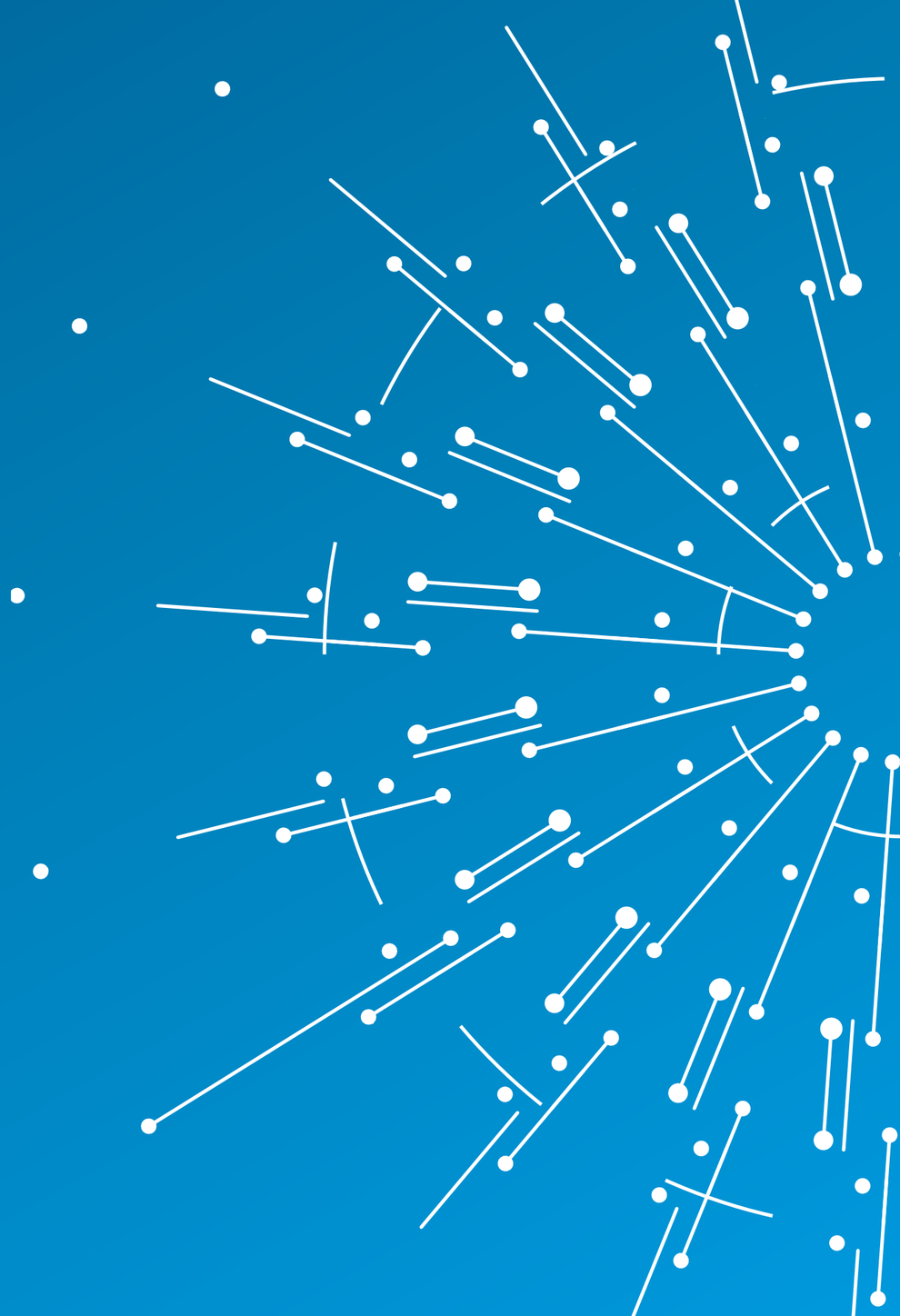
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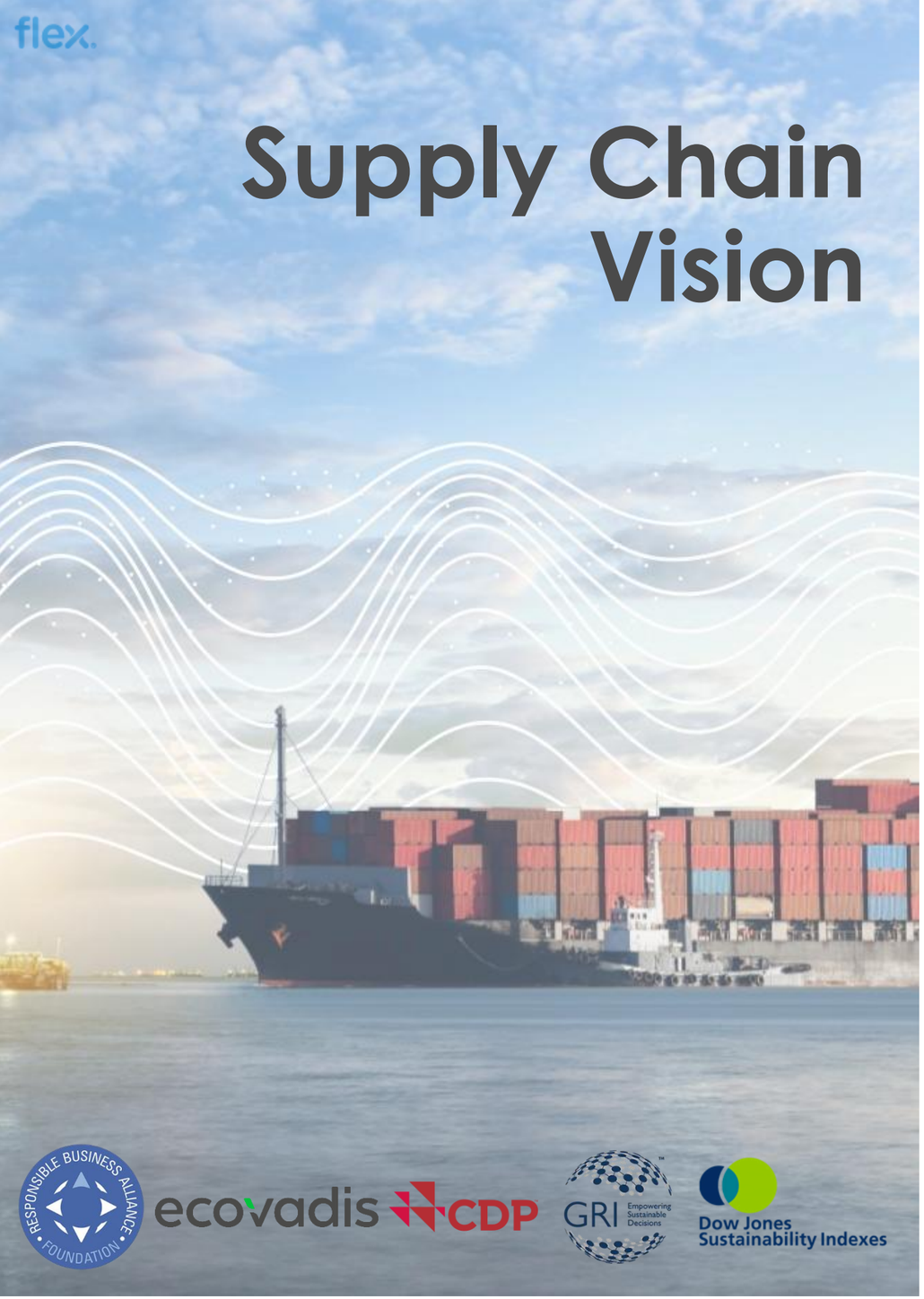
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Flex Supplier Sustainability Program



Supply Chain Vision

"Flex is committed to continuously monitor and drive compliance to our social and environmental standards throughout its supply chain. These standards are included in Flex supplier training. Our aim is to leverage the magnitude of our supply chain to make a positive impact in our industry."

Global Procurement and Supply Chain Vision

To be recognized as a world class end to end global procurement organization through collaborative relationships with our customers and suppliers, technical expertise and focusing on quality, competitiveness and supply chain value.

Global Procurement and Supply Chain and our role in Sustainability

Flex is committed to developing and maintaining a sustainable supply base that delivers financial value, supplier continuity, quality and best in class solutions to customers and suppliers. We want to be known as the most trusted supply chain partner in the industry and inspire confidence with our employees, customers and suppliers that Flex does business by following all applicable laws and upholds the highest ethical and professional standards.



Agenda

1. **Supplier Sustainability Briefing**
2. **Flex's Supplier Sustainability Program**
   a) Flex's Sustainable Program Activities
   b) Flex's Expectations for Suppliers
   c) Flex Supplier Sustainability Audit Flow
   d) Supplier Assessment Questionnaire
   e) Greenhouse Gas Emissions
3. **Flex Code of Conduct and its requirements**
   a) Flex Supplier Code of Conduct
   b) Highlights
   c) Best Practices
   d) Flex Ethics Hotline

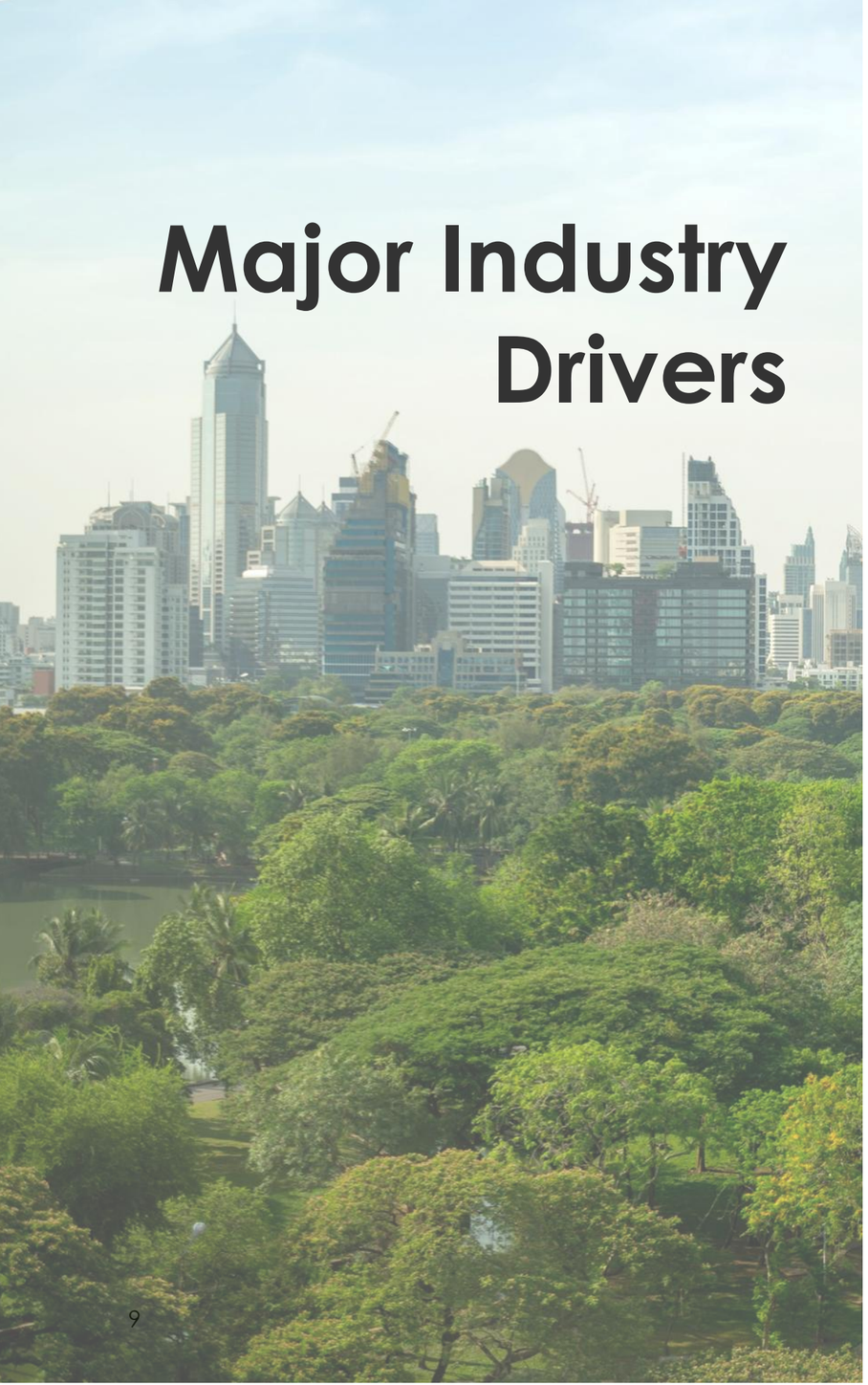


Supplier Sustainability

Businesses must be both
"PROFITABLE & RESPONSIBLE"

> Supplier Sustainability is the continuous commitment by businesses to behave ethically and contribute to the economic development while improving the quality of life of their workforce and families as well as the local community, environment and the society"





Major Industry Drivers

Businesses need to be responsible yet work towards a

Competitive Advantage

- Non-Governmental Organizations (NGOs)
- Media
- Regulators
- Governments
- Customers
- Community Groups
- Socially Responsible Investment Entities
- Industry Groups

Why Sustainability?

Economic profit is no longer the sole purpose of companies around the world, currently companies are also focused on taking responsibility for the social and environmental impact that their business has with the society, the environment and world around them.

Undertaking socially responsible initiatives is

Truly a Win-Win Situation:

- **Direct business benefits:**
  - Increase production efficiency
  - Decrease employees' turnover
- **Gain customers' confidence**





Flex Supplier Sustainability Program

a) Flex's Sustainable Program Activities
b) Flex's Expectations for Suppliers
c) Flex Supplier Sustainability Audit Flow
d) Supplier Assessment Questionnaire (SAQ)
e) Greenhouse Gas Emissions

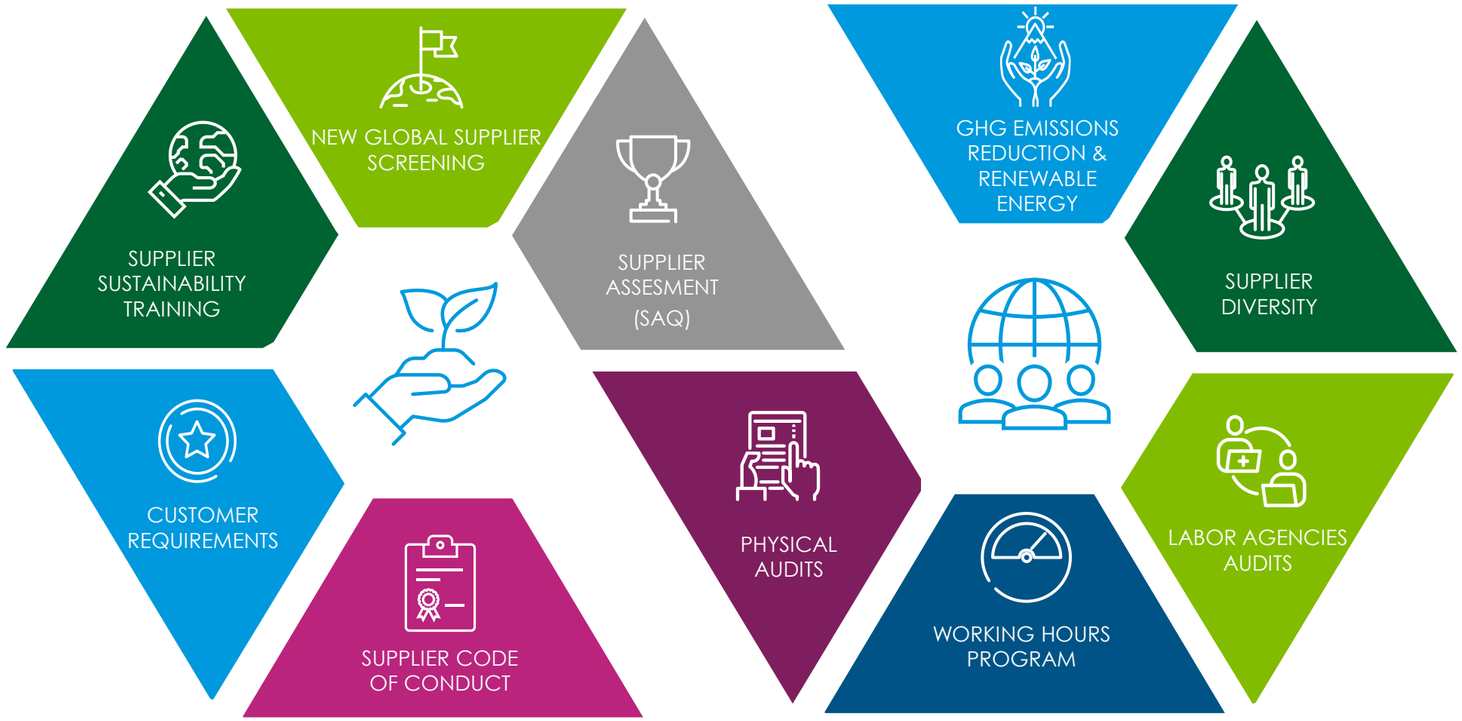


Where are we today?

Flex is committed to continuously monitor and drive compliance to Flex social and environmental standards throughout its supply chain. Our aim is to leverage the magnitude of our supply chain to make a positive impact in our industry.

Numerous customers are more interested on having a greener supply chain within their processes therefore to support these requirements, Flex has in place the following programs:

Sustainability programs





External Organizations

Flex aligns our sustainability strategy and annual sustainability report with the following standards and organizations

- Science Based Target initiatives – SBTi
- Dow Jones Sustainability Index – DJSI
- Global Business Initiative on Human Rights - GBI
- Global Reporting Initiative – GRI
- CDP (formerly the Carbon Disclosure Project)
- Sustainability Accounting Standards Board – SASB
- United Nations Sustainable Development Goals – UN SDGs
- United Nationals Global Compact – UNGC

Ratings and Rankings

Flex's Expectations for Suppliers



Promote Positive Supplier Sustainability Activities

Suppliers are requested to understand their social responsibility and to promote Sustainability activities.



Conform to Flex Supplier Code of Conduct

- Supplier must read and understand Flex Supplier Code of Conduct.
- Encourage certification of ISO 45001 and ISO 14001.



Contribute to Society and Community

Suppliers should proactively participate in activities that contribute to the development of their local community and the global society.



Water Management

As part of Flex expectations and encouraged by a global movement towards a more context-based water reporting. Our aim is to save our water resource and reduce water pollution, to further protect the environment and maintain a sustainable development.

Flex expects their suppliers…

to increase their efforts on **water management within their facilities** and **involve their suppliers** as well.

Some Efforts

could be done through:

- ✓ Obtain a proper **environmental permit** from the Government in regards:
  - Discharge **wastewater**, **airborne emissions**, **solid waste** or **hazardous waste** per law requirement
- ✓ Have a **water policy**, or an equivalent document that sets water targets and goals and how they could be implemented
- ✓ **Climate-related scenario analysis** to inform your long-term business objectives and/or your strategy for achieving them
- ✓ **Engage with your supply chain on water-related issues**

Supplier Sustainability Evaluation

- Supplier Assessment Questionnaire

Provides a universal format to evaluate supplier's management system capabilities embracing the following components:

Labor

Health & Safety

Environment

Ethics

Management system

- Supplier Sustainability Assessment Flow

Supplier Screening → Self Assessment Questionnaire → Risk Assessment → Sustainability On-Site Audit → Sustainability Assessment Report → Corrective Action Plan



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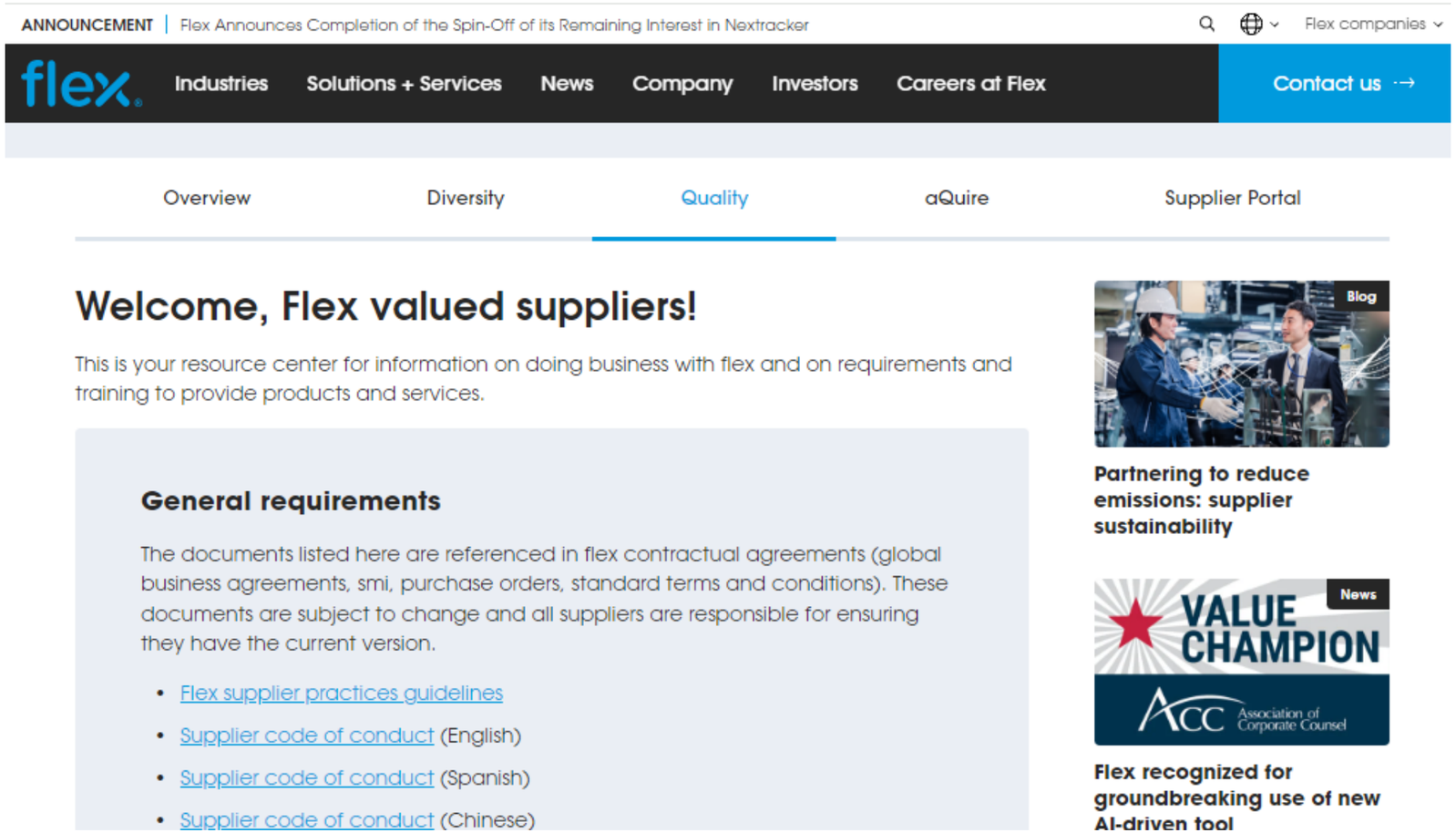
Supplier Sustainability Audit – Next steps for high-risk suppliers

For identified high risk suppliers, Corporate Sustainability team will conduct a revision of the case with cross functional team as GCMs, SSCMS and local Quality and Supplier Sustainability managers to determine next steps and make appropriate decisions, including but not limited to the following:

- **Supplier provide improvement plan** → final audit would be arranged
- **Remove suppliers from PSL list** → business reduction
- **Supplier replacement** → replace business with an alternate supplier
- **For suppliers with zero tolerance findings** → business relationship will cease immediately

PS. <u>Zero tolerance findings includes</u>: child labor, forced labor, bonded labor, inhumane treatment, imminent health and safety issues, imminent environmental risk, falsifying records and bribery.

Flex's Expectations for Suppliers



Flex External Supplier Information Website

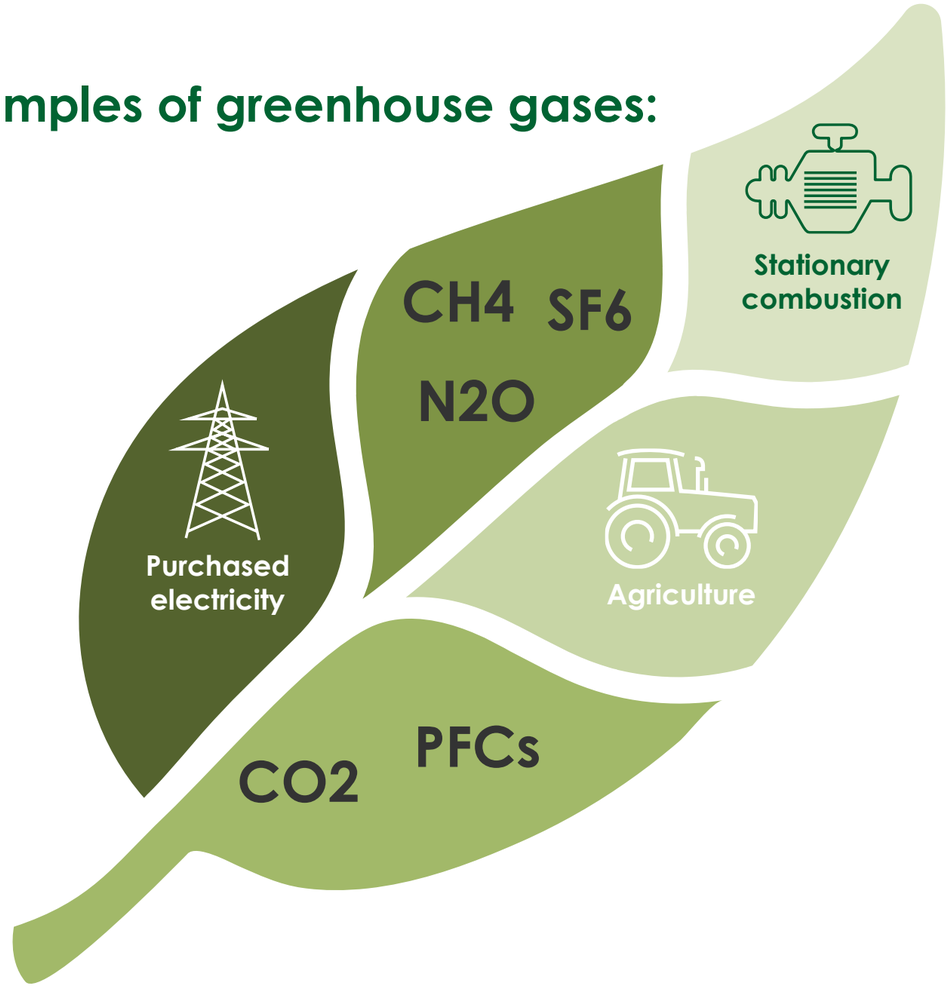
- Supplier Code of Conduct
- General Specifications on Environmental Compliance for suppliers
- Conflict Minerals Policy
- Supplier Sustainability Training



Greenhouse Gas Emissions

What are greenhouse gas emissions?

Some examples of greenhouse gases:



Greenhouse gases (GHG) can trap the heat from the sun which increases Earth's temperature, the unbalanced amount of GHG gases cause global warming and climate change.



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

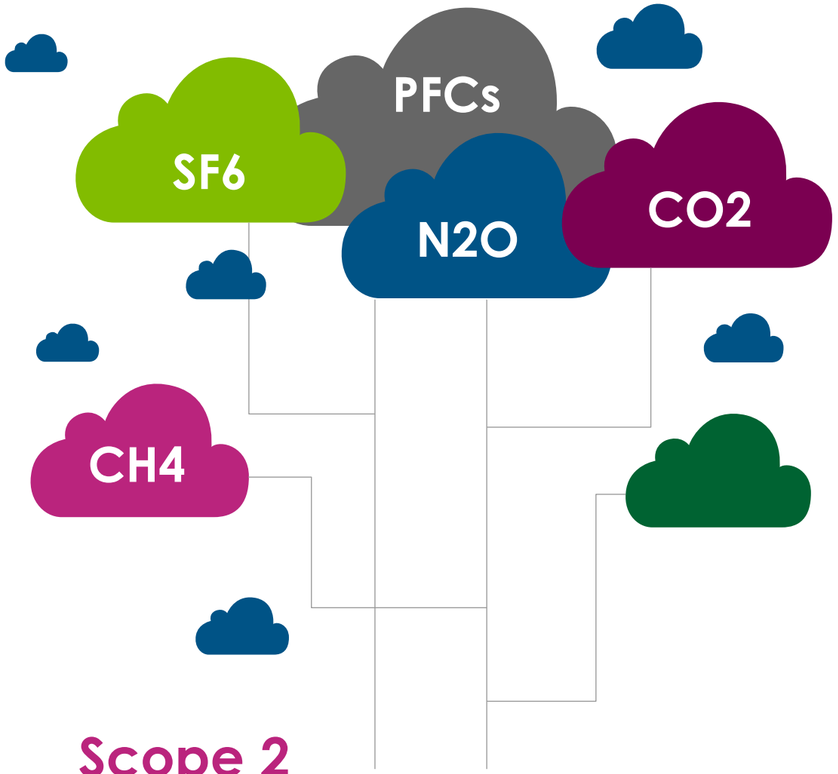
CO_2 : Carbon dioxide / SF: Sulphur hexafluoride / CH_4 : one atom of carbon and four atoms of hydrogen / N_2O: Nitrous oxide (laughing gas)

GHG Emissions scopes

Scope 1

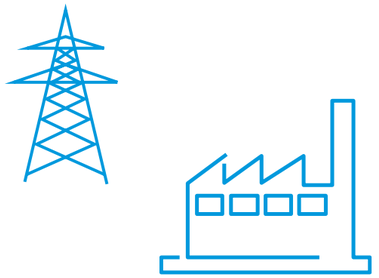
Direct emissions from fuel combustion and refrigerant leakage from company's owned facilities and vehicles and on-site manufacturing.





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

- Low-carbon energy generation → Solar panels, solar lamps, wind turbines
- Transportation vehicle effiiciency → Smart route programming, hybrid and electric fleet
- Fugitive emissions reduction → Refrigerant replacement, maintenance of leaks and abatement of PFCs

SCOPE 2

- Low-carbon energy consumption → Procurement of renewable energy and attributes
- Energy efficiency in buildings → Building controls, insulation and maintenance program
- Energy efficiency in processes → Equipment replacement, heat recovery systems, pressure system enhancement

SCOPE 3

- Waste reduction → No paper and disposables policy
- Material reuse and recycling → Usage of circular plastic

Scope 1
Direct GHG Emissions
0.06%

Scope 2
Indirect GHG Emissions
0.40%

Scope 3
Other Indirect Emissions
99.55%

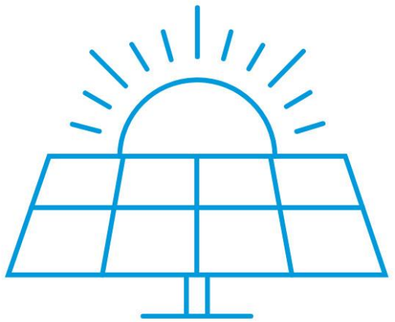
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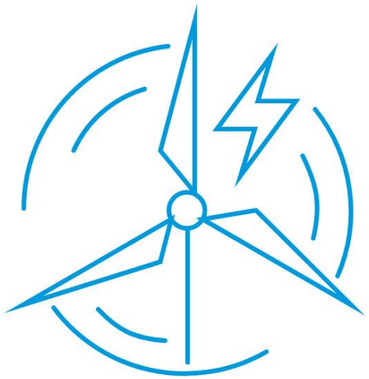


Renewable Energy

Renewable Energy

Renewable energy is any energy type that is generated from natural resources, this energy often comes from renewable energy technologies such as **solar energy, wind power, geothermal energy, biomass and hydroelectric power**. Each of these technologies works in different ways, whether that is by taking power from the sun, as with solar panels, or using wind turbines or the flow of water to generate energy.





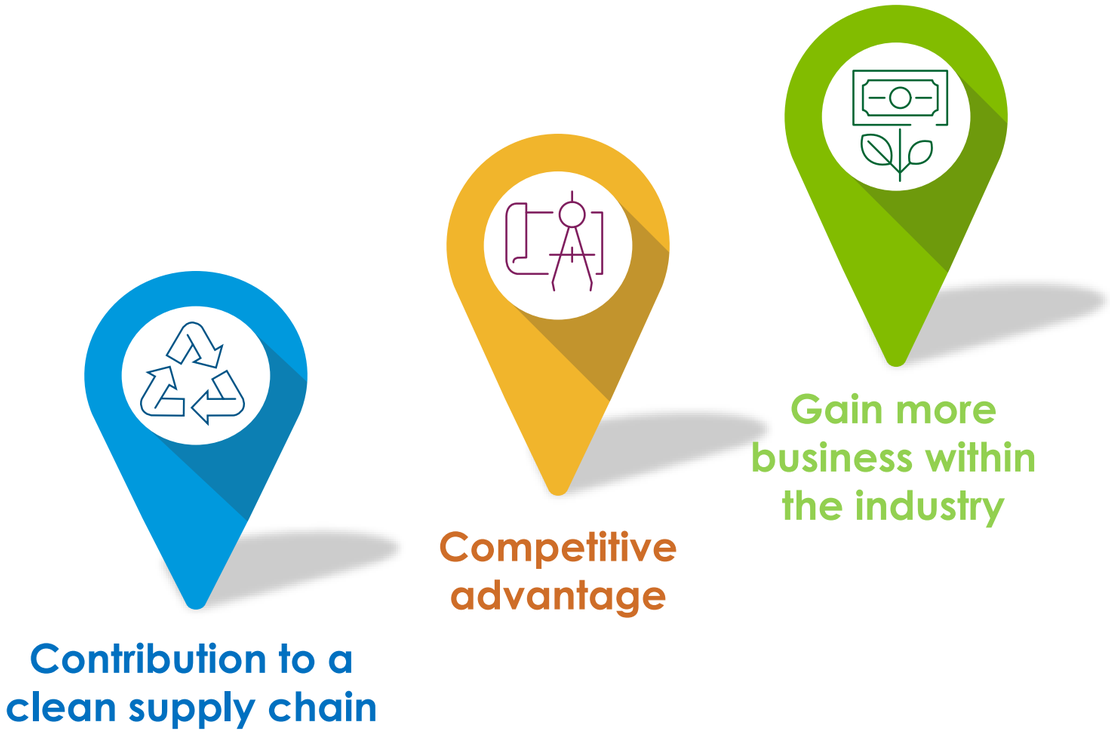
Renewable energy is important for the environment as it replaces the negative effects of fossil fuels with more environmentally-friendly alternatives. Derived from natural resources, renewable energy is also often clean, meaning that they emit no or few greenhouse gases and are often readily available.

Benefits of Consuming Renewable Energy

Any process in which renewable energy takes place on their energy related activities can be considered

Zero-Emission

> The industry's requirements tendency has shown that organizations who support sustainability programs such as renewable energy are creating a competitive advantage to attract more customers and investors.



Energy and Greenhouse Gas Management Program

Renewable energy (RE) and greenhouse gas (GHG) management programs improve energy efficiency, optimize processes and reduce CO_2e emissions.

These programs focuses on:

- Delivering renewable energy solutions and growing renewable installations, specifically solar, around the world
- Implementing energy-saving projects at facilities
- Installing energy-efficient HVAC systems
- LED light fixture replacements
- Improving maintenance programs and building control systems



Zhuhai, China

90,000 solar panels with
11.35 MW capacity

To learn more about Flex and it´s sustainability program feel free to browse
Flex Sustainability Page

Why your involvement is important







*As reported by Flex suppliers from 2021 to 2025
**With the contribution of 330 watts peak

What is in it for me as a supplier?



Measure & reduce environmental impact
and benchmark impact against peers



Identify cost savings
and areas to improve operational efficiency



Identify risks & opportunities
and communicate risk management practices



Propose collaborative opportunities
and increase value from customer relationships

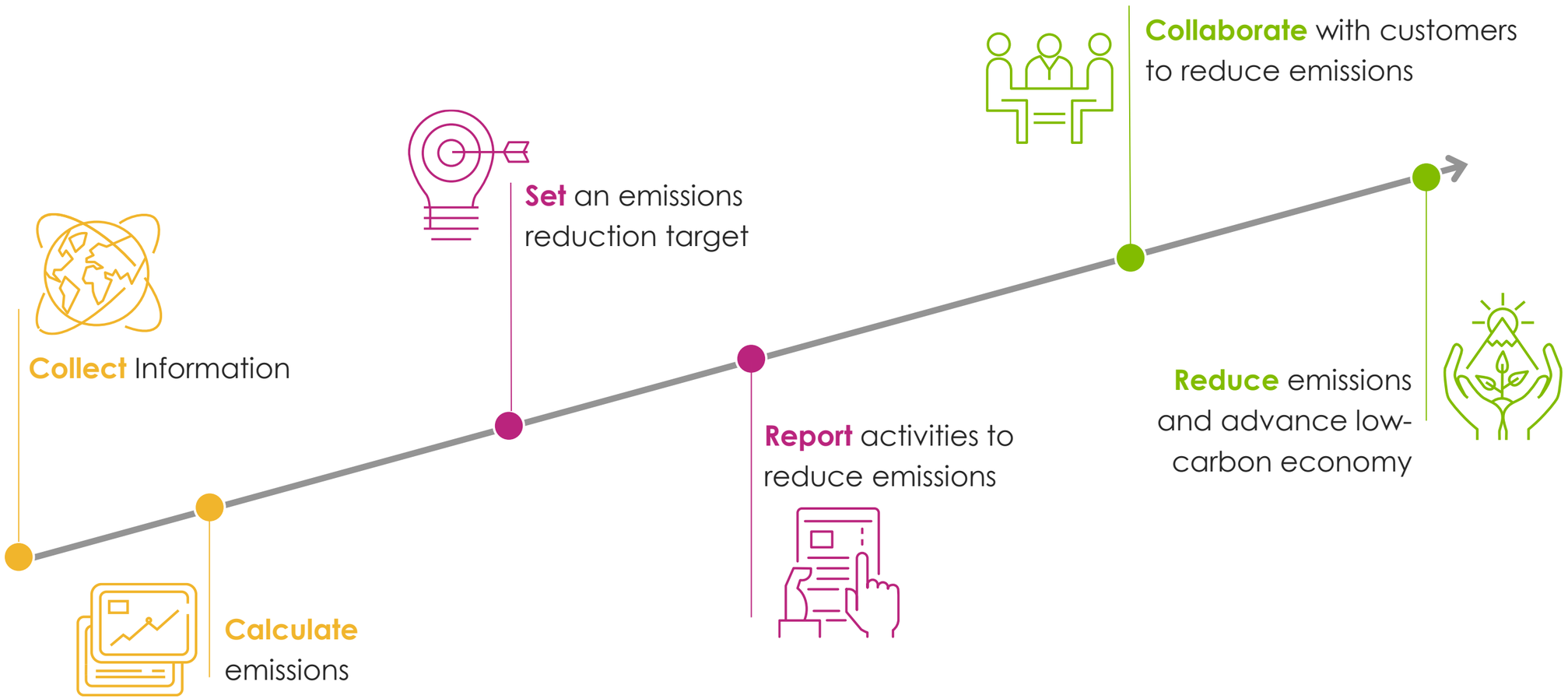


One response
for all customers and stakeholders



Demonstrate transparency
and operational competence to your customers

Road Map Process



Phase 1: Establish foundation	Phase 2: Build capacity	Phase 3: Improve performance



Flex Supplier Code of Conduct

and its requirements

a) Flex Supplier Code of Conduct

b) Highlights

c) Best Practices

d) Flex Ethics Hotline

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 **Flex Supplier Code of Conduct** Flex expects all 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. (i.e., labor agencies)

Five Sections

contained in Flex Code of Conduct

A, B, C

Outline standards for Labor, Health and Safety, and the Environment respectively

D

Provide the guidelines for Business Ethics

E

Outlines the elements of an acceptable system to manage conformity to the Flex Code



Flex Supplier Code of Conduct

A Labor

Suppliers should be committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community.

Suppliers should

- Provide freely chosen employment and **prohibit forced labor**
- **Prohibit child labor**
- Regulate **working hours**
- Pay and provide **appropriate wages and benefits**
- Prohibit inhumane treatment
- Prohibit discrimination
- Respect the right to freedom of association







Flex Supplier COC - Labor

- ## Prohibition of Forced Labor

(2) 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.

(4) 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.

(5) All work shall be **voluntary**, and workers shall be **free to leave work at any time or terminate their employment** without penalty if reasonable notice is given, which shall be clearly stated in workers' contracts. Suppliers shall maintain documentation on all leaving workers. 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. Notwithstanding the foregoing, employers can only hold documentation if necessary to comply with the local law. In this case, at no time shall workers be denied access to their documents.



(1) Forced labor in any form, including but not limited to, 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.

(3) all workers must be provided with **a written employment agreement in their native language**, or in a language the worker can understand, 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.

A

Labor

Flex Supplier COC - Labor

- ## Young Worker

No Hiring Child Labor

(1) **Child labor shall not be used in any stage of manufacturing**. The term "child" refers to **any person under the age of 15 (Chinese law defines as 16 years old**), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. **If child labor is identified, assistance/remediation shall be provided**.

Due Diligence

(3) **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.

No performing work that is likely to jeopardize health or safety

(2) 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 **implement an appropriate mechanism to verify the age** of workers.

Provide training to student workers

(4) The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. 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.

A Labor

Flex Supplier COC - Labor

01 Young workers are NOT allowed to:

- Perform overtime work or nightwork.
- Dust, high altitude, high temperature, low temperature operation;
- Fourth-level manual labor-intensive operations, assembly line operations greater than 50 times per minute;
- Contact with lead, benzene, mercury, formaldehyde, carbon disulfide and other operations that can easily cause allergic reactions.

02 The **regular medical examination** is carried out according to the regulation's requirements, and **the cost is borne by the company**

03 The employer shall **register the use of juvenile workers** according to local requirement.

04 Employers shall provide relevant **occupational health & safety education and training** to young workers before they take up their posts.

Notes for Young workers



A

Labor

Flex Supplier COC - Labor

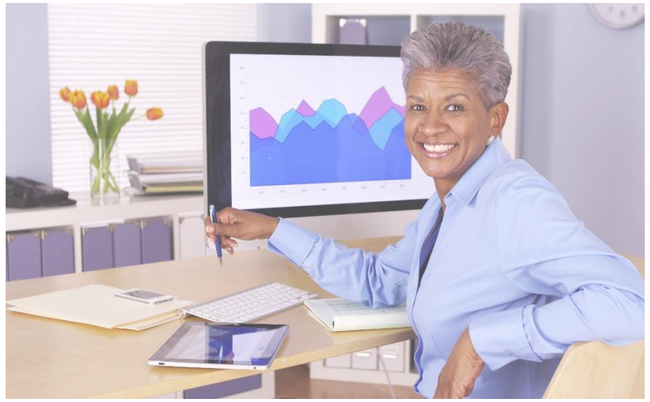
Working Hour

Working hours shall not to exceed the maximum set by local law

≤ 60H/week (including overtime)

At least one day off every seven days

All overtime shall be voluntary



Wage & Benefits

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.

Deductions from wages as a disciplinary measure shall **NOT permitted**

A timely and understandable **wage statement** is provided

All use of **temporary, dispatch and outsourced labor** shall be within the limits of the local law

A Labor

Flex Supplier COC - Labor

• Non-Discrimination/Non-Harassment/Humane Treatment

I. Suppliers shall commit to a **workplace free of harassment and unlawful discrimination.**

II. 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.

III. 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.

IV. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

V. Workers shall be provided with **reasonable accommodation for religious practices and disability.**

VI. 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).

A

Labor

Flex Supplier COC - Labor

• 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.
- **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**.
- In alignment with these principles, 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. Where the right of freedom of association and collective bargaining is restricted by applicable laws and regulations, workers shall be allowed to elect and join alternate lawful forms of worker representations.



Labor

Flex Supplier Code of Conduct

Suppliers must provide their employees with a safe and healthy workplace in compliance with all applicable laws and regulations



Suppliers should:

- Minimize environmental pollution and promote resource reduction
- Obtain environmental **permit & reporting** of requirements
- Control and manage **hazardous chemicals and substances** in products and manufacturing
- Promote **waste reduction**
- Control and manage air emissions
- Apply safety measures for equipment and instruments
- Promote industrial hygiene in the workplace
- Identify, evaluate, and control physically demanding work
- Properly manage disasters and accidents as well as manage emergency procedures
- Provide **clean, safe dormitories and canteens with emergency exits** as well as personal space

Flex Supplier COC – Health and Safety

Occupational Health and Safety



I. 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**.

II. 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.

III. 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 to provide **reasonable accommodations for nursing mothers.**

B
Health & Safety

Flex Supplier COC – Health and Safety

• Emergency Preparedness

I. 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**.

II. Emergency drills shall 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.



• Occupational Injury & Illness

I. Procedures and systems shall be in place to **prevent, manage, track and report occupational injuries and illnesses**, 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.

II. Suppliers shall allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.



B

Health & Safety

Flex Supplier COC – Health and Safety

• Industrial Hygiene

I. Worker exposure to chemical, biological, and physical agents shall be identified, evaluated, and controlled according to the Hierarchy of Controls. When hazards cannot be adequately controlled, **workers shall be provided with and use appropriate, well-maintained, personal protective equipment free of charge.**

II. Suppliers shall provide workers with safe and healthy working environments, which shall be maintained through **ongoing, systematic monitoring of workers' health and working environments**. Suppliers shall provide **occupational health monitoring** to routinely evaluate if workers' health is being harmed from occupational exposures.

III. Protective **occupational health programs** shall be ongoing and **include educational materials about the risks** associated with exposure to workplace hazards.

• Sanitation, Food, and Housing

I. Workers shall be provided with ready access to **clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities**.

II. **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 adequate conditioned **ventilation**, individually **secured accommodations for storing** personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.



B
Health & Safety

Flex Supplier COC – Health and Safety

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.

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.



B

Health & Safety



Health and Safety

- **Health and Safety Communication**

I. 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.

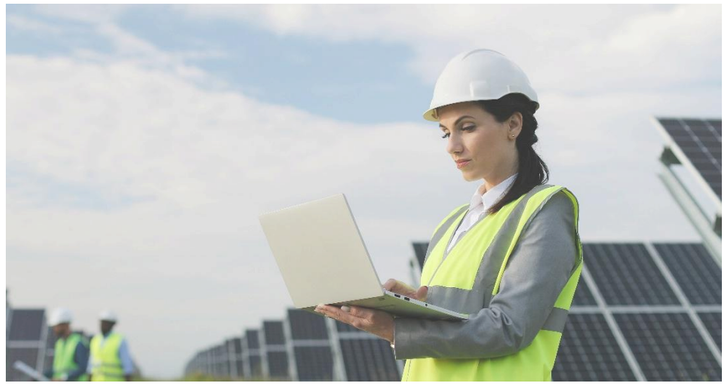
II. Health and safety related information shall be **clearly posted in the facility or placed in a location identifiable and accessible by workers**. Health information and training shall include content on specific risks to relevant demographics, such as gender and age, if applicable. Training shall 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**.

B
Health & Safety

Flex Supplier COC – Environment

• 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.



• Pollution Prevention & Resource Conservation

I. **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.

II. The use of natural resources, including water, fossil fuels, minerals and virgin forest products, is to be conserved or by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling or other means.

C

Environment

Flex Supplier COC – Environment

• Hazardous Substances

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



• Solid Waste

Participants 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.

• 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. Participants shall conduct routine monitoring of the performance of its air emission control systems.

Environment



Flex Supplier COC – Environment

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.

• Materials Restrictions

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

• 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.

• Energy Consumption and Greenhouse Gas Emissions

Suppliers shall establish and report against an absolute **corporate-wide greenhouse gas reduction goal**. **Energy consumption** and all relevant **Scopes 1 and 2 and significant categories of scope 3 greenhouse gas emissions** shall be **tracked, documented, and publicly reported** against the greenhouse gas reduction goal. Suppliers shall look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

Flex Supplier Code of Conduct



D Ethics

Suppliers are required to uphold the highest standards of ethics.

Suppliers must comply with all laws and regulations on bribery, corruption, and prohibited business practices.

Suppliers should:

- Operate businesses with impeccable business integrity
- Prohibit corruption and bribery
- Prohibit the receiving and offering of improper advantage
- Provide/disclose accurate information on products and services
- Respect intellectual property
- Prohibit impediment to fair, transparent, and free competition
- Protect identity and confidentiality

Flex Supplier COC - Ethics



1) Business Integrity

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

2) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage shall not 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 shall be transparently performed and accurately reflected on the Participant's business books and records. Information regarding participant's labor, health and safety, environmental practices, business activities, structure, financial situation, and performance shall 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.

D Ethics

Flex Supplier COC - Ethics



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** shall be maintained, unless prohibited by law. Suppliers shall have **a communicated process** for their personnel to be able to raise any concerns without fear of retaliation.

7) Responsible Sourcing of Minerals

Suppliers shall adopt a policy and exercise due diligence on the source and chain of custody of the **tantalum, tin, tungsten, gold, and cobalt** 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.

8) Privacy

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

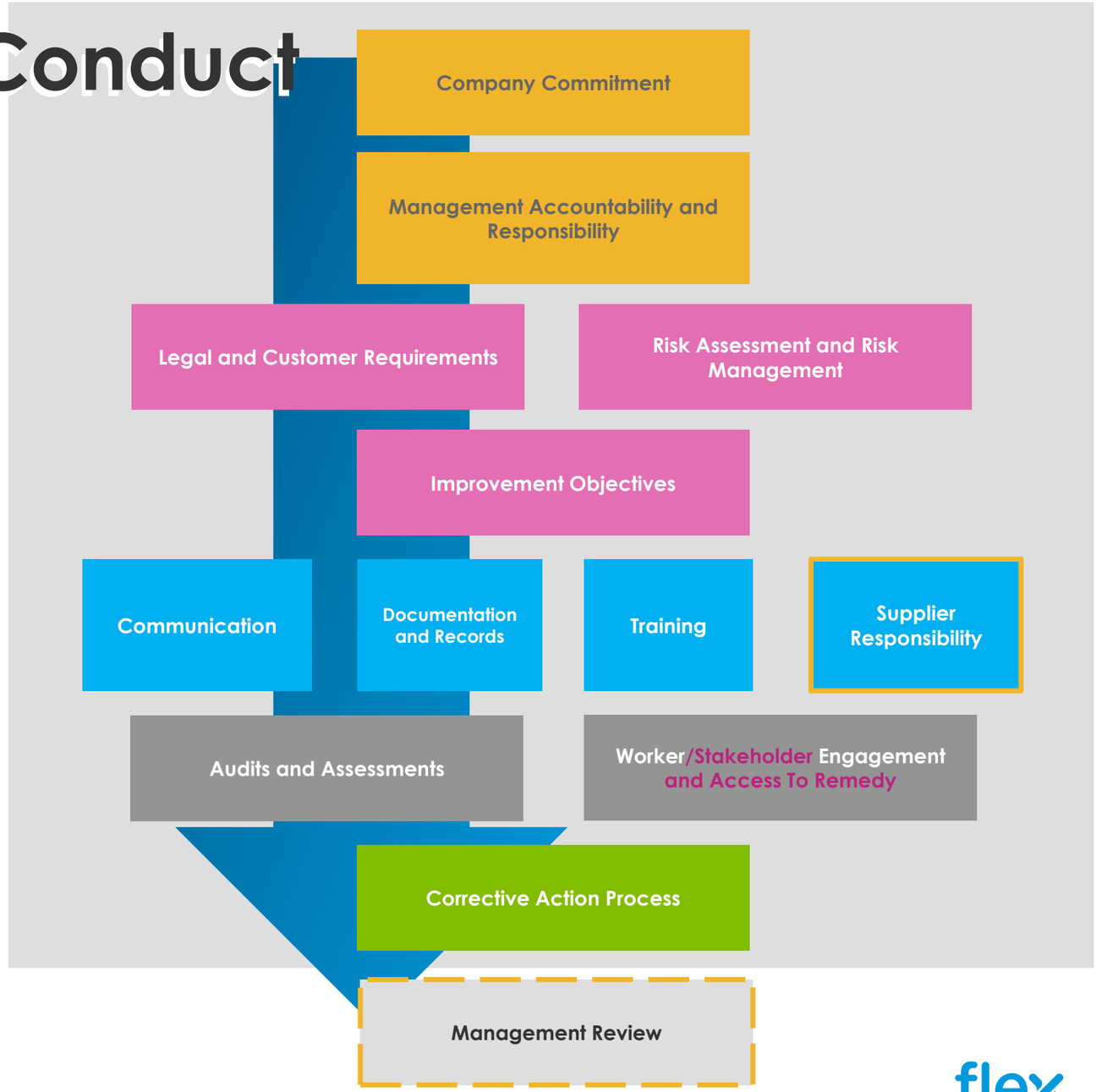
D Ethics

Flex Supplier Code of Conduct

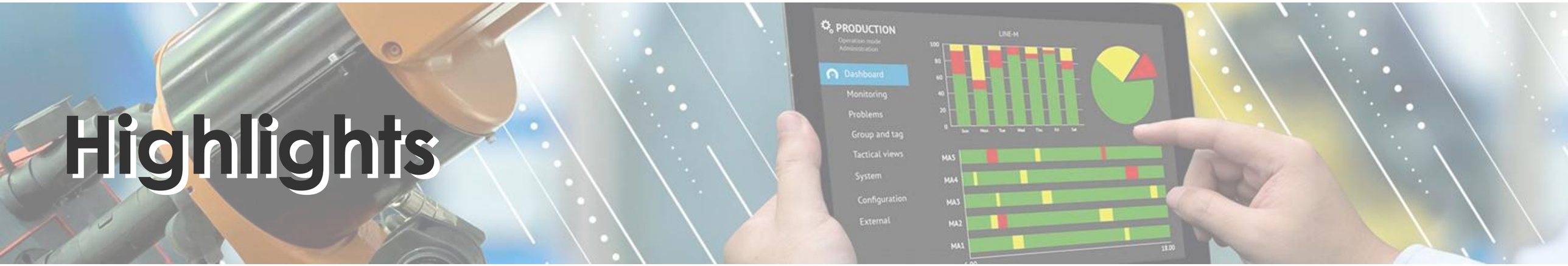
E Management system

The Supplier should adopt or establish a management system which is committed on supporting the principle of the Flex Code of Conduct.

- Compliance with applicable laws, regulations, and customer requirements related to the supplier's operation and product;
- Identification and mitigation of related operational risks;
- Facilitation of continuous improvement.



Highlights


PRODUCTION
Dashboard
Monitoring
Problems
Group and tag
Tactical views
System
Configuration
External
LINE-M
MA5
MA4
MA3
MA2
MA1

Highlight - Working Hours / Days Off Guidance

Working Hours Studies

- Worker reduces productivity
- Increased turnover and
- Increased injury and illness
- A workweek should not be more than **60 hours per week**, including overtime, except in emergency or unusual situations
- Workers shall be allowed **at least one day off in every seven days**



Emergency or Unusual Situations

Unpredictable events that require overtime in excess of legal or Flex limits.

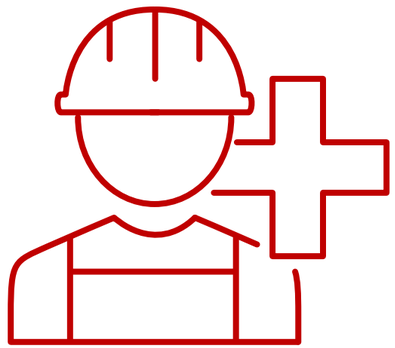
Examples

- Equipment breakdown, power failure or other emergency resulting in prolonged shutdown of a production line
- Unforeseen raw material or component shortages or quality issues that shut down production

Excessive overtime is then needed in both situations to recoup lost production time and meet customer commitments.

In all these cases **evidence of FEWER hours worked before** a period of excessive production in Emergency or unusual situation is **present and documented**.

Highlight - Working Hours / Days Off Guidance



When a situation is NOT categorized as “emergency” or “unusual”?





Examples

- **Peak season production demands and new product ramps.** Both of these are predictable and proper planning can minimize overtime requirements.
- **Contract change orders** that will significantly increase order volumes or shorten delivery timelines. This should be negotiated in good faith between the client, the location and the capacity of the location at a rate of 60 hours per week or the legal maximum work hour requirement for the location.

Overtime Work Improvement



Flex Criteria & Grading Matrix

- Local law is stricter than 60 hours/week

** No tolerance allowed if working hours are >84 hours/week

*** Legal non-conformance is rated a major non-conformance except if working hours are below 60h/week but above local law for≤40%m

- If you have a valid waiver from government (e.g., In China, a comprehensive working hours waiver allow facility to adjust workers' working hours within certain period), it is taken as "local law".
- The facility shall always follow the Flex requirement on weekly working hours, and these shall not be more than 60 h/week even with such waiver.

Additional specific rating:					
Work Hours/Week	% Of Sample Work Weeks (Total or Specific Area or Function or Nationality/region of origin)				
	≤1%	>1% to ≤5%	>5% to ≤15%	>15% to ≤40%	>40%
>84 hours/week	Priority				
>72 hours/week to ≤84 hours/week	Conformance	Minor	Major	Priority	Priority
>60 hours/week to ≤72 hours/week	Conformance	Opportunity for Improvement	Minor	Major	Priority
>Local law (stricter than 60 hours/week) to ≤60 hours/week	Conformance	Opportunity for Improvement	Minor*	Minor*	Major
< Local law (stricter than 60 hours/week) AND ≤60 hours/week	Conformance				
1. Young workers are found to be working in excess of the stricter of law or 60 hours per week 2. Young workers are working overtime 3. Young workers are doing night work	Priority				
Remote Verification Acceptable	NO				

Overtime Work Improvement



Flex criteria and the grading matrix

Consecutive Days	% of Sampled Workers (Total or Specific Area, Function or Nationality)			
	⩽1%**	>1% to ⩽5% of sampled workers	>5% to ⩽40%	>40%
⩾24 Consecutive Days	Priority			
>12 to <24 Consecutive Days	Minor	Minor	Major	Priority
>6* to ⩽12 Consecutive Days	Conformance	Minor	Minor	Major
⩽6* Consecutive Days	Conformance			

** Zero tolerance: continuous working ≥ 24 days

Overtime Work Improvement



Flex Supplier Working Hours Report Template

flex

Monthly Action Plan 每月改善计划

(Please fill this form and send it to Flex if the charts in sheet no. 2 & 3 shows that progress of the month failed to meet the committed Working Hours Improvement Plan 当No.2 和No.3页工时图标显示员工加班时数无法满足要求时请填写本表格并发送给Flex)

Supplier Company Name 供应商公司名称：

Site Address 厂区地址:

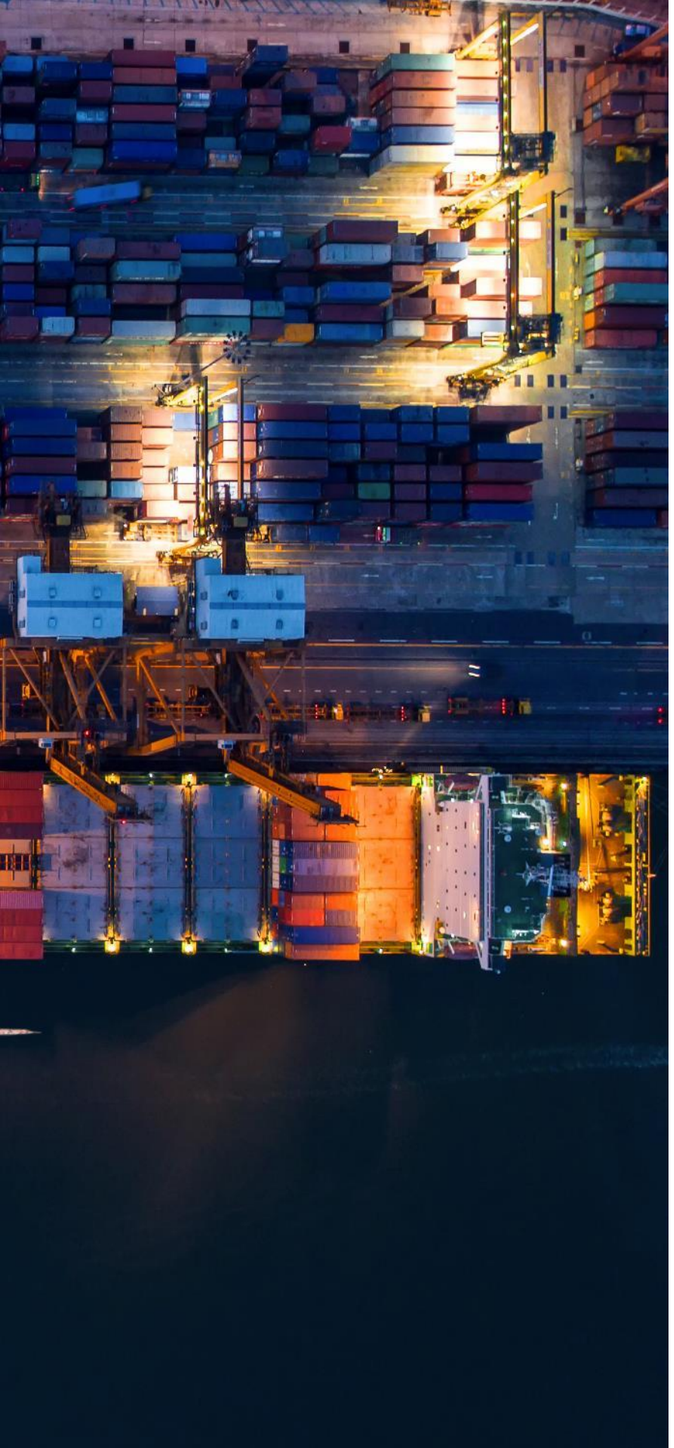
CSR in charge CSR 负责人： Tel. 电话 E-mail Address 邮件地址:

Month of Input 月份 (eg. JAN2020, FEB2020,...)	Planned Target of the quarter or month 之前计划达到的季度或月目标	Actual Progress 实际达成的状态	Root Cause of the deviations 未达成目标的原因	Action Plan for the next months 下月行动计划	Responsible Person 责任人	Status 状态

Corporate Quality — Supplier Working Hours Report Template

	A	B	C	D	E	F
1	Master Datasheet: Weekly Working Hours 每周工时记录表					
2						
3	Global Supplier Name 供应商母公司名称:		abc			
4	Local Supplier Name 供应商工厂名称：		abc			
5	Factory Location 工厂所在城市：		abc			
6	Worker Quantity 工人总数（管理和办公人员除外）：					
7	Date started 起始日期（第一周的周一）：		5-Jun-20	(DD-MMM-YYYY)		
8						
9	员工姓名	一级部门，分厂/车间	二级部门，生产线或班组	5-Jun-20	12-Jun-20	19-Jun-20
10	Employee	Facility	Production Line	Week 1	Week 2	Week 3
11						
12						
13						
14						
15						

flex



Other Highlight – Night Work



Group	Age	Night Work Time Period	References
Young Worker	< 16 years old (Not applicable in China)	include the interval between 10 PM ~ 6AM	*(ILO Convention 90)*
	16 < Age <18 years old	at least **7 consecutive hours** falling between 10 PM ~ 7AM	
Adult	≥ 18 years old	not less than **7 consecutive hours**, including the **interval from midnight to 5 AM**.	*(ILO Convention 171)*

Highlight - Fees



Workers shall NOT be required to pay fees for their employment.

(e.g.: Intermediary fees, medical examination fees, handling fees, training fees, brand work clothes, PPE, etc.)

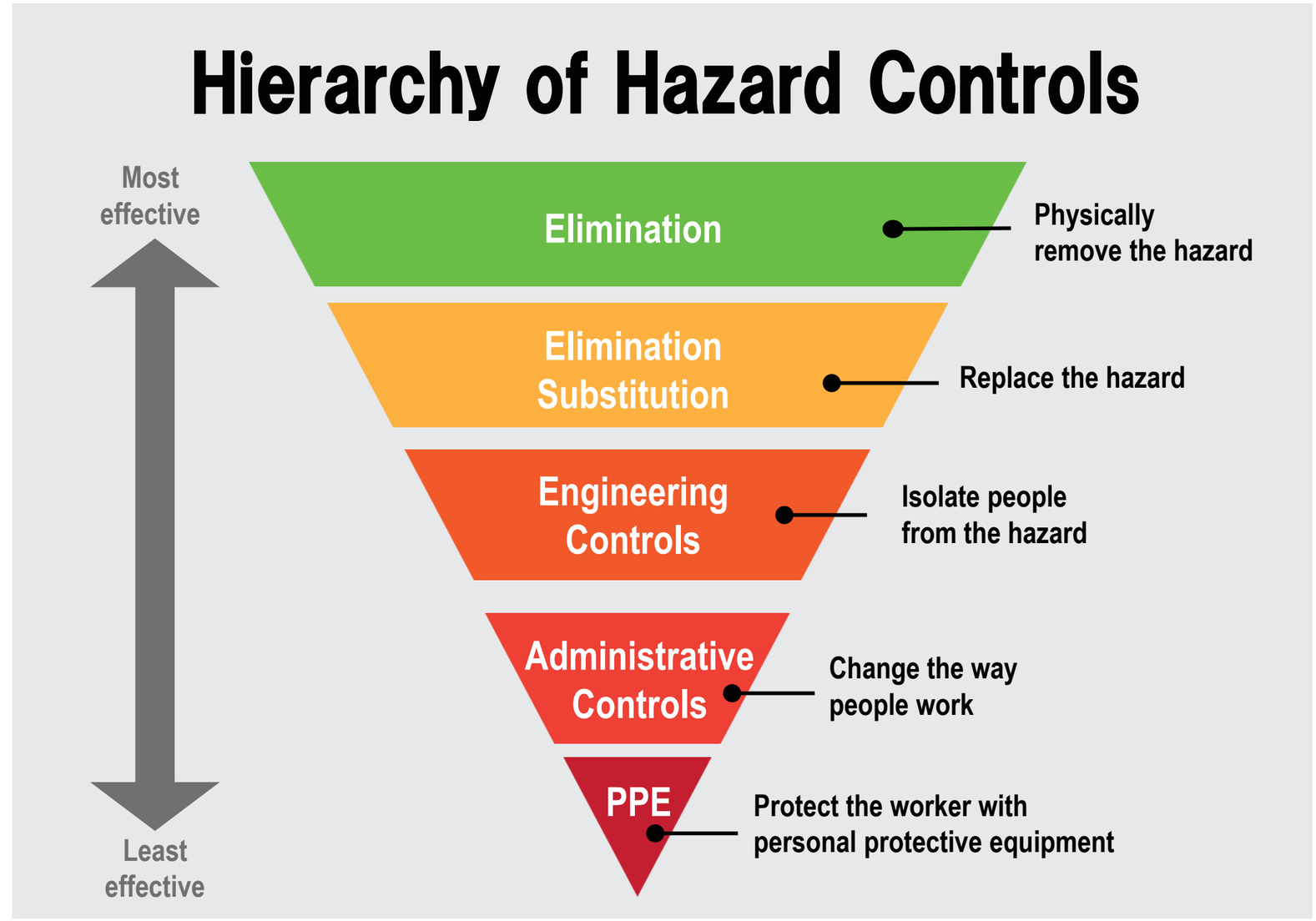


1. Employees shall not be required to request payment of application, recruitment, hiring, placement or processing fees at any time.
2. Once hired, employees do not need to pay any fees.
    a) Exception 1: If the worker travels back home before leaving the country, he should bear these costs
    b) Exception 2: If the worker makes an application and presents it to the company at the workplace, they will have paid or will pay some fees, such as passports, visa, residence permit, transportation expenses, and should not expect to be reimbursed as the employer is not in the country of origin, province, state or region looking for them
3. If the cost is not clearly listed in the cost definition or does not fall into any category, foreign and migrant workers should not pay any fees that local workers are unwilling to pay.
4. Workers can pay for basic items to prepare for the interview, such as resume preparation, photos, copies of existing documents and certificates, and miscellaneous expenses.

PPE: Personal Protective Equipment

Highlight - Hierarchy of Controls

Controlling exposures to occupational hazards is the **fundamental method** of protecting workers.



Best Practice – Health and Safety

Best Practice



Lockout instruction for machine safety



Emergency response equipment and Instructions



Best Practice – Health and Safety

Best Practice



Warning signs for chemical storage

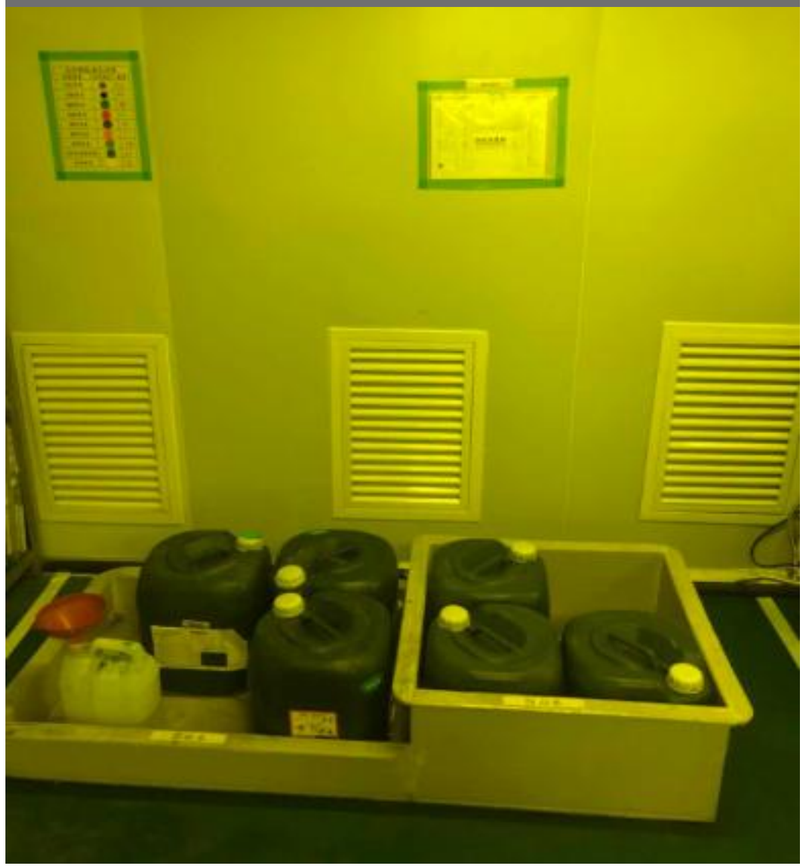


Fire-fighter equipment in chemical storage area

Best Practice – Health and Safety

Best Practice

Chemical storage in production floor



Chemical warehouse



Warning instructions in chemical storage area



Best Practice – Labor

Best Practice

Nursing room



Entertainment equipment



Detailed instructions on how to use face mask



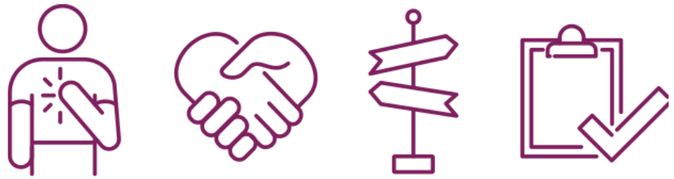
Flex Ethics Hotline

www.flexethicshotline.com

INTEGRITY

Is something wrong?

- Treated differently because of who you are?
- Unsafe working conditions?
- Denied a rest day?
- Bullied or threatened?



Speak up!

Contact the Ethics Hotline at www.flexethicshotline.com to anonymously report your concern.

Direct Dial: 400-600-2513

诚信

有什么不对劲吗?

- 因自己的身份而受到不公平对待?
- 工作条件不安全?
- 没有休息日?
- 受到霸凌或威胁?



直言不讳!

访问 www.flexethicshotline.com，匿名举报您发现的问题。

Phone: 400-600-2513

Q&A

CONTACT
flex.gpsc@flex.com

External supplier information webpage
Supplier Information - Supplier Quality | Flex