

Flextronics' Supplier Practices Guidelines

Effective August 2009

INTRODUCTION

As a supplier to Flextronics, your actions and decisions have important financial and economic consequences to both our companies. Flextronics expects its suppliers to manage business dealings in the accordance with all applicable government regulations in all countries where Flextronics conducts business. It is imperative that all suppliers use sound judgment and act in accordance with these guidelines. Flextronics will only conduct business with suppliers that demonstrate a high degree of ethical behavior in their relations with Flextronics.

BUSINESS MEALS, GIFTS AND ENTERTAINMENT

Suppliers may offer customary business amenities such as nominal gifts, meals and entertainment to Flextronics employees, provided the expenses do not exceed these guidelines, are not prohibited by law and do not create a perception of conflict of interest. If you are unsure of the appropriateness in offering a gift or an invitation to a specific entertainment event, contact your Flextronics account manager or other supervisory personnel in Flextronics. Requirements include:

- Gifts in cash or cash equivalents are prohibited.
- Giving (offering) any payment, service or gift, directly or indirectly to a Flextronics employee is strictly prohibited. This prohibition covers anything of value, e.g.: cash, products, meals (exception below), lodging/transport, loans, prizes, special discounts, paid vacations, free or discounted stocks, gift certificates, etc.
- Gifts or entertainment that would embarrass Flextronics employees or Flextronics customers is prohibited.
- Approval from Flextronics account managers is required in order for any Flextronics employee to accept a business meal or entertainment above US\$20 of value. The total value to any Flextronics employee in any calendar year should not exceed US\$100.
- Under exceptional circumstances, if an extended business stay is required by a Flextronics employee at a supplier's location / or the supplier provides for accommodation and other charges, it may be allowed after explicit written approval from the relevant Flextronics senior management team member.
- A supplier may not give (offer) any Flextronics employee or employee's family member anything with a value of more than US\$10. A supplier may only offer (give) a gift when it is customarily offered to others having a similar relationship with the supplier. If you have any doubts about a particular situation, consult your Flextronics account manager.
- If a supplier offers a Flextronics employee a gift that has more than a US\$10 value or which is not customarily offered to others, or if either arrives at the Flextronics employee's home or office, they must inform their manager immediately. Management will make appropriate arrangements to return or dispose of the gift. If it is impractical or inappropriate to return the gift to the supplier, the gift may be donated to a charity in the supplier's name. A notice will be sent to the supplier explaining the action taken and reaffirming this Flextronics' policy.

CONFLICTS OF INTEREST

Flextronics endeavors to ensure the confidence of all suppliers in the integrity of the Flextronics business award process.

- Flextronics will not conduct any business with any supplier when a relative of a Flextronics employee either represents or holds a senior management position with the supplier. If the business relationship or transaction is unavoidable, Flextronics employees are required to make full disclosure of the business activity with the Flextronics Chief Compliance Officer.
- Suppliers who employ former Flextronics employees, or personal friends or relatives of current Flextronics employees will not be accepted as suppliers to Flextronics. Such business relationships will only be accepted with written approval from Flextronics Chief Procurement Officer.

VIOLATION ESCALATION

Flextronics values the relationship with our suppliers. If at any time in this business relationship that Flextronics employees make a request that is believed to violate the guidelines in this guidebook, please immediately report these violations to the local Flextronics Human Resources department. Flextronics will take appropriate corrective actions. Any violations reported will be held in strict confidentiality and will not reflect in any adverse change to the business relationship with our valued suppliers.

Flextronics looks forward to a mutually beneficial relationship with all suppliers.

If there are any questions regarding this guideline, please contact Flextronics Human Resources department or your Flextronics account manager.