

A woman with a ponytail, wearing a light blue blazer, is seated in a futuristic car. The car has a large, curved window that provides a view of a city skyline. A digital interface is overlaid on the window, displaying various icons and text, including "Your Feed", "Apps", and "Settings". The car's interior is modern and sleek, with a light blue color scheme.

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Next generation ecosystems for next generation mobility

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Insight across industries



Automotive



Industrial



**Communications,
Enterprise and Cloud**



Health Solutions



Lifestyle



Consumer Devices

Flex



\$26 billion
FY22 revenue



20+ years
sustainable manufacturing



30
countries



170k
employees



1k
customers



16k
suppliers

Automotive



\$3 billion
FY22 revenue



15+ years
automotive history



30+
sites



16k+
employees



200+
customers



4k+
suppliers

A shifting landscape

Megatrends

transforming the future of mobility

New technologies

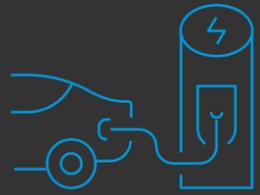
driving increased computing power and performance

Changing business

models evolving the supply chain dynamics

And, of course, component shortages are impacting the entire mobility industry

The megatrends that are transforming mobility



Sustainability and emissions

Heightened environmental expectations and government regulations to reduce CO₂ and improve fuel economy



Safety and convenience

Drivers expect built-in safety and a seamless driver experience, while governments advance 5-star safety requirements



Seamless connectivity

Networked to edge / cloud for user connectivity, over-the-air software updates, and smart highways

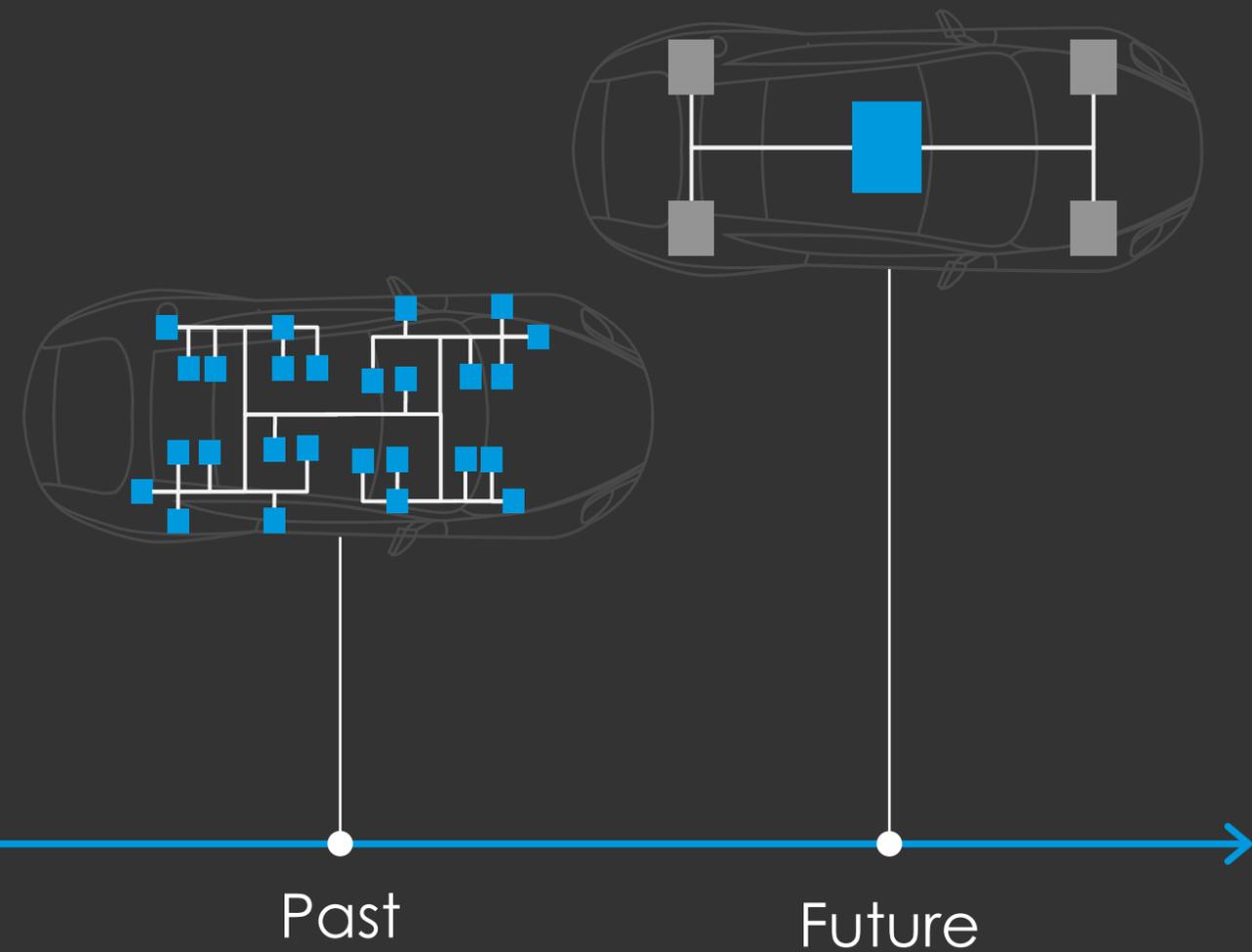
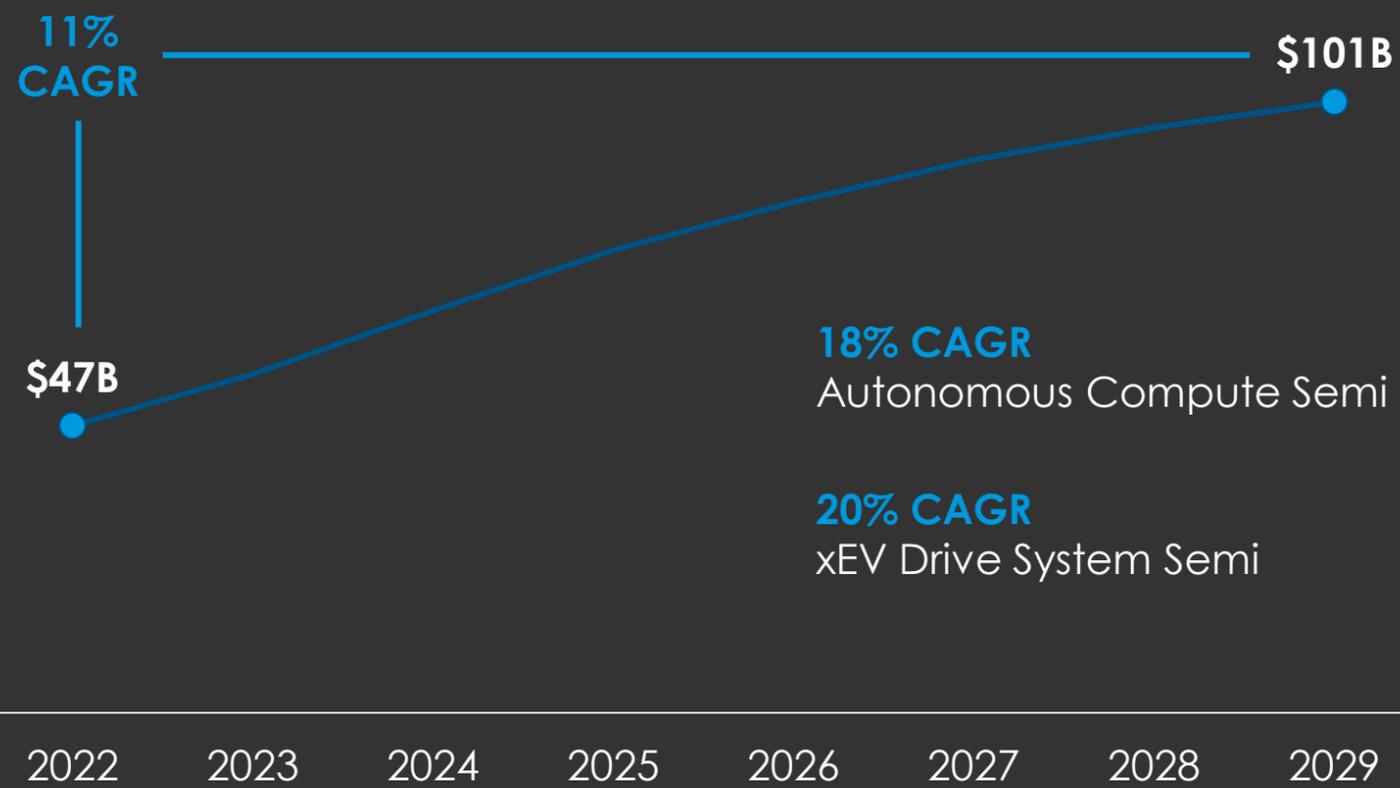


Autonomy: MaaS and DaaS

Strong business case for mobility and delivery as a service, anticipating shift in vehicle ownership

Global automotive semiconductor demand is driven by the rise of the software-defined vehicle

AUTOMOTIVE SEMICONDUCTOR DEMAND (\$B)

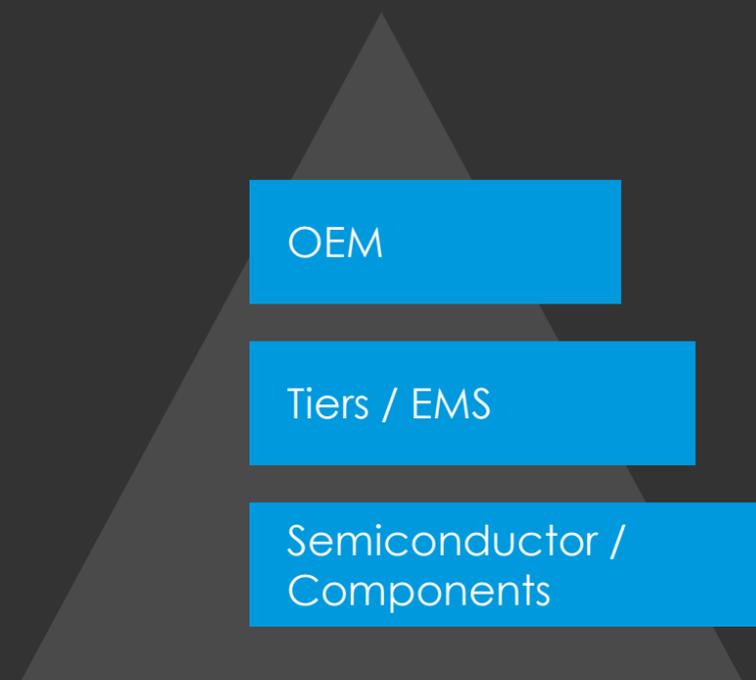


Source: Strategy Analytics (2022), Gartner (2022)

Mobility is shifting to an ecosystem supply structure

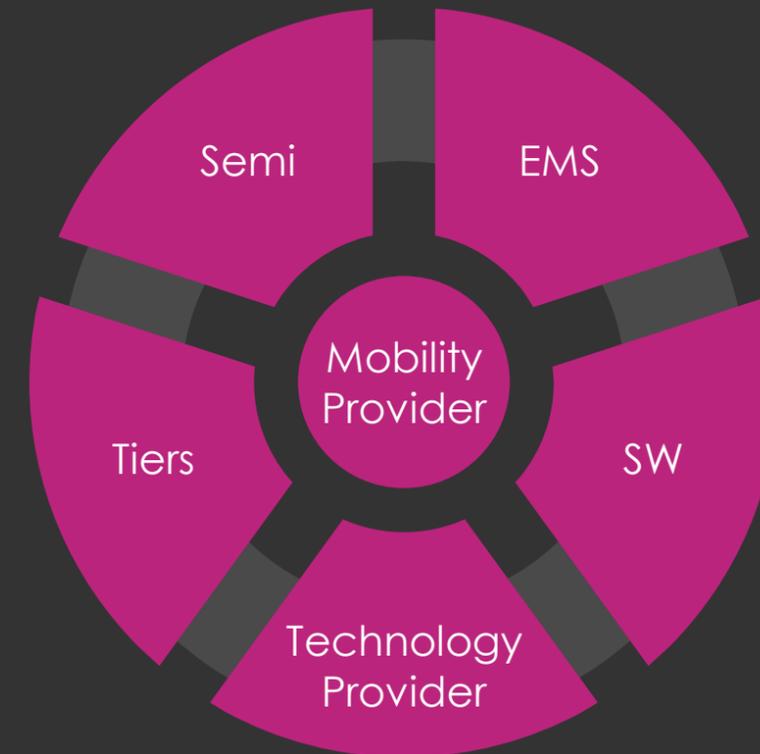
Yesterday

A highly rigid traditional OEM / Tier 1 / Tier 2 business model acts as a chain of command



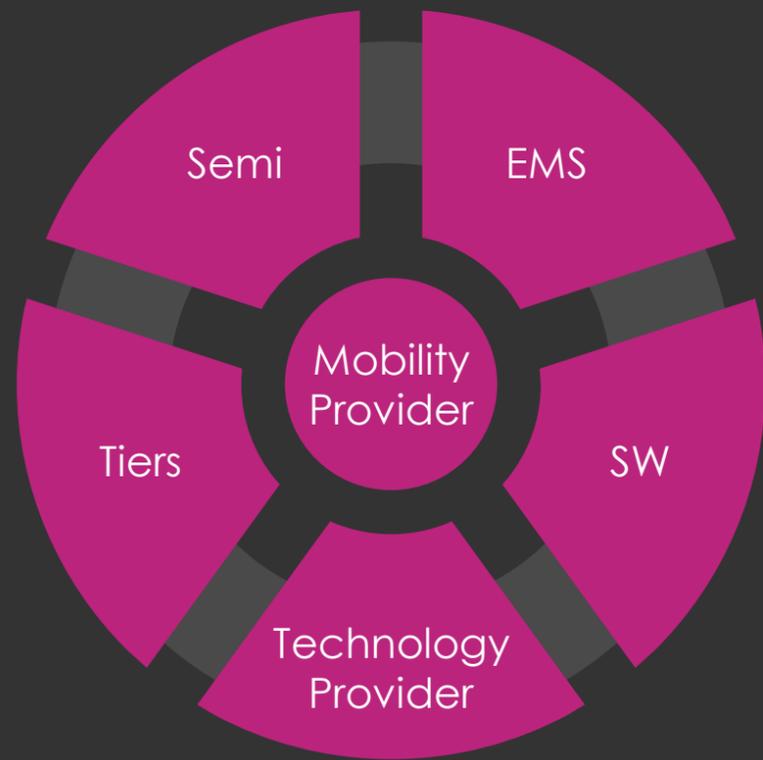
Tomorrow

Mobility providers work with an ecosystem of partners to develop faster, launch smoother, and support longer



Source: S&P Global Mobility (2021, adapted)

Ecosystems, semiconductors, and collaboration



New avenues for information

OEMs are creating IP and participating in the full planning and sourcing process

Complex products drive collaboration

Scalable compute and advanced technologies **accelerating the need for new ecosystems**

Clear opportunities for everyone

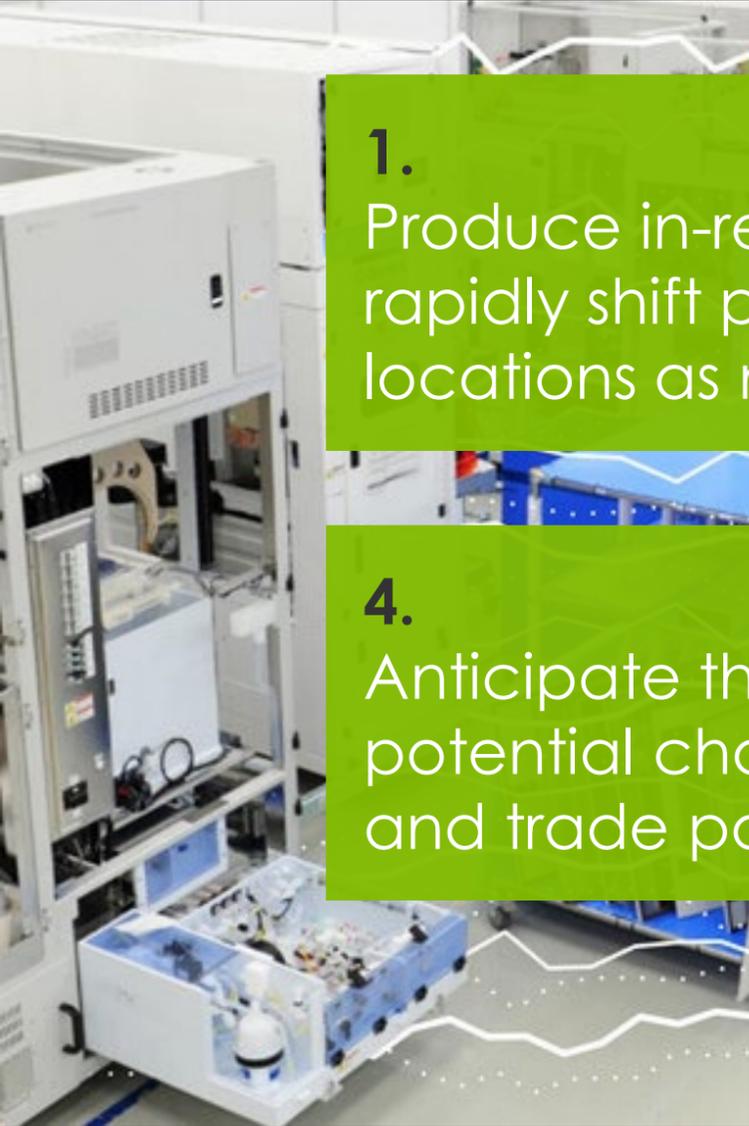
Early engagement creates faster time-to-market, cost-efficiencies, and end-product quality

For example

Flex has scalable compute reference platforms for three different SoC providers, which has allowed us to get ADAS Compute Modules to market in under 12 months. **This is only possible when all parties work closely together.**

Global flexibility is key in our new supply reality

Quickly adjust to changing regional, trade and manufacturing dynamics



1.
Produce in-region or rapidly shift production locations as needed

2.
Identify impacts and react to any supply or resource disruptions

3.
Lower inventories, move faster, ensure product availability

4.
Anticipate the impact of potential changes in tax and trade policies

5.
Provide greater resiliency with deep collaboration

6.
In-region sourcing for more sustainable business practices



Collaborating for a more predictive supply chain

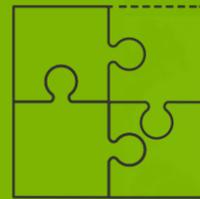
New ways of working and new ways of thinking to solve long-standing problems



Inaccurate forecast data reverberates throughout the entire supply chain



No inherent incentive to collaborate or be transparent with suppliers or peers



Provide true demand data through broad collaboration and trusted third parties.





A next generation ecosystem is key to the future of mobility

Our current reality...

- New mobility **technologies** and OEM-led **IP** are rapidly driving more **software and semi content** in vehicles
- Component supply **challenges** will continue and there will be clear **growing pains** in this supply transition
- **Semi technologies** and **continued investment** in innovation will be key to delivering **safer** and more **sustainable** mobility

...requires a new approach

- OEMs need a **cooperative ecosystem approach** given the complexity of new technologies
- This new ecosystem will drive **changing profit pools**
- Beyond technology innovation, **supply chain innovation** is required to enable **true demand visibility** and **transparency**

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Create the
extraordinary.

