



CDP Water Security 2022

Table of Contents

W0. Introduction	2
W1. Current state	3
W2. Business impacts	8
W3. Procedures	8
W4. Risks and opportunities	10
W5. Facility-level water accounting	17
W6. Governance	27
W7. Business strategy	30
W8. Targets	32
W9. Verification	34
W10. Sign off	34

W0. Introduction

W_{0.1}

(W0.1) Give a general description of and introduction to your organization.

We are 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, we deliver technology innovation, supply chain and manufacturing solutions to diverse industries and end markets, including automotive, communications, energy, healthcare, and industrial, among others.

Sustainability including environmental, social and governance (ESG) have always been a core part of how we operate as a responsible manufacturer. Our long-term strategy, purpose statement, vision, mission and values reinforce our duty to positively contribute to the world, from designing and building our customers' products to continuously improving our day-to-day operations. Our advancement of sustainability includes aligning efforts with global initiatives to ensure progress across our footprint and beyond our four walls. We proudly offer low carbon products that allow other organizations to avoid Scope 2 emissions through solar energy, representing 5.12% of our total revenue. We are a participant in the world's largest sustainability initiative, the UN Global Compact, and in 2021, we reached the Global Compact's advanced level for second year in a

Our sustainability efforts have gained recognition from several organizations, including the Manufacturing Leadership Awards, Responsible Business Alliance, Frost and Sullivan and EcoVadis, a provider of CSR Ratings and Scorecards that awarded us the "Platinum Recognition Level." Sustainalytics ranked Flex #1 in the electronics manufacturing sub-industry category, and we were ranked in the top 50 globally out of approximately 13,000 companies overall. We achieved the highest disclosure and transparency score on ESG factors, recognized by the Institutional Shareholder Services Inc. (ISS), and received the Prime status in 2020. For the fifth consecutive year, we are a constituent of the FTSE4Good Index. Most recently and for the second year in a row, we qualified for inclusion in the S&P's Sustainability Yearbook. We were named to CDP's prestigious A list for water security for a second year, and received an A- for climate change in 2021. Flex was also recognized as a 2021 CDP Supplier Engagement Leader for its actions to measure and limit greenhouse gas emissions across its supply chain. This recognition, a company first, places Flex in the top 8% of companies who disclosed to the global environmental non-profit's full climate guestionnaire.

The value we bring and the progress we make toward a more sustainable future are enabled by our ~160,000 employees, who are committed to doing the right thing always for our customers, colleagues, shareholders and communities. We believe that a sustainable approach is not only essential to our business, but also the environment and our broader communities where we live and work. Our sustainability and ESG strategy and efforts identify our commitment to sustainable development across our framework that focuses on the world, our people and our approach to doing business. Our framework encompasses several pillars, including the environment, community, health and safety, inclusion and diversity, labor practices, suppliers, customers, ethics and governance. Our framework supports our 2030 goals and forms the foundation of global and local initiatives that continually inspire us to improve our corporate citizenship and workplace performance.

As our sustainability and ESG journey continues toward our 2030 goals, we remain focused on operating a responsible business, meeting the needs of all our stakeholders and delivering meaningful impact in our many communities as a trusted manufacturing partner, employer and investment of choice.

Note: In 2021, Nextracker is a fully owned Flex company. This reporting cycle is the first time Nextracker is responding to CDP. Nextracker has been incorporated into Flex Ltd.'s CDP responses in years prior and the data disclosed here is also reported under Flex's water data for 2021.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

		Start date	End date
Ī	Reporting year	January 1 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

China Malaysia

United States of America

W0.4

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	FLEX

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Direct use: The primary use for good quality freshwater in our direct operations is for sanitation and drinking water. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water. This is important to our business, because access to an affordable, reliable and adequate freshwater supply is required across our operations to meet customer needs. While our business is not water intensive, some of our operations are in water-stressed areas, and we are increasingly utilizing water management practices to reduce our freshwater withdrawals. For example, in recent years, we reduced our monthly water withdrawal costs by over 40% by replacing broken fixtures, installing self-shutting faucets, and through an awareness campaign at our Cebu Design Center. We also made upgrades to a wastewater treatment facility at our Austin site to increase its annual recycling capacity to 75 million cubic meters of water. In 2020, we saw significant reductions in water consumption by installing self-close water taps in the restrooms and canteen in our Skudai site. By piloting wastewater treatment systems and reducing freshwater water withdrawals in our direct operations, we anticipate our future dependency on freshwater to decrease. Indirect use: The primary use of freshwater in our indirect operations is for supplier manufacturing, sanitation, and drinking water. Supplier access to an affordable, reliable and adequate freshwater supply is important to the success of our business because it is required to meet customer needs. In 2020, we included questions specific to water management in our Supplier Assessment Questionnaire to better understand how our suppliers address water management issues. We do not anticipate future freshwater dependency among our suppliers to change because we do not anticipate their potable water needs will change.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	Direct use: The primary use for non-freshwater in our direct operations is for irrigation and cooling. This is important for our business because we have a select number of facilities that depend on recycled water as the primary water source. For example, in 2021, we focused our efforts towards assessing opportunities for water recycling, evaluating new technologies that can withdraw water from the air for use in our operations. We are excited to continue exploring new ways to decrease our water withdrawal. We invested in CAPEX 100,000 usd on water efficiency projects in 2021. For example, in 2021, we updated our Tijuana facility by a filtering system that allows water from the laundry area to be filtered and reused in the sanitary facilities of the plant. Also, to further reduce water, our site in Juareth installed an additional line for treated water in campus restrooms, allowing water recovered from the production processes to be treated and reused. We anticipate our future non-freshwater dependency to increase as we continue to invest in reclaimed water systems and purchase recycled water from third-party suppliers. Indirect use: The primary use of non-freshwater in our indirect operations is for supplier product manufacturing, global logistics, as well as cleaning, irrigation, and cooling. This is important for our supplier activities, as it reduces our suppliers' dependency on good quality freshwater, which is becoming an increasingly valuable and scarce resource. We anticipate future dependency on non-freshwater among our suppliers to increase as customer requests help drive water conservation activities and suppliers continue to invest in reclaimed water systems.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	Water withdrawals are quantified for 100% of sites within our operational control. For the vast majority of our sites, the method of measurement for water withdrawals is based on actual water bills/invoices and/or water meter records. Sites report data on a monthly basis, and a regional group validates, reviews, and approves the data. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site. In 2021, 94% of our total water withdrawals was based on actual water invoices.
Water withdrawals – volumes by source	100%	Water withdrawals by source are quantified for 100% of sites within our operational control. For the vast majority of our sites, the method of measurement for water withdrawals is based on actual water invoices received monthly or quarterly. Water invoices and total water withdrawals are reviewed annually. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site. In 2021, 94% of our total water withdrawals was based on actual water invoices. We monitor all of our water withdrawals by source when actual invoice data is available. We assume that all estimated water is withdrawn from third party sources.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<not applicable=""></not>	<not applicable=""></not>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<not applicable=""></not>	<not applicable=""></not>
Water withdrawals quality	100%	The quality of water withdrawals is monitored for 100% of our sites, primarily through our water utilities. We rely upon our utilities to provide suitable quality water. For the vast majority of our sites, 94% in 2021, the method of measurement for water withdrawals is based on actual water bills/invoices and/or water meter records. Sites report this data on a monthly basis, and a regional group validates, reviews, and approves the data. When actual water invoices are not available, we estimate water withdrawals based on the size and type of site.
Water discharges – total volumes	100%	Water discharges are monitored for 100% of our sites within our operational control. Sites report this data annually based on site-specific estimation as the method of measurement. When site-specific estimation for discharges is not available, discharges are assumed to be equal to withdrawals.
Water discharges – volumes by destination	100%	Water discharges by destination are monitored for 100% of our sites within our operational control. Sites report this data annually based on site-specific estimation as the method of measurement. When site-specific estimation for discharges is not available, discharges are assumed to be equal to withdrawals. The vast majority of our water discharge is to municipal/local off-site/common treatment facilities.
Water discharges – volumes by treatment method	1-25	We comply with our internal and external stakeholders' requests at the local and global level. Some of our sites have wastewater discharge permits requiring pretreatment of industrial waste. Those sites perform monitoring as required by their permits (wither specific or general) and submit self-monitoring reports. In some cases, the local authorities also take samples for compliance purposes. The vast majority of our water discharge is to municipal/local off-site/common treatment facilities.
Water discharge quality – by standard effluent parameters	1-25	We comply with our internal and external stakeholders' requests at the local and global level. Some of our sites have wastewater discharge permits requiring pretreatment of industrial waste. At these sites we perform monitoring as required by our permits (whether specific or general) and submit self-monitoring reports; in some cases, the local authorities also take samples for compliance purposes. The vast majority of our water discharge is to municipal/local off-site/common treatment facilities.
Water discharge quality – temperature	Not relevant	We do not run thermal processes; therefore, none of our sites are monitoring water discharge temperature. We do not expect this to be relevant in the future since we do not anticipate changing our business practices.
Water consumption – total volume	100%	Water consumption is monitored for 100% of our sites within our operational control. Water consumption is calculated by subtracting water discharge from water withdrawals as the method of measurement. Sites report on water withdrawal monthly and water discharge annually.
Water recycled/reused	100%	Water recycled/reused is monitored for 100% of our sites. Sites report this data on a monthly basis based on the rainwater catchment and water treatment system's readings as the method of measurement, and a regional group validates, reviews, and approves the data.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We provide fully functioning water, sanitation, and hygiene (WASH) services to all employees at 100% of our sites. As part of our daily custodial services, WASH services are monitored daily (frequency of measurement). WASH services are also cleaned daily (method of measurement). We comply with our internal and external stakeholders' requests locally and globally. We have dormitory, kitchen and cafeteria water standards. We require that each dormitory floor provides clean and safe drinking water and access to a hot water supply. All food preparation must be done with potable water. To recognize the importance of access to WASH, Flex signed the World Business Council for Sustainable Development (WBCSD) Pledge for Access to Safe Water, Sanitation and Hygiene at the Workplace in 2019. This pledge was made to commit to implementing access to safe water, sanitation, and hygiene at the workplace at an appropriate level of standard for all employees in all premises under our direct control.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)		Please explain
Total withdrawals	6143	Higher	In 2021, total water withdrawals were 6,143 megaliters. Water withdrawals increased 10% from 2020 to 2021 because of increased revenues and changes in production in 2021, leading to more water withdrawn. We consider any increase in water withdrawals, consumption, or discharges of 10-25% to be "higher" than the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business. Total withdrawals equals the sum of total discharges and total consumption (W = D + C), because discharges are estimated to be total withdrawals minus total consumption.
Total discharges	4628	Higher	In 2021, total water discharges were 4,628 megaliters. Water discharges increased 14% from 2020 to 2021 because of increased revenues and changes in production in 2021, leading to more water discharged. We consider any increase in water withdrawals, consumption, or discharges of 10-25% to be "higher" than the prior year. We anticipate future volumes to continue to remain about the same as in 2021 because we do not anticipate major changes in our business. Total discharges equals total withdrawals minus total consumption (D = W – C), because discharges are estimated to be total withdrawals minus total consumption.
Total consumption	1515	About the same	In 2021, total water consumption was 1,515 megaliters. Water consumption decreased 2% from 2020 to 2021, which is about the same, because both total withdrawals and total discharges increased due to increased revenue and production. Total consumption equals the sum of total withdrawals minus the sum of total discharges (C = W - D) because consumption is estimated to be total withdrawals minus total discharges. Therefore, because both withdrawals and discharges increased in approximate proportion amounts, consumption stayed about the same. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.

$\textbf{(W1.2d)} \ \textbf{Indicate whether water is with drawn from areas with water stress and provide the proportion.}$

Withdrawals	%	Comparison	Identification	Please explain
are from	withdrawn	with	tool	
water stress	with water	reporting		
	stress	year		
Yes	26-50	About the same	Aqueduct	i) WRI Aqueduct was applied to evaluate whether the water has been withdrawn from stressed areas. We entered the location of all our facilities in the WRI Aqueduct 3.0 water risk assessment tool. As part of our annual water risk analysis, we evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress and (2) represent more than 2% of our global sales. In 2021, we concluded that some
				of our facilities that consume the largest percentage of water are located in water stressed regions.
				When comparing with the previous reporting year: we found that the percent of locations stayed about the same. This is due to a similar facility list and less water withdrawn at high-risk facilities in 2021 compared to 2020. We consider any change in water withdrawals of less than 10% to be "about the same" as the prior year.
	are from areas with	areas with from areas water stress with water stress	are from areas with from areas with water stress with stress with water stress with water stress with water stress with water stress water stress with water stress with water stress with with previous reporting year.	are from areas with water stress with water stre

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	0.3	About the same	Fresh surface water is relevant to Flex because Flex withdraws rain water at a facility in Turkey, making up less than 1% of total withdrawals. In 2021, we withdrew 0.3 megaliters from this source, which is 0% lower compared to 2021. Water withdrawals from fresh surface water have not changed significantly from 2020 because our operations at our facility in Turkey have not changed significantly from 2020. We consider any change in water withdrawals of less than 10% to be "about the same" as the prior year.
Brackish surface water/Seawater	Not relevant	<not applicable=""></not>	<not Applicable></not 	Water from brackish surface water/seawater is not relevant because Flex withdraws 0% of its water from this source. Less than 1% of water withdrawals are from fresh surface water, 13% are from renewable groundwater, and 83% are from third party sources. As Flex has not used this water withdrawal source in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Groundwater – renewable	Relevant	852.7	Higher	Renewable groundwater is relevant to Flex because renewable groundwater makes up 14% of our total withdrawals. In 2021, we withdrew 852.7 megaliters from this source, which is 15% higher compared to 2020. Water withdrawals from renewable groundwater are higher than 2020 due to increased production leading to increased withdrawals at our facilities which use renewable groundwater. We consider any change in water withdrawals, consumption, or discharges of 10-25% to be "higher" than the prior year.
Groundwater – non-renewable	Not relevant	<not applicable=""></not>	<not Applicable></not 	Water from non-renewable groundwater is not relevant because Flex withdraws 0% of its water from this source. Less than 1% of water withdrawals are from fresh surface water, 13% are from renewable groundwater, and 83% are from third party sources. As Flex has not used this water withdrawal source in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Produced/Entrained water	Not relevant	<not applicable=""></not>	<not Applicable></not 	Water from produced/process is not relevant because Flex withdraws 0% of its water from this source. Less than 1% of water withdrawals are from fresh surface water, 13% are from renewable groundwater, and 83% are from third party sources. As Flex has not used this water withdrawal source in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Third party sources	Relevant	5290	About the same	Water from third party sources is relevant to Flex because water from third party sources makes up 86% of our total withdrawals. In 2021, we withdrew 5,290 megaliters from this source, which is 9% higher compared to 2020. Water withdrawals from third party sources are higher than 2020 due to increased production leading to increased water withdrawals at our facilities which use third party sources. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	158	Much higher	Discharges to fresh surface water is relevant to Flex because about 3% of Flex discharges are to surface waters. In 2021, we discharged 158 megalitiers to fresh surface waters, leading to a 61% increase compared to 2020. Water discharges to fresh surface water are much higher compared to 2020 because our facilities that discharge to fresh surface water increased production in 2021 compared to 2020. We consider any change in water withdrawals, consumption, or discharges of more than 25% to be "much higher" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
Brackish surface water/seawater	Not relevant	<not applicable=""></not>	<not Applicable></not 	Water discharges to brackish surface water/seawater is not relevant because Flex discharges 0% of its water to this source. 3% of water discharges are to fresh surface water, and 97% are to third-party sources. As Flex has not used this water discharge destination in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.
relevant Applicable> water, and 97% are to third-party sources. As Flex h same as prior years. We consider any change in wat			Water discharges to groundwater is not relevant because Flex discharges 0% of its water to this source. 3% of water discharges are to fresh surface water, and 97% are to third-party sources. As Flex has not used this water discharge destination in prior years, the volume of zero megaliters is the same as prior years. We consider any change in water withdrawals, consumption, or discharges of less than 10% to be "about the same" as the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.	
Third-party destinations	Relevant	4470	Higher	Discharges to third-party sources is relevant to Flex because about 97% of Flex discharges are to third-party sources. In 2021, we discharged 4,470 megaliters to third-party sources, leading to a 13% increase compared to 2020. Water discharges to third-party destinations are higher than 2020 due to increased production at our facilities which discharge to third-party destinations. We consider any change in water withdrawals, consumption, or discharges of 10-25% to be "higher" than the prior year. We anticipate future volumes to remain about the same since we do not anticipate major changes in our business.

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Please select	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	
Secondary treatment	Please select	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	
Primary treatment only	Please select	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	
Discharge to the natural environment without treatment	Please select	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	
Discharge to a third party without treatment	Please select	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	
Other	Please select	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	25400000000	6143	4134787.56307993	We anticipate that this efficiency will increase as revenue increases and water withdrawals decreases.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

1-25

% of total procurement spend

51-75

Rationale for this coverage

Our worldwide supply chain embraces roughly 16,000 direct, indirect and vertically integrated suppliers, most of whom are controlled by our customers. We focus our engagement on our top suppliers by spend included in our Preferred Supplier Program (PSP). We have selected these suppliers because we have strong relationships with them and will likely be able to influence their behavior on water-related issues. In 2021, there were 420 suppliers in our PSP, of which 79 % have been assessed via our Self-Assessment Questionnaire (SAQ). Flex's supplier SAQ contains questions related to the measurement, monitoring and existence of systems to reduce impacts from water use, discharge, air emissions (e.g., VOCs, ozone depleting substances, GHG emissions), energy use, waste, and hazardous materials.

We incentivize global PSP suppliers through a Preferred Supplier Awards program. The awards recognize outstanding performance, strategic value-add, excellent service, innovation and collaboration.

Impact of the engagement and measures of success

To be included in our PSP, suppliers must implement policies to ensure compliance with our Supplier Code of Conduct and be approved via our qualification process which covers an evaluation of business, quality systems, operations, engineering, environmental compliance, supply chain security, social and environmental responsibilities, and lean concepts. For example, suppliers in Flex's PSP measure, monitor and have systems in place to reduce water, discharge, emissions, energy, waste, and hazardous materials. We collect this information and use it to determine if to include a supplier in our PSP and whether they are eligible for our PSP Awards. PSP suppliers must complete our SAQ so we can validate their commitment to supporting the standards of environmental, social, and ethical issues. Flex measures of success: (1) % of PSP suppliers assessed, (2) % spend with PSP suppliers, (3) # suppliers completing SAQ, (4) # initial audits conducted, (5) # follow-up audits conducted

Comment

All suppliers must (1) implement appropriate and effective policies to ensure compliance with our Supplier Code of Conduct, which aligns with the Responsible Business Alliance Code of Conduct and (2) be approved via our supplier qualification process which covers several key elements, including business, quality systems, operations, engineering /design, product/ process environmental compliance, supply chain security, corporate social and environmental responsibilities, and lean concepts.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

While conducting business with or on behalf of Flex, our suppliers and our employees, agents, and subcontractors must understand and adhere to our Supplier Code of Conduct ("Code") which is based on ISO 14001 and the Eco Management and Audit System (EMAS) and is aligned with the Responsible Business Alliance (RBA) standards. We expect all our suppliers to implement appropriate and effective policies to ensure compliance with the code and all relevant laws and regulations. The 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.

Adoption of compliance to the Responsible Business Alliance Code of Conduct ("RBA Code") is fundamental to the code. The RBA embodies a set of standards on social, environmental and ethical issues in the supply chain. Our standards exceed those of the RBA Code. We require additional compliance with respect to the social and environmental responsibility requirements.

Impact of the engagement and measures of success

We are continuously monitoring our supply chain to ensure its compliance with our social and environmental standards which exceed RBA standards. Through supplier trainings, onsite audits, screenings, self-assessment questionnaires we ensure the continuity and effectiveness of supplier social and environmental activities and mitigate potential risks. Beneficial outcomes include: (1) increased awareness and improved supplier reporting (2) supply chain resiliency, and (3) reduced supply chain risk.

Flex's measures of success include: # suppliers screened using RBA tool, % increase in supplier due diligence assessments from previous year, # completed social and environmental assessments, # trained and certified Flex social and environmental supplier auditors and % increase from previous year, # Flex Labour agents assessed, # suppliers trained on social and environmental / RBA requirements, # new suppliers screened using social and environmental criteria, # onsite audits.

In 2021, 741 new global suppliers were screened using RBA tool; there was a 8.67% increase in supplier due diligence assessments from previous year; 2,419 social and environmental assessments were completed; and 424 suppliers were trained on social and environmental / RBA requirements. In 2021, 13 labor agencies used for dispatched workers last year 2021, which are located in China, were physically audited. Agents are approved or rejected as Flex partners with suppliers based on their audit results, and only approved agents are able to conduct business with our organization.

Comment

Type of engagement

Innovation & collaboration

Details of engagement

Educate suppliers about water stewardship and collaboration

% of suppliers by number

1-2

% of total procurement spend

51-75

Rationale for the coverage of your engagement

We convey our requirements to suppliers through due diligence assessments, on-site audits, and social and environmental training. In 2021, our supplier due diligence assessments increased by 8.67% from 2020, totaling 2,419 completed social and environmental assessments. In 2021, we conducted 167 initial audits (including 37 remote and 130 onsite) and 8 follow-up audits (including 4 remote, 4 onsite) Trainings provide a critical opportunity for us to strengthen our relationship with suppliers and further encourage innovation to reduce climate impacts. They create an opportunity for us to meet face to face for information sharing and discussion. In 2021, 695 attendees, representing 424 suppliers, received training on our social and environmental expectations for suppliers, our Supply Chain Social and Environmental Management Program, and the updated RBA standards, including the GHG program providing some overview and concepts about it. Due to COVID-19 all the trainings were conducted online. We selected these suppliers because they were (1) local to our campus, (2) represented a diverse cross-section of our supplier base, or (3) were labor agency suppliers.

Impact of the engagement and measures of success

We convey our requirements to suppliers through on-site social and environmental training. In 2021, Flex conducted online trainings in Shenzhen, Zhuhai, Americas and Europe regions. We reached 424 suppliers and 695 supplier personnel. Beneficial outcomes of trainings include: (1) increased understanding of Flex social and environmental expectations for suppliers, our Supply Chain Social and Environmental Management Program, and the updated RBA standards and (2) sharing of best practices on social and environmental management, and (3) risk mitigation. Since 2010, more than 5,294 personnel have been trained on the Flex and RBA social and environmental standards

Flex measures of success include: # and type of suppliers trained, # of personnel trained, percent increase in suppliers trained from previous year, # locations where trainings were held, percent of supplier base covered by trainings, # due diligence assessments, # onsite audits, # follow-up audits, # new supplier screenings.

In 2021, 695 personnel were trained. We also conducted 2,419 due diligence assessments and 741 new global supplier screenings. In 2021, 13 labor agencies used for dispatched workers last year 2021, which are located in China, were physically audited. Agents are approved or rejected as Flex partners with suppliers based on their audit results, and only approved agents are able to conduct business with our organization. We also pivoted to conduct more of our supplier audits remotely. Throughout last year, we conducted 167 initial audits (including 37 remote and 130 onsite) and 8 follow-up audits (including 4 remote, 4 onsite) focused on suppliers located in high-risk.

Comment

Engaged Partners and Rationale: Flex values feedback and input from our internal and external stakeholders, which include, but are not limited to, employees, customers, shareholders, potential investors, suppliers, subcontractors, labor agents, governments/regulatory agencies, unions, NGOs and industry associations. Using customer surveys, business reviews, materiality assessments and regular collaboration we are able to gain understanding of our stakeholder's vision to drive success. Our engagement strategy provides opportunities to align on sustainability goals where we can collaborate to make industry-wide impact.

Engagement Method and Strategy: Based on stakeholder concern, we regularly update our materiality assessment and publish information based on requests for qualitative and quantitative sustainability information, including water withdrawal and water management. We use multiple communication channels to inform stakeholders, including written communication, meetings, tradeshows, regular and specialized reports, contracts, surveys, and other methods. Engagement may be daily, monthly, quarterly, annually or as needed to keep an open dialog with all stakeholders. We strive to incorporate our stakeholders' priorities into our business and corporate sustainability strategy. In 2021, materiality topics key to our stakeholders included emissions, energy, waste, and water management, among others. Each year, we publish our annual Sustainability Executive Report and online GRI content index to share information on our progress, including that on water usage

Measures of Success: Flex measures of success include (1) frequency of engagement with our customers and other partners in our value chain, (2) # of tradeshows, events and conferences attended per year, (3) # of customer visits to Flex customer innovation centers.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Nο

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market

Enterprise risk management

International methodologies and standards

Databases

Othe

Tools and methods used

WRI Aqueduct

Internal company methods

External consultants

Other, please specify (Responsible Business Alliance (RBA) Code of Conduct)

Contextual issues considered

Water availability at a basin/catchment level

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Employees

Investors

Local communities

Water utilities at a local level

Other water users at the basin/catchment level

Commen

We require all our sites to adopt our social and environmental management system to identify, assess and manage water-related risks. We also conduct annual global water risk assessment using WRI Aqueduct. As part of this assessment, we identify which locations (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress, and (2) represent more than 2% of our global sales. In 2021, we concluded that some of our facilities that consume the largest percentage of water are in water stressed regions. Results from operational risk assessments are reported quarterly to the VP of CREF and the Head of Sustainability and discussed with Audit and Risk Management Services (ARMS). Our annual ERM process includes input from compliance-area owners and interviews with senior management from across our business. Key risks are flagged by region and prioritized for mitigation based on impact and likelihood.

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market

International methodologies and standards

Tools and methods used

Other, please specify (Responsible Business Alliance (RBA), Elevate Limited, Responsible Business Alliance Code of Conduct)

Contextual issues considered

Implications of water on your key commodities/raw materials

Stakeholders considered

Suppliers

Commen

We require our suppliers to follow our Supplier Code of Conduct and have a management system in place to ensure the continuity and effectiveness of their social and environmental activities, and to mitigate potential risks. We convey our requirements to suppliers through due diligence assessments, on-site audits, and social and environmental training. In 2021, our supplier due diligence assessments increased by 8.67% from 2020, totalling almost 2,500 completed social and environmental assessments. We screen new suppliers by auditing health and safety, environmental, business ethics and management systems data, using Elevate Limited, a tool provided by the Responsible Business Association. In 2021, we conducted 167 initial on-site audits and 8 follow-up audits. In 2021, we included water-specific questions in our supplier self-assessment questionnaire to better understand how our suppliers measure and address their water-related risks and implement water management.

Value chain stage

Other stages of the value chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Other

Tools and methods used

Materiality assessment

Other, please specify (Onsite audits)

Contextual issues considered

Water availability at a basin/catchment level Implications of water on your key commodities/raw materials Water regulatory frameworks Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Employees

Investors

NGOs

Regulators

Suppliers

Comment

Flex values feedback and input from our internal and external stakeholders, including our employees, customers, shareholders, potential investors, suppliers, subcontractors, governments/regulatory agencies, unions, Non-Governmental Organizations and industry associations. We respond to all concerns identified during the engagement process, and every year, we update our materiality assessment based on requests for information from stakeholders. Other water-related engagements include our labour agent sustainability assessments. For example, we have performed social and environmental on-site audits on our major labor agents in China since 2015. Agents are approved or rejected as Flex partners with suppliers based on their audit results, and only approved agents are able to conduct business with our organization. The most common issues found during these audits are related to payroll accuracy and transparency. In 2021, 13 labor agencies used for dispatched workers last year 2021, which are located in China, were physically audited. Agents are approved or rejected as Flex partners with suppliers based on their audit results, and only approved agents are able to conduct business with our organization.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Level of coverage: Our facilities include an extensive network of design, engineering, manufacturing, and logistics in 30 countries, across more than 100 locations. Our worldwide supply chain embraces roughly 16,000 direct, indirect and vertically integrated suppliers, most of whom are controlled by our customers. Our company-wide risk identification and assessment process therefore encompasses the following potential water-related risks: current and emerging regulatory requirements; new customer requirements; diminished/interrupted supply or reduced quality of water, raw materials or components; brand/ reputation; and potential business interruption or facility damage, including those from frequent and/or extreme weather events.

Risk in direct operations: Our Sustainability and Corporate Real Estate and Facilities (CREF) teams collaborate to identify issues, interpret specific climate and water-related regulations and customer requirements, assess potential impacts, and ensure necessary resources are in place to mitigate potential risks at the regional- and site-level in all locations where we operate. All global sites are required to adopt and implement our social and environmental management system, to methodically identify, address, mitigate, and control site-level risks. Employees, investors, customers, local communities, water utilities, and other water users are included in our risk considerations as they are critical to our business operations and will be directly impacted by relevant physical, regulatory, and reputational risks identified at the basin level. All sites are audited against our social and environmental audit protocol, using our internal company methods, external consultants, and third-party sustainability assessments. The Sustainability team and CREF conduct annual global water risk assessments using WRI Aqueduct. We evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress, and (2) represent more than 2% of our global sales.

Risk in our supply chain: To identify and assess risks in our supply chain, we continuously monitor our supply chain to ensure its compliance with our social and environmental standards which exceed RBA standards. We require our suppliers to follow our Supplier Code of Conduct and have a management system in place to ensure the continuity and effectiveness of their social and environmental activities, and to mitigate potential risks. Through supplier training, onsite audits, screenings, and self-assessment questionnaires, we are able to identify potential risks and flag sites for potential compliance audits to monitor implications of water on your key commodities/raw materials. In 2021, our supplier due diligence assessments increased by 8.67% from 2020, totalling almost 2,500 completed social and environmental assessments. We screen new suppliers by auditing health and safety, environmental, business ethics and management systems data, using Elevate Limited, a tool provided by the RBA that integrates global risk analytics to assess supplier environmental and social compliance risk exposure. In 2021, we conducted 167 initial audits and 8 follow-up audits.

Risk in other parts of the value chain: In addition to the operational and supply chain risk assessments outlined above, we also identify and assess risks via annual updates to our materiality assessment. We consider water availability, implications of water on our key materials, regulatory aspects, and WASH factors in these materiality assessments to cover a range of topics considered important to our stakeholders. This process is based on requests for information from stakeholders (e.g., employees, customers, shareholders, investors, suppliers, subcontractors, regulatory agencies, unions, non-profits, industry associations). In order to determine which sustainability topics are most material to our business, we identify topics with the greatest influence for stakeholders, analyze feasibility of impact and influence for stakeholders, filter potential topics by geographic scope, and identify functional areas to validate material topics. Through our 2021 materiality assessment process, we identified, among other issues, emissions, energy, waste, and water management risks as material for our business.

How the outcomes of the risk assessment are used to inform the internal decision-making process: Results from Sustainability team, operational and supply chain assessments are reported quarterly. Our annual ERM process includes input from compliance-area owners and more than 100 interviews with senior management from across the business. Key risks identified through this process are flagged by region and prioritized for mitigation based on impact and likelihood. Top risks are reported to the Executive Leadership Team (ELT) and the Audit Committee of the Board of Directors for further evaluation and mitigation.

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Flex evaluates risks based on potential impact and likelihood.

A definition of 'substantive financial or strategic impact' when identifying or assessing water-related risks: For CDP reporting purposes, we define a substantive financial impact as one that could create a \$15M to \$25M charge to our statement of operations, resulting in a three to five penny per share negative impact, therefore the measure used to identify substantive change is the decrease in share value. The threshold of change in this measure is a three to five penny per share negative impact.

A description of the quantifiable indicator(s) used to define substantive financial or strategic impact: The description of the quantifiable indicator used to define substantive financial or strategic impact: a one penny loss in earnings per share for every five million USD loss in our revenue, meaning that any event that hits our revenue up to five million USD would result in a loss of one penny per share.

Example: An example of a substantive impact considered is extreme water-related events with the potential to disrupt our business operations such as severe storms or flooding. This could also affect our ability to provide reliable customer service, could delay our product delivery, and impact our customers' business continuity, resulting in additional reputational impacts that we are unable to quantify currently.

Water-related risk to our operations is strictly due to interruption or curtailment or facility damage from severe storms or flooding, as opposed to water costs. Although most of our business processes do not depend on large quantities of water, we do require a sufficient supply in order to run our business. If our operations were to experience an event (in the form of an interruption) where we could not receive sufficient water, we could face significant limits to production. The more probable impacts would be to ancillary operations, e.g. dormitories housing our workers, as opposed to production. There are also potential impacts in our supply chain as some of those operations are more water intensive. We conduct an annual water risk assessment using WRI Aqueduct. As part of our annual water risk analysis, we evaluate locations that (1) are potentially exposed to high or extremely high risk to drought, flood or baseline water stress, (2) represent more than 2% of our global sales. In 2021, we concluded that some of our facilities that consume the largest percentage of water are located in water stressed regions.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

		% company-wide facilities this represents	Comment
Row 1	10		While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities (e.g. our megacampus in Zhuhai China) have large strategic significance.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Mexico Other, please specify (Santiago Guadalajara)

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Area & River basin

United States of America Other, please specify (Coyote)

Number of facilities exposed to water risk

4

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Area & River basin

Malaysia Other, please specify (Kurau/Beruas)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Area & River basin

India Other, please specify (Delta)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Commen

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

China

Other, please specify (Lake Tail Hu)

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Area & River basin

Romania	Other, please specify (Tisza)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Commen

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Area & River basin

China	Other, please specify (Xi Jiang)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

Country/Area & River basin

Mexico	Other, please specify (Verde Grande)
IVIEXICO	Other, piedase specify (verde Otalide)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

While the number of facilities is modest compared to the number of sites in our overall footprint, some of these facilities have large strategic significance.

W4.2

W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

China	Other, please specify (Xi Jiang)

Type of risk & Primary risk driver

Acute physical	Cyclone, hurricane, typhoon

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Company specific details about how the impact identified affects our direct operations: Climate related hazards and acute shocks associated with cyclones and floods could have a material adverse impact on our direct operations and financial results across our extensive network of Flex-specific design, engineering, manufacturing, and logistics facilities located across 30 countries. We could experience business interruptions indirectly, as a result of service interruption from utilities, transportation or telecommunications providers, as well as directly, as a result of disrupted manufacturing operations. Reduced production due to business interruption can affect our ability to timely deliver products to our customers, or perform critical business functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations. The most recent storm that significantly affected our business took place in August 2017. Our factory in Zhuhai, China, was exposed to a storm surge associated with Typhoon Hato that caused severe flooding and wind gusts that reached 150 mph. As a result, \$10M in losses were incurred at our Zhuhai factory, including business interruption for both shipments and supplies, as well as physical damage to our facilities. As one of our largest manufacturing facilities measuring over 5.5M square feet, our Zhuhai factory is critical to operations.

Timeframe

Current up to one year

Magnitude of potential impact

Medium

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

15000000

Potential financial impact figure - maximum (currency)

25000000

Explanation of financial impact

Financial impacts can include potential closure of operations, facility repair costs, lost work time, increased utility costs, lost revenue, damaged equipment, lost inventory, and increased insurance premiums. The financial impact is expected to range between \$15M and \$25M, which is equal to our typical insurance deductible. It exceeds our threshold for substantive financial impact estimated based on three to five penny per share negative impact (i.e., any event that impacts our revenue up to five million USD). This estimated financial impact is based on an assessment by subject matter experts within Finance, Corporate Treasury, Corporate Real Estate and Facilities (CREF), Sustainability, and business continuity teams. The company maintains insurance that mitigates the high end of financial impacts.

Primary response to risk

Amend the Business Continuity Plan

Description of response

While we maintain business recovery plans that are intended to allow us to recover from natural disasters or other events that can be disruptive to our business, some of our systems are not fully redundant, and we cannot be sure that our plans will fully protect us from all such disruptions. We maintain a program of insurance coverage for a variety of property, casualty, and other risks. Losses not covered by insurance may be large, which could harm our results of operations and financial condition. After Typhoon Hato impacted our Zhuhai China factory in 2017, we compiled lessons learned and developed mitigating steps to reduce potential facility impacts and keep employees safe during future storms, including: establishing a center of command and emergency response team; inspecting and reinforcing facilities, water tanks and back-up power sources; developing recovery plans with key suppliers to reduce down time; and minimizing activities during storms, sending our employees home, and stock piling food and water inside buildings for those unable to go home.

Cost of response

0

Explanation of cost of response

Capital and expense planning are parts of our normal budgetary cycle. As we adjust our strategy to address risks, we naturally incorporate those strategies into our spending, e.g., by adding features to new facilities, upgrading and/or repairing current facilities, disaster planning, etc. Managing physical risks in our operations falls within the normal course of business and incurs zero incremental costs.

W4 2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

India Other, please specify (Palar Ponnaiyar)

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Acute physical	Storm (including blizzards, dust and sandstorm)

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

We may be adversely affected by shortages of required electronic components. From time to time, we have experienced shortages of raw materials and electronic components. These shortages may be caused by events outside our control, including, but not limited to, natural or environmental occurrences such as severe storms or floods which impact our supply chain or inventory. Unanticipated component shortages could result in curtailed production or delays in production, which may prevent us from making scheduled shipments to customers. For example, our site in Chennai, India, which hosts a major manufacturing facility and the Global Business Services Center supporting our internal activities for IT and Finance, has been experiencing severe storms and flooding events, impacting our business. In 2015, storm and flooding in Chennai affected our power supply and our operations had to rely on limited fuel availability provided by onsite generators. The site also experienced delays in shipments, as roads were flooded and had to be cleared up first. Our Chennai site experienced another extreme weather event in 2018, when a storm damaged air freight cargo in transit from one location to another, affecting our ability to make scheduled shipments to customers. Our inability to make scheduled shipments could cause us to experience a reduction in sales, an increase in inventory levels and costs, and could adversely affect relationships with existing and prospective customers. Component shortages may also increase our cost of goods sold because we may be required to pay higher prices for components in short supply and redesign or reconfigure products to accommodate substitute components. As a result, component shortages could adversely affect our operating results. Our performance depends, in part, on our ability to incorporate changes in component costs into the selling prices for our products.

Timeframe

Current up to one year

Magnitude of potential impact

Medium

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

15000000

Potential financial impact figure - maximum (currency)

25000000

Explanation of financial impact

Financial impacts can include inventory damage, lost revenue from curtailed production or delays in production, increased cost of raw materials or components, increased costs related to redesign or reconfiguration of products to accommodate substitute components, and increased insurance premiums. While it is difficult to accurately quantify the financial implications, we estimate potential incremental costs from physical risks impacting our supply chain to range from \$15M to \$25M annually which is our definition for 'substantive' for CDP reporting purposes. We define a substantive financial impact as one that could create a \$15M to \$25M charge to our statement of operations, resulting in three to five pennies per share negative impact. We estimate our financial impact using a quantifiable indicator of a one penny loss in earnings per share for every five million USD loss in our revenue, meaning that any event that hits our revenue up to five million USD would result in a loss of one penny per share. This estimate is based on an assessment by subject matter experts within Finance, Corporate Treasury, Corporate Real Estate and Facilities (CREF), Sustainability, Procurement and Logistics. We maintain insurance that mitigates the high end of financial impacts.

Primary response to risk

Supplier engagement	Promote greater due diligence among suppliers

Description of response

We have developed rigorous risk mitigating compliance programs which include collecting compliance data from our suppliers, full laboratory testing and public reporting of environmental metrics such as water, energy, and GHG emissions. We convey our requirements to suppliers through due diligence assessments, on-site audits, and social

and environmental trainings. In 2021, our supplier due diligence assessments increased by 8.26% from 2020, totalling almost 2,500 completed social and environmental assessments, and we conducted 167 initial audits and 8 follow-up audits. We have developed a Preferred Supplier Program (PSP) and work with key suppliers to identify, assess, and manage risks and ensure compliance with social and environmental standards that exceed RBA's. In 2021, there were 420 suppliers in our PSP, of which 79% have been assessed via our Self-Assessment Questionnaire (SAQ). Flex's SAQ contains questions related to the measurement, monitoring and existence of systems to reduce impacts from water use, discharge, air emissions, energy use, waste, and hazardous materials. Supplier trainings also provide a critical opportunity for us to strengthen our relationship with suppliers. In 2021, 695 attendees, representing 424 suppliers, received training on our social and environmental expectations for suppliers, our Supply Chain Social and Environmental Management Program, and the updated RBA standards, due to COVID-19 most of the trainings were conducted online. We selected these suppliers because they were (1) local to our campus, (2) represented a diverse cross-section of our supplier base, or (3) were labor agency suppliers. Through supplier training, onsite audits, screenings, and SAQs, we ensure the continuity and effectiveness of supplier social and environmental activities. Through direct engagement with our suppliers, we can also mitigate potential risks such as those related to component shortages caused by severe storms or flooding. Additionally, we are able to manage and mitigate financial impacts from component shortages by increasing our cost of goods sold as well by diversifying our supply base and developing redundant capabilities by promoting greater due diligence among suppliers.

Cost of response

0

Explanation of cost of response

Managing risks in our supply chain falls within the normal course of business and incurs zero incremental costs.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

We have committed to reducing water withdrawals by 5% per revenue, focusing on sites located in water scarce areas, by 2025. This opportunity is considered strategic for the company because our aim is to improve water efficiency in global operations, reduce operating expenses, increase brand value, and further engage employees in sustainability efforts. Our annual Sustainability Executive Report provides our stakeholders with information on our water management strategy and progress toward water goals. Numerous 2021 awards recognize our commitment to environmental, social and governance issues: For the third year in a row, we were included in the S&P Global Sustainability Yearbook for our 2021 sustainability performance, we also received the Platinum rating from EcoVadis. Our water management strategy to realize water efficiency in operations incorporates water recycling and reuse. For example, in 2020, we focused our efforts towards assessing opportunities for water recycling, evaluating new technologies that can withdraw water from the air for use in our operations. We are excited to continue exploring new ways to decrease our water withdrawal. We invested in CAPEX 100,000 usd on water efficiency projects in 2021. For example, at our Chengdu facility we implemented an injection workshop cooling water system instead of an open loop system. Since the water evaporation capacity is very large in summer, the changes for the closed cycle greatly reduce the external interface of water, reducing water evaporation. Also, at our Tijuana site, we are now using recycled water from the laundry area for reuse in the sanitary facilities in plant.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

8000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

The potential financial impact figure of \$8,000 was calculated based on the cost of the water saved through our water efficiency projects, water recycling, and water reuse with no additional costs beyond management and operation.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

Recognizing the growing threat that water scarcity due to climate change impacts poses to the local communities our facilities are sited in, in 2020, we committed to reducing our water withdrawn per revenue by 5%, focusing on sites located in water scarce areas by 2025. Our water strategy relies on decreasing consumption where possible, leveraging recycling in our more intensive uses and installing collection systems for rainwater to meet irrigation and cooling demands. This opportunity is considered strategic for the company because it builds on previous commitments to improve water efficiency in global operations, reduce operating expensive, increase brand value, and further engage employees in sustainability efforts, while also increasing our operational resilience to climate change. We recognize the scarcity of water in many parts of the world and utilize water management practices that help reduce our consumption.

Water-related risk to our operations is strictly due to interruption or curtailment or facility damage from severe storms or flooding, as opposed to water costs. Although most

of our business processes do not depend on large quantities of water, we do require a sufficient supply in order to run our business. If our operations were to experience an event where we could not receive sufficient water, we could face significant limits to production. The more probable impacts would be to ancillary operations as opposed to production. The anticipated benefit to our organization is resource stable site locations. Extreme water scarcity can pose both a substantive financial and strategic impact to our organization by significantly raising the price of water and driving away the local workforce.

Our strategies to realize this opportunity include: 1) Collect inventory of water consumption from each site, 2) Identify how sites are reducing water consumption, including a baseline of water use and annual reduction plan, 3) Share best practices with other regions and track improvements, 4) Propose new practices and improvement efforts once major water consumption processes are identified. An example of this strategy is looking into technology that would allow us to collect rainwater to use in irrigation and restrooms in our facilities, as well as making water efficiency upgrades, like reusing RO reject water in toilets in our Chennai site and installing an additional line for recovering processed water for restroom use in our Juarez South facility.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

-Not Applicables

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

Because this is a new opportunity that Flex has committed to, we have not estimated a potential financial impact figure. The potential financial impact figure will be calculated based on the cost of the water saved through our water efficiency projects, water recycling, and water reuse with no additional costs beyond management and operation.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Country/Area & River basin

United States of America

Other, please specify (Coyote)

Latitude

37.4285

Longitude

-121.889

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

239

Comparison of total withdrawals with previous reporting year

Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

0

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

About the same

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis.

Facility reference number

Facility 2

Facility name (optional)

Country/Area & River basin

India

Other, please specify (Delta)

Latitude

12.9164

Longitude

79.879

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable 0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

Withdrawals from third party sources

130

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Λ

Discharges to brackish surface water/seawater

0

Discharges to groundwater

Λ

Discharges to third party destinations

Λ

Total water consumption at this facility (megaliters/year)

400

Comparison of total consumption with previous reporting year

About the same

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Water discharge is 0 for this site because 100% of water is consumed. Total discharges equals total withdrawals minus total consumption (D = W - C), because discharges are estimated to be total withdrawals minus total consumption.

Facility reference number

Facility 3

Facility name (optional)

Country/Area & River basin

Malaysia

Other, please specify (Kurau/Beruas)

Latitude

5.3515

Longitude

100.4147

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

366

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

U

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

Withdrawals from third party sources

366

Total water discharges at this facility (megaliters/year)

366

Comparison of total discharges with previous reporting year

Much higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Much lower

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis.

Facility reference number

Facility 4

Facility name (optional)

Country/Area & River basin

China

Other, please specify (Lake Tail Hu)

Latitude

31.3088

Longitude

120.671

Located in area with water stress

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable 0

Withdrawals from produced/entrained water 0

Withdrawals from third party sources 302

Total water discharges at this facility (megaliters/year)

302

Comparison of total discharges with previous reporting year Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Much lower

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis.

Facility reference number

Facility 5

Facility name (optional)

Country/Area & River basin

China

Other, please specify (Lake Tail Hu)

Latitude

31.223

Longitude

120.726

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

412

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

412

Total water discharges at this facility (megaliters/year)

412

Comparison of total discharges with previous reporting year

Highe

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater 0

Discharges to third party destinations

412

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis.

Facility reference number

Facility 6

Facility name (optional)

Country/Area & River basin

Mexico Other, please specify (Santiago Guadalajara)

Latitude

20.742

Longitude

-103.448

Located in area with water stress

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

378

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

Λ

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year Much higher

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Water discharge is 0 for this site because 100% of water is consumed. Total discharges equals total withdrawals minus total consumption (D = W - C), because discharges are estimated to be total withdrawals minus total consumption.

Facility reference number

Facility 7

Facility name (optional)

Country/Area & River basin

Mexico

Other, please specify (Santiago Guadalajara)

Latitude

20.581

Longitude

-103.448

Located in area with water stress

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

70

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

70

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

U

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

Ω

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

70

Comparison of total consumption with previous reporting year

About the same

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Water discharge is 0 for this site because 100% of water is consumed. Total discharges equals total withdrawals minus total consumption (D = W - C), because discharges are estimated to be total withdrawals minus total consumption.

Facility reference number

Facility 8

Facility name (optional)

Country/Area & River basin

Romania

Other, please specify (Tisza)

Latitude

45.8006

Longitude 21.1712

Located in area with water stress

Voc

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

45

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes Withdrawals from brackish surface water/seawater 0 Withdrawals from groundwater - renewable Withdrawals from groundwater - non-renewable Withdrawals from produced/entrained water Withdrawals from third party sources 0 Total water discharges at this facility (megaliters/year) Comparison of total discharges with previous reporting year Much higher Discharges to fresh surface water 0 Discharges to brackish surface water/seawater 0 Discharges to groundwater Discharges to third party destinations Total water consumption at this facility (megaliters/year) Comparison of total consumption with previous reporting year Much lower Please explain All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Facility reference number Facility 9 Facility name (optional) Country/Area & River basin Mexico Verde Latitude 21.96 Longitude -102.29 Located in area with water stress Primary power generation source for your electricity generation at this facility <Not Applicable> Oil & gas sector business division <Not Applicable> Total water withdrawals at this facility (megaliters/year) Comparison of total withdrawals with previous reporting year Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes 0 Withdrawals from brackish surface water/seawater 0 Withdrawals from groundwater - renewable 68

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

Λ

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

_

Discharges to groundwater

^

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

60

Comparison of total consumption with previous reporting year

Higher

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis. Water discharge is 0 for this site because 100% of water is consumed. Total discharges equals total withdrawals minus total consumption (D = W - C), because discharges are estimated to be total withdrawals minus total consumption.

Facility reference number

Facility 10

Facility name (optional)

Country/Area & River basin

China

Other, please specify (Xi Jiang)

Latitude

22.159

Longitude

113.271

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

893

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

...

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

U

Withdrawals from third party sources

893

Total water discharges at this facility (megaliters/year)

466

Comparison of total discharges with previous reporting year

Much lowe

Discharges to fresh surface water

Λ

Discharges to brackish surface water/seawater

0

Discharges to groundwater

Λ

Discharges to third party destinations

466

Total water consumption at this facility (megaliters/year)

426

Comparison of total consumption with previous reporting year

Much higher

Please explain

All our operational locations report water withdrawn data on a monthly basis. Data is obtained from their water bills/invoices and or water meter records, and a regional group validates and approves it. All our operational locations report water discharged, if any, on a yearly basis, and this data is estimated based on local records. Water consumption is calculated on a yearly basis.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals - total volumes

% verified

76-100

Verification standard used

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

Please explain

<Not Applicable>

Water withdrawals - volume by source

% verified

76-100

Verification standard used

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

Please explain

<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

We do not verify this water aspect

Water discharges - total volumes

% verified

76-100

Verification standard used

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

Please explain

<Not Applicable>

Water discharges - volume by destination

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

We do not verify this water aspect.

Water discharges - volume by final treatment level

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

We do not verify this water aspect.

Water discharges – quality by standard water quality parameters

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

We do not verify this water aspect.

Water consumption - total volume

% verified

76-100

Verification standard used

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

Please explain

<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

Sco	ope Content	Please explain
Row 1	mpany- Description of	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business and is required across our operations and supply chain to meet customer needs. Our primary use of freshwater is for santation, drinking water, cooking, whereas in manufacturing, freshwater is used for mising parts in our panting lines, cleaning, HVAC and cooling water. Therefore, we have incorporated water management in line our social and environmental membergement system, infernally recognized Responsible Business Allance (RBA) Code of Conduct 5.1 requirements, beyond ISO14001:2015 and OHSAS 18001, our company-wide Human Rights and Environmental, Health and Safety policies, and our 2030 sustainability gloss. To align our efforts with the UN SDSs and the principles of the UN Global Compact, we committed to Reduce water withdrawals by 5%, focusing on sites located in water scarce areas, by 2025. These goals have driven water efficiency in global operations, reduce operating expenses, increased brand value, and furthered engage employees in sustainability efforts. To achieve our water goals, we committed to water-related innovation. For example, in 2021, we updated our Tijuana facility by a littering system that allows water from the bundy area to be filtered and reused in the sanitary facilities of the plant. In 2019, Flex also signed the World Business Council for Sustainable Development Pledge for Access to Safe Water, Sentation and Hygiene at the Worldpace, to commit to implementing access to safe WASH at the workplace at an appropriate level of standard for all employees in all premises under our direct control. Water is also part of our supply claim and procurement policies, and we require our suppliers to follow our Supplier Code of Conduct, which exceeds RBA standards, and have a management system in place. As part of our commitment to stakeholder awareness, education, and colon, and colon, and colon, and colon, and colon, and colon, and control of the process of the process of the process of the p

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position	Please explain
of	
individual	
Board-	The responsibility for water-related issues resides with the Nominating and Governance Committee of our board of directors. i) The charter for the NGC is responsible for shaping and overseeing the
level	application of the company's ESG policies and procedures and is best positioned to oversee Flex's sustainability program, including water-related issues. The committee's responsibilities include: review
committee	and revise corporate ESG policies and programs, and regulatory developments, monitor assessments of governance and applicable proxy advisory services, policies and reports, and conduct an
	annual review of water-related risks and opportunities and directional initiatives. The committee reports on these efforts to the Board every 6 months. ii) In FY21, the Board publicly announced its long-
	term sustainability plan, approving the commitment to reduce water withdrawn by 5%, focusing on water scarce, by 2025.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency	Governance	Please explain
	that water-	mechanisms	- Teace explain
	related	into which	
	issues are		
	a	issues are	
	scheduled	integrated	
	agenda		
	item		
		Monitoring	The Nominating and Governance Committee of our board of directors assists in fulfilling oversight of environmental, social, and corporate affairs that may have a significant
1	- some	implementation	impact on the financial statements and related company compliance policies and programs. This includes the responsibility to assess water-related sustainability risks and
	meetings	and	opportunities, including: (1) review and revision of the corporate governance procedures and policies, (2) review of corporate responsibility and sustainability policies and
		performance	programs, (3) review and assessment of current and emerging environmental, social, and corporate governance issues, trends, regulatory developments, and best practices.
		Overseeing	The responsibility also includes reviewing, monitoring and guiding the company-wide business strategy, including major plans of action, acquisitions & divestitures and major
		acquisitions	capital expenditures. These are examples of the governance mechanisms into which water-related issues are integrated. The board of directors conducts an annual strategic
		and divestiture	sustainability review in which water-related risks and opportunities are highlighted and directional initiatives are approved, e.g., commitment to reduce water withdrawn by 5%,
		Overseeing major capital	focusing on sites located in water scarce areas, by 2025.
		expenditures	At the operational level, our water-related initiatives and activities are overseen by an Executive Leadership Team (ELT) comprised of the Chief Financial Officer, Chief Human
		Providing	Resources Officer, General Counsel, Operations President, VP of Strategy, the Executive Used Strategic Programs and Asset Management (including real estate
		employee	and facilities), VP of Marketing, Communications and Sustainability and Head of Global Sustainability. The ELT is responsible for prioritizing water-related risks and opportunities
		incentives	and highlighting them to the appropriate business functions. Another example of how monitoring implementation and performance is integrated is that the progress towards our
		Reviewing and	water reduction goal is reviewed regularly by the ELT and periodically with the CFO and the Executive Committee. Flex's corporate sustainability leadership committee holds
		guiding	quarterly meetings and conducts sustainability scorecard reviews to assess progress on key sustainability indicators and targets by program, region and site. In addition, the
		business plans	team conducts periodic reviews of key issue areas, including key performance indicators, e.g., environmental, health and safety are reviewed quarterly with senior management.
		Reviewing and	
		guiding major	
		plans of action	
		Reviewing and	
		guiding risk	
		management policies	
		Reviewing and	
		quiding strategy	
		Reviewing and	
		guiding	
		corporate	
		responsibility	
		strategy	
		Other, please	
		specify	
		(Monitoring and	
		overseeing	
		progress	
		against goals	
		and targets for addressing	
		climate-related	
		issues)	

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water- related issues		Primary reason for no board- level competence on water- related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	Given our commitment to sustainability, we recognize the importance of a strong foundation of sustainability governance. Our Board of Directors engages in an annual review of Flex's sustainability program including our ESG efforts and participates in an annual ESG director education session. Our Nominating and Governance Committee oversees Flex's sustainability risks and remediation efforts, including the Company's corporate responsibility and sustainability policies and programs with respect to human rights, climate change, and social and environmental risks –including water-related issues. Our executive management team receives regular sustainability updates. In addition, we have a Corporate Sustainability Leadership Committee, a multidisciplinary group composed of global leaders throughout the Company who represent the key functional areas with responsibility for sustainability efforts, including operations, human resources, supply chain, regulatory compliance, account management, and communications. This committee meets quarterly to share information with people across various teams within Flex who are directly responsible for implementing and managing sustainability initiatives.	<not Applicable></not 	<not applicable=""></not>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Financial Officer (CFO)

Responsibility

Assessing future trends in water demand Assessing water-related risks and opportunities Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our CFO is an executive sponsor for Flex's Executive Leadership Team comprised of the Chief HR Officer, General Counsel, EVP of Strategic Programs and Asset Management, and the VP of Audit and Risk Management (ARMS). The CFO is part of Flex's leadership and reports to the COO and CEO. The CFO, who has under his responsibilities the ARMS function, is ultimately responsible for prioritizing water risks and opportunities. The strategic water-related responsibilities have been assigned to CFO, as he has oversight to a range of business functions and can provide guidance on the integration of water issues into our strategy, such as targets, water use data, future trends in water demand, and risks and opportunities. Informed by the VP of Corporate Marketing, Communication and Sustainability, VP Corporate Real Estate and Facilities, and the Head of Internal Audit, CFO reports to the board quarterly on water data, progress on withdrawal reduction target, and risks in areas of water scarcity.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	, , ,	Performance indicator	Please explain
Monetary reward	Operating Officer (COO)	Reduction of water withdrawals Increased access to workplace WASH	The COO, also known as the Operations Group President, oversees the organization's Strategic Programs and Asset Management efforts. Responsibilities, and performance indicators, encompass leading water withdrawn target actions, including measuring and assessing global related programs, projects, and targets, which includes our target to reduce water withdrawals by 5% by 2025 and our commitment to the World Business Council for Sustainable Development (WBCSD)'s Pledge for access to safe water, sanitation and hygiene (WASH). The rationale of these indicators being used to measure performance through bonus compensation is to align or monetary rewards with our aim is to make products that improve the world and enable market-leading brands to maintain a competitive, enduring advantage. We strive to drive a tangible, measurable difference within and beyond our operations, and for all stakeholders – customers, suppliers, employees and investors – to proudly partner with us on the journey to a more sustainable future.
Non- monetary reward	Executive Officer (CEO)		The Chief Executive Officer is rewarded based on the progress towards and achievement of the highest level of ethics, compliance, and commitment to Environment, Social, and Governance (ESG). Achievement of our sustainability strategy is rewarded to ensure that Flex's actions remain aligned to key our values and reinforce our commitment to the UN Global Compact (UNGC)—including its 10 principles—and align with the United Nations' Sustainable Development Goals. This includes (1) updating and relaunching the sustainability strategy, and (2) the implementation of sustainability targets and goals, including operational water efficiency. This is measured through the Ethics and Compliance Scorecards for the top 50 Flex facilities. Water has been identified as a material issue for Flex despite not having water intensive operations because our global presence, including water scarcity countries, and our sustainability strategy performance monitoring process has the objective to ensure that our direct operations work towards achieving higher water efficiency through wastewater treatment systems, leakage detection and water conservation initiatives.

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

We have implemented processes to ensure direct and indirect activities that influence policy are consistent with our overall water strategy. Our Sustainability Regional Leads (RLs) and Corporate Real Estate and Facilities (CREF) Regional Leads (RLs) report any pertinent activity in their regions to their corresponding Vice Presidents (VPs) on a regular basis. Regional leads provide communication links between sites and corporate, ensuring site-level activity is aligned to our corporate water strategy. The CREF VP provides leadership and resources to drive global water-related activities. If we were to discover an inconsistency, Marketing, Communications and Sustainability and CREF VPs would engage with the Sustainability and EHS RLs to make them aware of the inconsistency and develop a plan to resolve.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	related issues	Long- term time horizon (years)	Please explain
Long- term business objectives	related issues are	5-10	In 2020, we internally developed our commitment to reduce water withdrawn by 5%, focusing on sites located in water scarce areas, by 2025. While goal was publicly announced in 2021, Flex internally acknowledged and incorporated it into its strategy based on a 5-10 year time horizon. Our employees and sites adopted these global goals and implemented local programs, driving social and environmental action within our facilities and in local communities. We focus our policies, management systems, goals, and programs on five values to drive sustainability across the company and our value chain: People, Community, Environment, Innovation and Integrity. The water issues integrated into our long-term business objectives are reduction in water consumption and withdrawal in our direct operations; promotion of water recycling and reuse at our facilities; implementing wastewater treatment facilities and water conservation to reduce our dependency on freshwater and achieve more efficient water management. An example of how water issues are integrated into long-term business objectives is our commitment to updating our facilities to meet our water goals. In 2021, we invested \$100,000 in water efficiency projects, including the installation of a water treatment system in our Hartberg site to treat municipal water to the quality needed for our production processes to limit the use of precious drinking water.
Strategy for achieving long-term objectives	related issues are	5-10	Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking, and cooking. In manufacturing operations, freshwater is used for rinsing parts in our painting lines, cleaning, HVAC and cooling water. We incorporated water management into our 2030 sustainability goals. In 2020, we developed our commitment to reduce water withdrawn by 5%, focusing on sites located in water scarce areas, by 2025. While goal was publicly announced in 2021, Flex internally acknowledged and incorporated it into its strategy based on a 5-10 year horizon. The following water-related issues are integrated into our strategy for achieving long-term business objectives: reduction in water consumption and withdrawal in our direct operations; promotion of water recycling and reuse at our facilities; implementing wastewater treatment facilities and water conservation measures to reduce our dependency on freshwater and achieve more efficient water management. An example of how these water issues are integrated into our strategy for achieving long-term objectives to reduce freshwater withdrawals is our investment in the 2021 water efficiency project in our Nanjing facility where we installed heat pumps to replace central AC in the workshop areas when the temperature is below 32°C to enhance water savings.
Financial planning	Yes, water- related issues are integrated	5-10	In 2020, we developed our commitment to reduce water withdrawn by 5%, focusing on sites located in water scarce areas, by 2025. While goal was publicly announced in 2021, Flex internally acknowledged and incorporated it into its strategy based on a 5-10 year horizon. Our employees and sites adopted these goals and implemented local programs, driving action within our facilities and in local communities. We committed to this water goal to improve water efficiency in global operations, reduce operating expenses, increase brand value, and engage employees in sustainability efforts. Water issues integrated into our financial planning: reduction in water consumption and withdrawal in direct operations; promotion of water recycling and reuse at facilities; implementing treatment facilities and water conservation measures to reduce dependency on freshwater and achieve more efficient water management. An example of how these water issues are integrated into financial planning is the water-related CAPEX and OPEX investment in the 2021 upgrade of our water reuse in Mexico. We enhanced our water reuse technology at our facility in Tijuana, by installing a filtering system that allows water from the laundry area to be cleaned for reuse in the sanitary facilities. To further reduce water, our site in Juareth installed an additional line for treated water in campus restrooms, allowing recovered water to be treated and reused.

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-0.3

Anticipated forward trend for CAPEX (+/- % change)

0.1

Water-related OPEX (+/- % change)

10

Anticipated forward trend for OPEX (+/- % change)

14

Please explain

Access to an affordable, reliable and adequate freshwater supply is critical to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, etc. In our manufacturing operations, freshwater is also used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc. Our budget for water-related CAPEX and OPEX remains more or less the same year to year, as we do not anticipate our potable water needs changing, and we do not yet have largescale reclaimed water systems to offset our dependency. However, in 2021, water-related expenditure (CAPEX and OPEX) was spent the following types of water savings projects: recycled water and wastewater usage and water tap modernization.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of	Comment
	scenario	
	analysis	
Row 1		In FY21, we conducted a preliminary scenario analysis using WRI Aqueduct's Water Risk Assessment tool to identify which of our global facilities could be vulnerable to baseline water stress (BWS) in 2030 and 2040, for optimistic, business as usual, and pessimistic scenarios. We entered all of our global facilities into the WRI Aqueduct tool and analyzed the output report in the context of our global operations. We selected the risk type "future water stress" and identified which sites fell under the categories of being at "High" and "Extremely High" BWS. We then filtered the resulting list of sites based on contribution to global sales and global workforce, to determine which of the facilities most critical to our operations could be impacted. 2030 and 2040 were considered because they align to our medium and long-term company-wide planning horizons, which align with human resources, real estate planning, research, and business projections.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
1	Other, please sspecify (RCP 2.5)	The WRI Aqueduct tool provides insights into overall water risk for an organization, physical risks such as baseline water stress, water depletion, flooding and drought risk, etc., and regulatory and reputational risks as well. The Aqueduct Risk Filter plots and assesses current and future risks across locations based on submitted facility location and water usage data. The tool defines baseline water stress as the ratio of total water withdrawals to available renewable surface and ground water supplies. By assessing overall water risk, the tool considers quantity-based physical risks (coastal flood risk, drought risk, groundwater table decline, etc.), quality-related physical risks (untreated connected wastewater and coastal eutrophication potential), regulatory and reputational risk (unimproved/no drinking water or sanitation, and peak RepRisk country ESG risk index).	, , ,	As our analysis is in the early stages, we are in the process of analyzing data and understanding what it means for our business. We will leverage results to inform our business strategy and objectives for risk mitigation based on our experience with vulnerable locations. This includes reporting to the VP of Corp. Real Estate, Facilities and Workplace Services and discussing with Enterprise Risk Management (ERM). Our current annual ERM process includes input from compliance-area owners and interviews with senior management. These results reinforced the decision to incorporate water management into our 2030 Sustainability goals: reduce water withdrawn by 5%, focusing on sites located in water scarce areas, by 2025. The following water issues are integrated into our strategy for achieving our business objectives: reduction in water consumption and withdrawal, promotion of water recycling and reuse, implementing wastewater treatment facilities and water conservation measures to reduce our dependency on freshwater and achieve more efficient management. An example of how these water issues are integrated into our strategy such objectives is the upgrade of our wastewater treatment plants, which contribute to our long-term strategy to reduce our dependency on freshwater. The anticipated timeline of our response is current to long term, based on our investment in a wastewater treatment plan.

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

This is dictated by the nature of our business which is not water intensive.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	used to classify low water	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row	No, but we	<not< td=""><td>Important but not an</td><td>A critical component of our environmental stewardship approach is the responsible management of water resources around the globe. We evaluate the</td></not<>	Important but not an	A critical component of our environmental stewardship approach is the responsible management of water resources around the globe. We evaluate the
1	plan to	Applicable	immediate business priority	impact of water use at each of our facilities to prioritize mitigation operations in water-scare locations. Overall, we aim to decrease consumption wherever
	address	>		possible. Where water use is more intensive, we leverage recycled options and install collection systems to use rainwater for irrigation and cooling
	this within			processes. We draw water from municipal sources at most of our facilities and discharge wastewater to public treatment systems. While our products and
	the next			services are not currently low water impact, as we continue our commitment to water stewardship, we'd like to explore this classification in coming years.
	two years			

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row	Company-	Targets are	Flex has company-wide, business level, and site/facility specific targets and goals.
1	wide	monitored	
	targets and	at the	Flex 2030 water goals:
	goals	corporate	1) Reduce water withdrawn per revenue by 5%, focusing on sites located in water scarce areas, by 2025.
	Business	level	
	level	Goals are	Our company approach to setting water-related targets and goals is focused on creating a global culture around resource conservation (including water and energy). Therefore, our
	specific	monitored	2030 environmental goals apply to all operational locations. Each operational location must define as part of their environmental management system their own goals and targets to
	targets	at the	meet corporate, customer and regulatory requests. Flex goal progress, including progress at a site level, is monitored monthly through a scorecard and reported to top management
	and/or	corporate	on a quarterly basis. External updates are done annually.
	goals	level	
	Site/facility		
	specific		
	targets		
	and/or		
	goals		

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Leve

Company-wide

Primary motivation

Water stewardship

Description of target

Reduce overall company-wide water withdrawals by 5% per \$ of revenue (base year 2019), focusing on sites located in water scarce areas across the entire company. Reducing our water withdrawals supports achieving water security because we will withdraw less potable water overall, supporting our water stewardship efforts. We share our new 2030 goals publicly in our Sustainability Report. Learn more at https://flex.com/resources/2030-sustainability-goals

Quantitative metric

% reduction in total water withdrawals

Baseline year

2019

Start vear

2021

Target year 2025

% of target achieved

Please explain

Threshold of success: 5% of water withdrawals reduction at water-risk sites

2021 goal status: Underway

2021 % achieved: 0%

The water withdrawal intensity at water-risk sites has increased in 2021 compared to 2019

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Other, please specify (Monitor and measure our performance and comply with all applicable EHS legal and other requirements, including those related to water)

Level

Company-wide

Motivation

Corporate social responsibility

Description of goal

We have an ongoing annual goal to monitor and measure our performance and comply with applicable EHS legal and other requirements, including those related to water. This commitment is stated in our EHS Policy.

Goal Level: Global, companywide

Why this goal is important to Flex: Access to an affordable, reliable and adequate freshwater supply is important to the success of our business because it is required across our operations to meet customer needs. The primary use of freshwater in our direct operations is for sanitation, drinking water, cooking, etc. In manufacturing operations, freshwater is used for rinsing parts in our painting lines, cleaning, HVAC and cooling water, etc.

How Flex implements the goal across global operations: Flex recognizes its responsibility as a corporate citizen. Through our EHS management systems and policy, we have committed to monitoring and measuring our performance and complying with all applicable EHS legal and other requirements we subscribe (including water) to maintain our status as a responsible corporate citizen in all locations in which we operate. All sites are required to adopt and implement our social and environmental management system, to methodically identify, address, mitigate, and control site-level risks and are audited against our audit protocol.

Achieving Water Security: Monitoring and measuring our performance and reducing water withdrawals helps achieve water security because we will withdraw less potable water overall.

Baseline year

2020

Start veal

2020

End year

2021

Progress

Threshold of success and description of indicators used to assess progress: (1) collecting water withdrawal and discharge data annually (2) achievement of our water target and (3) number of environmental violations related to water discharge or wastewater regulations. Flex has not had any water violations in 2021. This goal was achieved.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Total Water Withdrawn	ISAE 3000	As part of our continual improvement process, we added a 3rd party verification process for water withdrawn. The standard was defined by the 3rd party based on their own expertise. We plan to do so, on an annual basis going forward.
W1 Current state	Total water recycled	ISAE 3000	As part of our continual improvement process, we added a 3rd party verification process for recycled water and we plan to extend this to other water data in the future. The standard was defined by the 3rd party based on their own expertise. We plan to do so on an annual basis going forward.
W1 Current state	% water recycled	ISAE 3000	As part of our continual improvement process, we added a 3rd party verification process for the % recycled water and we plan to extend this to other water data in the future. The standard was defined by the 3rd party based on their own expertise. We plan to do so, on an annual basis going forward.
W1 Current state	Total water discharged	ISAE 3000	As part of our continual improvement process, we added a 3rd party verification process for the total water discharged and we plan to extend this to other water data in the future. The standard was defined by the 3rd party based on their own expertise. We plan to do so, on an annual basis going forward.
W1 Current state	Total water consumption	ISAE 3000	As part of our continual improvement process, we added a 3rd party verification process for total water consumption and we plan to extend this to other water data in the future. The standard was defined by the 3rd party based on their own expertise. We plan to do so, on an annual basis going forward.
W1 Current state	Total Water Withdrawn by Source	ISAE 3000	As part of our continual improvement process, we added a 3rd party verification process for water withdrawn by source, and we plan to extend this to other water data in the future. The standard was defined by the 3rd party based on their own expertise. We plan to do so, on an annual basis going forward.

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

		Job title	Corresponding job category
Row	1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes