaire closure

#### Webinar dates:

Target setting

AME & EU: March 11<sup>th</sup> Asia EN: March 12<sup>th</sup> Asia CH: March 13<sup>th</sup>

GHG emissions

1st AME & EU: April 8th 1st Asia EN: April 9th 1st Asia CH: April 10th Kick-off

AME & EU: May 13<sup>th</sup> Asia EN: May14<sup>th</sup> Asia CH: May 15<sup>th</sup>

GHG emissions

2<sup>nd</sup> AME & EU: June 17<sup>th</sup> 2<sup>nd</sup> Asia EN: June18<sup>th</sup> 2<sup>nd</sup> Asia CH: June 19<sup>th</sup>

Target setting

1st AME & EU: July 15th 1st Asia EN: July 16th 1st Asia CH: July 17th

GHG emissions

3<sup>rd</sup> AME-EU: **August 12<sup>th</sup>** 3<sup>rd</sup> Asia EN: **August 13<sup>th</sup>** 3<sup>rd</sup> Asia CH: **August 14<sup>th</sup>** 

#### Personalized sessions

During all disclosure cycle

#### • Pre-disclosure

Flex invitation to suppliers

#### Disclosure

Supplier fill-in and submit the questionnaire Webinars from Flex to support suppliers in their disclosure

#### Post-disclosure

Discuss results with suppliers and send feedback, and hold suppliers accountable for on-going improvement Work with suppliers to explore collaborative opportunities

Suppliers continue their environmental journey

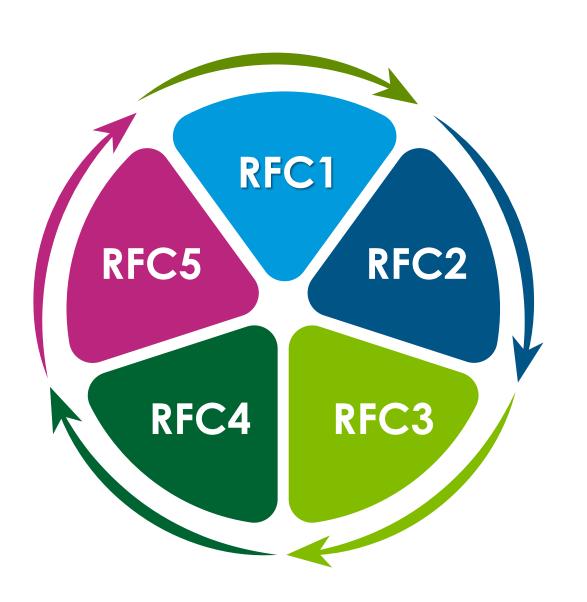


## Greenhouse Gas Emissions

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#### Reasons for concern

Risk level transitions for climate change at 1.5°C



#### RFC1 Unique and threatened systems

 Artctic sea-ice dependent ecosystems

Unsects projected to lose 50% of

geographic range

- Reduced habitability of small islands
- Increased endemic species extinction

#### **RFC2 Extreme weather events**

- Increase in fluvial flood
- Soil moisture droughts

- Agricultural and ecological droughts
- Crop failure
- Malnutrition and risk of disease

#### **RFC3** Distribution of impacts

- Crop failure in maize up to 40%
- Flood risk in Asia and Africa

 High risk of mortality and morbidity due to Heat extreme and infectious diseases

#### RFC4 Global aggregate impacts

- 10% decrease in effective labor
- 24% exposure global flooding
- Reduced marine food provisioning
- Decline in oceane animal biomass

#### RFC5 Large-scale singular events

- Sea level rise yp to 3.1 m
- Risk of savannisation of the Amazon





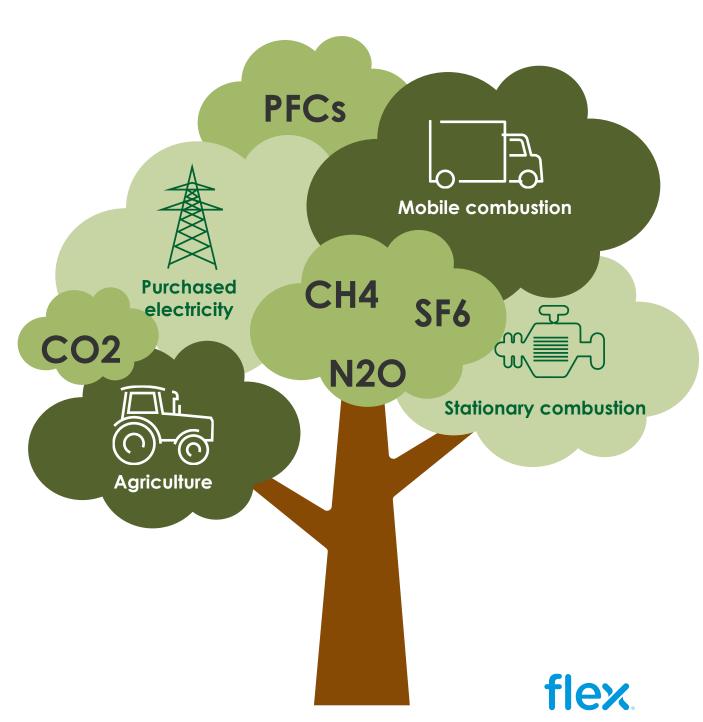
## Greenhouse gas emissions

**Greenhouse gases (GHG)** are trap heat from the sun that warm the planets surface, creating a greenhouse effect and allowing life on earth

**Primary sources** of GHG emissions are the burning of fossil fuels for electricity, heat and transportation; and even land-use change, or agriculture



#### Some examples of greenhouse gases:



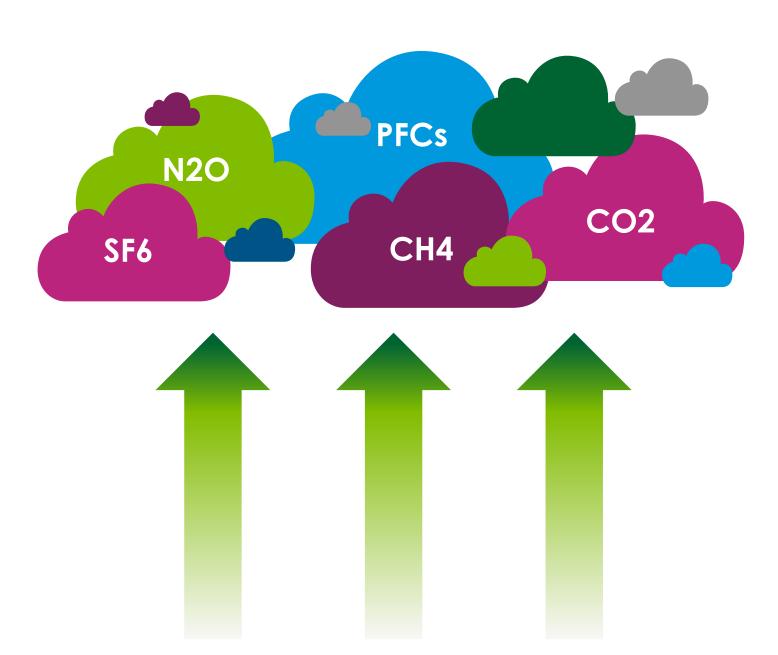
## **GHG** Emissions scopes

#### Scope 1

Direct emissions from fuel combustion and refrigerant leakage from company's owned facilities and vehicles and on-site manufacturing.



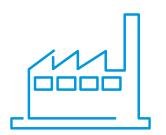




#### Scope 2

**Indirect emissions** from the purchase of electricity, steam, heat, and cooling.



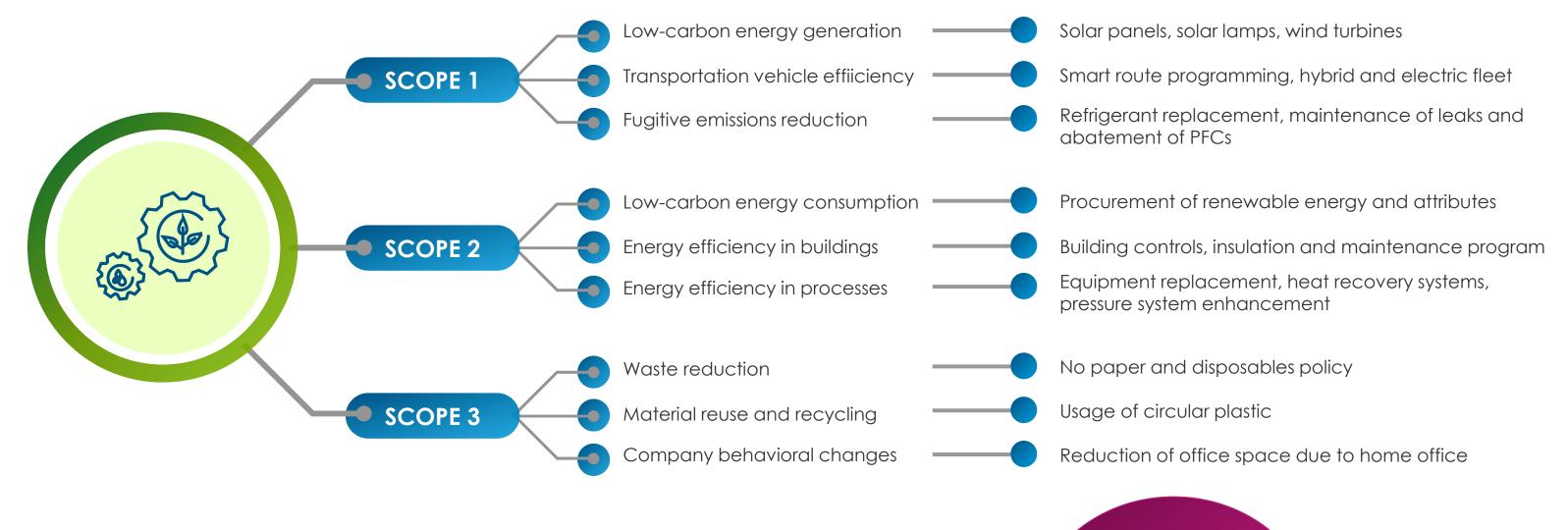


#### Scope 3

Indirect emissions from a company's value chain (e.g., purchased goods and services, use of sold products, suppliers).



## Greenhouse gas emission reduction activities



Scope 1
Direct GHG
Emissions
0.06%

Scope 2
Indirect GHG
Emissions
0.48%

Scope 3
Other Indirect
Emissions
99.46%





## Renewable Energy

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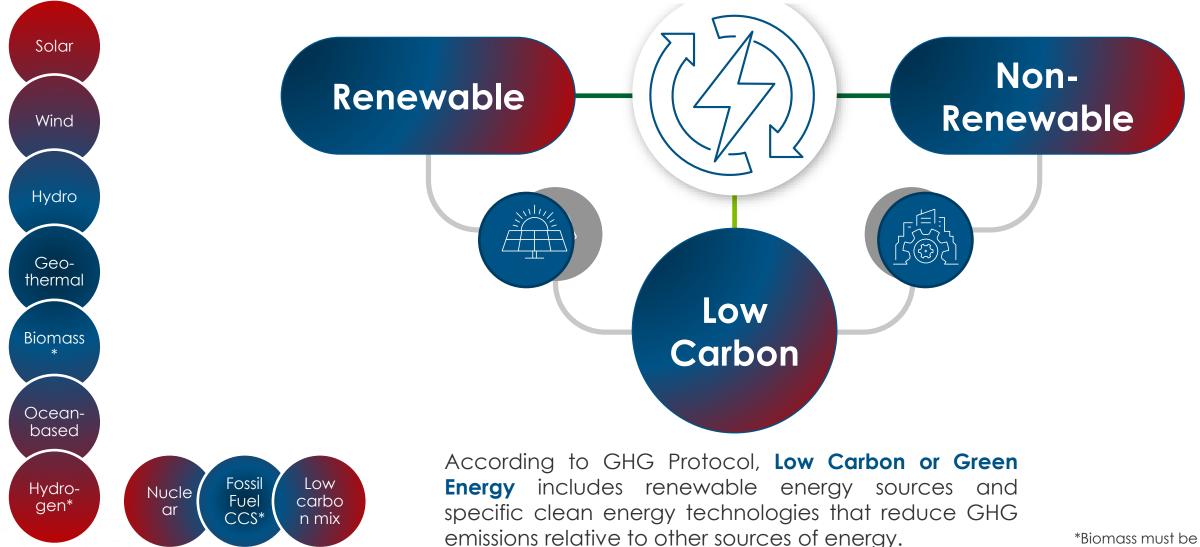


#### **Energy specs**

#### Renewable, non-renewable and low carbon energy.

According to GHG Protocol, **renewable energy** are fuels and energy obtained from sources that are ultimately replenished from natural solar and gravitational energy flows.

**Non-renewable energy** are fuels and energy obtained from sources that will not be replenished in our lifetime.



<sup>\*</sup>Biomass must be sustainable in order to be renewable and/or low carbon

**Fossil** 

fuels

<sup>\*</sup>Hydrogen must be obtained through renewable electricity

<sup>\*</sup>Fossil fuels can be considered low carbon if a CCS (carbon capture and storage) is used

## Renewable energy concepts

#### **Energy Sources & Technologies**

Renewable sources are the primary form of energy, with technologies energy is transformed to an energy carrier. Such as solar energy with solar panels can be transformed into electricity.



**Bundled energy** powers our facilities, also provides a proof of RE and **unbundled energy** is a tracking system for environmental impact, meaning there is no consumption but there is credit for CO2 avoidance.

#### **Procurement Mechanisms**

Mechanisms used to procure bundled and unbundled energy in regulated and non-regulated energy markets. Such as energy agreements, energy attribute certificates and supply agreements.

#### **Energy Models**

Lineal regression used to determine energy consumption per part number.









## Flex's Renewable energy maturity

#### **MEXICO**



#### **MEXICO**



#### **CHINA**



#### 2018

Solar PV projects were deployed in Mexico and India



#### 2019

Solar PV projects were deployed in Mexico and Netherlands

#### 2020

Solar PV projects deployed in Austria and procurement mechanisms were implemented in Asia and Europe



#### 2021

Increase of Solar PV Projects and procurement mechanisms under revision

#### 2023

Installed and expanded 14 solar photovoltaic power plants in Asia



Solar PV: Solar Photovoltaic \*Estimated data of GHG emissions avoidance, equivalent to the CO2 captured by a tree.









## GHG Questionnaires Overview

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### 2025 GHG Questionnaires



#### **FLEX SUSTAINABILITY SURVEY**

Start date: June 2025 Deadline: Sep 2025



#### CDP QUESTIONNAIRE

Start date: June 2025 Deadline: Sep 2025



## 2025 Set up email

#### @Flex.com

Hello María Fernanda,

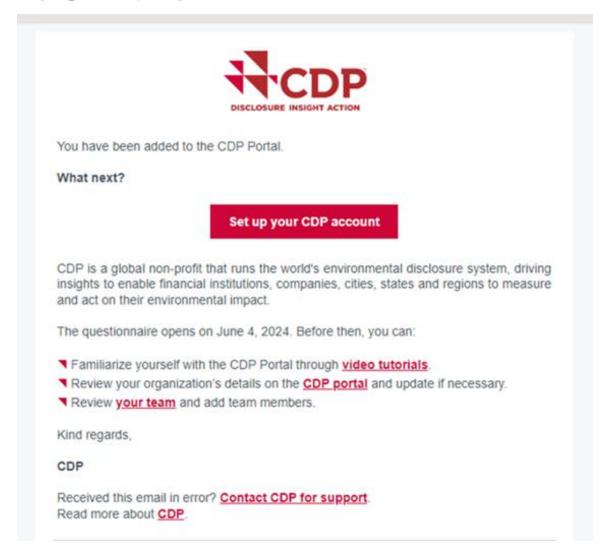
You are being notified to complete Flex's GHG & RE 2025 questionnaire. In this survey you need to provide your previous year's Greenhouse gas (GHG) emissions and emissions reduction targets, renewable & non-renewable energy information and targets, among other sustainability information.

Link to answer the questionnaire: <a href="https://flex2--flexsrmpoc.sandbox.my.site.com/supplier">https://flex2--flexsrmpoc.sandbox.my.site.com/supplier</a>

Once you answer we will review the questionnaire and if any critical information is missing, we will ask you to re-submit.



#### @CDP.net





## **TICDP**



		,				
	Target Question	Full Questionnaire	SME Questionnaire	Flex Sustainability Survey		
1	GHG Emissions reduction target(s)	7.53.1 and / or 7.53.2	20.16.1 and / or 20.16.2	GHG Emissions Reduction Targets  Question: 14-20 and / or 21-27		
2	Renewable energy target	7.54.1	20.16.3	Renewable Energy Targets  Question: 37-41		
3	Emissions reduction initiatives	7.55, 7.55.1 & 7.55.2	20.17	Sustainability initiatives  Question: 45-48		
4	Methodology for emissions calculations	7.2	20.2	GHG Emissions Data  Question: 13		
5	Base year information	7.5	20.4, 20.5 & 20.7	GHG Emissions Reduction Targets  Question: 19 & 26		
6	Scope 1 emissions	7.6	20.1 & 20.3.1. – Select Scope 1 20.4 – Scope 1	GHG Emissions Data Question: 6 & 7		
7	Scope 2 Methodology (LB / MB)	7.3	20.1 & 20.3.1. – Select Scope 2 20.5 – Scope 2	GHG Emissions Data Question: 8		
8	Scope 2 Emissions	7.7	20.1 & 20.3.1. – Select Scope 3 20.7 – Scope 3	GHG Emissions Data Question: 9 & 10		
9	Scope 3 emissions (optional)	7.8	20.3.1	GHG Emissions Data  Question: 11 & 12		
10	Renewable & Non renewable energy consumption and usage totals	7.30, 7.30.1, 7.30.6 & 7.30.7	20.15	Energy Data Question: 29-36		
11	GHG Emissions allocation	7.26	20.12	Emissions Allocation Question: 54, 55 & 56		



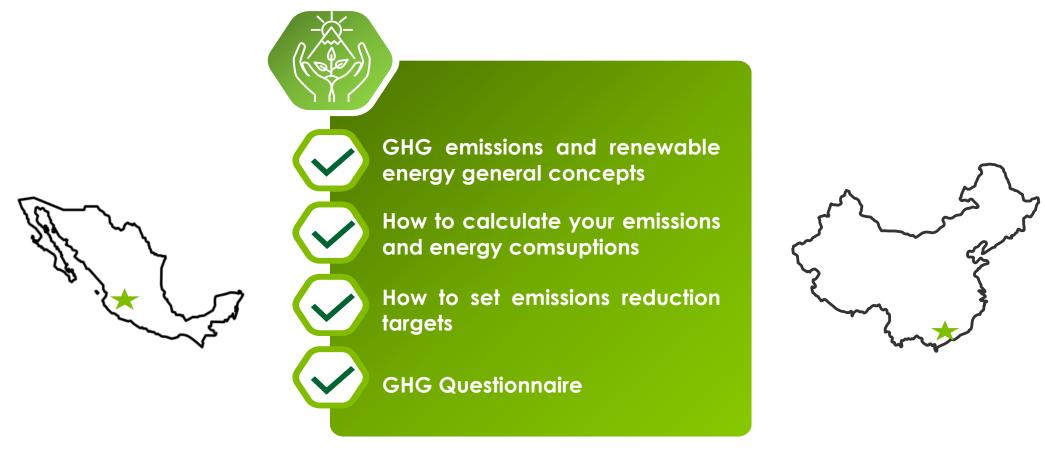
## 2025 On-site trainings

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As part of our supplier's training strategies, we will be conducting 2 on-site trainings in Guadalajara, México (in Spanish) and Shenzhen, China (in Chinese) for our suppliers that are located in these regions.

We will be covering all the following topics so you can have the resources and information available in order to properly disclose your information:



This face-to-face training session will be conducted in:

- Guadalajara North site (Zapopan, México) on July 3<sup>rd</sup> , 2025
- Fuyong Site (Shenzhen, China) on June, 2025





## FAQs and Resources

flex.

## Frequently asked questions

- Do we need to answer the 2 questionnaires?
  You only need to answer 1 questionnaire, that Flex will assign to you.
- Does the supplier need to pay to disclose their data in any of the GHG questionnaires?
  If you are invited to answer Flex's survey, there are no costs involved.
  If you are invited to CDP only by Flex or other customers, then there are no costs, but as it has been in previous years, you will only need to pay a fee if an investor request you to disclose.



- What happens to PSP suppliers who don't have any emissions reduction target?

  If a supplier does not comply with the above requirement within 3 years after joining the PSP program, a disqualification process might be considered.
- If we have multiple sites, multiple business entities across the world do we have to roll the data up to the overall parent company or keep results at a local site level?

Best practice in corporate GHG accounting encourages all companies to be reporting enterprise-data at the ultimate parent company level. Doing so avoids double counting and reduces reporting effort.

However, if you have more granular information on your emissions (like site level data or product level data) CDP and Flex's questionnaires offer this option, and we encourage you to do so.



#### Further useful resources

#### **Resources for Disclosure:**



CDP Guidance for Companies



CDP FAQs – Find answers to common queries



CDP Supply Chain report



Knowledge base from CDP



Working 9-5: A guide for Small Office Based Organizations'



Hot Climate, Cool Commerce: A Service Sector Guide to Greenhouse Gas Management

## GHG Emissions Accounting and Science-Based Targets:



GHG Protocol Corporate Standard



**GHG Protocol Calculation Tools** 



FAQs- The Science Based Targets Initiative



CDP On-Demand Technical Support:

For all geographic regions, contact <a href="https://casemgmt-crm.cdp.net/">https://casemgmt-crm.cdp.net/</a>

## Supply chain sustainability programs webpage

Flex has created an external webpage for suppliers to revisit emission and energy calculation trainings.



You will be able to find the following materials:

- Webinar recordings
- Emission and energy calculation tools
- Presentations



https://flex.com/solutions-and-services/supply-chain/sustainability-programs



## If you require support from Flex, please send us an email to:

- ✓ Flex GPSC Sustainability (flex.gpsc@flex.com)
- ✓ Contact your GCM

Please help us improve by answering a **<u>quick survey</u>** that will launch after the webinar





## Thank You

