

FLEX LTD.  
Form DEF 14A  
July 05, 2018  
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant  x

Filed by a Party other than the Registrant  o

Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material under §240.14a-12

**FLEX LTD.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
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- o Fee paid previously with preliminary materials.
  - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
    - (1) Amount Previously Paid:
    - (2) Form, Schedule or Registration Statement No.:
    - (3) Filing Party:
    - (4) Date Filed:
-

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**FLEX LTD.**  
**(Incorporated in the Republic of Singapore)**  
**(Company Registration Number 199002645H)**

To Our Shareholders:

On August 16, 2018, we will hold our 2018 annual general meeting of our shareholders at our offices located at 6201 America Center Drive, San Jose, CA 95002, U.S.A. Our 2018 annual general meeting of shareholders will begin at 9:00 a.m., Pacific time.

The matters to be voted upon at the meeting are listed in the notice that follows this letter and are described in more detail in the accompanying proxy statement. We urge you to read the entire proxy statement carefully before voting. Part I of the accompanying proxy statement provides general information about the meeting, Part II describes the proposals to be voted upon at the 2018 annual general meeting of shareholders and related information, and Part III provides additional information, including information about our named executive officers and their compensation.

**IMPORTANT NOTICE REGARDING ELECTRONIC AVAILABILITY OF PROXY STATEMENT AND ANNUAL REPORT:**

We have elected to provide access to our proxy materials to our shareholders by notifying them of the availability of our proxy materials on the Internet. On or about July 5, 2018, we will mail to most of our shareholders (including all of our registered shareholders) a Notice of Availability of Proxy Materials on the Internet (referred to as the Notice) containing instructions on how to access this proxy statement and our annual report and to submit their proxies via the Internet. Instructions on how to request a printed copy of our proxy materials may be found in the Notice.

You may revoke your proxy at any time prior to the time it is voted. Shareholders who are present at the meeting may revoke their proxies and vote in person or, if they prefer, may abstain from voting in person and allow their proxies to be voted.

Sincerely,

Tay Hong Chin Regina  
Company Secretary  
Singapore  
July 5, 2018

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**FLEX LTD.**

**(Incorporated in the Republic of Singapore)  
(Company Registration Number 199002645H)**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**To Be Held on August 16, 2018**

To Our Shareholders:

You are cordially invited to attend, and NOTICE IS HEREBY GIVEN of, the annual general meeting of shareholders of FLEX LTD. ( Flex or the Company ), which will be held at our offices located at 6201 America Center Drive, San Jose, CA 95002, U.S.A., at 9:00 a.m., Pacific time, on August 16, 2018, for the following purposes:

- To re-elect the following directors: Lay Koon Tan and Jennifer Li (*Proposal Nos. 1 and 2*);
- To approve the re-appointment of Deloitte & Touche LLP as our independent auditors for the 2019 fiscal year and to authorize the Board of Directors, upon the recommendation of the Audit Committee, to fix their remuneration (*Proposal No. 3*);
- To approve a general authorization for the Directors of Flex to allot and issue ordinary shares (*Proposal No. 4*);
- To hold a non-binding, advisory vote on executive compensation (*Proposal No. 5*); and

- To approve a renewal of the Share Purchase Mandate permitting Flex to purchase or otherwise acquire its own issued ordinary shares (*Proposal No. 6*).

The full text of the resolutions proposed for approval by our shareholders is as follows:

**As Ordinary Business**

1. To re-elect Mr. Lay Koon Tan, who will retire by rotation pursuant to Article 94 of our Constitution, to the Board of Directors.
2. To re-elect to the Board of Directors Ms. Jennifer Li, who was appointed as a director by the Board of Directors effective as of January 8, 2018, and who will cease to hold office pursuant to Article 100 of our Constitution.
3. To consider and vote upon a proposal to re-appoint Deloitte & Touche LLP as our independent auditors for the fiscal year ending March 31, 2019, and to authorize our Board of Directors, upon the recommendation of the Audit Committee of the Board of Directors, to fix their remuneration.

**As Special Business**

The full text of the resolutions proposed for approval by our shareholders is as follows:

4. To pass the following resolution as an Ordinary Resolution:

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RESOLVED THAT, pursuant to the provisions of Section 161 of the Singapore Companies Act, Cap. 50, but subject otherwise to the provisions of the Singapore Companies Act, Cap. 50 and our Constitution, authority be and is hereby given to our Directors to:

(a) (i) allot and issue ordinary shares in our capital; and/or

(ii) make or grant offers, agreements or options that might or would require ordinary shares in our capital to be allotted and issued, whether after the expiration of this authority or otherwise (including but not limited to the creation and issuance of warrants, debentures or other instruments convertible into ordinary shares in our capital),

at any time to and/or with such persons and upon such terms and conditions and for such purposes as our Directors may in their absolute discretion deem fit, and with such rights or restrictions as our Directors may think fit to impose and as are set forth in our Constitution; and

(b) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) allot and issue ordinary shares in our capital in pursuance of any offer, agreement or option made or granted by our Directors while this resolution was in force,

and that such authority shall continue in force until the conclusion of our next annual general meeting or the expiration of the period within which our next annual general meeting is required by law to be held, whichever is the earlier.

5. To consider and put to a non-binding, advisory vote the following non-binding, advisory resolution:

RESOLVED THAT, the shareholders of Flex approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers, as disclosed pursuant to Item 402 of SEC Regulation S-K, including the Compensation Discussion and Analysis and the compensation tables and related disclosures contained in the section of the accompanying proxy statement captioned Executive Compensation .

This resolution is being proposed to shareholders as required pursuant to Section 14A of the U.S. Securities Exchange Act of 1934, as amended. The shareholders' vote on this resolution is advisory and non-binding in nature, will have no legal effect and will not be enforceable against Flex or its Board of Directors.

6. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT:

(a) for the purposes of Sections 76C and 76E of the Singapore Companies Act, Cap. 50, the exercise by our Directors of all of our powers to:

(i) purchase or otherwise acquire issued ordinary shares in the capital of the Company not exceeding in aggregate the number of issued ordinary shares representing 20% of the total number of issued ordinary shares outstanding as of the date of the passing of this Resolution (excluding any ordinary shares which are held as treasury shares as at that date) at such price or prices as may be determined by our Directors from time to time up to the maximum purchase price described in paragraph (c) below, whether by way of:

(A) market purchases on the Nasdaq Global Select Market or any other stock exchange on which our ordinary shares may for the time being be listed and quoted; and/or

(B) off-market purchases (if effected other than on the Nasdaq Global Select Market or, as the case may be, any other stock exchange on which our ordinary shares may for the time being be listed and quoted) in accordance with any equal access scheme(s) as may be determined or formulated by our Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Singapore Companies Act, Cap. 50,



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and otherwise in accordance with all other laws and regulations and rules of the Nasdaq Global Select Market or, as the case may be, any other stock exchange on which our ordinary shares may for the time being be listed and quoted as may be applicable, be and is hereby authorized and approved generally and unconditionally;

(b) unless varied or revoked by our shareholders in a general meeting, the authority conferred on our Directors pursuant to the mandate contained in paragraph (a) above may be exercised by our Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earlier of:

(i) the date on which our next annual general meeting is held; or

(ii) the date by which our next annual general meeting is required by law to be held;

(c) the maximum purchase price (excluding brokerage commission, applicable goods and services tax and other related expenses) which may be paid for an ordinary share purchased or acquired by us pursuant to the mandate contained in paragraph (a) above, shall not exceed:

(i) in the case of a market purchase of an ordinary share, the highest independent bid or the last independent transaction price, whichever is higher, of our ordinary shares quoted or reported on the Nasdaq Global Select Market or, as the case may be, any other stock exchange on which our ordinary shares may for the time being be listed and quoted, or shall not exceed any volume weighted average price, or other price determined under any pricing mechanism, permitted under SEC Rule 10b-18, at the time the purchase is effected; and

(ii) in the case of an off-market purchase pursuant to an equal access scheme, 150% of the Prior Day Close Price, which means the closing price of our ordinary shares as quoted on the Nasdaq Global Select Market or, as the case may be, any other stock exchange on which our ordinary shares may for the time being be listed and quoted, on the day immediately preceding the date on which we announce our intention to make an offer for the purchase or acquisition of our ordinary shares from holders of our ordinary shares, stating therein the purchase price (which shall not be more than the maximum purchase price calculated on the foregoing basis) for each ordinary share and the relevant terms of the equal access scheme for effecting the off-market purchase; and

(d) our Directors and/or any of them be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as they and/or he or she may consider expedient or necessary to give effect to the transactions contemplated and/or authorized by this resolution.

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**Notes**

*Singapore Financial Statements.* At the 2018 annual general meeting, our shareholders will have the opportunity to discuss and ask any questions that they may have regarding our Singapore audited financial statements for the fiscal year ended March 31, 2018, together with the directors' statement and auditors' report thereon, in compliance with Singapore law. Shareholder approval of our audited financial statements is not being sought by this proxy statement and will not be sought at the 2018 annual general meeting.

*Eligibility to Vote at Annual General Meeting; Receipt of Notice.* The Board of Directors has fixed the close of business on June 15, 2018 as the record date for determining those shareholders of the Company who will be entitled to receive copies of this notice and accompanying proxy statement. However, all shareholders of record on August 16, 2018, the date of the 2018 annual general meeting, will be entitled to vote at the 2018 annual general meeting.

*Quorum.* Representation of at least 33-1/3% of all outstanding ordinary shares of the Company is required to constitute a quorum to transact business at a general meeting of our shareholders.

*Proxies.* A shareholder entitled to attend and vote at the 2018 annual general meeting is entitled to appoint a proxy to attend and vote on his or her behalf. A proxy need not also be a shareholder. **Whether or not you plan to attend the meeting, we encourage you to vote promptly. You may vote your shares through one of the methods described in the enclosed proxy statement. A proxy card submitted by mail must be received by Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717 not less than 48 hours before the time appointed for holding the 2018 annual general meeting. Please review the instructions on the proxy card and Notice of Availability of Proxy Materials regarding the submission of proxies via the Internet.** You may revoke your proxy at any time prior to the time it is voted. Shareholders who are present at the meeting may revoke their proxies and vote in person or, if they prefer, may abstain from voting in person and allow their proxies to be voted.

*Availability of Proxy Materials on the Internet.* We are pleased to take advantage of Securities and Exchange Commission rules that allow issuers to furnish proxy materials to some or all of their shareholders on the Internet. The Constitution of the Company (the Constitution) was amended in 2016 to align with the provisions under the Singapore Companies Act, Cap. 50, which allow and facilitate the posting of proxy materials on the Internet at our designated website. We believe these rules will allow us to provide our shareholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of our annual general meeting of shareholders. On or about July 5, 2018, we will mail to most of our shareholders (including all of our registered shareholders) a Notice of Availability of Proxy Materials on the Internet containing instructions on how to access this proxy statement and our annual

report and to submit their proxies via the Internet.

*Disclosure Regarding Share Purchase Mandate Funds.* Only funds legally available for purchasing or acquiring our issued ordinary shares in accordance with our Constitution and the applicable laws of Singapore will be used for the purchase or acquisition by us of our own issued ordinary shares pursuant to the proposed renewal of the Share Purchase Mandate referred to in this notice. We intend to use our internal sources of funds and/or borrowed funds to finance the purchase or acquisition of our issued ordinary shares. The amount of financing required for us to purchase or acquire our issued ordinary shares, and the impact on our financial position, cannot be ascertained as of the date of this notice, as these will depend on, among other things, the number of ordinary shares purchased or acquired and the price at which such ordinary shares are purchased or acquired and whether the ordinary shares purchased or acquired are held in treasury or cancelled. Our net tangible assets and the consolidated net tangible assets of the Company and its subsidiaries will be reduced by the purchase price (including any expenses) of any ordinary shares purchased or acquired and cancelled or held as treasury shares. We do not anticipate that the purchase or acquisition of our ordinary shares in accordance with the Share Purchase Mandate would have a material impact on our financial condition and cash flows.

*Personal Data Privacy.* By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2018 annual general meeting and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by us (or our agents or service providers) for the purpose of the processing, administration and analysis by us (or our agents or service providers) of proxies and representatives appointed for the 2018 annual general meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2018 annual general meeting (including any adjournment thereof), and in order for us (or our agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the Purposes), (ii) warrants that where the

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shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to us (or our agents or service providers), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by us (or our agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify us in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

By order of the Board of Directors,

Tay Hong Chin Regina

Company Secretary  
Singapore  
July 5, 2018

**You should read the entire proxy statement  
carefully prior to returning your proxy card or otherwise submitting your proxy appointment through electronic  
communications in the manner set out in this proxy statement.**

**Important Notice Regarding the Availability of Proxy Materials for the 2018 Annual General Meeting of Shareholders to Be Held on August 16, 2018. This notice of annual general meeting and the accompanying proxy statement and our annual report to shareholders are available on our website at <https://investors.flex.com/financials>.**

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**ELECTRONIC DELIVERY OF OUR SHAREHOLDER COMMUNICATIONS**

We have elected to provide access to our proxy materials to our shareholders by notifying them of the availability of our proxy materials on the Internet. On or about July 5, 2018, we will mail to most of our shareholders (including all of our registered shareholders) a Notice of Availability of Proxy Materials on the Internet (referred to as the Notice) containing instructions on how to access this proxy statement and our annual report and to submit their proxies via the Internet. If you hold your shares through a broker, bank or other nominee, rather than directly in your own name, your intermediary will either forward to you printed copies of the proxy materials or will provide you with instructions on how you can access the proxy materials electronically. For beneficial holders and registered shareholders who receive a Notice, instructions on how to request a printed copy of our proxy materials may be found in the Notice.

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**Proxy Statement Summary**

**FLEX LTD.**

**PROXY STATEMENT SUMMARY**

*This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting. For more complete information regarding the Company's 2018 fiscal year performance, please review the Company's 2018 Annual Report.*

**2018 Annual General Meeting of Shareholders**

**Time and Date:** 9:00 a.m. Pacific time, August 16, 2018

**Place:** 6201 America Center Drive, San Jose, CA 95002, U.S.A.

**Record Date:** June 15, 2018

**Voting:** All shareholders as of the meeting date are entitled to vote. Each ordinary share is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on.

**Voting Matters at the Annual General Meeting**

Proposal Number	Matter	Board Vote Recommendation	Page Reference
Proposal Nos. 1 and 2	Re-election of the following directors: Lay Koon Tan Jennifer Li	FOR each Director Nominee	9
Proposal No. 3	Re-appointment of Deloitte & Touche LLP as our independent auditors for the fiscal year ending March 31, 2019	FOR	25

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Proposal No. 4	General authorization to allot and issue ordinary shares	FOR	<b>28</b>
Proposal No. 5	Advisory vote on executive compensation	FOR	<b>30</b>
Proposal No. 6	Authorization to repurchase ordinary shares	FOR	<b>33</b>

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**How to Cast Your Vote**

Your vote is important. You may vote in person at the meeting or by appointing a proxy in accordance with your instructions and we encourage you to vote using any of the below methods:

<b>Vote In Person:</b>		
<p>You may choose to vote in person at the meeting. If you are a beneficial holder who holds your shares through a bank, broker or other nominee and you choose to vote in person at the meeting, you must request a legal proxy. To do so, please follow the instructions from your bank, broker or other nominee at <a href="http://www.proxyvote.com">www.proxyvote.com</a>. You may also request a paper copy of the materials, which will contain the appropriate instructions.</p>		

<b>Vote by Proxy:</b>		
<b>Submit Your Proxy via the Internet</b> at <a href="http://www.proxyvote.com">www.proxyvote.com</a>		<b>Submit Proxy by Mail</b> by returning the signed
Have the information that is printed in the box marked by the arrow (located on the Notice) available and follow the instructions. If you are a beneficial holder who owns your shares through a bank, broker or other nominee, the availability of Internet submission of proxies may depend on the voting process of the organization that holds your shares.		Proxy card (or, if you do not have a proxy card, by requesting a paper copy of the materials).

**Board Nominees (page 10)**

The following table provides summary information about each Director nominee standing for re-election to the Board.

Name	Director Since	Independent (Yes/No)	Committee Memberships	Other Public Company Boards
Jennifer Li	2018	Yes		Philip Morris International Inc. ABB Ltd.
Lay Koon Tan	2012	Yes	Compensation Committee	

**Fiscal Year 2018 Highlights (page 40)**

*Business Overview*

We are a globally-recognized provider of *Sketch-to-Scale®* services – innovative design, engineering, manufacturing and supply chain services and solutions – from conceptual sketch to full-scale production. We design, build, ship and service complete packaged consumer and enterprise products, from athletic shoes to electronics, for companies of all sizes in various industries and end-markets, through our activities in the following segments:

<b>Segment</b>	<b>Product Categories</b>
<b>Communications &amp; Enterprise Compute (CEC)</b>	<ul style="list-style-type: none"><li>• Telecom business of radio access base stations, remote radio heads, and small cells for wireless infrastructure;</li><li>• Networking business, which includes optical, routing, broadcasting, and switching products for the data and video networks;</li><li>• Server and storage platforms for both enterprise and cloud-based deployments;</li></ul>

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Segment	Product Categories
	<ul style="list-style-type: none"> <li>Next generation storage and security appliance products; and</li> <li>Rack level solutions, converged infrastructure and software-defined product solutions.</li> </ul>
<b>Consumer Technologies Group (CTG)</b>	<ul style="list-style-type: none"> <li>Consumer-related businesses in connected living, wearables, gaming, augmented and virtual reality, fashion and apparel, and mobile devices; and</li> <li>Various supply chain solutions for notebook personal computers, tablets, and printers.</li> </ul>
<b>Industrial and Emerging Industries (IEI)</b>	<ul style="list-style-type: none"> <li>Energy including advanced metering infrastructure, energy storage, smart lighting, electric vehicle infrastructure, smart solar energy, semiconductor and capital equipment, office solutions, industrial, home and lifestyle, industrial automation, and kiosks.</li> </ul>
<b>High Reliability Solutions (HRS)</b>	<ul style="list-style-type: none"> <li>Health solutions business, including consumer health, digital health, disposables, precision plastics, drug delivery, diagnostics, life sciences and imaging equipment; and</li> <li>Automotive business, including vehicle electrification, connectivity, autonomous vehicles, and clean technologies.</li> </ul>

Over the past several years, Flex has embarked on a long-term strategy focused on portfolio evolution and driving higher value-added services that align with our customers' needs and requirements in order to improve operating and financial results, including improving profit margins, generating sustainable cash flow, and producing solid returns on invested capital. As we have continued to evolve our portfolio and *Sketch-to-Scale*® strategy, we also remain thoughtful around how we are allocating capital in order to capture future profitable growth as we expand into new businesses and markets. Our revenue growth momentum is being fueled by continued receptivity from customers that recognize and take advantage of our unique scale and cross-industry integrated solutions, providing us with consistent operating cash flow that enables us to operate, invest, and grow our business. We continue to improve and expand our design capabilities and reference platforms for new products and markets, which are leading to many new customer and business opportunities. These strategic efforts have provided us with strong year-over-year revenue growth and record high adjusted operating profits for our IEI and HRS businesses. Our strategic partnership with Nike, which provides us with access to a significant market expansion outside of our core electronics focus, has not yet generated our targeted operating margin and hence has had the effect of depressing overall margins. Fiscal year 2018 was an important investment year for Flex on multiple fronts in addition to Nike, as we positioned the Company to be faster, more responsive, and adaptive. Our investments in the future positioned us well to capture enhanced top-line growth in fiscal year 2018 and we anticipate the investments will lead to continued improvements in revenue, adjusted operating profit, and adjusted EPS in the year to come.

*Performance Highlights For Fiscal Year 2018*

We achieved overall top-line growth from expanding our *Sketch-to-Scale*<sup>®</sup> strategy while also pursuing an aggressive period of strategic capital expenditures and business realignment. This fiscal year 2018 growth was strongest in our higher margin and higher complexity IEI and HRS segments, where year-over-year revenue growth was 20% and 15%, respectively. This growth is critical to our financial optimization as these segments drive better visibility and longer product life cycles. As expected, revenue declined in our CEC segment as legacy businesses continued to shrink while being partially offset by growth from new areas such as cloud data center and converged products. CTG segment revenues were up nearly 10%, while fiscal year 2018 adjusted operating margins declined due to investments and losses from our Nike strategic partnership. Our increased level of capital expenditures and net working capital have pressured our cash flow. Fiscal year 2018 highlights<sup>(1)</sup> include:

- We achieved net sales of \$25.4 billion, an increase of 7% compared to the prior year. In addition, through the end of fiscal year 2018, we have delivered five straight quarters of year-over-year revenue growth.
- Adjusted operating profit was \$786.5 million, a 3.5% decrease as compared with fiscal year 2017.

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(1) Adjusted operating profit, adjusted earnings per share, adjusted gross profit, adjusted gross margin and free cash flow are non-GAAP financial measures, and we are including our 2018 results for these measures to show an aspect of our performance. Annex A to this proxy statement contains reconciliations of these measures to the most directly comparable GAAP financial measures.

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- We delivered adjusted earnings per share (EPS) of \$1.09 per share, a 6.8% decrease as compared with the prior year.
- Adjusted gross profit totaled \$1.7 billion, an increase of 1.9% compared to the prior year.
- Adjusted gross margin was 6.7% of net sales in fiscal year 2018, compared with 7.0% of net sales in fiscal year 2017.
- We generated operating cash flows of \$753.6 million during the year. The cash flow generated from our operations enabled us to return value to shareholders with the repurchase of \$180.0 million of our shares in fiscal year 2018.
- We realized free cash flow of \$236.4 million which was down from the prior year primarily due to higher capital expenditures of \$517.2 million, higher working capital usage, and lower overall profitability.

With the above results, we had a fiscal year 2018 total shareholder return (TSR) that was well below our expectations, though we have delivered TSR of nearly 29% over the past three fiscal years, which approximates the median of the firms that were in the S&P 500 over the same time period. Over the last five years, we have generated TSR of over 140%, which is in the top quartile of the S&P 500.

**Executive Compensation Highlights (page 41)**

*Pay and Performance Alignment For Fiscal Year 2018*

Our compensation philosophy is to reward above-target performance when achieved, and pay zero or below target when targeted results are not delivered.

Highlights include:



- We maintained all NEOs' base salaries with no increase, positioned in the aggregate at approximately the peer group median.
- In light of overall Company performance and in accordance with the Company's governance principles, the Board exercised its discretion to reduce to zero the fourth quarter fiscal 2018 incentive bonus payouts for our NEOs, with the exception of Mr. Humphries, resulting in annual incentive bonus payouts at 89.3% of target for the NEOs (except for Mr. Humphries, who earned 159.2% of target driven by exceptional results in the HRS business). Additionally, performance share unit (PSU) and service-based restricted share unit (RSU) awards granted to the NEOs on June 19, 2018 were reduced by 15%.
- We paid out the long-term PSU cycle during fiscal year 2018 at 200% of target in June 2017 based upon TSR results that were at the 81st percentile over the three-year performance cycle that began in June 2014, which exceeded the maximum level of the performance goal range. The Flex three-year free cash flow (FCF) PSU and long-term cash incentive cycle paid out at 73.9% of target, reflecting Flex's more aggressive operating targets and the shift towards an investment strategy in fiscal year 2018.
- We funded the NEOs' deferred compensation plans with a value that averaged 26.3% of our NEOs' respective base salaries based on fiscal year 2018 results.
- We continued to use fiscal year 2018 long-term incentive grants that balance relative TSR PSUs with a long-term incentive plan (LTIP) that measures cumulative FCF over a multi-year period (from fiscal year 2018 through fiscal year 2020).

### **Corporate Governance Highlights**

The Company is committed to maintaining sound corporate governance practices. Below are some of the highlights of the Company's corporate governance practices:

#### **Director Independence**

- 8 out of 9 of our directors, and all of the Board nominees for re-election, are independent.
- Our independent directors regularly meet in private executive sessions without management present.

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- The Chairman of the Board is independent, and the Board has separated the roles of Chairman and CEO since 2003.

- All committees of the Board are comprised exclusively of independent directors.

**Director Retirement by Rotation**

- Article 94 of our Constitution requires that at each annual general meeting one-third of the Company's directors (or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the directors) are required to retire from office and are then eligible for re-election at such annual general meeting.

- On July 2, 2018, the Company announced that, following a review of corporate governance practices and trends, the Board of Directors has determined to de-classify its Board in accordance with Singapore law to enable all directors to stand for election at each subsequent annual general meeting of the Company, with such annual elections of the full Board commencing at the Company's annual general meeting to be held in 2019. The Company will call an extraordinary general meeting of the shareholders of the Company prior to the 2019 annual general meeting to obtain the approval of the Company's shareholders to amend the Company's Constitution accordingly and elect all directors annually, rather than through staggered retirement by rotation.

**Majority Voting Standard**

- The Company has a majority voting standard for the election of directors.

**Board and Committee Practices and Accountability**

- The Board of Directors and its committees conduct annual self-evaluations and the Board and its committees routinely evaluate the experiences, qualifications, skills, and attributes of the Board/committee members.

**Changes to the Board of Directors & Board Committees**

- In January 2018, the Board elected a new independent director, Ms. Jennifer Li, who brings to the Board financial, operational, and technology industry experience both internationally and, particularly, in China and adds further diversity to the Board.

- Mr. Daniel Schulman, who is retiring by rotation pursuant to Article 94 of our Constitution, has decided not to stand for re-election due to other time commitments and will be retiring from the Board effective as of the conclusion of the 2018 annual general meeting.

- Effective as of the date of the 2018 annual general meeting, Mr. Watkins has been appointed the Chairman of the Compensation Committee and as a member of the Nominating and Corporate Governance Committee. In addition, effective as of the date of the 2018 annual general meeting, Mr. Watkins will rotate off the Audit Committee and Ms. Li has been appointed as a member of the Audit Committee.
- We believe that the rotation of membership on our Board committees further enhances the functioning of our Board committees.

**Sustainability Practices**

- Sustainability is important to the Company and our governance principles, and forms a core part of our business operations. Through innovation and smart technologies, the Company seeks to positively impact people and the environment with our sustainable solutions.
- Since 2015, the Company's sustainability program has encompassed global corporate citizenship and is focused on five cornerstones: people, community, environment, innovation, and integrity.

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	<ul style="list-style-type: none"><li>• The Company's sustainability strategy and global efforts are aligned with the United Nations Global Compact (UNGC) Principles (as participant of the UNGC since 2018) and the 2030 Sustainable Development Goals (SDGs).</li><li>• Further information can be found in our annual sustainability reports, as well as our Flex 20 by 2020 bi-annual report published on <a href="http://flex.com/sustainability">flex.com/sustainability</a>.</li></ul>
<b>Shareholder Engagement</b>	<ul style="list-style-type: none"><li>• The Company is committed to ongoing shareholder engagement. During fiscal year 2018, management interacted with holders of approximately 93% of our share voting power.</li></ul>
<b>Director Share Ownership Requirements</b>	<ul style="list-style-type: none"><li>• In 2009, the Board of Directors adopted share ownership guidelines for our non-employee directors. The share ownership guidelines encourage our non-employee directors to hold a minimum number of our ordinary shares equivalent to four (4) times the annual cash retainer provided to non-employee directors. All of our non-employee directors have already met the minimum requirements of the share ownership guidelines or are on target to be in compliance with the requirements of the guidelines.</li></ul>
<b>Board Oversight of Risk Management</b>	<ul style="list-style-type: none"><li>• The Board is responsible for overseeing the Company's risk management. As part of this oversight, the Board reviews the Company's policies and practices with respect to risk assessment and risk management, including discussing with management the Company's major risk exposures and the steps that have been taken to monitor and mitigate such exposures. Each Board committee is responsible for oversight of risk management practices for categories of risks relevant to its functions.</li></ul>
<b>Hedging/Pledging Prohibitions</b>	<ul style="list-style-type: none"><li>• We do not allow hedging or short sales of Company equity, nor do we permit pledging of Company equity as collateral for loans.</li></ul>

**Audit Committee Investigation Completed**

The Audit Committee of the Company's Board of Directors, with the assistance of independent outside counsel, undertook an independent investigation relating to the accounting treatment of customer obligations and certain related reserves. The Audit Committee has completed its investigation. The Company, working with its independent registered public accounting firm, identified and the Audit Committee concurred with such identification, material weaknesses in our internal control over financial reporting which could, if not remediated, result in material misstatements in our financial statements. The Company has undertaken, and will continue to undertake, steps to improve our internal control over financial reporting to address and remediate the material weaknesses.



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**Part I Information About the Meeting**

**FLEX LTD.**

**PROXY STATEMENT**

**FOR THE 2018 ANNUAL GENERAL MEETING OF  
SHAREHOLDERS**

**To Be Held on August 16, 2018  
9:00 a.m. (Pacific time)**

**Annual general meeting to be held at our offices  
6201 America Center Drive**

**San Jose, CA 95002, U.S.A.**

**PART I INFORMATION ABOUT THE MEETING**

We are furnishing this proxy statement in connection with the solicitation by our Board of Directors of proxies to be voted at the 2018 annual general meeting of our shareholders, or at any adjournments thereof, for the purposes set forth in the notice of annual general meeting that accompanies this proxy statement. Unless the context requires otherwise, references in this proxy statement to Flex, the Company, we, us, our and similar terms mean Flex Ltd. and its subsidiaries.

*Proxy Mailing.* The Notice of Internet Availability of Proxy Materials (which we refer to as the Notice) or the proxy materials and the enclosed proxy card were first mailed on or about July 5, 2018 to shareholders of record as of June 15, 2018.

*Costs of Solicitation.* The entire cost of soliciting proxies will be borne by us. Following the original mailing of the proxies and other soliciting materials, our directors, officers and employees may also solicit proxies by mail, telephone, e-mail, fax or in person. These directors, officers and employees will not receive additional compensation for those activities, but they may be reimbursed for any reasonable out-of-pocket expenses.

Following the original mailing of the proxies and other soliciting materials, we will request that brokers, custodians, nominees and other record holders of our ordinary shares forward copies of the proxy and other soliciting materials to persons for whom they hold ordinary shares and request authority for the exercise of proxies. In these cases, we will reimburse such holders for their reasonable expenses if they ask that we do so. We have retained D.F. King & Co., an independent proxy solicitation firm, to assist in soliciting proxies at an estimated fee of \$10,000, plus reimbursement of reasonable expenses.

*Registered Office.* The mailing address of our registered office is No. 2 Changi South Lane, Singapore 486123.

#### **VOTING RIGHTS AND SOLICITATION OF PROXIES**

The close of business on June 15, 2018 is the record date for shareholders entitled to notice of our 2018 annual general meeting. All of the ordinary shares issued and outstanding on August 16, 2018, the date of the annual general meeting, are entitled to be voted at the annual general meeting, and shareholders of record on August 16, 2018 and entitled to vote at such meeting will, on a poll, have one vote for each ordinary share so held on the matters to be voted upon. As of June 15, 2018, we had 530,336,306 ordinary shares issued and outstanding.

*Proxies.* Ordinary shares represented by proxies in the form made available in connection with this proxy statement that are properly executed and returned to us will be voted at the 2018 annual general meeting in accordance with our shareholders' instructions.

If your ordinary shares are held through a broker, a bank, or other nominee, which is sometimes referred to as holding shares in street name, you have the right to instruct your broker, bank or other nominee on how to vote the shares in your account. Your broker, bank or other nominee will send you a voting instruction form for you to use to direct how your shares should be voted.

*Quorum and Required Vote.* Representation at the 2018 annual general meeting of at least 33-1/3% of all of our issued and outstanding ordinary shares is required to constitute a quorum to transact business at the annual general meeting.

- Consistent with the Company's historical practice, the chair of the 2018 annual general meeting will demand a poll in order to enable the ordinary shares represented in person or by proxy to be counted for voting purposes.

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- The affirmative vote by a simple majority of the votes cast is required at the 2018 annual general meeting, to re-elect the directors nominated pursuant to Proposal Nos. 1 and 2, to re-appoint Deloitte & Touche LLP as our independent auditors pursuant to Proposal No. 3, to approve the ordinary resolution to allot and issue ordinary shares contained in Proposal No. 4, to approve the non-binding, advisory resolution regarding executive compensation contained in Proposal No. 5, and to approve the ordinary resolution to renew the Share Purchase Mandate contained in Proposal No. 6.

Under the Companies Act (Chapter 50) of Singapore, which we refer to as the Singapore Companies Act or the Companies Act, and our Constitution, the shareholders may, by passing an ordinary resolution requiring the simple majority of affirmative votes of shareholders present and voting at an annual general meeting, remove an incumbent director and appoint another person as director to replace the removed director provided that such shareholders have satisfied the procedural requirements and deadlines set forth in the Companies Act and our Constitution.

*Abstentions and Broker Non-Votes.* Abstentions and broker non-votes are considered present and entitled to vote at the 2018 annual general meeting for purposes of determining a quorum. A broker non-vote occurs when a broker, a bank or other nominee who holds shares for a beneficial owner does not vote on a particular proposal because the broker, bank or other nominee has not received directions from the beneficial owner and does not have discretionary power to vote on that particular proposal. If a broker, bank or other nominee indicates on the proxy card that it does not have discretionary authority to vote as to a particular matter, those shares, along with any abstentions, will not be counted in the tabulation of the votes cast on the proposal being presented to shareholders.

If you are a beneficial owner, your broker, bank or other nominee has authority to vote your shares for or against the re-appointment of our independent auditors, even if the broker does not receive voting instructions from you. Your broker, bank or other nominee, however, does not have the discretion to vote your shares on any other proposals included in this proxy statement without receiving voting instructions from you. **It is very important that you instruct your broker, bank or other nominee how to vote on these proposals.** If you do not complete the voting instructions, your shares will not be considered in the election of directors or any other proposal included in this proxy statement other than the re-appointment of our independent auditors.

**If you are a registered shareholder, in the absence of contrary instructions, shares represented by proxies submitted by you will be voted at the 2018 annual general meeting: FOR each of the Board nominees in Proposal Nos. 1 and 2; and FOR Proposal Nos. 3 through 6.** Our management does not know of any matters to be presented at the 2018 annual general meeting other than those set forth in this proxy statement and in the notice accompanying this proxy statement. If other matters should properly be put before the meeting, the proxy holders will vote on such matters in accordance with their best judgment.

Any shareholder of record has the right to revoke his or her proxy at any time prior to voting at the 2018 annual general meeting by:



- submitting a subsequently dated proxy; or
- by attending the meeting and voting in person.

If you are a beneficial holder who holds your ordinary shares through a broker, a bank or other nominee and you wish to change or revoke your voting instructions, you will need to contact the broker, the bank or other nominee who holds your shares and follow their instructions. If you are a beneficial holder and not the shareholder of record, you may not vote your shares in person at the 2018 annual general meeting unless you obtain a legal proxy from the record holder giving you the right to vote the shares.

*Singapore Financial Statements; Monetary Amounts.* We have prepared, in accordance with Singapore law, Singapore statutory financial statements, which are posted to our website at <https://investors.flex.com/financials>. Except as otherwise stated herein, all monetary amounts in this proxy statement have been presented in U.S. dollars.

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**Part II Proposals to be Considered at the 2018 Annual General Meeting of Shareholders**

**Proposal Nos. 1 and 2: Re-Election of Directors**

**PART II PROPOSALS TO BE CONSIDERED AT THE 2018 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**PROPOSAL NOS. 1 AND 2: RE-ELECTION OF DIRECTORS**

Article 94 of our Constitution requires that at each annual general meeting one-third of the directors (or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the directors) are required to retire from office. The directors required to retire in each year are those who have been in office the longest since their last re-election or appointment. As between persons who became or were last re-elected directors on the same day, those required to retire are (unless they otherwise agree among themselves) determined by lot. Under Article 90 of our Constitution, any director holding office as a Chief Executive Officer shall not be subject to retirement by rotation, unless the Board of Directors determines otherwise, or be taken into account in determining the number of directors required to retire by rotation. As a result, Mr. McNamara, as our Chief Executive Officer and also being one of our directors, is not subject to retirement by rotation or taken into account in determining the number of directors required to retire by rotation.

Furthermore, under Article 100 of our Constitution, any director appointed by the Board to fill a vacancy or as an additional director shall not be taken into account in determining the number of directors required to retire by rotation. Accordingly, Ms. Jennifer Li is not taken into account in determining the number of directors required to retire by rotation.

Retiring directors are eligible for re-election. Mr. Schulman and Mr. Tan are the members of our Board of Directors who will retire by rotation at our 2018 annual general meeting. Mr. Tan is eligible for re-election and has been nominated to stand for re-election at the 2018 annual general meeting. Mr. Schulman, who is retiring by rotation pursuant to Article 94 of our Constitution, has decided not to stand for re-election due to other time commitments and will be retiring from the Board effective as of the conclusion of the 2018 annual general meeting.

The Singapore Companies Act requires that we must have at all times at least one director ordinarily resident in Singapore. As Mr. Tan is the only member of our Board of Directors who is ordinarily resident in Singapore, any purported vacation of Mr. Tan's office at the 2018 annual general meeting shall be deemed to be invalid absent a prior appointment of another director to the Board who is ordinarily resident in Singapore.

Additionally, Article 100 of our Constitution provides that any person appointed as a director by the Board shall hold office only until the next annual general meeting and then shall be eligible for re-election. As a result, Ms. Li, who was appointed as an additional director by our Board on January 8, 2018, in accordance with Article 100 of our Constitution, is eligible for re-election and has been nominated for re-election at the 2018 annual general meeting.

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If any nominee fails to receive the affirmative vote of a majority of the shares present and voting on the resolution to approve his or her re-election (that is, if the number of shares voted FOR the director nominee does not exceed the number of votes cast AGAINST that nominee), he or she will not be re-elected to the Board and the number of incumbent Directors comprising the Board of Directors will be reduced accordingly. Abstentions, if any, will have no effect.

The proxy holders intend to vote all proxies received by them in the accompanying form of proxy card for the nominees for directors listed below under Nominees to our Board of Directors. In the event that any nominee is unable or declines to serve as a director at the time of the 2018 annual general meeting, the proxies will be voted for any nominee who shall be designated by the present Board of Directors of the Company, in accordance with Article 99 of our Constitution, to fill the vacancy.

As of the date of this proxy statement, our Board of Directors is not aware of any nominee who is unable or will decline to serve as a director (other than Mr. Schulman, who has notified the Company that he is not seeking re-election and will be retiring from the Board effective as of the conclusion of the 2018 annual general meeting).

On July 2, 2018, the Company announced that, following a review of corporate governance practices and trends, the Board of Directors has determined to de-classify its Board in accordance with Singapore law to enable all directors to stand for election at each subsequent annual general meeting of the Company, with such annual elections of the full Board commencing at the Company's annual general meeting to be held in 2019. The Company will call an extraordinary general meeting of the shareholders of the Company prior to the 2019 annual general meeting to obtain the approval of

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the Company's shareholders to amend the Company's Constitution accordingly and elect all directors annually, rather than through staggered retirement by rotation.

**Qualifications of Directors and Nominees**

Our Nominating and Corporate Governance Committee is responsible for assessing the composition and performance of the Board of Directors and Committees of the Board of Directors and for recruiting, evaluating and recommending candidates to be presented for appointment or election to serve as members of the Board of Directors. In evaluating our Board of Directors, our Nominating and Corporate Governance Committee has considered that our directors, including our nominees for election as directors, have experience as officers, directors and private equity investors of large, complex technology companies. In these positions, they have also gained experience in core management skills that are important to their service on our Board of Directors, such as international business, supply chain management, strategic and financial planning, compliance, risk management, intellectual property matters and leadership development. Our directors also have experience serving on the boards of directors and board committees of other public companies, which provides them with an understanding of current corporate governance practices and trends and executive compensation matters. Our Nominating and Corporate Governance Committee also believes that our directors have other key attributes that are important to an effective board, including the highest professional and personal ethics and values, an understanding of the Company's business and industry, a high level of education, broad-based business acumen, the ability to think strategically, and diversity. The Company and the Nominating and Corporate Governance Committee are committed to actively seek highly-qualified diverse candidates (including diversity of experience, expertise, gender, race, and ethnicity) for consideration when the Board undertakes director searches.

In addition to the qualifications described above, the Nominating and Corporate Governance Committee also considered the specific experience described in the biographical details that follow in determining whether each individual nominee or director should serve on our Board of Directors.

The following are biographical details for the nominees to our Board of Directors:

**Nominees to our Board of Directors**

***Jennifer Li***

**Chief Executive Officer and General Managing Director, Changcheng Investment Partners**

**Director Since: 2018**

**Summary:** Ms. Li has served as a member of our Board of Directors since January 2018. Ms. Li currently serves as Chief Executive Officer and General Managing Director of Changcheng Investment Partners, Baidu's newly initiated growth fund. From April 2017 to April 2018, she served as Chief Executive Officer and General Managing Director of Baidu Capital, the investment arm of Baidu, Inc. She was previously Chief Financial Officer of Baidu Inc., the leading Chinese language search engine and one of the largest search engines in the world. Ms. Li led Baidu over the past ten years of growth. In this capacity, she gained diverse functional experience,

**Age:** 50

**Board Committees:**

None

(appointed to the Audit Committee effective as of the date of the 2018 annual general meeting)

leading human resources, public relations, marketing, international operations, mergers and acquisitions, and finance. From 1994 to 2008, she held a number of senior finance positions at various General Motors companies in China, Singapore, the United States, and Canada, rising to Chief Financial Officer of GM's business in China and Financial Controller of the North American Operations for GMAC. Ms. Li currently serves on the boards of directors of ABB Ltd., The Hongkong and Shanghai Banking Corporation Limited and Philip Morris International Inc. where she also serves as the Chair of its Audit Committee and a member of both its Nominating and Corporation Governance and Finance Committees.

**Qualifications:** Ms. Li is a seasoned, global international executive with extensive experience in China, automotive, and multiple technology sectors. Ms. Li's world-class financial, operational, and technology industry experience both internationally and, particularly in China, enables her to provide with Board with valuable perspective and insight.

**Lay Koon Tan**

**Summary:** Mr. Tan has served as a member of our Board of Directors since March 2012. He previously served as the President and Chief Executive Officer

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**Former President and Chief Executive Officer and a member of the Board of Directors of STATS ChipPAC Ltd.**

**Director Since:** 2012

**Age:** 59

and a member of the Board of Directors of STATS ChipPAC Ltd. from August 2004 to November 2015 and of its predecessor, ST Assembly Test Services Ltd., since June 2002. Mr. Tan joined ST Assembly Test Services Ltd. in May 2000 as its Chief Financial Officer, and in August 2004, he led the formation of STATS ChipPAC Ltd. with the acquisition of ChipPAC, Inc., becoming the combined company's founding President and Chief Executive Officer. Prior to joining ST Assembly Test Services Ltd., Mr. Tan was an investment banker with Salomon Smith Barney, the global investment banking unit of Citigroup Inc. Before that, he held various senior positions in government and financial institutions in Singapore. Mr. Tan graduated with a Bachelor of Engineering (First Class Honors) from the University of Adelaide, Australia as a Colombo Plan Scholar. He also has a Master of Business Administration (Distinction) from the Wharton School, University of Pennsylvania where he was elected a Palmer scholar.

**Board Committees:**

Compensation Committee

**Qualifications:** Mr. Tan's extensive background in financial and investment matters provides a critical perspective to the Board in these areas, and his executive leadership experience, serving as a chief executive officer and chief financial officer of large international technology-related corporations, enables him to provide the Board with invaluable operational insight.

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**Directors Not Standing for Re-election**

The following are the biographical details for our directors not standing for re-election. Mr. Schulman, who is retiring by rotation pursuant to Article 94 of our Constitution, has decided not to stand for re-election due to other time commitments and will be retiring from the Board effective as of the conclusion of the 2018 annual general meeting.

**Michael D. Capellas, Chairman of the Board**

**Principal, Capellas**

**Strategic Partners**

**Director Since:** 2014

**Age:** 63

**Board Committees:**

Nominating & Corporate  
Governance Committee (Chair)

**Summary:** Mr. Capellas has served as our non-executive Chairman of the Board since June 2017 and as a member of our Board of Directors since March 2014. He has served as Principal at Capellas Strategic Partners since June 2013. He served as the Chairman of the Board of VCE Company, LLC (VCE) from January 2011 until November 2012 and as VCE's Chief Executive Officer from May 2010 to September 2011. VCE is a joint venture between EMC Corporation and Cisco with investments from VMware, Inc. and Intel Corporation. Mr. Capellas was the Chairman and Chief Executive Officer of First Data Corporation from September 2007 to March 2010. From October 2006 to July 2007, Mr. Capellas served as a Senior Advisor at Silver Lake Partners. From November 2002 to January 2006, he served as Chief Executive Officer of MCI, Inc. (MCI), previously WorldCom, Inc. From March 2004 to January 2006, he also served as that company's President. From November 2002 to March 2004, he was also Chairman of the Board of WorldCom, and he continued to serve as a member of the board of directors of MCI until January 2006. Mr. Capellas left MCI as planned in early January 2006 upon its acquisition by Verizon Communications Inc. Previously, Mr. Capellas was President of Hewlett-Packard Company from May 2002 to November 2002. Before the merger of Hewlett-Packard and Compaq Computer Corporation in May 2002, Mr. Capellas held various positions including President and Chief Executive Officer of Compaq, a position he had held since July 1999, and Chairman of the Board of Compaq, a position he had held since September 2000. Mr. Capellas held earlier positions as Chief Information Officer and Chief Operating Officer of Compaq. Mr. Capellas currently serves on the board of directors of Cisco Systems, Inc. and previously served as lead independent director of MuleSoft, Inc.

**Qualifications:** Mr. Capellas brings experience in executive roles and a background of leading global organizations in the technology industry. Through this experience, he has developed expertise in several valued areas including strategic product development,

business development, and finance.

**Michael M. McNamara**

**CEO, Flex Ltd.**

**Director Since:** 2005

**Age:** 61

**Summary:** Mr. McNamara has served as a member of our Board of Directors since October 2005, and as our Chief Executive Officer since January 1, 2006. Prior to his appointment as Chief Executive Officer, Mr. McNamara served as our Chief Operating Officer from January 2002 until January 2006, as President, Americas Operations from April 1997 through December 2001, and as Vice President, North American Operations from April 1994 to April 1997. Mr. McNamara currently serves on the board of directors of Workday, Inc. and is on the Advisory Board of Tsinghua University School of Economics and Management and on the Presidential CEO Advisory Board of Massachusetts Institute of Technology (MIT). Mr. McNamara previously served on the board of Delphi Automotive LLP.

**Board Committees:**

None

**Qualifications:** Mr. McNamara's long service with the Company, extensive leadership and management experience in international operations and his service on other public company boards provide invaluable perspective to the Board. In addition, as the only management representative on our Board, Mr. McNamara provides management perspective in Board discussions about the business and strategic direction of the Company.



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**Marc A. Onetto**

**Principal, Leadership from the Mind and the Heart LLC**

**Director Since:** 2014

**Age:** 67

**Board Committees:**

Audit Committee

**Summary:** Mr. Onetto has served as a member of our Board of Directors since January 2014. Since 2013, Mr. Onetto has provided executive leadership consulting through his company Leadership from the Mind and the Heart LLC. Mr. Onetto was the Senior Vice President of Worldwide Operations and Customer Service for Amazon.com from 2006 to 2013. Previously, Mr. Onetto was Executive Vice President of Worldwide Operations for Solectron Corporation, which was acquired by Flex in 2007, from June 2003 to June 2006. He joined Solectron after a 15-year career with General Electric where his last position was Vice President of GE Corporate's European operations. From 1992 to 2002, Mr. Onetto held several senior leadership positions at GE Medical Systems as head of its global supply chain and operations, global quality, and global Component Division. Prior to GE, Mr. Onetto served 12 years with Exxon Corporation in supply operations, information systems and finance. Mr. Onetto currently serves on the board of directors of Essilor International and on the Business Board of Advisors of the Tepper School of Business at Carnegie-Mellon University.

**Qualifications:** Mr. Onetto is a seasoned supply chain expert and pioneer and has extensive experience as an officer of large, complex technology companies. This experience and his significant understanding of the Company's business and industry enable him to bring valuable insight to the Board in these areas.

**Daniel H. Schulman**

(retiring effective as of the conclusion of the 2018 annual general meeting)

**President and CEO, PayPal Holdings, Inc.**

**Director Since:** 2009

**Age:** 60

**Board Committees:**

**Summary:** Mr. Schulman has served as a member of our Board of Directors since June 2009. Since September 2014, Mr. Schulman has served as the President and then also CEO of PayPal Holdings, Inc. Previously, Mr. Schulman served as group president of the Enterprise Growth Group at American Express. Prior to that, Mr. Schulman served as the President of Sprint's Prepaid Group from November 2009 and, from 2001, was Chief Executive Officer and Director for Virgin Mobile USA, a wireless service provider. Mr. Schulman also served as the President, and then Chief Executive Officer, of Priceline.com from June 1999 to May 2001. Prior to joining Priceline, Mr. Schulman served more than 18 years at AT&T. Mr. Schulman currently serves as a director of PayPal Holdings, Inc. and as Chairman of the board of directors of Symantec Corporation and a member of its compensation and nominating and governance committees. Mr. Schulman currently is a board member of Autism Speaks.

Compensation Committee (Chair)

**Qualifications:** Mr. Schulman has extensive senior management experience as a chief executive officer and governance expertise as a director, and he possesses the knowledge and expertise necessary to contribute an important viewpoint on a wide variety of governance and operational issues. Mr. Schulman's experience in the wireless and telecommunications sectors is particularly valuable to us as we continually enhance the competitive positioning of our segment offerings, such as those in infrastructure and mobile.

Nominating & Corporate Governance Committee

**Willy C. Shih, Ph.D.**

**Summary:** Dr. Shih has served as a member of our Board of Directors since January 2008. Dr. Shih is currently a Professor of Management Practice at the Harvard Business School, a position he has held since January 2007. Dr. Shih's broad industry career experience includes significant accomplishments for globally recognized organizations such as Kodak, IBM, Silicon Graphics and Thomson. From August 2005 to September 2006, Dr. Shih served as Executive Vice President of Thomson, a provider of digital video technologies. He was an intellectual property consultant from February to August 2005, and from 1997 to 2005 served as Senior Vice President of Eastman Kodak Company. Dr. Shih holds a Ph.D. in Chemistry from the University of California, Berkeley and S.B. degrees in Chemistry and Life Sciences from the Massachusetts Institute of Technology. Dr. Shih previously served on the board of directors of Atheros Communications, Inc.

**Professor of Management Practice,  
Harvard Business School**

**Director Since:** 2008

**Age:** 67

**Board Committees:**

Compensation Committee

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**Qualifications:** Dr. Shih's broad experience in the technology industry and with international corporations, as well as his current role at a premier educational institution, provide the Board with key perspectives relating to the Company's operations and ongoing initiatives. In addition, Dr. Shih's experience in teaching and consulting provide him with significant insight into strategic alternatives that are available to technology companies.

**William D. Watkins**

**Former Chief Executive Officer of Imergy Power Systems, Inc.**

**Director Since:** 2009

**Age:** 65

**Board Committees:**

Audit Committee

(rotating off the Audit Committee and

appointed as Chairman of the

Compensation Committee and as a member of the

Nominating and Corporate

Governance Committee effective as of

the date of the 2018 annual general meeting)

**Lawrence A. Zimmerman**

**Former Vice Chairman and CFO, Xerox Corporation**

**Summary:** Mr. Watkins has served as a member of our Board of Directors since April 2009. Mr. Watkins was Chief Executive Officer of Imergy Power Systems, Inc., a leading innovator in cost-effective energy storage products from September 2013, and appointed Chairman of the Board in January 2015, until August 2016. He previously served as Chairman of the Board of Bridgelux, Inc. from February 2013 to December 2013 and as its Chief Executive Officer from January 2010 to February 2013. He previously served as Seagate Technology's Chief Executive Officer from 2004 through January 2009, and as Seagate's President and Chief Operating Officer from 2000 until 2004. During that time, he was responsible for Seagate's hard disc drive operations, including recording heads, media and other components, and related R&D and product development organizations. Mr. Watkins joined Seagate in 1996 with the company's merger with Conner Peripherals. Mr. Watkins currently serves on the board of directors of Maxim Integrated Products, Inc. and Avaya, Inc.

**Qualifications:** Mr. Watkins's operational expertise and broad experience in the technology industry and with international corporations, particularly with product development companies, provides critical insight and perspective relating to the Company's customer base.

**Summary:** Mr. Zimmerman has served as a member of our Board of Directors since October 2012. Mr. Zimmerman has extensive experience in corporate finance and accounting, having previously served at Xerox Corporation as Vice Chairman and Chief Financial Officer from 2009 to 2011 and as Executive Vice President and Chief Financial Officer from 2002 to 2009. Prior to that, he spent 32 years

**Director Since:** 2012

with IBM, holding various senior finance positions, including Corporate Controller. Mr. Zimmerman currently serves on the board of directors of Aptiv PLC, and previously served on the boards of Brunswick Corporation from 2006 to 2015 and Computer Sciences Corporation from 2012 to 2014.

**Age:** 75

**Board Committees:**

Audit Committee (Chair)

**Qualifications:** Mr. Zimmerman's distinguished career and his extensive experience in corporate finance and accounting, serving as a chief financial officer and corporate controller of large international corporations, provides the Board with the critical perspective of someone familiar with all facets of corporate finance and accounting.

Nominating & Corporate  
Governance Committee

**The Board recommends a vote FOR**  
**the re-election of each of Ms. Li and Mr. Tan**  
**to our Board of Directors.**

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**Part II Proposals to be Considered at the 2018 Annual General Meeting of Shareholders**

**Corporate Governance**

**CORPORATE GOVERNANCE**

**Code of Business Conduct and Ethics**

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers and employees (including our principal executive officer, our principal financial officer and our principal accounting officer). The Code of Business Conduct and Ethics is available on the Corporate Governance page of the Investor Relations section of our website at [www.flex.com](http://www.flex.com). In accordance with the rules of the Securities and Exchange Commission (or SEC), we intend to disclose on the Corporate Governance page of our website any amendment (other than technical, administrative or other non-substantive amendments) to, or any material waiver from, a provision of the Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer, controller or persons performing similar functions.

**Shareholder Communications with our Board of Directors**

Our shareholders may communicate with our Board of Directors by sending an e-mail to [Board@flex.com](mailto:Board@flex.com). Communications submitted to this e-mail address are regularly reviewed by the Company's CEO, CFO and/or General Counsel and submitted to the Chairman of the Board, the Board of Directors or the requisite individual members of the Board of Directors, as appropriate, depending on the facts and circumstances outlined in the communication. Certain items that are unrelated to the duties and responsibilities of the Board of Directors are generally not furnished to the Board of Directors and are instead redirected or excluded, as appropriate.

**Board of Directors**

Our Constitution gives our Board of Directors general powers to manage our business. The Board oversees and provides policy guidance on our strategic and business planning processes, oversees the conduct of our business by senior management and is principally responsible for the succession planning for our key executives, including our Chief Executive Officer.

Our Board of Directors held a total of five meetings during fiscal year 2018. During the period for which each current director was a director or a committee member, each director attended at least 75% of the aggregate of the total number of meetings of our Board in fiscal year 2018 together with the total number of meetings held by all committees of our Board on which he or she served. During fiscal year 2018, our non-employee directors met at regularly scheduled executive sessions without management participation.

Our Board has adopted a policy that encourages each director to attend the annual general meeting, but attendance is not required. All of our directors at the time of the 2017 annual general meeting attended the Company's 2017 annual general meeting.

### **Director Independence**

To assist our Board of Directors in determining the independence of our directors, the Board has adopted Director Independence Guidelines that incorporate the definition of independence adopted by The Nasdaq Stock Market LLC, which we refer to as Nasdaq in this proxy statement. Our Board has determined that each of the Company's directors (including Mr. Raymond Bingham, who served as a director in fiscal year 2018 until his resignation in June 2017), other than Mr. McNamara, is an independent director as defined by the applicable rules of Nasdaq and our Director Independence Guidelines. Under the Nasdaq definition and our Director Independence Guidelines, a director is independent only if the Board determines that the director does not have any relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In addition, under the Nasdaq definition and our Director Independence Guidelines, a director will not be independent if the director has certain disqualifying relationships. In evaluating independence, the Board broadly considers all relevant facts and circumstances. Our Director Independence Guidelines are included in our Guidelines with Regard to Certain Governance Matters, a copy of which is available on the Corporate Governance page of the Investor Relations section of our website at [www.flex.com](http://www.flex.com).

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**Director Retirement by Rotation**

Article 94 of our Constitution requires that at each annual general meeting one-third of the directors (or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the directors) are required to retire from office and are then eligible for re-election at such annual general meeting. On July 2, 2018, the Company announced that, following a review of corporate governance practices and trends, the Board of Directors has determined to de-classify its Board in accordance with Singapore law to enable all directors to stand for election at each subsequent annual general meeting of the Company, with such annual elections of the full Board commencing at the Company's annual general meeting to be held in 2019. The Company will call an extraordinary general meeting of the shareholders of the Company prior to the 2019 annual general meeting to obtain the approval of the Company's shareholders to amend the Company's Constitution accordingly and elect all directors annually, rather than through staggered retirement by rotation.

**Board Leadership Structure and Role in Risk Oversight**

Our Board of Directors currently consists of nine directors, each of whom, other than Mr. McNamara, is independent under the Company's Director Independence Guidelines and the applicable rules of Nasdaq. Mr. McNamara has served as our Chief Executive Officer, or CEO, since January 1, 2006, and as a member of our Board of Directors since October 2005. The Board has separated the roles of Chairman and CEO since 2003. The Board appointed Mr. Capellas, an independent director, as Chairman of the Board, in 2017.

Our Board of Directors believes that the most effective Board leadership structure for the Company at the present time is for the roles of CEO and Chairman of the Board to be separated, and for the Chairman of the Board to be an independent director. Under this structure, our CEO is generally responsible for setting the strategic direction for the Company and for providing the day-to-day leadership over the Company's operations, while the Chairman of the Board provides guidance to the CEO, sets the agenda for meetings of the Board and presides over Board meetings. Our Board of Directors believes that having an independent Chairman set the agenda and establish the priorities and procedures for the work of the Board provides a greater role for the independent directors in the oversight of the Company, and also provides the continuity of leadership necessary for the Board to fulfill its responsibilities. This leadership structure is supplemented by the fact that all of our directors, other than Mr. McNamara, are independent and all of the committees of the Board are composed solely of, and chaired by, independent directors. In addition, our non-employee directors meet at regularly scheduled executive sessions without management participation. The Board retains the authority to modify this leadership structure as and when appropriate to best address the Company's unique circumstances at any given time and to serve the best interests of our shareholders.

Our Board of Directors' role in risk oversight involves both the full Board of Directors and its committees. The Audit Committee is charged with the primary role in carrying out risk oversight responsibilities on behalf of the Board. Pursuant to its charter, the Audit Committee reviews the Company's policies and practices with respect to risk assessment and risk management, including discussing with management the Company's major risk exposures and the steps that have been taken to monitor and mitigate such exposures. The Company's enterprise risk management process is designed to identify risks that could affect the Company's achievement of business goals and strategies, to assess the likelihood and potential impact of significant risks to the Company's business, and to prioritize risk control and mitigation. Our Chief Financial Officer, our General Counsel and our Chief Ethics and Compliance Officer periodically report on the Company's risk management policies and practices to relevant Board committees and to the full Board. The Audit Committee reviews the Company's major financial risk exposures as well as major operational, compliance, reputational, cybersecurity and strategic risks, including steps to monitor, manage and mitigate those risks. In addition, each of the other Board committees is responsible for oversight of risk management practices for categories of risks relevant to

their functions. For example, the Compensation Committee has oversight responsibility for the Company's overall compensation structure, including review of its compensation practices, with a view to assessing associated risk. See *Compensation Risk Assessment*. The Board as a group is regularly updated on specific risks in the course of its review of corporate strategy, business plans and reports to the Board by its respective committees. The Board believes that its leadership structure supports its risk oversight function by providing a greater role for the independent directors in the oversight of the Company.

### **Succession Planning**

On at least an annual basis, the Board reviews and assesses succession plans for the Chief Executive Officer position as well as other executive officers in order to ensure that the Company has the talent needed to successfully pursue the Company's strategy and execution of that strategy. This review includes a broader discussion on developing and

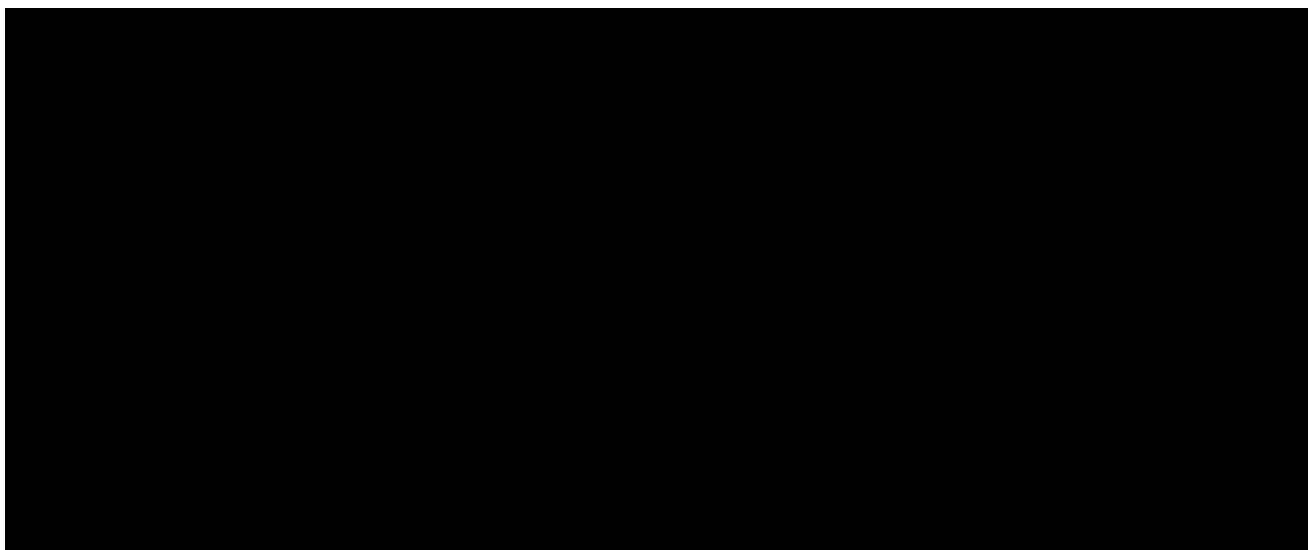


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retaining executive talent. Directors become familiar with potential successors for key executive positions through various means, including regular organization and talent reviews, presentations to the board, and informal meetings.

**Board Committees**

The standing committees of our Board of Directors are the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. The table below provides current membership for each of these committees.



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\* Mr. Schulman is not standing for re-election and is retiring from the Board effective as of the conclusion of the 2018 annual general meeting.

= Committee Member

= Committee Chair

**Audit Committee**

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The Audit Committee of the Board of Directors is currently composed of Messrs. Onetto, Watkins and Zimmerman, each of whom the Board has determined to be independent and to meet the financial experience requirements under both the rules of the SEC and the listing standards of Nasdaq. Effective as of the date of the 2018 annual general meeting, Mr. Watkins will rotate off the Audit Committee (in connection with his appointment as Chairman of the Compensation Committee and as a member of the Nominating and Corporate Governance Committee) and Ms. Li has been appointed to the Audit Committee. Additionally, while not currently on the Audit Committee, Mr. Tan served on the Audit Committee for a portion of fiscal year 2018. The Board has also determined that each of Messrs. Watkins and Zimmerman is an audit committee financial expert within the meaning of the rules of the SEC and is financially sophisticated within the meaning of the rules of Nasdaq. The Audit Committee held eleven meetings during fiscal year 2018 and regularly meets in executive sessions without management present.

The Audit Committee's principal functions are to:

- monitor and evaluate periodic reviews of the adequacy of the accounting and financial reporting processes and systems of internal control that are conducted by our financial and senior management, and our independent auditors;
- be directly responsible for the appointment, compensation and oversight of the work of our independent auditors (including resolution of any disagreements between our management and the auditors regarding financial reporting); and
- facilitate communication among our independent auditors, our financial and senior management and our Board.

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Our Board has adopted an Audit Committee Charter that is available on the Corporate Governance page of the Investor Relations section of our website at [www.flex.com](http://www.flex.com).

**Compensation Committee**

*Responsibilities and Meetings*

The Compensation Committee of our Board of Directors is responsible for reviewing and approving the goals and objectives relating to, and recommending to our Board the compensation of, our Chief Executive Officer and all other executive officers. The Compensation Committee also oversees management's decisions concerning the performance and compensation of other officers, administers the Company's equity compensation plans and regularly evaluates the effectiveness of our overall executive compensation program. The Compensation Committee is currently composed of Messrs. Schulman and Tan and Dr. Shih, each of whom our Board has determined to be an independent director under the applicable listing standards of Nasdaq. Mr. Schulman is currently Chairman of the Compensation Committee and effective as of the date of the 2018 annual general meeting, Mr. Watkins has been appointed Chairman of the Compensation Committee. Additionally, while not currently a member of the Compensation Committee, Mr. Capellas served on the Compensation Committee for a portion of fiscal year 2018 and continues to attend Compensation Committee meetings. The Compensation Committee held five meetings during fiscal year 2018 and regularly meets in executive sessions without management present. The specific powers and responsibilities of the Compensation Committee are set forth in more detail in the Compensation Committee Charter, which is available on the Corporate Governance page of the Investor Relations section of our website at [www.flex.com](http://www.flex.com).

*Delegation of Authority*

When appropriate, our Compensation Committee may form, and delegate authority to, subcommittees. In addition, in accordance with the Company's equity compensation plans, the Compensation Committee's charter allows the Compensation Committee to delegate to our Chief Executive Officer its authority to grant equity awards to employees of the Company who are not directors, executive officers or other senior level employees who report directly to the Chief Executive Officer.

*Compensation Processes and Procedures*

The Compensation Committee evaluates our compensation programs and makes recommendations to our Board regarding compensation to be paid or awarded to our executive officers. As part of its process, the Compensation Committee meets with our Chief Executive Officer, Chief Financial Officer, and members of our human resources department to obtain recommendations with respect to the structure of our compensation programs, as well as an assessment of the performance of individual executives and recommendations on compensation for individual executives. In addition, the Compensation Committee has the authority to retain and terminate any third-party compensation consultant and to obtain advice and assistance from internal and external legal, accounting and other advisors. In connection with our 2018 fiscal year compensation review, the Compensation Committee engaged Mercer Human Resources Consulting (referred to in this proxy statement as Mercer), a wholly-owned subsidiary of Marsh & McLennan Companies, Inc. as its independent adviser for certain executive compensation matters. Mercer was retained

by the Compensation Committee to provide an independent review of the Company's executive compensation programs, including an analysis of both the competitive market and the design of the programs. More specifically, Mercer furnished the Compensation Committee with reports on peer company practices relating to the following matters: short and long-term compensation program design; annual share utilization and shareowner dilution levels resulting from equity plans; and executive share ownership and retention values. As part of its reports to the Compensation Committee, Mercer evaluated our peer companies, and provided competitive compensation data and analysis relating to the compensation of our Chief Executive Officer and our other executives and senior officers. Mercer also assisted the Compensation Committee with its risk assessment of our compensation programs, and advising on the methodology used for our 2018 CEO pay ratio disclosure.

The Compensation Committee relied on input from Mercer in evaluating management's recommendations and arriving at the Compensation Committee's recommendations to the Board with respect to the elements of compensation discussed below under *Compensation Discussion and Analysis* for fiscal year 2018 compensation. The Compensation Committee expects that it will continue to retain a compensation consultant on future executive compensation matters.

*Relationship with Compensation Consultant*

Mercer's fees in connection with providing consulting services with respect to the compensation of our executive officers and non-employee directors in fiscal year 2018 were approximately \$265,000. Additionally, during our 2018 fiscal year,

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Marsh & McLennan Companies, Inc. (the parent company of Mercer) and its affiliates, which we refer to collectively as MMC, were retained by the Company to provide other services unrelated to executive and director compensation matters. These services included various consulting and business services, and our Compensation Committee did not review or approve such other services provided by MMC, as those services were approved by management in the ordinary course of business. The aggregate fees paid for those other services in fiscal year 2018 were approximately \$799,000.

Our Compensation Committee has determined that the provision by MMC of services unrelated to executive and director compensation matters in fiscal year 2018 was compatible with maintaining the objectivity of Mercer in its role as compensation consultant to the Compensation Committee and that the consulting advice it received from Mercer was not influenced by MMC's other relationships with the Company. The Compensation Committee is sensitive to the concern that the services provided by MMC, and the related fees, could impair the objectivity and independence of Mercer, and the Compensation Committee believes that it is important that objectivity be maintained. However, the Compensation Committee also recognizes that the services provided by MMC are valuable to the Company and that it could be inefficient and not in the Company's interest to use a separate firm to provide those services at this time. In addition, the Compensation Committee has confirmed that Mercer and MMC maintain appropriate safeguards to assure that the consulting services provided by Mercer are not influenced by the Company's business relationship with MMC. Specifically, Mercer provided to the Compensation Committee an annual update on Mercer's and MMC's financial relationship with the Company and assurances that members of Mercer who perform consulting services for the Compensation Committee have a reporting relationship and compensation determined separately from MMC's other lines of business and from its other work for the Company.

Mercer also represented to the Compensation Committee that there are no personal or business relationships between the Mercer account manager and any member of the Compensation Committee or a named executive officer beyond the Flex relationship. Further, the Mercer account manager does not directly own any Flex shares (although some of his investments controlled solely by independent, third-party managers may own Flex shares by way of indexed funds). Based on the above and other factors, including the factors set forth under Rule 10C-1 under the Securities Exchange Act of 1934, as amended (referred to in this proxy statement as the Exchange Act), the Compensation Committee assessed the independence of Mercer and concluded that no conflict of interest exists that would prevent Mercer from independently representing the Compensation Committee.

### **Compensation Committee Interlocks and Insider Participation**

During our 2018 fiscal year, Messrs. Schulman, Capellas, and Tan and Dr. Shih served as members of the Compensation Committee. None of our executive officers served on the Compensation Committee during our 2018 fiscal year. None of our directors has interlocking or other relationships with other boards, compensation committees or our executive officers that require disclosure under Item 407(e)(4) of SEC Regulation S-K.

### **Nominating and Corporate Governance Committee**

Our Nominating and Corporate Governance Committee is currently composed of Messrs. Capellas, Schulman and Zimmerman, each of whom our Board has determined to be an independent director under the applicable listing standards of Nasdaq. Effective as of the date of the 2018 annual general meeting, Mr. Watkins has been appointed to the Nominating and Corporate Governance

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Committee. The Nominating and Corporate Governance Committee held five meetings during fiscal year 2018 and regularly meets in executive sessions without management present. The Nominating and Corporate Governance Committee recruits, evaluates and recommends candidates for appointment or election as members of our Board. The Nominating and Corporate Governance Committee is also responsible for shaping and overseeing the application of the Company's corporate governance policies and procedures, including recommending corporate governance guidelines t