



## Flex Group's UK Tax Strategy

The publication of this strategy statement is regarded as satisfying the statutory obligation under para 16(2), Schedule 19, UK Finance Act 2016 for all companies listed in Appendix 1 (the ECF subgroup) and Appendix 2 (the Anord Mardix subgroup) for the fiscal year ending 31 March 2023

Flex makes great products for our customers that create value and improve people's lives. We help a diverse customer base design and build the products that make the world a better place. Through the collective strength of a global workforce across 30 countries and responsible, sustainable operations, we deliver technology innovation, supply chain, and manufacturing solutions to various industries and end markets.

Our vision is to be the most trusted global technology, supply chain and manufacturing solutions partner to improve the world.

### Flex UK activity

Flex UK companies within the ECF subgroup primarily provide supply chain distribution and logistics services to customers, including spare part management, forward and reverse logistics and repair services. Flextronics Global Services (Manchester) Limited is the largest of these businesses. Express Cargo Forwarding Ltd is a trading company, Flextronics UK Ltd and Flextronics Scotland Ltd are holding and finance companies. Flextronics Europe Ltd is dormant.

Flex UK companies within the Anord Mardix subgroup offer a comprehensive portfolio of end-to-end critical power customisable solutions. Anord Mardix (UK) Ltd is the largest of these businesses. It designs, manufactures and sells electrical switchgear, databar and busbar products. Anord Mardix Critical Power Services Ltd offers services including installation, training and maintenance. Anord Mardix Asia Pte Ltd is a service company incorporated in Singapore but tax resident in the UK. Anord Mardix Acquisitions Ltd and Mardix Holdings Ltd are holding and finance companies. Anord Mardix Data Busway Ltd and Anord Mardix IBAR (EMEA) are both dormant.

### Flex UK tax strategy

We strive to be a world-class service provider, a responsible corporate citizen and an employer of choice. Flex companies in the UK pay a broad range of taxes, including corporate income taxes, employment taxes, stamp duty land taxes, VAT and other taxes. In addition, Flex companies in the UK collect and pay VAT and employee taxes.

In managing liabilities and compliance obligations in relation to UK taxes, Flex companies in the UK adhere to a UK tax strategy which includes consideration of the views of their stakeholders and comprises five key components:

#### *1. Compliance*

Flex companies in the UK pay the correct amount of tax in accordance with UK tax law, while adhering to the arm's length principle and OECD transfer pricing guidelines. We cooperate with, and disclose relevant facts and circumstances to tax authorities, and maximize the tax efficiency of business transactions where these decisions have commercial substance and are aligned with the Group's commercial objectives. Accordingly, we strive to meet our compliance and associated reporting requirements – not just in the UK, but around the world – in the most efficient and effective manner possible.

## *2. Tax advice*

The commercial needs of Flex companies in the UK are paramount, and tax advice is provided in this context. Where alternative approaches exist to achieve the same commercial result, the most tax efficient approach will be recommended by the Group corporate tax department, subject to considerations of tax risk parameters and ensuring that any tax positions which are taken are sustainable and defensible over the long term. Tax advice is provided to support genuine commercial activity. Flex companies in the UK strive to adhere to the intention of the law. Tax advice will be correctly applied and implemented with the management of Flex companies in the UK being aware of such proposals and available options before implementation. The Flex corporate tax department does not provide contrived or artificial tax advice to business operations.

## *3. Tax risk*

Due to the complexity of tax legislation and the interaction of differing national tax regimes, tax risk can never be entirely eliminated. Flex's global tax risk management process – as part of its internal control processes – ensures that Flex companies in the UK are operating within an acceptable level of tax risk and that unexpected tax issues that could have a material financial or reputational cost to Flex companies in the UK or the wider Flex Group are minimized. Proportionate to the complexity of the business and risks involved, a tax risk framework is used to identify, track and manage tax risks. Where there is uncertainty or complexity in relation to a tax position, professional opinions are sought from reputable independent external advisors and appropriate accruals are reflected in the companies' accounts per governing applicable accounting regulations.

## *4. Engaging with tax authorities*

Flex companies in the UK engage with HMRC and external stakeholders with honesty, integrity and transparency and make an effort to maintain open and professional communications in terms of disclosure of material facts, timely responses to enquiries and meeting statutory and legislative tax requirements for all applicable taxes.

## *5. Board ownership and oversight*

The financial leadership team, chaired by the Chief Financial Officer, is responsible for Flex's global tax strategy. The European VPs of Finance and Tax are responsible for ensuring that policies and procedures that support the approach are in place, maintained and used consistently in the UK. Further, the Boards of Directors of Flex companies in the UK entities acknowledge their responsibility for fully complying with the UK tax laws where their businesses operate.



## **Appendix 1**

- Express Cargo Forwarding Limited
- Flextronics Europe Ltd
- Flextronics Global Services (Manchester) Ltd
- Flextronics Scotland Ltd
- Flextronics UK Limited

## **Appendix 2**

- Anord Mardix Acquisitions Ltd
- Mardix Holdings Ltd.
- Anord Mardix (UK) Ltd
- Anord Mardix Critical Power Services Ltd
- Anord Mardix Databar Busway Ltd
- Anord Mardix IBAR (EMEA) Ltd
- Anord Mardix Asia Pte Ltd