2023 Annual Report

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______ to ______

Commission File Number 001-14423

PLEXUS CORP.

(Exact name of registrant as specified in charter)

Wisconsin	**39-1344447**
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification No.)

One Plexus Way
Neenah, Wisconsin 54957
(Address of principal executive offices) (Zip Code)

Telephone Number (920) 969-6000
(Registrant's telephone number, including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.01 par value	PLXS	The Nasdaq Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒
Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 1, 2023, 27,646,417, shares of common stock were outstanding, and the aggregate market value of the shares of common stock (based upon the $97.57 closing price of the registrant's common stock on the last trading day of its fiscal second quarter, as reported on the Nasdaq Global Select Market) held by non-affiliates (excludes 580,296 shares reported as beneficially owned by directors and executive officers – does not constitute an admission as to affiliate status) was approximately $2.6 billion.

As of November 13, 2023, there were 27,466,529 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Parts of Registrant's Proxy Statement for the 2024 Annual Meeting of Shareholders are incorporated by reference into Part III of this Report.

PLEXUS CORP.
TABLE OF CONTENTS
Form 10-K for the Fiscal Year Ended
September 30, 2023

"SAFE HARBOR" CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995:

The statements contained in this Form 10-K that are guidance or which are not historical facts (such as statements in the future tense and statements including believe, expect, intend, plan, anticipate, goal, target and similar terms and concepts), including all discussions of periods which are not yet completed, are forward-looking statements that involve risks and uncertainties. These risks and uncertainties include the effect of inflationary pressures on our costs of production, profitability, and on the economic outlook of our markets; the effects of shortages and delays in obtaining components as a result of economic cycles, natural disasters or otherwise; the risk of customer delays, changes, cancellations or forecast inaccuracies in both ongoing and new programs; the ability to realize anticipated savings from restructuring or similar actions, as well as the adequacy of related charges as compared to actual expenses; the lack of visibility of future orders, particularly in view of changing economic conditions; the economic performance of the industries, sectors and customers we serve; the outcome of litigation and regulatory investigations and proceedings, including the results of any challenges with regard to such outcomes; the effects of tariffs, trade disputes, trade agreements and other trade protection measures; the effects of the volume of revenue from certain sectors or programs on our margins in particular periods; our ability to secure new customers, maintain our current customer base and deliver product on a timely basis; the risks of concentration of work for certain customers; the particular risks relative to new or recent customers, programs or services, which risks include customer and other delays, start-up costs, potential inability to execute, the establishment of appropriate terms of agreements, and the lack of a track record of order volume and timing; the effects of start-up costs of new programs and facilities or the costs associated with the closure or consolidation of facilities; possible unexpected costs and operating disruption in transitioning programs, including transitions between Company facilities; the risk that new program wins and/or customer demand may not result in the expected revenue or profitability; the fact that customer orders may not lead to long-term relationships; our ability to manage successfully and execute a complex business model characterized by high product mix and demanding quality, regulatory, and other requirements; the risks associated with excess and obsolete inventory, including the risk that inventory purchased on behalf of our customers may not be consumed or otherwise paid for by the customer, resulting in an inventory write-off; risks related to information technology systems and data security; increasing regulatory and compliance requirements; any tax law changes and related foreign jurisdiction tax developments; current or potential future barriers to the repatriation of funds that are currently held outside of the United States as a result of actions taken by other countries or otherwise; the potential effects of jurisdictional results on our taxes, tax rates, and our ability to use deferred tax assets and net operating losses; the weakness of areas of the global economy; the effect of changes in the pricing and margins of products; raw materials and component cost fluctuations; the potential effect of fluctuations in the value of the currencies in which we transact business; the effects of changes in economic conditions, political conditions and tax matters in the United States and in the other countries in which we do business; the potential effect of other world or local events or other events outside our control (such as the conflict between Russia and Ukraine, conflict in the Middle East, escalating tensions between China and Taiwan or China and the United States, changes in energy prices, terrorism, global health epidemics and weather events); the impact of increased competition; an inability to successfully manage human capital; changes in financial accounting standards; and other risks detailed herein and in our other Securities and Exchange Commission filings.

In addition, see Risk Factors in Part I, Item 1A and Management’s Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7 for a further discussion of some of the factors that could affect future results.

* * *

PART I

ITEM 1. BUSINESS

Overview

Plexus partners with companies to help create the products that build a better world. Our global team of nearly 25,000 individuals provides innovative solutions across the product lifecycle, specializing in the design, manufacture and service of highly complex products in demanding regulatory environments. Paired with our optimized and integrated global supply chain, we help our customers solve complex product challenges through a broad array of differentiated services—from product development and new product introduction through volume manufacturing, service and end-of-life. We provide these solutions to market-leading as well as disruptive global companies in the Healthcare/Life Sciences, Industrial and Aerospace/Defense sectors. Our solutions are supported across our 28 facilities in the Americas ("AMER"), Asia-Pacific ("APAC") and Europe, Middle East and Africa ("EMEA") regions.

Our Vision, Mission and Strategy

Our vision is to help create the products that build a better world. Our mission is to be the leader in highly complex products and demanding regulatory environments. Our strategy to fulfill our vision and mission is consistent and can be summarized in four parts:

- **Market Focus** – We engineer innovative solutions for customers in growth markets featuring highly complex products and demanding regulatory environments.
- **Superior Execution –** We are dedicated partners to our customers, committed to achieving zero defects and perfect delivery through operational excellence.
- **Passion Meets Purpose** – We are united as a team. We are guided by our values and leadership behaviors. We do the right thing to support our team members, communities and customers.
- **Discipline by Design** – We hold ourselves accountable to delivering shareholder value through consistent application of a disciplined financial model.

To deliver on our strategy, we align our team members, operations, systems of oversight and financial metrics to create a high performance, accountable organization with an engaged workforce deeply passionate about driving growth through customer service excellence.

Financial Model

Our financial model aligns with our business strategy. Our primary long-term focus is to achieve a 9-12% compounded annual revenue growth rate while earning a return on invested capital ("ROIC") of 15%, which would exceed our weighted average cost of capital ("WACC") and represent positive economic return. Economic return is the amount by which our ROIC exceeds our WACC, and we believe it is a fundamental driver of shareholder value. We review our internal calculation of WACC annually; for fiscal 2023, our WACC was 9.0%.

For more information regarding ROIC and economic return, which are non-GAAP financial measures, refer to "Management's Discussion and Analysis of Financial Condition - Results of Operations - Return on Invested Capital ("ROIC") and economic return" in Part II, Item 7. For additional information on non-GAAP financial measures, see Exhibit 99.1 to this annual report on Form 10-K, which exhibit is incorporated herein by reference.

Solutions

With integrated solutions throughout the product lifecycle, our team strives to create innovative and efficient paths to deliver products to market, keep products in the market longer and help manage the product lifecycle sustainably and responsibly.

- **Design and Development** – Using the same tools and processes throughout our seven design centers worldwide, we leverage the latest technology and state-of-the-art design automation methodologies to provide comprehensive new product development and product commercialization solutions. We are committed to strengthening our capabilities as it relates to sustainable product design, including the ability to assess the global warming potential of a product based on its design and bill of materials and embedding eco-design principles into standard work.
- **Supply Chain Solutions** – Delivering an optimal supply chain solution is more than simply getting a product where it needs to be on time. We take a unique approach. Our supply chain experts engage in all of Plexus' integrated solutions, working closely with our engineers to identify opportunities for supply chain optimization early in the design stage and

throughout the product lifecycle. At Plexus, we take pride in managing the full supply chain to minimize cost, mitigate risk and provide a flexible, scalable solution for our customers.

- **New Product Introduction** – When introducing a new product, customers need to move quickly. Plexus offers a dedicated team focused on decreasing time to market with a full suite of integrated new product introduction services. Through early integration and collaboration, customers can take advantage of Plexus' capabilities, such as design for excellence, specialized design of test solutions and rapid prototyping. The program is advanced by a dedicated Plexus team that supports a transition to volume manufacturing.
- **Manufacturing** – Our approach to manufacturing focuses on innovation, continuous improvement and superior quality and delivery. With a global footprint and scalable operations, we aim to tailor our manufacturing environment to meet each customer's needs worldwide. As we strive for zero defects, we empower all team members with the knowledge that exceptional quality begins with each individual member of our team. We believe our capabilities and our culture position us to support the complex technology and regulatory needs of the industries we serve and to provide customers with innovative and dependable manufacturing services.
- **Sustaining Services** – Plexus Sustaining Services is committed to protecting our customers' brand reputation, supporting the success of each product in the marketplace and extending a product's end-of-life, while helping to minimize the impact of their products on the environment. From influencing a product design, which creates early access for lifecycle extension services and repair, to spare parts management and distribution, depot repair and refurbishment services, our Sustaining Services offers a full range of capabilities in all regions in which we operate.

With integrated design and development, supply chain solutions, new product introduction, manufacturing and sustaining services, we proactively tackle tough challenges throughout the product lifecycle. We provide most of our optimized solutions on a turnkey basis, and we typically procure all materials required for product assembly. We provide select services on a consignment basis, meaning the customer supplies the necessary materials and Plexus provides the labor and other services required for product assembly. In addition to manufacturing, turnkey service requires material procurement and warehousing and involves greater resource investments than consignment services. Other than certain test equipment, manufacturing equipment and software used for internal operations, we do not design or manufacture our own proprietary products.

Operations

Plexus is a Wisconsin-headquartered corporation operating from 28 active facilities, totaling approximately 5.1 million square feet. Plexus' facilities are strategically located to support the global supply chain, engineering, manufacturing and sustaining service needs of customers in our targeted market sectors

Go-to-Market Strategy

We specialize in serving customers in the Healthcare/Life Sciences, Industrial and Aerospace/Defense market sectors. Each sector has a market sector vice president, as well as business development and customer management leaders who together oversee and provide leadership to teams that include business development directors, customer managers and directors, supply chain, engineering and manufacturing subject matter experts and market sector analysts. These teams maintain expertise related to each market sector and execute sector strategies aligned to that market's unique delivery, quality and regulatory requirements.

Our market sector teams help to develop Plexus' strategy for growth with a particular emphasis on expanding the value-add solutions we offer customers. Our sales and marketing efforts focus on expanding our engagements with existing customers as well as targeting new customers.

Customers and Market Sectors Served

Plexus serves a diverse customer landscape that includes industry-leading, branded product companies, along with other technology pioneering start-ups and emerging companies that may or may not maintain manufacturing capabilities. During fiscal 2023, we served approximately 150 customers. GE Healthcare Technologies, Inc. ("GEHC") accounted for 10.3% of our net sales during fiscal 2023, while General Electric ("GE") accounted for 12.9% and 11.2% of our net sales during fiscal 2022 and 2021, respectively. During fiscal 2023, GE completed the separation of its healthcare business, GEHC, as a stand-alone company. No other customer accounted for 10.0% or more of our net sales in any of the last three fiscal years. Many of our large customers, including GEHC and GE, contract with us through multiple independent divisions, subsidiaries, production facilities or locations. We believe that in most cases our sales to any one such division, subsidiary, facility or location are independent of sales to others.

The distribution of our net sales by market sectors for the indicated fiscal years is shown in the following table:

Industry	2023	2022	2021
Healthcare/Life Sciences	44%	41%	39%
Industrial	42%	46%	46%
Aerospace/Defense	14%	13%	15%
Total net sales	100%	100%	100%

Although our current business development focus is based on our targeted market sectors of Healthcare/Life Sciences, Industrial and Aerospace/Defense, we evaluate our financial performance and allocate our resources geographically (see Note 11 "Reportable Segments, Geographic Information and Major Customers" in Notes to Consolidated Financial Statements regarding our reportable segments). Plexus offers an array of services for customers in each market sector and, aside from the specific go-to-market teams, generally we do not dedicate operational equipment, personnel, facilities or other resources to particular market sectors, nor do we internally track our costs and resources per market sector.

In addition to meaningful technology advancements, key government and policy trends impact our business, including approval of new medical devices, defense procurement practices and other government and regulatory processes. Plexus may benefit from increasing trends by original equipment manufacturers to outsource the design, manufacture and service of their products. Economic, business or regulatory conditions that affect the sector, larger relative net sales associated with a certain sector or our failure to choose to do business in appropriate subsectors, can particularly impact us.

Materials and Suppliers

We typically purchase raw materials, including printed circuit boards and electronic components, from a wide variety of manufacturers and their authorized distributors. Under certain circumstances, we will purchase components from independent distributors, customers or competitors. Many of these raw materials are unique to the designed assembly. By customer agreement, we purchase materials according to customer forecast and supplier lead-times.

The key electronic components we purchase include: advanced semiconductors, diodes, power management modules, microcontrollers, memory modules, interconnects, inductors, resistors, capacitors, power supplies and cable and wire. Component shortages, extended lead-times and subsequent allocations by our suppliers are an inherent risk within the electronics industry and have particularly remained an issue for semiconductors during fiscal 2023. We discuss the causes, implications, and potential implications of these shortages more fully in "Risk Factors" in Part I, Item 1A herein.

We also purchase non-electronic, typically custom engineered components such as molded/formed plastics, sheet metal fabrications, aluminum extrusions, robotics, motors, vision sensors, motion/actuation, fluidics, displays, die castings and various other hardware and fastener components. These components are sourced from Plexus preferred suppliers and customer directed suppliers. Altogether, purchased components range from “off the shelf” to highly customized and vary widely in terms of market availability and price. Through our engineering development engagements and through the quoting of new business, Plexus can influence the selection of new product components, and therefore the selection of suppliers who outperform their peers.

Amidst a highly dynamic set of supply markets, Plexus' global supply chain management organization works to mitigate potential risks and ensure a steady flow of components at competitive prices. We pursue these goals through supply chain solutions developed in collaboration with our customers and our suppliers, a commitment to strong supplier partnerships, use of proprietary risk management tools and aggressive management of supplier commitments.

Competition

Plexus operates in a highly competitive market, with a goal to be best-in-class at meeting the unique needs of our customers. A number of competitors may provide services similar to Plexus. Others may be more established in certain industry sectors, or have greater financial, manufacturing or marketing resources. Smaller competitors compete mainly in specific sectors and within limited geographic areas. Plexus also competes with in-house capabilities of current and potential customers. Plexus maintains awareness and knowledge of our competitors' capabilities in order to remain highly competitive within our target markets.

We believe our ability to provide a full range of services that complement the entire product lifecycle across a global footprint provides a business advantage. Relative to our competition, overriding factors such as lower manufacturing volumes, production flexibility, unique fulfillment requirements and complex regulatory and quality requirements typically result in higher investments in inventory and selling and administrative costs for us. The cost variance from our competitors is especially evident relative to those that provide EMS services for high-volume, less complex products, with less stringent requirements (e.g., consumer electronics).

Sustainability

Our ability to build a better world goes beyond the products we help create. We also strive to build a better world through how we innovate and operate. Our commitment to sustainable and responsible business practices is core to our strategy, integrated into our culture and foundational to the long-term success of our business. Our sustainability strategy and related goals reflect our commitment to addressing important social and environmental issues. In parallel, we seek to evolve our services in order to realize business opportunities associated with changing end-market demands and heightened stakeholder expectations related to more sustainable and responsible products and production practices.

Leveraging our innovation experience across the product lifecycle, we partner with our customers to uncover opportunities to eliminate emissions, waste and human impact risks associated with the manufacture and use of their products. This includes helping our customers design more environmentally sustainable products, assessing and deploying product life extension and part recovery strategies, and helping to enable a more responsible, sustainable supply chain.

We are focused on our own operational impact, as well, with a commitment to reducing our use of natural resources, transitioning to renewable and reusable resources and optimizing our operations through adoption of new technologies and automation. In fiscal 2023, we exceeded our year-over-year energy intensity reduction goal, baselined our waste streams across our global facilities and continued to celebrate innovative ideas related to environmental sustainability through our global continuous improvement competition. We were awarded the Prism Award for *Sustainability, Supply Chain – Innovation* from our customer, ASM International, in part for our efforts in fostering employee innovation related to environmental sustainability.

We realize our vision to build a better world fundamentally depends on the well-being and inclusive engagement of each individual on our team. As a responsible employer, we respect fundamental human rights, deploy global employment standards, such as through our membership with the Responsible Business Alliance (“RBA”), and combat human trafficking. We also realize in order to attract and retain talented individuals we must provide our team members the ability to do meaningful work, create memorable experiences beyond their role and continually grow through diverse and innovative engagements.

Our social impact extends beyond our team members, as we seek to collaborate and integrate with our local communities and find opportunities to partner throughout our value chain. Each year, we contribute to nonprofit causes, engage in community engagement events, identify and advocate for community improvement opportunities and encourage team member volunteerism. In addition to local impacts realized through our Employee Resource Groups (“ERGs”) and team member volunteer efforts, the Plexus Charitable Foundation donated over $1.0 million in fiscal 2023, bringing its total giving to $9.9 million since 2004.

We also are committed to driving greater transparency around our sustainability efforts and we published our inaugural Sustainability Report in fiscal 2023. More detailed information about Plexus’ sustainability efforts and progress can be found in that report located at https://www.plexus.com/en-us/corporate-social-responsibility. The information in the sustainability report and on Plexus’ website is not a part of this Annual Report on Form 10-K and is not incorporated by reference.

Human Capital Management

We are driven to differentiate Plexus with our talent and by our culture. How we manage our human capital is critical to how we deliver on our strategy and create sustained growth and value for our shareholders.

Purpose and Culture

We recognize a great culture is foundational to the success of our vision to create the products that build a better world. We are proud of our culture and the recognition we have received over the years as a great place to work. In building a great culture, we embrace four "non-negotiables":

- **Our Values and Leadership Behaviors** – Our Values and Leadership Behaviors establish the foundation upon which our culture is built, representing key expectations we have of our team members and emblematic of the work environment we strive to create. Our 10 Values and Leadership Behaviors are: Customer Focus, Relationships and Teamwork, Excellence, Open Communication, Integrity, Prioritize our People, Solve Problems, Be Courageous, Be Strategic and Innovate.

- **Quality Begins with Me** – We instill personal responsibility for quality in our team members through our Quality Begins with Me culture, a commitment to delivering zero defects and continuous improvement. A culture concentrated on each individual's pledge that quality is critical to achieving our strategic goal of superior execution in delivering highly complex products in demanding regulatory environments.
- **5Es of Customer Service Excellence** – Through the 5Es of Customer Service Excellence, we describe for our team members what is required to exceed our customer's expectations and enable growth through customer service excellence. In all aspects of our engagements, with both internal and external customers, we reflect the 5Es: We are Empathetic, Entrepreneurial, Empowered, Engaged, and we Ensure Accountability.
- **One Plexus** – One Plexus reflects our sentiment that we are stronger together than the sum of our parts. We embrace the One Plexus mentality through collaboration to ensure consistent operations globally and leverage the strengths and best practices of all facets of the organization to drive the best solutions for our customers.

Commitment to Values and Ethical Business Practices

Along with our Values and Leadership Behaviors, we act in accordance with our Code of Conduct and Business Ethics ("Code of Conduct"), which creates expectations and provides guidance for all team members and representatives of Plexus to make the right decisions. Our Code of Conduct includes topics such as anti-corruption, discrimination, harassment, privacy, appropriate use of company assets, protecting confidential information and reporting Code of Conduct violations. It is used to reinforce our passion for operating in a fair, honest, responsible and ethical manner and articulates our responsibilities as a trusted leader in the business community. The Code of Conduct also emphasizes the importance of having an inclusive, welcoming environment in which all team members feel empowered to do what is right and are encouraged to voice concerns should violations of the Code of Conduct be observed. All team members are required to complete training on the Code of Conduct biennially.

Human Rights

At the core of our value system is a fundamental respect for human rights. Our Human Rights Policy formalizes Plexus' commitment to respect human rights and embodies internationally-recognized principles and the laws of the countries in which we operate.

We prohibit discrimination and harassment, recruiting fees imposed on our workers, the use of child labor, forced labor or labor that results from human trafficking, and the unreasonable restriction of movement or travel of workers. We support reasonable working hours and time off, fair wages, access to basic liberties (including clean sanitation facilities and potable water), freedom of association, the humane treatment of all workers and fair and honest business practices. Our Human Rights Policy supports the RBA Code of Conduct labor standards framework, and reinforces our statement in support of the California Transparency in Supply Chains Act and the UK Modern Slavery Act. Our Human Rights Policy was created by a cross-functional team appointed to conduct regular policy and impact mapping, as outlined by the UN Global Compact, to facilitate continuous improvement and commitment to our standards.

Diversity and Inclusion

At Plexus, diversity and inclusion ("D&I") does not simply mean representation. It means encouraging engagement, inclusion of all team members' ideas and perspectives and driving meaningful connections among the global locations in which we operate. We have adopted the following D&I mission statement at Plexus, which is directly incorporated into our Code of Conduct:

> "Our people create our best Plexus. Ingrained in our culture of inclusion is the philosophy that each individual offers diverse perspectives, backgrounds and experiences that create great outcomes when we are united as a team. We respect our people and embrace our differences. We welcome everyone and value the ideas generated by our collective uniqueness. We aspire that all of our teammates reach their full potential and we encourage them to simply, BE YOU!"

Our strategy to enhance diversity at Plexus and to foster an inclusive culture includes the following:

- **D&I Committee and Board Oversight** – To oversee strategic objectives and to ensure appropriate accountabilities exist to support our efforts, D&I is incorporated into our executive Sustainability Committee, made up of key members of executive management, including our Chief Executive Officer. In addition, our Compensation and Leadership Development Committee of our Board of Directors reviews our D&I initiatives and results to cultivate a diverse workforce and inclusive culture.
- **Employee Resource Groups** – Our ERGs are voluntary, employee-driven groups organized around common interests and legitimate business purposes. Plexus current ERGs include:
    - **Plexus Pride** – Plexus Pride is focused on supporting the needs of the LGTBQ+ community by creating greater awareness of the challenges and uniqueness of this demographic. They aim to provide educational, networking and development opportunities for all Plexus team members.

- **Plexus Veterans Network** – The goal of the Plexus Veterans Network is to enhance Plexus’s ability to hire, develop and support U.S. veterans across the organization to improve business outcomes. The network facilitates veteran outreach, camaraderie and mentorship opportunities around the veterans’ community.
- **Plexus Young Professionals** – Plexus Young Professionals focuses on creating an environment that fosters collaboration and development for the young professionals at Plexus. This group desires to enhance talent development and retention, create an environment that fosters networking and sponsorship for career growth and provide community engagement opportunities. The group’s membership spans across all three operating regions, totaling 15 chapters across Plexus.
- **UnusPlexus** – UnusPlexus’ purpose is to celebrate the different cultures and diversity within Plexus. The group plays a key role in embodying the D&I mission at Plexus, and through its tenets of communication, cultural celebration and community outreach, creates impactful experiences across Plexus.
- **Women in Network** – Women in Network has a mission to champion the advancement of women in their professional and personal development through various career and life changes. This ERG aims to contribute to more women in elevated roles and increased diversity in leadership positions across Plexus.

These groups are directly supported by executive-level leadership and management engages regularly in support of ERG programming. Plexus supports further expansion and enhancement efforts of existing ERGs as well as employee-driven creation of new ERGs.

- **Mentoring & Training** – Plexus has established a formal mentoring program that aids in the development and retention of diverse talent, with a specific focus on future leaders within our underrepresented populations. In addition, the Company has invested in D&I leadership training on the value of diversity and how best to foster an inclusive culture.
- **Gender & Underrepresented Minorities Recruitment Strategy** – Our talent acquisition teams have a strategic initiative to widen the funnel of talent seeking to join Plexus. Efforts in this space are customized by geography based on the current workforce dynamic. This includes partnerships with organizations such as the Society of Women Engineering ("SWE"), universities with diverse student populations and groups supporting underrepresented minorities with leadership aspirations across many disciplines. Further, as part of our efforts to expand diversity within our recruitment practices, we established a requirement that all interview panels for management job levels contain at least one diverse team member.
- **Employee Benefits & Programs –** Plexus has a number of policies and benefits in place to support the unique needs and overall well-being of our team members and their families, including flexible workplace, paid parental leave and a Plexus Wellness Program to ensure our team members have access to the resources they need to lead healthy, balanced lives. For our team members, this includes access to our Employee Assistance Program ("EAP"), or similar program depending on country.
- **Community Involvement & Volunteerism** – Community involvement, volunteering and charitable giving are important to ensure we are investing and promoting positive impacts in the communities in which we operate and where our team members live. Within each community where we have a physical location, we provide donations to local charities that enhance innovation, promote technology-related educational programs (STEM) and preserve the quality of life. Plexus also offers paid, volunteer time off for team members who want to give back at qualified organizations or community events.

Talent Development & Acquisition

Our commitment to holistic talent management means that we expect and reward high performance and address underperformance with urgency, candor and empathy. We engage in regular talent reviews to calibrate on the performance and potential of our teammates, their development needs, career pathing and the strength of our succession plans. During these reviews, we also assess retention rates and the diversity composition of our leaders. Competency-based training, leadership development programs and online learning provide the foundation for a learning culture and ongoing development for team members at all levels. While our goal is to develop our own talent, we recruit new graduate and experienced talent by valuing potential and personality traits that align with our Values and Leadership Behaviors, as well as experience.

Employee Engagement

At every facility, in every organization and at all levels, we strive to continuously improve the engagement of our teammates. We survey employee engagement annually through our employee net promotor score and we identify strengths and act on areas of opportunity to enhance our work environment and increase employee satisfaction. In 2023, we received responses from 97% of our team members through the survey.

Compensation

Our philosophy is to competitively compensate all team members for their contributions to Plexus and to appropriately motivate team members to provide value to Plexus' shareholders. To ensure compensation is competitive, performance-based and fair, we are disciplined in the way we establish and evaluate pay. We assign each role a pay range based on its job accountabilities and the pay practices for similar roles in the marketplace. Team members are compensated within their applicable pay range based on a number of factors, including the employee's education, experience, performance and potential. At least annually, we reevaluate employee pay based on these criteria. Short and long-term incentive pay is designed to be competitive, improve employee retention, reward team members for performance supporting our strategic objectives and align team members with the interests of shareholders to deliver both short-term and long-term results. Approximately 19% and 3% of our team members participate in our short and long-term incentive programs, respectively.

Worker Rights, Health and Safety

We are committed to complying with applicable laws, including those associated with labor and employment, across all areas of our operations. In addition, as an active member of RBA, we abide by their global standards, irrespective of legal requirements, regarding the treatment of workers. We are one of several companies actively partnering with the RBA to abolish human trafficking by holding foreign labor agencies accountable for upholding sound recruiting processes.

Protecting our team members and those within our communities is essential. We strive to be the safest place for our team members away from home. Plexus takes an adaptive and proactive approach to ensure we conduct all of our operations across the globe safely and responsibly and we maintain a method of evaluating environmental, health and safety performance for continual improvement. This includes setting and reviewing environmental, health and safety goals. We are committed to providing a workplace that respects the health and safety of all those who work, visit or are contracted to provide a service in our facilities.

Human Capital Management Governance

As part of our governance structure, we have established an Organizational Performance Committee, an executive body comprised of the Chief Executive Officer, Chief Human Resources Officer ("CHRO") and other executives that oversee our human capital strategy. In addition, our CHRO and other key leaders within our Human Resources organization provide a quarterly update to the Compensation and Leadership Development Committee of the Board of Directors on our strategy for talent development and retention, including succession planning for key talent. This includes assessing the diversity of successor candidates for key management roles. Management also updates the Board of Directors regularly on employee-related policies and efforts intended to protect our team members and to preserve our corporate culture.

Employee Data

Of our nearly 25,000 team members, 50.3% are female, 49.0% are male and 0.7% choose not to identify. The majority of our workforce, 54.1%, is located in our APAC region, while 31.7% and 14.2% of our team members are located in our AMER and EMEA regions, respectively. Approximately 165 of our team members in the United Kingdom are covered by union agreements. These union agreements are typically renewed at the beginning of each year, although in a few cases these agreements may last two or more years. Our team members in China, Germany, Malaysia, Mexico, Romania, Thailand and the United States are not covered by union agreements. We have no history of labor disputes at any of our facilities, and we believe that our employee relationships are positive and stable. Given the quick response times required by our customers, we seek to maintain flexibility to scale our operations as necessary to maximize efficiency. To do so, we use skilled temporary labor in addition to our full-time employees.

Intellectual Property

We own various service marks that we use in our business, which are registered in the trademark offices of the United States and other countries. We develop and maintain trade secrets but do not generally seek to protect trade secrets through patents. We do not have any material copyrights.

Information Technology

Our core solutions for manufacturing facilities include a single-instance enterprise resource planning (“ERP”) system in addition to product data management and advanced planning and scheduling systems, along with consistent solutions for warehouse management and shop floor execution that support our global operations. This consistency augments our other management information systems, allowing us to standardize the translation of data from multiple production facilities into operational and financial information required by the business. The related software licenses are of a general commercial character on terms customary for these types of agreements. In addition, by taking advantage of virtualization technology, we are able to realize gains in efficiency and up-time supporting our critical operations.

We strive to promote innovative technologies, solutions and processes within our information technology (“IT”) infrastructure to enable Plexus to differentiate from our competition. As technology solutions continue to evolve, so do the myriad of risks introduced to the organization. The delivery of business value through technology is highly dependent on the holistic identification and management of IT risks. We maintain a comprehensive information protection and privacy program that contains policies and practices supporting administrative, technical and physical safeguards, which collectively demonstrate the priority of information security and privacy globally. Information security and data privacy are the foundation of our cybersecurity program. We have a dedicated team devoted solely to our cybersecurity strategy, design, implementation, monitoring and continuous improvement. The cybersecurity team collaborates with others in the delivery of network security, anti-malware, email security, endpoint security, detection/alerting, application security, data security, identity and access management, incident response, cybersecurity awareness, vulnerability management, and IT risk and threat intelligence.

We have established a comprehensive collection of policies and standard operating procedures to define our cybersecurity strategy, which is based on a “defense in depth” methodology; multiple layers of administrative, operational, technical and physical safeguards are used to protect information systems and data. The strategy also includes “security by design” for all technical and business solutions, where security and control requirements are identified and met prior to a solution being released into production and throughout all lifecycle phases.

We also employ a governance framework that facilitates awareness, oversight accountabilities and risk management activities across the business. This framework includes oversight by the Audit Committee of our Board of Directors, which reviews the effectiveness of the Company’s governance and management of information technology risks, including those relating to business continuity, cybersecurity, regulatory compliance and data management. Plexus also utilizes executive-level IT and Security Steering Committee as well as an established IT Cybersecurity Incident Response Team with a formal incident response plan based on the National Institute of Standards and Technology (“NIST”) framework in the event of a cyber-incident.

Continuously enhancing our IT environment to meet the increasing needs of cybersecurity and privacy regulations remains a top priority. We discuss the risks relating to cybersecurity and their potential impact more fully in “Risk Factors” in Part I, Item 1A herein.

Compliance with Laws and Regulations

As a global public company that supports manufacturing, designing and servicing highly complex products in demanding regulatory environments, our operations are subject to a variety of laws, regulations and compliance obligations. We strive to implement robust internal controls, quality management systems and management systems of compliance that govern our internal actions and mitigate our risk of non-compliance. We also make efforts to identify non-compliance concerns through internal and external audits, risk assessments as well as an ethics hotline reporting system.

We are also subject to a variety of regulations associated with environmental compliance, as well as those governing employee health and safety. These regulations are related to topics such as: monitoring, tracking and reporting of air and water emissions; tracking and disposing of wastes generated from our manufacturing process; and evaluating and mitigating employee health and safety hazards in our facilities.

See "Risk Factors" in Part I, Item 1A, herein, for more detail around risks pertaining to compliance with laws and regulations.

Regulatory Requirements

All Plexus manufacturing and engineering facilities are certified to a baseline Quality Management System standard per ISO9001:2015. We have capabilities to assemble finished medical devices meeting the U.S. Food and Drug Administration’s (“FDA”) Quality Systems Regulation requirements and similar regulatory requirements in other countries.

We have additional certifications and/or registrations held by certain facilities in the following regions:

	AMER	APAC	EMEA
Medical Standard ISO 13485:2016	X	X	X
21 CFR Part 820 (FDA) (Finished Medical)	X	X	X
JMGP accreditation	X	X	X
GMP-Korea certification			X
ANVISA accreditation	X	X	X
NPMA (National Medical Products Administration) registration		X	
ISO 14001(environmental management)	X	X	X
ISO 45001 (occupational health and safety)		X	X
ANSI/ESD (Electrostatic Discharge Control Program) S20.20	X	X	
ITAR (International Traffic and Arms Regulation) self-declaration	X		
Aerospace Standard AS9100	X	X	X
NADCAP certification	X	X	X
FAR 145 certification (FAA repair station)	X		
EASA repair approval	X		
ATEX/IECEx certification			X
IRIS certification (Railway)		X	
ISO 50001:2011 (energy management)			X
Bureau of Indian Standards (BIS)			X
TL9000 (telecommunications)	X		

Additional Information

Our global headquarters is located at One Plexus Way, Neenah, Wisconsin, 54957. Plexus maintains a website at www.plexus.com. As soon as is reasonably practical, after we electronically file or furnish all reports to the Securities and Exchange Commission ("SEC"), we provide online copies of such reports, free of charge. These reports include: Proxy Statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Specialized Disclosure Reports on Form SD and amendments to those reports. These reports are also accessible at the SEC's website at www.sec.gov. Our Code of Conduct and Business Ethics is also posted on our website. You may access these SEC reports and the Code of Conduct and Business Ethics by following the links under "Investors" at our website.

ITEM 1A. RISK FACTORS

Material risk factors to our business and financial performance are those that may impact our strategy, which is centered around four strategic pillars: *Market Focus, Superior Execution, Passion Meets Purpose* and *Discipline by Design*. This section lays out a number of material risks that may impact those strategic pillars. Other sections of this report also include risks that may impact our strategic business objectives and affect our financial performance. The risks included herein and elsewhere in this report are not exhaustive. In addition, due to the dynamic nature of our business, new risks may emerge from time to time and it is not possible for management to predict or assess the impact of all such risks on our business.

Risks impacting our Market Focus

The end markets we serve require technologically advanced products and such markets may be impacted by a number of factors that could adversely impact our customers' demand.

Factors affecting the technology-dependent end markets that we serve could adversely affect our customers and, as a result, Plexus. These factors include:

- customers' ability or inability to adapt to rapidly changing technologies and evolving industry standards that can result in short product life-cycles or product obsolescence
- customers' ability or inability to develop and market their products, some of which are new and untested
- the potential failure of our customers' products to gain widespread commercial acceptance, and
- the availability of the components required to manufacture and service our customers' products.

Even if our customers successfully respond to these market challenges, their responses, including any consequential changes we must make in our business relationships, services offered, or to our operations, can affect our production cycles, working capital levels and results of operations.

Our customers do not make long-term commitments to us and may cancel or change their production requirements, which may strain resources and negatively impact our revenue, working capital levels and our operating results.

We generally do not obtain firm, long-term purchase commitments from our customers, and frequently do not have visibility as to their future demand for our services. Customers also cancel, change or delay design, production or sustaining services demand and schedules, or fail to meet their forecasts for a number of reasons beyond our control. Customer expectations can change rapidly, requiring us to take on additional commitments or risks. In addition, customers may fail to meet their commitments to us or our expectations. Cancellations, reductions or delays by a significant customer, or by a group of customers, could seriously harm our operating results and negatively affect our working capital levels. Such cancellations, reductions or delays have occurred from time to time and may continue to occur in the future. This risk continues to be heightened by potential volatility in end-market demand for our customers' products or our services as a result of external factors such as the current inflationary environment, supply chain constraints, global conflicts, regulatory change and general economic uncertainty.

In addition, we make significant decisions based on our estimates of customers' demand, including determining the levels of business that we will seek and accept, production schedules, component procurement commitments, working capital management, facility and capacity requirements, personnel needs and other resource requirements. The short-term nature of our customers' commitments and the possibility of rapid changes in demand for their products affect our ability to accurately estimate their future requirements. Because certain of our operating expenses are fixed in the short or long term, a reduction in customer demand can harm our operating results.

Rapid increases in customer demand may stress personnel and other capacity resources. We may not have sufficient resources, including personnel and components, at any given time to meet all of our customers' demands or to meet the requirements of a specific program, which could result in a loss of business from such customers. Rapid decreases in customer demand may result in operational inefficiencies and excess inventory, which could harm our gross profit margins and results of operations.

The need for us to correctly anticipate component needs is amplified in times of shortages. The current environment of tight component supply and other factors discussed above, can increase the difficulties and cost of anticipating changing demand. Moreover, because our margins vary across customers and specific programs, a reduction in revenue with higher margin customers or programs will have a more significant adverse effect on our operating results.

Increased competition may result in reduced demand or reduced prices for our services.

Our industry is highly competitive. We compete against numerous providers with global operations, as well as those which operate on only a local or regional basis. In addition, current and prospective customers continually evaluate the merits of designing, manufacturing and servicing products internally and may choose to design, manufacture or service products (including products or product types that we currently design, manufacture or service for them) themselves rather than outsource such activities. Consolidations and other changes in our industry may result in a changing competitive landscape.
Our competitors may:

- respond more quickly than us to new or emerging technologies
- be faster to develop new business models or otherwise adapt to evolving customer requirements and needs
- have greater name recognition, critical mass and geographic and market presence
- be better able to identify and take advantage of acquisition opportunities
- have lower internal cost structures
- have greater direct buying power with component suppliers and distributors
- devote greater resources to the development, promotion and sale of their services and execution of their strategy
- be better positioned to compete on price for their services
- have technological expertise, capabilities and/or resources that are greater than ours
- have excess capacity, and be better able to utilize such excess capacity
- be better positioned to add additional resources, and
- be willing or able to make sales or provide services at lower margins than we do.

Our manufacturing processes are generally not subject to significant proprietary protection, and companies with greater resources or a greater market presence may enter our market or otherwise become increasingly competitive. Increased competition could result in significant price reductions, reduced sales and margins, or loss of market share.

The majority of our net sales come from a relatively small number of customers and a limited number of market sectors; if we lose a major customer or program or if there are challenges in those market sectors, then our net sales and operating results could decline significantly.

Our 10 largest customers accounted for 49.6% and 56.2% of our net sales in fiscal 2023 and 2022, respectively. During each of these periods there was one customer that represented 10.0% or more of our net sales.

Our major customers may vary from period to period, and our major customers may not continue to purchase services from us at current levels, or at all, particularly given the volatile or temporary nature of certain programs. In any given period, a higher portion of our sales may be concentrated with customers or projects with relatively lower margins, which could adversely affect our results. We have experienced from time to time, and in the future may experience, significant disengagements with customers or of programs, adverse changes in customer supply chain strategies and the end-of-life of significant programs. Especially given our discrete number of customers, the loss of, or significant reductions in net sales to, any of our major customers or our failure to make appropriate choices as to the customers we serve could seriously harm our business and results of operations.

In addition, we focus our sales efforts on customers in only a few market sectors, as identified in Part I, Item 1, herein. Each of these sectors is subject to macroeconomic conditions as well as trends and conditions that are sector specific. Any weakness in our customers' end markets could affect our business and results of operations. Economic, business or regulatory conditions that affect the sector, or our failure to choose to do business in appropriate subsectors, can particularly impact us. For instance, sales in the Healthcare/Life Sciences sector are substantially affected by trends in the healthcare industry, such as government reimbursement rates and uncertainties relating to the U.S. healthcare sector generally. In addition, the Healthcare/Life Sciences sector is affected by health crises, such as COVID-19. The semiconductor industry has historically been subject to significant cyclicality and volatility. Further, changing export regulations, including U.S. government regulations relating to the export of advanced semiconductors and chip-manufacturing equipment that may limit our ability to ship certain components or products to customers in China or potential reductions in U.S. government agency spending, including those due to budget cuts or other political developments or issues, could affect opportunities in all of our market sectors.

We rely on timely and regular payments from our customers, and the inability or failure of our major customers to meet their obligations to us or their bankruptcy, insolvency or liquidation may adversely affect our business, financial condition and results of operations. We also have receivables factoring agreements in place; therefore, deterioration in the payment experience with or credit quality of our customers with respect to which we factor receivables, or issues with the banking counterparties to our factoring agreements, could have a material adverse effect on our financial condition and results of operations if we are unable to factor such receivables.

From time to time, our customers have been affected by merger, acquisition, divestiture and spin-off activity. While these transactions may present us with opportunities to capture new business, they also create the risk that these customers will partially reduce their purchases or completely disengage from us as a result of transitioning such business to our competitors or their internal operations.

We and our customers are subject to increasingly extensive government regulations, legal requirements and industry standards; a failure to comply with current and future regulations, requirements and standards could have an adverse effect on our business, customer relationships, reputation and profitability.

We and our customers are subject to extensive government regulation, legal requirements and industry standards (as well as customer-specific standards) relating to the products we design, manufacture and service as well as how we conduct our business. This includes regulations and standards relating to labor and employment practices, workplace health and safety, manufacturing practices and quality systems, the environment, sourcing and import/export practices, data privacy and protection, ethics, financial reporting, the market sectors we support and many other facets of our operations. The regulatory climate in the U.S. and other countries has become increasingly complex and fragmented, and regulatory enforcement activity has increased in recent periods. Regulatory changes and restrictions can be announced with little or no advance notice. A failure to comply with laws, regulations or standards applicable to our business can result in, among other consequences, fines, injunctions, civil penalties, criminal prosecution, recall or seizure of devices, total or partial suspension of production, including debarment, and could have an adverse effect on our reputation, customer relationships, profitability and results of operations.

Our Healthcare/Life Sciences sector is subject to statutes and regulations covering the design, development, testing, manufacturing, labeling and servicing of medical devices and the reporting of certain information regarding their safety, including regulations by the Food and Drug Administration and similar regulations in other countries. We also design, manufacture and service products for certain industries, including certain applications where the U.S. government is the end customer, that face significant regulation by the Department of Defense, Department of State, Department of Commerce, Federal Aviation Authority and other governmental agencies in the U.S. as well as in other countries, and also under the Federal Acquisition Regulation. In addition, whenever we pursue business in new sectors and subsectors, or our customers pursue new technologies or markets, we need to navigate the potentially heavy regulatory and legislative burdens of such sectors, as well as standards of quality systems, technologies or markets. Failure to navigate these regulatory obligations and burdens could impact our operating results as well as cause reputational damage.

The regulatory climate can itself affect the demand for our services. For example, government reimbursement rates and other regulations, the financial health of healthcare providers, and changes in how healthcare systems are structured, and how medical devices are taxed, could affect the willingness and ability of end customers to purchase the products of our customers in the Healthcare/Life Sciences sector as well as impact our margins.

Our customers are also required to comply with various government regulations, legal requirements and industry standards, including many of the industry-specific regulations discussed above. Our customers' failure to comply could affect their businesses or reputation, which in turn would affect our sales to them and pose potential reputational risk to us. In addition, if our customers are required by regulation or other requirements to make changes to their products or in their product lines, these changes could significantly disrupt particular programs we have in place for these customers and create inefficiencies in our business. Failure of our customers to identify or flow down any such requirements to us could result in production of non-compliant product, which could restrict their ability to sell such products, thus affecting our sales to them.

We may fail to identify acquisition targets, successfully complete future acquisitions, successfully integrate acquired operations or recognize the anticipated benefits of an acquisition, which could adversely affect our operating results.

If we pursue new capabilities or geographies to enable growth through acquisitions, such activities would involve significant risks that could have a material adverse effect on us. These include operating risks such as the inability to successfully identify acquisition targets or, once a target is identified, to successfully negotiate and close an acquisition; to integrate businesses, systems and personnel; to navigate potential impacts on customer programs and relationships; and to realize anticipated synergies or economies of scale. They also include strategic risks such as the diversion of management time and attention from other business activities and opportunities and financial risks such as the use of cash or incurrence of additional debt and interest expense as consideration for the acquisition and to fund the activities required to pursue acquisitions, the potential volatility or weakness in our stock price as a result of the announcement of such transactions, the incurrence of large write-offs or write-downs as a result of the acquisition and other potential financial impacts.

Risks impacting our Superior Execution

Plexus is a multinational corporation and operating in multiple countries exposes us to increased risks, including adverse local developments and currency risks.

We have operations in many countries. Operations outside of the U.S. in the aggregate represent a majority of our net sales and operating income, with a particular concentration in Malaysia. In addition, although we have repatriated a substantial amount of cash since the enactment of the U.S. Tax Cuts and Jobs Act ("U.S. Tax Reform") in 2017, a significant amount of our cash balances remain held outside of the U.S., with a particular concentration in Malaysia and China. We support customers operating in various countries and purchase a significant number of components manufactured in various countries. These international aspects of our operations, which are likely to increase over time, including with any introduction of facilities in new locations, subject us to risks that could materially impact our operations and operating results, such as the following:

- economic, political or civil instability
- civil or international conflicts and war, including the risk of escalation in the Russia-Ukraine war, conflict in the Middle East, escalating tensions between China and Taiwan as well as China and the U.S.
- transportation delays or interruptions
- exchange rate fluctuations
- potential disruptions or restrictions on our ability to access cash amounts held outside of the U.S.
- changes in labor markets, such as government-mandated wage increases (which we are experiencing in Malaysia and Romania), increases to minimum wage requirements, changes in union-related laws, regulations or practices, limitations on immigration or the free movement of labor or restrictions on the use of migrant workers, and difficulties in appropriately staffing and managing personnel in diverse cultures
- customers shifting parts of their manufacturing and supply chains to different countries, including re-shoring, which may impact footprint needs and create operational disruption due to transition efforts
- compliance with laws, such as the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and the European Union's General Data Protection Regulation (the "GDPR"), applicable to companies with global operations
- changing U.S. government export regulations, particularly relating to advanced semiconductors and chip-manufacturing equipment, may limit the ability to ship certain components or product to customers in China, and source the components necessary to manufacture customer product in China
- changes in the taxation of earnings in the U.S. and in other countries
- reputational risks related to, among other factors, varying standards and practices among countries
- changes in duty rates
- significant natural disasters and other events or factors impacting local infrastructure
- the effects of other international political developments, such as tariffs, embargoes, sanctions, boycotts, trade wars, energy disruptions, trade agreements and changes in trade policies, including those which may be affected by the U.S. and other countries' political reactions to those actions, and
- other regulatory and legal requirements and industry standards, and changes thereto.

As our international operations continue to expand, our failure to appropriately address foreign currency transactions or the currency exposures associated with assets and liabilities denominated in non-functional currencies could adversely affect our consolidated financial condition, results of operations and cash flows. In addition, developments affecting particular countries can adversely affect our ability to access cash or other assets held in such countries.

A significant portion of our operations is currently located in the APAC region, particularly in Malaysia. The concentration of our operations, workforce, assets and profitability in that region exposes us to adverse developments, economic, political or otherwise, in those countries.

Changes in policies or trade agreements by or changes in elected officials of the U.S. or other governments could negatively affect our operating results due to trade wars, changes in duties, tariffs or taxes, currency exchange rate fluctuations, higher costs of compliance, or limitations on currency or fund transfers, as well as government-imposed restrictions on producing certain products in, or shipping them to, specific countries. Our current facilities in Mexico operate under the Mexican Maquiladora ("IMMEX") program. This program provides for reduced tariffs and eased import regulations. We could be adversely affected by changes in the IMMEX program or our failure to comply with its requirements.

Additionally, continued uncertainty regarding commercial dealings, tariffs, export regulations and other trade protection measures between the U.S. and China, heightened by escalating geopolitical tensions, may affect our ability to do business in China, may impact the cost of our products originating in China and may impact the demand for our products manufactured in

China in the event our customers reduce or eliminate their operations in China. These actions could also affect the cost and/or availability of upstream source materials or components that we procure from suppliers in China, as well as create disruptions, delays, shortages or increased costs within our global supply chain. Government-imposed restrictions on where we or our customers can produce certain types of products or source components or with whom we can conduct business, such as named companies or industries identified in the 2021 National Defense Authorization Act, outbound investment restrictions, and recent export regulations limiting advanced semiconductors and chip-manufacturing equipment, could limit our ability to sell or manufacture products or services in China, or source components from certain companies or geographies. These factors can negatively affect our operating results and financial position, including reducing our revenues and profitability as a result of having to minimize engagements in China or requiring us to shift such production or the sourcing of components to potentially other higher-cost locations.

Further, the extent to which the conflict between Russia and Ukraine, conflict in the Middle East or the escalating tensions between China and Taiwan or China and the U.S. may impact our business or results of operations will depend on future developments, including the severity and duration of any conflicts, their impact on global supply chains and their impact on regional and global economic conditions including the ability of our customers or suppliers to do business in those or surrounding countries and the inflationary effects of such conflicts on our profitability. These tensions have resulted in, and may continue to cause, global disruptions creating significant volatility in financial markets and the global economy.

We experience component shortages, delays, price fluctuations and supplier quality concerns.

We generally do not have long-term supply agreements. We have experienced from time to time and are currently experiencing significant component shortages and longer lead-times due to supplier capacity constraints. Supply chain constraints and delays can be caused by world events, such as government policies, tariffs, trade wars, trade disputes and trade protection measures, terrorism, armed conflict, natural disasters, economic recession, increased demand due to economic growth, preferential allocations, transportation challenges, and other localized events. Further, we rely on a limited number of suppliers for many of the components used in the assembly process and, in some cases, may be required to use suppliers that are the sole provider of a particular component. Such suppliers may encounter quality problems, labor disputes or shortages, financial difficulties or business continuity issues that could preclude them from delivering components timely or at all. Supply shortages and delays in deliveries of components may result in delayed production of assemblies, which reduces our revenue and operating profit for the periods affected. Additionally, a delay in obtaining a particular component may result in other components for the related program being held for longer periods of time, increasing working capital, risking inventory obsolescence and negatively impacting our cash flow. We are currently experiencing higher inventory levels as a result of component shortages.

In addition, components that are delivered to us may not meet our specifications or other quality criteria. Certain components provided to us may be counterfeit or violate the intellectual property rights of others. The need to obtain replacement materials and parts may negatively affect our manufacturing operations and operating results. The inadvertent use of any such parts or products may also give rise to liability claims. Further, the commitments made to us by our suppliers, and the terms applicable to such relationships, may not match all the commitments we make to, and the terms of our arrangements with, our customers, and such variations may lead us to incur additional expense or liability and/or cause other disruptions to our business.

Component supply shortages and delays in deliveries, along with other factors such as tariffs, trade disputes or embargos, inflation, and rising energy and transportation costs, can also result in increased pricing. While many of our customers permit quarterly or other periodic adjustments to pricing based on changes in component prices and other factors, we may bear the risk of price increases that occur between any such repricing or, if such repricing is not permitted, during the balance of the term of the particular customer contract. In addition, these repricing or pricing recoveries have been and may continue to be dilutive to our operating margin. Conversely, as a result of our pricing strategies and practices, component price reductions have contributed positively to our operating results in the past. Our inability to continue to benefit from such reductions in the future could adversely affect our operating results, cash flows and inventory levels, which could increase as a result of higher component prices or the negative effects of inflation on customer end-market demand.

Due to the highly competitive nature of our industry, an inability to obtain sufficient inventory of quality components on a timely basis and for a reasonable price, could also harm relationships with our customers and lead to loss of business to our competitors.

Our services involve other inventory risk.

Most of our services are provided on a turnkey basis, under which we purchase some, or all, of the required materials and components based on customer forecasts or orders. Although, in general, our commercial contracts with our customers obligate our customers to ultimately purchase inventory ordered to support their forecasts or orders, we generally finance these purchases initially. In addition, suppliers may require us to purchase materials and components in minimum order quantities that may exceed customer requirements. A customer’s cancellation, delay or reduction of forecasts or orders can also result in excess inventory or additional expense to us. Engineering changes by a customer or a product’s end-of-life may result in obsolete materials or components. While we attempt to cancel, return or otherwise mitigate excess and obsolete inventory, require customers to reimburse us for these items and/or price our services to address related risks, we may not actually be reimbursed timely or in full, be able to collect on these obligations or adequately reflect such risks in our pricing. In addition to increasing inventory in certain instances to support new program ramps, we may also increase inventory if we experience component shortages or longer lead-times for certain components in order to maintain a high level of customer service. In such situations, we may procure components earlier, which leads to an increase in inventory in the short term and may lead to increased excess or obsolete inventory in the future. Excess or obsolete inventory, the need to acquire increasing amounts of inventory due to shortages, customer demand or otherwise, or other failures to manage our working capital, could adversely affect our operating results, including our return on invested capital.

In addition, we provide managed inventory programs for some of our customers under which we hold and manage finished goods or work-in-process inventories. These managed inventory programs may result in higher inventory levels, further reduce our inventory turns and increase our financial exposure with such customers. In addition, our inventory may be held at a customer’s facility or warehouse, or elsewhere in a location outside of our control, which may increase the risk of loss. Even though our customers generally have contractual obligations to purchase such inventories from us, we remain subject to customers’ credit risks as well as the risk of potential customer default and the need to enforce those obligations.

We have a complex business model and are subject to rapidly changing technology requirements; our failure to properly manage or execute on that model and those requirements could adversely affect our operations, financial results and reputation.

Our business model focuses on products and services that are highly complex and subject to demanding regulatory requirements. Our customers’ products typically require significant production and supply-chain flexibility necessitating optimized solutions across an integrated global platform. The products we design, manufacture and service are also typically complex, heavily regulated and require complicated configuration management and direct order fulfillment capabilities to global end customers.

Our business model requires working capital, management and technical personnel, and the development and maintenance of systems and procedures to manage diverse manufacturing, regulatory and service requirements for multiple programs of varying sizes simultaneously, including in multiple locations and geographies. We also depend on securing and ramping new customers and programs as well as transitioning production for new customers and programs, which creates added complexities related to managing the start-up risks of such projects, especially for companies that did not previously outsource such activities.

The complexity of our model, which encompasses a broad range of services including design and development, supply chain solutions, new product introduction, manufacturing and sustaining services, often results in complex and challenging contractual obligations and unique customer requirements. In addition, program complexity and associated customer expectations have increased in recent years with respect to certain capabilities, commitments, allocation of risk and compliance with third-party standards, requiring extraordinary measures to ensure operational execution and compliance within unique, non-standard engagements. If we fail to meet those obligations, or are otherwise unable to execute on our commitments or unsuccessfully mitigate such risks, then it could result in claims against us, regulatory violations, or adversely affect our reputation and our ability to obtain future business, as well as impair our ability to enforce our rights (including those related to payment) under those contracts. A failure to adequately understand unique customer requirements may also impact our ability to estimate and ultimately recover associated costs, adversely affecting our financial results.

Many of our customers' markets are characterized by rapidly changing technology and evolving process developments. Our internal processes are also subject to these factors. The sustained success of our business will depend upon our continued ability to:

- attract and retain qualified engineering and technical personnel, especially in times of tight labor markets
- choose, maintain and enhance appropriate technological and service capabilities
- successfully manage the implementation and execution of information systems
- develop and market services that meet changing customer needs
- effectively and efficiently execute our services and perform to our customers’ expectations, and
- successfully anticipate, or respond to, technological changes on a cost-effective and timely basis.

Although we believe that our operations utilize the technologies, equipment and processes that are currently required by our customers, we cannot be certain that we will maintain or develop the capabilities required by our customers in the future. The emergence of new technologies, industry standards or customer requirements may render our technical personnel, equipment, inventory or processes obsolete or noncompetitive. In addition, we may have to acquire new skills, technologies and equipment to remain competitive, as well as offer new or additional services, all of which may require significant expense or capital investment that could reduce our liquidity and negatively affect our operating results. Our failure to anticipate and adapt to our customers' changing technological needs and requirements, or to perform to their expectations or standards, as well as our need to maintain our personnel and other resources during times of fluctuating demand, could have an adverse effect on our business.

Natural disasters including weather events caused by global climate change, breaches of security and other events outside our control, and the ineffective management of such events, may harm our business.

Some of our facilities are located in areas that may be impacted by natural disasters including tornadoes, hurricanes, earthquakes, water shortages, tsunamis or floods. Further, there continues to be concern that global climate change is impacting the frequency and severity of these natural disasters. All facilities are subject to other potential natural or man-made disasters such as those related to weather events or global climate change, fires, acts of terrorism or war, breaches of security, theft or espionage, workplace violence and failures of utilities. If such an event was to occur and we did not have an effective business continuity plan in place, our business could be harmed due to the event itself or due to our inability to effectively manage the effects of the particular event, with the impact of the event potentially magnified in areas where we have multiple facilities in close proximity. For example, we maintain significant production capacity in Penang, Malaysia, and an event in that geography could materially hinder our production capabilities. Potential harms include the loss of business continuity, financial risk, the loss of business data and damage to infrastructure. These natural disasters and physical climate risks could also disrupt our operations by impacting the availability and cost of materials within our supply chain, and could also increase insurance and other operating costs. These factors may impact our decisions to construct new facilities or maintain existing facilities in areas most prone to physical climate risks, such as our facilities in Malaysia that are at or near sea level.

In addition, some of our facilities possess certifications or unique equipment necessary to work on specialized products that our other locations lack. If work is disrupted at one of these facilities, it may be impractical or we may be unable to transfer such specialized work to another facility without significant costs and delays. Thus, any disruption in operations at a facility possessing specialized certifications or equipment could adversely affect our ability to provide products and services to our customers, and potentially have a negative effect on our relationships and financial results.

Although we have implemented policies and procedures with respect to physical security, we remain at risk of unauthorized access to our facilities and the possible unauthorized use or theft of inventory, information or other physical assets. If unauthorized persons gain physical access to our facilities, or our physical assets or information are stolen, damaged or used in an unauthorized manner (whether through outside theft or industrial espionage), we could be subject to, among other consequences, interruption in our operations, negative publicity, governmental inquiry and oversight, loss of government contracts, litigation by affected parties or other future financial obligations related to the loss, misuse or theft of our or our customers' data, inventory or physical assets, any of which could have a material adverse effect on our reputation and results of operations.

An inability to successfully manage the procurement, development, implementation or execution of information systems, or to adequately maintain these systems and their security, as well as to protect data and other confidential information, may adversely affect our business and reputation.

As a global company with a complex business model, we are heavily dependent on our information systems to support our customers' requirements and to successfully manage our business. Any inability to successfully manage the procurement, development, implementation, execution or maintenance of our information systems, including matters related to system and data security, cybersecurity, privacy, reliability, compliance, performance and access, as well as any inability of these systems to fulfill their intended purpose within our business, could have an adverse effect on our business. We periodically make strategic investments in enterprise-wide systems as prior systems reach end-of-life, to enable global scalability or to add capability. Implementing new technology on this scale is complex and can create operational disruption if the implementation fails to meet our expectations.

In the ordinary course of business, we collect and store sensitive data and information, including our proprietary and regulated business information and that of our customers, suppliers and business partners, as well as personally identifiable information about our employees. Our information systems, like those of other companies, are susceptible to malicious damage, intrusions and outages due to, among other events, viruses, cyber threats, industrial espionage (internal or external), hacking, break-ins and similar events, other breaches of security, natural disasters, power loss or telecommunications failures. Due to the intellectual property we maintain on our systems related to high technology components, sub-components, manufacturing processes and our customers' products, we are a likely target from various external cyber threats, such as lone attackers, nation states seeking to gain access to such intellectual property, as well as both unintentional and malicious internal threats. In addition, lone and organized crime elements have been known to extort money by encrypting their victims' data (ransomware) and/or utilizing their victims' resources for unauthorized mining of cryptocurrency.

The increasing sophistication of cyberattacks requires us to continually evaluate the threat landscape and new technologies and processes intended to detect and prevent these attacks. There can be no assurance that the security measures and systems configurations we choose to implement will be sufficient to protect the data we manage. Any theft or misuse of information resulting from a security breach or cyberattack could result in, among other things, interruption to our operations, loss of significant and/or sensitive information, litigation by affected parties, financial obligations resulting from such theft or misuse, higher insurance premiums, governmental investigations, fines and penalties, negative reactions from current and potential future customers, and reputational damage, any of which could adversely affect our financial results. Also, the time and funds spent on monitoring and mitigating our exposure and responding to breaches or attempted breaches, including the training of employees, the purchase of protective technologies and the hiring of additional employees and consultants to assist in these efforts could adversely affect our financial results. This risk is enhanced as a result of an increase in our remote workforce due to evolving flexible workplace practices, for example by reason of utilizing home networks that may lack encryption or secure password protection, virtual meeting/conference security concerns and an increase of phishing/cyberattacks around our remote workforce's digital resources.

Moreover, we are subject to increasing expectations and data security requirements from our customers, generally, as well as specific data handling requirements due to the nature of their end products, including those related to the Export Administration Regulations/International Traffic in Arms, Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement and Cybersecurity Maturity Model Certification. Any operational failure or breach of security from increasingly sophisticated cyber threats could lead to the loss or disclosure of our or our customers' financial, product or other confidential information, result in adverse regulatory or other legal actions and have a material adverse effect on our business and reputation. In addition, we must comply with increasingly complex and rigorous regulatory standards enacted to protect business and personal data in the U.S. and elsewhere. For example, GDPR and similar legislation in jurisdictions in which we operate impose additional obligations on companies regarding the handling of personal data and provide certain individual privacy rights to persons whose data is stored. Compliance with existing, proposed and recently enacted laws and regulations can be costly. Failure to comply with these regulatory standards could subject us to legal and reputational risks. Misuse of or failure to secure personal information could also result in violation of data privacy laws and regulations, proceedings against us by governmental entities or others, fines and penalties, damage to our reputation and credibility and could have a negative impact on our business and results of operations.

There may be problems with the products we design, manufacture or service that could result in liability claims against us, reduced demand for our services and damage to our reputation.

We design, manufacture and service products to our customers' specifications, many of which are highly complex, for market sectors that generally have higher risk profiles. Further, the services we provide to our customers continue to expand to encompass full product development, commercialization, production, and sustaining services, including support of sustainability-related efforts and regulatory compliance programs. As we assume more responsibility across the product lifecycle, our customers' expectations may extend beyond what has historically been expected of electronics manufacturing service providers. These dynamics increase the risks inherent in those engagements. Despite our quality control and quality assurance efforts, problems may occur, or may be alleged, in the design, manufacturing or servicing of products. Whether or not we are responsible, problems in the products we manufacture, whether real or alleged, whether caused by faulty customer specifications, product design, manufacturing processes, servicing, a component defect or otherwise, may result in delayed shipments to customers or reduced or canceled customer orders. If these problems were to occur in large quantities or too frequently, our business reputation may also be tarnished. In addition, such problems may result in liability claims against us, whether or not we are responsible. These potential claims may be initiated through various means, such as our contractual commitments, strict liability or other claims raised by third parties, and may include damages for the recall of a product, injury to person(s) or property, or other penalties.

Even if customers or third parties, such as component suppliers, are responsible for defects, they may not, or may not be able to, assume responsibility for any such costs or required payments to us. While we seek to secure contractual protection and/or to insure against many of these risks, we may not have practical recourse against certain third parties, and contractual protections, insurance coverage or supplier warranties, as well as our other risk mitigation efforts, may be inadequate, not cost-effective or unavailable, either in general or for particular types of products or issues. We occasionally incur costs defending claims, we may be unsuccessful in defending against claims and incur financial liabilities, and any such disputes could adversely affect our business relationships.

A failure to comply with customer-driven policies and standards, and third-party certification requirements or standards could adversely affect our business and reputation.

In addition to government regulations and industry standards, our customers may require us to comply with their own or third-party quality standards, commercial terms, or other business policies or standards, which may be more restrictive than current laws and regulations as well as our pre-existing policies and/or terms with our suppliers, before they commence, or continue, doing business with us. Such policies or standards may be customer-driven, established by the market sectors in which we operate or imposed by third-party organizations.

Our compliance with these heightened and/or additional policies, standards and third-party certification requirements, and managing a supply chain in accordance therewith, could be costly, and our failure to comply could adversely affect our operations, customer relationships, reputation and profitability. In addition, our adoption of these standards could adversely affect our cost competitiveness, ability to provide customers with required service levels and ability to attract and retain employees in jurisdictions where these standards vary from prevailing local customs and practices. In certain circumstances, to meet the requirements or standards of our customers we may be obligated to select certain suppliers or make other sourcing choices, and we may bear responsibility for adverse outcomes even if these matters are as the result of third-party actions or outside of our control.

Intellectual property infringement claims against our customers or us could harm our business.

Although our manufacturing processes are generally not subject to significant proprietary protection, our services may and our customers' products do involve the creation and use of intellectual property rights, which subject us and our customers to the risk of claims of intellectual property infringement from third parties. In addition, our customers may require that we indemnify them against the risk of intellectual property infringement. If any claims are brought against us or our customers for infringement, whether or not these have merit, then we could be required to expend significant resources in defense of those claims. In the event of an infringement claim, we may be required to spend a significant amount of money to develop non-infringing alternatives or obtain licenses. We may not be successful in developing alternatives or obtaining licenses on reasonable terms or at all. Infringement by our customers could cause them to discontinue production of some of their products, potentially with little or no notice, which may reduce our net sales to them and disrupt our production.

Additionally, if third parties on whom we rely for products or services, such as component suppliers, are responsible for an infringement (including through the supply of counterfeit parts), we may or may not be able to hold them responsible and we may incur costs in defending claims or providing remedies. Such infringements may also cause our customers to abruptly discontinue selling the impacted products, which would adversely affect our net sales of those products and could affect our customer relationships more broadly. Similarly, claims affecting our suppliers could cause those suppliers to discontinue selling materials and components upon which we rely.

Risks impacting our Passion Meets Purpose

We depend on our workforce, and the inability to attract, develop and retain personnel or an increase in personnel costs or other personnel disruptions may harm our business.

If we fail to attract, develop and retain sufficient qualified personnel, including key leadership positions and highly skilled technical roles, our operations and, consequently, our financial results, could be adversely affected. A number of factors may adversely affect labor availability in one or more of our locations, including wage pressure and changing wage requirements, restrictions on immigration or labor mobility, local competition, high employment rates, high turnover rates and local labor laws. These labor-related issues and labor shortages are pronounced, and we expect these conditions to persist.

We have also experienced inflationary or other general personnel cost increases due to economic conditions and government-mandated wage increases. Further, increases in turnover rates can lead to decreased efficiency and increased costs in our operations, such as increased overtime to meet demand, increased wage rates to attract and retain employees, and costs associated with recruiting training replacement personnel. If we are unable to offset these labor cost increases through price increases, growth or operational efficiencies, labor cost increases could have a material adverse effect on our operating results and cash flows.

We also depend on good relationships with our workforce. Monitoring employee engagement and maintaining a healthy workplace culture based on our values and leadership behaviors is important to developing these good relationships and retaining a committed workforce. A failure to foster a strong, healthy culture, or a failure to adopt or maintain policies and practices that enhance our workplace culture or competitiveness, such as those related to diversity and inclusion, workplace flexibility or other employee benefits, could adversely impact our ability to attract, develop and retain personnel and could substantially affect our operations and financial results. Further, dissatisfied employees may be more likely to seek union organization, which could disrupt our business, increase the risk of a labor strike and adversely impact our operations, financial results, and reputation.

From time to time, there are changes and developments, such as retirements, promotions, transitions, disability, death and other terminations of service, that affect our executive officers and other key employees, including those that are unexpected. Transitions or other changes in responsibilities among officers and key employees without having identified and ready successors for these critical roles, particularly when such changes are unanticipated, unplanned or not executed effectively, inherently can cause disruptions to our business and operations, as well as harm our reputation, which could have an effect on our results. Further, as we grow in size and complexity, a failure to effectively develop personnel and plan for the succession of critical roles may result in shortfalls in the talent and skills required to execute effectively and grow our business, which could affect our operations and financial results.

Evolving expectations on environmental, social and governance ("ESG") matters, including global climate change, by various stakeholders could negatively affect our business.

Customer, investor and employee expectations relating to ESG have been rapidly evolving and increasing. In addition, government organizations are enhancing or advancing legal and regulatory requirements specific to ESG matters. The heightened stakeholder focus on ESG issues related to our business requires the continuous monitoring of various and evolving laws, regulations, standards and expectations and associated voluntary and involuntary reporting requirements. Specifically, certain stakeholders are beginning to request or require that we provide information on our plans relating to certain climate-related matters such as greenhouse gas emissions, and we expect this trend to continue and be amplified by existing and potential legislation, such as the Corporate Sustainability Reporting Directive in the European Union and the proposed U.S. Securities and Exchange Commission ("SEC") regulations relating to climate change disclosure. A failure to adequately meet stakeholder expectations and reporting requirements may result in noncompliance with any imposed regulations, the loss of business, reputational impacts, an inability to attract and retain customers, and an inability to attract and retain talent. In addition, our adoption of certain standards, related reporting requirements, or mandated compliance to certain requirements could necessitate additional investments that could impact our profitability. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Such uncertainty may have an impact on our business, from the demand for our customers' products in various industries to our costs of compliance in the manufacturing and servicing of our customers' products, all of which may impact our results of operations.

Further, increased public awareness and concern regarding global climate change may result in new or enhanced requirements and/or stakeholder expectations to reduce or mitigate the effects of greenhouse gas emissions and transition to low-carbon alternatives, driven by policy and regulations, low-carbon technology advancement and shifting consumer sentiment and societal preferences. These transition risks could negatively impact our financial condition and results of operations including by means of carbon pricing mechanisms, investments in lower greenhouse gas emissions technology, increased cost of raw materials and mandates on and regulation of existing products and services.

In addition, transition to low-carbon alternatives could result in reduced demand or product obsolescence for certain of our customers' products and/or price modifications for our customers' products and the resources needed to produce them. This could in turn put pressure on our manufacturing costs and result in reduced profit margin associated with certain of our customer programs, or loss of customer programs that we may not be able to replace.

Risks impacting our Discipline By Design

Challenges associated with the engagement of new customers or programs, the provision of new services, or start-up costs and inefficiencies related to new, recent or transferred programs could affect our operations and financial results.

Our engagement with new customers, as well as the addition of new programs or types of services for existing customers, can present challenges in addition to opportunities. We must initially determine whether it would be in our interests from a business perspective to pursue a particular potential new customer, program or service, including evaluating whether the customer, program or service fits with our value proposition as well as its potential end-market success. If we make the decision to proceed, we need to ensure that our terms of engagement, including our pricing and other contractual provisions, appropriately reflect the strategic nature of the customer, anticipated costs, risks and rewards. The failure to make prudent engagement decisions or to establish appropriate terms of engagement could adversely affect our profitability and margins.

Also, there are inherent risks associated with the timing and ultimate realization of anticipated revenue and profitability from a new program or service; these factors can sometimes extend for a significant period. Some new programs or services require us to devote significant capital and personnel resources to new technologies and competencies. We may not meet customer expectations, which could damage our relationships with the affected customers and impact our ability to deliver conforming product or services on a timely basis. Further, the success of new programs may depend heavily on factors such as product reliability, market acceptance, regulatory approvals or economic conditions. The failure of a new program to meet expectations on these factors, or our inability to effectively execute on a new program's or service's requirements, could result in lost financial opportunities and adversely affect our results of operations.

In recent years, ramping new programs has been a key contributor to our revenue growth. The management of resources in connection with the establishment of new or recent programs and customer relationships and the need to estimate required resources in advance of production can adversely affect our gross and operating margins and level of working capital. These factors are particularly evident in the early stages of the life-cycle of new programs, which typically lack a track record of order volume and timing as well as production efficiencies in the early stages. We typically manage multiple new programs at any given time; therefore, we are exposed to these factors in varying magnitudes.

The effects of these start-up costs and inefficiencies can also occur when we transfer programs between locations and geographies. We conduct these transfers on a regular basis to meet customer needs, seek long-term efficiencies or respond to market conditions, as well as due to facility openings and closures. Although we try to recover costs from our customers and minimize the potential losses arising from transitioning customer programs between our facilities and geographies, we may not be successful and there are inherent risks that such transitions can result in operational inefficiencies and the disruption of programs and customer relationships.

While these factors tend to affect new, recent or transferred programs, they can also impact more mature or maturing programs and customer relationships, especially programs where end-market demand can be somewhat volatile.

Failure to manage periods of growth or contraction may seriously harm our business.

Our industry frequently sees periods of expansion and contraction. We regularly contend with these issues and must carefully manage our business to meet changing customer and market requirements. If we fail to manage these growth and contraction decisions effectively, or fail to realize the anticipated benefits of these decisions, we can find ourselves with either excess or insufficient resources and our business, as well as our profitability, may suffer. Expansion and consolidation, including the transfer of operations to new or other facilities or due to acquisitions, can inherently include additional costs and start-up inefficiencies. For example, we expanded our geographic locations by constructing a new manufacturing facility in Bangkok, Thailand, to supplement our footprint in the Asia-Pacific region. In addition, we may expand our operations in new geographical areas where currently we do not operate. If we are unable to effectively manage this or other expansions or consolidations, or related anticipated net sales are not realized, our operating results could be adversely affected. Other risks of current or future expansions, acquisitions and consolidations include:

- the inability to successfully integrate additional facilities or incremental capacity and to realize anticipated efficiencies, economies of scale or other value
- challenges faced as a result of transitioning programs
- incurrence of restructuring costs or other charges that may be insufficient or may not have their intended effects
- additional fixed or other costs, or selling and administrative expenses, which may not be fully absorbed by new business
- a reduction of our return on invested capital, including as a result of excess inventory or excess capacity at new facilities, as well as the increased costs associated with opening new facilities
- difficulties in the timing of expansions, including delays in the implementation of construction and manufacturing plans
- diversion of management's attention from other business areas during the planning and implementation of expansions
- strain placed on our operational, financial and other systems and resources, and
- inability to locate sufficient customers, employees or management talent to support the expansion.

Periods of contraction or reduced net sales, or other factors affecting particular sites, create other challenges. We must determine whether facilities remain viable, whether staffing levels need to be reduced and how to respond to changing levels of customer demand. While maintaining excess capacity or higher levels of employment entail short-term costs, reductions in capacity or employment could impair our ability to respond to new opportunities and programs, market improvements or to maintain customer relationships. Our decisions to reduce costs and capacity can affect our short-term and long-term results. When we make decisions to reduce capacity or to close facilities, we frequently incur restructuring costs.

In addition, to meet our customers' needs, particularly when the production requirements of certain products are site-specific, to achieve increased efficiencies or to address factors affecting specific locations, such as tariffs and trade disputes, we sometimes require additional capacity in one location while reducing capacity in another. Since customers' needs and market conditions can vary and change rapidly, we may find ourselves in a situation where we simultaneously experience the effects of contraction in one location and expansion in another location. We may also encounter situations where our lack of a physical presence in certain locations may limit or foreclose opportunities.

Changes in tax laws, potential tax disputes, negative or unforeseen tax consequences or further developments affecting our deferred tax assets could adversely affect our results.

Our effective tax rate is highly dependent upon the geographic mix of earnings across the jurisdictions where we operate. Changes in tax laws or tax rates in those jurisdictions, including, but not limited to, as a result of actions by the U.S. (including additional guidance and interpretations related to U.S. Tax Reform or potential passage of tax regulation changes under the U.S. presidential administration) or other countries, could continue to have a material impact on our operating results. Among other things, we have been, and are expected to continue to be, affected by the global intangible low-taxed income provisions added by U.S. Tax Reform and related new tax legislation, interpretations and guidance. Our effective tax rate may also be impacted by tax holidays and other various tax credits granted by local taxing authorities. In addition, the implementation of U.S. Tax Reform has required the use of estimates, which may be refined in future periods. All incentives, including a tax holiday granted to our Malaysian subsidiary, are subject to certain terms and conditions, which could be unfavorably altered by the local taxing authorities, changes to U.S. tax policy. While we expect to comply with these conditions, we would experience adverse tax consequences if we are found to not be in compliance.

A global minimum tax has been, or is anticipated to be, implemented in many of the countries in which Plexus operates. We anticipate this will materially and unfavorably impact our existing tax holidays and effective tax rate although to what extent is difficult to estimate without final rules and regulations. As of September 30, 2023, we currently expect those impacts to begin in our fiscal 2025, increase in fiscal 2026, and carry forward.

Our taxable income in any jurisdiction is dependent upon the local taxing authority's acceptance of our operational and intercompany transfer pricing practices as being at "arm's length." Due to inconsistencies among jurisdictions in the application of the arm's length standard, our transfer pricing methods may be challenged and, if not upheld, could increase our income tax expense. Risks associated with transfer pricing adjustments are further highlighted by the global initiative from the Organisation for Economic Cooperation and Development called the Base Erosion and Profit Shifting ("BEPS") project. The BEPS project is challenging longstanding international tax norms regarding the taxation of profits from cross-border business. Given the scope of our international operations and the fluid and uncertain nature of how the BEPS project might ultimately lead to future legislation, it is difficult to assess how any changes in tax laws would impact our income tax expense.

We review the probability of the realization of our net deferred tax assets each period based on forecasts of taxable income by jurisdiction. This review uses historical results, projected future operating results based upon approved business plans, eligible carryforward periods, tax planning opportunities and other relevant considerations. Adverse changes in the profitability and financial outlook in each of our jurisdictions may require the creation of an additional valuation allowance to reduce our net deferred tax assets. Such changes could result in material non-cash expenses in the period in which the changes are made.

We may fail to secure or maintain necessary additional financing or capital.

Although we have credit facilities, we cannot be certain that our existing credit arrangements will provide all of the financing capacity that we will need in the future or that we will be able to change the credit facilities or revise covenants, if necessary, to accommodate changes or developments in our business and operations and/or increased working capital needs. In addition, if we do not comply with the covenants under our credit facility, our ability to borrow under that facility would be adversely affected. In addition, it is possible that counterparties to our financial agreements, including our credit facility and receivables factoring programs, may not be willing or able to meet their obligations, either due to instability in the global financial markets or otherwise, which could, among other impacts, increase the duration of our cash collection cycle. While we currently believe we have ample liquidity to manage the financial impact of current economic conditions, we can give no assurance that this will continue to be the case if the impact of current or worsening economic conditions is prolonged.

Our future success may depend on our ability to obtain additional financing and capital to support possible future growth and future initiatives including additional investments in our business. In addition, we also have receivables factoring programs. Many of our borrowings are at variable interest rates and therefore our interest expense is subject to increase if rates increase. Persistent inflation, especially in Europe and the U.S., has led central banks to rapidly raise interest rates throughout fiscal year

2023 to dampen inflation. These increases in interest rates will directly impact the amount of interest we pay on our variable rate obligations and continued or sustained increases in interest rates could negatively impact our business.

We may seek to raise capital by issuing additional common stock, other equity securities or debt securities, modifying our existing credit facilities or obtaining new facilities, or through a combination of these methods. We may not be able to obtain capital when we want or need it, particularly in light of ongoing volatility in the capital markets, and capital may not be available on satisfactory terms. If we issue additional equity securities or convertible securities to raise capital, it may be dilutive to shareholders' ownership interests; we also may not be able to offer our securities on attractive or acceptable terms in the event of volatility or weakness in our stock price. Furthermore, any additional financing may have terms and conditions that adversely affect our business, such as restrictive financial or operating covenants, and our ability to meet any current or future financing covenants will largely depend on our financial performance, which in turn will be subject to general economic conditions and financial, business and other factors.

Our financial condition and results of operations may be materially adversely affected by a global health crisis such as coronavirus (COVID-19).

The full extent to which a global health crisis, such as COVID-19, will impact our business and operating results will depend on future developments that are highly uncertain and cannot be accurately predicted, including new medical and other information that may emerge as a result and the actions by governmental entities or others to contain it or treat its impact.

The impacts of a potential resurgence of COVID-19 or other severe global health crisis could pose the risk that we or our employees, suppliers, customers and others may be restricted or prevented from conducting business activities for indefinite or intermittent periods of time, including as a result of employee health and safety concerns, shutdowns, shelter in place orders, travel restrictions and other actions and restrictions that may be prudent or required by governmental authorities.

We, our suppliers, and our customers had modified our business practices for the continued health and safety of our employees during the outbreak of COVID-19. If a resurgence of COVID-19 or other severe global health crisis occurs, we may be required to take further actions that are in the best interests of our employees, which could result in disruptions or delays and higher costs. The implementation of health and safety practices by us, our suppliers, or our customers could impact customer demand, supplier deliveries, our productivity and costs, which could have a material adverse impact on our business, financial condition, or results of operations.

The foregoing and other disruptions to our business as a result of a global health crisis has had and could continue to have a material adverse effect on our business, results of operations and financial condition.

ITEM 1B. UNRESOLVED SEC STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Not applicable.

ITEM 2. PROPERTIES

Our facilities are comprised of an integrated network of manufacturing and engineering centers with our corporate headquarters located in Neenah, Wisconsin. We own or lease facilities with approximately 5.1 million square feet of active capacity. This includes approximately 2.1 million square feet in AMER, approximately 2.4 million square feet in APAC and approximately 0.6 million square feet in EMEA. Our active facilities as of September 30, 2023 are described in the following table:

Location	Type	Size (sq. ft.)	Owned/Leased
AMER			
Neenah, Wisconsin	Manufacturing	418,000	Owned
Guadalajara, Mexico (1)	Manufacturing/Engineering	741,000	Leased
Nampa, Idaho	Manufacturing	216,000	Owned
Appleton, Wisconsin	Manufacturing	205,000	Owned
Buffalo Grove, Illinois (1)	Manufacturing	189,000	Leased
Neenah, Wisconsin	Global Headquarters	104,000	Owned
Portland, Oregon	Manufacturing	91,000	Leased
Neenah, Wisconsin	Engineering	90,000	Leased
Raleigh, North Carolina	Engineering	41,000	Leased
APAC			
Penang, Malaysia (1)	Manufacturing/Engineering	1,530,000	Owned
Bangkok, Thailand	Manufacturing	389,000	Owned
Haining, China (1)	Manufacturing	264,000	Leased
Xiamen, China	Manufacturing	133,000	Owned
Xiamen, China (1)	Manufacturing	120,000	Leased
EMEA			
Oradea, Romania	Manufacturing/Engineering	296,000	Owned
Oradea, Romania	Manufacturing	108,000	Leased
Livingston, Scotland	Manufacturing/Engineering	62,000	Leased
Kelso, Scotland	Manufacturing	57,000	Owned
Darmstadt, Germany	Engineering	21,000	Leased

(1) The facilities in Guadalajara, Mexico; Buffalo Grove, Illinois; Penang, Malaysia; Haining, China; and Xiamen, China include more than one building.

ITEM 3. LEGAL PROCEEDINGS

Refer to Note 10, "Litigation," for information regarding legal proceedings in which we are involved.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

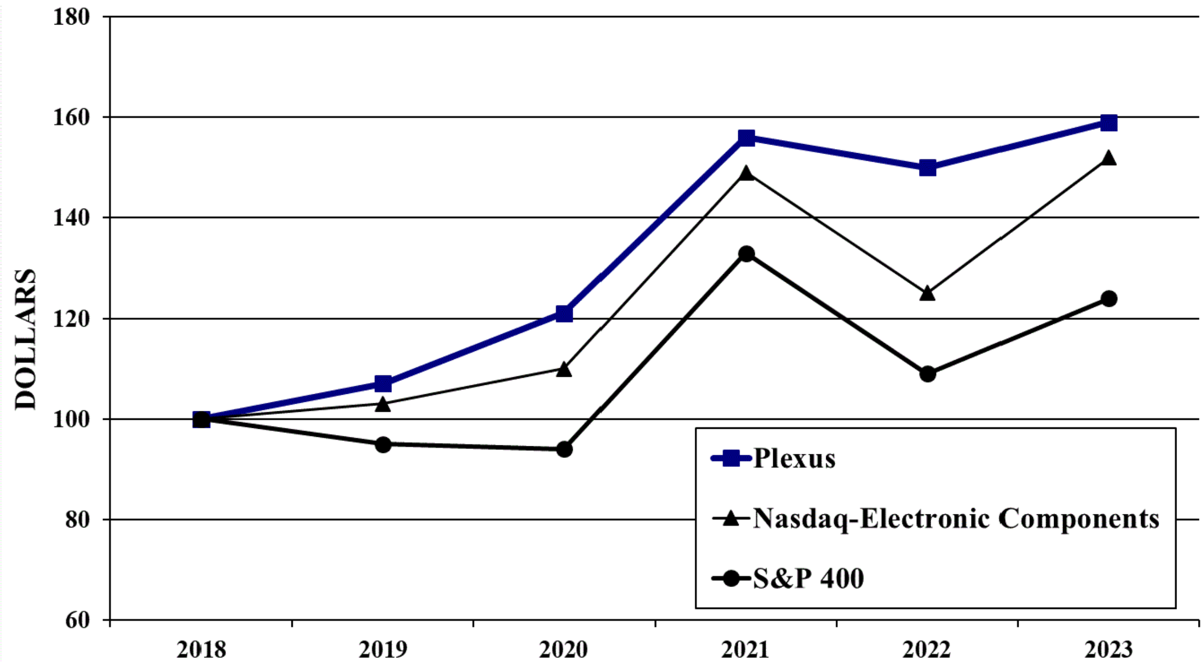
PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Performance Graph

Our common stock trades on the Nasdaq Stock Market in the Nasdaq Global Select Market tier (symbol: PLXS).

The following graph compares the cumulative total return on Plexus common stock with the Standard & Poor's MidCap 400 Index ("S&P 400") and the Nasdaq Stock Market Index for Electronic Components Companies ("Nasdaq-Electronic Components"). The values on the graph show the relative performance of an investment of $100 made on September 28, 2018 in Plexus common stock and in each of the indices as of the last business day of the respective fiscal year.



Comparison of Cumulative Total Return

	2018	2019	2020	2021	2022	2023
Plexus	$100	$107	$121	$156	$150	$159
Nasdaq-Electronic Components	100	103	110	149	125	152
S&P 400	100	95	94	133	109	124

Shareholders of Record

As of November 13, 2023, we had 358 shareholders of record.

Dividends

We have not paid any cash dividends in the past. We currently anticipate that in the foreseeable future the majority of earnings will be retained to finance the development of our business through capital expenditures and working capital requirements, as well as execution upon our share repurchase authorizations as management deems appropriate and market conditions may allow. However, our Board of Directors evaluates from time to time potential uses of excess cash, which in the future may include additional share repurchases, a special dividend or recurring dividends. See also Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources," for additional discussion of our intentions regarding dividends as well as a description of loan covenants that could restrict our ability to make future dividend payments.

Issuer Purchases of Equity Securities

The following table provides the specified information about the repurchases of shares by us during the three months ended September 30, 2023:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum approximate dollar value of shares that may yet be purchased under the plans or programs (1)
July 2, 2023 to July 29, 2023	18,827	$ 99.95	18,827	$ 7,207,069
July 30, 2023 to August 26, 2023	15,774	97.66	15,774	5,666,612
August 27, 2023 to September 30, 2023	—	—	—	$ 5,666,612
	34,601	$ 98.91	34,601	

(1) Amounts exclude excise tax on share repurchases of $92,175 incurred during the quarter. On August 18, 2022, the Board of Directors approved a new share repurchase program under which we are authorized to repurchase up to $50.0 million of our common stock (the "2023 Program"). The 2023 Program became effective immediately and has no expiration. The table above reflects the maximum dollar amount remaining available for purchase under the 2023 Program as of September 30, 2023.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Plexus Corp. and its subsidiaries (together "Plexus," the "Company", "our", or "we") participate in the Electronic Manufacturing Services ("EMS") industry. Since 1979, we have been partnering with companies to create the products that build a better world. We are a global leader with a team of nearly 25,000 individuals who are dedicated to providing Design and Development, Supply Chain Solutions, New Product Introduction, Manufacturing and Sustaining Services. We specialize in serving customers in industries with highly complex products and demanding regulatory environments. We deliver customer service excellence to leading global companies in the Healthcare/Life Sciences, Industrial and Aerospace/Defense market sectors by providing innovative, comprehensive solutions throughout the product's lifecycle. We provide these innovative solutions to customers in the Americas ("AMER"), Asia-Pacific ("APAC") and Europe, Middle East and Africa ("EMEA") regions.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide an analysis of both short-term results and future prospects from management's perspective, including an assessment of the financial condition and results of operations, events and uncertainties that are not indicative of future operations and any other financial or statistical data that we believe will enhance the understanding of our company's financial condition, cash flows and other changes in financial condition and results of operations. The information should be read in conjunction with our consolidated financial statements included herein and "Risk Factors" included in Part I, Item 1A herein.

A discussion regarding our financial condition and results of operations for fiscal 2023 compared to fiscal 2022 is presented below. A discussion regarding our financial condition and results of operations for fiscal 2022 compared to fiscal 2021 is incorporated herein by reference from Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Annual Report on the Form 10-K for the fiscal year ended October 1, 2022, which was filed with the SEC on November 18, 2022, and is available on the SEC's website at www.sec.gov as well as our Investor Relations website at www.plexus.com.

Market Pressures Update

We have experienced an inability to procure certain components on a timely basis due to global supply chain constraints. These constraints have impacted our ability to meet customer demand and may inhibit our ability to capture the demand from our customers. The extended lead-times have required us to make additional investments in inventory to satisfy customer demand.

Over the past year, the global supply chain constraints have led to inflation in some of the components we acquire, as well as labor and operating costs. We have also been, and expect to continue to be, subject to such inflationary and general labor cost increases. While we have been largely able to mitigate the impacts of inflation through our contractual rights with customers on pricing, the pricing recoveries received may be dilutive to our operating margin. The inability to offset these costs in future periods or the impacts of continued inflation on end markets and our customers may affect our operating results, cash flows and inventory levels, which could increase as a result of higher component prices or the negative effects of inflation on customer end-market demand.

The Department of Commerce's export controls restricting the People's Republic of China's access to advanced semiconductors, supercomputers, and semiconductor manufacturing equipment has created demand volatility for some of our customers as they adjust their forecasts as a result of these restrictions, which can create operating inefficiencies that may place additional burden on our working capital levels and operating results.

A global minimum tax has been, or is anticipated to be, implemented in many of the countries in which we operate. We anticipate this will materially and unfavorably impact our existing tax holidays and effective tax rate beginning in our fiscal 2025. We will continue to monitor these developments as each jurisdiction incorporates such changes into tax laws.

In fiscal 2023, we paid a one-time, non-recurring payment of $15.8 million related to an arbitration decision in Norway regarding a contractual matter concluded upon in May 2023. Refer to Note 16, "Restructuring and Other Charges," for information regarding total charges. We no longer provide services for this customer and do not expect further charges relating to this matter, but are pursuing insurance recoveries. We do not believe that any other such proceedings, individually or in the aggregate, will have a material positive or adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, legal proceedings and regulatory and governmental matters are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could involve substantial fines, civil or criminal penalties, and other expenditures.

We believe our balance sheet is positioned to support the potential future challenges presented by the macroeconomic pressures we are facing. As of September 30, 2023, cash and cash equivalents and restricted cash were $257 million, while debt, finance lease and other financing obligations were $431 million. Borrowings under our credit facility as of September 30, 2023 were $233 million, leaving $267 million of our revolving commitment of $500 million available for use as of September 30, 2023 as well as the ability to expand our revolving commitment to $750 million upon mutual agreement with our banks. Interest expense could increase above current levels due to increased borrowing under our credit facility associated with working capital investments along with the impact of rising interest rates. Refer to Note 4, "Debt, Finance Lease and Other Financing Obligations," in Notes to Consolidated Financial Statements and "Management's Discussion and Analysis of Liquidity and Capital Resources" in Part II, Item 7 for further information.

RESULTS OF OPERATIONS

Consolidated Performance Summary. The following table presents selected consolidated financial data for the indicated fiscal years (dollars in millions, except per share data):

	2023	2022
Net sales	$ 4,210.3	$ 3,811.4
Cost of sales	3,815.8	3,464.1
Gross profit	394.6	347.2
Gross margin	9.4 %	9.1 %
Operating income	195.8	178.2
Operating margin	4.7 %	4.7 %
Other expense	34.8	19.9
Income tax expense	21.9	20.1
Net income	139.1	138.2
Diluted earnings per share	$ 4.95	$ 4.86
Return on invested capital*	13.4 %	13.0 %
Economic return*	4.4 %	3.7 %

*Non-GAAP metric; refer to "Return on Invested Capital ("ROIC") and economic return" below and Exhibit 99.1 for more information.

Net sales. Fiscal 2023 net sales increased $398.9 million, or 10.5%, as compared to fiscal 2022.

Net sales are analyzed by management by geographic segment, which reflects our reportable segments, and by market sector. Management measures operational performance and allocates resources on a geographic segment basis. Our global business development strategy is based on our targeted market sectors.

As a percentage of consolidated net sales, net sales attributable to customers representing 10% or more of consolidated net sales as well as the percentage of net sales attributable to our ten largest customers for the indicated fiscal years were as follows:

	2023	2022
GE Healthcare Technologies, Inc. ("GEHC")	10.3%	*
General Electric Company ("GE")	*	12.9%
Top 10 customers	49.6%	56.2%

* Net sales attributable to the customer were less than 10.0% of consolidated net sales for the period.

During fiscal 2023, GE completed the separation of its healthcare business, GEHC, as a stand-alone company.

A discussion of net sales by reportable segment is presented below for the indicated fiscal years (in millions):

	2023	2022
Net sales:		
AMER	$ 1,558.2	$ 1,310.7
APAC	2,358.4	2,300.6
EMEA	403.0	316.3
Elimination of inter-segment sales	(109.3)	(116.2)
Total net sales	$ 4,210.3	$ 3,811.4

AMER. Net sales for fiscal 2023 in the AMER segment increased $247.5 million, or 18.9%, as compared to fiscal 2022. The increase in net sales was driven by a $219.1 million increase in production ramps of new products for existing customers and overall net increased customer end-market demand, inclusive of a partial easing of supply chain constraints. The increase was also driven by higher pricing associated with inflated component prices and a $24.1 million increase in production ramps for new customers. The increase was partially offset by an $17.9 million decrease due to the discontinuation of a program with an existing customer and an $11.1 million decrease for end-of-life products.

APAC. Net sales for fiscal 2023 in the APAC segment increased $57.8 million, or 2.5%, as compared to fiscal 2022. The increase in net sales was driven by a partial easing of supply chain constraints, a $40.0 million increase in production ramps of new products for existing customers and a $19.8 million increase in production ramps for new customers. The increase was partially offset by overall net decreased customer end-market demand, primarily as a result of the Department of Commerce's export control restrictions on the People's Republic of China, as well as reductions in inflated component pricing and a $5.2 million decrease due to the discontinuation of a program with an existing customer.

EMEA. Net sales for fiscal 2023 in the EMEA segment increased $86.7 million, or 27.4%, as compared to fiscal 2022. The increase in net sales was driven by overall net increased customer end-market demand, inclusive of a partial easing of supply chain constraints as well as a $15.5 million increase in production ramps for new customers.

Our net sales by market sector for the indicated fiscal years were as follows (in millions):

	2023	2022
Net sales:		
Healthcare/Life Sciences	$ 1,874.8	$ 1,565.8
Industrial	1,756.5	1,752.7
Aerospace/Defense	579.0	492.9
Total net sales	$ 4,210.3	$ 3,811.4

Healthcare/Life Sciences. Net sales for fiscal 2023 in the Healthcare/Life Sciences sector increased $309.0 million, or 19.7%, as compared to fiscal 2022. The increase in net sales was driven by a $187.4 million increase due to production ramps of new products for existing customers and overall net increased customer end-market demand, inclusive of a partial easing of supply chain constraints. The increase was also driven by higher pricing associated with inflated component prices and a $10.8 million increase in production ramps for new customers. The increase was partially offset by a $5.2 million decrease due to the discontinuation of a program with an existing customer.

Industrial. Net sales for fiscal 2023 in the Industrial sector increased $3.8 million, or 0.2%, as compared to fiscal 2022. The increase in net sales was driven by a $63.4 million increase due to production ramps of new products for existing customers, a $42.4 million increase in production ramps for new customers and a partial easing of supply chain constraints. The increase was partially offset by overall net decreased customer end-market demand, primarily as a result of the Department of Commerce's export control restrictions on the People's Republic of China, as well as reductions in inflated component pricing and a $7.8 million decrease for end-of-life products.

Aerospace/Defense. Net sales for fiscal 2023 in the Aerospace/Defense sector increased $86.1 million, or 17.5%, as compared to fiscal 2022. The increase was driven by overall net increased customer end-market demand and higher pricing associated with inflated component prices. The increase was also driven by a $6.9 million increase due to production ramps of new products for existing customers and a $6.7 million increase in production ramps for a new customer. The increase was partially offset by a $17.9 million decrease due to the discontinuation of a program with an existing customer.

Cost of sales. Cost of sales for fiscal 2023 increased $351.7 million, or 10.2%, as compared to fiscal 2022. Cost of sales is comprised primarily of material and component costs, labor costs and overhead. In both fiscal 2023 and 2022, approximately 90% of the total cost of sales was variable in nature and fluctuated with sales volumes. Approximately 88% of these costs in both fiscal 2023 and 2022 were related to material and component costs.

As compared to fiscal 2022, the increase in cost of sales in fiscal 2023 was primarily driven by the increase in net sales, an increase in fixed costs, reductions in operational efficiencies and increased labor costs, partially offset by a positive shift in customer mix.

Gross profit. Gross profit for fiscal 2023 increased $47.4 million, or 13.7%, as compared to fiscal 2022. Gross margin of 9.4% increased 30 basis points compared to fiscal 2022. The primary drivers of the increase in gross profit and gross margin as compared to fiscal 2022 were the increase in net sales and positive shift in customer mix, partially offset by an increase in fixed costs, reductions in operational efficiencies and increased labor costs.

Operating income. Operating income for fiscal 2023 increased $17.6 million, or 9.9%, as compared to fiscal 2022. Operating margin of 4.7% remained flat compared to fiscal 2022. The primary driver of the increase in operating income as compared to fiscal 2022 was the result of the increase in gross profit, partially offset by a $21.1 million increase in restructuring and other charges primarily due to an arbitration decision in Norway regarding a contractual matter as well as an increase in severance charges. The increase in operating income was also partially offset by an $8.6 million increase in selling and administrative expenses ("S&A"), primarily due to a net increase in compensation costs.

A discussion of operating income by reportable segment for the indicated fiscal years is presented below (in millions):

	2023	2022
Operating income:		
AMER	$ 79.7	$ 44.7
APAC	289.6	267.3
EMEA	1.6	8.0
Corporate and other costs	(175.1)	(141.8)
Total operating income	$ 195.8	$ 178.2

AMER. Operating income increased $35.0 million in fiscal 2023 as compared to fiscal 2022, primarily as a result of an increase in net sales and improvements in operational efficiencies, partially offset by increased labor costs, a negative shift in customer mix, increased fixed costs, inflated component costs and an increase in S&A.

APAC. Operating income increased $22.3 million in fiscal 2023 as compared to fiscal 2022, primarily as a result of an increase in net sales, a positive shift in customer mix and a reduction in inflated component costs. This was partially offset by reduced operational efficiencies, increased fixed costs and increased labor costs.

EMEA. Operating income decreased $6.4 million in fiscal 2023 as compared to fiscal 2022 primarily as a result of a negative shift in customer mix, increased fixed costs, increased labor costs and reduced operational efficiencies, partially offset by an increase in net sales.

Other expense. Other expense for fiscal 2023 increased $14.9 million as compared to fiscal 2022. The increase in other expense for fiscal 2023 was primarily driven by an increase in interest expense of $15.7 million due to a higher average interest rate and the higher average daily borrowing levels. The increase was also due to an increase in factoring fees of $5.4 million and foreign exchange losses of $1.1 million, partially offset by increases in other miscellaneous income of $5.4 million and interest income of $1.8 million.

Income taxes. Income tax expense for fiscal 2023 was $21.9 million compared to $20.1 million for fiscal 2022. The increase is primarily due to the global intangible low tax income ("GILTI") provisions impact of the research and development capitalization requirement and the geographic distribution of worldwide earnings.

Our annual effective tax rate varies from the U.S. statutory rate of 21.0% primarily due to the geographic distribution of worldwide earnings as well as a tax holiday granted to a subsidiary located in the APAC segment where we derive a significant portion of our earnings. Our effective tax rate may also be impacted by disputes with taxing authorities, tax planning activities, adjustments to uncertain tax positions and changes in valuation allowances.

We have been granted a tax holiday for a foreign subsidiary operating in the APAC segment. This tax holiday will expire on December 31, 2034, and is subject to certain conditions with which we expect to continue to comply. In fiscal 2023 and 2022, the holiday resulted in tax reductions, net of the impact of the GILTI provisions of the U.S. Tax Cuts and Jobs Act, of approximately $25.9 million ($0.94 per basic share, $0.92 per diluted share) and $35.3 million ($1.27 per basic share, $1.24 per diluted share), respectively.

See also Note 6, "Income Taxes," in Notes to Consolidated Financial Statements for additional information regarding our tax rate.

The annual effective tax rate for fiscal 2024 is expected to be approximately 14.0% to 16.0% assuming no changes to tax laws.

Net Income. Net income for fiscal 2023 increased $0.9 million, or 0.7%, from fiscal 2022 to $139.1 million. Net income increased primarily as a result of the increase in operating income, substantially offset by the increase in other expense and tax expense as previously discussed.

Diluted earnings per share. Diluted earnings per share increased to $4.95 in fiscal 2023 from $4.86 in fiscal 2022, primarily as a result of increased net income due to the factors discussed above and a reduction in diluted shares outstanding due to repurchase activity under our share repurchase plans.

Return on Invested Capital ("ROIC") and economic return. We use a financial model that is aligned with our business strategy and includes an ROIC goal of 15% which would exceed our weighted average cost of capital ("WACC") by more than 500 basis points and represent positive economic return. Economic return is the amount our ROIC exceeds our WACC.

Non-GAAP financial measures, including ROIC and economic return, are used for internal management goals and decision making because such measures provide management and investors additional insight into financial performance. In particular, we provide ROIC and economic return because we believe they offer insight into the metrics that are driving management decisions. We view ROIC and economic return as important measures in evaluating the efficiency and effectiveness of our long-term capital investments. We also use ROIC as a performance criteria in determining certain elements of compensation as well as economic return performance.

We define ROIC as tax-effected operating income before restructuring and other special items divided by average invested capital over a rolling five-quarter period. Invested capital is defined as equity plus debt and operating lease liabilities, less cash and cash equivalents. Other companies may not define or calculate ROIC in the same way. ROIC and other non-GAAP financial measures should be considered in addition to, not as a substitute for, measures of our financial performance prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP").

We review our internal calculation of WACC annually. Our WACC was 9.0% for fiscal 2023 and 9.3% for fiscal 2022. By exercising discipline to generate ROIC in excess of our WACC, our goal is to create value for our shareholders. Fiscal 2023 ROIC of 13.4% reflects an economic return of 4.4%, based on our weighted average cost of capital of 9.0%, and fiscal 2022 ROIC of 13.0% reflects an economic return of 3.7%, based on our weighted average cost of capital of 9.3%.

For a reconciliation of ROIC, economic return and adjusted operating income (tax-effected) to our financial statements that were prepared using U.S. GAAP, see Exhibit 99.1 to this annual report on Form 10-K, which exhibit is incorporated herein by reference.

Refer to the table below, which includes the calculation of ROIC and economic return for the indicated fiscal years (dollars in millions):

	2023	2022
Adjusted operating income (tax-effected)	$ 190.5	$ 156.8
Average invested capital	1,425.6	1,207.4
After-tax ROIC	13.4 %	13.0 %
WACC	9.0 %	9.3 %
Economic return	4.4 %	3.7 %

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents and restricted cash were $256.7 million as of September 30, 2023, as compared to $275.5 million as of October 1, 2022.

As of September 30, 2023, 87% of our cash and cash equivalents balance was held outside of the U.S. by our foreign subsidiaries. Currently, we believe that our cash balance, together with cash available under our Credit Facility, will be sufficient to meet our liquidity needs and potential share repurchases, if any, for the next twelve months and for the foreseeable future.

Our future cash flows from operating activities will be reduced by $42.0 million due to cash payments for U.S. federal taxes on the deemed repatriation of undistributed foreign earnings that are payable over an eight year period that began in fiscal 2019 with the first payment. The table below provides the expected timing of these future cash outflows, in accordance with the following installment schedule for the remaining three years (in millions):

2024	$	10.6
2025		14.1
2026		17.3
Total	$	42.0

Cash Flows. The following table provides a summary of cash flows for fiscal 2023 and 2022 (in millions):

		2023		2022
Cash flows provided by (used in) operating activities	$	165.8	$	(26.2)
Cash flows used in investing activities		(93.3)		(101.6)
Cash flows (used in) provided by financing activities		(92.7)		139.3
Effect of exchange rate changes on cash and cash equivalents		1.4		(6.5)
Net (decrease) increase in cash and cash equivalents and restricted cash	$	(18.8)	$	5.0

Operating Activities. Cash flows provided by operating activities were $165.8 million for fiscal 2023, as compared to cash flows used in operating activities of $26.2 million for fiscal 2022. The increase was primarily due to cash flow improvements (reductions) of:

- $701.6 million in inventory cash flows driven by a decrease in inventory in fiscal 2023 as compared to an increase in fiscal 2022. In fiscal 2022, inventory levels had primarily increased to support the ramp of customer programs. Inventory level increases in the prior fiscal year were also driven by supply chain constraints which led to inflation in some of the components we acquire.
- $311.6 million in accounts receivable cash flows driven by timing of shipments and payments as well as a mix of customer payment terms.
- $20.3 million in contract assets cash flows, driven by increases in advanced payments received from customers who recognize revenue over time.
- $10.4 million in other current and non-current asset cash flows, primarily driven by the timing of receipt of refund for indirect taxes.
- $(501.5) million in advanced payments from customers cash flows driven by a decrease in advanced payments in fiscal 2023 as compared to an increase in fiscal 2022, consistent with inventory cash flows. Advanced payments increases in fiscal 2022 were primarily to cover certain inventory balances.
- $(346.7) million in accounts payables cash flows primarily driven by the timing of materials procurement and payments to suppliers.

The following table provides a summary of cash cycle days for the periods indicated (in days):

	Three Months Ended	
	September 30, 2023	October 1, 2022
Days in accounts receivable	59	60
Days in contract assets	13	11
Days in inventory	154	144
Days in accounts payable	(64)	(72)
Days in advanced payments (1)	(75)	(70)
Annualized cash cycle	87	73

(1) Includes a reclassification in the presentation of advanced payments from customers reflected in prior period amounts. As of September 30, 2023 and October 1, 2022, the impact of this reclassification was an increase in the Company's days in advanced payments and a reduction in annualized cash cycle by 16 and 27 days, respectively.

We calculate days in accounts receivable and contract assets as each balance sheet item for the respective quarter divided by annualized sales for the respective quarter by day. We calculate days in inventory, accounts payable and advanced payments as each balance sheet line item for the respective quarter divided by annualized cost of sales for the respective quarter by day. We calculate annualized cash cycle as the sum of days in accounts receivable, days in contract assets and days in inventory, less days in accounts payable and days in advanced payments.

As of September 30, 2023, annualized cash cycle days increased fourteen days compared to October 1, 2022 due to the following:

Days in accounts receivable for the three months ended September 30, 2023 decreased one day compared to the three months ended October 1, 2022. The decrease is primarily attributable to the timing of customer shipments and payments as well as the mix of customer payment terms.

Days in contract assets for the three months ended September 30, 2023 increased two days compared to the three months ended October 1, 2022. The increase is primarily attributable to increased demand, partially offset by an increase in advanced payments from customers with arrangements requiring revenue to be recognized over time as products are produced.

Days in inventory for the three months ended September 30, 2023 increased ten days compared to the three months ended October 1, 2022. The increase is primarily due to lower sales in the fiscal fourth quarter of 2023 compared to the prior year, partially offset by lower inventory.

Days in accounts payable for the three months ended September 30, 2023 decreased eight days compared to the three months ended October 1, 2022. The decrease is primarily attributable to timing of materials procurement and payments to suppliers.

Days in advanced payments for the three months ended September 30, 2023 increased five days compared to the three months ended October 1, 2022. The increase was primarily attributable to lower sales in the fiscal fourth quarter of 2023 compared to the prior year, partially offset by a decrease in advanced payments received from customers to cover certain inventory balances.

Free Cash Flow. We define free cash flow ("FCF"), a non-GAAP financial measure, as cash flow provided by (used in) operations less capital expenditures. FCF was $61.8 million for fiscal 2023 compared to $(127.9) million for fiscal 2022, an increase of $189.7 million. The improvement in FCF was primarily due to lower working capital investments in inventory to support our customers.

Non-GAAP financial measures, including FCF, are used for internal management assessments because such measures provide additional insight to investors into ongoing financial performance. In particular, we provide FCF because we believe it offers insight into the metrics that are driving management decisions. We view FCF as an important financial metric as it demonstrates our ability to generate cash and can allow us to pursue opportunities that enhance shareholder value. FCF is a non-GAAP financial measure that should be considered in addition to, not as a substitute for, measures of our financial performance prepared in accordance with GAAP.

A reconciliation of FCF to our financial statements that were prepared using GAAP as follows (in millions):

	2023	2022
Cash flows provided by (used in) by operating activities	$ 165.8	$ (26.3)
Payments for property, plant and equipment	(104.0)	(101.6)
Free cash flow	$ 61.8	$ (127.9)

Investing Activities. Cash flows used in investing activities were $93.3 million for fiscal 2023 compared to $101.6 million for fiscal 2022. The decrease in cash used in investing activities was due to $10.8 million from insurance proceeds, partially offset by a $2.4 million increase in capital expenditures.

We utilized available cash and financing cash flows as the sources for funding our operating requirements during fiscal 2023. We currently estimate capital expenditures for fiscal 2024 will be approximately $100.0 million to $120.0 million to support new program ramps and replace older equipment. This estimate does not include any site expansions.

Financing Activities. Cash flows used in financing activities were $92.7 million for fiscal 2023 compared to cash flows provided by financing activities of $139.3 million for fiscal 2022. The decrease was primarily attributable to net repayments on the credit facility in fiscal 2023 of $30.0 million compared to net borrowings on the credit facility in 2022 of $208.0 million as well as a decrease of $9.4 million in cash used to repurchase our common stock.

On August 11, 2021, the Board of Directors approved a share repurchase program under which we were authorized to repurchase up to $50.0 million of its common stock (the "2022 Program"). The 2022 Program commenced upon completion of the 2021 Program. During fiscal 2022 and 2021, we completed the 2022 Program by repurchasing 564,718 and 34,381 shares under this program for $46.9 million and $3.1 million at an average price of $83.07 and $90.16 per share, respectively.

On August 18, 2022, the Board of Directors approved a share repurchase program under which we are authorized to repurchase up to $50.0 million of its common stock (the "2023 Program"). The 2023 Program became effective immediately and has no expiration. During fiscal 2023 and 2022, we purchased 425,746 and 38,397 shares under this program for $40.9 million and $3.5 million at an average price of $95.96 and $90.63 per share. As of September 30, 2023, $5.7 million of authority remained under the 2023 Program.

All shares repurchased under the aforementioned programs were recorded as treasury stock.

On June 15, 2018, we entered into a Note Purchase Agreement (the “2018 NPA”) pursuant to which we issued an aggregate of $150.0 million in principal amount of unsecured senior notes, consisting of $100.0 million in principal amount 4.05% Series A Senior Notes, due on June 15, 2025, and $50.0 million in principal amount of 4.22% Series B Senior Notes, due on June 15, 2028 (collectively, the “2018 Notes”), in a private placement. The 2018 NPA includes customary operational and financial covenants with which we are required to comply, including, among others, maintenance of certain financial ratios such as a total leverage ratio and a minimum interest coverage ratio. The 2018 Notes may be prepaid in whole or in part at any time, subject to payment of a make-whole amount; interest on the 2018 Notes is payable semiannually. As of September 30, 2023, we were in compliance with the covenants under the 2018 NPA.

On June 9, 2022, we refinanced our then-existing senior unsecured revolving credit facility (as amended by that certain Amendment No. 1 to Credit Agreement dated April 29, 2020, the "Prior Credit Facility") by entering into a new 5-year revolving credit facility (collectively with the Prior Credit Facility, referred to as the "Credit Facility"), which expanded the maximum commitment from $350.0 million to $500.0 million and extended the maturity from May 15, 2024 to June 9, 2027. The maximum commitment under the Credit Facility may be further increased to $750.0 million, generally by mutual agreement of the lenders and us, subject to certain customary conditions. During fiscal 2023, the highest daily borrowing was $412.0 million; the average daily balance was $338.1 million. We borrowed $748.5 million and repaid $778.5 million of revolving borrowings ("revolving commitment") under the Credit Facility during fiscal 2023. As of September 30, 2023, we were in compliance with all financial covenants relating to the Credit Facility, which are generally consistent with those in the 2018 NPA discussed above. We are required to pay a commitment fee on the daily unused credit facility based on our leverage ratio; the fee was 0.125% as of September 30, 2023.

The Credit Facility and the 2018 NPA allow for the future payment of cash dividends or the repurchase of shares provided that no event of default (including any failure to comply with a financial covenant) exists at the time of, or would be caused by, the dividend payment or the share repurchases. We have not paid cash dividends in the past. However, we evaluate from time to time potential uses of excess cash, which in the future may include share repurchases above those already authorized, a special dividend or recurring dividends.

We have Master Accounts Receivable Purchase Agreements with MUFG Bank, New York Branch (formerly known as The Bank of Tokyo-Mitsubishi UFJ, Ltd.) (the "MUFG RPA"), HSBC Bank (China) Company Limited, Xiamen branch (the "HSBC RPA") and other unaffiliated financial institutions, under which we may elect to sell receivables, at a discount. These facilities are uncommitted facilities. The maximum facility amount under the MUFG RPA as of September 30, 2023 is $340.0 million. The maximum facility amount under the HSBC RPA as of September 30, 2023 is $60.0 million. The MUFG RPA will be automatically extended each year unless any party gives no less than 10 days prior notice that the agreement should not be extended. The terms of the HSBC RPA are generally consistent with the terms of the MUFG RPA previously discussed.

We sold $834.5 million and $787.5 million of trade accounts receivable under these programs during fiscal 2023 and 2022, respectively, in exchange for cash proceeds of $824.6 million and $783.1 million, respectively. As of September 30, 2023 and October 1, 2022, $220.5 million and $222.5 million, respectively, of accounts receivables sold under trade accounts receivable programs and subject to servicing by us remained outstanding and had not yet been collected.

In all cases, the sale discount was recorded within "Miscellaneous, net" in the Consolidated Statements of Comprehensive Income in the period of the sale. For further information regarding the receivable sale programs, see Note 14, "Trade Accounts Receivable Sale Programs," in Notes to Consolidated Financial Statements.

Based on current expectations, we believe that our projected cash flows provided by operations, available cash and cash equivalents, potential borrowings under the Credit Facility and our leasing capabilities should be sufficient to meet our working capital and fixed capital requirements, as well as execution upon our share repurchase authorizations as management deems appropriate, for the next twelve months. We believe our balance sheet is positioned to support the potential future challenges presented by macroeconomic factors including increased working capital requirements associated with longer lead-times for components, increased component and labor costs, and operating inefficiencies due to supply chain constraints. As of the end of fiscal 2023, cash and cash equivalents and restricted cash were $257 million, while debt, finance lease and other financing obligations were $431 million. If our future financing needs increase, then we may need to arrange additional debt or equity financing. Accordingly, we evaluate and consider from time to time various financing alternatives to supplement our financial resources. However, we cannot be assured that we will be able to make any such arrangements on acceptable terms or at all.

CONTRACTUAL OBLIGATIONS, COMMITMENTS AND OFF-BALANCE SHEET OBLIGATIONS

Our disclosures regarding contractual obligations and commercial commitments are located in various parts of our regulatory filings. Information in the following table provides a summary of our contractual obligations and commercial commitments as of September 30, 2023 (dollars in millions):

	Payments Due by Fiscal Year				
Contractual Obligations	Total	2024	2025-2026	2027-2028	2029 and thereafter
Debt Obligations (1)	$ 435.7	$ 273.2	$ 108.3	$ 54.2	$ —
Finance Lease Obligations	114.7	9.1	14.4	21.2	70.0
Operating Lease Obligations	54.5	10.1	17.3	11.9	15.2
Purchase Obligations (2)	1,428.7	1,266.0	158.1	2.1	2.5
Repatriation Tax on Undistributed Foreign Earnings (3)	42.0	10.6	31.4	—	—
Other Liabilities on the Balance Sheet (4)	19.0	2.5	1.8	1.7	13.0
Other Liabilities not on the Balance Sheet (5)	10.8	5.3	0.6	1.3	3.6
Total Contractual Cash Obligations	$ 2,105.4	$ 1,576.8	$ 331.9	$ 92.4	$ 104.3

1) Debt obligations includes $150.0 million in principal amount of 2018 Notes and $233.0 million of borrowings on the revolving commitment of the Credit Facility, as well as interest.

2) Purchase obligations consist primarily of purchases of inventory and equipment in the ordinary course of business.

3) Repatriation tax on undistributed foreign earnings consists of U.S. federal income taxes on the deemed repatriation of undistributed foreign earnings due to U.S. Tax Reform. Refer to "Liquidity and Capital Resources" above for further detail.

4) Other obligations on the balance sheet included deferred compensation obligations to certain of our former and current executive officers, as well as other key employees, other financing obligations arising from information technology maintenance agreements and asset retirement obligations related to our buildings. We have excluded from the above table the impact of approximately $14.0 million, as of September 30, 2023, related to unrecognized income tax benefits. We cannot make reliable estimates of the future cash flows by period related to these obligations.

5) Other obligations not on the balance sheet consist of guarantees and a commitment for salary continuation and certain benefits in the event employment of one executive officer is terminated without cause. Excluded from the amounts disclosed are certain bonus and incentive compensation amounts, which would be paid on a prorated basis in the year of termination.

DISCLOSURE ABOUT CRITICAL ACCOUNTING ESTIMATES

Our accounting policies are disclosed in Note 1 "Description of Business and Significant Accounting Policies" of Notes to Consolidated Financial Statements. During fiscal 2023 there were no material changes to these policies. Our critical accounting estimates are described below:

Revenue Recognition: Revenue is recognized over time for arrangements with customers for which: (i) our performance does not create an asset with an alternative use to us, and (ii) we have an enforceable right to payment, including reasonable profit margin, for performance completed to date. If either of the two conditions noted above are not met to recognize revenue over time, revenue is recognized following the transfer of control of such products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying arrangement.

For contracts requiring over time revenue recognition, we calculate the revenue to recognize using the costs incurred to date plus a reasonable profit margin. We use historical information to estimate the profit margin associated with the performance obligation that is satisfied over time. We reevaluate our estimate of profit margins on a quarterly basis. While experience has shown that trends in profit margins are not volatile, changes in pricing or cost efficiencies could create significant fluctuations for certain performance obligations. As actual experience becomes available, we use the data to update the historical averages and compare the results to estimates. Based on review of profits margins we update our estimate to the model as necessary.

See Note 15 "Revenue from Contracts with Customers" of Notes to Consolidated Financial Statements for further information on our revenue recognition policies.

Income Taxes: Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. We maintain valuation allowances when it is more likely than not that all or a portion of a deferred tax asset will not be realized. In determining whether a valuation allowance is required, we take into account such factors as:

- *Prior earnings history*. A pattern of recent financial reporting losses in a jurisdiction is heavily weighted as a source of negative evidence. We also consider the strength and trend of earnings, as well as other relevant factors. In certain circumstances, historical earnings may not be as relevant due to changes in our business operations;
- *Expected future earnings.* Future reversals of existing temporary differences are heavily weighted sources of objectively verifiable positive evidence. Projections of future taxable income exclusive of reversing temporary differences are an additional source of positive evidence;
- *Tax planning strategies*. If necessary and available, tax planning strategies would be implemented to accelerate taxable amounts to utilize expiring carryforwards. These strategies would be a source of additional positive evidence.

See Note 6 "Income Taxes" of Notes to Consolidated Financial Statements for further information on our income tax policies.

NEW ACCOUNTING PRONOUNCEMENTS

See Note 1, "Description of Business and Significant Accounting Policies," in Notes to Consolidated Financial Statements regarding recent accounting pronouncements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in foreign exchange and interest rates. We selectively use financial instruments to reduce such risks. We do not use derivative financial instruments for speculative purposes.

Foreign Currency Risk

Our international operations create potential foreign exchange risk. Our policy is to selectively hedge our foreign currency denominated transactions in a manner that partially offsets the effects of changes in foreign currency exchange rates. We typically use foreign currency contracts to hedge only those currency exposures associated with certain assets and liabilities denominated in non-functional currencies. Corresponding gains and losses on the underlying transaction generally offset the gains and losses on these foreign currency hedges. We cannot predict changes in currency rates, nor the degree to which we will be able to manage the impacts of currency exchange rate changes. Such changes could have a material effect on our business, results of operations and financial condition.

Our percentages of transactions denominated in currencies other than the U.S. dollar for the indicated fiscal years were as follows:

	2023	2022
Net Sales	8%	9%
Total Costs	16%	16%

We have evaluated the potential foreign currency exchange rate risk on transactions denominated in currencies other than the U.S. dollar for the periods presented above. Based on our overall currency exposure, as of September 30, 2023, a 10.0% change in the value of the U.S. dollar relative to our other transactional currencies would not have a material effect on our financial position, results of operations, or cash flows.

Interest Rate Risk

We have financial instruments, including cash equivalents and debt, which are sensitive to changes in interest rates. The primary objective of our investment activities is to preserve principal while maximizing yields without significantly increasing market risk. To achieve this, we limit the amount of principal exposure to any one issuer.

As of September 30, 2023, our only material interest rate risk was associated with our Credit Facility. Borrowings under the Credit Facility bear interest, at the Company's option, at (a)(1) for borrowings denominated in U.S. dollars, the Term Secured Overnight Financing Rate ("SOFR"), (2) for borrowings denominated in pounds sterling, the Daily Simple Risk-Free Rate, plus, in each case of (a)(1) and (2), 10 basis points, (b) for borrowings denominated in euros, the EURIBOR Rate plus a statutory reserve rate, or (c) an Alternate Base Rate equal to the highest of (i) 100 basis points per annum, (ii) the prime rate last quoted by The Wall Street Journal (or, if not quoted, as otherwise provided in the Credit Facility), (iii) the greater of the federal funds effective rate and the overnight bank funding rate in effect on such day plus, in each case, 50 basis points per annum (or, if neither are available, as otherwise provided in the Credit Facility), and (iv) Term SOFR for a one month interest period on such day plus 110 basis points, plus, in each case of (a), (b), and (c), an applicable interest rate margin based on the Company's then current consolidated total indebtedness (minus certain unrestricted cash and cash equivalents in an amount not to exceed $100 million) to consolidated EBITDA. As of September 30, 2023, the borrowing rate under the Credit Facility was SOFR plus 1.10%. Borrowings under the 2018 NPA are based on a fixed interest rate, thus mitigating much of our interest rate risk. Based on our overall interest rate exposure, as of September 30, 2023, a 10.0% change in interest rates would not have a material effect on our financial position, results of operations, or cash flows.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

PLEXUS CORP.
List of Financial Statements and Financial Statement Schedule
September 30, 2023

NOTE: All other financial statement schedules are omitted because they are not applicable or the required information is included in the Consolidated Financial Statements or notes thereto.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Plexus Corp.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Plexus Corp. and its subsidiaries (the "Company") as of September 30, 2023 and October 1, 2022, and the related consolidated statements of comprehensive income, of shareholders' equity and of cash flows for each of the three years in the period ended September 30, 2023, including the related notes and financial statement schedule listed in the accompanying index (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of September 30, 2023, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2023 and October 1, 2022, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2023, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition

As described in Notes 1 and 15 to the consolidated financial statements, revenue is recognized over time for arrangements with customers for which: (i) the Company's performance does not create an asset with an alternative use to the Company, and (ii) the Company has an enforceable right to payment, including reasonable profit margin, for performance completed to date. Revenue recognized over time is estimated based on costs incurred to date plus a reasonable profit margin. If either of the two conditions are not met to recognize revenue over time, revenue is recognized following the transfer of control of such products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying arrangement. For the year ended September 30, 2023, the Company's net sales were $4.2 billion.

The principal consideration for our determination that performing procedures relating to revenue recognition is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's revenue recognition.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process. These procedures also included, among others, (i) testing the completeness, accuracy, and occurrence of revenue recognized for a sample of revenue transactions by obtaining and inspecting source documents, such as purchase orders, invoices, proof of shipment, and cash receipts; (ii) confirming a sample of outstanding customer invoice balances as of September 30, 2023, and for confirmations not returned, obtaining and inspecting source documents, such as purchase orders, invoices, proof of shipment, and subsequent cash receipts; (iii) testing the accuracy and timing of revenue recognized as of period end for a sample of arrangements with customers that meet the conditions for over time revenue recognition by obtaining and inspecting source documents, such as master services agreements, purchase orders, inventory balances as of period end, and estimated profit margin support which includes historical results; and (iv) testing the completeness and accuracy of the data used by management to calculate the revenue recognized over time.

/s/ PricewaterhouseCoopers LLP
Milwaukee, Wisconsin
November 17, 2023

We have served as the Company’s auditor since at least 1985. We have not been able to determine the specific year we began serving as auditor of the Company.

PLEXUS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
for the fiscal years ended September 30, 2023, October 1, 2022 and October 2, 2021
(in thousands, except per share data)

	2023	2022	2021
Net sales	$ 4,210,305	$ 3,811,368	$ 3,368,865
Cost of sales	3,815,751	3,464,139	3,045,569
Gross profit	394,554	347,229	323,296
Selling and administrative expenses	175,640	167,023	143,761
Restructuring and other charges	23,094	2,021	3,267
Operating income	195,820	178,185	176,268
Other income (expense):			
Interest expense	(31,542)	(15,858)	(14,253)
Interest income	3,138	1,305	1,372
Miscellaneous, net	(6,403)	(5,329)	(2,976)
Income before income taxes	161,013	158,303	160,411
Income tax expense	21,919	20,060	21,499
Net income	$ 139,094	$ 138,243	$ 138,912
Earnings per share:			
Basic	$ 5.04	$ 4.96	$ 4.86
Diluted	$ 4.95	$ 4.86	$ 4.76
Weighted average shares outstanding:			
Basic	27,582	27,862	28,575
Diluted	28,114	28,439	29,167
Comprehensive income:			
Net income	$ 139,094	$ 138,243	$ 138,912
Other comprehensive income (loss):			
Derivative instrument and other fair value adjustments	1,197	(5,201)	(1,165)
Foreign currency translation adjustments	10,501	(27,843)	3,240
Other comprehensive income (loss)	11,698	(33,044)	2,075
Total comprehensive income	$ 150,792	$ 105,199	$ 140,987

The accompanying notes are an integral part of these consolidated financial statements.

PLEXUS CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
as of September 30, 2023 and October 1, 2022
(in thousands, except per share data)

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 256,233	$ 274,805
Restricted cash	421	665
Accounts receivable, net of allowances of $1,914 and $1,961, respectively	661,542	737,696
Contract assets	142,297	138,540
Inventories	1,562,037	1,602,783
Prepaid expenses and other	49,693	61,633
Total current assets	2,672,223	2,816,122
Property, plant and equipment, net	492,036	444,705
Operating lease right-of-use assets	69,363	65,134
Deferred income taxes	62,590	39,075
Other assets	24,960	28,189
Total non-current assets	648,949	577,103
Total assets	$ 3,321,172	$ 3,393,225
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt and finance lease obligations	$ 240,205	$ 273,971
Accounts payable	646,610	805,583
Advanced payments from customers	760,351	779,286
Accrued salaries and wages	94,099	88,876
Other accrued liabilities	71,402	58,473
Total current liabilities	1,812,667	2,006,189
Long-term debt and finance lease obligations, net of current portion	190,853	187,776
Accrued income taxes payable	31,382	42,019
Long-term operating lease liabilities	38,552	33,628
Deferred income taxes	4,350	6,327
Other liabilities	28,986	21,555
Total non-current liabilities	294,123	291,305
Total liabilities	2,106,790	2,297,494
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, $0.01 par value, 5,000 shares authorized, none issued or outstanding	—	—
Common stock, $0.01 par value, 200,000 shares authorized, 54,297 and 54,084 shares issued, respectively, and 27,466 and 27,679 shares outstanding, respectively	543	541
Additional paid-in capital	661,270	652,467
Common stock held in treasury, at cost, 26,831 and 26,405 shares, respectively	(1,134,429)	(1,093,483)
Retained earnings	1,711,328	1,572,234
Accumulated other comprehensive loss	(24,330)	(36,028)
Total shareholders' equity	1,214,382	1,095,731
Total liabilities and shareholders' equity	$ 3,321,172	$ 3,393,225

The accompanying notes are an integral part of these consolidated financial statements.

PLEXUS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
for the fiscal years ended September 30, 2023, October 1, 2022 and October 2, 2021
(in thousands)

	2023	2022	2021
Common stock - shares outstanding			
Beginning of period	27,679	28,047	29,002
Exercise of stock options and vesting of other share-based awards	212	235	323
Treasury shares purchased	(425)	(603)	(1,278)
End of period	27,466	27,679	28,047
Total stockholders' equity, beginning of period	$ 1,095,731	$ 1,028,232	$ 977,480
Common stock - par value			
Beginning of period	541	538	535
Exercise of stock options and vesting of other share-based awards	2	3	3
End of period	543	541	538
Additional paid-in capital			
Beginning of period	652,467	639,778	621,564
Share-based compensation expense	21,300	23,377	24,326
Exercise of stock options and vesting of other share-based awards, including tax withholding	(12,497)	(10,688)	(6,112)
End of period	661,270	652,467	639,778
Treasury stock			
Beginning of period	(1,093,483)	(1,043,091)	(934,639)
Treasury shares purchased	(40,946)	(50,392)	(108,452)
End of period	(1,134,429)	(1,093,483)	(1,043,091)
Retained earnings			
Beginning of period	1,572,234	1,433,991	1,295,079
Net income	139,094	138,243	138,912
End of period	1,711,328	1,572,234	1,433,991
Accumulated other comprehensive loss			
Beginning of period	(36,028)	(2,984)	(5,059)
Other comprehensive income (loss)	11,698	(33,044)	2,075
End of period	(24,330)	(36,028)	(2,984)
Total stockholders' equity, end of period	$ 1,214,382	$ 1,095,731	$ 1,028,232

The accompanying notes are an integral part of these consolidated financial statements.

PLEXUS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
for the fiscal years ended September 30, 2023, October 1, 2022 and October 2, 2021
(in thousands)

	2023	2022	2021
Cash flows from operating activities			
Net income	$ 139,094	$ 138,243	$ 138,912
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	69,758	62,689	61,014
Deferred income taxes	(22,438)	(10,800)	(3,388)
Share-based compensation expense and related charges	21,300	23,336	24,763
Provision for allowance for doubtful accounts	—	—	(2,405)
Other, net	(579)	972	1,855
Changes in operating assets and liabilities, excluding impacts of currency:			
Accounts receivable	81,542	(230,022)	(33,477)
Contract assets	(3,169)	(23,445)	(1,385)
Inventories	48,613	(652,989)	(206,510)
Other current and non-current assets	9,162	(1,212)	(26,028)
Accrued income taxes payable	(5,745)	(713)	(8,746)
Accounts payable	(170,685)	176,037	111,781
Advanced payments from customers	(21,775)	479,734	89,859
Other current and non-current liabilities	20,744	11,930	(3,668)
Cash flows provided by (used in) operating activities	165,822	(26,240)	142,577
Cash flows from investing activities			
Payments for property, plant and equipment	(104,049)	(101,612)	(57,099)
Proceeds from insurance	10,790	—	—
Other, net	(45)	51	126
Cash flows used in investing activities	(93,304)	(101,561)	(56,973)
Cash flows from financing activities			
Borrowings under debt agreements	748,500	758,000	376,739
Payments on debt and finance lease obligations	(787,785)	(556,726)	(466,063)
Debt issuance costs	—	(898)	—
Repurchases of common stock	(40,946)	(50,392)	(108,452)
Proceeds from exercise of stock options	8	480	3,555
Payments related to tax withholding for share-based compensation	(12,502)	(11,169)	(9,664)
Cash flows (used in) provided by financing activities	(92,725)	139,295	(203,885)
Effect of exchange rate changes on cash and cash equivalents	1,391	(6,537)	900
Net (decrease) increase in cash and cash equivalents and restricted cash	(18,816)	4,957	(117,381)
Cash and cash equivalents and restricted cash:			
Beginning of period	275,470	270,513	387,894
End of period	$ 256,654	$ 275,470	$ 270,513
Supplemental disclosure information:			
Interest paid	$ 32,785	$ 15,293	$ 14,116
Income taxes paid	$ 43,568	$ 16,916	$ 39,932

The accompanying notes are an integral part of these consolidated financial statements.

1. Description of Business and Significant Accounting Policies

Description of Business: Plexus Corp. and its subsidiaries (together "Plexus," the "Company," or "we") participate in the Electronic Manufacturing Services ("EMS") industry. Since 1979, we have been partnering with companies to create the products that build a better world. We are a global leader with a team of nearly 25,000 individuals focused on providing Design and Development, Supply Chain Solutions, New Product Introduction, Manufacturing, and Sustaining Services. We specialize in serving customers in industries with highly complex products and demanding regulatory environments. We deliver customer service excellence to leading global companies in the Healthcare/Life Sciences, Industrial and Aerospace/Defense market sectors by providing innovative, comprehensive solutions throughout the product's lifecycle. We provide these innovative solutions to customers in the Americas ("AMER"), Asia-Pacific ("APAC") and Europe, Middle East and Africa ("EMEA") regions.

Significant Accounting Policies

Consolidation Principles and Basis of Presentation: The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and include the accounts of Plexus Corp. and its subsidiaries. All intercompany transactions have been eliminated.

The Company's fiscal year ends on the Saturday closest to September 30. The Company also uses a "4-4-5" weekly accounting system for the interim periods in each quarter. Each quarter, therefore, ends on a Saturday at the end of the 4-4-5 period. Periodically, an additional week must be added to the fiscal year to re-align with the Saturday closest to September 30. Fiscal 2023, fiscal 2022 and fiscal 2021 each included 52 weeks.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and notes thereto. The full extent to which current global events and economic conditions will impact the Company's business and operating results will depend on future developments that are highly uncertain and cannot be accurately predicted. The Company has considered information available as of the date of issuance of these financial statements and is not aware of any specific events or circumstances that would require an update to its estimates or judgments or a revision of the carrying value of its assets or liabilities. These estimates may change as new events occur and additional information becomes available. Actual results could differ materially from these estimates.

Reclassification: Certain prior year amounts in the consolidated financial statements and notes thereto have been reclassified where necessary to conform to the current year's presentation. These reclassifications do not affect the prior period's total assets, total liabilities, total shareholders' equity, cash flows provided by (used in) operating activities, or net income. During the quarter ended September 30, 2023, we changed the presentation on our consolidated balance sheets and consolidated statements of cash flows in order to present deferred revenue with customer deposits, previously included in other accrued liabilities, to create a new financial statement line item "Advanced payments from customers."

The following table presents the effect of the reclassification on the Company's consolidated balance sheets (in thousands):

	2023	2022
Customer deposits	$ 601,644	$ 480,486
Deferred revenue	158,707	298,800
Advanced payments from customers	$ 760,351	$ 779,286

Cash and Cash Equivalents and Restricted Cash: Cash equivalents include short-term highly liquid investments and are classified as Level 1 in the fair value hierarchy described below. Cash equivalents of $33.5 million and $88.7 million at September 30, 2023 and October 1, 2022, respectively, consisted primarily of time deposits with initial maturities of less than three months. Restricted cash represents cash received from customers to settle invoices sold under accounts receivable purchase agreements that the Company continues servicing and is contractually required to be set aside. The restrictions will lapse when the cash is remitted to the purchaser of the receivables. Restricted cash is also classified as Level 1 in the fair value hierarchy described below.

Inventories: Inventories are valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out ("FIFO") method. Valuing inventories at the lower of cost or net realizable value requires the use of estimates and judgment. Customers may cancel their orders, change production quantities or delay production for a number of reasons that are beyond the Company's control. Any of these, or certain additional actions, could impact the valuation of inventory. Any actions taken by the Company's customers that could impact the value of its inventory are considered when determining the lower of cost or net realizable value.

In certain instances, in accordance with contractual terms, the Company receives advanced payments from customers to offset inventory risks.

Property, Plant and Equipment and Depreciation: Property, plant and equipment is stated at cost and depreciated using the straight-line method over the estimated useful lives of the respective assets. Estimated useful lives for major classes of depreciable assets are generally as follows:

Buildings and improvements	5-39 years
Machinery and equipment	3-7 years
Computer hardware and software	3-10 years

Certain facilities and equipment held under finance leases are classified as property, plant and equipment and amortized using the straight-line method over the term of the lease and the related obligations are recorded as liabilities. Amortization of assets held under finance leases is included in depreciation expense (see Note 3, "Property, Plant and Equipment") and the financing component of the lease payments is classified as interest expense. Maintenance and repairs are expensed as incurred.

The Company capitalizes significant costs incurred in the acquisition or development of software for internal use. This includes costs of the software, consulting services and compensation costs for employees directly involved in developing internal use computer software.

Impairment of Long-Lived Assets: Long-lived assets, including property, plant and equipment, operating lease right-of-use assets and intangible assets with finite lives are reviewed for impairment and written down to fair value when facts and circumstances indicate that the carrying value of long-lived assets or asset groups may not be recoverable through estimated future undiscounted cash flows. If an impairment has occurred, a write-down to estimated fair value is made and the impairment loss is recognized as a charge against current operations. The impairment analysis is based on management's assumptions, including future revenue and cash flow projections. Circumstances that may lead to impairment of property, plant and equipment, operating lease right-of-use assets and intangible assets with finite lives include reduced expectations for future performance or industry demand and possible further restructurings, among others.

Revenue Recognition: Revenue is recognized over time for arrangements with customers for which: (i) the Company's performance does not create an asset with an alternative use to the Company, and (ii) the Company has an enforceable right to payment, including reasonable profit margin, for performance completed to date. Revenue recognized over time is estimated based on costs incurred to date plus a reasonable profit margin. If either of the two conditions noted above are not met to recognize revenue over time, revenue is recognized following the transfer of control of such products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying arrangement.

The Company recognizes revenue when a contract exists and when, or as, it satisfies a performance obligation by transferring control of a product or service to a customer. Contracts are accounted for when they have approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer.

The Company generally enters into a master services arrangement that establishes the framework under which business will be conducted. These arrangements represent the master terms and conditions of the Company's services that apply to individual orders, but they do not commit the customer to work with, or to continue to work with, the Company nor do they obligate the customer to any specific volume or pricing of purchases. Moreover, these terms can be amended in appropriate situations. Customer purchase orders are received for specific quantities with predominantly fixed pricing and delivery requirements. Thus, for the majority of our contracts, there is no guarantee of any revenue to the Company until a customer submits a purchase order. As a result, the Company generally considers its arrangement with a customer to be the combination of the master services arrangement and the purchase order. Most of the Company's arrangements with customers create a single performance obligation as the promise to transfer the individual manufactured product or service is capable of being distinct.

The Company's performance obligations are satisfied over time as work progresses or at a point in time. A performance obligation is satisfied over time if the Company has an enforceable right to payment, including a reasonable profit margin. Determining if an enforceable right to payment includes a reasonable profit margin requires judgment and is assessed on a contract-by-contract basis.

If an enforceable right to payment for work-in-process does not exist, revenue is recognized following the transfer of control of such products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying contract.

For contracts requiring over time revenue recognition, the selection of the method to measure progress toward completion requires judgment and is based on the nature of the products or services to be provided. The Company uses a cost-based input measurement of progress because it best depicts the transfer of assets to the customer, which occurs as costs are incurred during the manufacturing process or as services are rendered. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the costs incurred to date.

Generally, there are no subjective customer acceptance requirements or further obligations related to goods or services provided; if such requirements or obligations exist, then a sale is recognized at the time when such requirements are completed and such obligations are fulfilled.

The Company does not allow for a general right of return. Net sales include amounts billed to customers for shipping and handling and out-of-pocket expenses. The corresponding shipping and handling costs and out-of-pocket expenses are included in cost of sales. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer, are excluded from net sales.

Net sales from engineering design and development services, which are generally performed under contracts with a duration of twelve months or less, are typically recognized as program costs incurred by utilizing the proportional performance model. The completed performance model is used if certain customer acceptance criteria exist. Any losses are recognized when anticipated. Net sales from engineering design and development services were less than 5.0% of consolidated net sales for each of fiscal 2023, 2022 and 2021.

Income Taxes: Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company maintains valuation allowances when it is more likely than not that all or a portion of a deferred tax asset will not be realized. In determining whether a valuation allowance is required, the Company takes into account such factors as prior earnings history, expected future earnings, carryback and carryforward periods, and tax strategies that could potentially enhance the likelihood of the realization of a deferred tax asset.

Foreign Currency Translation & Transactions: The Company translates assets and liabilities of subsidiaries operating outside of the U.S. with a functional currency other than the U.S. dollar into U.S. dollars using exchange rates in effect at the relevant balance sheet date and net sales, expenses and cash flows at the average exchange rates during the respective periods. Adjustments resulting from the translation of the financial statements are recorded as a component of "Accumulated other comprehensive loss." Exchange gains and losses arising from transactions denominated in a currency other than the functional currency of the entity involved and remeasurement adjustments for foreign operations where the U.S. dollar is the functional currency are included in the Consolidated Statements of Comprehensive Income as a component of "Miscellaneous, net." Exchange losses on foreign currency transactions were $1.8 million, $0.7 million and $1.1 million for fiscal 2023, 2022 and 2021, respectively. These amounts include the amount of gain recognized in income during each fiscal year due to forward currency exchange contracts entered into to hedge recognized assets or liabilities ("non-designated hedges") the Company entered into during each respective year. Refer to Note 5, "Derivatives and Fair Value Measurements," for further details on derivatives.

Derivatives: All derivatives are recognized on the balance sheets at fair value. The Company periodically enters into forward currency exchange contracts and interest rate swaps. On the date a derivative contract is entered into, the Company designates the derivative as a non-designated hedge or a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (a "cash flow" hedge). The Company does not enter into derivatives for speculative purposes. Changes in the fair value of non-designated derivatives are recorded in earnings as are the gains or losses related to the hedged asset or liability. Changes in the fair value of a derivative that qualifies as a cash flow hedge are recorded in "Accumulated other comprehensive loss" within shareholders' equity until earnings are affected by the variability of cash flows. Certain forward currency exchange contracts are treated as cash flow hedges and, therefore, $1.1 million, $(5.0) million and $(2.2) million was recorded in "Accumulated other comprehensive loss" for fiscal 2023, 2022 and 2021, respectively. See Note 5, "Derivatives and Fair Value Measurements," for further information.

Earnings Per Share: The computation of basic earnings per common share is based upon the weighted average number of common shares outstanding and net income. The computation of diluted earnings per common share reflects additional dilution from share-based awards, excluding any with an antidilutive effect. See Note 7, "Earnings Per Share," for further information.

Share-based Compensation: The Company measures all grants of share-based payments to employees, including grants of employee stock options, at fair value and expenses them in the Consolidated Statements of Comprehensive Income over the service period (generally the vesting period) of the grant. See Note 9, "Benefit Plans," for further information.

Comprehensive Income (Loss): The Company follows the established standards for reporting comprehensive income (loss), which is defined as the changes in equity of an enterprise except those resulting from shareholder transactions.

Accumulated other comprehensive loss consists of the following as of September 30, 2023 and October 1, 2022 (in thousands):

	2023	2022
Foreign currency translation adjustments	$ (20,602)	$ (31,104)
Cumulative derivative instrument fair value adjustments	(4,699)	(5,779)
Other fair value adjustments	971	855
Accumulated other comprehensive loss	$ (24,330)	$ (36,028)

Refer to Note 5, "Derivatives and Fair Value Measurements," for further explanation regarding the change in fair value of derivative instruments that is recorded to "Accumulated other comprehensive loss."

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Fair Value of Financial Instruments: The Company holds financial instruments consisting of cash and cash equivalents, restricted cash, accounts receivable, certain deferred compensation assets held under trust arrangements, accounts payable, debt, derivatives and finance and operating lease obligations. The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and finance and operating lease obligations as reported in the consolidated financial statements approximate fair value. Derivatives and certain deferred compensation assets held under trust arrangements are recorded at fair value. Accounts receivable are reflected at net realizable value based on anticipated losses due to potentially uncollectible balances. Anticipated losses are based on management’s analysis of historical losses and changes in customers’ credit status. The fair value of the Company’s debt excluding finance lease and other financing obligations was $374.3 million and $401.6 million as of September 30, 2023 and October 1, 2022, respectively. The carrying value of the Company's debt was $383.0 million and $413.0 million as of September 30, 2023 and October 1, 2022, respectively. The Company uses quoted market prices when available or discounted cash flows to calculate fair value. If measured at fair value in the financial statements, long-term debt (including the current portion) would be classified as Level 2 in the fair value hierarchy described below. The fair values of the Company’s derivatives are disclosed in Note 5, "Derivatives and Fair Value Measurements." The fair values of the deferred compensation assets held under trust arrangements are discussed in Note 9, "Benefit Plans."

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (or exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The accounting guidance establishes a fair value hierarchy based on three levels of inputs that may be used to measure fair value. The input levels are:

Level 1: Quoted (observable) market prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability.

Business and Credit Concentrations: Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash, cash equivalents, trade accounts receivable and derivative instruments, specifically related to counterparties. In accordance with the Company’s investment policy, the Company’s cash, cash equivalents and derivative instruments were placed with recognized financial institutions. The Company’s investment policy limits the amount of credit exposure in any one issue and the maturity date of the investment securities that typically comprise investment grade short-term debt instruments. Concentrations of credit risk in accounts receivable resulting from sales to major customers are discussed in Note 11, "Reportable Segments, Geographic Information and Major Customers". The Company, at times, requires cash deposits for services performed. The Company also closely monitors extensions of credit.

Recently Issued Accounting Pronouncements Not Yet Adopted:

In September 2022, the FASB issued ASU 2022-04, which requires enhanced disclosures about supplier finance programs. This guidance is effective for the Company beginning in the first quarter of fiscal 2024. Early adoption is permitted. The Company is currently in the process of assessing the impacts of the guidance and does not expect this standard to have a material impact on it Consolidated Financial Statements.

The Company believes that no other recently issued accounting standards will have a material impact on its Consolidated Financial Statements, or apply to its operations.

2. Inventories

Inventories as of September 30, 2023 and October 1, 2022 consisted of the following (in thousands):

	2023	2022
Raw materials	$ 1,409,638	$ 1,433,353
Work-in-process	66,340	81,207
Finished goods	86,059	88,223
Total inventories	$ 1,562,037	$ 1,602,783

In certain circumstances, per contractual terms, customer deposits are received by the Company to offset inventory risks. The total amount of customer deposits related to inventory and included within advanced payments from customers on the accompanying Consolidated Balance Sheets as of September 30, 2023 and October 1, 2022 was $590.2 million and $463.2 million, respectively.

3. Property, Plant and Equipment

Property, plant and equipment as of September 30, 2023 and October 1, 2022 consisted of the following (in thousands):

	2023	2022
Land, buildings and improvements	$ 406,326	$ 386,623
Machinery and equipment	468,904	421,717
Computer hardware and software	171,003	164,420
Capital assets in progress	28,875	28,187
Total property, plant and equipment, gross	1,075,108	1,000,947
Less: accumulated depreciation	(583,072)	(556,242)
Total property, plant and equipment, net	$ 492,036	$ 444,705

Assets held under finance leases and included in property, plant and equipment as of September 30, 2023 and October 1, 2022 consisted of the following (in thousands):

	2023	2022
Buildings and improvements	$ 37,771	$ 36,270
Machinery and equipment	2,008	1,492
Computer hardware and software	15,042	23,870
Total property, plant and equipment held under finance leases, gross	54,821	61,632
Less: accumulated amortization	(17,430)	(21,569)
Total property, plant and equipment held under finance leases, net	$ 37,391	$ 40,063

As of September 30, 2023, October 1, 2022 and October 2, 2021, accounts payable included approximately $28.9 million, $25.4 million and $17.3 million, respectively, related to the purchase of property, plant and equipment, which have been treated as non-cash transactions for purposes of the Consolidated Statements of Cash Flows.

4. Debt, Finance Lease and Other Financing Obligations

Debt and finance lease obligations as of September 30, 2023 and October 1, 2022, consisted of the following (in thousands):

	2023	2022
4.05% Senior Notes, due June 15, 2025	$ 100,000	$ 100,000
4.22% Senior Notes, due June 15, 2028	50,000	50,000
Borrowings under the Credit Facility	233,000	263,000
Finance lease and other financing obligations	49,233	50,269
Unamortized deferred financing fees	(1,175)	(1,522)
Total obligations	431,058	461,747
Less: current portion	(240,205)	(273,971)
Long-term debt, finance lease and other financing obligations, net of current portion	$ 190,853	$ 187,776

On June 15, 2018, the Company entered into a Note Purchase Agreement (the “2018 NPA”) pursuant to which it issued an aggregate of $150.0 million in principal amount of unsecured senior notes, consisting of $100.0 million in principal amount of 4.05% Series A Senior Notes, due on June 15, 2025, and $50.0 million in principal amount of 4.22% Series B Senior Notes, due on June 15, 2028 (collectively, the “2018 Notes”), in a private placement. The 2018 NPA includes customary operational and financial covenants with which the Company is required to comply, including, among others, maintenance of certain financial ratios such as a total leverage ratio and a minimum interest coverage ratio. The 2018 Notes may be prepaid in whole or in part at any time, subject to payment of a make-whole amount; interest on the 2018 Notes is payable semiannually. As of September 30, 2023, the Company was in compliance with the covenants under the 2018 NPA.

On June 9, 2022, the Company refinanced its then-existing senior unsecured revolving credit facility (as amended by that certain Amendment No. 1 to Credit Agreement dated April 29, 2020, the "Prior Credit Facility") by entering into a new 5-year revolving credit facility (collectively with the Prior Credit Facility, referred to as the "Credit Facility"), which expanded the maximum commitment from $350.0 million to $500.0 million and extended the maturity from May 15, 2024 to June 9, 2027. The maximum commitment under the Credit Facility may be further increased to $750.0 million, generally by mutual agreement of the Company and the lenders, subject to certain customary conditions. During fiscal 2023, the highest daily borrowing was $412.0 million; the average daily balance was $338.1 million. The Company borrowed $748.5 million and repaid $778.5 million of revolving borrowings ("revolving commitment") under the Credit Facility during fiscal 2023. As of September 30, 2023, the Company was in compliance with all financial covenants relating to the Credit Facility, which are generally consistent with those in the 2018 NPA discussed above. The Company is required to pay a commitment fee on the daily unused credit facility based on the Company's leverage ratio; the fee was 0.125% as of September 30, 2023.

The aggregate scheduled maturities of the Company’s debt obligations as of September 30, 2023, are as follows (in thousands):

2024	$	233,000
2025		100,000
2026		—
2027		—
2028		50,000
Total	$	383,000

The aggregate scheduled maturities of the Company’s finance leases and other financing obligations as of September 30, 2023, are as follows (in thousands):

2024	$	7,205
2025		4,388
2026		2,104
2027		12,607
2028		1,369
Thereafter		21,560
Total	$	49,233

The Company's weighted average interest rate on finance lease obligations was 16.7% and 17.1% as of September 30, 2023 and October 1, 2022, respectively.

5. Derivatives and Fair Value Measurements

All derivatives are recognized in the accompanying Consolidated Balance Sheets at their estimated fair value. The Company uses derivatives to manage the variability of foreign currency obligations. The Company has cash flow hedges related to forecasted foreign currency obligations, in addition to non-designated hedges to manage foreign currency exposures associated with certain foreign currency denominated assets and liabilities. The Company does not enter into derivatives for speculative purposes.

The Company designates some foreign currency exchange contracts as cash flow hedges of forecasted foreign currency expenses. Changes in the fair value of the derivatives that qualify as cash flow hedges are recorded in "Accumulated other comprehensive loss" in the accompanying Consolidated Balance Sheets until earnings are affected by the variability of the cash flows. In the next twelve months, the Company estimates that $5.0 million of unrealized losses, net of tax, related to cash flow hedges will be reclassified from other comprehensive income (loss) into earnings. Changes in the fair value of the non-designated derivatives related to recognized foreign currency denominated assets and liabilities are recorded in "Miscellaneous, net" in the accompanying Consolidated Statements of Comprehensive Income.

The Company enters into forward currency exchange contracts for its operations in certain jurisdictions in the AMER and APAC segments on a rolling basis. The Company had cash flow hedges outstanding with a notional value of $215.4 million as of September 30, 2023, and a notional value of $143.2 million as of October 1, 2022. These forward currency contracts fix the exchange rates for the settlement of future foreign currency obligations that have yet to be realized. The total fair value of the forward currency exchange contracts was a $5.0 million liability as of September 30, 2023, and a $6.0 million liability as of October 1, 2022.

The Company had additional forward currency exchange contracts outstanding as of September 30, 2023, with a notional value of $145.5 million; there were $60.1 million of such contracts outstanding as of October 1, 2022. The Company did not designate these derivative instruments as hedging instruments. The net settlement amount (fair value) related to these contracts is recorded on the Consolidated Balance Sheets as either a current or long-term asset or liability, depending on the term, and as an element of "Miscellaneous, net" in the Consolidated Statements of Comprehensive Income. The total fair value of these derivatives was a $1.3 million liability as of September 30, 2023, and a $0.3 million asset as of October 1, 2022.

The tables below present information regarding the fair values of derivative instruments (as defined in Note 1, "Description of Business and Significant Accounting Policies") and the effects of derivative instruments on the Company's Consolidated Financial Statements:

Fair Values of Derivative Instruments (in thousands)

	Derivative Assets			Derivative Liabilities		
		September 30, 2023	October 1, 2022		September 30, 2023	October 1, 2022
Derivatives designated as hedging instruments	Balance sheet classification	Fair Value	Fair Value	Balance sheet classification	Fair Value	Fair Value
Foreign currency forward contracts	Prepaid expenses and other	$ 2,610	$ 715	Other accrued liabilities	$ 7,590	$ 6,747

Fair Values of Derivative Instruments (in thousands)

	Derivative Assets			Derivative Liabilities		
		September 30, 2023	October 1, 2022		September 30, 2023	October 1, 2022
Derivatives not designated as hedging instruments	Balance sheet classification	Fair Value	Fair Value	Balance sheet classification	Fair Value	Fair Value
Foreign currency forward contracts	Prepaid expenses and other	$ 1,337	$ 1,555	Other accrued liabilities	$ 2,669	$ 1,249

The Effect of Cash Flow Hedge Accounting on Accumulated Other Comprehensive Loss ("OCL") (in thousands)
for the Twelve Months Ended

	Amount of Gain (Loss) Recognized in OCL on Derivatives		
Derivatives in cash flow hedging relationships	September 30, 2023	October 1, 2022	October 2, 2021
Foreign currency forward contracts	$ 2,181	$ (7,637)	$ 1,238

Derivative Impact on Gain (Loss) Recognized in Consolidated Statements of Comprehensive Income (in thousands)
for the Twelve Months Ended

		Amount of Gain (Loss) Reclassified from Accumulated OCL into Income		
Derivatives in cash flow hedging relationships	Classification of Gain (Loss) Reclassified from Accumulated OCL into Income	September 30, 2023	October 1, 2022	October 2, 2021
Foreign currency forward contracts	Cost of sales	$ 1,002	$ (2,459)	$ 3,205
Foreign currency forward contracts	Selling and administrative expenses	127	(189)	265

		Amount of (Loss) Gain on Derivatives Recognized in Income		
Derivatives not designated as hedging instruments	Location of (Loss) Gain Recognized on Derivatives in Income	September 30, 2023	October 1, 2022	October 2, 2021
Foreign currency forward contracts	Miscellaneous, net	$ (1,285)	$ (1,181)	$ 98

Fair Value Measurements:

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (or exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The Company uses quoted market prices when available or discounted cash flows to calculate fair value. The accounting guidance establishes a fair value hierarchy based on three levels of inputs that may be used to measure fair value. The input levels are:

Level 1: Quoted (observable) market prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability.

The following table lists the fair values of the Company’s derivatives as of September 30, 2023 and October 1, 2022, by input level:

Fair Value Measurements Using Input Levels Liability (in thousands)

Fiscal year ended September 30, 2023	Level 1	Level 2	Level 3	Total
Derivatives				
Foreign currency forward contracts	$ —	$ 6,312	$ —	$ 6,312
Fiscal year ended October 1, 2022				
Derivatives				
Foreign currency forward contracts	$ —	$ 5,726	$ —	$ 5,726

The fair value of foreign currency forward contracts is determined using a market approach, which includes obtaining directly or indirectly observable values from third parties active in the relevant markets. Inputs in the fair value of the foreign currency forward contracts include prevailing forward and spot prices for currency.

6. Income Taxes

The domestic and foreign components of income (loss) before income tax expense for fiscal 2023, 2022 and 2021 were as follows (in thousands):

	2023	2022	2021
U.S.	$ (84,557)	$ (64,267)	$ (33,409)
Foreign	245,570	222,570	193,820
	$ 161,013	$ 158,303	$ 160,411

Income tax expense (benefit) for fiscal 2023, 2022 and 2021 were as follows (in thousands):

	2023	2022	2021
Current:			
Federal	$ 24,779	$ 12,506	$ 9,217
State	302	386	524
Foreign	19,276	17,968	15,146
	44,357	30,860	24,887
Deferred:			
Federal	(21,098)	(9,931)	(1,153)
State	(1,371)	(315)	1
Foreign	31	(554)	(2,236)
	(22,438)	(10,800)	(3,388)
	$ 21,919	$ 20,060	$ 21,499

The following is a reconciliation of the federal statutory income tax rate to the effective income tax rates reflected in the Consolidated Statements of Comprehensive Income for fiscal 2023, 2022 and 2021:

	2023	2022	2021
Federal statutory income tax rate	21.0 %	21.0 %	21.0 %
(Decrease) increase resulting from:			
Foreign tax rate differences	(23.8)	(23.2)	(20.3)
Withholding tax on dividends	0.4	2.2	2.9
Permanent differences	(1.3)	(0.8)	(0.6)
Excess tax benefits related to share-based compensation	(1.1)	(1.4)	(0.9)
Global intangible low-taxed income ("GILTI")	13.1	10.4	6.4
Audit settlements	—	3.7	5.0
Non-deductible compensation	2.8	2.5	3.8
Valuation allowances	3.5	(1.7)	(3.7)
Tax credits, net	(2.1)	(1.9)	—
Other, net	1.1	1.9	(0.2)
Effective income tax rate	13.6 %	12.7 %	13.4 %

The effective tax rate for fiscal 2023 was higher than the effective tax rate for fiscal 2022 primarily due to the GILTI impact of the research and development capitalization requirement and the geographic distribution of worldwide earnings. The effective tax rate for fiscal 2022 was lower than the effective tax rate for fiscal 2021 primarily due to claiming a U.S. Research & Development tax credit and the geographic distribution of worldwide earnings.

During fiscal 2023, the Company recorded a $5.7 million increase to its valuation allowance due to continuing losses in various jurisdictions.

During fiscal 2022, the Company recorded a $2.8 million decrease to its valuation allowance primarily due to a net decrease of the valuation allowance in the EMEA segment driven by the release of the valuation allowance against the net deferred tax assets of a foreign subsidiary. This is partially offset by continuing losses in certain jurisdictions within the AMER segment.

During fiscal 2021, the Company recorded a $5.9 million decrease to its valuation allowance primarily due to a net decrease of the valuation allowance in the EMEA segment driven by the release of the valuation allowance against the net deferred tax assets of a foreign subsidiary. This is partially offset by continuing losses in certain jurisdictions within the AMER segment.

The components of the net deferred income tax assets as of September 30, 2023 and October 1, 2022, were as follows (in thousands):

	2023	2022
Deferred income tax assets:		
Loss/credit carryforwards	$ 27,810	$ 24,575
Inventories	24,183	21,869
Accrued employee benefits	14,548	17,224
Advanced payments from customers	25,291	7,257
Lease obligations	17,520	17,427
Research and development capitalization	8,602	—
Other	8,556	6,408
Total gross deferred income tax assets	126,510	94,760
Less valuation allowances	(31,949)	(25,562)
Deferred income tax assets	94,561	69,198
Deferred income tax liabilities:		
Property, plant and equipment	21,931	19,878
Right-of-use assets	10,539	10,538
Tax on unremitted earnings	3,851	6,034
Deferred income tax liabilities	36,321	36,450
Net deferred income tax assets	$ 58,240	$ 32,748

During fiscal 2023, the Company's valuation allowance increased by $6.4 million, including the impact of foreign exchange movement. This increase is the result of increases to the valuation allowances against the net deferred tax assets in the EMEA, AMER, and APAC regions of $2.4 million, $1.2 million and $2.8 million, respectively.

As of September 30, 2023, the Company had approximately $184.2 million of pre-tax state net operating loss carryforwards that expire between fiscal 2024 and 2044. Certain state net operating losses have a full valuation allowance against them. The Company also had approximately $61.9 million of pre-tax foreign net operating loss carryforwards that expire between fiscal 2027 and 2034 or are indefinitely carried forward. Certain foreign net operating losses have a full valuation allowance against them.

The Company has been granted a tax holiday for a foreign subsidiary in the APAC segment. This tax holiday will expire on December 31, 2034, and is subject to certain conditions with which the Company expects to continue to comply. During fiscal 2023, 2022 and 2021, the tax holiday resulted in tax reductions, net of the impact of the GILTI provisions of U.S. Tax Reform, of approximately $25.9 million ($0.94 per basic share, $0.92 per diluted share), $35.3 million ($1.27 per basic share, $1.24 per diluted share) and $34.4 million ($1.20 per basic share, $1.18 per diluted share), respectively.

The Company does not provide for taxes that would be payable if certain undistributed earnings of foreign subsidiaries were remitted because the Company considers these earnings to be permanently reinvested. The deferred tax liability that has not been recorded for these earnings was approximately $14.5 million as of September 30, 2023.

The Company has approximately $14.0 million of uncertain tax benefits as of September 30, 2023. The Company has classified these amounts in the Consolidated Balance Sheets as "Other liabilities" (non-current) in the amount of $13.6 million and an offset to "Deferred income taxes" (non-current asset) in the amount of $0.4 million as the payment is not anticipated within one year.

The following is a reconciliation of the beginning and ending amounts of unrecognized income tax benefits for the indicated fiscal years (in thousands):

	2023	2022	2021
Balance at beginning of fiscal year	$ 8,998	$ 4,635	$ 2,096
Gross increases for tax positions of prior years	3,778	2,421	623
Gross increases for tax positions of the current year	2,105	2,531	2,161
Gross decreases for tax positions of prior years	(931)	(589)	(245)
Balance at end of fiscal year	$ 13,950	$ 8,998	$ 4,635

The amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is $13.6 million and $8.6 million for the fiscal years ended September 30, 2023 and October 1, 2022, respectively.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. The total accrued penalties and net accrued interest with respect to income taxes was approximately $1.1 million as of September 30, 2023, approximately $0.5 million as of October 1, 2022 and approximately $0.5 million as of October 2, 2021. The Company recognized $0.6 million of expense for accrued penalties and net accrued interest in the Consolidated Statements of Comprehensive Income for fiscal 2023, $0.3 million for fiscal 2022 and less than $0.1 million in fiscal 2021.

It is possible that a number of uncertain tax positions may be settled within the next 12 months. Settlement of these matters is not expected to have a material effect on the Company's consolidated results of operations, financial position and cash flows.

The Company files income tax returns, including returns for its subsidiaries, with federal, state, local and foreign taxing jurisdictions. The following tax years remain subject to examination by the respective major tax jurisdictions:

Jurisdiction	*Fiscal Years*
China	2019-2023
Germany	2019-2023
Malaysia	2019-2023
Mexico	2019-2023
Romania	2020-2023
Thailand	2021-2023
United Kingdom	2020-2023
United States	
Federal	2015, 2017, 2018, 2020-2023
State	2003-2006, 2009-2023

7. Earnings Per Share

The following is a reconciliation of the amounts utilized in the computation of basic and diluted earnings per share for fiscal 2023, 2022 and 2021 (in thousands, except per share amounts):

	2023	2022	2021
Net income	$ 139,094	$ 138,243	$ 138,912
Basic weighted average common shares outstanding	27,582	27,862	28,575
Dilutive effect of share-based awards and options outstanding	532	577	592
Diluted weighted average shares outstanding	28,114	28,439	29,167
Earnings per share:			
Basic	$ 5.04	$ 4.96	$ 4.86
Diluted	$ 4.95	$ 4.86	$ 4.76

In each year of fiscal 2023, 2022 and 2021, share-based awards for less than 0.1 million shares were not included in the computation of diluted earnings per share as they were antidilutive.

8. Leases

The Company’s lease portfolio includes both real estate and non-real estate type leases which are accounted for as either finance or operating leases. Real estate leases generally include office, warehouse and manufacturing facilities and non-real estate leases generally include equipment and vehicles. The Company determines if a contract is or contains a lease at inception. The Company’s leases have remaining lease terms of less than 1 year to 37 years. Renewal options that are deemed reasonably certain are included as part of the lease term for purposes of calculating the right-of-use (“ROU”) asset and lease liability. Variable lease payments are generally expensed as incurred and include certain index-based changes in rent, certain nonlease components, such as maintenance and other services provided by the lessor, and other charges included in the lease. The Company elected the practical expedient to not separate lease and nonlease components, as such nonlease components are included in the calculation of the ROU asset and lease liability and included in the lease expense over the term of the lease. The Company uses a discount rate to calculate the ROU asset and lease liability. When the implicit rate is known or provided in the lease documents, the Company is required to use this rate. In cases in which the implicit rate is not known, the Company uses an estimated incremental borrowing rate.

Operating lease ROU assets and lease liabilities are recorded on the date the Company takes possession of the leased assets with expense recognized on a straight-line basis over the lease term. Leases with an estimated total term of 12 months or less are not recorded on the balance sheet and the lease expense is recognized on a straight-line basis over the lease term. Generally, the Company's lease agreements do not contain material residual value guarantees or material restrictive covenants.

The components of lease expense for fiscal years indicated were as follows (in thousands):

	2023	2022	2021
Finance lease expense:			
Amortization of right-of-use assets	$ 6,903	$ 6,478	$ 6,290
Interest on lease liabilities	5,132	4,927	4,888
Operating lease expense	10,783	11,278	11,034
Other lease expense	8,280	6,185	4,794
Total	$ 31,098	$ 28,868	$ 27,006

Based on the nature of the ROU asset, amortization of finance lease ROU assets, operating lease expense and other lease expense are recorded within either cost of goods sold or selling and administrative expenses and interest on finance lease liabilities is recorded within interest expense on the Consolidated Statements of Comprehensive Income. Other lease expense includes lease expense for leases with an estimated total term of twelve months or less and variable lease expense related to variations in lease payments as a result of a change in factors or circumstances occurring after the lease possession date.

The following tables sets forth the amount of lease assets and lease liabilities included in the Company's Consolidated Balance Sheets (in thousands):

	Financial Statement Line Item	2023	2022
ASSETS			
Finance lease assets	Property, plant and equipment, net	$ 37,391	$ 40,063
Operating lease assets	Operating lease right-of-use assets	69,363	65,134
Total lease assets		$ 106,754	$ 105,197
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Finance lease liabilities	Current portion of long-term debt and finance lease obligations	$ 4,034	$ 5,087
Operating lease liabilities	Other accrued liabilities	8,363	7,948
Non-current			
Finance lease liabilities	Long-term debt and finance lease obligations, net of current portion	39,271	39,257
Operating lease liabilities	Long-term operating lease liabilities	38,552	33,628
Total lease liabilities		$ 90,220	$ 85,920

Other information related to the Company's leases was as follows:

	2023	2022
Weighted-average remaining lease term (in years)		
Finance leases	10.6	11.1
Operating leases	16.0	17.6
Weighted-average discount rate		
Finance leases	16.7 %	17.1 %
Operating leases	3.7 %	2.6 %

	2023	2022	2021
Cash paid for amounts included in the measurement of lease liabilities (in thousands)			
Operating cash flows used in finance leases	$ 4,823	$ 4,630	$ 4,571
Operating cash flows used in operating leases	10,114	10,278	10,667
Finance cash flows used in finance leases	8,375	6,148	5,734
ROU assets obtained in exchange for lease liabilities (in thousands)			
Operating leases	$ 13,102	$ 4,710	$ 11,897
Finance leases	4,811	7,851	4,253

Future minimum lease payments required under finance and operating leases as of September 30, 2023, were as follows (in thousands):

	Operating leases	Finance leases
2024	$ 10,121	$ 9,090
2025	9,116	8,184
2026	8,204	6,168
2027	6,883	16,404
2028	5,015	4,762
Thereafter	15,147	70,042
Total minimum lease payments	54,486	114,650
Less: imputed interest	(7,374)	(71,344)
Present value of lease liabilities	$ 47,112	$ 43,306

As of September 30, 2023, the Company's future operating leases that have not yet commenced are immaterial.

9. Benefit Plans

Share-based Compensation Plans: The Plexus Corp. 2016 Omnibus Incentive Plan (the "2016 Plan"), which was approved by shareholders, is a stock and cash-based incentive plan, and includes provisions by which the Company may grant executive officers, employees and directors stock options, stock appreciation rights ("SARs"), restricted stock (including restricted stock units ("RSUs"), performance stock awards (including performance stock units ("PSUs"), other stock awards and cash incentive awards.

The maximum number of shares of Plexus common stock that may be issued pursuant to the 2016 Plan is 3.2 million shares; in addition, cash incentive awards of up to $4.0 million per employee may be granted annually. The exercise price of each stock option and SAR granted must not be less than the fair market value on the date of grant. The Compensation and Leadership Development Committee (the "Committee") of the Board of Directors may establish a term and vesting period for awards under the 2016 Plan as well as accelerate the vesting of such awards. Generally, stock options vest in two annual installments and have a term of ten years. SARs vest in two annual installments and have a term of seven years. RSUs granted to executive officers, other officers and key employees generally vest on the 3 year anniversary of the grant date (assuming continued employment), which is also the date as of which the underlying shares will be issued.

Performance stock units ("PSUs") are payable in shares of the Company's common stock and have a performance period of three years. For PSUs, approximately 50% vest based on the relative total shareholder return ("TSR") of the Company's common stock as compared to the companies in the Russell 3000 Index for grants issued in fiscal 2020 and the S&P 400 Index for grants issued in fiscal 2021 and beyond. Both are a market condition. The remaining approximately 50% of PSUs vest based upon a three-point annual average of the Company's absolute economic return, a performance condition, with grants made in fiscal 2021 and beyond being subject to an individual year minimum and maximum absolute economic return. The vesting and payout of awards will range between 0% and 200% of the shares granted based upon metrics during a performance period for PSUs based on economic return and PSUs based on TSR compared to the Russell 3000 Index. For PSUs based on TSR compared to the S&P 400 Index, the vesting and payout of awards will range between 0% and 150% of shares granted. Payout at target, 100% of the shares granted, will occur if the TSR of Plexus stock is at the 50th percentile of companies in the Russell 3000 Index or S&P 400 Index during the performance period and if a 2.5% average economic return is achieved over the performance period of three years. The Company uses the Monte Carlo valuation model to value performance stock units with market conditions and the share price on the date of the grant for performance stock units that vest based on non-market-based performance conditions. The number of shares that may be issued pursuant to PSUs ranges from zero to 0.5 million and is dependent upon the Company's TSR and economic return performance over the applicable performance periods. The Committee also grants RSUs to non-employee directors, which generally fully vest on the first anniversary of the grant date, which is also the date the underlying shares are issued (unless further deferred).

The Company recognizes stock-based compensation expense, reduced for estimated forfeitures, primarily in selling and administrative expenses on the Consolidated Statement of Comprehensive Income. The Company recognized $21.3 million, $23.3 million and $24.8 million of compensation expense associated with share-based awards in fiscal 2023, 2022 and 2021, respectively.

There were no options or SARs granted for fiscal 2023, 2022 or 2021.

There were no options or SARs vested for fiscal 2023, 2022 or 2021.

For fiscal 2023, 2022 and 2021, the total intrinsic value of options and SARs exercised was $0.1 million, $0.6 million and $5.4 million, respectively.

As of September 30, 2023, all previously granted options and SARS have vested.

A summary of the Company's PSU and RSU activity follows:

	Number of Shares (in thousands)	Weighted Average Fair Value at Date of Grant	Aggregate Intrinsic Value (in thousands)
Units outstanding as of October 3, 2020	851	$ 66.33	
Granted	360	81.15	
Canceled	(10)	70.12	
Vested	(340)	64.00	
Units outstanding as of October 2, 2021	861	$ 72.38	
Granted	328	75.39	
Canceled	(35)	76.68	
Vested	(356)	58.76	
Units outstanding as of October 1, 2022	798	$ 79.57	
Granted	371	91.73	
Canceled	(28)	83.97	
Vested	(339)	80.85	
Units outstanding as of September 30, 2023	802	$ 84.50	$ 74,568

The Company uses the fair value at the date of grant to value RSUs. As of September 30, 2023, there was $21.1 million of unrecognized compensation expense related to RSUs that is expected to be recognized over a weighted average period of 1.4 years.

The Company recognizes share-based compensation expense over the vesting period of PSUs. During the fiscal year ended September 30, 2023, the 0.1 million PSUs granted in fiscal 2020 vested at a 170% payout based upon the TSR performance achieved during the performance period and 200% payout based upon economic return performance achieved during the performance period. There were 0.1 million PSUs granted during each of fiscal years 2023, 2022 and 2021.

As of September 30, 2023, at the target achievement level, there was $7.1 million of unrecognized compensation expense related to PSUs that is expected to be recognized over a weighted average period of 1.9 years.

401(k) Savings Plan: The Company's 401(k) Retirement Plan covers all eligible U.S. employees. The Company matches employee contributions up to 4.0% of eligible earnings. The Company's contributions for fiscal 2023, 2022 and 2021 totaled $9.8 million, $9.3 million and $9.3 million, respectively.

Supplemental Executive Retirement Plan (Deferred Compensation Arrangement): The Company maintains a supplemental executive retirement plan (the "SERP") as a deferred compensation plan for executive officers. Under the SERP, a covered executive may elect to defer some or all of the participant's compensation into the plan, and the Company may credit the participant's account with a discretionary employer contribution. Participants are entitled to payment of deferred amounts and any related earnings upon termination or retirement from Plexus.

The SERP allows investment of deferred compensation into individual accounts and, within these accounts, into one or more designated investments. Investment choices do not include Plexus stock. During fiscal 2023, 2022 and 2021, the Company made contributions to the participants' SERP accounts in the amount of $0.9 million, $0.8 million and $0.7 million, respectively.

As of September 30, 2023 and October 1, 2022, the SERP assets held in the trust totaled $12.4 million and $10.0 million, respectively, and the related liability to the participants totaled approximately $12.4 million and $10.0 million, respectively. As of September 30, 2023 and October 1, 2022, the SERP assets held in the trust were recorded at fair value on a recurring basis, and were classified as Level 2 in the fair value hierarchy discussed in Note 1, "Description of Business and Significant Accounting Policies."

The trust assets are subject to the claims of the Company's creditors. The trust assets and the related liabilities to the participants are included in non-current "Other assets" and non-current "Other liabilities," respectively, in the accompanying Consolidated Balance Sheets.

10. Litigation

The Company is party to lawsuits in the ordinary course of business. We record provisions in the consolidated financial statements for pending legal matters when we determine that an unfavorable outcome is probable, and the amount of the loss can be reasonably estimated.

During fiscal 2023, the Company paid a one-time, non-recurring payment of $15.8 million related to an arbitration decision in Norway regarding a contractual matter concluded in May 2023. This payment resulted in a $14.2 million one-time, non-recurring charge, net of insurance recoveries and amounts previously accrued. The Company no longer provides services for this customer. Refer to Note 16, "Restructuring and Other Charges," for information regarding total charges. The Company does not expect further charges relating to this matter, but is pursuing insurance recoveries.

Management does not believe that any other such proceedings, individually or in the aggregate, will have a material positive or adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, legal proceedings and regulatory and governmental matters are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could involve substantial fines, civil or criminal penalties, and other expenditures.

11. Reportable Segments, Geographic Information and Major Customers

Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in assessing performance and allocating resources. The Company uses an internal management reporting system, which provides important financial data to evaluate performance and allocate the Company's resources on a regional basis. Net sales for the segments are attributed to the region in which the product is manufactured or the service is performed. The services provided, manufacturing processes used, class of customers serviced and order fulfillment processes used are similar and generally interchangeable across the segments. A segment's performance is evaluated based upon its operating income. A segment's operating income includes its net sales less cost of sales and selling and administrative expenses, but excludes corporate and other expenses. Corporate and other expenses primarily represent corporate selling and administrative expenses, and restructuring costs and other charges, if any, such as the $23.1 million, $2.0 million and $3.3 million of restructuring and other charges in fiscal 2023, 2022 and 2021, respectively. These costs are not allocated to the segments, as management excludes such costs when assessing the performance of the segments. Inter-segment transactions are generally recorded at amounts that approximate arm's length transactions. The accounting policies for the segments are the same as for the Company taken as a whole.

Information about the Company's three reportable segments for fiscal 2023, 2022 and 2021 is as follows (in thousands):

	2023	2022	2021
Net sales:			
AMER	$ 1,558,230	$ 1,310,687	$ 1,317,404
APAC	2,358,390	2,300,640	1,850,603
EMEA	403,040	316,315	312,669
Elimination of inter-segment sales	(109,355)	(116,274)	(111,811)
	$ 4,210,305	$ 3,811,368	$ 3,368,865
Operating income (loss):			
AMER	$ 79,678	$ 44,741	$ 62,338
APAC	289,556	267,253	238,800
EMEA	1,576	8,018	(895)
Corporate and other costs	(174,990)	(141,827)	(123,975)
	$ 195,820	$ 178,185	$ 176,268
Other income (expense):			
Interest expense	$ (31,542)	$ (15,858)	$ (14,253)
Interest income	3,138	1,305	1,372
Miscellaneous, net	(6,403)	(5,329)	(2,976)
Income before income taxes	$ 161,013	$ 158,303	$ 160,411

	2023	2022	2021
Depreciation:			
AMER	$ 23,560	$ 23,482	$ 24,325
APAC	29,218	23,547	19,924
EMEA	6,281	5,861	7,189
Corporate	9,513	8,613	8,390
	$ 68,572	$ 61,503	$ 59,828
Capital expenditures:			
AMER	$ 23,880	$ 20,024	$ 16,114
APAC	45,923	73,758	31,774
EMEA	23,120	2,617	2,504
Corporate	11,126	5,213	6,707
	$ 104,049	$ 101,612	$ 57,099

	September 30, 2023	October 1, 2022
Total assets:		
AMER	$ 1,124,555	$ 1,150,605
APAC	1,696,795	1,807,542
EMEA	462,199	302,901
Corporate and eliminations	37,623	132,177
	$ 3,321,172	$ 3,393,225

The following information is provided in accordance with the required segment disclosures for fiscal 2023, 2022 and 2021. Net sales were based on the Company's location providing the product or service (in thousands):

	2023	2022	2021
Net sales:			
United States	$ 1,001,697	$ 869,144	$ 914,360
Malaysia	1,886,970	1,846,086	1,495,049
Mexico	556,532	441,543	403,044
China	456,443	453,591	355,554
Romania	297,969	217,052	202,649
United Kingdom	98,314	91,137	99,365
Thailand	14,978	963	—
Germany	6,757	8,126	10,655
Elimination of inter-country sales	(109,355)	(116,274)	(111,811)
	$ 4,210,305	$ 3,811,368	$ 3,368,865

	September 30, 2023	October 1, 2022
Long-lived assets:		
United States	$ 107,392	$ 105,272
Malaysia	159,182	152,317
Mexico	77,757	77,947
Thailand	58,009	56,115
Romania	51,653	23,894
China	44,068	37,608
United Kingdom	8,234	6,842
Other Foreign	2,767	2,899
Corporate	52,337	46,945
	$ 561,399	$ 509,839

As the Company operates flexible manufacturing facilities and processes designed to accommodate customers with multiple product lines and configurations, it is impracticable to report net sales for individual products or services or groups of similar products and services.

Long-lived assets as of September 30, 2023 and October 1, 2022 exclude other long-term assets, deferred income tax assets and intangible assets, which totaled $87.6 million and $67.3 million, respectively.

As a percentage of consolidated net sales, net sales attributable to customers representing 10.0% or more of consolidated net sales for fiscal 2023, 2022 and 2021 were as follows:

	2023	2022	2021
GE Healthcare Technologies, Inc. ("GEHC")	10.3%	*	*
General Electric Company ("GE")	*	12.9%	11.2%

* Net sales attributable to the customer were less than 10.0% of consolidated net sales for the period

During fiscal 2023, GE completed the separation of its healthcare business, GEHC, as a stand-alone company. During fiscal 2023 net sales attributable to GEHC were reported in all three reportable segments. During fiscal 2022 and 2021, net sales attributable to GE were reported in all three reportable segments.

GE represented 16.2% of total accounts receivable as of October 1, 2022. Medtronic, Inc. represented 10.2% of total accounts receivable as of October 1, 2022.

12. Guarantees

The Company offers certain indemnifications under its customer manufacturing agreements. In the normal course of business, the Company may from time to time be obligated to indemnify its customers or its customers' customers against damages or liabilities arising out of the Company's negligence, misconduct, breach of contract, or infringement of third-party intellectual property rights. Certain agreements have extended broader indemnification, and while most agreements have contractual limits, some do not. However, the Company generally does not provide for such indemnities and seeks indemnification from its customers for damages or liabilities arising out of the Company's adherence to customers' specifications or designs or use of materials furnished, or directed to be used, by its customers. The Company does not believe its obligations under such indemnities are material.

In the normal course of business, the Company also provides its customers a limited warranty covering workmanship, and in some cases materials, on products manufactured by the Company. Such warranty generally provides that products will be free from defects in the Company's workmanship and meet mutually agreed-upon specifications for periods generally ranging from 12 months to 24 months. The Company's obligation is generally limited to correcting, at its expense, any defect by repairing or replacing such defective product. The Company's warranty generally excludes defects resulting from faulty customer-supplied components, design defects or damage caused by any party or cause other than the Company.

The Company provides for an estimate of costs that may be incurred under its limited warranty at the time product revenue is recognized and establishes additional reserves for specifically identified product issues. These costs primarily include labor and materials, as necessary, associated with repair or replacement and are included in the Company's accompanying Consolidated Balance Sheets in "other accrued liabilities." The primary factors that affect the Company's warranty liability include the value and the number of shipped units and historical and anticipated rates of warranty claims. As these factors are impacted by actual experience and future expectations, the Company assesses the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary.

Below is a table summarizing the activity related to the Company's limited warranty liability for fiscal 2023, 2022 and 2021 (in thousands):

Limited warranty liability, as of October 3, 2020	$	6,386
Accruals for warranties issued during the period		3,277
Settlements (in cash or in kind) during the period		(3,018)
Limited warranty liability, as of October 2, 2021		6,645
Accruals for warranties issued during the period		2,786
Settlements (in cash or in kind) during the period		(2,506)
Limited warranty liability, as of October 1, 2022		6,925
Accruals for warranties issued during the period		2,954
Settlements (in cash or in kind) during the period		(4,058)
Limited warranty liability, as of September 30, 2023	$	5,821

13. Shareholders' Equity

On August 11, 2021, the Board of Directors approved a share repurchase program under which the Company is authorized to repurchase up to $50.0 million of its common stock (the "2022 Program"). The 2022 Program commenced upon completion of the 2021 Program. During fiscal 2022 and 2021, the Company completed the 2022 Program by repurchasing 564,718 and 34,381 shares under this program for $46.9 million and $3.1 million at an average price of $83.07 and $90.16 per share, respectively.

On August 18, 2022, the Board of Directors approved a share repurchase program under which the Company is authorized to repurchase up to $50.0 million of its common stock (the "2023 Program"). The 2023 Program became effective immediately and has no expiration. During fiscal 2023 and 2022, the Company repurchased 425,746 and 38,397 shares under this program for $40.9 million and $3.5 million at an average price of $95.96 and $90.63 per share, respectively. As of September 30, 2023, $5.7 million of authority remained under the 2023 Program.

All shares repurchased under the aforementioned programs were recorded as treasury stock.

14. Trade Accounts Receivable Sale Programs

The Company has Master Accounts Receivable Purchase Agreements with MUFG Bank, New York Branch (formerly known as The Bank of Tokyo-Mitsubishi UFJ, Ltd.) (the "MUFG RPA"), HSBC Bank (China) Company Limited, Xiamen branch (the "HSBC RPA") and other unaffiliated financial institutions, under which the Company may elect to sell receivables; at a discount. All facilities are uncommitted facilities. The maximum facility amount under the MUFG RPA is $340.0 million. The maximum facility amount under the HSBC RPA is $60.0 million. The MUFG RPA will be automatically extended each year unless any party gives no less than 10 days prior notice that the agreement should not be extended. The terms of the HSBC RPA are generally consistent with the terms of the MUFG RPA.

Transfers of receivables under the programs are accounted for as sales and, accordingly, receivables sold under the programs are excluded from accounts receivable on the Consolidated Balance Sheets and are reflected as cash provided by operating activities on the Consolidated Statements of Cash Flows. Proceeds from the transfer reflect the face value of the receivables less a discount. The sale discount is recorded within "Miscellaneous, net" in the Consolidated Statements of Comprehensive Income in the period of the sale. The Company continues servicing receivables sold and performing all accounts receivable administrative functions, in exchange receives a servicing fee, under both the MUFG RPA and HSBC RPA. Servicing fees related to trade accounts receivable programs recognized during fiscal 2023, 2022 and 2021 were not material.

The Company sold $834.5 million, $787.5 million and $730.5 million of trade accounts receivable under these programs, or their predecessors, during fiscal 2023, 2022 and 2021, respectively, in exchange for cash proceeds of $824.6 million, $783.1 million and $728.4 million, respectively. As of September 30, 2023 and October 1, 2022, $220.5 million and $222.5 million, respectively, of accounts receivables sold under trade accounts receivable programs and subject to servicing by the Company remained outstanding and had not yet been collected.

15. Revenue from Contracts with Customers

Revenue is recognized over time for arrangements with customers for which: (i) the Company's performance does not create an asset with an alternative use to the Company, and (ii) the Company has an enforceable right to payment, including reasonable profit margin, for performance completed to date. Revenue recognized over time is estimated based on costs incurred to date plus a reasonable profit margin. If either of the two conditions noted above are not met to recognize revenue over time, revenue is recognized following the transfer of control of such products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying arrangement.

The Company recognizes revenue when a contract exists and when, or as, it satisfies a performance obligation by transferring control of a product or service to a customer. Contracts are accounted for when they have approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer.

The Company generally enters into a master services arrangement that establishes the framework under which business will be conducted. These arrangements represent the master terms and conditions of the Company's services that apply to individual orders, but they do not commit the customer to work with, or to continue to work with, the Company nor do they obligate the customer to any specific volume or pricing of purchases. Moreover, these terms can be amended in appropriate situations.

Customer purchase orders are received for specific quantities with predominantly fixed pricing and delivery requirements. Thus, for the majority of our contracts, there is no guarantee of any revenue to the Company until a customer submits a purchase order. As a result, the Company generally considers its arrangement with a customer to be the combination of the master services arrangement and the purchase order. Most of the Company's arrangements with customers create a single performance obligation as the promise to transfer the individual manufactured product or service is capable of being distinct.

The Company’s performance obligations are satisfied over time as work progresses or at a point in time. A performance obligation is satisfied over time if the Company has an enforceable right to payment, including a reasonable profit margin. Determining if an enforceable right to payment includes a reasonable profit margin requires judgment and is assessed on a contract-by-contract basis.

Generally, there are no subjective customer acceptance requirements or further obligations related to goods or services provided; if such requirements or obligations exist, then a sale is recognized at the time when such requirements are completed and such obligations are fulfilled.

The Company does not allow for a general right of return. Net sales include amounts billed to customers for shipping and handling and out-of-pocket expenses. The corresponding shipping and handling costs and out-of-pocket expenses are included in cost of sales. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer, are excluded from net sales.

Contract Costs

For contracts requiring over time revenue recognition, the selection of the method to measure progress towards completion requires judgment and is based on the nature of the products or services to be provided. The Company uses a cost-based input measurement of progress because it best depicts the transfer of assets to the customer, which occurs as costs are incurred during the manufacturing process or as services are rendered. Under the cost-based measure of progress, the extent of progress toward completion is measured based on the costs incurred to date.

There were no other costs to obtain or fulfill customer contracts.

Disaggregated Revenue

The table below includes the Company’s revenue for the fiscal years indicated disaggregated by geographic reportable segment and market sector (in thousands):

	2023			
	Reportable Segment:			
	AMER	APAC	EMEA	Total
Market Sector:				
Healthcare/Life Sciences	$ 862,767	$ 809,165	$ 202,842	$ 1,874,774
Industrial	398,120	1,248,016	110,389	1,756,525
Aerospace/Defense	281,632	212,336	85,038	579,006
External revenue	1,542,519	2,269,517	398,269	4,210,305
Inter-segment sales	15,711	88,873	4,771	109,355
Segment revenue	$ 1,558,230	$ 2,358,390	$ 403,040	$ 4,319,660

	2022			
	Reportable Segment:			
	AMER	APAC	EMEA	Total
Market Sector:				
Healthcare/Life Sciences	$ 645,881	$ 744,216	$ 175,674	$ 1,565,771
Industrial	398,743	1,288,577	65,398	1,752,718
Aerospace/Defense	255,779	165,432	71,668	492,879
External revenue	1,300,403	2,198,225	312,740	3,811,368
Inter-segment sales	10,284	102,415	3,575	116,274
Segment revenue	$ 1,310,687	$ 2,300,640	$ 316,315	$ 3,927,642

	2021			
	Reportable Segment:			
	AMER	APAC	EMEA	Total
Market Sector (1):				
Healthcare/Life Sciences	$ 566,693	$ 605,249	$ 154,830	$ 1,326,772
Industrial	462,789	1,010,833	75,353	1,548,975
Aerospace/Defense	277,870	134,842	80,406	493,118
External revenue	1,307,352	1,750,924	310,589	3,368,865
Inter-segment sales	10,052	99,679	2,080	111,811
Segment revenue	$ 1,317,404	$ 1,850,603	$ 312,669	$ 3,480,676

(1) During fiscal 2021, the Company consolidated the previously reported Industrial/Commercial and Communications market sectors to form the Industrial market sector.

For fiscal 2023 approximately 82% and for fiscal 2022 and 2021 approximately 84% and 91% of the Company's revenue was recognized as products and services were transferred over time.

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, contract assets and deferred revenue on the Company's accompanying Consolidated Balance Sheets.

Contract Assets: For performance obligations satisfied at a point in time, billing occurs subsequent to revenue recognition, at which point the customer has been billed and the resulting asset is recorded within accounts receivable. For performance obligations satisfied over time as work progresses, the Company has an unconditional right to payment, which results in the recognition of contract assets. The following table summarizes the activity in the Company's contract assets during fiscal 2023 and 2022 (in thousands):

	2023	2022
Contract assets, beginning of period	$ 138,540	$ 115,283
Revenue recognized during the period	3,450,570	3,180,108
Amounts collected or invoiced during the period	(3,446,813)	(3,156,851)
Contract assets, end of period	$ 142,297	$ 138,540

Deferred Revenue: Deferred revenue is recorded when consideration is received from a customer prior to transferring goods or services to the customer under the terms of the contract, which is included in advanced payments from customers on Consolidated Balance Sheets. As of September 30, 2023 and October 1, 2022 the balance of advance payments from customers attributable to deferred revenue was $158.7 million and $298.8 million, respectively. The advance payment is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect the company from the other party failing to adequately complete some or all of its obligations under the contract. Deferred revenue is recognized into revenue when all revenue recognition criteria are met. For performance obligations satisfied over time, recognition will occur as work progresses; otherwise deferred revenue will be recognized based upon shipping terms

16. Restructuring and Other Charges

Restructuring and non-recurring charges are recorded within restructuring and other charges on the Consolidated Statements of Comprehensive Income. Restructuring liabilities are primarily recorded within other accrued liabilities on the Consolidated Balance Sheets.

During fiscal 2023, the Company incurred restructuring and other charges of $8.9 million, which consisted of severance from the reduction of the Company's workforce and a lease agreement termination. Additionally, the Company incurred a one-time, non-recurring charge of $14.2 million relating to an arbitration decision in Norway regarding a contractual matter. The Company no longer provides services for this customer.

During fiscal 2022, the Company recorded $2.0 million of restructuring and impairment charges primarily due to employee severance costs associated with a facility transition in the Company's APAC segment.

During fiscal 2021, the Company recorded $3.3 million of restructuring and impairment charges which consisted of severance from the reduction of the Company's workforce, primarily in the AMER and EMEA segments.

The Company recognized a tax benefit of $1.9 million, $0.2 million and $0.3 million related to restructuring and other charges in fiscal 2023, 2022 and 2021, respectively.

The Company's restructuring accrual activity for fiscal 2023, 2022 and 2021 is included in the table below (in thousands):

	Fixed Asset and Operating ROU Asset Impairment	Arbitration Charge	Termination and Severance Costs	Total
Accrual balance, as of October 3, 2020	$ —	$ —	$ 36	$ 36
Restructuring and impairment costs	—	—	3,267	3,267
Amounts utilized	—	—	(3,232)	(3,232)
Accrual balance, as of October 2, 2021	—	—	71	71
Restructuring and impairment costs	255	—	1,766	2,021
Amounts utilized	(255)	—	(1,725)	(1,980)
Accrual balance, as of October 1, 2022	—	—	112	112
Restructuring and other charges	—	14,229	8,865	23,094
Amounts utilized	—	(14,229)	(8,355)	(22,584)
Accrual balance, as of September 30, 2023	$ —	$ —	$ 622	$ 622

The accrual balances outstanding as of October 2, 2021 and October 1, 2022 were fully utilized as of September 30, 2023.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that the information the Company must disclose in its filings with the Securities and Exchange Commission ("SEC") is recorded, processed, summarized and reported on a timely basis. The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have reviewed and evaluated, with the participation of the Company's management, the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this report. Based on such evaluation, the CEO and CFO have concluded that, as of September 30, 2023, the Company's disclosure controls and procedures are effective, at the reasonable assurance level, (a) in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports the Company files or submits under the Exchange Act, and (b) in assuring that information is accumulated and communicated to the Company's management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Management of the Company, including its CEO and CFO, has assessed the effectiveness of its internal control over financial reporting as of September 30, 2023, based on the criteria established in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013). Based on its assessment and those criteria, management has reached the conclusion that the Company's internal control over financial reporting was effective.

The independent registered public accounting firm of PricewaterhouseCoopers LLP has audited the Company's internal control over financial reporting as of September 30, 2023, as stated in its report included herein.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our disclosure controls and internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Notwithstanding the foregoing limitations on the effectiveness of controls, we have nonetheless reached the conclusion that the Company's disclosure controls and procedures and internal control over financial reporting are effective.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURES REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information in response to this item is incorporated herein by reference to "Election of Directors" and "Corporate Governance" in the Company’s Proxy Statement for its 2024 Annual Meeting of Shareholders ("2024 Proxy Statement"), which will be filed within 120 days of the end of the Company's fiscal year.

Our Code of Conduct and Business Ethics is posted on our website at www.plexus.com. You may access the Code of Conduct and Business Ethics by following the links under "Investors" and then "Corporate Governance" at our website. Plexus’ Code of Conduct and Business Ethics applies to all members of the board of directors, officers and employees; and includes provisions related to accounting and financial matters that apply to the Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer and Controller.

Information about our Executive Officers

The following table sets forth our executive officers, their ages as of November 17, 2023, and the positions held by each person:

Name	Age	Position
Todd P. Kelsey	58	Chief Executive Officer
Steven J. Frisch	57	President and Chief Strategy Officer
Patrick J. Jermain	57	Executive Vice President and Chief Financial Officer
Oliver K. Mihm	51	Executive Vice President and Chief Operating Officer
Angelo M. Ninivaggi	56	Executive Vice President, Chief Administrative Officer, General Counsel and Secretary
Scott Theune	59	Regional President – AMER
Victor Tan	59	Regional President – APAC
Frank Zycinski	55	Regional President – EMEA

Todd P. Kelsey joined Plexus in 1994 and has served as Chief Executive Officer since 2016; prior thereto, he served as President from 2016 to 2022 and Executive Vice President and Chief Operating Officer since 2013. Previously, Mr. Kelsey served as Executive Vice President – Global Customer Services since 2011 and as Senior Vice President prior thereto.

Steven J. Frisch joined Plexus in 1990 and has served as President and Chief Strategy Officer since 2022. Prior thereto, he served as Executive Vice President and Chief Operating Officer since 2016 and Executive Vice President and Chief Customer Officer since 2014. Previously, Mr. Frisch served as Executive Vice President – Global Customer Services from 2013 to 2014. Mr. Frisch was Regional President – Plexus EMEA from 2010 to 2013. Mr. Frisch also served as Senior Vice President – Global Engineering Solutions from 2007 to 2013.

Patrick J. Jermain joined Plexus in 2010 and has served as Chief Financial Officer since 2014; he was named a Senior Vice President in 2015 and Executive Vice President in 2019. Previously, Mr. Jermain served as Treasurer and Vice President of Finance since 2013 and as Corporate Controller since 2010.

Oliver Mihm joined Plexus in 2000 and has served as Executive Vice President and Chief Operating Officer since 2022. Prior thereto, he served as Executive Vice President – Global Supply Chain and Operational Solutions, previously serving as Executive Vice President Supply Chain since 2019. From 2015 to 2019, Mr. Mihm served as Regional President – EMEA. Prior to that, Mr. Mihm was Industrial Market Sector Vice President, led our Global Engineering Solutions and held various leadership roles within our Engineering Solutions organization.

Angelo M. Ninivaggi joined Plexus in 2002 and has served as Chief Administrative Officer since 2013. Mr. Ninivaggi has also served as Vice President, General Counsel and Secretary since 2006, was named a Senior Vice President in 2011 and Executive Vice President in 2019. Mr. Ninivaggi also served as Corporate Compliance Officer from 2007 to 2013.

Scott Theune joined Plexus in 1993 and has served as Regional President – AMER since May 2019. Previously, Mr. Theune served as Senior Vice President of Global Supply Chain from 2016 to 2019, Vice President of Supply Chain from 2005 to 2016, and General Manager and Global Director of Manufacturing Process and Technology prior thereto.

Victor Tan joined Plexus in 2007 and has served as Regional President – APAC since 2020. Previously, Mr. Tan served as Senior Vice President of Global Operations since 2019. In 2010, he was promoted to Vice President of Customer Management in APAC, later appointed to lead all Penang operations and support functions in the region in 2013 and further expanded to lead APAC operations in 2018. Prior thereto, he served as the General Manager for Plexus' Penang-Hillside site in Malaysia.

Frank Zycinski joined Plexus in 2012 and has served as Regional President – EMEA since 2023. Previously, Mr. Zycinski served as Vice President of Regional Operations - EMEA from 2014 to 2018 before he departed from Plexus. In 2021 he rejoined as Vice President - EMEA.

ITEM 11. EXECUTIVE COMPENSATION

Incorporated herein by reference to "Corporate Governance – Board and Committee Responsibilities – Compensation & Leadership Development Committee," "Director Compensation for Fiscal 2023," "Compensation Discussion & Analysis," "Executive Compensation" and "Compensation Committee Report" in the 2024 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Incorporated herein by reference to "Security Ownership of Certain Beneficial Owners and Management" in the 2024 Proxy Statement.

Equity Compensation Plan Information

The following table chart gives aggregate information regarding grants under all Plexus equity compensation plans through September 30, 2023:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (1)	Weighted-average exercise price of outstanding options, warrants and rights (2)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in 1st column)
Equity compensation plans approved by security holders	806,460	$ 44.78	$ 669,714
Equity compensation plans not approved by security holders	—	n/a	—
Total	806,460	$ 44.78	$ 669,714

(1) Represents options, stock-settled SARs, PSUs and RSUs granted under the 2016 Omnibus Incentive Plan and the 2008 Long-Term Incentive Plan, both of which were approved by shareholders. No further awards may be made under the 2008 Long-Term Incentive Plan.

(2) The weighted average exercise prices exclude PSUs and RSUs.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Incorporated herein by reference to "Corporate Governance – Director Independence" and "Certain Transactions" in the 2024 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Our independent registered public accounting firm is PricewaterhouseCoopers LLP, Milwaukee, Wisconsin, Auditor Firm ID: 238. Incorporated herein by reference to the subheading "Ratify Independent Auditors - Fees and Services" in the 2024 Proxy Statement.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Documents filed

Financial Statements and Financial Statement Schedule. See the list of Financial Statements and Financial Statement Schedule in Item 8.

(b) Exhibits. The list of exhibits is included below:

		Incorporate by Reference Herein		
Exhibit No.	Exhibit	Form	Exhibit	Filing Date
3(i)	Restated Articles of Incorporation of Plexus Corp.	10-Q	3.1	5/14/2004
3(ii)	Amended and Restated Bylaws of Plexus Corp., as amended through February 15, 2023	8-K	3.1	2/16/2023
4.1	Restated Articles of Incorporation of Plexus Corp.	10-Q	3.1	5/14/2004
4.2	Amended and Restated Bylaws of Plexus Corp., as amended through February 15, 2023	8-K	3.1	2/16/2023
4.3	Description of Common Stock	10-K	4.3	10/2/2021
10.1 (a)	Credit Agreement, dated as of May 15, 2019, among Plexus Corp., the banks, financial institutions and other institutional lenders listed on the signature pages thereto, JPMorgan Chase Bank, N.A., as administrative agent, U.S. Bank National Association, as syndication agent, PNC Bank, National Association, Bank of America, N.A., MUFG Bank, Ltd., HSBC Bank USA, N.A., Bank of the West and Wells Fargo Bank, National Association, as co-documentation agents, and JPMorgan Chase Bank, N.A. and U.S. Bank National Association, as joint lead arrangers and joint book runners (including the related subsidiary guaranty).	8-K	10.1	5/15/2019
10.1 (b)	Amendment No. 1 to Credit Agreement, dated as of April 29, 2020, among Plexus Corp., the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.	8-K	10.1	4/30/2020
10.1 (c)	Amended and Restated Credit Agreement, dated June 9, 2022, by and among Plexus Corp., certain of its subsidiaries from time to time party thereto as borrowers, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	10.1	6/13/2022
10.2 (a)	Note Purchase Agreement, dated as of June 15, 2018, between Plexus Corp. and the Purchasers named therein relating to an aggregate of $150,000,000 in principal amount of 4.05% Series A Senior Notes, due June 15, 2025, and 4.22% Series B Senior Notes, due June 15, 2028.	8-K	10.1	6/18/2018
10.2 (b)	First Amendment, dated as of June 25, 2019, to the Note Purchase Agreement, dated as of June 15, 2018, between Plexus Corp. and the Noteholders named therein relating to an aggregate of $150,000,000 in principal amount of 4.05% Series A Senior Notes, due June 15, 2025, and 4.22% Series B Senior Notes, due June 15, 2028.	10-Q	10.1	8/2/2019
10.3 (a)	Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Purchaser, dated as of October 4, 2016.	8-K	10.1	10/7/2016

10.3 (b)	Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Purchaser, dated as of December 14, 2016.	10-Q	10.2	2/3/2017
10.3 (c)	Amendment No. 3 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Purchaser, dated as of March 28, 2017.	10-Q	10.1	5/5/2017
10.3 (d)	Amendment No. 4 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Purchaser, dated as of September 11, 2017.	10-K	10.3(d)	11/16/2018
10.3 (e)	Amendment No. 5 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Purchaser, dated as of October 19, 2017.	10-K	10.3(d)	11/17/2017
10.3 (f)	Amendment No. 6 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and MUFG Bank Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch), as the Purchaser, dated as of May 4, 2018.	10-Q	10.1	8/3/2018
10.3 (g)	Amendment No. 7 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and MUFG Bank Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch), as the Purchaser, dated as of September 19, 2018.	10-K	10.3(g)	11/16/2018
10.3 (h)	Amendment No. 8 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and MUFG Bank Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch), as the Purchaser, dated as of March 20, 2019.	10-Q	10.1	5/3/2019

10.3 (i)	Amendment No.9 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and MUFG Bank Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch), as the Purchaser, dated as of June 21, 2019.	10-Q	10.2	8/2/2019
10.3 (j)	Amendment No.10 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and MUFG Bank Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch), as the Purchaser, dated as of December 23, 2019.	10-Q	10.1	2/7/2020
10.3 (k)	Amendment No.11 to Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, Plexus Services Ro SRL, Plexus Corp. (UK) Limited and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and MUFG Bank Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch), as the Purchaser, dated as of September 10, 2020.	10-K	10.3(k)	11/20/2020
10.4	Retirement and Transition Agreement, dated August 17, 2016, by and between Plexus Corp. and Dean A. Foate.*.	8-K	10.1	8/19/2016
10.5	Employment Agreement, dated August 17, 2016, by and between Plexus Corp. and Todd P. Kelsey.*	8-K	10.2	8/19/2016
10.6	Form of Change of Control Agreement with executive officers.*	8-K	10.2	5/21/2008
10.7	Summary of Directors' Compensation (1/22).*	10-Q	10.2	2/4/2022
10.8 (a)	Plexus Corp. Executive Deferred Compensation Plan.*	10-K	10.17	12/19/2000
10.8 (b)	Plexus Corp Executive Deferred Compensation Plan Trust dated April 1, 2003 between Plexus Corp. and Bankers Trust Company.*	10-K	10.14	12/15/2003
10.9	Plexus Corp. Non-employee Directors Deferred Compensation Plan.*	10-K	10.10	11/19/2012
10.10 (a)	Amended and Restated Plexus Corp. 2016 Omnibus Incentive Plan.*	10-Q	10.2	5/5/2017
10.10 (b)	Forms of award agreements thereunder*			
	(i) Form of Stock Option Agreement.	10-Q	10.1	8/8/2016
	(ii) Form of Restricted Stock Unit Award.	10-Q	10.2	8/8/2016
	(iii) Form of Performance Stock Unit Agreement.	10-Q	10.1	2/5/2021
	(iv) Form of Stock Appreciation Rights Agreement.	10-Q	10.3	8/8/2016
	(v) Form of Restricted Stock Unit Award Agreement for Directors.	10-Q	10.1	2/3/2017
	(vi) Form of Plexus Corp. Variable Incentive Compensation Plan - Plexus Leadership Team.	10-K	10.1(b)(vi)	11/17/2017

10.11 (a)	Amended and Restated Plexus Corp. 2008 Long-Term Incentive Plan* (superseded except as to outstanding awards).	10-Q	10.3	5/5/2017
10.11(b)	Forms of award agreements thereunder*			
	(i) Form of Stock Option Agreement.	10-Q	10.2	2/4/2010
	(ii) Form of Restricted Stock Unit Award.	10-Q	10.5(b)	5/8/2008
	(iii) Form of Stock Appreciation Rights Agreement.	10-Q	10.5(c)	5/8/2008
10.11(c)	Forms of award agreements thereunder*			
	Form of Performance Stock Unit Agreement (Economic Return)	10-Q	10.1	2/3/2023
	Form of Performance Stock Unit Agreement (Total Shareholder Return)	10-Q	10.2	2/3/2023
21**	List of Subsidiaries.			
23**	Consent of PricewaterhouseCoopers LLP.			
24**	Powers of Attorney (see signature page).			
31.1**	Certification of Chief Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.			
31.2**	Certification of Chief Financial Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.			
32.1**	Certification of the CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			
32.2**	Certification of the CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			
97**	Plexus Corp. Compensation Recovery Policy			
99.1**	Reconciliation of ROIC to GAAP and Economic Return Financial Statements.			
101	The following materials from Plexus Corp.'s Annual Report on Form 10-K for the fiscal year ended September 30, 2023, formatted in Inline Extensible Business Reporting Language ("XBRL"): (i) the Consolidated Statements of Comprehensive Income, (ii) the Consolidated Balance Sheets, (iii) the Consolidated Statements of Shareholders' Equity, (iv) the Consolidated Statements of Cash Flows, and (v) Notes to Consolidated Financial Statements.			
101.INS	Inline XBRL Instance Document (the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document).			
101.SCH	Inline XBRL Taxonomy Extension Schema Document.			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.			

104	The cover page from the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2023, formatted in Inline XBRL and contained in Exhibit 101.
*	Designates management compensatory plans or agreements.
**	Filed or furnished herewith.

ITEM 16. FORM 10-K SUMMARY

None.

Plexus Corp. and Subsidiaries

Schedule II – Valuation and Qualifying Accounts

For fiscal 2023, 2022 and 2021 (in thousands):

Descriptions	Balance at beginning of period	Additions charged to costs and expenses	Additions charged to other accounts	Deductions	Balance at end of period
Fiscal Year 2023:					
Allowance for losses on accounts receivable (deducted from the asset to which it relates)	$ 1,961	$ 2,197	$ —	$ (2,244)	$ 1,914
Valuation allowance on deferred income tax assets (deducted from the asset to which it relates)	$ 25,562	$ 6,425	$ —	$ (38)	$ 31,949
Fiscal Year 2022:					
Allowance for losses on accounts receivable (deducted from the asset to which it relates)	$ 1,188	$ 2,117	$ —	$ (1,344)	$ 1,961
Valuation allowance on deferred income tax assets (deducted from the asset to which it relates)	$ 30,321	$ 1,338	$ —	$ (6,097)	$ 25,562
Fiscal Year 2021:					
Allowance for losses on accounts receivable (deducted from the asset to which it relates)	$ 3,597	$ 1,232	$ —	$ (3,641)	$ 1,188
Valuation allowance on deferred income tax assets (deducted from the asset to which it relates)	$ 34,948	$ 4,499	$ —	$ (9,126)	$ 30,321

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Plexus Corp.
Registrant

Date: November 17, 2023

/s/ Todd P. Kelsey
Todd P. Kelsey
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Todd P. Kelsey, Patrick J. Jermain and Angelo M. Ninivaggi, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this report, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and any other regulatory authority, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirement of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the date indicated.*

SIGNATURE AND TITLE

/s/ Todd P. Kelsey	/s/ Randy J. Martinez
Todd P. Kelsey, Chief Executive Officer (Principal Executive Officer) and Director	Randy J. Martinez, Director
/s/ Patrick J. Jermain	/s/ Joel Quadracci
Patrick J. Jermain, Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	Joel Quadracci, Director
/s/ Dean A. Foate	/s/ Karen M. Rapp
Dean A. Foate, Chairman	Karen M. Rapp, Director
/s/ Joann M. Eisenhart	/s/ Paul A. Rooke
Joann M. Eisenhart, Director	Paul A. Rooke, Director
/s/ Rainer Jueckstock	/s/ Michael V. Schrock
Rainer Jueckstock, Director	Michael V. Schrock, Director
/s/ Peter Kelly	/s/ Jennifer Wuamett
Peter Kelly, Director	Jennifer Wuamett, Director

*Each of the above signatures is affixed as of November 17, 2023.

Plexus Corp. **Exhibit 21**

Plexus Corp. 2023 Form 10-K

List of Subsidiaries of Plexus Corp.

Entity Name	Incorporation Jurisdiction
Plexus Aerospace, Defense and Security Services, LLC	USA - Wisconsin
Plexus Asia, Ltd.	British Virgin Islands
Plexus Corp. (UK) Limited	UK - Scotland
Plexus Corp. Limited	UK - Scotland
Plexus Corp. Services (UK) Limited	UK - Scotland
Plexus Deutschland GmbH	Germany
Plexus Electronica S. de R.L. de C.V.	Mexico
Plexus International Services, Inc.	USA - Nevada
Plexus Intl. Sales & Logistics, LLC	USA - Delaware
Plexus Management Services Corporation	USA - Nevada
Plexus Manufacturing Sdn. Bhd.	Malaysia
Plexus QS, LLC	USA - Delaware
Plexus Services RO S.R.L.	Romania
Plexus Services Americas S. de R.L. de C.V.	Mexico
Plexus (Thailand) Co., Ltd.	Thailand
Plexus (Xiamen) Co., Ltd.	China
Plexus Corp (Singapore) Pte. Ltd. (Singapore)	Singapore
Plexus Electronic (Zhejiang) Co., Ltd.	China

Omits inactive and dormant subsidiaries.

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-76728, 333-150967 and 333-211236) of Plexus Corp. of our report dated November 17, 2023, relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Milwaukee, Wisconsin
November 17, 2023

Exhibit 31.1

CERTIFICATION

I, Todd P. Kelsey, certify that:

1. I have reviewed this annual report on Form 10-K of Plexus Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 17, 2023

/s/ Todd P. Kelsey

Todd P. Kelsey
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Patrick J. Jermain, certify that:

1. I have reviewed this annual report on Form 10-K of Plexus Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 17, 2023

/s/ Patrick J. Jermain

Patrick J. Jermain

Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Plexus Corp. (the "Company") on Form 10-K for the fiscal year ended September 30, 2023, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Todd P. Kelsey, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Todd P. Kelsey

Todd P. Kelsey
Chief Executive Officer
November 17, 2023

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Plexus Corp. and will be retained by Plexus Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Plexus Corp. (the “Company”) on Form 10-K for the fiscal year ended September 30, 2023, as filed with the Securities and Exchange Commission on or about the date hereof (the “Report”), I, Patrick J. Jermain, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Patrick J. Jermain

Patrick J. Jermain
Executive Vice President and Chief Financial Officer
November 17, 2023

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Plexus Corp. and will be retained by Plexus Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 97

Plexus Corp. Compensation Recovery Policy
Effective November 16, 2023

1. Purpose. The purpose of this Compensation Recovery Policy (this "Policy") is to describe the circumstances under which Plexus Corp. (the "Company") is required to recover compensation paid to certain employees. Any references in compensation plans, agreements, equity awards or other policies to the Company's "recoupment," "clawback" or similarly named policy shall be deemed to refer to this Policy with respect to Incentive-Based Compensation Received on or after the Effective Date. With respect to Incentive-Based Compensation Received prior to the Effective Date, such references to the Company's "recoupment," "clawback" or similarly-named policy in compensation plans, agreements, equity awards or other policies shall be deemed to refer to the Company's "recoupment," "clawback" or similarly-named policy, if any, in effect prior to the Effective Date.
2. Application. This Policy shall apply to all Covered Officers.

3. Mandatory Recovery of Compensation. In the event that the Company is required to prepare an Accounting Restatement, the Company shall recover reasonably promptly the amount of Erroneously Awarded Compensation, except as otherwise provided herein.
4. Definitions. For purposes of this Policy, the following terms, when capitalized, shall have the meanings set forth below:

   (a) "*Accounting Restatement*" shall mean any accounting restatement required due to material noncompliance of the Company with any financial reporting requirement under the securities laws, including to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

   (b) "*Covered Officer*" shall mean the Company's president; principal financial officer; principal accounting officer (or if there is no such accounting officer, the controller); any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance); any other officer who performs a significant policy-making function; or any other person who performs similar significant policy-making functions for the Company. Executive officers of the Company's parent(s) or subsidiaries, if any, shall be deemed "Covered Officers" if they perform such policy-making functions for the Company. Identification of an executive officer for purposes of this Policy shall include at a minimum executive officers identified pursuant to Item 401(b) of Regulation S-K.
   (c) "Effective Date" shall mean October 2, 2023.

   (d) "*Erroneously Awarded Compensation*" shall mean the excess of (i) the amount of Incentive-Based Compensation Received by a person (A) after beginning service as a Covered Officer, (B) who served as a Covered Officer at any time during the performance period for that Incentive-Based Compensation, (C) while the Company has a class of securities listed on a national securities exchange or a national securities association and (D) during the Recovery Period; over (ii) the Recalculated Compensation. For the avoidance of doubt, a person who served as a Covered

Officer during the periods set forth in clauses (A) and (B) of the preceding sentence shall continue to be subject to this Policy even after such person's service as a Covered Officer has ended.

(e) "*Incentive-Based Compensation*" shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a financial reporting measure. A financial reporting measure is a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, regardless of whether such measure is presented within the financial statements or included in a filing with the Securities and Exchange Commission. Each of stock price and total shareholder return is a financial reporting measure. For the avoidance of doubt, incentive-based compensation subject to this Policy does not include stock options, restricted stock, restricted stock units or similar equity-based awards for which the grant is not contingent upon achieving any financial reporting measure performance goal and vesting is contingent solely upon completion of a specified employment period and/or attaining one or more non-financial reporting measures.

(f) "*Recalculated Compensation*" shall mean the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts in the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of the Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of the Recalculated Compensation must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return, as the case may be, on the compensation Received. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the national securities exchange or association on which its securities are listed.

(g) Incentive-Based Compensation is deemed "*Received*" in the Company's fiscal period during which the financial reporting measure specified in the award of such Incentive-Based Compensation is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

(h) "*Recovery Period*" shall mean the three completed fiscal years of the Company immediately preceding the date the Company is required to prepare an Accounting Restatement; provided that the Recovery Period shall not begin before the Effective Date. For purposes of determining the Recovery Period, the Company is considered to be "required to prepare an Accounting Restatement" on the earlier to occur of: (i) the date the Company's Board of Directors, a committee thereof, or the Company's authorized officers conclude, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement. If the Company changes its fiscal year, then the transition period within or immediately following such three completed fiscal years also shall be included in the Recovery Period, provided that if the transition period between the last day of the Company's prior fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, then such transition period shall instead be deemed one of the three completed fiscal years and shall not extend the length of the

Recovery Period.

5. Exceptions. Notwithstanding anything to the contrary in this Policy, recovery of Erroneously Awarded Compensation will not be required to the extent the Company's committee of independent directors responsible for executive compensation decisions (or a majority of the independent directors serving on the Company's board of directors in the absence of such a committee) has made a determination that such recovery would be impracticable and one of the following conditions have been satisfied:

   (a) The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on the expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the national securities exchange or association on which its securities are listed.

   (b) Recovery would violate home country law where, with respect to Incentive-Based Compensation, that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the national securities exchange or association on which its securities are listed, that recovery would result in such a violation, and must provide such opinion to the exchange or association.

   (c) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

6. Manner of Recovery. In addition to any other actions permitted by law or contract, the Company may take any or all of the following actions to recover any Erroneously Awarded Compensation: (a) require the Covered Officer to repay such amount; (b) offset such amount from any other compensation owed by the Company or any of its affiliates to the Covered Officer, regardless of whether the contract or other documentation governing such other compensation specifically permits or specifically prohibits such offsets; and (c) subject to Section 5(c), to the extent the Erroneously Awarded Compensation was deferred into a plan of deferred compensation, whether or not qualified, forfeit such amount (as well as the earnings on such amounts) from the Covered Officer's balance in such plan, regardless of whether the plan specifically permits or specifically prohibits such forfeiture. If the Erroneously Awarded Compensation consists of shares of the Company's common stock, and the Covered Officer still owns such shares, then the Company may satisfy its recovery obligations by requiring the Covered Officer to transfer such shares back to the Company.

7. Other.

(a) This Policy shall be administered and interpreted, and may be amended from time to time, by the Company's board of directors or any committee to which the board may delegate its authority in its sole discretion in compliance with the applicable listing standards of the national securities exchange or association on which the Company's securities are listed, and the determinations of the board or such committee shall be binding on all Covered Officers.

(b) The Company shall not indemnify any Covered Officer against the loss of Erroneously Awarded Compensation.

(c) The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the Federal securities laws, including the disclosure required by the applicable Securities and Exchange Commission filings.

(d) Any right to recovery under this Policy shall be in addition to, and not in lieu of, any other rights of recovery that may be available to the Company.

Exhibit 99.1

Return on Invested Capital ("ROIC") and Economic Return Calculations GAAP to non-GAAP reconciliation (dollars in thousands):

	Fiscal year ended		
	September 30, 2023	October 1, 2022	October 2, 2021
Operating income, as reported	$ 195,820	$ 178,185	$ 176,268
Restructuring and other charges	23,094	2,021	3,267
Adjusted operating income	218,914	180,206	179,535
Tax rate	13.0 %	13.0 %	13.0 %
Adjusted operating income (tax-effected)	$ 190,455	$ 156,779	$ 156,195
Average invested capital	$ 1,425,626	$ 1,207,357	$ 1,014,742
ROIC	13.4 %	13.0 %	15.4 %
WACC	9.0 %	9.3 %	8.1 %
Economic Return	4.4 %	3.7 %	7.3 %

Average Invested Capital	**Fiscal 2023**					
	September 30, 2023	July 1, 2023	April 1, 2023	December 31, 2022	October 1, 2022	Average invested capital
Equity	$ 1,214,382	$ 1,184,362	$ 1,182,382	$ 1,150,259	$ 1,095,731	
Plus:						
Debt and finance lease obligations - current	240,205	304,781	294,011	329,076	273,971	
Operating lease obligations - current (1)	8,363	8,772	8,358	8,878	7,948	
Debt and finance lease obligations - long-term	190,853	187,468	188,730	187,272	187,776	
Operating lease obligations - long-term	38,552	40,515	31,257	32,149	33,628	
Less:						
Cash and cash equivalents	(256,233)	(252,965)	(269,664)	(247,880)	(274,805)	
	$ 1,436,122	$ 1,472,933	$ 1,435,074	$ 1,459,754	$ 1,324,249	$ 1,425,626

Average Invested Capital	**Fiscal 2022**					
	October 1, 2022	July 2, 2022	April 2, 2022	January 1, 2022	October 2, 2021	Average invested capital
Equity	$ 1,095,731	$ 1,058,190	$ 1,040,591	$ 1,044,095	$ 1,028,232	
Plus:						
Debt and finance lease obligations - current	273,971	250,012	222,393	151,417	66,313	
Operating lease obligations - current (1)	7,948	8,640	9,266	9,507	9,877	
Debt and finance lease obligations - long-term	187,776	184,707	186,069	187,075	187,033	
Operating lease obligations - long-term	33,628	32,270	34,347	36,343	37,970	
Less:						
Cash and cash equivalents	(274,805)	(276,608)	(307,964)	(217,067)	(270,172)	
	$ 1,324,249	$ 1,257,211	$ 1,184,702	$ 1,211,370	$ 1,059,253	$ 1,207,357

Average Invested Capital

	Fiscal 2021					
	October 2, 2021	July 3, 2021	April 3, 2021	January 2, 2021	October 3, 2020	Average invested capital
Equity	$ 1,028,232	$ 1,020,450	$ 1,013,952	$ 1,006,959	$ 977,480	
Plus:						
Debt and finance lease obligations - current	66,313	60,468	50,229	148,408	146,829	
Operating lease obligations - current (1)	9,877	9,130	9,314	9,351	7,724	
Debt and finance lease obligations - long-term	187,033	187,690	188,730	188,148	187,975	
Operating lease obligations - long-term	37,970	33,193	34,751	37,052	36,779	
Less:						
Cash and cash equivalents	(270,172)	(303,255)	(294,370)	(356,724)	(385,807)	
	$ 1,059,253	$ 1,007,676	$ 1,002,606	$ 1,033,194	$ 970,980	$ 1,014,742

(1) Included in other accrued liabilities on the Consolidated Balance Sheets.

PLEXUS®

PLEXUS CORP. NOTICE OF ANNUAL MEETING

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

December 15, 2023

To the Shareholders of Plexus Corp.

You are invited to the Annual Meeting of Shareholders of Plexus Corp., a Wisconsin corporation:

DATE AND TIME
February 14, 2024
8:00 a.m. CST

ACCESS THE VIRTUAL ANNUAL MEETING
This year's annual meeting will be held virtually. Shareholders may participate in the virtual annual meeting by logging in at the following link and providing the control number found in the Notice of Internet Availability of Proxy Materials: www.virtualshareholdermeeting.com/PLXS2024

RECORD DATE
Shareholders of record at the close of business on December 8, 2023, are entitled to attend and vote at the annual meeting. As of the Record Date, Plexus had 27,504,188 shares of common stock outstanding. Each outstanding share of common stock is entitled to one vote on each matter presented. Any shareholder entitled to vote may vote either at the virtual meeting or by duly authorized proxy.

ITEMS OF BUSINESS

1. Elect 10 Directors (pg. 9)
2. Approve executive compensation by an advisory vote (pg. 71)
3. Ratify the selection of PricewaterhouseCoopers LLP as our independent auditors (pg. 74)
4. Approve the Plexus Corp. 2024 Omnibus Incentive Plan (pg. 75)
5. Transact such other business as may properly come before the meeting

We call your attention to the proxy statement accompanying this notice, which contains important information about the matters to be acted upon at the meeting.

By Order of the Board of Directors,

Angelo M. Ninivaggi
Executive Vice President, Chief Administrative Officer,
General Counsel and Secretary

Important notice regarding the availability of proxy materials for the shareholder meeting to be held on February 14, 2024. The proxy statement and the Company's 2023 annual report to shareholders are available at **www.proxyvote.com**. At www.proxyvote.com, shareholders can view the proxy material, vote and request to receive paper copies of the proxy materials by mail.

TABLE OF CONTENTS

Index of frequently accessed information

WHAT WE DO

OUR VISION

WE HELP CREATE THE PRODUCTS THAT BUILD A BETTER WORLD.

OUR MISSION

THE LEADER IN HIGHLY COMPLEX PRODUCTS AND DEMANDING REGULATORY ENVIRONMENTS.

Plexus partners with companies to help create the products that build a better world. Our global team of nearly 25,000 individuals provides innovative solutions across the product lifecycle, specializing in the design, manufacture and service of highly complex products in demanding regulatory environments. Paired with our optimized and integrated global supply chain, we help our customers solve complex product challenges through a broad array of differentiated services—from product development and new product introduction through volume manufacturing, service and end of life. We provide these solutions to market-leading as well as disruptive global companies in the Healthcare/Life Sciences, Industrial and Aerospace/Defense sectors. Our solutions are supported across our 28 facilities in the Americas ("AMER"), Asia-Pacific ("APAC") and Europe, Middle East and Africa ("EMEA") regions.

EMEA

AMER

APAC

Fiscal 2023 Highlights

$4.21B Revenue

13.4% ROIC

$4.96 Diluted earnings per share

Nearly **25,000** Team members globally

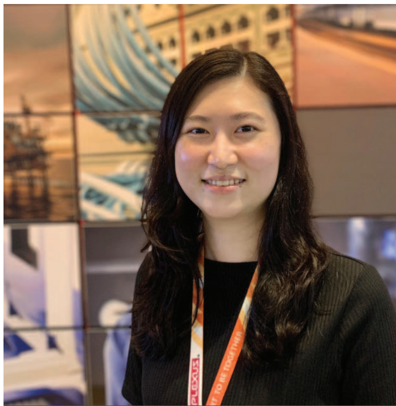
640+ Development engineers

8.5% Electricity Intensity Reduction Across Global Manufacturing Sites

5.1M Total square feet

28/8 Facilities/ Countries

19,000+ Volunteer time off hours logged





WHO WE ARE

Our ability to realize our vision to build a better world fundamentally depends on the wellbeing and inclusive engagement of each and every individual on our team.

We build through the products we support, enhancing the lives of the people around us. We build through innovation, powered by the ideas and experiences of our diverse, talented global workforce. And we build through the opportunities we offer our team members as we strive to be a better Plexus in pursuit of a better world.

Committed to a diverse and inclusive workplace.

Our Diversity & Inclusion (D&I) journey is not a project or an initiative. It's a continuous commitment to our team members, communities and ourselves as individuals to embrace diverse backgrounds, differences and ideas. As a global organization, there is an ever-present opportunity to integrate D&I principles into everything we do. Through this, we position Plexus to create enduring value for our people, customers and society. This commitment is reflected in our D&I Statement:

Be You. Our people create our best Plexus. Ingrained in our culture of inclusion is the philosophy that each individual offers diverse perspectives, backgrounds and experiences that create great outcomes when we are united as a team. We respect our people and embrace our differences. We welcome everyone and value the ideas generated by our collective uniqueness. We aspire that all of our people reach their full potential.

Employee resource groups (ERGs)

WOMEN IN NETWORK

Champions the advancement of women in professional and personal development.

PLEXUS YOUNG PROFESSIONALS

Fosters development and collaboration for young professionals.

UNUSPLEXUS

Created to celebrate different cultures and diversity at Plexus.

PLEXUS' VETERANS NETWORK

Strives to enhance our ability to hire, develop and support U.S. Veterans across the organization to improve business outcomes.

PLEXUS PRIDE

Supports the needs of the LGBTQ+ community by creating greater awareness of the challenges and uniqueness of the demographic.


PROXY STATEMENT

Plexus Corp.
Global Headquarters
One Plexus Way
Neenah, WI 54957-0156

MEETING AND VOTING INFORMATION

Plexus Corp. will hold its annual meeting of shareholders virtually on February 14, 2024, at 8 a.m. CST. Shareholders may participate in the virtual annual meeting by logging in at the following link and providing the control number found in the Notice of Internet Availability of Proxy Materials: www.virtualshareholdermeeting.com/PLXS2024.

How to Access Your Proxy Materials

On or about December 15, 2023, we mailed to shareholders a Notice of Internet Availability of Proxy Materials ("Notice") containing instructions on how to access our proxy materials, including our proxy statement and annual report, and how to vote via the internet. Shareholders will not receive printed copies of the proxy materials unless requested via the procedures described in the Notice. To assure timely delivery of printed copies of the proxy materials before the annual meeting, shareholders need to request a copy no later than January 24, 2024.

How to Vote

Shareholders of record at the close of business on December 8, 2023 (the "Record Date") are entitled to participate and vote at the virtual annual meeting. As of the Record Date, Plexus had 27,504,188 shares of common stock outstanding. If you are a shareholder of record as of the Record Date, then you may vote either at the virtual annual meeting or in advance of the meeting by authorizing—by internet, telephone or mail—the persons named as proxies on the proxy card, Dean A. Foate, Todd P. Kelsey, Patrick J. Jermain and Angelo M. Ninivaggi, to vote your shares in accordance with your directions. We encourage you to vote as soon as possible, even if you are planning to attend the virtual annual meeting (by virtual presence online), so that the vote count will not be delayed.

	By internet	Go to www.proxyvote.com. You will need your 16-digit control number included on the Notice in order to vote by internet.
	By telephone	On a touch-tone telephone, call 1-800-690-6903. You will need your 16-digit control number included on the Notice in order to vote by telephone.
	By mail	Please request written materials by following the instructions in the Notice. Complete, sign and date the proxy card, and return it to the address indicated on the proxy card.
	Virtually	If you attend the virtual annual meeting, you will be able to cast your vote via the online meeting platform during a designated portion of the meeting. Have your Notice, proxy card or proxy form with your 16-digit control number available when you access the virtual annual meeting.

If for any reason you desire to revoke your proxy, then you may do so at any time before it is voted, either by written notice filed with the Secretary, or Acting Secretary, of the meeting. Questions may be asked during the virtual meeting by submitting such questions in writing via the online platform.

For those investors whose shares are held by a broker or other nominee, you must complete and return the voting instruction form provided by your broker, bank or nominee to provide instruction on how to cast your vote. In the absence of your voting instructions, brokers or other nominees may or may not be able to vote your shares at their discretion depending upon the particular proposal. For example, brokers may not vote your shares at their discretion in the election of directors; therefore, you must vote your shares if you want them to be counted in the election of directors. In addition, your broker is not permitted to vote your shares at its discretion regarding matters related to executive compensation, including the advisory vote to approve named executive officer (“NEO”) compensation or the advisory vote on the frequency of the vote on compensation. If a broker or other nominee holds your shares and you wish to change your proxy prior to the voting thereof, please contact the broker or other nominee.

Shareholders who own shares as part of Plexus’ 401(k) Retirement Plan (the “401(k) Plan”) will receive a separate means for voting the shares held in each account. Shares held by the 401(k) Plan for which participant designations are received will be voted in accordance with those designations. Those shares for which designations are not received will be voted proportionally based upon the shares for which voting directions have been received from participants in the 401(k) Plan.

Shareholder Proposals

The Secretary must receive a shareholder proposal no later than August 17, 2024 for the proposal to be considered for inclusion in our proxy materials for the 2025 annual meeting pursuant to Rule 14a-8 of the rules of the Securities and Exchange Commission. The 2025 annual meeting of shareholders is tentatively scheduled for February 12, 2025. To bring a proposal or nomination before the 2025 annual meeting, you must comply with our bylaws, which require written notice to the Secretary between October 6, 2024 and October 31, 2024. The purpose of this requirement is to assure adequate notice of, and information regarding, any such matter as to which shareholder action may be sought. If we receive your notice after October 31, 2024, then your proposal or nomination would be untimely and it will not be presented to shareholders for action at the 2025 annual meeting of shareholders. To comply with the universal proxy rules, shareholders who intend to solicit proxies in support of director nominees other than the Company’s nominees must provide the additional information required by Rule 14a-19(b) under the Securities Exchange Act of 1934. Such additional information must be received by the Secretary by no later than December 16, 2024. In addition, your proposal or nomination must comply with the procedural provisions of our bylaws. If you do not comply with these procedural provisions, your proposal or nomination can be excluded. Should the board nevertheless choose to present your proposal, the named proxies will be able to vote on the proposal using their best judgment.

ITEMS OF BUSINESS

	Board Recommendation
Proposal 1 Elect 10 directors named in the proxy statement to serve on Plexus' board of directors for a one-year term.	**FOR**
Proposal 2 Approve by advisory proposal the compensation of the Company's named executive officers, as disclosed under the headings "Compensation Discussion and Analysis" and "Executive Compensation."	**FOR**
Proposal 3 Ratify the selection of PricewaterhouseCoopers LLP as our independent auditors for fiscal 2024.	**FOR**
Proposal 4 Approve the Plexus Corp. 2024 Omnibus Incentive Plan (the "2024 Plan").	**FOR**

Voting Procedures & Votes Required

To conduct the annual meeting, more than 50% of Plexus' outstanding shares entitled to vote must be present at the virtual meeting or by duly authorized proxy. This is referred to as a "quorum." Abstentions and shares that are the subject of broker non-votes will be counted for the purpose of determining whether a quorum exists. Shares represented at a meeting for any purpose are counted in the quorum for all matters to be considered at the meeting. Each outstanding share of common stock is entitled to one vote on each matter presented.

If you own shares as a registered holder and you do not vote, then your shares will not be represented at the meeting and will not count toward the quorum requirement. If a quorum is obtained, then the shares that you have not voted will not affect whether a proposal is approved or rejected. If you are a shareholder whose shares are not registered in your name and you do not vote, then your bank, broker or other holder of record may still represent your shares at the meeting for purposes of obtaining a quorum.

Assuming a quorum is present, directors are elected by a plurality of the votes cast at the meeting or by proxy by the holders of Plexus common stock entitled to vote in the election at the meeting. "Plurality" means that the individuals who receive the highest number of votes are elected as directors, up to the maximum number of directors to be chosen at the meeting. Therefore, any shares that are not voted, whether by withheld authority, broker non-vote or otherwise, have no effect in the election of directors except to the extent that the failure to vote for any individual results in another individual receiving a relatively larger number of votes.

Our bylaws provide that if any nominee for director does not receive, in an uncontested election, a majority of the votes cast for his or her election, the board will determine whether to accept the individual's irrevocable, contingent resignation from the board (which must be submitted to, or on file with, the Company in order for that person to be nominated for board service).

Assuming a quorum is present, approval of the non-binding advisory vote regarding the compensation of our named executive officers will be determined by a majority of votes cast on such matter. In addition, ratification of PricewaterhouseCoopers LLP as our independent auditors for 2024 and approval of the 2024 Plan must be approved by a majority of votes cast on each such matter, assuming a quorum is present. Abstentions and broker non-votes will not affect these votes, except insofar as they reduce the number of shares that are voted.

Broadridge Financial Solutions, Inc. will use an automated system to tabulate the votes, and its representative(s) will also serve as the election inspector(s).

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table presents certain information as of the Record Date (December 8, 2023), regarding the beneficial ownership of Plexus common stock by each current director or nominee for director, each named executive officer appearing in the "Summary Compensation Table" included in "Executive Compensation" herein and all directors or nominees for director and current executive officers as a group. The following table also presents each known 5%-or-greater beneficial owner of Plexus common stock as of the date of their most-recently filed Schedule 13G/A or 13G report, as applicable. The specified individuals and entities have sole voting and sole dispositive powers as to all shares except as otherwise indicated.

	SHARES BENEFICIALLY OWNED[1]	PERCENTAGE OF SHARES OUTSTANDING
Joann M. Eisenhart	18,356	*
Dean A. Foate	116,080	*
Steven J. Frisch	74,348	*
Patrick J. Jermain	64,544	*
Rainer Jueckstock	26,391	*
Peter Kelly	34,771	*
Todd P. Kelsey	157,034	*
Randy J. Martinez	3,739	*
Oliver Mihm	25,798	*
Angelo M. Ninivaggi	48,744	*
Joel Quadracci	6,579	*
Karen M. Rapp	10,586	*
Paul A. Rooke	12,642	*
Michael V. Schrock	40,980	*
Jennifer B. Wuamett	0	*
All directors, director nominees and current executive officers as a group (18 persons)	656,979	2.39%
BlackRock, Inc.[2]	4,553,763	16.56%
The Vanguard Group, Inc.[3]	3,229,318	11.74%
Disciplined Growth Investors, Inc.[4]	2,168,854	7.89%
Dimensional Fund Advisors LP[5]	1,839,272	6.69%

** Less than 1%*

1 The amounts reported in the table include shares subject to acquisition within 60 days of the Record Date, upon the vesting of restricted stock units ("RSUs") granted under Plexus' equity plans as follows: Dr. Eisenhart (1,821), Mr. Foate (1,821), Mr. Frisch (11,720), Mr. Jermain (8,280), Mr. Jueckstock (1,821), Mr. Kelly (1,821), Mr. Kelsey (32,070), Mr. Martinez (1,821), Mr. Mihm (5,170), Mr. Ninivaggi (6,210), Mr. Quadracci (1,821), Ms. Rapp (1,821), Mr. Rooke (1,821), Mr. Running (2,240) and Mr. Schrock (1,821), Mr. Tan (2,760), and all directors and current executive officers as a group (84,839).

2 BlackRock, Inc. filed a report on Schedule 13G/A on January 23, 2023, reporting sole voting power as to 4,504,606 shares and sole dispositive power as to 4,553,763 shares of common stock. The address of BlackRock, a parent holding company of certain institutional investment managers, is 55 East 52nd Street, New York, New York 10055.

3 The Vanguard Group, Inc. filed a report on Schedule 13G/A on February 9, 2023, reporting shared voting power as to 42,121 shares, sole dispositive power as to 3,162,555 shares and shared dispositive power as to 66,763 shares of common stock. The address of Vanguard Group, an investment adviser, is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.

4 Disciplined Growth Investors, Inc. filed a report on Schedule 13G on August 1, 2008, reporting that it held sole voting power as to 1,899,904 shares, shared voting power as to 268,950 shares and sole dispositive power as to 2,168,854 shares of common stock. The address of Disciplined Growth Investors, an investment advisor, is 150 South Fifth Street, Suite 2100, Minneapolis, MN 55402.

5 Dimensional Fund Advisors LP filed a report on Schedule 13G/A on February 14, 2023, reporting sole voting power as to 1,810,699 shares and sole dispositive power as to 1,839,272 shares of common stock. The address of Dimensional Fund Advisors, an investment advisor, is Building One, 6300 Bee Cave Road, Austin, Texas 78746.

PROPOSAL 1 – ELECTION OF DIRECTORS

	Board Recommendation
The election of 10 directors named in the proxy statement to serve on Plexus' board of directors for a one-year term.	**FOR**

Plexus currently has 11 directors, listed below, as of the Record Date. Plexus' bylaws currently authorize up to 12 directors, as determined by the board. The Plexus board may elect directors to fill empty seats, including those created by an expansion, between meetings of shareholders.

PLEXUS' BOARD OF DIRECTORS (AS OF RECORD DATE)		
Joann M. Eisenhart	Todd P. Kelsey	Paul A. Rooke
Dean A. Foate	Randy J. Martinez	Michael V. Schrock
Rainer Jueckstock	Joel Quadracci	Jennifer Wuamett
Peter Kelly	Karen M. Rapp	

We would like to give special thanks to Mr. Peter Kelly, who will be retiring from the board immediately following the annual meeting. Mr. Kelly has served on Plexus' board for nearly 19 years, leveraging his extensive experiences, including as a former Chief Financial Officer and Executive Vice President of NXP Semiconductors N.V., to provide invaluable advice and leadership to management over the course of his tenure.

Board Nominees

In accordance with Plexus' bylaws, the board has set the size of the board to be 10 directors, decreased from the current board size of 11 directors, effective immediately following the annual meeting of shareholders, with such directors to serve until their successors are duly elected and qualified. The individuals who are nominated as directors, and for whom proxies will be voted unless a shareholder specifies otherwise, are named below. If any of the nominees should decline or be unable to act as a director, which is unforeseen, the proxies will be voted with discretionary authority for a substitute nominee designated by the board of directors. Each of the director nominees named below was elected at the 2023 annual meeting.

Board Nominee Overview

DIVERSITY

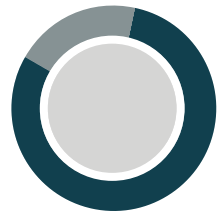
- Female: **30%**
- Ethnic minority: **10%**
- Non-diverse: **60%**

TENURE

8 years

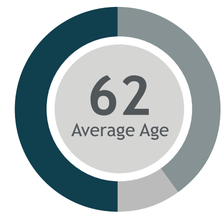
- 0-4 years ●●●
- 5-9 years ●●●●
- 10-14 years ●
- 15+ years ●●

INDEPENDENCE



- Not Independent: **20%**
- Independent: **80%**

AGE



- 50-59 years: **40%**
- 60-69 years: **50%**
- 70+ years: **10%**

The composition of the board of directors is reviewed annually to ensure that an appropriate mix of skills, experiences and backgrounds is represented; the membership mix of the board may also be changed as necessary to meet business needs. Your board nominees offer a diverse range of skills and experience in relevant areas, as set forth in the matrix below. Unless otherwise noted, all directors have been employed in their principal occupation listed for the past five years or more. Each of the attributes identified, which together with the directors' principal occupations and business experience, as well as the Company's board member selection criteria, outlined in the next section, provide the reasons that each individual has been nominated to serve on the board.

BOARD QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE

	EISENHART	FOATE	JUECKSTOCK	KELSEY	MARTINEZ	QUADRACCI	RAPP	ROOKE	SCHROCK	WAUMETT
Public Company CEO/COO Experience (7/10) Significant experience as a chief executive officer and/or chief operating officer of a publicly-traded company, or of a major division of a publicly-traded company.		✓	✓	✓	✓	✓		✓	✓	
Financial and Accounting Experience (9/10) Financial and accounting skills as well as experience preparing, auditing, analyzing or evaluating public company financial statements and an understanding of a public company's internal controls and procedures for financial reporting, preferably with experience as a controller and/or chief financial officer.		✓	✓	✓	✓	✓	✓	✓	✓	✓
Global Business Experience (10/10) International experience with an understanding of conducting business on a global scale.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sales, Marketing or Innovation Experience (9/10) In-depth knowledge and significant practical experience in sales, marketing or innovation at a company positioned in one or more of our key markets.	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Manufacturing Management Background (10/10) A manufacturing management background, including as an engineer, from a large, well-respected, manufacturing-based company.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Supply Chain Management Experience (10/10) A background in supply chain management, specifically from a company that relies on supply chain management as a competitive advantage.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technology and Cybersecurity (10/10) Experience in the technology sector and/or with managing cybersecurity practices in a multi-national organization.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

BOARD QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE (CONT.)

	EISENHART	FOATE	JUECKSTOCK	KELSEY	MARTINEZ	QUADRACCI	RAPP	ROOKE	SCHROCK	WAUMETT
Human Capital Development and Compensation Experience (10/10) Considerable experience in human capital development to fulfill talent and succession needs and to inform the design of both short- and long-term compensation and reward programs.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Environmental, Social & Governance (10/10) Considerable experience in the oversight of corporate policy, programs and goals relating to environmental, social and governance (“ESG”) matters.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DEMOGRAPHICS										
RACE / ETHNICITY										
AFRICAN AMERICAN										
ASIAN/PACIFIC ISLAND										
WHITE/CAUCASIAN (9/10)	■	■	■	■		■	■	■	■	■
HISPANIC/LATINO (1/10)					■					
NATIVE AMERICAN										
GENDER										
MALE (7/10)		■	■	■	■	■		■	■	
FEMALE (3/10)	■						■			■
NON-BINARY										
PREFER TO NOT DISCLOSE										
LGBQ+										

DR. JOANN M. EISENHART

INDEPENDENT

Executive VP & Chief People Officer,
The Northwestern Mutual Life Insurance Company (retired)

Age: 64
Tenure: 8 years
Other Public Boards: 0
Committee Assignment: Compensation & Leadership Development **(Chair)**

SKILLS AND EXPERIENCE

- Global Business
- Supply Chain Management
- Technology and Cybersecurity experience
- Human Capital Development and Compensation
- Manufacturing Management
- Sales, Marketing or Innovation
- Environmental, Social & Governance

Dr. Eisenhart retired as Executive Vice President and Chief People Officer at The Northwestern Mutual Life Insurance Company, a financial services and insurance provider, in 2019. Prior thereto, she served as Senior Vice President – Human Resources, Facilities and Philanthropy at Northwestern Mutual from 2013 until 2018, and as Senior Vice President – Human Resources since 2011. Dr. Eisenhart previously served as Senior Vice President – Human Resources at Pfizer Inc., a global biopharmaceutical company, and held various leadership positions at Rohm and Haas Company, a manufacturer of specialty chemicals. She earned a B.S. in Chemistry from the University of Illinois at Urbana-Champaign and a Ph.D. in Inorganic Chemistry from the University of Wisconsin-Madison. She also earned an M.A. and a Ph.D. in Human and Organizational Development from Fielding Graduate University.

DEAN A. FOATE

CHAIR OF THE BOARD

President & CEO, Plexus Corp. (retired)

Age: 65
Tenure: 23 years (10 as Chairman)
Other Public Boards: 0

SKILLS AND EXPERIENCE

- Public Company CEO/COO
- Manufacturing Management
- Financial and Accounting
- Supply Chain Management
- Global Business
- Human Capital Development and Compensation
- Technology and Cybersecurity experience
- Sales, Marketing or Innovation
- Environmental, Social & Governance

Mr. Foate is not an independent director and therefore is not eligible for membership on a Board committee under Nasdaq rules or the committees' charters.

Mr. Foate has served as Plexus' Chairman of the Board since 2013. Mr. Foate retired as President and Chief Executive Officer of Plexus in 2016 after serving in such roles since 2002. He joined Plexus in 1984 and held various other executive roles, including prior services as its Chief Operating Officer. He was director of Regal Rexnord Corporation, a manufacturer of electric motors, electrical motion controls, power generation and power transmission products, as well as a member of its Corporate Governance & Director Affairs Committee, until 2021. Mr. Foate earned a B.S. in Electrical and Computer Engineering from the University of Wisconsin-Madison and a Master of Science in Engineering Management from the Milwaukee School of Engineering.

RAINER JUECKSTOCK

INDEPENDENT
Executive VP, Tenneco Inc. (retired)

Age: 64
Tenure: 10 years
Other Public Boards: 0
Committee Assignment:
Audit **(Chair)**

SKILLS AND EXPERIENCE

- Public Company CEO/COO
- Financial and Accounting
- Global Business
- Technology and Cybersecurity experience
- Environmental, Social & Governance
- Manufacturing Management
- Supply Chain Management
- Human Capital Development and Compensation
- Sales, Marketing or Innovation

Mr. Jueckstock retired as Executive Vice President of Tenneco Inc., a producer of automotive emission control and ride control products and systems, in March 2023, serving in such role since 2018 when Tenneco acquired Federal-Mogul Corporation, an automotive and industrial equipment supplier. Mr. Jueckstock also served as President of Federal-Mogul Powertrain from 2018 until his retirement, after having served as its Chief Executive Officer since 2012. Prior to the acquisition of Federal-Mogul, he also served as co-Chief Executive Officer and as a director since 2012, and as co-Chairman of the Board since 2015. Before joining Federal-Mogul, he was a member of the German Military. Mr. Jueckstock earned a degree in Engineering from the Military College at Zittau, Germany.

TODD P. KELSEY

NON-INDEPENDENT
CEO, Plexus Corp.

Age: 58
Tenure: 7 years
Other Public Boards: 1

SKILLS AND EXPERIENCE

- Public Company CEO/COO
- Financial and Accounting
- Global Business
- Technology and Cybersecurity experience
- Environmental, Social & Governance
- Manufacturing Management
- Supply Chain Management
- Human Capital Development and Compensation
- Sales, Marketing or Innovation

Mr. Kelsey has served as Chief Executive Officer of Plexus since 2016 and served as President from 2016 to 2022. He was previously Plexus’ Executive Vice President and Chief Operating Officer from 2013 until 2016, and its Executive Vice President – Global Customer Services prior thereto. Mr. Kelsey joined Plexus in 1994 as a Design Engineer in the Company’s Engineering Solutions Group, and has held various other positions with increasing responsibility since that time, including Senior Vice President – Global Customer Services and Senior Vice President –Engineering Solutions. He is also a director of Steelcase Inc., a global provider of workplace products, furnishings and services, as well as the chair of its Audit Committee. Mr. Kelsey earned a B.S. and a M.S. in electrical engineering from the University of Wisconsin-Madison and an M.B.A. from the University of Wisconsin-Oshkosh.

RANDY J. MARTINEZ

INDEPENDENT
President & CEO, MTS Systems Corp. (retired)

Age: 68
Tenure: 2 years
Other Public Boards: 0
Committee Assignment:
Audit
Governance & Sustainability

SKILLS AND EXPERIENCE

- Public Company CEO/COO
- Financial and Accounting
- Global Business
- Technology and Cybersecurity experience
- Environmental, Social & Governance
- Manufacturing Management
- Supply Chain Management
- Human Capital Development and Compensation
- Sales, Marketing or Innovation

Mr. Martinez served as President and Chief Executive Officer of MTS Systems Corporation, a leading global supplier of advanced test systems, motion simulators and precision sensors, until 2021. Prior thereto, Mr. Martinez served in several leadership roles at AAR Corporation, a provider of aviation services to the worldwide commercial aviation and aerospace & defense industries, including President & CEO of the Airlift Group and Group Vice President, Aviation Services. Mr. Martinez served with distinction in the U.S. Air Force for 21 years, retiring as a Colonel and Command Pilot and having held a wide variety of leadership roles, including command and senior staff positions. Mr. Martinez also holds Master of Science degrees from the University of Arkansas and the National Defense University.

JOEL QUADRACCI

INDEPENDENT
Chairman, President & CEO, Quad/Graphics, Inc

Age: 54
Tenure: 3 year
Other Public Boards: 1
Committee Assignment:
Compensation & Leadership Development
Governance & Sustainability

SKILLS AND EXPERIENCE:

- Public Company CEO/COO
- Financial and Accounting
- Global Business
- Technology and Cybersecurity experience
- Environmental, Social & Governance
- Manufacturing Management
- Supply Chain Management
- Human Capital Development and Compensation
- Sales, Marketing or Innovation

Mr. Quadracci has served as the Chairman, President and Chief Executive Officer of Quad/Graphics, Inc., a worldwide marketing solutions partner, since 2010. Mr. Quadracci joined Quad in 1991 and, prior to assuming his current role, served in various other positions with increasing responsibility, including Senior Vice President of Sales & Administration and President and Chief Operating Officer. Mr. Quadracci received a B.A. in Philosophy from Skidmore College in 1991.

KAREN M. RAPP

INDEPENDENT

Executive VP, CFO & Treasurer, National Instruments Corp. (retired)

Age: 56
Tenure: 5 years
Other Public Boards: 1
Committee Assignment:
Audit
Compensation & Leadership Development

SKILLS AND EXPERIENCE

- Financial and Accounting
- Supply Chain Management
- Global Business
- Human Capital Development and Compensation
- Sales, Marketing or Innovation
- Technology and Cybersecurity
- Environmental, Social experience& Governance
- Manufacturing Management

Ms. Rapp retired as Executive Vice President and Chief Financial Officer of National Instruments Corp., a producer of automated test equipment and virtual instrumentation software, in May 2023. Ms. Rapp also previously served as National Instruments' Treasurer. Prior thereto, she served as the Senior Vice President of Corporate Development at NXP Semiconductors N.V., a global semiconductor company and a long-standing supplier in the industry, where she led the integration efforts for the NXP/Freescale Semiconductor, Ltd. merger, from 2015 to 2017. Prior to the merger, Ms. Rapp held several leadership positions at Freescale with increasing responsibility, including Vice President and Chief Information Officer, Director of Operations and Finance, Global Sales and Marketing, Director of Finance, Supply Chain, and Director of Finance, Continuous Development. Ms. Rapp is also a director of Microchip Technology Incorporated, a leading provider of smart, connected and secure embedded control solutions, as well as a member of its Audit Committee. Ms. Rapp holds an M.B.A from The University of Texas at Austin and a B.S. in Finance from Northern Illinois University.

PAUL A. ROOKE

INDEPENDENT

Chairman & CEO, Lexmark International, Inc. (retired)

Age: 65
Tenure: 6 years
Other Public Boards: 0
Committee Assignment:
Governance & Sustainability **(Chair)**

SKILLS AND EXPERIENCE

- Public Company CEO/COO
- Manufacturing Management
- Financial and Accounting
- Supply Chain Management
- Global Business
- Human Capital Development and Compensation
- Technology and Cybersecurity experience
- Sales, Marketing or Innovation
- Environmental, Social & Governance

Mr. Rooke retired as Chairman and Chief Executive Officer, as well as a director, of Lexmark International, Inc., a provider of document imaging and enterprise software solutions, in 2016. Mr. Rooke also previously served as President of Lexmark. Prior to becoming President and CEO of Lexmark in 2010, he held several leadership positions with increasing responsibility, including Executive Vice President and President, Imaging Solutions, Executive Vice President and President, Printing Solutions and Services, and Vice President and President, Business Printer. Mr. Rooke holds an M.B.A. from the University of Kentucky and a B.S. in Mechanical Engineering from the University of Michigan.

MICHAEL V. SCHROCK

INDEPENDENT LEAD DIRECTOR

Senior Advisor & Operating Consultant, Oak Hill Capital Partners

Age: 70
Tenure: 17 years
(9 as Lead Director)
Other Public Boards: 1
Committee Assignment:
Compensation & Leadership Development

SKILLS AND EXPERIENCE

- Public Company CEO/COO
- Manufacturing Management
- Financial and Accounting
- Supply Chain Management
- Global Business
- Human Capital Development and Compensation
- Technology and Cybersecurity experience
- Sales, Marketing or Innovation
- Environmental, Social & Governance

Mr. Schrock, who has served as the Lead Director of Plexus' board since 2013, has served as a Senior Advisor and Operating Consultant to Oak Hill Capital Partners, a private equity firm, since 2014. Prior thereto, he served as President and Chief Operating Officer at Pentair plc, a global water, fluid, thermal management, and equipment protection company. Mr. Schrock also serves as Chairman of the Board of Directors of Atkore International Group Inc., a manufacturer of electrical raceway products and mechanical products and solutions; he is also the chair of Atkore's Executive Committee. Mr. Schrock earned a B.S. from Bradley University and an M.B.A. from Northwestern University, Kellogg School of Management. Mr. Schrock served as a director of MTS Systems Corporation, a global supplier of high performance test systems and position sensors, from 2014 to 2021.

JENNIFER WUAMETT

INDEPENDENT

Executive VP, General Counsel, Corporate Secretary & Chief Sustainability Officer, NXP Semiconductors N.V.

Age: 58
Tenure: 1
Other Public Boards: 0
Committee Assignment:
Governance & Sustainability
Compensation & Leadership Development

SKILLS AND EXPERIENCE

- Global Business
- Supply Chain Management
- Technology and Cybersecurity experience
- Human Capital Development and Compensation
- Environmental, Social& Governance
- Financial and Accounting
- Manufacturing Management

Jennifer Wuamett is Executive Vice President, General Counsel, Corporate Secretary and Chief Sustainability Officer of NXP Semiconductors N.V., a global semiconductor company and a long-standing supplier in the industry, since 2015. In this role, she is responsible for worldwide legal, governance, compliance and intellectual property matters for NXP. Ms. Wuamett is also responsible for oversight of NXP's ESG and risk programs. Ms. Wuamett has over two decades of experience in the electronics industry. Jennifer joined NXP in 2015 with the merger of Freescale Semiconductor, Ltd., to become NXP's deputy general counsel and chief intellectual property officer. Before joining NXP, she was Freescale's General Counsel and Chief Intellectual Property Officer. Prior to joining Freescale, Ms. Wuamett worked for Motorola's legal department starting in 1997 and served in a variety of roles of increasing responsibility, with a focus on intellectual property and complex transactions. Before joining Motorola, Ms. Wuamett was an attorney in private practice with the law firm Quarles & Brady.

CORPORATE GOVERNANCE

Plexus Corp. Board of Directors

Plexus believes that it needs to attract and retain talented, focused and motivated leadership to develop and execute the Company's long-term strategy and to deliver shareholder value. For Plexus, the concept of leadership is not limited to leadership within the Company; leadership also includes the individuals who serve on Plexus' board of directors. The Company believes it is important for its board to be comprised of individuals with diverse backgrounds, skills and experiences. All board members are expected to meet Plexus' board member selection criteria, which are listed below:

- Impeccable honesty and integrity, and conduct in accordance with the Company's values.
- A high level of knowledge gained through formal education and/or specific practical experience.
- Broad-based business acumen, including a general understanding of operations management, marketing, finance, human resources management, ESG, cybersecurity, corporate governance and other elements relevant to the success of a large publicly-traded company.
- An understanding of the Company's business on a technical level.
- Global thinking and focus as well as a general understanding of the world economy.
- Strategic thinking and an ability to envision future opportunities and risks.
- A willingness to engage in thoughtful debate and challenging discussions in a respectful manner.
- A network of important contacts that can bring knowledge and assistance to Plexus.
- A commitment to spend requisite time on board responsibilities.

In addition to the general criteria for each board member, the diversity of the board should endeavor to include those board qualifications, attributes, skills and experience set forth in the "Board Qualifications, Attributes, Skills and Experience" above. In the selection of board members, the Governance & Sustainability Committee ("Governance Committee") also considers the demographic diversity among members in identifying areas that could be augmented by new members.

Shareholder Protections & Corporate Governance Best Practices

We are committed to governance structures and practices that drive shareholder value and protect important shareholder rights, which are regularly reviewed and include the following:

INDEPENDENCE

- ✓ 8 of 10 director nominees are independent
- ✓ Strong independent Lead Director with clearly delineated duties
- ✓ All standing board committees composed entirely of independent directors
- ✓ Regular executive sessions of independent directors without management present
- ✓ Periodic rotation of committee members

BEST PRACTICES

- ✓ Strategy & risk oversight by the full board and its committees
- ✓ Full board and committee oversight of ESG issues
- ✓ Stock ownership guidelines for executive officers and non-employee directors
- ✓ Overboarding limits
- ✓ No poison pill
- ✓ No dual-class shares
- ✓ Director education and onboarding

ACCOUNTABILITY

- ✓ Annual election of all directors
- ✓ Annual election of Chair and Independent Lead Director by independent directors
- ✓ Majority voting with director resignation policy (plurality voting in contested elections)
- ✓ Annual self-evaluation process for directors
- ✓ Strong investor outreach program

Board Composition & Structure

BOARD OF DIRECTORS MEETINGS

7	94.5%	100%
2023 board meetings	Directors then serving attended each 2023 board meeting	Directors then serving attended the 2023 Annual Meeting

Our independent directors have the opportunity to meet in executive session, without management present, as part of each regular board and committee meeting. Mr. Schrock, the board's Lead Director, presides at board executive sessions. Plexus generally holds a board meeting coincident with the annual meeting of shareholders to minimize director travel obligations and facilitate their attendance at the shareholders' meeting.

DIRECTOR INDEPENDENCE

As a matter of good corporate governance, we believe that the board of directors should provide a strong voice in the governance of our company. Therefore, under our corporate governance policies and in accordance with Nasdaq Global Select Market rules, at least a majority of our directors must be "independent directors."

When the board of directors makes its determinations regarding which directors are independent, it first considers and follows the Nasdaq Global Select Market rules. The board also reviews other transactions and relationships, if any, involving Plexus and its directors or their family members or related parties; see "Certain Transactions" herein for a discussion of our policy regarding such transactions. Plexus expects its directors to disclose any transaction, whether direct or indirect, such as through an immediate family member or an affiliated business entity, involving Plexus and the director; Plexus also surveys directors periodically to confirm this information. Plexus does not use any dollar amount to screen transactions that should be reported to the Company. The board reviews the information submitted by its directors for its separate determination of materiality and compliance with Nasdaq and other standards when it determines independence.

Based on the applicable standards and the board's review and consideration, the board of directors has determined that, of the director nominees, Dr. Eisenhart and Mses. Rapp and Wuamett, as well as Messrs. Jueckstock, Martinez, Quadracci, Rooke and Schrock, are each "independent" under applicable Nasdaq rules and guidelines. In reaching its determinations regarding the independence of Ms. Wuamett and Ms. Rapp, the board considered that Ms. Wuamett serves as an executive officer of NXP Semiconductors N.V., which is a supplier to Plexus, and that Ms. Rapp was an executive officer of National Instruments Corp. and is a director of Microchip Technology, Inc., both of which are also suppliers to Plexus. The board determined that these relationships did not affect the independence of Mses. Wuamett or Rapp. Mr. Foate, our Non-Executive Chair and former Chief Executive Officer, and Mr. Kelsey, our current Chief Executive Officer, are not considered to be "independent" under applicable Nasdaq rules.

BOARD LEADERSHIP STRUCTURE

Mr. Foate has served as Chair of the Board since 2013. Pursuant to a retirement and transition agreement (the "Transition Agreement"), which is described in "Directors' Compensation" below, Mr. Foate began serving as Non-Executive Chair (which is not an executive officer position) in fiscal year 2018.

Mr. Foate serves as the Chair of the Board primarily due to his in-depth knowledge of the Company and EMS industry, keen understanding of the Company's operations and strategies, and proven leadership of, as well as vision for, Plexus, all of which position him to provide strong and effective leadership of the board. Mr. Foate joined Plexus in 1984 and served as CEO from 2002 until his retirement in 2016. In addition to his experience and long service with Plexus, the board currently believes that Mr. Foate is in the best position as Chair to lead board discussions regarding the Company's business and strategy, and to help the board respond quickly and effectively to any challenges faced by the Company.

While currently the roles of Chair and CEO are held by Mr. Foate and Mr. Kelsey, respectively, the board does not have a policy that requires the separation of these roles and believes the Company should adopt the board leadership structure that best serves its needs at any particular time. Pursuant to the Company's Corporate Governance Guidelines, since Mr. Foate is not an independent director, the independent directors, meeting in executive session, elected a Lead Director from among the independent directors.

THE DUTIES OF THE BOARD'S LEAD DIRECTOR

The Company believes that the designation of an independent Lead Director, whose duties are described below, provides essentially the same benefits as having an independent chair in terms of oversight, access and an independent voice with significant input into corporate governance. Mr. Schrock currently serves as the board's Lead Director.

- Preside at all meetings of the board at which the Chair is not present
- Serve as a liaison between the Chair and independent directors
- Together with the Chair, approve agendas for board meetings and approve meeting schedules to ensure sufficient time allocation per topic
- Provide input to the Chair as to the content, quality, quantity and timeliness of information from Company management to the board
- Authority to call meetings of the independent directors and develop the agendas for such meetings with input from other independent directors
- Serve as a liaison for consultation and direct communication with major shareholders
- Perform such other duties as the board or Chair may from time to time delegate

BOARD AND COMMITTEE RESPONSIBILITIES

AUDIT COMMITTEE

MEMBERS Rainer Jueckstock, Chair Peter Kelly Randy Martinez Karen Rapp **Meetings in 2023: 12** **Attendance: 100%*** **Report page: 73** *Reflects directors then serving	The Audit Committee's duties and responsibilities include the following: • chooses and makes retention decisions related to the Company's independent auditors, • reviews the Company's general policies and procedures to reasonably assure the adequacy and effectiveness of internal controls over financial reporting, • discusses the Company's material financial risk exposures and the steps management has taken to monitor and control such exposures, • reviews the annual audited financial statements and quarterly financial statements of the company, • generally oversees the Company's audit process as well as the accounting, finance and tax functions, • reviews management's assessment of the adequacy and effectiveness of internal controls related to material numeric metrics included in the Company's sustainability reports and SEC filings, • reviews the effectiveness of the Company's governance and management of information technology risks, including those relating to business continuity, cybersecurity, regulatory compliance and data management, and • oversees the Company's ethics and whistle-blowing reporting programs in conjunction with the Governance Committee.

All of the members of the Audit Committee are "independent" of Plexus under SEC and Nasdaq rules. The board has determined that Mr. Kelly and Ms. Rapp are "audit committee financial experts" based on a review of each individual's educational background and business experience. All members of the Audit Committee are "financially literate" and meet the other SEC and Nasdaq requirements for Audit Committee membership.

COMPENSATION & LEADERSHIP DEVELOPMENT COMMITTEE

MEMBERS Joann Eisenhart, Chair Joel Quadracci Karen Rapp Michael Schrock Jennifer Wuamett **Meetings in 2023: 6** **Attendance: 100%*** **Report page: 52** *Reflects directors then serving	The Compensation & Leadership Development Committee's duties and responsibilities include the following: • reviews Plexus' leadership structure, talent management, diversity and inclusion efforts, leadership development strategies and programs, and the Company's succession planning efforts, including executive succession plans, • establishes the general compensation philosophies and plans for Plexus, • reviews and determines the compensation of the CEO, and approves the compensation of the other executive officers as well as equity grants and awards under Plexus' incentive compensation plans, • oversees how compensation programs may incentivize risk-taking and whether such risk-taking is aligned with the Company's business objectives and risk tolerance, • considers and makes recommendations to the board with respect to other compensatory plans and arrangements, and • reviews Plexus' human capital management strategy, including organizational structure and leadership development.

All of the members of the Compensation & Leadership Development Committee ("Compensation Committee") are "independent" under SEC and Nasdaq rules. The Compensation Committee may, in its sole discretion, retain or obtain the advice of compensation consultants, legal counsel or other advisers. The Compensation Committee is directly responsible for the appointment, termination, compensation and oversight of the work of any compensation consultant, and considers the independence of any such consultant prior to retention.

GOVERNANCE & SUSTAINABILITY COMMITTEE

MEMBERS **Paul Rooke, Chair** **Peter Kelly** **Randy Martinez** **Joel Quadracci** **Jennifer Wuamett** **Meetings in 2023: 5** **Attendance: 100%*** ***Reflects directors then serving**	The Governance & Sustainability Committee's duties and responsibilities include the following: • maintains oversight over the operations, structure and effectiveness of the board and its committees, • develops and maintains criteria and procedures for the identification and recruitment of candidates for election to serve as directors of the Company, • reviews the structure of the Board to assure proper skills, experience, and diversity of backgrounds are represented, • reviews the effectiveness of management's enterprise risk management program that identifies, prioritizes, monitors and manages key risks facing the Company, • reviews ethics and compliance risk assessments conducted by management and assesses the efficacy of the ethics and compliance program in place to monitor and control such exposures, • makes recommendations to the board regarding directors' compensation, and • evaluates as well as oversees corporate governance and related issues, and oversees the Company's ESG program, including policies and initiatives, sustainability reporting and trends that could impact the Company

All of the members of the Governance Committee are "independent" under SEC and Nasdaq rules.

Board Governance Processes

DIRECTOR RECRUITMENT & THE NOMINATION PROCESS

The Governance Committee engages in a continuous process of identifying and assessing potential director candidates in light of the board's collective set of skills and the future needs of the Company. In addition to the board member selection criteria listed above, the Governance Committee considers the diversity of backgrounds, skills and experiences among board members in identifying areas that could be augmented by new members. To help assure that directors have the time to devote to their duties, Plexus directors may not serve on the boards of more than three additional public companies. The Governance Committee may utilize a director search firm to identify candidates, but, if so, it evaluates those individuals on its own; the Governance Committee would also consider candidates suggested by outside directors, management and/or shareholders. If a qualified individual expresses a serious interest and there is a position available, the Governance Committee would review that person's background and experience to determine whether that individual may be an appropriate addition to the board, and, if appropriate, would meet with the individual. A decision would then be made whether to nominate that person to the board. The Governance Committee's policy is not to evaluate proposed nominees differently depending upon who has proposed the potential nominee. In addition, the Governance Committee is committed to prioritizing the inclusion of racially and ethnically diverse candidates in the pool from which director nominees are selected.

If a shareholder wishes to propose someone as a director for the Governance Committee's consideration, the name of that nominee and related personal information should be forwarded to the Governance Committee, in care of the Secretary, at least six months before the next annual meeting of shareholders to assure time for meaningful consideration by the Governance Committee. In 2023, Plexus did not receive any recommendations for director nominees put forward by any shareholders.

BOARD AND COMMITTEE SELF-EVALUATION PROCESS

The Plexus board of directors conducts an annual self-evaluation, which focuses on the performance of each individual director, the board's committees and the board as a whole, as well as the composition of each of the board's committees. The annual self-evaluation process provides an opportunity for anonymous peer review and specific feedback, which is intended to strengthen board leadership. The Chair of the Board is responsible for providing feedback to individual directors, while the Lead Director may also provide feedback and serve as a liaison between independent directors and the Chair. We believe this process encourages actionable feedback, which provides context for decisions about board composition, committee member rotation and succession planning processes.

BOARD REFRESHMENT & SUCCESSION

The Governance Committee supervises a comprehensive, ongoing board refreshment and succession planning process to best position the board for continued success in alignment with the Company's strategic objectives. This includes regularly assessing director skills and qualifications, reviewing director tenure, evaluating board diversity and board size, and performing annual board, committee and individual director assessments, as detailed above. In addition, the Governance Committee, with input from the Chair of the Board, reviews committee membership at least biennially and recommends committee assignments and committee rotation for approval by the entire board to ensure director skillsets are applied appropriately and to avoid director entrenchment.

The Governance Committee believes board refreshment is crucial to aligning board expertise with the Company's evolving corporate strategy, but recognizes new directors need time to become familiar with the Company's business and to develop relationships with other board members and management over time. As a result, the Governance Committee believes a continuum of tenure is required to enable the success of the board, with new members offering fresh perspectives while longer-serving directors offer necessary continuity and a deep understanding of the Company's business. As applied in practice, 37.5% of our independent director nominees have been on the board fewer than 5 years.

In furtherance of this philosophy, the Company deploys a new director onboarding process and encourages continuing education to help augment and expedite the effectiveness of its newest board members. The Company also maintains a mandatory retirement policy, which states any individual age 72 or above is not eligible for election or re-election to the board of directors, unless such candidate is also a full-time employee of Plexus at the time or the board of directors, by majority vote, waives the restriction for a particular individual prior to such person's election or re-election.

The board's succession oversight extends to management, as well. The board has developed and maintains an appropriate succession plan with respect to the position of CEO and other key executive positions. In addition, the Compensation Committee reviews and recommends to the board development plans for the CEO and other members of senior management.

COMMUNICATIONS WITH THE BOARD

Any communications to the board of directors should be sent to Plexus' Global Headquarters in care of Plexus' Secretary, Angelo M. Ninivaggi. Any communication sent to the board in care of the Chief Executive Officer, the Secretary or any other corporate officer also is forwarded to the board. There is no screening process, and any communication will be delivered directly to the director or directors to whom it is addressed.

CORPORATE GOVERNANCE WEBSITE

Information related to our corporate governance practices, in addition to any new or proposed changes to procedures, are posted on our Corporate Governance page of our website at www.plexus.com under the link titled "Investors," then "Corporate Governance" including:

- Plexus Leadership Team
- Board of Directors
- Committee Composition
- Committee Charters
- Corporate Governance Guidelines
- Director Stock Ownership Guidelines
- Executive Officer Stock Ownership Guidelines
- Clawback Policy
- Plexus Code of Conduct & Business Ethics

DIRECTOR COMPENSATION FOR FISCAL 2023

	Fees Earned or Paid in Cash[1]	Stock Awards[2]	Other Benefits[3]	Total
Joann M. Eisenhart	$100,000	$167,751	—	$267,751
Dean A. Foate	$250,000	$167,751	$28,537	$446,288
Rainer Jueckstock	$100,000	$167,751	—	$267,751
Peter Kelly[4]	$90,000	$167,751	—	$257,751
Randy J. Martinez	$90,000	$167,751	—	$257,751
Joel Quadracci	$90,000	$167,751	—	$257,751
Karen M. Rapp	$90,000	$167,751	—	$257,751
Paul A. Rooke	$100,000	$167,751	—	$267,751
Michael V. Schrock	$120,000	$167,751	—	$287,751
Jennifer Wuamett	$67,500	—	—	$67,500

1 Includes annual retainer, committee and chair fees and, in the case of Mr. Schrock, his fee for serving as Lead Director of the board. For Mr. Foate, this amount reflects his retainer for serving as Non-Executive Chair. Ms. Wuamett's appointment to the board was approved by shareholders on February 15, 2023, and her amount reflects the fees earned through the remainder of the fiscal year.

2 The amounts shown represent the grant date fair value of RSUs granted in fiscal 2023 computed in accordance with Accounting Standards Codification Topic 718. Generally accepted accounting principles ("GAAP") require us to determine compensation expense for stock related awards granted to our directors based on the estimated fair value of the equity instrument at the time of grant. Compensation expense is recognized over the vesting period. The assumptions used to determine the valuation of the awards are discussed in footnote 9 to our consolidated financial statements.

On January 30, 2023, each then-serving non-employee director was granted RSUs for 1,821 shares, with a grant date fair value of $175,000. These RSUs remained unvested as of September 30, 2023. The number of RSUs granted was determined by dividing $175,000 by the average closing price of our shares on the Nasdaq Global Select Market during the 90 calendar day period ended December 1, 2022, which was $96.12. The grant date fair value is below $175,000 because the closing price of our shares on the grant date was $92.12.

3 Includes the following amounts paid to Mr. Foate: $27,954 for the Company car benefit and $583 for the phone benefit, each as offered to Mr. Foate as a part of the Transition Agreement discussed above. The other non-employee directors do not generally receive any additional benefits, although they are reimbursed for their actual expenses of attending board, committee and shareholder meetings, as well as one external educational seminar per year.

4 Mr. Kelly will be retiring from the Board as of the annual meeting date.

Director Fees and Arrangements

The Governance Committee of the board of directors recommends, subject to board approval, compensation paid to non-employee directors, including equity awards under Company plans. In determining the compensation paid to the non-employee directors, the Governance Committee considers similar types of factors, including comparisons with the peer companies discussed below and Company performance that are considered by the Compensation Committee when determining executive compensation. The Governance Committee aims to set the compensation level of our directors and the Non-Executive Chair near the median of peer and market comparisons. Non-employee director compensation is reviewed at least biennially.

As part of the most recent review of the non-employee director compensation program in fiscal 2023, the Governance Committee recommended, and the board approved, an increase in director base compensation upon review of peer and market data and in consultation with Exequity. As a result, beginning January 1, 2024, each non-employee director will be compensated per the tables below.

	2023	2024
Board Retainer[1]	$90,000	$100,000
Non-Executive Chair Retainer	$250,000	$260,000
Lead Director Retainer	$120,000	$130,000
RSU Grant	$175,000	$190,000

[1]Mr. Foate and Mr. Schrock do not receive the Board Retainer.

	AUDIT COMMITTEE		COMPENSATION COMMITTEE		GOVERNANCE COMMITTEE	
	2023	2024	2023	2024	2023	2024
Committee Chair Retainer	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000

In certain circumstances directors may be reimbursed for attending educational seminars or, in each individual's capacity as a director, other meetings at Plexus' behest. Directors do not receive board or committee meeting attendance fees.

For Mr. Foate's service as Non-Executive Chair, he currently receives an annual retainer as reflected above, which was determined based upon a review of market and peer group practices, and he is eligible to receive an annual equity grant at least equal to the grants made to the Company's other non-employee directors. In accordance with the Transition Agreement, Mr. Foate was eligible to participate in the Company's executive car and phone programs, and he and his dependents are also eligible to participate in the Company's health plan until he reaches age 65, subject to his payment of the required premiums. These health plan benefits expired on October 2, 2023. Mr. Foate is otherwise compensated in accordance with Plexus' policies for non-employee directors.

Stock Ownership Guidelines & Stock Compensation for Directors

Plexus believes that it is important for directors to maintain an equity stake in Plexus to further align their interests with those of our shareholders. Therefore, directors must comply with stock ownership guidelines as determined by the board. The ownership guidelines currently require each director to own and maintain shares of common stock with a value equal to at least five times the director's annual base cash retainer. The required ownership must be achieved within five years from the director's initial election or appointment. Restricted stock (including RSUs) that has yet to vest does not count toward a director's ownership for purposes of these guidelines. Eight of our ten non-employee directors are currently in compliance with the ownership requirements of the guidelines. Mr. Martinez has until 2026 and Ms. Wuamett has until 2027 to meet these requirements, and each may not sell shares of Plexus common stock until ownership requirements are met.

Stock ownership guidelines for executives are discussed in "Compensation Discussion and Analysis—Elements and Analysis of Direct Compensation—Equity Ownership Guidelines."

For information regarding the Company's anti-hedging and anti-pledging policy, which is applicable to directors as well as executive officers and other employees, see "Compensation Discussion and Analysis—Elements and Analysis of Director Compensation—Anti-Hedging and Anti-Pledging Policy."

Directors participate in the 2016 Omnibus Incentive Plan (the "Incentive Plan"), which permits the grant of stock options, stock appreciation rights ("SARs"), restricted stock, which may be designated as restricted stock shares or RSUs, performance stock awards (which may be settled in cash or stock and designated as performance stock shares or performance stock units ("PSUs")), other stock awards and cash incentive awards. The Incentive Plan provides for an annual cap on the amount of awards to individual non-employee directors. The use of equity awards is designed to align directors' interests with the long-term ownership interests of our shareholders. In the second quarter of fiscal 2023, each non-employee director serving on the grant date received a grant of RSUs worth approximately $175,000. The number of RSUs granted was determined based on the average closing price of the Company's stock during the 90 calendar day period ended December 1, 2022. The restrictions on the RSUs generally lapse on the first anniversary of the grant date. If the 2024 Plan as presented at the annual meeting is approved by shareholders, then subsequent grants of equity awards to our directors will be made under that plan.

Director Participation in Deferred Compensation Plan

Directors are eligible to defer their cash fees, as well as stock awards (excluding options), through the Non-Employee Directors Deferred Compensation Plan. Amounts in deferred cash accounts are credited with interest, compounded monthly, at the prime rate of interest, which is determined quarterly. Directors were previously eligible to defer their cash fees through Plexus' supplemental executive retirement plan, which is described in "Compensation Discussion and Analysis" below.

BOARD'S ROLE IN RISK OVERSIGHT

Aptly managing enterprise risks and opportunities is a critical part of our governance infrastructure. Our enterprise risk management ("ERM") approach and control framework includes board leadership oversight paired with integrated participation across the organization to ensure identification, assessment and appropriate response to risks and opportunities that may affect our ability to achieve our strategic objectives. This includes engagement by our board, oversight by our executive Compliance, Ethics & Risk Committee and process execution by our Risk Oversight Council, a cross-functional global council led by our Enterprise Risk Manager.

Board of Directors
Assesses the effectiveness of Plexus' ERM program and oversees identified enterprise risks.

Audit Committee	Compensation Committee	Governance Committee
✓ Oversees major financial risk exposures. ✓ Discusses steps management has taken to identify, monitor and mitigate such risks. ✓ Assesses effectiveness of the Company's governance and management of information technology. ✓ Oversees Company's management of cybersecurity risks.	✓ Oversees risks related to compensation, leadership development and succession planning. ✓ Oversees compensation programs to ensure alignment with strategic objectives and to incentivize appropriate risk taking. ✓ Monitors opportunities and risks to our human capital management strategy.	✓ Oversees the effectiveness of the ERM program. ✓ Oversees risks associated with ethics and compliance. ✓ Oversees risks associated with the Company's environmental, social and governance program.

Compliance, Ethics & Risk Committee
Comprised of select members of the Plexus Leadership Team, including our CEO & CAO/General Counsel

- ✓ Establishes enterprise risk appetite and tolerance consistent with corporate strategy.
- ✓ Assists in identification, calibration and prioritization of risks, and validates enterprise risks identified by the Risk Oversight Council.
- ✓ Reviews and monitors progress for enterprise risk mitigation strategies.

Risk Oversight Council
Cross-functional global council led by the Enterprise Risk Manager

- ✓ Calibrates and aligns on the highest risks warranting escalation to management.
- ✓ Collaborates on risk mitigation strategies and efforts.
- ✓ Makes recommendations to, and integrates strategic direction from, management and the board of directors.

This framework establishes an effective risk oversight program that successfully integrates risk management practices throughout the organization, enables open communication between management and directors and ensures all directors are actively involved in the risk oversight function. In addition, our board structure provides express committee oversight over critical areas of enterprise risk, including ESG-related risks, cybersecurity and human capital. We also employ independent internal and external audit procedures to help validate key controls related to identified risks, the results of which are reported to the board regularly. We also provide updates to the board between board meetings with regard to issues that could materially impact the business, including through our business continuity and crisis communications protocols.

Cybersecurity Risk

Oversight of our cybersecurity and data governance and privacy programs are aligned to our ERM program and the responsibilities of our executive management and board, as set forth in the visual below. Our board conducts a self-evaluation annually on a number of key qualifications, attributes, skills and experiences, as that process is set forth above in "Board and Committee Self-Evaluation Process." Through this self-evaluation process, all 10 of our director nominees identified as having experience managing cybersecurity practices in a multi-national organization. Executive management briefs the Audit Committee quarterly on cybersecurity matters, including key specific risks, mitigation plans, risk management and governance. Our board reviews our IT strategy at least annually for alignment with the business, to review IT assets and infrastructure, and to understand key risks and trends and management's plan to address them.

CYBERSECURITY RISK OVERSIGHT FRAMEWORK

Board of Directors

Audit Committee
Reviews the effectiveness of the Company's governance and management of information technology risks, including those relating to business continuity, cybersecurity, malware, regulatory compliance and data management. This also includes reviewing the appropriateness of resources (people and financial) devoted to the Company's information technology requirements.

Governance Committee
Reviews the structure of the Board and ensures proper experience is in place related to cybersecurity knowledge and expertise.

Management

IT Executive Steering Committee
Our IT Steering Committee, made up of select executives including our CEO, CAO/General Counsel and CIO, meets regularly to oversee the effectiveness of our cybersecurity and data governance programs and controls.

Cybersecurity Incident Response Team
Made up of internal and external resources to investigate, mitigate and/or remediate a security incident.

INFORMATION SECURITY SYSTEMS, PEOPLE & PROCESS
Testing, Detection & Analysis

ALL
Preparation & Prevention

We have established a comprehensive collection of policies and standard operating procedures to define our cybersecurity strategy, which is based on a "defense in depth" methodology; multiple layers of administrative, technical and physical safeguards are used to protect information systems and data. The strategy also includes "security by design" for all technical and business solutions, where security and control requirements are identified and met prior to a solution being released into production and throughout all lifecycle phases. We also maintain a formal incident response plan (based on the NIST framework) to be activated in the event of a cyber incident. Continuously enhancing our environment to meet the increasing needs of cybersecurity and privacy regulations remains a top priority for the organization.

ESG | Sustainable & Responsible Business Practices

Our focus on sustainable and responsible business practices is vital to realizing our vision to help create the products that build a better world. Our enduring strategy delivers value through our unique market focus, superior execution, a passionate and engaged workforce and a disciplined corporate model. As a new climate economy emerges and market dynamics shift, we are uniquely positioned to deliver more sustainable and responsible products and product lifecycle solutions for our customers, while attracting and retaining team members who align to this value proposition. Through our integrated strategic approach, the positive impact we can achieve through our efforts is transformative—for people, customers, our business and the planet.

Our integrative approach requires leadership engagement and oversight at the highest levels in order to assess risks and opportunities and to advance more sustainable and responsible business practices deep into our organization. This organizational framework, represented in the table below, enables us to effectively assess and address emerging social and environmental risks and opportunities, establish focus areas and goals, and align the organization to effectively execute on key priorities.

<table>
<tr>
<td>BOARD OF DIRECTORS</td>
<td>Our board and each of our independent board committees play a key role in overseeing risks and opportunities and in guiding our efforts to advance sustainable and responsible business practices.
• Our board engages annually on our program and enterprise risks and is updated on matters more frequently as determined by the board or management.
• Our Governance Committee reviews our strategy to advance sustainable and responsible business practices and to ensure alignment with business objectives, including policies and initiatives, sustainability reporting and trends that could impact operations, performance, reputation and sustainable growth. This includes, among other things, review and oversight of the Company's management of climate-related risks and opportunities, such as those caused by the impacts of climate change, geopolitical dynamics, social unrest and related market disruption.
• Our Compensation Committee oversees our human capital strategy, including diversity and inclusion efforts, talent development and global compensation policies and philosophies—all core components of our social responsibility program. This committee also works with management to identify non-financial goals, such as those related to our environmental efforts or social impact, that are important in positioning Plexus for sustainable, long-term success. These goals often comprise objectives under our short-term variable incentive compensation plan, which is reviewed at least bi-annually as part of the compensation approval process.
• Our Audit Committee oversees the effectiveness of our internal controls over financial reporting and public disclosures, including sustainability reporting, our whistle-blower and Ethics Hotline reporting, and management and governance of information technology and cybersecurity risks.</td>
</tr>
</table>

EXECUTIVE OVERSIGHT	Our executive Sustainable and Responsible Business Practices Steering Committee—which includes our CEO and is chaired by our Chief Administrative Officer (CAO)—sets the vision and mission of our environmental sustainability, social impact and corporate governance efforts, oversees integration into our business strategy, sets short- and long-term goals and drives organizational engagement and accountability. All Plexus Leadership is responsible for integrating initiatives and practices related to sustainability and corporate responsibility into their strategic planning process, driving education of and participation in our efforts, committing resources to meet annual and continuing goals and maintaining health and progress in enduring sustainability and responsibility categories.
DEDICATED TEAM	Our Sr. Director of Sustainability, along with their direct reports and dedicated resources throughout the organization, works closely with the Executive Steering Committee and the broader leadership team to converge on an enterprise strategy that we believe will create long-term value for our business, meet key stakeholder expectations and ensure accountabilities are effectively embedded throughout our organization. This includes the development of near-term priorities and long-term initiatives, overseeing their implementation and progress and communicating to key stakeholder groups, including the board.

Our priorities related to sustainable and responsible business practices are also informed through proactive and regular engagement with key stakeholders to understand their perspectives and requirements, including investors. To fully capture the unique perspectives of various stakeholders, we undertook a third-party materiality assessment in fiscal 2022 that identified 27 ESG topics relevant to Plexus. The assessment included interviews of key stakeholders—such as board members, investors, executive leadership, customers, talent acquisition leaders and other Plexus team members. Plexus' executive leaders, including our CEO, CSO, COO and Chief Financial Officer (CFO) engage with shareholders through quarterly scheduled in-person and virtual meetings, investor conferences and other engagements. The company's VP of Communications and Investor Relations manages this process and supports any inbound investor inquiries.

Building a better world by the way we innovate and operate.

How we conduct business sustainably and responsibly is integrated into our broader corporate strategy and our core business practices. We are in a unique position to leverage the talent of our team members and our role in our industry to drive positive change—for Plexus as well as other interconnected stakeholders across the globe. In addition to our executive incentive initiatives, discussed in "Compensation Discussion & Analysis," our fiscal 2023 advancement efforts to build a better world included:

Fiscal 2023 Highlights

ENVIRONMENTAL SUSTAINABILITY

- Expanded focus on sustainable product solutions through the creation of a dedicated technical team to help our customers deliver more sustainable products to the market.
- Partnered with customers on environmental initiatives, including through industry groups such as the Semiconductor Climate Consortium, which Plexus joined as a founding member.
- 8.5% global energy intensity reduction goal achieved in fiscal 2023, surpassing 5% target; new target set.
- Completed waste stream inventory baselining and establishment of controls to drive efficiency and assured data accuracy of our waste reduction efforts.
- Water & gas sub-metering installation in progress, which will enable us to baseline and track usage and set appropriate reduction goals.
- Received the *Sustainability PRISM Award – Supply Chain Innovation* from our customer, ASM.

SOCIAL RESPONSIBILITY

- Two new ERGs and fifteen new ERG chapters created in fiscal 2023.
- Greater than 98% of global HR partners and hiring leaders were trained on Diversity and Inclusion within Hiring.
- 100% of all interview panels for management job levels had diverse team member representation.
- Volunteer Time Off ("VTO") exceeded 19,000 hours utilized, representing a 300% YoY increase.
- We launched a new charitable giving program in which sites receive a fixed and variable (based on VTO hours) amount of funds to donate to non-profits in their communities
- Plexus Charitable Foundation gave over $1 million to non-profit organizations and local charities.

In fiscal 2023, Plexus published its inaugural Sustainability Report, reflecting its commitment to driving transparency and helping to coordinate sustainable and responsible practices across stakeholder groups. More detailed information about Plexus' sustainability efforts and progress can be found in that report located at https://www.plexus.com/en-us/corporate-social-responsibility. The information in the Sustainability Report and on Plexus' website is not a part of this proxy statement and is not incorporated by reference.

COMPENSATION DISCUSSION & ANALYSIS

Our continued success depends on our ability to attract, motivate, and retain critical talent dedicated to our long-term strategy. The Compensation Committee (in this section, the "Committee") of the board of directors sets the general compensation philosophy for Plexus and ensures appropriate controls are in place to govern its application. The Committee makes decisions with respect to the compensation of the Chief Executive Officer (the "CEO") and the Company's other executive officers, and grants equity and other awards.

NAMED EXECUTIVE OFFICERS FOR FISCAL 2023

Todd P. Kelsey
Chief Executive Officer

Patrick J. Jermain
Executive VP & Chief Financial Officer

Steven J. Frisch
President & Chief Strategy Officer

Oliver Mihm
Executive VP & Chief Operating Officer

Angelo M. Ninivaggi
Executive VP, Chief Administrative Officer, General Counsel & Secretary

This section discusses the Committee's executive compensation philosophy and key decisions designed to align pay to performance that drives shareholder value, in each case as they relate to the Company's named executive officers. Plexus provides further detail regarding executive compensation in the tables and other information included in the "Executive Compensation" section of this proxy statement.

Executive Summary

FISCAL 2023 COMPENSATION ACTIONS

- The Committee performed a review of the peer group that we use to benchmark compensation in fiscal 2023 but did not make any changes for fiscal 2024 compensation planning purposes, as discussed below in "Elements & Analysis of Direct Compensation - Use of Peer Companies."
- The Committee reviewed the Company's ESG initiatives during 2023 and has established ESG goals for executive officers in fiscal 2024 that will comprise a portion of their personal objectives under the Variable Incentive Compensation Plan (the "VICP"), as further detailed in the "Annual Incentive Compensation (At Risk)" section of this proxy statement.
- Under the Committee's equity allocation formula for fiscal 2023, annual equity awards to executive officers were granted as 50% PSUs and 50% RSUs. The equity grant allocation formula is intended to further strengthen the alignment of shareholders' and executives' interests, retain executive talent, and motivate our executives to succeed long-term. Consistent with prior years, PSUs granted in 2023 are weighted 50% on total shareholder return ("TSR") and 50% on average economic return, which we define as the difference between return on invested capital ("ROIC") and weighted average cost of capital ("WACC").
- The TSR of Plexus stock during the three year performance period that ended January 2023 was at the 67.4 percentile of companies in the Russell 3000 Index. Consequently, the portion of the PSUs granted in 2020 that vested based on TSR performance paid out at 169.6% of target.
- Average economic return for the three year performance period that ended at the conclusion of fiscal 2023 was 3.8%. As a result, the portion of the PSUs granted in 2021 that vested based on economic return performance paid out at 153.2% of target.
- Based on fiscal 2023 performance, total payments to named executive officers under all components of the VICP represented 146-153% of the target payout, with corporate financial performance representing 140% as compared to the target payout of 80% for such performance.

- In early fiscal 2024, the Committee approved the adoption of a new equity incentive plan which, if approved by our shareholders, will replace our existing equity plan effective as of the date of the annual meeting. Additional information about the new equity plan can be found below in "Proposal 4 - Approval of The Plexus Corp. 2024 Omnibus Incentive Plan."

Executive Compensation Governance Best Practices

WHAT WE DO	WHAT WE DON'T DO
✓ Base a majority of total compensation on compensation that is at risk through our annual and long-term performance-based and retention incentives ✓ Set annual and long-term incentive targets based on clearly disclosed, objective performance measures ✓ Conduct annual assessments of risk associated with our executive compensation programs, policies and procedures ✓ Mitigate undue risk associated with our compensation programs through a Clawback Policy ✓ Enter into "double trigger" change in control agreements with executive officers	✘ Have excise tax gross-up provisions in any change in control agreements or compensation programs ✘ Enter into employment contracts with executives other than our CEO ✘ Permit hedging transactions, pledging and short sales by our executive officers

OTHER COMPENSATION AND GOVERNANCE PRACTICES & POLICIES

Practices Relating to Compensation Consultants

- The Committee uses outside compensation consultants to assist it in analyzing Plexus' compensation programs and in determining appropriate levels of compensation and benefits.
- The Company provides appropriate funding, as determined by the Committee, for the payment of compensation to any compensation consultant employed by the Committee.
- During fiscal 2023, the Committee retained Exequity LLP ("Exequity") as its compensation consultant. After considering the factors set forth in SEC and Nasdaq rules, in accordance with its charter, the Committee concluded that its relationships with Exequity has not given rise to any conflict of interest.
- Exequity's services to the Committee relating to fiscal 2023 included, among other things, providing perspective on current trends and developments in executive and director compensation as well as analysis of benchmarking data and confirmation of our peer group composition. All executive compensation services provided by Exequity were conducted under the direction or authority of the Committee, and all work performed by Exequity was pre-approved by the Committee.

Management Involvement

- Members of management, particularly the CEO and human resources personnel, regularly participate in the Committee's meetings at the Committee's request. Management's role is to contribute information to the Committee and provide staff support and analysis for its discussions. However, management does not make any recommendation for the CEO's compensation, nor does management make the final determination of the CEO's or the other executive officers' amount or form of executive compensation. The CEO does recommend compensation for the other executive officers to the Committee, subject to the Committee's final decision. To assist in determining compensation recommendations for the other executive officers, the CEO considers Plexus' compensation philosophy and, in partnership with the human resources management team, utilizes the same compensation decision-making process as the Committee.
- Decisions regarding the compensation of the CEO are made in executive sessions at which the Committee members participate with Exequity to review competitive practices and overall compensation expense; the CEO and management are not present for these discussions. The sessions generally focus on the CEO's performance achievement and the elements of CEO compensation. The Committee discusses and reviews materials comparing the CEO's compensation to peer group and survey data as well as Plexus' overall performance relative to competitors and companies in our peer group. Materials presented also include a pay comparison of the CEO to our other executive officers and a review of the CEO's vested and unvested equity grants, as well as accumulated value, in an effort to assess possible retention risks.

Executive Compensation Philosophy, Goals & Process

The Committee's philosophy is to competitively compensate all employees, including executives, for their contributions to Plexus, to appropriately motivate employees to provide value to Plexus' shareholders and to consider the ability of Plexus to fund any compensation decisions, plans or programs. Competitive compensation must balance both short-term and long-term considerations and take into account external forces, best practices, and the performance of Plexus and the employee. Compensation packages should also motivate executives to make decisions and pursue opportunities that are aligned with the interests of our shareholders, while not exposing the Company to excessive risk. Finally, the Committee considers Plexus' financial condition, the conditions in Plexus' industry and end markets, Plexus' performance compared to its competitors, and the effects of those conditions on Plexus' sales and profitability in making compensation decisions as well as the outcome of the advisory vote on executive compensation at the prior annual shareholders meeting. At our last annual meeting, 85% of the shareholder votes cast on the proposal were cast in favor of the resolution, demonstrating that shareholders generally approve of our executive compensation program.

PERFORMANCE MEASURES INTENDED TO MAXIMIZE SHAREHOLDER VALUE

The Company continues to emphasize annual and long-term incentive opportunities as a portion of total compensation since they are performance-based, represent compensation that is at risk, promote the creation of shareholder value and are intended to align the interests of executive officers with those of our shareholders.

The Committee and the Company believe that shareholder value is maximized through revenue growth and generating a ROIC that exceeds the Company's WACC. We refer to the amount of excess return when comparing these measures as economic return. The importance of achieving revenue growth and economic return goals has been emphasized by making a substantial component of each executive officer's compensation dependent on the Company's achievement of these goals, with executives maximizing their annual incentive compensation opportunity if the Company achieves its organic revenue growth and economic return goals.

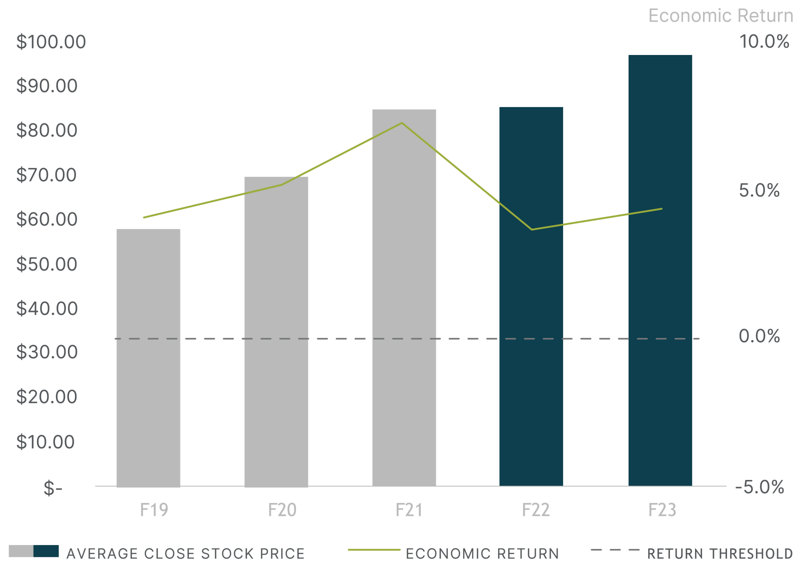
Within our long term incentive plan we use economic return as a performance measure for PSUs. Relative TSR is also used as a performance measure for PSUs. The Committee believes it is important to balance absolute and relative measures in an effort to account for both internal and external influences on Company performance. The performance measures used by the Company's annual and long-term incentive plans are described further in the "Elements and Analysis of Direct Compensation."

MEASURE	PLAN	PAYMENT	PURPOSE
Revenue Growth	Annual – VICP	Cash	Revenue growth is the result of a sound strategy effectively executed and increases shareholder value when combined with economic return.
ROIC	Annual – VICP	Cash	We deliver economic return by driving improvements in ROIC through a combination of operating margin performance and prudent capital investment.
Economic Return	Long-term PSU	Equity	Delivering economic return over the long-term generates shareholder wealth and mitigates short-termism.
Relative TSR	Long-term PSU	Equity	Relative TSR is an appropriate performance metric primarily because it is objectively determinable, provides rewards that are aligned to relative performance through varying economic cycles and reflects the delivery of value to shareholders.

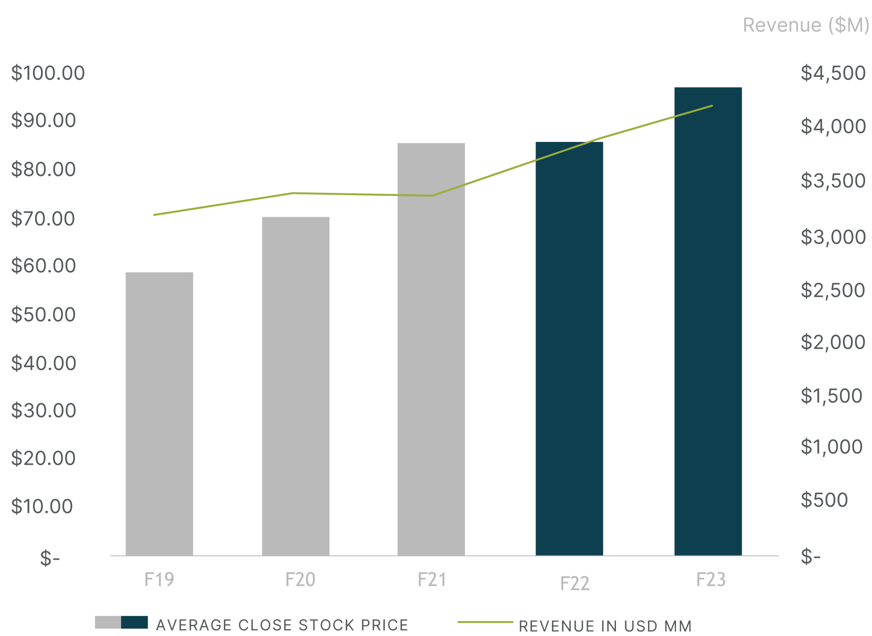
Finally, the Committee recognizes that certain non-financial goals are important to position the Company for sustainable long-term success. The Committee works with management to identify these goals, which often comprise personal objectives under the VICP. These goals could include execution metrics, important system and process improvements, talent development priorities, and ESG initiatives, amongst others.

Below are illustrations of the performance of our compensation program measures and their relationship to creating shareholder value. To drive value, both growth and economic return are critical.

ECONOMIC RETURN AND VALUE CREATION



GROWTH AND VALUE CREATION



Plexus uses the following compensation reward components, which work together to create competitive compensation arrangements for our executive officers. Greater detail is described in "Elements & Analysis of Direct Compensation."

PAY ELEMENT	DESCRIPTION	PAYOUT MEDIUM, TIMING AND AMOUNT
Base Salary (Fixed)	Market competitive base salary reflecting knowledge, skills, experience, responsibility, potential, and performance	Paid in Cash Paid Currently Fixed Amount
Annual Incentive (Variable)	Cash incentive based on the achievement of annual Company financial metrics (40% revenue growth, 40% ROIC) and personal objectives (20%)	Paid in Cash Paid Annually 0%-200% of Target
Long-Term Incentive (Variable)	25% PSUs based on TSR	Paid in Equity Paid After Three Year Performance Vesting Period 0%-200% of Target (for grants prior to fiscal 2021) or 0%-150% of Target (for grants in fiscal 2021 and ongoing)
	25% PSUs based on economic return	Paid in Equity Paid After Three Year Performance Vesting Period 0%-200% of Target
	50% Restricted Stock Units	Paid in Equity Paid After Three Year Vesting Period

Plexus also offers other reward components to competitively compensate our employees:

- Health and Welfare Benefits: to promote the health and well-being of our employees and families, such as health and life insurance.
- Retirement Plans: to help our employees plan for their retirement. In addition to a 401(k) Plan, the Company also provides a supplemental executive retirement plan under which certain executives may elect to defer compensation; the Company also makes additional contributions on their behalf.
- Agreements: Only our current Chief Executive Officer has an employment agreement, which is intended to help assure the continuing availability of his services over a period of time and protect the Company from competition post-employment. All executive officers have change in control agreements to help assure that they will not be distracted by personal interests in the case of a potential acquisition of Plexus. The change in control agreements utilize a double trigger and do not include excise tax gross-up provisions.

Elements & Analysis of Direct Compensation

OVERVIEW OF DIRECT COMPENSATION

Total direct compensation for executive officers at Plexus consists of three primary components—salary, annual cash incentive payments under the VICP and long-term equity-based awards. Each of these components is complementary to the others, addressing different aspects of direct compensation and seeking to motivate employees, including executive officers, in varying ways. The Committee reviews the total compensation package of each executive officer to determine whether it is reasonable.

Setting Compensation Levels

The Committee uses a combination of peer company data and published general industry surveys to provide insight into the competitiveness of each component of compensation offered to Plexus' executive officers. This data is compiled and analyzed by Plexus human resources' leaders, who then meet with the Committee's compensation consultant to help the consultants understand Plexus' business model, organizational structure and compensation philosophy. The compensation consultant, Plexus human resources' personnel, and our CEO discuss the analysis, rationale and methodology, and make recommendations to the Committee. Our CEO is excluded from CEO compensation discussions.

When assessing the competitiveness of compensation and making compensation determinations, the Committee's process includes a review and analysis of various factors, including:

- Company financial results;
- An internal calibration of base compensation as well as short-term and long-term award levels;
- Individual stock ownership and grant practices for the CEO and other officers;
- The proportion of pay between the CEO compared to those at other levels in the organization;
- Pay-for-performance and retention incentives;
- Deferred compensation arrangements and accumulated value; and
- Reasonableness of compensation as a whole.

In performing these analyses, the Committee uses tally sheets, which incorporate these factors to provide a comprehensive view of Plexus' total compensation for each executive and payout exposure under various performance scenarios.

When determining the competitive target compensation for each executive, the Committee uses comparable pay information as a point for reference. Through this form of benchmarking, the Committee does not aim for any particular numerical or percentage tests as compared to peer company data or surveys; however, it generally views the 50th percentile of market data as a reasonable comparison and uses its judgment following the review of multiple data points to arrive at individual pay determinations. In that consideration, the Committee discusses total compensation (including outstanding equity awards) for all executive officers, the level of experience and leadership each provides, and financial and personal performance results. The Committee seeks to properly position the total target direct compensation of the Company's executive officers and to balance different types of compensation (including equity) in order to promote retention and strong Company performance. The Committee believes this approach results in a comprehensive and thoughtful compensation review process because it allows the Committee to use discretion when appropriate in responding to particular circumstances. The Committee intends to continue these practices in the future.

Use of Peer Companies

For compensation planning purposes, the Committee has constructed a peer group in order to compare the compensation of Plexus' executive officers with that paid by other companies. Companies were chosen for the peer group using filtering criteria such as:

- Company size and performance (revenue, assets, market capitalization, performance criteria);
- Companies identified as competitors and/or in the same industry;
- Geographic footprint;
- Company image;
- Organizational complexity; and
- Financial structure.

The Committee has established a group of peer companies for comparison purposes using the selection criteria discussed above. The Committee conducts reviews of the peer group and selection criteria on a periodic basis to ensure that both are appropriate. During fiscal 2022, the Committee, with the assistance of Exequity, made adjustments to the peer group for fiscal 2023 compensation planning purposes. Using the selection criteria above, Triumph Group, Inc. and TTM Technologies, Inc. were removed. Triumph Group, Inc. was removed due to a series of divestitures while TTM Technologies, Inc. was removed due to overall business fit. Parsons Corporation was added primarily due to comparable size as well as its alignment with financial selection criteria. Another review of the peer group was completed in fiscal 2023 for fiscal 2024 compensation planning but no changes were made. The peer group for fiscal 2023 and fiscal 2024 compensation planning consisted of the companies set forth in the table below.

PEER GROUP FOR SETTING 2023 AND 2024 PAY

Amkor Technology, Inc.	Flex Ltd.	Sanmina Corporation
Benchmark Electronics, Inc.	Jabil Inc.	Teledyne Technologies Inc.
Bruker Corporation	Keysight Technologies, Inc.	Trimble Inc.
Celestica Inc.	Moog Inc.	Vishay Intertechnology, Inc.
CommScope Holding Company, Inc.	Parsons Corporation	Waters Corporation
Curtiss-Wright Corporation	Regal Rexnord Corporation	
Fabrinet	Revvity, Inc. (formerly known as PerkinElmer, Inc.)	

DISTRIBUTION OF PAY COMPONENTS

The Committee believes that a majority of executive compensation should be at risk and that the CEO's percentage at risk should be the highest. VICP targets for the named executive officers other than Mr. Kelsey ranged from 70% to 90% of base salary in fiscal 2023, with the opportunity to earn cash incentives beyond those levels if Plexus exceeded its targeted financial goals. In the case of Mr. Kelsey, the VICP target as a percentage of base salary was 135% in fiscal 2023, reflecting his overall greater responsibility for the Company. In fiscal 2023, long-term incentives for executive officers were granted in the form of: (i) RSUs that vest based on continued service, which promotes a long-term ownership mentality; and (ii) PSUs, which represent compensation that is at risk since these awards will be forfeited if performance is below a threshold level.

Except in the case of promotions or other special circumstances, compensation adjustments and equity awards for executive officers are targeted for implementation in the second quarter of each fiscal year to align with the Company's internal performance management cycle and changes to the compensation of its other non-executive employees. The Committee considers both individual and Company performance in making these determinations and believes that this timing forges a strong link between performance and pay.

The resulting total targeted direct compensation mix used for fiscal 2023 for Mr. Kelsey and the average for the other named executive officers is illustrated in the charts below:

MR. KELSEY

87% of Pay is At-Risk

12.8% Base Salary

17.3% Target Annual Incentive

69.9% Target Long-Term Incentive

OTHER NAMED EXECUTIVE OFFICERS

78% of Pay is At-Risk

21.8% Base Salary

18.3% Target Annual Incentive

59.9% Target Long-Term Incentive

BASE SALARY

Factors Considered In Determining Base Salary

Prior to establishing the base salary level for the CEO and approving salary levels for other executive officers, the Committee takes into consideration various factors. These factors include:

- Compensation data from our peer group;
- Salary increase trends for executive base pay and other information provided in published surveys;
- An in-depth total rewards analysis with comparisons to peer group and survey data; and
- Individual executive officers' performance, duties and responsibilities, and their relative authority within Plexus.

The Committee uses this information and meets in executive session to discuss appropriate pay positioning and pay mix based on the data gathered. The data gathered in the determination process helps the Committee test for fairness, reasonableness and competitiveness. While the Committee takes into account the Company's compensation philosophy and goals and follows a holistic approach to executive compensation packages, its final determination may incorporate the subjective judgment of its members, as well.

Executive officer base salary changes may include the following two components:

- Competitive Adjustments. If executive officer salaries fall out of alignment with the competitive median range of our peer group and survey data, we consider changing the salaries to a more competitive level. Competitive adjustments may take place over a multi-year period and may depend on individual performance.
- Performance-Based Merit Increases. Separate merit increases may be provided based on individual performance, if appropriate.

2023 Base Salary Adjustments

Base salary adjustments for 2023 were approved by the Committee in December 2022 for all executive officers. When considering compensation adjustments, the Company has placed a greater emphasis on annual and long-term incentive opportunities, as opposed to base salary, since they are performance-based, represent compensation that is at risk, promote the creation of shareholder value and are intended to further align the interests of executive officers with those of our shareholders. Our CEO's base salary is higher than those of our other executive officers because of the more extensive and challenging duties and responsibilities associated with that position. In addition, the CEO's total compensation is more heavily weighted toward performance-based compensation when compared to the total compensation of our other executive officers.

For 2023, Mr. Kelsey's base salary was set at $1,100,000 which represented an increase of 6.8% from his previous salary. The base salary for Mr. Kelsey is positioned near the median of peer group and market comparisons.

Increases for our other named executive officers varied from 4.0% to 10.4%. Base salary increases for 2023 for these named executive officers represented a combination of competitive adjustments and merit increases. Variations between these named executive officers reflected competitive conditions and the Committee's view of the named executive officers' duties, responsibilities and performance. The Committee believed that base salaries for those named executive officers were appropriately aligned with peer group and market comparisons, and were awarded based on individual performance.

Presented below are the 2023 base salaries and percentage increases as compared to the prior year for our named executive officers:

EXECUTIVE OFFICER	2023 BASE SALARY	PERCENTAGE INCREASE COMPARED TO 2022
Mr. Kelsey	$1,100,000	6.8%
Mr. Frisch	$650,000	4.0%
Mr. Jermain	$620,000	6.9%
Mr. Mihm	$530,000	10.4%
Mr. Ninivaggi	$530,000	5.0%

ANNUAL INCENTIVE COMPENSATION (AT RISK)

The VICP provides annual cash incentives to approximately 4,400 participants, including all of our executive officers. The award opportunity levels for each participant are expressed as a percentage of base salary.

For executive officers, the VICP is a sub-plan of the Incentive Plan with the opportunity to earn above their targeted award opportunities based on the achievement of corporate financial goals. Higher levels of duties and responsibilities within Plexus lead to higher cash incentive opportunities under the VICP because the Committee believes that heightened responsibility leads to more influence on corporate performance. For each executive officer, 80% of the targeted award is keyed to the corporate financial goals; the remaining 20% of the targeted award is keyed to the achievement of individual objectives. Offering a greater percentage of compensation tied to performance measures is intended to more strongly link executive compensation with Company performance and shareholder returns.

BASE SALARY	X	TARGET AWARD PERCENTAGE	X	PERFORMANCE GOAL ACHIEVEMENT	=	VICP AWARD EARNED
		% of Base Salary (varies by pay grade)		40% Revenue Target + 40% ROIC Target + 20% Personal Objectives		

The table below lists the fiscal 2023 VICP award opportunities for the named executive officers, expressed as a percentage of base salary. The targeted award for Mr. Kelsey, Mr. Frisch, Mr. Jermain and Mr. Mihm were increased by 5% of base salary while Mr. Ninivaggi's was increased by 10% based on alignment with the peer group and market comparisons.

EXECUTIVE OFFICER	2023 THRESHOLD AWARD (%)	2023 TARGETED AWARD (%)	2023 MAXIMUM AWARD (%)
Mr. Kelsey	0%	135%	270%
Mr. Frisch	0%	90%	180%
Mr. Jermain	0%	85%	170%
Mr. Mihm	0%	80%	160%
Mr. Ninivaggi	0%	80%	160%

The VICP provides for payments relating to corporate financial goals both below and above the targeted awards by establishing specific threshold levels of corporate performance at which payments begin to be earned and maximum payout levels beyond which no further payment is earned. The payout for our executive officers at the maximum payout level is 200% of the targeted award. The Committee believes that the opportunity to receive a payout above target should be based solely on achieving corporate financial goals. Therefore, to achieve the maximum payout of 200% of the targeted award, executive officers must achieve 90% payouts for each of the revenue and ROIC components of the VICP, with the individual objectives component comprising the balance at a maximum of 20%. Payments to participants are not permitted under the VICP unless the Company achieves positive net income for the plan year.

The VICP provides that extraordinary items or charges should be excluded from fiscal year results. In addition, the Committee has the authority to exclude non-recurring charges when determining the achievement of the corporate financial goals.

2023 Plan Design – Company Financial Goals

Our financial and compensation models align with our business strategy. The specific corporate financial goals for fiscal 2023, each of which stood independently of the other with regard to award opportunities, were revenue and ROIC. The goals were chosen because they aligned performance-based compensation to the key financial metrics that the Company used internally to measure its ongoing performance and that it used in its financial plans. The fiscal 2023 targets for these goals were set as part of our annual financial planning process and continue to align with our enduring financial goals. For each of the corporate financial goals, we also established specific "threshold" and "maximum" payout levels of achievement as part of that process.

For the purposes of the VICP, ROIC is defined as tax-effected annual operating income divided by the average invested capital over a five-quarter period for the fiscal year and the prior fiscal year fourth quarter. Invested capital is defined as equity plus debt and operating lease liabilities, less cash and cash equivalents. Revenue is defined as the fiscal 2023 net recognized sales of the Company for financial statement purposes. The Committee has discretion to adjust ROIC to account for the effects of extraordinary items. No award is payable to any participant under the VICP unless we have positive net income for the fiscal year. In the event of results that are below the revenue and the ROIC threshold levels, the VICP may pay out only with respect to the portion based on individual objectives. When determining ROIC for VICP awards, extraordinary items or charges and non-recurring charges are disregarded, except as otherwise determined by the Committee in its discretion. In fiscal 2023, non-recurring charges of $23.1 million were excluded from the ROIC calculation for VICP awards.

For fiscal 2023, in accordance with Plexus' strategic plan and the Committee's philosophy of aligning compensation with the Company's enduring goals, the Committee established the performance goals described below:

	THRESHOLD	TARGET	MAXIMUM PAYOUT
Revenue	Equal to prior year revenue	Midpoint between threshold and maximum payout	Equal to 12% revenue growth
ROIC	Equal to Plexus' WACC	Midpoint between threshold and maximum payout	Equal to 15% ROIC

The Committee believes that setting the maximum payout levels for revenue and ROIC consistent with our financial goals fully aligns employees with financial results that maximize value to our shareholders, without encouraging excessive risk-taking. Threshold levels for both metrics were set at the minimum levels of performance at which Plexus believes it begins generating value for our shareholders. Target levels for revenue and ROIC, which were set between the threshold and maximum payout levels, were intended to be challenging, but achievable, based on industry conditions and Plexus' financial plan. Awards for performance between the threshold and target levels, and between the target and maximum levels, are calculated by straight-line interpolation.

The following table sets forth the fiscal 2023 financial targets and potential VICP payout amounts (as a percent of targeted VICP cash incentive) for the named executive officers at the threshold, target and maximum payout performance levels:

	THRESHOLD		TARGET		MAXIMUM PAYOUT	
Component	**Goal**	**Payout**	**Goal**	**Payout**	**Goal**	**Payout**
Revenue (in millions)	$3,811	0%	$4,040	40%	$4,269	90%
ROIC	9.0%	0%	12.0%	40%	15.0%	90%
Individual Objectives		up to 20%		up to 20%		up to 20%
Total Potential Incentive = Revenue + ROIC + Individual Objectives		up to 20%		up to 100%		up to 200%

In fiscal 2023, revenue was $4,210 million and ROIC was 13.4%. Therefore, the Company's performance was between the target and maximum payout for both revenue and ROIC. As a result, Plexus paid awards for corporate financial performance to executive officers and other employees based on revenue and ROIC performance; total payments to executives represented 140% versus the target of 80% for corporate financial performance.

2023 Plan Design – Individual Objectives

The Committee determines and approves the individual objectives established for the CEO and the other executive officers. For fiscal 2023, common individual objectives were shared by all executive officers, including Mr. Kelsey and the other named executive officers. Attainment of the individual objectives represents 20% of the potential targeted VICP award; however, no such award may be earned based on individual objectives unless the Company achieves positive net income for the plan year. The Committee's assessment of individual objectives is based on their likely impact on the achievement of the Company's annual financial plan and other longer-term strategic priorities, their effect on shareholder value and their alignment with one another.

The fiscal 2023 shared individual objectives for our named executive officers concentrated on (a) a reduction in inventory levels (b) a reduction in transformation cost, which are the costs required to convert raw inventory into finished goods; (c) continued pursuit of the Company's "zero defects" cultural journey, focused on quality improvement initiatives and goals; (d) enterprise resource planning

(ERP) system enhancements and process improvements; and (e) ESG initiatives relating to energy reduction, talent sourcing, and waste to landfill controls. Mr. Kelsey provided the Committee with an assessment of the executive team's performance on each shared individual objective and the Committee determined the ultimate award percentage level for each objective. Actual achievement of individual objectives for fiscal 2023 was based upon the Committee's determination of the degree to which the objectives were completed by each member of the executive team. As a result, all named executive officers were awarded a 28.5-66.5% payout of the personal objectives portion of the VICP, or a 5.7-13.3% payout versus the target of 20% for individual objectives.

2023 Annual Incentive Compensation (At Risk) – Actual Payout

The following table sets forth the fiscal 2023 VICP total payout as a percentage of each named executive officer's target award, capturing the fiscal 2023 results for the Company's revenue and ROIC goals combined with the individual objectives payout.

	ACTUAL PAYOUT	
Component	**Results**	**Payout**
Revenue (in millions)	$4,210	77%
ROIC	13.4%	63%
Individual Objectives	28.5-66.5%	5.7-13.3%
Total Payout as a Percent of Target		**146-153%**

2024 – Individual Objectives

A portion of the fiscal 2024 shared individual objectives for all of our named executive officers will include goals associated with the Company's Sustainability program, specifically: (a) global reduction targets in emissions intensity and waste intensity in furtherance of the Company's environmental sustainability activities; (b) enhancing our employee experience to improve employee retention; and (c) the creation and initial deployment of a supplier assessment to drive expectations and engagement on shared environmental and social imperatives deeper into our value chain.

LONG-TERM INCENTIVES

Plan Structure

Total compensation, consistent with practices in our industry, places a particular emphasis on equity-based compensation for executive officers. The shareholder-approved Incentive Plan allows, and its predecessor allowed, for various award types, including options, SARs, restricted stock awards (including RSUs), performance stock awards (including PSUs), other stock awards and cash incentive awards. Equity-based awards are intended to provide incentives to enhance corporate performance as well as to further align the interests of our executive officers with those of our shareholders. The reported values of the long-term incentive opportunities under equity plans can vary significantly from year to year as a percentage of total direct compensation because they are determined by valuing the equity-based awards on the same basis that we use for financial statement purposes; that value depends significantly on our stock price and its volatility at the time of the awards.

For fiscal 2023 grants, and in furtherance of its emphasis on at-risk performance-based compensation, the Committee's annual equity grant allocation formula for named executive officers consisted of 50% PSUs and 50% RSUs. The Committee believes that this equity grant allocation formula promotes a strong pay-for-performance link and further enhances the alignment of the interests of our executives with those of our shareholders. The equity grant allocation formula also is intended to promote share ownership (along with our equity ownership guidelines) and motivate our executives to succeed in the long term. The Committee intends to continue to emphasize the use of performance-based awards for executive officers in future years.

The Committee’s long-term incentive strategy allows for use of a portfolio approach when granting awards. Each element of the portfolio for fiscal 2023 was intended to address a different aspect of long-term incentive compensation, as set forth below:

- PSUs provide an additional incentive for executive officers to create shareholder value. 50% of the PSUs granted vest over a three-year period based on the average of the annual economic return achieved for each of the three years in the performance period. Economic return is defined as ROIC (calculated as GAAP operating profit divided by invested capital) less our WACC. Average annual economic return is used as a performance measure for the PSUs because it is a key focus of the Company’s financial model and is a metric that the Committee believes, when combined with revenue growth, is highly correlated with driving shareholder value. For purposes of determining the three-point annual average, the economic return performance for any individual year cannot be less than 0% or greater than 5%.
- The other 50% of PSUs granted vest based on the relative TSR performance of Plexus common stock as compared to companies in the S&P 400 Index over a three-year performance period. The Committee believes that measuring TSR on a relative, rather than on an absolute, basis provides a more relevant measure of the performance of the Company’s stock. By mitigating the impact of macroeconomic factors (both positive and negative) that are beyond the control of the Company and its executives, relative TSR provides rewards that are better aligned to relative performance through varying economic cycles. PSUs also provide a retention incentive since these awards generally do not vest until the end of the three year performance period.
- RSUs provide an interest in the value of the Company’s shares because even though they vest over time, they provide recipients with a certain equity interest, assuming continued employment. In addition to promoting retention similar to PSUs, RSUs align the interests of executives and other employees who receive RSU grants with the interests of shareholders by building a long-term ownership mentality and providing motivation to succeed in the long term.

Annual Award Determination and Allocation Process

Each year the Committee reviews market data, individual performance and the estimated value of the entire pool of equity awards prior to making grants to executive officers, including when making grants in connection with promotions or other increases in responsibilities. Pursuant to its portfolio approach, in fiscal 2023, the Committee distributed awards in the form of PSUs and RSUs to eligible participants, as discussed above. When making these determinations, PSUs that vest based on the relative TSR of Plexus common stock are valued using a Monte Carlo simulation model, while the values of PSUs that vest based on economic return performance and RSUs are determined based on the fair market value of Plexus common stock.

The Committee determines the grant for the CEO and approves grants for all other executive officers. The CEO provides the Committee with initial grant recommendations for each executive officer other than himself by balancing the need to provide competitive compensation with the desire to keep related compensation value and expense relatively stable from period to period. The Committee considers each executive officer’s duties, responsibilities and performance, as well as internal and external comparisons (for example, peer group comparisons and other third-party market surveys, as described above), when approving the grant value for each executive officer. Those in positions with more responsibility tend to receive larger grants to reflect their role in the Company and the market comparisons for their compensation. Also, as discussed above, for the CEO, the Committee uses the vested and unvested equity information, as well as the accumulated value analysis, to balance the level of existing awards with the desire to reward performance and to provide retention incentives.

The Committee continues its focus on increasing incentive award opportunities for our executive officers as a portion of total potential compensation in order to more strongly link executive compensation with Company performance and shareholder returns.

Timing of Grants

Grants of PSUs are made in the fiscal second quarter; however, the performance goals for the PSUs are set in the fiscal first quarter. Grants of RSUs are generally made once a year during the fiscal second quarter, but may also be made in connection with new hires, promotions, other increases in responsibilities or in special situations. The Committee anticipates continuing to follow this grant schedule and practice for future grants.

Fiscal 2023 Awards

Based on the Committee's long-term incentive strategy, as well as individual responsibility and performance considerations, and reflecting all of the grants discussed above, the Committee granted the following equity awards to Mr. Kelsey and the other named executive officers in fiscal 2023.

EXECUTIVE OFFICER	PSUs (#)	RSUs (#)
Mr. Kelsey	28,790	31,290
Mr. Frisch	10,290	11,180
Mr. Jermain	8,620	9,360
Mr. Mihm	6,700	7,280
Mr. Ninivaggi	5,030	5,460

Vesting of 50% of the PSUs granted in fiscal 2023 is based on a three-point annual average of the Company's absolute economic return performance during the performance period; vesting of the other 50% is based on the relative TSR of Plexus stock as compared to the companies in the S&P 400 Index. Performance on these metrics will be determined following the conclusion of the relevant three year performance period.

In order to further align the Company's financial model and business strategy to the payout of long-term incentives, the maximum payout on 50% of the PSUs is achieved when the three-point annual average economic return is at or above 5.0% over the three year performance period. If the maximum payout level is achieved, 200% of this portion of the PSUs will be earned. A target payout on this portion of the award will be achieved if the three-point annual average economic return is 2.5%; the Committee believes that this target is meaningfully difficult, but is achievable and appropriate for our industry. The Committee believes it is appropriate for a portion of these awards to vest when the three-point annual average economic return exceeds 0.0% because any positive level of economic return generates shareholder value. If the Company does not achieve a positive three-point annual average economic return, this portion of the PSUs will not pay out. Below is the payout matrix for the portion of the PSUs that may be earned based on economic return performance (if performance is between the specified levels, the payout will be interpolated):

AVERAGE ECONOMIC RETURN	PAYOUT PERFORMANCE FACTOR
0% (Threshold)	0%
2.5% (Target)	100%
5.0% (Maximum)	200%

The TSR calculations will be based on the percentage change from the initial price to the final price during the performance period, which is three years from the date of grant, and will reflect the reinvestment of dividends, if any. The initial price is calculated using the average closing price of common stock over the 30 calendar day period ending on the trading day immediately preceding the first day of the three year performance period. The final price is the average closing price of common stock over the 30 calendar day period ending on the last day of the three year performance period. The TSR calculations will be adjusted to reflect stock splits, recapitalizations and other similar events.

The portion of the PSUs that may be earned based on relative TSR performance will vest at target if the TSR of Plexus stock is at the 50th percentile of companies in the S&P 400 Index. A payout at maximum, which is 150% of the target award for this portion, may be achieved if the relative TSR of Plexus stock is at or above the 75th percentile of companies in the S&P 400 Index. The Committee believes that a relative TSR at or above this level would be reflective of significant achievement during the performance period. In order to receive a payout at threshold, which is 50% of the target award for this portion, the relative TSR of Plexus stock must be at or above the 25th percentile of companies in the S&P 400 Index. If the relative TSR of Plexus stock is below the 25th percentile, none of the PSUs will be earned, and the awards will be forfeited.

The payout matrix for the portion of the PSUs granted in fiscal 2023 that may be earned based on relative TSR performance is presented in the table below (if performance is between the specified levels, the payout will be interpolated):

RELATIVE TSR PERCENTILE RANK	PAYOUT PERFORMANCE FACTOR
Below 25th	0%
25th (Threshold)	50%
50th (Target)	100%
75th and above (Maximum)	150%

For information regarding the performance of PSUs granted in fiscal 2023 and prior fiscal years as of September 30, 2023, see the “Outstanding Equity Awards at Fiscal Year-End” table below.

Annual awards of RSUs generally vest on the third anniversary of the grant, subject to early vesting on a change in control.

Fiscal 2020 PSUs

The TSR of Plexus stock during the three year performance period for the fiscal 2020 PSUs that ended in fiscal 2023 was at the 67.4 percentile of companies in the Russell 3000 Index. As a result, and according to the payout matrix applicable to this grant, this portion of the PSUs vested and paid out at 169.6% of target after certification by the Committee.

Fiscal 2021 PSUs

The performance period with respect to the portion of the fiscal 2021 PSUs that vested based on a three-point annual average of the Company’s absolute economic return concluded at the end of fiscal 2023. Average economic return for the three year performance period was 3.8%. As a result, and according to the matrix established for the fiscal 2021 PSUs, this portion of the PSUs vested and paid out at 153.2% of target after certification by the Committee. The Committee plans to evaluate the performance of the portion of the fiscal 2021 PSUs that vests based on relative TSR at its February 2024 meeting.

EQUITY OWNERSHIP GUIDELINES

The Company's executive stock ownership guidelines are intended to increase the alignment between the interests of management and our shareholders. To accomplish these objectives, we require our CEO to own Plexus stock with a minimum market value equal to five times his annual base salary, our CSO, COO and CFO to own three times their respective annual base salary and other executive officers, including those named in the "Summary Compensation Table," to own Plexus stock with a minimum market value equal to two times their annual base salary. Stock options and unvested PSUs do not count toward the satisfaction of the guidelines. Unvested RSUs will count toward the satisfaction of these guidelines.

An executive officer is generally not permitted to sell Plexus shares that were acquired or awarded while an executive officer unless the applicable ownership requirement has been met; there are exceptions, including using shares to finance the exercise of Plexus stock options and any applicable taxes when the shares will be held following exercise, paying taxes related to the vesting of an equity award, or with prior approval under special circumstances. All of our named executive officers, including Mr. Kelsey, have met the ownership amounts required by the guidelines and are in compliance with the procedural requirements of the guidelines.

CLAWBACK POLICY

We maintained a clawback policy, called the Plexus Corp. Executive Clawback Policy, during fiscal year 2023 that applied to all VICP compensation. In early fiscal year 2024, we adopted a new clawback policy to comply with new SEC regulations and Nasdaq listing standards. This new clawback policy serves to discourage executives from engaging in behavior that could potentially harm the Company or its shareholders.

Under the new clawback policy, in the event of a qualifying accounting restatement, we are required to recover reasonably promptly from the covered officers, including our NEOs, any erroneously awarded compensation, defined generally as the excess of the amount of incentive-based compensation received by the covered officer during the applicable recovery period over the amount of incentive-based compensation that would have been received had it been determined based on the restated amounts in the accounting restatement.

The preceding description of our clawback policy is qualified by the terms of the policy itself, which was filed as Exhibit 97 to the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2023.

ANTI-HEDGING AND ANTI-PLEDGING POLICY

The Company's Insider Trading Policy explicitly prohibits directors, officers and employees from engaging in transactions designed to hedge or offset a decrease in the price of the Company's common stock, including, but not limited to, prepaid variable forward contracts, equity swaps, collars and exchange funds. Pledges and short sales of the Company's securities are also prohibited under the Insider Trading Policy.

Elements & Analysis of Other Compensation

In addition to direct compensation, Plexus uses several other types of compensation, some of which are not subject to annual Committee action. These include benefits, retirement plans and employment or change in control agreements. These are intended to supplement the previously described compensation methodologies by focusing on long-term employee security and retention. Certain of these plans allow employees to acquire Plexus stock.

BENEFITS

We generally provide health and welfare benefits to our executive officers on the same basis as other salaried employees in the United States, although some benefit programs, as discussed elsewhere, are specifically targeted to our executive officers' specific circumstances. The Committee approved additional perquisites and other benefits for our CEO and the other executive officers in addition to those received by all U.S. salaried employees. The additional perquisites and other benefits for certain of our executive officers include: a company car, and additional life and disability insurance due to the dollar limits of the Company's disability insurance policies and limited use of the Company's jet. The Plexus Corp. Jet Policy allows our executives the ability to use the company jet for certain "personal non-entertainment" flights but we do not reimburse for taxes related to any imputed income related to personal travel. As a result of local law and custom, different but comparable insurance programs and other benefits may apply to personnel who are located in countries outside of the United States, as well as to executive officers who may be temporarily assigned outside of the United States, if any.

RETIREMENT PLANNING – 401(K) PLAN

The 401(k) Plan, which is available to substantially all U.S. employees, allows employees to defer a portion of their annual salaries into their personal accounts maintained under the 401(k) Plan. In addition, Plexus matches a portion of each employee's contributions, up to the maximum allowed per calendar year pursuant to the terms of the plan. For the 2023 calendar year, the maximum allowed is $13,200. Employees have a choice of investment alternatives, including a Plexus stock fund.

RETIREMENT PLANNING – SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

In response to Internal Revenue Code (the "Code") limitations on compensation that may be attributed to tax-qualified retirement plans (such as the 401(k) Plan), we have also developed a supplemental executive retirement plan. Plexus' supplemental executive retirement plan (the "SERP") is a deferred compensation plan that allows participants to defer taxes on current income. The SERP covers our executive officers and certain other executives, and provides a retirement savings alternative to address their particular circumstances and promote a long-term commitment to Plexus until retirement. All U.S.-based executive officers participate in the SERP. Under the SERP, those executive officers may elect to defer compensation and Plexus may also make discretionary contributions. The SERP allows the investment of deferred compensation amounts on behalf of the participants into individual accounts and, within these accounts, into one or more designated mutual funds or other investments. These investment choices do not include Plexus stock. Deferred amounts and any earnings that may be credited become payable upon termination, retirement from Plexus or in accordance with the executive's individual deferral election.

Additionally, the Company may credit a participant's account with a discretionary employer contribution. Any employer contributions to the SERP require approval of the Committee. The SERP provides a vehicle for the Company to restore the lost deferral and matching opportunity caused by tax regulation limitations on such deferrals and matched contributions for highly compensated individuals; the Committee believes these limitations make supplemental retirement plans common practice in general industry. The Committee also believes that further retirement compensation through the SERP is appropriate based on the market for executive compensation and its desire to provide an incentive for executives to remain with Plexus through retirement.

FISCAL 2023 PLAN ACTIVITY

- Contribution Formula. The SERP provides for an annual discretionary contribution of 9% of the executive's total targeted cash compensation, and we made such a contribution in fiscal 2023. Total targeted cash compensation is defined as base salary plus the targeted annual incentive plan cash incentive at the time of the Company's contribution.
- Employer Contributions. For fiscal 2023, the total employer contributions to the SERP accounts was $606,138 for all named executive officer participants as a group, including $228,164 for Mr. Kelsey. See footnote 6 to the "Summary Compensation Table."
- Special Contributions. The SERP also allows the Committee to make discretionary contributions over and above the annual contribution noted above, and such contributions have been made in individual cases from time to time. However, in fiscal 2023, the Committee did not make any such contributions on behalf of the named executive officers.

EMPLOYMENT AND CHANGE IN CONTROL AGREEMENTS

We do not generally have employment agreements with our executive officers other than our Chief Executive Officer. All executive officers, including Mr. Kelsey, have change in control agreements to help assure that these individuals will not be distracted by personal interests and will maintain their focus on shareholders in the case of a potential acquisition of Plexus, as well as to maintain their continuing loyalty.

Mr. Kelsey's employment agreement and the change in control agreements for Mr. Kelsey and our other executive officers are described below in "Executive Compensation–Employment Agreements and Potential Payments Upon Termination or Change in Control." Please refer to the discussions therein for a further explanation of those agreements.

TAX ASPECTS OF EXECUTIVE COMPENSATION

The Committee considers the potential tax deductibility under the Code for executive compensation. However, at times and under certain circumstances, it believes that it is more important to provide appropriate incentives irrespective of tax consequences.

Section 280G of the Code imposes a 20% excise tax upon executive officers who receive "excess parachute payments" upon a change in control to the extent the payments received by them meet or exceed an amount approximating three times their average annual compensation. The excise tax applies to all payments over one times average annual compensation. Plexus would also lose its tax deduction for the "excess" payments. Excise tax gross-up provisions have been eliminated from all change in control agreements, and our agreements instead use a "best net" approach where the executive will either receive their full benefits and pay the excise tax or have their benefits reduced to a level where the excise tax would not apply, whichever puts the executive in the better after-tax position.

The Code also provides a surtax under Section 409A relating to various features of deferred compensation arrangements that do not comply with the requirements of Section 409A. We generally seek to structure our compensation arrangements either to comply with Section 409A or qualify for an exemption from Section 409A.

COMPENSATION COMMITTEE REPORT

The duties and responsibilities of the Compensation Committee of the board of directors are described above under "Corporate Governance—Board Committees—Compensation and Leadership Development Committee" and are set forth in a written charter adopted by the board, which is available on the Company's website. The Committee reviews and reassesses this charter annually and recommends any changes to the board for approval.

As part of the exercise of its duties, the Committee has reviewed and discussed with management the above "Compensation Discussion and Analysis" contained in this proxy statement. Based upon that review and those discussions, the Committee recommended to the board of directors that the Compensation Discussion and Analysis be incorporated by reference in Plexus' annual report to shareholders on Form 10-K and included in this proxy statement.

MEMBERS OF THE COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE:

Joann M. Eisenhart, Chair
Joel Quadracci
Karen M. Rapp
Michael V. Schrock
Jennifer Wuamett

EXECUTIVE COMPENSATION

This section provides further information about the compensation paid to, and other compensatory arrangements with, our named executive officers.

Summary Compensation Table for Fiscal 2023

The following table sets forth a summary of the compensation of our named executive officers. More detailed information is presented in the other tables and explanations that follow.

Name	Year	Salary ($)[1]	Bonus($)[2]	Stock Awards ($)[3]	Option Awards ($)[4]	Non-Equity Incentive Plan Compensation ($)[5]	All Other Compensation ($)[6]	Total ($)
Todd P. Kelsey Chief Executive Officer	2023	$1,083,846	—	$5,562,053	—	$2,199,544	$280,903	$9,126,346
	2022	$1,023,076	—	$4,077,029	—	$2,092,884	$247,486	$7,440,475
	2021	$1,000,000	—	$5,078,974	—	$1,309,375	$234,872	$7,623,221
Patrick J. Jermain Executive VP & CFO	2023	$610,769	—	$1,664,552	—	$756,168	$130,332	$3,161,821
	2022	$576,538	—	$1,549,737	—	$725,225	$125,655	$2,977,155
	2021	$555,769	—	$1,310,953	—	$469,296	$120,815	$2,456,833
Steve Frisch President & Chief Strategy Officer	2023	$644,231	—	$1,987,639	—	$867,804	$144,495	$3,644,169
	2022	$620,385	—	$1,669,231	—	$837,062	$136,597	$3,263,275
	2021	$599,231	—	$1,856,954	—	$533,554	$133,447	$3,123,186
Oliver Mihm Executive VP & COO	2023	$518,462	—	$1,294,233	—	$595,660	$117,884	$2,526,239
	2022	$459,375	—	$1,001,834	—	$536,055	$104,937	$2,102,201
	2021	—	—	—	—	—	—	—
Angelo M. Ninivaggi Executive VP, CAO, GC & Secretary	2023	$524,231	—	$971,146	—	$624,464	$120,790	$2,240,631
	2022	$501,538	—	$785,218	—	$552,022	$112,471	$1,951,249
	2021	$485,385	—	$983,486	—	$363,563	$106,666	$1,939,100

1 Includes amounts voluntarily deferred by the named persons under the Company's retirement plans. The amounts deferred under the SERP are also included in the "Executive Contributions in Last FY" column of the "Nonqualified Deferred Compensation" table below.

2 The "Bonus" column, in accordance with SEC regulations, would include only discretionary bonus payments apart from VICP. Payments under the VICP, including payments for achieving individual objectives, are set forth in the "Non-Equity Incentive Plan Compensation" column. Since our named executive officers' individual objectives are specific and performance against them is measured, we believe that payments under the VICP that relate to the achievement of individual objectives are properly reflected in the "Non-Equity Incentive Plan Compensation" column.

[3] These columns represent the grant date fair value computed in accordance with Accounting Standards Codification Topic 718 ("ASC 718") of equity awards granted under the Incentive Plan and its predecessor, which are explained further below under "Grants of Plan-Based Awards." GAAP requires us to determine compensation expense for stock options and other stock-related awards granted to our employees based on the estimated fair value of the equity instrument at the time of grant. Compensation expense is recognized over the vesting period. The assumptions that we used to determine the valuation of the awards are discussed in footnote 9 to our consolidated financial statements.

Grants of stock options and RSUs are not subject to performance conditions, although the ultimate value of stock options depends on the appreciation in the Company's stock price. The Company has not granted stock options to its executive officers since fiscal 2017. Vesting of 50% of the PSUs reported in each fiscal year above is based on a three-point annual average of the Company's absolute economic return performance and vesting of the other 50% depends on the relative TSR of Plexus stock as compared to companies in the S&P 400 Index, each over a three year performance period. The 2023 PSUs are reported in the "Stock Awards" column at "target" performance; participants can earn twice the number of PSUs granted for performance at "maximum" for the economic return portion and one and a half times the number of PSUs granted for performance at "maximum" for the TSR portion.

The value of the fiscal 2023 PSUs at the maximum performance level would be as follows for each named executive officer: Mr. Kelsey—$4,739,806; Mr. Jermain—$1,419,024; Mr. Frisch—$1,694,082; Mr. Mihm—$1,103,058; and Mr. Ninivaggi—$828,000.

Please also see the "Grants of Plan-Based Awards" table below for further information about equity awards granted in fiscal 2023, and the "Outstanding Equity Awards at Fiscal Year End" table below for information regarding all outstanding equity awards at the end of fiscal 2023.

[4] No stock options were granted to named executive officers in fiscal 2023.

[5] The "Non-Equity Incentive Plan Compensation" column represents amounts that were earned during each fiscal year under the VICP. Under the VICP, annual cash incentives for executive officers are determined by a combination of the degree to which Plexus achieves specific pre-set corporate financial goals during the fiscal year and the executive officer's performance on individual objectives. We include more information about the VICP under "Compensation Discussion and Analysis—Elements and Analysis of Direct Compensation—Annual Incentive" above, as well as under "Grants of Plan-Based Awards" below.

The amounts shown in the "2023" row were earned in fiscal 2023 and were paid in fiscal 2024, the amounts shown in the "2022" row were earned in fiscal 2022 and were paid in fiscal 2023, and the amounts shown in the "2021" row were earned in fiscal 2021 and were paid in fiscal 2022.

Mr. Frisch deferred $86,780 of the amounts payable in fiscal 2024 related to the VICP award earned based on fiscal 2023 performance. There were no deferrals of the amounts payable in fiscal 2023 related to the VICP award earned based on fiscal 2022 performance. There were no deferrals of the amounts payable in fiscal 2022 related to the VICP award earned based on fiscal 2021 performance.

[6] The amounts listed under the column entitled "All Other Compensation" in the table include Company contributions to the 401(k) Plan and the SERP, the value of the company car benefit provided to the executive, additional life and disability insurance coverage and relocation. Per person detail is listed in the table below:

Name	Year	Company Matching Contribution to 401(k) Plan	Company Contribution to SERP	Company Car Benefit	Additional Life and Disability Insurance	Other[1]	Total ($)
Todd P. Kelsey	2023	$13,200	$228,164	$22,793	$657	$16,089	$280,903
	2022	$12,200	$210,738	$23,912	$636	—	$247,486
	2021	$11,600	$202,500	$20,383	$389	—	$234,872
Patrick J. Jermain	2023	$13,200	$101,091	$15,384	$657	—	$130,332
	2022	$12,200	$93,399	$19,420	$636	—	$125,655
	2021	$11,600	$89,489	$19,337	$389	—	$120,815
Steven J. Frisch	2023	$13,200	$109,514	$21,124	$657	—	$144,495
	2022	$12,200	$103,294	$20,467	$636	—	$136,597
	2021	$11,600	$99,772	$21,686	$389	—	$133,447
Oliver Mihm	2023	$13,200	$83,492	$20,541	$651	—	$117,884
	2022	$12,200	$71,738	$20,410	$589	—	$104,937
	2021	$0	$0	$0	$0	—	$0
Angelo M. Ninivaggi	2023	$13,200	$83,877	$23,056	$657	—	$120,790
	2022	$12,200	$76,735	$22,902	$634	—	$112,471
	2021	$11,600	$74,264	$20,430	$372	—	$106,666

[1] Reflects the aggregate incremental costs associated with Mr. Kelsey's personal usage of Company aircraft for a non-Plexus board meeting. The aggregate incremental cost reflects the incremental charter costs to Plexus and excludes certain fixed contract costs.

Grants of Plan-Based Awards for Fiscal 2023

The table below sets forth information about equity awards that were granted to the named executive officers in fiscal 2023 under the Incentive Plan, as well as information about *potential* cash incentive awards dependent on quantifiable corporate performance and individual goals that those executive officers could have earned for fiscal 2023 performance under the VICP. As a result of corporate performance, cash incentive awards based on these criteria were earned under the VICP for fiscal 2023, as set forth under the "Non-Equity Incentive Compensation" column in the "Summary Compensation Table" above. We provide further information about potential compensation under the VICP and awards under the Incentive Plan in fiscal 2023, as well as additional information about those plans, following the table.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards				
Name	Award Type	Grant Date	Thre-shold ($)[1]	Target ($)[1]	Maximum ($)[1]	Thre-shold (#)[1]	Target (#)[1]	Maximum (#)[1]	All Other Stock Awards: Number of Shares of Stocks or Units (#)	Grant Date Fair Value of Stock and Option Awards ($)
Todd P. Kelsey	VICP	12/15/2022	$0	$1,451,308	$2,902,615	—	—	—	—	—
	PSUs[2]	1/30/2023	—	—	—	6,575	28,790	51,005	—	$2,679,618
	RSUs[3]	1/30/2023	—	—	—	—	—	—	31,290	$2,882,435
Patrick J. Jermain	VICP	12/15/2022	$0	$512,462	$1,024,923	—	—	—	—	—
	PSUs[2]	1/30/2023	—	—	—	1,970	8,620	15,270	—	$802,309
	RSUs[3]	1/30/2023	—	—	—	—	—	—	9,360	$862,243
Steven J. Frisch	VICP	12/15/2022	$0	$572,596	$1,145,192	—	—	—	—	—
	PSUs[2]	1/30/2023	—	—	—	2,350	10,290	18,230	—	$957,738
	RSUs[3]	1/30/2023	—	—	—	—	—	—	11,180	$1,029,902
Oliver Mihm	VICP	12/15/2022	$0	$409,231	$818,462	—	—	—	—	—
	PSUs[2]	1/30/2023	—	—	—	1,530	6,700	11,870	—	$623,599
	RSUs[3]	1/30/2023	—	—	—	—	—	—	7,280	$670,634
Angelo M. Ninivaggi	VICP	12/15/2022	$0	$407,731	$815,462	—	—	—	—	—
	PSUs[2]	1/30/2023	—	—	—	1,150	5,030	8,910	—	$468,171
	RSUs[3]	1/30/2023	—	—	—	—	—	—	5,460	$502,975

1 Amounts in the rows labeled "VICP" reflect potential cash incentive payments for fiscal 2023.

As a result of Plexus' actual performance in fiscal 2023, overall cash incentive awards were earned based on corporate financial performance between the target and maximum payout levels, as reflected in the "Summary Compensation Table" and discussed under the caption "Compensation Discussion and Analysis-Annual Incentive Compensation (At Risk)."

2 For more information regarding these awards, see the discussion under the caption "Compensation Discussion and Analysis—Long-Term Incentives."

3 The RSUs vest on January 30, 2026, assuming continued employment. See the discussion below under the caption "Compensation Discussion and Analysis—Long-Term Incentives."

Outstanding Equity Awards at Fiscal 2023 Year-End

The following table sets forth information about Plexus stock awards held by the named executive officers that were outstanding as of September 30, 2023. No named executive officers held stock options at the end of fiscal 2023.

Name	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)[1]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[1]
Todd P. Kelsey	32,070[2]	$2,981,869	—	—
	26,770[3]	$2,489,075	—	—
	31,290[4]	$2,909,344	—	—
	—	—	20,655[6]	$1,920,502
	—	—	43,875[7]	$4,079,498
	—	—	44,430[8]	$4,131,101
Patrick J. Jermain	8,280[2]	$769,874	—	—
	6,850[3]	$636,913	—	—
	6,250[4]	$581,125	—	—
	9,360[5]	$870,293	—	—
	—	—	5,325[6]	$495,119
	—	—	11,220[7]	$1,043,236
	—	—	13,300[8]	$1,236,634
Steven J. Frisch	11,720[2]	$1,089,726	—	—
	10,960[3]	$1,019,061	—	—
	11,180[4]	$1,039,516	—	—
	—	—	7,560[6]	$702,929
	—	—	17,965[7]	$1,670,386
	—	—	15,880[8]	$1,476,522
Oliver Mihm	5,170[2]	$480,707	—	—
	6,580[3]	$611,808	—	—
	7,280[4]	$676,894	—	—
	—	—	3,330[6]	$309,623
	—	—	10,780[7]	$1,002,324
	—	—	10,340[8]	$961,413
Angelo M. Ninivaggi	6,210[2]	$577,406	—	—
	5,150[3]	$478,847	—	—
	5,460[4]	$507,671	—	—
	—	—	4,005[6]	$372,385
	—	—	8,460[7]	$786,611
	—	—	7,760[8]	$721,525

1 Based on the $92.98 per share closing price of our common stock on September 29, 2023, the last trading day of fiscal 2023.

2 Consists of RSUs awarded in fiscal 2021 under the Incentive Plan. The RSUs vest on January 25, 2024, based on continued service through that date.

[3] Consists of RSUs awarded in fiscal 2022 under the Incentive Plan. The RSUs vest on January 31, 2025, based on continued service through that date.

[4] Consists of RSUs awarded in fiscal 2023 under the Incentive Plan. The RSUs vest on January 30, 2026, based on continued service through that date.

[5] Consists of RSUs awarded in fiscal 2022 under the Incentive Plan. The RSUs vest on May 12, 2025, based on continued service through that date.

[6] Consists of PSUs awarded in fiscal 2021 under the Incentive Plan. Vesting of the PSUs depends on the relative TSR of our common stock as compared to the S&P 400 Index over a three year performance period that concludes on January 25, 2024. As of the end of fiscal 2023, the Company's relative TSR of our common stock was between the target and maximum levels; therefore, this portion of the award is reflected in the aggregate amount reported above for the fiscal 2021 PSUs at the maximum achievement level.

[7] Consists of PSUs awarded in fiscal 2022 under the Incentive Plan. Vesting of 50% of the PSUs is based on a three-point annual average of the Company's absolute economic return performance during the three year performance period, and vesting of the other 50% of the PSUs depends on the relative TSR of our common stock as compared to the S&P 400 Index over a three year performance period that concludes on January 31, 2025. As of the end of fiscal 2023, the Company's economic return performance was between the target and maximum levels; therefore, this portion of the award is reflected in the aggregate amount reported above for the fiscal 2022 PSUs at the maximum achievement level. The relative TSR of our common stock was between the target and maximum levels; therefore, this portion of the award is reflected in the aggregate amount reported above for the fiscal 2022 PSUs at the maximum achievement level.

[8] Consists of PSUs awarded in fiscal 2023 under the Incentive Plan. Vesting of 50% of the PSUs is based on a three-point annual average of the Company's absolute economic return performance during the three year performance period, and vesting of the other 50% of the PSUs depends on the relative TSR of our common stock as compared to the S&P 400 Index over a three year performance period that concludes on January 30, 2026. As of the end of fiscal 2023, the Company's economic return performance was between the target and maximum levels; therefore, this portion of the award is reflected in the aggregate amount reported above for the fiscal 2023 PSUs at the maximum achievement level. The relative TSR of our common stock was below the threshold; therefore, this portion of the award is reflected in the aggregate amount reported above for the fiscal 2023 PSUs at the threshold achievement level.

See "Compensation Discussion and Analysis—Elements and Analysis of Direct Compensation—Long-Term Incentives" for additional information regarding awards.

Option Exercises & Stock Vested in Fiscal 2023

The following table sets forth information about the Plexus stock options that were exercised by the named executive officers as well as the PSUs and RSUs that vested in fiscal 2023.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)[1]	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)[2]
Todd P. Kelsey	0	$0	76,561	$7,260,172
Patrick J. Jermain	0	$0	19,639	$1,862,222
Steven J. Frisch	0	$0	27,887	$2,644,385
Oliver Mihm	0	$0	12,241	$1,160,691
Angelo M. Ninivaggi	0	$0	15,093	$1,431,524

1 Based on the difference between the exercise prices and sale prices on the date of exercise for stock options with the exception of shares that were held upon the exercise of options; in such case, the value realized on exercise is based on the difference between the exercise prices and the average of the high and low trading prices of the Company's common stock on the Nasdaq Global Select Market on the exercise date.

2 Based on the closing share price of the Company's common stock on the vesting dates for PSUs and RSUs.

Nonqualified Deferred Compensation in Fiscal 2023

Plexus does not maintain any defined benefit pension plans. Plexus' only retirement savings plans are defined contribution plans—the 401(k) Plan for all qualifying U.S. employees, the SERP for executive officers (and certain other executives) and certain foreign plans. Since these are defined contribution plans, Plexus' obligations are fixed at the time contributions are made, rather than Plexus being liable for future potential shortfalls in plan assets to cover the fixed benefits that are promised in defined benefit plans.

The 401(k) Plan is open to all U.S. Plexus employees meeting specified service and related requirements. Under the plan, employees may voluntarily contribute up to 75% of their annual compensation, up to a maximum Code mandated limit of $22,500 ($30,000 if age 50 or older) in calendar year 2023; Plexus will match 100% of the first 4.0% of salary which an employee defers, up to $13,200 in calendar year 2023. There are several investment options available to participants under the 401(k) Plan, including a Plexus stock fund.

Plexus maintains the SERP as an additional deferred compensation mechanism for its executives. Under the SERP, an executive may elect to defer compensation through the plan, and Plexus may credit the participant's account with a discretionary employer contribution. Participants are entitled to the payment of deferred amounts and any earnings which may be credited thereon upon termination or retirement from Plexus, subject to the participants' deferral elections and Section 409A of the Code. The SERP allows the investment of deferred compensation held on behalf of the participants into individual accounts and, within these accounts, into one or more designated mutual funds or investments, which are intended to mirror the options available under the 401(k) Plan; however, the investment choices in the SERP do not include Plexus stock.

The SERP also allows for discretionary Plexus contributions. As discussed in "Compensation Discussion and Analysis—Elements and Analysis of Other Compensation—Retirement Planning – Supplemental Executive Retirement Plan," the Committee determined the current Company contribution to the SERP after reviewing a competitive analysis prepared by Willis Towers Watson. As a result, the discretionary contribution is 9% of the executive's total targeted cash compensation. The Committee may also choose to make additional or special contributions from time to time; no such contributions were made in fiscal 2023 to the named executive officers.

The following table includes information regarding contributions under the SERP. Since the 401(k) Plan is a tax-qualified plan generally available to all qualified U.S. employees, contributions on behalf of the executive officers and earnings in that plan are not included in this table; however, Company contributions under both the SERP and the 401(k) plan are among the items included in the "All Other Compensation" column in the "Summary Compensation Table" above.

Name	**Executive Contributions in Last FY ($)**	**Registrant Contributions in Last FY ($)**	**Aggregate Earnings in Last FY ($)**	**Aggregate Withdrawals/ Distributions ($)**	**Aggregate Balance at Last FYE ($)[1]**
Todd. P. Kelsey	—	$228,164	$326,094	—	$2,639,350
Patrick J. Jermain	—	$101,091	$230,504	—	$1,854,080
Steven J. Frisch	—	$109,514	$230,768	—	$1,902,617
Oliver Mihm	—	$83,492	$50,241	—	$559,975
Angelo M. Ninivaggi	—	$83,877	$131,446	—	$1,300,223

[1] Of the amounts reported in the "Aggregate Balance at Last Fiscal Year End" column, the following amounts were previously reported in the Summary Compensation Tables in the Company's Proxy Statements for its prior annual meetings of shareholders: Mr. Kelsey—$1,517,911; Mr. Jermain—$1,286,602; Mr. Frisch—$1,433,391; Mr. Mihm—$71,738; and Mr. Ninivaggi—$466,817.

Employment Agreements & Potential Payments

UPON TERMINATION OR CHANGE IN CONTROL

This section provides information about specific agreements with our named executive officers relating to employment and post-employment compensation.

Plexus does not generally have employment agreements with its executive officers. However, the Committee and the board continue to believe that it is important to have an employment agreement with our CEO to set forth the terms of their employment, to provide incentives for him to continue with the Company over the long term and to protect the Company from competition post-employment. The Company entered into an employment agreement with Mr. Kelsey in 2016 in connection with his appointment as our President and CEO (the "Employment Agreement").

All of our executive officers have change in control agreements that provide, in certain circumstances, for payments to the executive officers in the event of a change in control of Plexus.

Employment Agreement with Mr. Kelsey

The Employment Agreement between the Company and Mr. Kelsey specifies when the Company may terminate Mr. Kelsey for cause, as well as when Mr. Kelsey may leave the Company for good reason, and determines the compensation payable upon termination. The definitions of "cause" and "good reason" are substantially similar to those under the Company's change in control agreements, which we define below.

If Mr. Kelsey is terminated for cause or voluntarily leaves without good reason, dies or becomes disabled, the Company is not required to make any further payments to Mr. Kelsey other than with respect to obligations accrued on the date of termination. If Mr. Kelsey's termination is due to his death or disability, any previously granted equity awards without performance goals, such as RSUs, would automatically vest and any performance stock units would vest pro rata based on his length of service during the performance period and actual Company performance.

If the Company terminates Mr. Kelsey without cause, or he resigns with good reason, Mr. Kelsey is entitled to receive his base salary for a two year period following his separation date (the "Separation Period"), a VICP cash incentive award keyed to the actual attainment of performance targets for the year in which Mr. Kelsey is involuntarily terminated, prorated based on the number of the days in the period in which he was employed, and a payment equal to 100% of his target annual VICP cash incentive award as in effect prior to the separation date on each December 15 during the Separation Period. In addition, Mr. Kelsey would also receive an amount equal to the maximum allowable Company contributions for a full plan year under the 401(k) Plan and the Company's deferred compensation plans during the Separation Period. Mr. Kelsey would also be eligible to participate in the Company's medical, dental and vision plans, subject to his payment of any premiums required by such plans, for a two year period following his separation; if a non-active employee is not eligible to participate in such plans, the Company will instead provide Mr. Kelsey with the cost of premium continuation coverage. In addition, Mr. Kelsey would receive a lump-sum payment equal to the value of continued participation in the Company's other welfare plans, company car and other similar plans and arrangements for two years. Any payments triggered by a termination of employment are to be delayed until six months after termination, as required by Section 409A of the Code (except if such payment(s) qualify for an exception thereto). The Employment Agreement does not provide for any tax gross-up payments.

Mr. Kelsey would also receive accrued and vested benefits under the 401(k) Plan and the SERP, and payment for accrued but unused vacation, upon a termination of employment for any reason; those amounts are not included in "Potential Benefits Table" below. See "Nonqualified Deferred Compensation" above for further information.

If Mr. Kelsey is terminated by Plexus without cause or he resigns with good reason, his equity awards would be treated in accordance with the terms of the Incentive Plan and predecessor plans, with Mr. Kelsey being deemed a continuing employee for purposes of applying the vesting and exercisability provisions of any equity awards held by him on his separation date that were granted more than one year prior to such date; see "Treatment of Equity Awards" below for more information.

Under Mr. Kelsey's Employment Agreement, the Company is protected from competition by Mr. Kelsey after the termination of his employment. Upon termination, Mr. Kelsey agrees to not interfere with the relationships between the active customers and suppliers, as well as employees, of the Company for two years, and to not compete with the Company over the same period. Further, Mr. Kelsey has agreed to related confidentiality requirements after the termination of his employment.

Pursuant to his change in control agreement, Mr. Kelsey is eligible to receive three times his salary plus benefits in the event of a termination of his employment in connection with a change in control. If both the Employment Agreement and the change in control agreement apply to a particular termination, Mr. Kelsey will receive benefits under whichever agreement provides the higher amount of benefits in the aggregate. As discussed below, the Company's change in control agreements with its executive officers, including Mr. Kelsey, do not contain excise tax gross-up provisions.

CHANGE IN CONTROL AGREEMENTS

Plexus has change in control agreements with its executive officers and certain other key employees. Under the terms of these agreements, if there is a change in control of Plexus, as defined in the agreement, the executive officers' authorities, duties and responsibilities shall remain at least commensurate in all material respects with those prior to the change in control. Their compensation may not be reduced, their benefits must be commensurate with those of similarly situated executives of the acquiring firm and their location of employment must not be changed significantly as a result of the change in control.

Determination of Benefit Levels

In general, the change in control agreements with our executive officers provide that, upon termination in the event of a change in control, executive officers will receive compensation equaling three times their annual base salary plus targeted bonus, and an amount equal to a continuation of health and retirement benefits for that period. Certain other key employees also have change in control agreements on substantially the same terms, although generally with multipliers of one or two times annual base salary plus targeted bonus. In determining which employees should have change in control agreements, the Committee utilizes its guidelines, which focus on position, responsibilities and compensation level in order to minimize subjectivity.

There are not any excise tax gross-up provisions in any of the change in control agreements. As discussed below, the change in control agreements with all participants allow for a reduction in payments under a "best net" approach, providing either the full amount of the total payment or an amount equal to the total payment reduced by an amount necessary to avoid adverse excise tax consequences to the executive officer.

In addition, under the Incentive Plan and its predecessor, upon a change in control, unvested awards will generally automatically vest for all award holders (for PSUs, the performance period will be deemed to have concluded as of the date of the change in control, performance will be calculated and vesting will be determined).

The Committee reviews the benefit levels under these agreements annually. It is the Committee's view that the level of benefits, combined with the "double trigger" requiring both a change in control and a termination of employment, as well as the elimination of excise tax gross-up provisions, provides an appropriate balancing of the interests of the Company, its shareholders and its executives. Benefit levels are believed to be in line with competitive standards and Plexus' overall compensation policy and level of other benefits, as well as necessary and appropriate to attract and retain executive talent. Therefore, offering a package that is consistent with market practices is appropriate to help motivate executives to focus on the Company's shareholders, even when the circumstance might jeopardize their employment.

The Committee periodically reviews the scope and context of the change in control agreements. The Committee continues to believe that the change in control agreements will help motivate executive officers to respond appropriately, for the benefit of the Company and its shareholders, in the case of a proposed acquisition of the Company that they might perceive would jeopardize their employment.

Operation of Change in Control Agreements

Within 24 months after a change in control, in the event that any covered executive officer is terminated other than for cause, death or disability, or if an executive officer terminates his or her employment with good reason, Plexus is obligated to pay the executive officer, in a cash lump sum, an amount equal to three times (one to two times for other key employees) the executive officer's base salary plus targeted cash incentive payment, and to continue retirement payments and certain other benefits. There are not any excise tax gross-up provisions in any of the change in control agreements. The agreements provide that a cap may apply if the total potential payments would be subject to any excise taxes imposed by Section 4999 of the Code because such potential payments would exceed three times base compensation determined under that section. In that case, total potential payments would be capped just below the excise tax threshold if the net uncapped amount that otherwise would have been retained by the executive officer (after such individual would pay the excise tax) would be less than the capped amount (with no imposed excise tax).

The agreements do not preclude termination of the executive officer, or require payment of any benefit, if there has not been a change in control of Plexus, nor do they limit the ability of Plexus to terminate these persons thereafter for cause.

Under our change in control agreements:

- A termination for "cause" would occur if the executive officer willfully and continually fails to perform substantial duties or willfully engages in illegal conduct or gross misconduct which injures Plexus.
- After a change in control, an executive may terminate for "good reason" which would include the following: (i) requiring the executive to perform duties inconsistent with the duties provided under his or her agreement; (ii) Plexus not complying with provisions of the agreement or requiring the executive to move; or (iii) any attempted termination of employment which is not permitted by the agreement.
- A change in control would occur in the event of a successful tender offer for Plexus, other specified acquisitions of a substantial portion of the Company's outstanding stock, a merger or other business combination involving the Company, a sale of substantial assets of the Company, a contested director's election or a combination of these actions followed by any or all of the following actions: change in management or a majority of the board of the Company or a declaration of a "change in control" by the board of directors.

TREATMENT OF EQUITY AWARDS

None of the named executive officers' held outstanding stock options as of the end of fiscal 2023. RSUs that have yet to vest are generally forfeited on termination of employment, but immediately vest upon a change in control. PSUs that have yet to vest are also generally forfeited on a termination of employment, but are prorated following the conclusion of the performance period on death or retirement prior to the end of such period; on a change in control, the performance period is deemed over and any PSUs earned based on performance during such period vest at that time. See "Outstanding Equity Awards at Fiscal Year End" above for information as to the named executive officers' outstanding equity awards at September 30, 2023.

SEVERANCE

Plexus does not have employment agreements with its executive officers other than Mr. Kelsey. It also does not have a formal severance plan for other types of employment termination, except in the event of a change in control as described above. Although Plexus has a general practice of providing U.S. salaried employees with two weeks' severance pay for every year worked (generally to a maximum of 13 weeks) in the case of termination without cause, actual determinations are made on a case-by-case basis. Therefore, whether and to what extent Plexus would provide severance benefits to the named executive officers, or other executive officers, upon termination (other than due to death, permanent disability or a change in control) would depend upon the facts and circumstances at that time. As such, we are unable to estimate the potential payouts under other employment termination scenarios.

POTENTIAL BENEFITS TABLE

The following table provides information as to the amounts which will be payable (a) to Mr. Kelsey under his Employment Agreement if he is terminated by Plexus or if he resigns, (b) to the named executive officers in the event of death or permanent disability, and (c) to the named executive officers in the event they were terminated without cause, or the executive terminated with good reason, in the event of a change in control. The payments are calculated assuming a termination as of September 30, 2023, the last day of our previous fiscal year. The table includes only benefits that would result from the stated event, not vested benefits that are payable irrespective of the reason for termination.

Executive Officer; Context of Termination	Cash Payments[1]	Early Vesting of Stock Options[2]	Early Vesting of RSUs[3]	Early Vesting of PSUs[4]	Additional Retirement Benefits[5]	Other Benefits[6]	Total
Todd P. Kelsey - Termination by Plexus for Cause or Resignation without Good Reason	—	—	—	—	—	—	—
Todd P. Kelsey - Termination by Plexus without Cause or Resignation with Good Reason	$6,655,000	—	—	—	$482,728	$29,996	$7,167,724
Todd P. Kelsey - Death or Disability	—[7]	—	$8,380,287	$2,879,836	—	—	$11,260,123
Todd P. Kelsey - Change in Control	$7,755,000	—	$8,380,287	$6,262,203	$724,092	$260,808	$23,382,390
Patrick J. Jermain - Death or Disability	—[7]	—	$2,858,205	$771,197	—	—	$3,629,402
Patrick J. Jermain - Change in Control	$3,441,000	—	$2,858,205	$1,721,060	$342,873	$251,626	$8,614,764
Steven J. Frisch - Death or Disability	—[7]	—	$3,148,303	$1,102,770	—	—	$4,251,073
Steven J. Frisch - Change in Control	$3,705,000	—	$3,148,303	$2,369,130	$368,142	$278,459	$9,869,034
Oliver Mihm - Death or Disability	—[7]	—	$1,769,409	$625,683	—	—	$2,395,092
Oliver Mihm - Change in Control	$2,862,000	—	$1,769,409	$1,395,630	$290,076	$265,717	$6,582,832
Angelo M. Ninivaggi - Death or Disability	—[7]	—	$1,563,924	$542,501	—	—	$2,106,425
Angelo M. Ninivaggi - Change in Control	$2,862,000	—	$1,563,924	$1,160,390	$291,231	$289,395	$6,166,940

1 Cash payments in the context of a termination in connection with change in control represent payments relating to the executives' base salary and VICP cash incentive awards to the extent they would be paid after termination, based on the salary in effect at the end of fiscal 2023 and the target VICP cash incentive payment for fiscal 2023. Under the change in control agreements, this payment equals three years' salary, as it was in effect at the time of termination, plus three times the targeted VICP compensation for the year of termination.

As discussed above, pursuant to Mr. Kelsey's employment agreement, if he is terminated without cause, or he resigns with good reason, he is entitled to receive his base salary for a two year period following his separation date and a pro-rated VICP cash incentive award for the year of involuntary termination. In addition, Mr. Kelsey would also receive two annual payments following his termination each equal to 100% of his target annual VICP cash incentive award as in effect prior to the separation date.

2 All outstanding unvested stock options would become vested upon a change in control, as well as upon death or disability. No stock options are currently outstanding for the named executive officers.

3 All outstanding unvested RSUs would become vested upon a change in control. The amount shown is the value of the unvested RSUs based on Plexus' closing stock price of $92.98 per share on the last trading date of fiscal 2023.

[4] The performance period for outstanding PSUs would be deemed to end upon a change in control and vesting would be determined at that time. The amount shown is the value of all outstanding unvested PSUs, assuming target payout for fiscal 2021, fiscal 2022 and fiscal 2023 performance as of the change in control date. Amounts reported for the Death and Disability scenario are pro-rated at target performance for the portions of the cycles unearned at the end of fiscal 2023. The amounts above were calculated using Plexus' closing stock price of $92.98 per share on the last trading day of fiscal 2023.

[5] Under the change in control agreements, the Company would be required to continue payments to the 401(k) Plan and SERP for three years at the same level during the year preceding the change in control. Similar provisions for a termination without cause apply with respect to Mr. Kelsey's Employment Agreement, with such obligations continuing for two years. This column represents the total amount of those payments. The executive officers would also receive accrued and vested benefits under the 401(k) Plan and the SERP, and payment for accrued but unused vacation, upon a termination of employment for any reason; those amounts are not included in the table. See "Nonqualified Deferred Compensation" for further information.

[6] The amounts in the context of a termination in connection with a change in control include continuing payments of health and welfare benefits, company car and other benefits for three years, as provided in the agreements. Mr. Kelsey would receive similar benefits for two years in the event he is terminated without cause, or he resigns with good reason, as described above.

[7] Excludes life or disability insurance payments from third-party insurers.

PAY RATIO DISCLOSURE

Pursuant to Item 402(u) of Regulation S-K, we are providing the following information for fiscal 2023, which includes a ratio of the total annual compensation of Mr. Kelsey to the median annual total compensation of all employees other than our CEO (the "Pay Ratio"):

- CEO total annual compensation: $9,126,346
- Median employee total annual compensation: $18,996
- Ratio of CEO to median employee compensation: 480

As permitted by SEC rules, we used the median employee that we identified in fiscal 2021 for our fiscal 2023 pay ratio because there have been no significant changes to our employee population or pay structure since fiscal 2021. In determining our median employee in fiscal 2021, a list was prepared of all of our global employees (excluding the CEO) and their annual compensation as of October 2, 2021. Annual compensation included base pay, which was determined via payroll records and annualized for those employees who were not employed for a full year at the time of the calculation. For foreign employees, we used the then-current exchange rate in order to convert such amounts into U.S. dollars. For purposes of the Pay Ratio disclosed above, the total compensation of both the CEO and the median employee for fiscal 2023 were calculated based on the definition of total compensation for purposes of the Summary Compensation Table.

SEC rules for identifying the median employee and calculating the pay ratio allow companies to adopt a variety of methodologies, to apply certain exclusions and to make reasonable estimates and assumptions. No employees were excluded when constructing the list of our global employees, but the Pay Ratio reported above may not be comparable to the pay ratio calculated by other companies, as other companies have different circumstances, employee populations and compensation practices, and may utilize different methodologies, exclusions, estimates and assumptions.

PAY VERSUS PERFORMANCE

The information below presents the relationship between the compensation of the company's NEOs and certain performance measures in accordance with Item 402(v) of Regulation S-K ("Pay Versus Performance Table"). For a discussion of the Company's compensation programs and pay for performance philosophy, please refer to the section captioned "Compensation Discussion and Analysis" above.

PAY VERSUS PERFORMANCE TABLE

The information below presents the relationship between compensation actually paid ("CAP") of the Company's NEOs and certain performance measures calculated in accordance with Item 402(v) of Regulation S-K.

					Value of Initial Fixed $100 Investment Based On:			
Year (a)	Summary Compensation Table Total for PEO (b)[1]	Compensation Actually Paid to PEO (c)[2]	Average Summary Compensation Table Total for Non-PEO NEOs (d)[1]	Average Compensation Actually Paid to Non-PEO NEOs (e)[2]	TSR (f)	Peer Group TSR[3] (g)	Net income (millions) (h)	Economic Return[4] (i)
2023	$9,126,346	$10,334,185	$2,893,215	$3,201,416	131	138	$139	3.0%
2022	$7,440,475	$8,036,717	$2,573,470	$2,768,126	123	113	$138	3.5%
2021	$7,623,221	$12,903,150	$2,295,676	$3,638,865	128	136	$139	7.0%

1 Mr. Kelsey is the PEO for the covered years. Our Non-PEO NEOs for the covered years are as follows:

2021	2022	2023
Patrick Jermain	Patrick Jermain	Patrick Jermain
Steven Frisch	Steven Frisch	Steven Frisch
Angelo Ninivaggi	Angelo Ninivaggi	Angelo Ninivaggi
Ronnie Darroch	Oliver Mihm	Oliver Mihm

2 CAP was determined by making the following adjustments relating to equity awards to total compensation as reported in the Summary Compensation Table for each year as computed in accordance with Item 402(v) of Regulation S-K:

	PEO			NEOs		
	2023	2022	2021	2023	2022	2021
Summary Compensation Table Total	$9,126,346	$7,440,475	$7,623,221	$2,893,215	$2,573,470	$2,295,676
Value of Stock Awards Disclosed in the Summary Compensation Table	-$5,562,053	-$4,077,029	-$5,078,974	-$1,479,393	-$1,251,505	-$1,234,451
Year End Fair Value of Stock Awards Granted in the Year and Unvested at Year-End	$6,341,463	$5,694,429	$7,262,713	$1,679,270	$1,707,928	$1,765,111
Year-Over Year Change in Fair Value of Stock Awards Granted in a Prior Year And Outstanding and Unvested at Year-End	-$50,132	-$372,461	$1,997,562	-$8,589	-$91,165	$510,435
Change in Fair Value of Stock Awards Granted in a Prior Year that Vested in the Year	$478,561	-$648,697	$1,098,628	$116,913	-$170,602	$302,094
Compensation Actually Paid	$10,334,185	$8,036,717	$12,903,150	$3,201,416	$2,768,126	$3,638,865

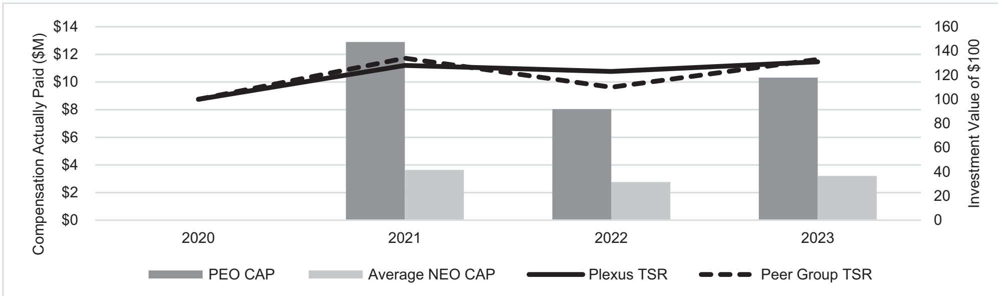
The valuation methodologies used to calculate fair values for each measurement date do not materially differ from those used at the time of grant of each respective award.

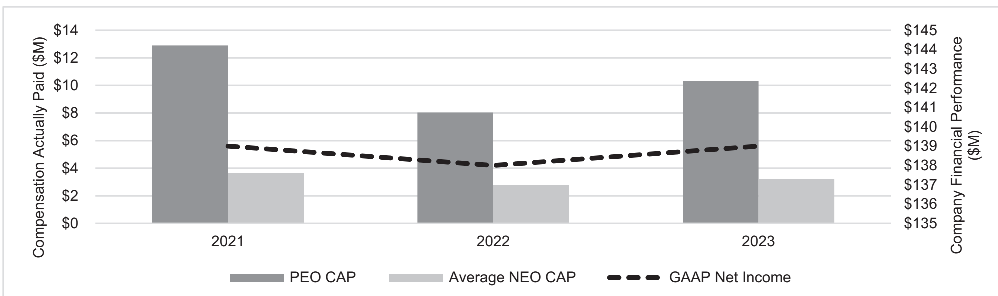
3 Represents the Nasdaq US Benchmark Electrical Components & Equipment Index.

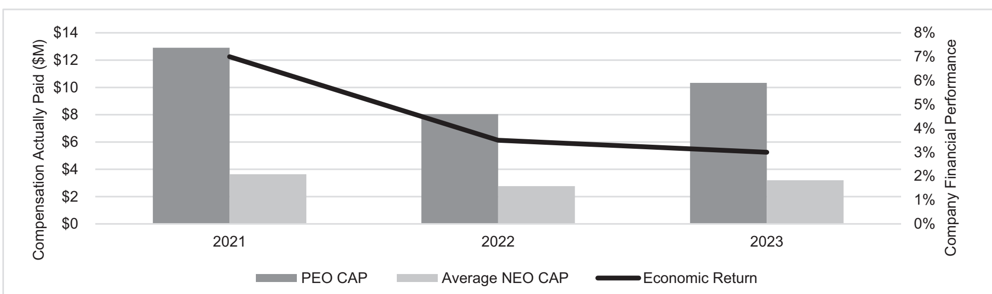
4 Represents annual economic return as calculated for PSU performance, which is defined as the difference between ROIC (calculated using GAAP operating profit) and WACC.

ANALYSIS OF THE INFORMATION PRESENTED IN THE PAY-VERSUS-PERFORMANCE TABLE

In accordance with Item 402(v) of Regulation S-K, the following graphs illustrate the relationship between the amounts disclosed in the Pay Versus Performance Table, above, as CAP to TSR, Peer Group Total Shareholder Return, GAAP Net Income and Economic Return.







TABULAR LIST OF PERFORMANCE MEASURES

The following table lists the financial performance measures that the Company considers to be the most important financial performance measures used by the Company to link CAP to its NEOs for the most recently completed fiscal year to performance of the Company.

Economic Return
Relative TSR
Return on Invested Capital
Revenue

COMPENSATION & RISK

During fiscal 2023, the Company reviewed its compensation policies, programs and procedures, including the incentives they create and mitigating factors that may reduce the likelihood of excessive risk taking, to determine whether they present a significant risk to the Company. Management assessed risk factors associated with specific compensation programs, as well as enterprise-level compensation risk factors, and a risk rating was assigned to each factor. The program-specific risk factors assessed included payout potential, payout as a percentage of total compensation, risk of manipulation, discretion to modify awards, overall plan design and market appropriateness. Enterprise-level risk factors evaluated included the balance between performance rewarded and the sustainability of that performance, the overall compensation mix, consistency between annual and long-term objectives as well as metrics, achievability of performance goals without undue risk-taking, the relationship of long-term awards to the Company's pay philosophy, stock ownership requirements, the weighting and duration of performance metrics, the value of severance packages, the degree to which pay programs (including retirement benefits) and/or grants may be considered disproportionate, and the interaction of compensation plans with the Company's financial performance and strategy. The Compensation Committee reviewed management's evaluation process as well as its results, and determined that both the process and conclusions reached were reasonable.

Based on this review, the Company has concluded that its compensation policies, programs and procedures are not reasonably likely to have a material adverse effect on the Company.

PROPOSAL 2 – ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

	Board Recommendation
An advisory proposal to approve the compensation of the Company's named executive officers, as disclosed under the headings "Compensation Discussion and Analysis" and "Executive Compensation"	**FOR**

SEC rules require publicly-traded companies like Plexus to hold an advisory vote of their shareholders at least once every three years to approve the named executive officer compensation, as disclosed in the company's proxy statement pursuant to Item 402 of Regulation S-K; Plexus discloses this information in "Compensation Discussion and Analysis" and "Executive Compensation" herein. Plexus currently holds these votes annually.

As described in "Compensation Discussion and Analysis" above, we design our executive compensation programs to attract, motivate and retain the talent needed to lead a complex global organization, to drive global financial and operational success, to create an ownership mindset and to appropriately balance Company performance and individual contributions towards the achievement of success. A meaningful portion of our executive officers' compensation is at risk, reflecting the Company's emphasis on pay that reflects performance and drives long-term shareholder value. We believe the Company's compensation program as a whole is well suited to promote the Company's objectives in both the short and long term.

Accordingly, the following resolution will be submitted to our shareholders for approval at the annual meeting:

> "RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby approved."

As an advisory vote, this proposal is not binding on the Company. However, the Compensation Committee, which is responsible for designing and administering the Company's executive compensation programs, values the opinions expressed by our shareholders, and will consider the outcome of the vote when making future compensation decisions on the Company's executive compensation programs.

CERTAIN TRANSACTIONS

Plexus has a written policy requiring that transactions, if any, between Plexus and its executive officers, directors or employees (or related parties) must be on a basis that is fair and reasonable to the Company and in accordance with Plexus' Code of Conduct and Business Ethics and other policies. Plexus' policy focuses on related party transactions in which its insiders or their families have a significant economic interest; while the policy requires disclosure of all transactions, it recognizes that there may be situations where Plexus has ordinary business dealings with other large companies in which insiders may have some role, but little, if any, stake in a particular transaction. Although these transactions are not prohibited, any such transaction involving an executive officer, director or related party must be approved by either a disinterested majority of the board of directors or by the Audit Committee.

Jacob Foate, the adult son of Dean Foate, Plexus' Non-Executive Chair, began working for Plexus in fiscal 2019 and ended his employment with Plexus in March 2023. Prior to the separation and during fiscal 2023, Mr. Foate received $89,185 in salary through the end date of his employment and, as part of the employment separation, Mr. Foate received severance of $187,000, as well as an extension of health benefits consistent with his prior employment. Andy Kelsey, the adult son of Todd Kelsey, Plexus' Chief Executive Officer, began working for Plexus in 2015 and is currently serving as Senior Regional Director - AMER. His annual base salary is $218,500. Andy participates in the Company's incentive plans, as well as its other benefit plans, on the same basis as other salaried employees.

Please see "Corporate Governance–Director Independence" for a discussion of certain transactions and relationships that the board considered when determining the independence of Plexus' directors. There were no other transactions in an amount or of a nature that were reportable under applicable SEC rules in fiscal 2023.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the board of directors, which was established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, oversees and monitors the participation of Plexus' management and independent auditors throughout the financial reporting process and approves the hiring and retention of, and fees paid to, the independent auditors. The Audit Committee also generally reviews other transactions between the Company and interested parties that may involve a potential conflict of interest. No member of the Audit Committee is employed by, or has any other material relationship with, Plexus. The members are all "independent directors" as defined in Rule 5605(a)(2) of the listing standards applicable to the Nasdaq Global Select Market and relevant SEC rules. The Plexus board of directors has adopted a written charter for the Audit Committee, and the current version is available on Plexus' website.

In connection with its function to oversee and monitor the financial reporting process of Plexus, and in addition to its quarterly review of interim unaudited financial statements, the Audit Committee has done the following:

- Reviewed and discussed the audited financial statements for the fiscal year ended September 30, 2023, with Plexus management;
- Discussed with PwC, Plexus' independent auditors, those matters which are required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC; and
- Received the written disclosure and the letter from PwC required by the applicable standards of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with PwC its independence.

Based on the foregoing, the Audit Committee recommended to the board of directors that the audited financial statements be included in Plexus' annual report on Form 10-K for the fiscal year ended September 30, 2023. The Audit Committee further confirmed the independence of PwC.

MEMBERS OF THE AUDIT COMMITTEE:

Rainer Jueckstock, Chair

Randy J. Martinez

Peter Kelly

Karen M. Rapp

PROPOSAL 3 – RATIFY INDEPENDENT AUDITORS

	Board Recommendation
Ratify the selection of PricewaterhouseCoopers LLP as our independent auditors for fiscal 2024.	**FOR**

PwC has served as Plexus' independent auditors since at least 1985. Subject to ratification by shareholders, the Audit Committee intends to reappoint the firm of PwC as independent auditors to audit the financial statements of Plexus for fiscal 2024. In making its decision to reappoint PwC for fiscal 2024, the Audit Committee considered the qualifications, performance and independence of PwC and the audit engagement team, the quality of its discussions with PwC and the fees charged for the services provided. Although shareholder ratification of the independent auditors is not required by our bylaws or otherwise, we are submitting this matter for ratification to permit shareholders to participate in this important decision. If shareholders fail to ratify the selection of PwC as the Company's independent auditors for fiscal 2024, the Audit Committee will reconsider the selection, although it will not be required to select a different independent auditor. Representatives of PwC are expected to participate at the annual meeting of shareholders to respond to questions and make a statement if they desire to do so.

Fees and Services

Fees (including reimbursements for out-of-pocket expenses) paid to PwC for services in the last two fiscal years were as follows:

	2022	2023
Audit fees:	1,697,843	1,900,099
Audit-related fees:	—	—
Tax fees:	—	—
All other fees:	—	—

The above amounts relate to services provided in the indicated fiscal years, irrespective of when they were billed. Audit fees relate to Plexus' annual integrated audit and quarterly professional reviews. The Audit Committee considered the compatibility of the non-audit services provided by PwC with the maintenance of that firm's independence. The Audit Committee generally approves all engagements of the independent auditor in advance, including approval of the related fees. The Audit Committee approves an annual budget (and may from time to time approve amendments thereto), which specifies projects and the approved levels of fees for each. To the extent that items are not covered in the annual budget or fees exceed the budget, management must have such items approved by the Audit Committee or, if necessary between Audit Committee meetings, by the Audit Committee chair on behalf of the Audit Committee. There were no services in fiscal 2022 or 2023 that were not approved in advance by the Audit Committee under this policy.

PROPOSAL 4 –
APPROVAL OF THE PLEXUS CORP. 2024 OMNIBUS INCENTIVE PLAN

	Board Recommendation
Approval of the Plexus Corp. 2024 Omnibus Incentive Plan.	**FOR**

APPROVAL OF THE PLEXUS CORP. 2024 OMNIBUS INCENTIVE PLAN

We are requesting that our shareholders approve the 2024 Plan (or, in this section, the "Plan").

In response to current market compensation trends, the board of directors determined it was in the best interests of Plexus to create a new incentive plan. The 2024 Plan is intended to continue and extend the incentives that have been provided under the 2016 Omnibus Incentive Plan by providing a means to compensate Plexus executive officers, employees and directors in a way that is performance-driven because the value of many awards will depend on performance—either of our stock or our corporate performance. Also, using Plexus stock helps us to further align the interests of our executive officers, employees and directors with those of our shareholders.

Our board also believes that adoption of the 2024 Plan is desirable because it will promote the interests of Plexus and its shareholders by continuing and strengthening the Company's ability to attract and retain executive officers, employees and directors and by encouraging such individuals to maintain a personal interest in Plexus' continued success and progress, by linking personal compensation to creation of value for Plexus' shareholders.

Our board adopted the 2024 Plan on November 16, 2023, subject to shareholder approval at the annual meeting. The board unanimously recommends that shareholders vote FOR approval of the 2024 Plan. No awards will be granted under the 2024 Plan until it is approved by shareholders.

If shareholders do not approve the 2024 Plan, we will be unable to issue equity awards to our executive officers, employees and directors once the remaining share reserve is exhausted under the 2016 Omnibus Incentive Plan. As of December 8, 2023, 663,854 shares were available for future grants under the 2016 Omnibus Incentive Plan. See "Executive Compensation" above for information on awards previously made to executive officers and "Corporate Governance—Directors' Compensation" for information on awards previously to directors under the 2016 Omnibus Incentive Plan.

If shareholders approve the 2024 Plan, then the 2016 Omnibus Incentive Plan will no longer be used for future grants. Awards previously granted under the 2016 Omnibus Incentive Plan, and its predecessor, the 2008 Long-Term Plan, will remain in effect until exercise, vesting, forfeiture or expiration, and will be administered under their terms. See "Equity Compensation Plan Information" below for a summary of shares subject to awards granted under the Company's existing and predecessor plans, as well as shares available under the Company's existing plan, at December 8, 2023.

A summary of the material terms of the 2024 Plan is included below. This summary is qualified in its entirety by reference to the text of the Plan, which is attached to this proxy statement as Appendix A.

SUMMARY OF THE 2024 PLAN

Shareholder Protections and Best Practices

WHAT THE PLAN DOES DO	WHAT THE PLAN DOESN'T DO
✓ Requires 1-year minimum vesting for most awards	✘ Provide tax gross-ups
✓ Prohibits the repricing of repurchase of underwater stock option or stock appreciation rights without shareholder approval	✘ Permit dividends or dividend equivalents to be paid on stock options, stock appreciation rights or other appreciation-type awards
✓ Prohibits recycling of shares withheld under awards to pay the exercise price of options or to cover tax withholding obligations, or shares not issued in connection with the stock settlement of SARs or purchased with stock option proceeds	✘ Permit dividends or dividend equivalents to be paid before the underlying award vests or is earned

Types of Awards

The 2024 Plan is a stock and cash-based incentive plan, and includes provisions permitting Plexus to grant the following types of awards to eligible individuals:

- stock options, consisting of incentive stock options ("ISOs"), intended to qualify within the meaning of Section 422 of the Code, and non-qualified stock options ("NSOs") that do not meet the requirements of Section 422 of the Code;
- SARs, which may be settled in cash or in Plexus stock;
- shares of restricted stock and RSUs;
- performance stock and PSUs;
- other stock awards; and
- cash incentive awards.

In this section of the proxy statement, we call ISOs and NSOs "options," and options, SARs, restricted stock, performance stock, other stock awards and cash incentive awards collectively as "awards."

Shares Reserved

The maximum number of shares of Plexus common stock that may be issued pursuant to awards granted under the 2024 Plan is 800,000 shares plus the number of shares of Plexus common stock reserved for issuance under the 2016 Omnibus Incentive Plan that have not been issued and are not subject to outstanding awards as of the effective date of the 2024 Plan, all of which may be issued as ISOs. Shares may be original issue shares, treasury shares held by Plexus (including shares repurchased by Plexus or an independent agent in the open market to be used for awards), or from a combination of the foregoing. Additionally, if any award granted under either the 2016 Omnibus Incentive Plan or the 2024 Plan is canceled, terminates, expires or lapses without the issuance of shares, or if the award is settled in cash, then any shares subject to the award will be available for the grant of other awards under the 2024 Plan. The number of shares reserved for issuance will be reduced, however, by the number of shares delivered to or withheld by the Company to pay the exercise price of stock options or to pay the withholding taxes related to awards. In addition, shares not issued in connection with the stock settlement of a SAR or purchased by Plexus using option exercise proceeds may not be available for new grants under the 2024 Plan.

On December 8, 2023, the closing price of Plexus common stock Nasdaq Global Select Market was $101.73 per share.

Administration

The 2024 Plan will be administered by the Compensation and Leadership Development Committee (in this section, the "Committee"). Subject to the terms of the Plan, the Committee, in its discretion, will designate the persons to whom awards will be made, grant the awards in the form and amount as it determines and impose such limitations, restrictions and conditions upon any such award as it deems appropriate. The Committee may delegate certain of these decisions relating to awards to other Plexus officers, employees or directors. However, the Committee itself will make these decisions related to any awards made to executive officers and the full board of directors will make these decisions with respect to any awards made to directors. We refer to the Committee, its designees and the board acting in these capacities as the "Administrator."

Each award under the 2024 Plan will be evidenced by an agreement containing such terms as the Administrator may establish from time to time.

Eligible Award Recipients and Director Award Limitations

Officers, key employees and directors of Plexus and its subsidiaries will be eligible to receive awards under the 2024 Plan if selected by the Committee for participation. Plexus estimates that the number of persons who will be eligible to participate in the 2024 Plan is 1,250 to 1,750, including each of our 8 executive officers and 10 non-employee directors.

Under the Plan, during any calendar year, a non-employee director may not receive awards under the 2024 Plan having a value, when added to the cash fees paid to the director, exceeding $750,000, or in the case of the Lead Director or Chairperson of the board, or for the first year a non-employee director serves on our board, exceeding $900,000 (with the value of such awards computed as of grant under applicable financial accounting rules).

Stock Options and SARs

The Administrator may grant options and SARs to eligible individuals, although only employees of Plexus or its subsidiaries may be granted ISOs, and will determine the number of shares subject to the award, the time or times within which such awards may be exercised and any other terms of such awards, subject to the terms of the Plan.

The exercise price of options and SARs granted under the 2024 Plan may not be less than 100% of the fair market value of the shares on the date the award is granted. The Plan defines fair market value as the opening, closing, actual, high, low or average selling prices of Plexus common stock on the date of grant, the preceding trading day, the next succeeding trading day or for an average of trading days, as determined by the Administrator. Options and SARs will have maximum exercise terms of 10 years from grant.

No person may receive an ISO if, at the time of grant, the person owns, directly or indirectly, shares representing more than 10% of the total combined voting power of Plexus, unless the exercise price is at least 110% of the fair market value of the shares and the exercise period of such ISO is limited to five years.

Payment for shares acquired through exercising options issued under the 2024 Plan may be made in such manner as the Administrator determines, including in cash or in shares of Plexus common stock, including shares beneficially owned by the grantee or through the surrender of shares to be otherwise received upon exercising the related option, valued at their fair market value as of the exercise date, or in a combination thereof.

Awards of SARs may be made alone or together with other awards under the 2024 Plan. The Administrator will determine the terms of any SAR grants.

No Repricing

The Administrator may not amend the terms of outstanding options or SARs to reduce the exercise price, cancel outstanding options or stock appreciation rights in exchange for or substitution of new options or SARs with an exercise price that is less than the exercise price of the original options or SARs, or cancel outstanding options or SARs with an exercise price above the current fair market value of a share of our common stock in exchange for cash, other securities or other awards under the Plan, in each case, unless such action is subject to and approved by our shareholders or would not be deemed to be a repricing under the rules any stock exchange on which our common stock is listed.

Restricted Stock and RSUs

The Administrator may grant restricted stock or RSUs to eligible individuals, and will determine the number of shares subject to the award, the time or times within which such awards may be subject to forfeiture and any other terms of the awards, subject to the terms of the Plan. Grants of restricted stock or RSUs may be conditioned upon the attainment of specified Performance Goals, which are discussed below and described in the Plan, or other criteria determined by the Administrator. Until the forfeiture restrictions lapse or the conditions are satisfied, the individual may not sell, assign, transfer, pledge or otherwise encumber the award. If the restrictions lapse, unrestricted shares or cash equal to the fair market value of the shares subject to the award, will be issued or paid to the individual.

Performance Stock and PSUs

The Administrator may grant performance stock (including PSUs) to eligible individuals, and will determine the number of shares subject to the award, the Performance Goals that must be satisfied, the time within which such awards will be subject to forfeiture and any other terms of the awards, subject to the terms of the Plan. Until all conditions for an award have been satisfied, the individual may not sell, assign, transfer, pledge or otherwise encumber the award. If the vesting conditions are satisfied, unrestricted shares or cash equal to the fair market value of the shares subject to the award, will be issued or paid to the individual.

Other Stock Awards

The Administrator may also grant other stock awards under the 2024 Plan to eligible individuals. The Administrator will determine the number of shares subject to the award and any other terms of the other stock awards, subject to the terms of the Plan.

Dividends and Dividend Equivalent Rights

If dividends are paid while restricted shares or performance shares granted under the 2024 Plan are subject to restrictions, then the recipient of the award will not receive such dividends unless, and only to the same extent as, the underlying award vests.

The 2024 Plan permits the grant of dividend equivalent rights in connection with the grant of any full-value equity-based award, such as RSUs or PSUs. Thus, dividend equivalent rights may not be granted with respect to options, SARs or any other equity-based award not measured in relation to the full value of one share of our common stock. Dividend equivalent rights are rights to receive (or to receive credits for the future payment of) cash, shares of common stock, other awards or other property equal in value to dividend payments or distributions paid or made with respect to a specified number of shares of common stock. The Administrator will determine the terms of any dividend equivalent rights, except that no dividend equivalent rights may vest, be settled or paid unless and to the same extent as the award to which it relates becomes vested, settled and paid.

Cash Incentive Awards

The Administrator may grant cash incentive awards to eligible individuals, either alone or in addition to other awards granted under the 2024 Plan. The Administrator will determine the amount of cash, and the conditions upon which the awards, will be paid, including the Performance Goals that must be satisfied. The Plan does not limit the authority of the Company, the board or the Committee to award other bonuses or compensation to any person.

Performance Goals

The Administrator may grant awards under the 2024 Plan subject to specified subjective goals (such as the recipient's individual performance) or performance goals based on the attainment of goals relating to one or more of the following business criteria measured on an absolute basis or in terms of growth or reduction or with specified adjustments (the "Performance Goals"): income (pre-tax or after-tax and with adjustments as stipulated), earnings per share (basic and diluted), return on equity, return on capital employed ("ROCE"), revenue, sales, gross profit, gross profit margin, operating profit, operating profit margin, return on assets, return on tangible book value, return on sales, earnings before or after taxes including earnings before interest, taxes, depreciation and/or amortization ("EBIDTA"), expense ratio, increase in stock price, ROIC, total shareholder return, shareholder value added (or a derivative thereof), free cash flow, operating cash flow, working capital, cash cycle days, expenses, cost reduction, market share, level or amount of acquisitions, debt reduction, on-time to commit, on-time to request, manufacturing process yield, quality yield, economic profit or return, operating margin, objective measures of productivity or operating efficiency, new business wins, net promoter score and customer satisfaction.

The Performance Goals may be based solely by reference to the performance of Plexus or the performance of an affiliate, division, business segment or business unit or subsidiary of Plexus, or based upon the relative performance of other companies or upon comparison of the indicators of performance relative to other companies. In measuring the degree of attainment of a Performance Goal, the Administrator may make adjustments to the goals or how the goals are measured, such as by excluding extraordinary charges, including those related to restructurings, discontinued operations, mergers, acquisitions and items that are unusual in nature or occur infrequently, subject to its use of appropriate discretion.

Performance Goals will be established in writing by the Administrator not later than 90 days after the commencement of the period of service to which the Performance Goal relates. The preestablished Performance Goals must state, in terms of an objective formula or standard, the method for computing the compensation payable to any employee if the goal is attained. If Performance Goals established by the Administrator are not met, the related award will be forfeited.

Minimum Vesting Period

The vesting schedule for awards will be determined at the time of grant. However, the Plan provides that the minimum vesting period for awards must be at least one year, provided that the Administrator may provide for accelerated vesting upon a grantee's death, disability or retirement from the Company, termination without cause or other special circumstances. For awards made to non-employee directors, the one-year minimum vesting period refers to the period from one annual shareholders' meeting to the next, provided such period is at least fifty weeks. Notwithstanding the foregoing, up to 5% of the shares available for issuance under awards under the Plan be granted as unrestricted shares of the Company's common stock or as awards having a vesting period of less than one year.

Effect of Transactions

In the event of any recapitalization, stock split or reverse split, stock dividend, merger in which Plexus is the surviving entity, combination or exchange of shares, or other capital change affecting Plexus common stock, appropriate changes in the number and kind of shares available for grant under the 2024 Plan and in the number, price and kind of shares covered by other outstanding awards shall be made.

In the case of a change in control of Plexus, all awards that are subject to time-vesting requirements will become fully vested and all awards that are subject to performance-vesting requirements will become vested either by treating the performance period as being completed immediately prior to the change in control and determining the extent of vesting based on the level of performance achieved, or assuming that the performance goals had been met at target, whichever is provided by the award agreement. The Administrator may also choose to cancel all awards on the change in control date for a cash payment equal to the value of the award.

Clawback or Recoupment

All awards under the Plan will be subject to forfeiture or other penalties under any clawback policy we may adopt or amend from time to time, or as may be required by any law, rule or regulation.

Non-transferability of Awards

A grantee is generally prohibited from any transferring an award, other than by will or the laws of descent, and options and SARs will be exercisable during the grantee's lifetime solely by the grantee or the grantee's duly appointed guardian or personal representative. However, the Administrator may permit a grantee to transfer an award to a family member or a trust or partnership for the benefit of a family member, under rules established by the Administrator.

Amendment, Suspension or Termination

Our board may, at any time, amend, suspend or terminate the 2024 Plan. The effectiveness of any amendment to the 2024 Plan will be contingent on approval of such amendment by our shareholders to the extent provided by the board of directors or required by laws (including, for so long as our common stock is listed on a stock exchange, the rules of such stock exchange). In addition, the Administrator may amend award agreements, subject to certain limitation described in the Plan.

The 2024 Plan will automatically terminate on February 1, 2034, unless our board terminates the Plan earlier.

NEW PLAN BENEFITS AND HISTORIC SHARE USAGE

The number of awards that will be granted under the 2024 Plan in the future to any single key employee or group of key employees is determined by the Committee in its discretion and therefore is not determinable at this time.

However, the Committee estimates that approximately 335,000 shares will be granted to employees from the 2016 Plan in January 2024 in connection with the Company's normal annual equity grant cycle. The table below presents a reconciliation of the shares outstanding and available to grant as of December 8, 2023 and an estimate of share usage between December 8, 2023 and February 14, 2024.

	Number of Shares	Comment
Award activity between September 30, 2023 and December 8, 2023		
Outstanding awards as of September 30, 2023	805,543	4,480 stock options and 801,063 RSUs and PSUs
Vested	(45,067)	40,840 PSUs vested based on Economic Return for 2021-2023 performance period; 3,800 options exercised; 427 RSUs vested
Granted	5,860	
Canceled	(1,079)	
Outstanding awards as of December 8, 2023	765,257	Awards outstanding as of record date.
Anticipated RSU and PSU activity between December 8, 2023 and February 14, 2024		
Anticipated grants	335,000	Approximate size of 2024 annual grants
Anticipated vesting	(189,851)	
Anticipated outstanding awards as of February 14, 2024	910,406	

As of December 8, 2023, the 2016 Plan had 663,854 shares remaining and we anticipate granting approximately 335,000 RSUs and PSUs in January 2024 (when the Company typically grants annual equity awards to eligible participants). Excluding the impact of shares added back to the plan relating to forfeitures and adjustments related to performance results for performance shares with performance cycles ending in January 2024, the remaining shares authorized under the 2016 Plan is anticipated to be approximately 328,854. Since the potential resulting number of shares available for grant under the 2016 Plan is less than what we would expect to grant in January 2025, the Company is proposing to shareholders the adoption of the 2024 Plan. If the 2024 Plan is authorized by shareholders, an additional 800,000 shares will be available to grant, which we expect will last approximately an additional three years.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information regarding our equity incentive plans. All information presented is as of December 8, 2023. We do not have any equity compensation plans that have not been approved by our shareholders.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights[1]	Weighted-average exercise price of outstanding options, warrants and rights[2]	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in 1st column)
Equity compensation plans approved by security holders	765,257	41.04	663,854
Equity compensation plans not approved by security holders	—	n/a	—
Total	765,257	41.04	663,854

[1] Represents options, stock-settled SARs, PSUs and RSUs granted under the 2016 Omnibus Plan and the 2008 Long-Term Plan, both of which were approved by shareholders. No further awards may be made under the 2008 Long-Term Plan, and, if the 2024 Plan is approved by shareholders at the annual meeting, no further awards will be made under the 2016 Omnibus Plan (but the shares remaining under the 2016 Plan will be added to the 2024 Plan reserve).

[2] The weighted average exercise prices exclude PSUs and RSUs.

TAX CONSEQUENCES

The following summarizes certain U.S. federal income tax consequences relating to the 2024 Plan. The summary is based upon the laws and regulations in effect as of this proxy statement and is not a complete statement of the law. The discussion below does not address the tax consequences of the receipt or exercise of awards under foreign, state or local tax laws, and such tax laws may not correspond to the U.S. federal income tax treatment described. The exact U.S. federal income tax treatment of transactions under the 2024 Plan will vary depending upon the specific facts and circumstances involved and participants are advised to consult their personal tax advisors regarding all consequences arising from the grant or exercise of awards and the disposition of any acquired shares.

Incentive Stock Options (ISOs)

The grant of ISOs will create no income tax consequences for Plexus or the optionee. An optionee will not recognize taxable income upon exercising an ISO if the shares acquired upon exercise are held for at least two years after grant and for at least one year after exercise. The difference between the exercise price and the fair market value of the stock at the date of exercise is, however, a tax preference item. When the shares of stock received upon exercise of an ISO are sold or otherwise disposed of in a taxable transaction, the optionee will recognize a capital gain or loss, measured by the difference between the exercise price and the amount realized.

Ordinarily, Plexus will not be allowed a tax deduction for the stock issued upon exercising an ISO. However, if the requirements for an ISO are met except for the holding period rules noted above, the optionee will be required, at the time of the disposition of the stock, to treat the lesser of the gain realized or the difference between the exercise price and the fair market value of the stock at the date of exercise as ordinary income and the excess, if any, as capital gain. Plexus will generally be allowed a corresponding tax deduction for the amount of the optionee’s ordinary income at the same time as the optionee includes such amount in income.

Non-Qualified Stock Options (NSOs)

The grant of NSOs will create no income tax consequences for Plexus or the optionee. Upon the exercise of an NSO, an optionee will recognize taxable income equal to the difference between the exercise price and the fair market value of the shares at the date of exercise, and Plexus generally is entitled to a tax deduction in the same amount at such time. On a subsequent sale or exchange of shares acquired upon the exercise of an NSO, the optionee will recognize a taxable gain or loss, measured by the difference between the amount realized on the disposition and the tax basis of such shares. The tax basis will generally be the amount paid for the shares plus the amount treated as taxable income when the shares were acquired upon the exercise of the option. Upon the grantee's subsequent disposition of the shares, the grantee will recognize a capital gain or loss (long-term or short-term depending on the holding period) to the extent the amount realized from the disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the grantee received the shares).

Stock Appreciation Rights (SARs)

The grant of SARs will create no income tax consequences for Plexus or the grantee. An award holder will recognize ordinary income upon exercise of a SAR in an amount determined by multiplying (1) the excess of the fair market value of a share of Plexus stock on the SAR exercise date over the fair market value of a share of stock on the SAR grant date, by (2) the number of SARs exercised. Plexus is generally entitled to a tax deduction in the same amount at such time. If shares are issued upon exercise of the SAR, upon the grantee's subsequent disposition of the shares, the grantee will recognize a capital gain or loss (long-term or short-term depending on the holding period) to the extent the amount realized from the disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the grantee received the shares).

Restricted Stock Shares and Performance Stock Shares

A grantee receiving restricted stock shares or performance stock shares will generally recognize ordinary income equal to the fair market value of the stock at the time the stock is no longer subject to forfeiture or is transferable. While the restrictions are in effect, the grantee will recognize compensation income equal to any dividends received and Plexus will be allowed a tax deduction for that amount. A grantee may elect, under Section 83(b) of the Code, within 30 days of the stock grant, to recognize taxable ordinary income on the date of grant equal to the fair market value of the shares (determined without regard to the restrictions) on such date. Plexus is generally entitled to a tax deduction equal to the amount that is taxable as ordinary income to the grantee in the year that such income is taxable. Upon the grantee's subsequent disposition of the shares, the grantee will recognize a capital gain or loss (long-term or short-term depending on the holding period) to the extent the amount realized from the disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the grantee received the shares, if a Section 83(b) election was made, or on the date the shares became vested or transferable, if no Section 83(b) election was made).

Restricted Stock Units (RSUs) and Performance Share Units (PSUs)

The grant of RSUs or PSUs will create no income tax consequences for Plexus or the grantee. Assuming the specified vesting or performance conditions are achieved, the grantee will recognize ordinary income equal to the fair market value of the shares received. Plexus is generally entitled to a tax deduction in the same amount at the same time as income is recognized by the grantee. Upon the grantee's subsequent disposition of the shares, the grantee will recognize a capital gain or loss (long-term or short-term depending on the holding period) to the extent the amount realized from the disposition differs from the shares' tax basis (i.e., the fair market value of the shares on the date the grantee received the shares).

Other Stock Awards

A grantee of another stock award will generally recognize ordinary income equal to the fair market value of Plexus stock at the time the stock is granted, unless the award is subject to restrictions. Upon the lapse of the restrictions the grantee will recognize ordinary income equal to the fair market value of the shares at such time. If applicable, while the restrictions are in effect, the grantee will recognize compensation income equal to any dividends received and Plexus will generally be allowed a deduction for that amount. Plexus is generally entitled to a tax deduction equal to the amount that is taxable as ordinary income to the grantee in the year that such income is taxable.

Cash Incentive Awards

A recipient who is paid a cash bonus award will recognize ordinary income equal to the cash paid. Plexus is generally entitled to a tax deduction in the same amount and at the same time as income is recognized by the employee.

Code Section 162(m) Limitation on Deductions

Code Section 162(m) limits the corporate tax deduction for most compensation paid to certain executive officers to $1.0 million per executive officer per year.

Code Section 409A

Awards under the 2024 Plan may constitute, or provide for, a deferral of compensation under Code Section 409A. If the requirements of Code Section 409A are not complied with, then the recipients of such awards may be taxed earlier than would otherwise be the case (e.g., at the time of vesting instead of the time of payment) and may be subject to an additional 20% penalty tax and, potentially, interest and penalties.

Withholding

Plexus may deduct or withhold, or require a grantee to remit to Plexus, an amount sufficient to satisfy federal, state, and local taxes (including the grantee's FICA obligation) required by law to be withheld regarding any taxable event arising or because of the 2024 Plan. With respect to withholding required upon the exercise or vesting of equity awards, executive officers may elect, subject to the approval of the Administrator, to satisfy the withholding requirement, in whole or in part, by having Plexus withhold shares having a fair market value on the date the tax is to be determined no greater than the maximum statutory total tax that could be imposed on the transaction or by using cash.

Householding & Solicitation

A copy (without exhibits) of Plexus' annual report to the SEC on Form 10-K for the fiscal year ended September 30, 2023, will be provided without charge to each record or beneficial owner of shares of Plexus' common stock as of December 8, 2023, on the written request of that person directed to: Shawn Harrison, VP – Communications and Investor Relations, Plexus Corp., One Plexus Way, P.O. Box 156, Neenah, Wisconsin 54957-0156. See also the Notice page of this proxy statement. In addition, copies are available on Plexus' website at www.plexus.com under the link titled "Investors," then "Financial Info."

To save printing and mailing costs, in some cases only one notice, annual report and/or proxy statement will be delivered to multiple holders of securities sharing an address unless Plexus has received contrary instructions from one or more of those security holders. Upon written or oral request, we will promptly deliver a separate copy of the annual report or proxy statement, as applicable, to any security holder at a shared address to which a single copy of the document was delivered. You may request additional copies by written request to the address set forth in the paragraph above or as set forth on the first page of this proxy statement. You may also contact Mr. Harrison at that address or at 1.920.969.6000 if you wish to receive a separate annual report and/or proxy statement in the future, or if you share an address with another security holder and wish for delivery of only a single copy of the annual report and/or proxy statement if you are currently receiving multiple copies.

This solicitation is being made on behalf of Plexus by its board of directors. Plexus will pay the expenses in connection with the solicitation of proxies. Upon request, Plexus will reimburse brokers, dealers, banks and voting trustees, or their nominees, for reasonable expenses incurred in forwarding copies of the proxy materials and annual report to the beneficial owners of shares which such persons hold of record. Plexus will solicit proxies by mailing a Notice of Internet Availability of Proxy Materials to all shareholders; paper copies of the proxy materials will be sent upon request as provided above as well as in the Notice of Internet Availability of Proxy Materials.

Proxies may be solicited in person, or by telephone, e-mail or facsimile, by officers and regular employees of Plexus who will not be separately compensated for those services.

SAFE HARBOR AND FAIR DISCLOSURE STATEMENT

The statements contained in this proxy statement that are not historical facts (such as statements in the future tense and statements including believe, expect, intend, plan, anticipate, goal, target and similar terms and concepts), including all discussions of periods which are not yet completed, are forward-looking statements that involve risks and uncertainties. These risks and uncertainties include the evolving effect, which may intensify, of COVID-19 on our employees, customers, suppliers, and logistics providers, including the impact of governmental actions being taken to curtail the spread of the virus. Other risks and uncertainties are described in our other SEC filings, particularly within Risk Factors in our fiscal 2023 Form 10-K and any subsequently filed Form 10-Q.

By order of the Board of Directors

Angelo M. Ninivaggi
Executive Vice President, Chief Administrative Officer, General Counsel and Secretary

Neenah, Wisconsin

December 15, 2023

APPENDIX A
TO 2024 PROXY STATEMENT

PLEXUS CORP.
2024 OMNIBUS INCENTIVE PLAN

1. Introduction.

   (a) Purposes. The purposes of the 2024 Omnibus Incentive Plan are to provide a means to attract and retain talented personnel and to provide to participating directors, officers and other key employees long-term incentives for high levels of performance and for successful efforts to improve the financial performance of the Corporation. These purposes may be achieved through the grant of options to purchase Common Stock of Plexus Corp., Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Performance Stock Units, Other Stock Awards and the grant of Cash Incentive Awards, as described below.

   (b) Effective Date. The Plan shall become effective on the date of the Corporation's 2024 Annual Meeting of Shareholders (the "Effective Date"), provided that the Corporation's shareholders approve the Plan on such date.

   (c) Effect on Prior Plans. If the 2024 Omnibus Incentive Plan is approved by shareholders, then no further awards will be granted under the Plexus Corp. 2016 Omnibus Incentive Plan (the "2016 Plan"). Awards granted previously under the 2016 Plan and its predecessors will remain in effect until they are exercised or settled, have expired, or are otherwise terminated in accordance with their terms, and shall continue to be administered in accordance with their terms and the relevant plan.

2. Definitions.

Capitalized terms used and not otherwise defined in this Plan or in any Award Agreement have the following meanings:

   (a) "1934 Act" means the Securities Exchange Act of 1934, as it may be amended from time to time. Any reference to a specific section of the 1934 Act shall include all rules and guidance issued thereunder and any successor provision.

   (b) "Award" means an Incentive Stock Option, Non-Qualified Stock Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Units, Performance Stock Units, Other Stock Award or Cash Incentive Award, as appropriate.

   (c) "Award Agreement" means the agreement between the Corporation and the Grantee specifying the terms and conditions of an Award, as described thereunder. The Corporation may provide for the use of electronic, Internet or other non-paper Award Agreements, and the use of electronic, Internet or other non-paper means for the acceptance thereof and actions thereunder by a Grantee.

   (d) "Board" means the Board of Directors of the Corporation.

   (e) "Cash Incentive Award" means a cash incentive award under Section 9 of the Plan.

   (f) "Cause" means (i) if a Grantee has in effect an employment agreement with the Corporation or an affiliate that defines "Cause," then the definition set forth in such agreement, or if none, then (ii) a violation of the Corporation's Code of Conduct and Business Ethics, or substantial and continued failure of the employee to perform his or her assigned duties, which results in, or was intended to result in (A) demonstrable injury to the Corporation, monetary or otherwise or (B) gain to, or enrichment of, the Grantee at the Corporation's expense.

(g) "Change in Control" means the first to occur of the following events:

(i) Any person, entity or group, other than an Excluded Person (as defined below), shall become the beneficial owner of such number of Shares, and/or any other class of stock of the Corporation then outstanding that is entitled to vote in the election of directors (or is convertible into shares so entitled to vote) as together possess more than 50% of the voting power of all of the then outstanding shares of all such classes of stock of the Corporation so entitled to vote. "Excluded Person" means (A) the Corporation or its subsidiaries, (B) any employee benefit plan of the Corporation or its subsidiaries, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, (D) a corporation owned, directly or indirectly, by the shareholders of the Corporation in substantially the same proportions as their ownership of stock in the Corporation, or (E) any person, entity or group which, as of the Effective Date of this Plan, is the beneficial owner of such number of Shares and/or such other class of stock of the Corporation as together possess 5% of such voting power; and for these purposes "group" shall mean persons who act in concert as described in Section 14(d)(2) of the 1934 Act;

(ii) Continuing Directors shall for any reason cease to constitute a majority of the Board. "Continuing Director" shall mean a member of the Board who either was a member of the Board on the Effective Date or who subsequently became a member of the Board and whose election, or nomination for election, was approved by a vote of at least two-thirds (2/3) of the Continuing Directors then in office;

(iii) The Corporation disposes of all or substantially all of the business of the Corporation to a party or parties other than a subsidiary or affiliate of the Corporation pursuant to a partial or complete liquidation, sale of assets (including stock of a subsidiary of the Corporation) or otherwise; or

(iv) The Corporation is involved in a merger, consolidation or share exchange with any other entity, or the Corporation's voting securities are issued in any such transaction, other than a merger, consolidation or share exchange that either: (A) results in the shareholders of the Corporation immediately prior to such transaction continuing to hold, in substantially the same proportion, at least fifty percent (50%) of the voting securities of the Corporation or surviving entity in the transaction (or any parent thereof), or (B) is effected to implement a recapitalization of the Corporation (or similar transaction) in which no person, entity or group (other than an Excluded Person) is or becomes the beneficial owner, directly or indirectly, of securities of the Corporation (not including in the securities beneficially owned by such person, entity or group any securities acquired directly from the Corporation after the Effective Date pursuant to express authorization by the Board that refers to this exception) representing fifty percent (50%) or more of either the then Shares or the combined voting power of the Corporation's then outstanding voting securities.

Notwithstanding the foregoing, no "Change in Control" shall be deemed to have occurred if there is consummated any transaction or series of integrated transactions immediately following which the holders of the Shares immediately prior to such transaction or series of transactions continue to own, directly or indirectly, in the same proportions as their ownership in the Corporation, an entity that owns all or substantially all of the assets or voting securities of the Corporation immediately following such transaction or series of transactions.

(h) "Code" means the Internal Revenue Code of 1986, as it may be amended from time to time. Any reference to a specific section of the Code shall include all regulations and guidance issued thereunder and any successor provision.

(i) "Committee" means the Compensation and Leadership Development Committee of the Board, or any other committee the Board may subsequently appoint to administer the Plan, or the person or persons to whom the Committee has delegated its power and responsibilities under Section 4. Notwithstanding the foregoing, with respect to Awards granted to non-employee directors, references to the "Committee" shall mean the Board.

(j) "Common Stock" means the common stock of the Corporation having a par value of $.01 per share.

(k) "Corporation" means Plexus Corp., a Wisconsin corporation.

(l) "Disability" means a permanent and total disability as described in Code Section 22(e)(3).

(m) "Dividend Equivalent" means the right to receive a payment, in cash or Shares, equal to the cash dividends or other cash distributions paid with respect to a Share.

(n) "Fair Market Value" means, as applied to a specific date, the price of a Share that is based on the opening, closing, actual, high, low or average selling prices of a Share reported on any established stock exchange or national market system including without limitation the Nasdaq Stock Market and the New York Stock Exchange on the applicable date, the preceding trading day, the next succeeding trading day, or an average of trading days, as determined by the Committee in its discretion. Unless otherwise specified in an Award Agreement, Fair Market Value shall be deemed to be equal to (i) the reported closing price of a Share on the Nasdaq Stock Market, the New York Stock Exchange or such other established stock exchange on such date, or if no sale of Shares shall have been made on that date, on the preceding date on which there was such a sale, (ii) if the Shares are not then listed on an exchange, the last trade price per Share in the over-the-counter market as quoted on Nasdaq or the pink sheets or successor publication of the National Quotation Bureau on such date, or (iii) if the Shares are not then listed or quoted as referenced above, an amount determined in good faith by the Board or the Committee; provided that for purposes of a sale of a Share or an Option or Stock Appreciation Right exercise, the actual trading price of a Share at the time of the sale or exercise, as applicable, shall be the "Fair Market Value" for purposes of such transaction.

(o) "Grant Date" means the date on which an Award is granted, which shall be the date on which the Committee authorizes the Award or such later date as the Committee shall determine in its sole discretion.

(p) "Grantee" means an individual who has been granted an Award.

(q) "Incentive Stock Option" means an Option that is intended to meet the requirements of Section 422 of the Code.

(r) "Non-Qualified Stock Option" means an Option other than an Incentive Stock Option.

(s) "Option" means the right to purchase Shares at a stated price on one or more dates in the future. An Option may either be an Incentive Stock Option or Non-Qualified Stock Option, as appropriate.

(t) "Other Stock Award" means an Award described in Section 9.

(u) "Performance Goal" means any objective or subjective performance goal established by the Committee with respect to an Award. Performance Goals may, include, but are not limited to, the following business criteria measured on an absolute basis or in terms of growth or reduction or with specified adjustments: income (pre-tax or after-tax and with adjustments as stipulated), earnings per share (basic and diluted), return on equity, return on capital employed (ROCE), revenue, sales, gross profit, gross profit margin, operating profit, operating profit margin return on assets, return on tangible book value, return on sales, earnings before or after taxes including earnings before interest, taxes, depreciation and/or amortization (EBIDTA), expense ratio, increase in stock price, return on invested capital (ROIC), total shareholder return, shareholder value added (or a derivative thereof), free cash flow, operating cash flow, working capital, cash cycle days, expenses, cost reduction, market share, level or amount of acquisitions, debt reduction, on-time to commit, on-time to request, manufacturing process yield, quality yield, economic profit or return, operating margin, objective measures of productivity or operating efficiency, new business wins, net promoter score and customer satisfaction. Such performance goals may be based solely by reference to the Corporation's performance or the performance of an affiliate, division, business segment or business unit of the Corporation or any of its subsidiaries, or based upon the relative performance of other companies or upon comparisons of any of the indicators of performance relative to other companies. Performance Goals may also relate to a Grantee's individual performance.

The Committee reserves the right to adjust Performance Goals, or modify the manner of measuring or evaluating a Performance Goal, for any reason the Committee determines is appropriate, including, but not limited to, excluding the impact of Extraordinary Events. "Extraordinary Event" means any one of the following events: (i) restructurings, discontinued operations, impairment of goodwill or long-lived assets, follow-on stock offerings, extraordinary items, and other unusual or non-recurring charges, (ii) an event either not directly related to the operations of the Corporation or not within the reasonable control of the Corporation's management, (iii) the cumulative effects of tax or accounting changes in accordance with generally accepted accounting principles, (iv) changes in tax regulations or laws, or (v) the effect of a merger or acquisition. The inclusion in an Award Agreement of specific adjustments or modifications shall not be deemed to preclude the Committee from making other adjustments or modifications, in its discretion, as described herein, unless the Award Agreement provides that the adjustments or modifications described in such agreement shall be the sole adjustments or modifications.

(v) "Performance Stock Unit" means the right to receive a Share, or a cash payment equal to the Fair Market Value of a Share, in the future contingent on the achievement of one or more Performance Goals.

(w) "Plan" means the Plexus Corp. 2024 Omnibus Incentive Plan as set forth herein, as it may be amended from time to time.

(x) "Rule 16b-3" means Rule 16b-3 promulgated under the 1934 Act, and any future regulation amending or superseding such rule.

(y) "Restricted Stock" means Shares which are subject to forfeiture and/or restrictions on transfer, which may lapse upon the achievement of Performance Goals or upon completion of a period of service or such other conditions established by the Committee.

(z) "Restricted Stock Unit" means the right to receive a Share, or a cash payment equal to the Fair Market Value of a Share, in the future contingent on completion of a period of service or satisfaction of other specified conditions.

(aa) "Retirement" means separation from the Corporation other than for Cause on or after age fifty-five (55) and after employment by the Corporation for at least five (5) consecutive years immediately prior to separation, unless otherwise stated in the applicable Award Agreement.

(bb) "Share" means one share of Common Stock.

(cc) "Stock Appreciation Right" or "SAR" means the right to receive cash or Shares in an amount equal to the excess of the Fair Market Value of one share of Common Stock on the date the SAR is exercised over the SAR's exercise price.

3. **Shares Subject to Award.**

(a) Plan Reserve. Subject to adjustment as provided in Section 12(b) hereunder, the number of Shares that may be issued under the Plan shall not exceed the sum of (i) eight hundred thousand (800,000) Shares plus (ii) the number of Shares available for issuance under the 2016 Plan that had not been made subject to outstanding awards as of the Effective Date, plus (iii) subject to the rules of subsection (b), any Shares subject to outstanding awards under the 2016 Plan as of the Effective Date that thereafter lapse, expire, terminate, or are cancelled (the "Share Limit"), all of which may be issued in the form of Incentive Stock Options except as limited by subsection (b). Shares issued under the Plan may come from authorized but unissued Shares, from treasury Shares held by the Corporation, from Shares purchased by the Corporation or an independent agent in the open market for such purpose, or from any combination of the foregoing. The maximum number of Shares which could be issued under an Award shall count against the Share Limit as of the Grant Date of an Award, but such Shares may again become available for new Awards as provided in subsection (b).

(b) Share Recycling.

(i) To the extent an Award lapses, expires, terminates or is cancelled without the issuance of Shares thereunder, or to the extent an Award is settled in cash, then the Shares subject to such Award may again be used for new Awards under this Plan.

(ii) If Shares are issued under any Award and the Corporation subsequently reacquires them because the Award has expired, is canceled, is forfeited or otherwise has terminated, then the Shares delivered in respect of such Award may again be used for new Awards under this Plan, provided that such Shares cannot be issued pursuant to Incentive Stock Options.

(iii) Shares subject to an Award shall not again be made available for issuance under the Plan if such shares are delivered to or withheld by the Corporation to pay the exercise price of an Option, or delivered to or withheld by the Corporation to pay the withholding taxes related to an Award. In addition, Shares not issued in connection with the stock settlement of a SAR upon its exercise or purchased by the Corporation using proceeds from Option exercises shall not become available for new grants hereunder.

(c) Issuance or Assumption in Connection with Transaction. Notwithstanding any other provision of this Plan, in connection with any merger, consolidation, acquisition of property or stock, or reorganization, the Committee may authorize the issuance or assumption of awards under this Plan upon such terms and conditions as it may deem appropriate, and such awards shall not count against the Plan's Share Limit.

4. **Administration of the Plan.**

(a) General. The Plan shall be administered by the Committee, provided that only the Board shall have the power to grant Awards to non-employee directors (unless the Board delegates such power in accordance with subsection (b) below). The Committee shall have full and final authority, in its discretion, but subject to the express provisions of the Plan to:

(i) grant Awards, and to determine the terms of each Award, including but not limited to the individuals to whom, the number of shares subject to, and the time or times at which, Awards shall be granted;

(ii) interpret the Plan and any Award Agreement;

(iii) prescribe, amend and rescind rules and regulations relating to the Plan;

(iv) determine the terms and provisions of the respective Award Agreements (which need not be identical) by which Awards shall be evidenced;

(v) make all other determinations deemed necessary or advisable for the administration of the Plan;

(vi) require withholding from or payment by a Grantee of any federal, state or local taxes;

(vii) impose on any Grantee such additional conditions, restrictions and limitations upon grant, exercise and retention of Awards as the Committee shall deem appropriate;

(viii) treat any Grantee who Retires as a continuing employee for purposes of the Plan; and

(ix) modify, extend or renew any Award previously granted; provided, however, that this provision shall not provide authority to reprice Awards to a lower exercise price in violation of Section 5(g)(ii).

(b) Delegation. To the extent applicable law permits, the Board may delegate all or any part of its responsibilities and powers to any committee of the Board, subcommittee, or any executive officer or officer of the Corporation, and the Committee may delegate all or any part of its responsibilities and powers to a subcommittee or any executive officer or officers of the Corporation selected by it. Any such delegation may be revoked by the Board or by the Committee at any time.

5. Terms Applicable to All Awards.

(a) Grantees.

(i) Awards may be granted to directors, officers and key employees of the Corporation and any of its subsidiaries at any time, as determined by the Committee in its sole discretion. In selecting the individuals to whom Awards shall be granted, as well as the size of such Awards, the Committee shall take into consideration such factors as it deems relevant pursuant to accomplishing the purposes of the Plan. The Grantee's receipt of an Award shall not entitle the Grantee to receive an Award at any future time.

(ii) In no event shall the aggregate grant date value (determined in accordance with generally accepted accounting principles) of all Awards granted to a non-employee director for his or her service on the Board in a calendar year, taken together with any cash fees paid during that calendar year to the non-employee director for his or her service on the Board, exceed seven hundred and fifty thousand dollars ($750,000), provided that such limit shall be increased to nine hundred thousand dollars ($900,000) with respect to a non-employee director serving as Lead Director or Chairperson of the Board or with respect to a non-employee director's first year on the Board.

(b) Evidence of Awards. All Awards shall be evidenced by an Award Agreement which shall be delivered to the Participant as soon as practicable after the Grant Date. If the Grantee fails to accept the Award within thirty (30) days of the date of the Award Agreement's delivery to the Grantee (or by such other deadline imposed by the Committee), then the Award may be deemed withdrawn. Terms and conditions contained in an Award Agreement need not be the same for all Grantees.

(c) Minimum Vesting Period. All Awards granted under the Plan shall have a minimum vesting period of one year from the Grant Date, provided that such minimum vesting period will not apply to Awards with respect to up to five percent (5%) of the Share Limit. For purposes of Awards granted to non-employee directors, "one year" may mean the period of time from one annual shareholders meeting to the next annual shareholders meeting, provided that such period of time is not less than fifty (50) weeks.

(d) Discretion to Accelerate. Notwithstanding Section 5(c), the Committee may accelerate the vesting of an Award or deem an Award to be earned, in whole or in part, in the event of a Participant's death, Disability, Retirement, or termination without Cause, or upon any other event as determined by the Committee in its sole and absolute discretion.

(e) Dividends and Dividend Equivalents. In no event may dividends or Dividend Equivalents be awarded with respect to Options, SARs or any other appreciation-based Award. Notwithstanding anything to the contrary in this Plan, and for the avoidance of doubt, this Plan expressly prohibits the payment of dividends or Dividend Equivalents on unvested Awards for all equity Award types.

(f) Non-Transferability of Awards. Awards granted hereunder shall, by their terms, be non-transferable by a Grantee other than by will or the laws of descent and distribution and shall be exercisable during the Grantee's lifetime solely by the Grantee or the Grantee's duly appointed guardian or personal representative. Notwithstanding the foregoing, the Committee may permit a Grantee to transfer an Award, other than an Incentive Stock Option, to a family member or a trust or partnership for the benefit of a family member, in accordance with rules established by the Committee.

(g) Amending Outstanding Awards.

(i) Except as provided in clause (ii) below, the Committee may amend, or cancel any Award, or waive any restrictions or conditions applicable to any Award, provided that the Grantee agrees to any amendment or cancellation. Notwithstanding the foregoing, the Committee need not obtain Grantee consent to amend or cancel an award in the following circumstances: (A) pursuant to Sections 11 or 12(b) or as otherwise specifically authorized under the Plan; (B) to the extent the Committee deems such action necessary to preserve favorable accounting or tax treatment of any Award for the Corporation; or (C) to the extent the Committee determines that such action does not materially and adversely affect the value of an Award or that such action is in the best interest of the affected Grantee.

(ii) Except as permitted by Section 12(b), the following actions are prohibited under the Plan unless specifically approved by the Corporation's shareholders: (A) amending the terms of outstanding Options or SARs to reduce the exercise price of thereof; (B) canceling outstanding Options or SARS in exchange new Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs; or (C) canceling outstanding Options or SARs with an exercise price above the current Fair Market Value of a Share in exchange for cash or other securities or Awards issued under the Plan.

6. Options and Stock Appreciation Rights.

Subject to the below and the other terms of this Plan, the Committee will determine all terms and conditions of each Option and SAR, including the number of Shares subject to the Option or SAR, the vesting schedule, the exercise price, and the requirements of exercise.

(a) Designation. If the Committee grants an Option, then it will determine whether the Award is an Incentive Stock Option or Non-Qualified Stock Option.

(i) Incentive Stock Options: Any Option designated as an Incentive Stock Option shall comply with the requirements of Section 422 of the Code, including the requirement that incentive stock options may only be granted to individuals who are employed by the Corporation or a subsidiary corporation of the Corporation. No Incentive Stock Option shall be granted to any individual who, immediately before the Option is granted, directly or indirectly owns (within the meaning of Section 425(d) of the Code) shares representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Corporation or its subsidiaries (a "10% Stockholder"), unless, at the time the option is granted, and in accordance with the provisions of Section 422 of the Code, the option exercise price is 110% of the Fair Market Value of a Share on the date of grant and the Option expires no later than 5 years after the Grant Date.

(ii) Non-Qualified Stock Options: All Options not subject to or in conformance with the additional restrictions required to satisfy Section 422 of the Code shall be designated as Non-Qualified Stock Options.

(b) Exercise Price. The exercise price per Share covered by each Option and SAR shall be not less than the Fair Market Value of a Share on the Grant Date.

(c) Vesting and Exercise. An Option or SAR shall vest and become exercisable at such times as are set forth in the Award Agreement, provided that no Option shall be exercisable after the tenth (10^{th}) anniversary of the Grant Date (or the fifth (5^{th}) anniversary of the Grant Date for an Incentive Stock Option granted to a 10% Stockholder), and no SAR shall be exercisable after the 10^{th} anniversary of the Grant Date. No Option or SAR may be exercised if, in the opinion of counsel for the Corporation, the issuance or sale of Stock or payment of cash by the Corporation, as appropriate, pursuant to such exercise shall be unlawful for any reason.

(d) Payment of Option Exercise Price. The Grantee may pay the Option exercise price with (i) cash, (ii) outstanding Shares beneficially owned by the Grantee, the Grantee's spouse or both, (iii) with the approval of the Committee, or if the applicable Award Agreement so provides, by surrendering to the Corporation Shares otherwise receivable upon exercise of the Option, (iv) any combination of the foregoing, or (v) through any means as permitted by the Committee. If Shares are used in part or full payment of the exercise price of an Option, such Shares shall be valued as of the date of exercise of the Option at the Fair Market Value of the Shares.

(e) Settlement of SARs. Upon the exercise of SARs, the Grantee shall be entitled to receive an amount determined by multiplying (i) the difference obtained by subtracting the exercise price of the SAR from the Fair Market Value of a Share on the date of exercise, by (ii) the number of SARs exercised. At the discretion of the Committee, the payment upon the exercise of the SARs may be in cash, in Shares, or in some combination thereof.

7. Restricted Stock Awards.

The Committee will determine all terms of and conditions of an Award of Restricted Stock, including the number of Shares granted, the forfeiture and/or transfer restrictions applicable to the Shares, the vesting schedule, and whether the Restricted Stock will be subject to any Performance Goals, subject to the following:

(a) Until the applicable restrictions lapse or the conditions are satisfied, the Grantee shall not be permitted to sell, assign, transfer, pledge or otherwise encumber the Restricted Stock.

(b) If and when the applicable restrictions lapse, unrestricted Shares shall be issued to the Grantee.

(c) A Grantee receiving an Award of Restricted Stock Shares shall have all of the rights of a shareholder of the Corporation, including the right to vote the Shares and the right to receive any dividends, subject to Section 5(e). Unless otherwise determined by the Committee, cash dividends that are paid while the Restricted Stock is unvested shall be accumulated and paid in cash at the same time, and to the same extent as, the Restricted Stock vests, and stock dividends that are paid while the Restricted Stock is unvested shall be paid in the form of additional Restricted Stock having the same terms and conditions as the original Restricted Stock.

8. Restricted Stock Units and Performance Stock Units.

Subject to the terms of the Plan, the Committee will determine all terms and conditions of each grant of Restricted Stock Units and Performance Stock Units, including the number of units granted, the vesting schedule of the Award, whether the Award will be settled in cash or Shares or a combination thereof, whether the Award entitles the Grantee to Dividend Equivalents and, if applicable, the Performance Goals of the Award. If an Award includes Dividend Equivalents, they will either, at the discretion of the Committee, be (a) accumulated and paid, in cash or Shares as determined in the Committee's discretion, at the same time and to the same extent that the underlying Award vests or is earned or (b) reinvested in additional units that are subject to the same terms and conditions (including vesting and forfeiture) as the original units. For clarity, in no event will a Participant receive Dividend Equivalent payments unless, until and to the same extent as the original units vest and are paid.

9. Other Stock Awards.

Subject to the terms of the Plan, the Committee will determine all terms and conditions of a grant of Other Stock Awards. Other Stock Awards may include, but are not limited to, unrestricted Shares granted as replacement for other compensation to which the Grantee is entitled, such as in payment of director fees, in lieu of cash compensation, in exchange for cancellation of a compensation right, or as a bonus.

10. Cash Incentive Awards.

The Committee shall determine all terms of conditions of Cash Incentive Awards, including the Performance Goals and the timing of payment. For clarity, this Plan does not limit the authority of the Corporation, the Board or the Committee, or any subsidiary, to award cash bonuses or authorize any other cash compensation to any person outside of the Plan.

11. Change in Control.

(a) Treatment of Awards. Upon a Change in Control:

(i) all Awards then outstanding and still subject solely to time-vesting conditions shall become one hundred percent (100%) fully vested or exercisable;

(ii) the vesting of Awards then outstanding and still subject to vesting based, in whole or part, on the achievement of one or more Performance Goals for which the performance period has not been completed as of the time of the Change in Control, will be determined either (A) by treating the date of the Change in Control as the last day of the performance period and measuring actual performance as of such date, or (B) assuming that all such Performance Goals had been met at target (provided that if performance is measured as a sum or average of performance over separate periods, then actual performance shall be used for any completed periods and target performance shall be used for any incomplete periods), whichever of (A) or (B) is set forth in the applicable Award Agreement; and

(iii) the Committee may, in its discretion and without the consent of any Grantee, cancel any or all outstanding Awards as of the date of the Change in Control and pay the vested value thereof on, or as soon as practicable following, the Change in Control, in either the same form of consideration (such as cash, securities, or a combination of the two) as received by the Corporation (or the Corporation's shareholders, as applicable) in the transaction or in cash. For purposes hereof, the vested value of an Award equals:

(A) For Options and SARs, the excess, if any, of the price per share paid or deemed paid in the Change in Control transaction, as determined by the Committee (the "Change in Control Price") over the exercise price thereof, multiplied by the number of vested Shares subject to the Award, provided that if the exercise price is greater than the Change in Control Price, then the Award may be cancelled for no consideration;

(B) For Restricted Stock, Restricted Stock Units, Performance Share Units, and any other Award that is valued in relation to the full Fair Market Value of a Share, the Change in Control Price multiplied by the number of vested Shares subject to the Award; and

(C) For Cash Incentive Awards and all other awards, the vested amount due under such Award.

(b) Code Sections 280G and 4999. In the event that the Corporation determines that any payment, benefit or transfer by the Corporation under this Plan or any other plan, agreement, or arrangement to or for the benefit of the Grantee (in the aggregate, the "Total Payments") would be subject to the tax ("Excise Tax") imposed by Code Section 4999 but for this Section11(b), then, notwithstanding any other provision of this Plan to the contrary, the Total Payments shall be delivered either (i) in full or (ii) in an amount such that the value of the aggregate Total Payments that the Grantee is entitled to receive shall be One Dollar ($1.00) less than the maximum amount that the Grantee may receive without being subject to the Excise Tax, whichever of clause (i) or (ii) results in the receipt by the Grantee of the greatest benefit on an after-tax basis (taking into account applicable federal, state and local income taxes and the Excise Tax). In the event that clause (ii) results in a greater after-tax benefit to the Grantee, payments or benefits included in the Total Payments shall be reduced or eliminated by applying the following principles, in order: (A) the payment or benefit with the higher ratio of the parachute payment value to present economic value (determined using reasonable actuarial assumptions) shall be reduced or eliminated before a payment or benefit with a lower ratio; (B) the payment or benefit with the later possible payment date shall be reduced or eliminated before a payment or benefit with an earlier payment date; and (C) cash payments shall be reduced prior to non-cash benefits.

12. General Provisions.

(a) Withholding. The Corporation shall have the power and the right to deduct or withhold, or require a Grantee to remit to the Corporation, an amount sufficient to satisfy Federal, state, and local taxes (including the Grantee's FICA obligation) and other amounts required by law to be withheld with respect to income received from the grant, vesting, payment or settlement of an Award or disposition of any Shares acquired under an Award. A Grantee may elect, subject to such rules and regulations as the Committee may adopt from time to time, to use Shares that would otherwise be issued to the Grantee under such Award for tax withholding purposes; provided that the Shares withheld may not have a Fair Market Value exceeding the maximum statutory tax rates in the Grantee's applicable tax jurisdictions.

(b) Effect of Change in Stock Subject to Plan. In the event of a reorganization (other than a reorganization under bankruptcy or insolvency laws), recapitalization, stock split, stock dividend, merger, consolidation, rights offering or like transaction (a "Corporate Event"), the Committee will, in such manner as it may, in its discretion, deem equitable to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, adjust the following: (i) the number of and class of shares which may be delivered under the Plan, (ii) the number and class of shares subject to outstanding Awards granted under the Plan, (iii) the exercise price of any Option or SAR, and (iv) the Performance Goals of any Award. Notwithstanding the foregoing, in the case of a stock dividend (other than a stock dividend declared in lieu of an ordinary cash dividend) or subdivision or combination of the Shares (including a reverse stock split), if no action is taken by the Committee, adjustments contemplated by this subsection that are proportionate shall nevertheless automatically be made as of the date of such stock dividend or subdivision or combination of the Shares. If the Corporate Event results in the elimination of the Shares, then the Committee may, subject to the approval of the Board, or the board of directors of any corporation assuming the obligations of the Corporation hereunder, take action regarding each outstanding Award pursuant to either clause (A) or (B) below without the Grantee's consent:

(A) substituting, on an equitable basis (as determined by the Committee), appropriate shares of the surviving or related corporation for each Share subject to an outstanding Award, and adjusting the exercise price of any Option or SAR, provided that the excess of the aggregate Fair Market Value of the Shares subject to such Option or SAR over the exercise price thereof immediately before such substitution is not more than the excess of the aggregate fair market value of the substituted shares made subject to the Option or SAR over the exercise price thereof immediately after such substitution; or

(B) Cancelling any Award in exchange for a cash payment equal to:

1) For any cancelled Option or SAR, the excess of the Transaction Price (as defined below) over the exercise price, multiplied by the number of Shares subject to such Option or SAR. No payment shall be made to a Grantee for any cancelled Option or SAR if the exercise price exceeds the Transaction Price.

2) For Restricted Stock, Restricted Stock Units, and Performance Stock Units, the Transaction Price multiplied by the number of Shares subject to such Award.

3) For all Other Stock Awards, the value of the Award as of the time of the cancellation based on the Transaction Price, as determined by the Committee in its discretion.

For purposes of this clause (B), "Transaction Price" shall equal the value, as determined by the Committee, of the cash and/or property paid with respect to one Share as a result of the Corporate Event.

(c) No Employment or Retention Agreement Intended. Neither the establishment of, nor the awarding of Awards under this Plan shall be construed to create a contract of employment or service between any Grantee and the Corporation or its subsidiaries; nor does it give any Grantee the right to continued service in any capacity with the Corporation or its subsidiaries or limit in any way the right of the Corporation or its subsidiaries to discharge any Grantee at any time and without notice, with or without Cause, or to any benefits not specifically provided by this Plan, or in any manner modify the Corporation's right to establish, modify, amend or terminate any profit sharing or retirement plans.

(d) Shareholder Rights. Grantee shall not, by reason of any Awards granted hereunder, have any right of a shareholder of the Corporation with respect to the Shares covered by the Awards until Shares have been issued to Grantee.

(e) Controlling Law. The law of the State of Wisconsin, except its law with respect to choice of law, shall be controlling in all matters relating to the Plan.

(f) Award Deferral. The Committee may permit a Grantee to elect to defer payments of Restricted Stock Awards, Restricted Stock Units, Performance Stock Units, Other Stock Awards and Cash Incentive Awards; provided that any such deferrals shall comply with applicable requirements of the Code, including Code Section 409A. Any deferrals shall be subject to the terms of the applicable deferred compensation plan.

(g) Clawback. The Awards granted under this Plan are subject to the terms of the Plexus Corp. Compensation Recovery Policy, any successor policy, any other recoupment, clawback or similar policy as the Corporation may adopt from time to time, as well as any similar requirements of applicable law or exchange rules, any of which could in certain circumstances require repayment or forfeiture of Awards or any Shares or other cash or property received with respect to the Awards (including any value received from a disposition of the Shares acquired upon payment of the Awards).

(h) Section 409A Compliance. To the extent that a benefit under the Plan is subject to the requirements of Code Section 409A, it is intended that the Plan, as applied to that benefit, comply with the requirements of Code Section 409A, and the Plan shall be so administered and interpreted. The Board or Committee may make any changes required to conform the Plan and any Award with applicable Code provisions and regulations relating to Code Section 409A. The payment of an Award that is subject to Code Section 409A shall not be accelerated upon a Change in Control unless such event also constitutes a change in control event under Code Section 409A. If a Grantee is a "specified employee" as defined under Code Section 409A and the Grantee's Award is to be settled on account of the Grantee's separation from service (for reasons other than death) and such Award constitutes "deferred compensation" as defined under Code Section 409A, then any portion of the Grantee's Award that would otherwise be settled during the six-month period commencing on the Grantee's separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following the Grantee's death if it occurs during such six-month period) to the extent needed to comply with Code Section 409A.

(i) Indemnification. In addition to such other rights of indemnification as they may have, the members of the Committee and other Corporation employees administering the Plan and the Board members shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or any Award granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such member acted in bad faith in the performance of his duties; provided that within 20 days after institution of any such action, suit or proceeding, the member shall in writing offer the Corporation the opportunity, at its own expense, to handle and defend the same.

(j) Use of Proceeds. The proceeds from the sale of Shares pursuant to Options or other Awards granted under the Plan shall constitute general funds of the Corporation.

(k) Amendment of the Plan. The Board may from time to time amend, modify, suspend or terminate the Plan; provided, however, that no such action shall be made without shareholder approval where such change would be required in order to comply with Rule 16b-3, the Code, the listing requirements of any principal securities exchange or market on which the Shares are then traded, or any other applicable law.

(l) Foreign Participation. To assure the viability of Awards granted to Grantees employed or residing in countries or jurisdictions other than the United States of America, the Committee may provide for such special terms as it may consider necessary or appropriate to accommodate differences in local law, tax policy or custom, including different definitions for those terms defined in Section 2. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of, this Plan as it determines is necessary or appropriate for such purposes. Any such amendment, restatement or alternative versions that the Committee approves for purposes of using this Plan in one country or jurisdiction will not affect the terms of this Plan for any other country or jurisdiction. In addition, all such supplements, amendments, restatements or alternative versions must comply with the provisions of Section 12(k).

(m) No Fractional Shares. No fractional Shares or other securities may be issued or delivered pursuant to this Plan. If, but for this provision, fractional Shares would be issuable pursuant to an Award, then such fractional Share shall be canceled without payment thereunder. Notwithstanding the foregoing, the Committee may alternatively decide, in its sole discretion, to settle such fractional shares in cash, other securities or other property.

(n) Termination of the Plan. The Plan will expire ten (10) years after the Effective Date unless the shareholders approve an extension of the Plan before such time; provided, however, that the Plan shall terminate at such earlier time as the Board may determine. Any such termination, either partially or wholly, shall not affect any Awards then outstanding under the Plan. In addition, the termination of the Plan will not affect the authority of the Board and the Committee to administer the Plan with respect to Awards outstanding prior to the date of termination.

PLEXUS®
ONE PLEXUS WAY
P.O. BOX 156
NEENAH, WI 54957-0156

SCAN TO
VIEW MATERIALS & VOTE

VOTE BY INTERNET
Before The Meeting - Go to **www.proxyvote.com or scan the QR Barcode above**

Use the Internet to transmit your voting instructions and for electronic delivery of information. Vote by 11:59 p.m. Eastern Time the day before the meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to **www.virtualshareholdermeeting.com/PLXS2024**

You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions. Vote by 11:59 p.m. Eastern Time the day before the meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

V26612-P01267

KEEP THIS PORTION FOR YOUR RECORDS

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

DETACH AND RETURN THIS PORTION ONLY

PLEXUS CORP.

Proposals:

	For All	Withhold All	For All Except
1. Election of Directors:	☐	☐	☐

To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.

Nominees:

01) Joann M. Eisenhart
02) Dean A. Foate
03) Rainer Jueckstock
04) Todd P. Kelsey
05) Randy J. Martinez
06) Joel Quadracci
07) Karen M. Rapp
08) Paul A. Rooke
09) Michael V. Schrock
10) Jennifer Wuamett

	For	Against	Abstain
2. Advisory vote to approve the compensation of Plexus Corp.'s named executive officers, as disclosed in "Compensation Discussion and Analysis" and "Executive Compensation" in the Proxy Statement;	☐	☐	☐
3. Ratification of PricewaterhouseCoopers LLP as Independent Auditors for fiscal 2024;	☐	☐	☐
4. Approve the Plexus Corp. 2024 Omnibus Incentive Plan (the "2024 Plan");	☐	☐	☐

5. In their discretion on such other matters as may properly come before the meeting or any adjournment thereof to the extent authorized by Rule 14a-4(c) under the Securities Exchange Act of 1934, as amended;

all as set out in the Notice and Proxy Statement relating to the annual meeting, receipt of which is hereby acknowledged.

The board of directors recommends a vote:
- **"FOR" each of the nominees for director who are listed in Proposal (1), and**
- **"FOR" Proposal (2)**
- **"FOR" Proposal (3), and**
- **"FOR" Proposal (4)**

"This proxy, when properly executed, will be voted in the manner directed by the undersigned shareholder(s). If you do not provide a direction, this proxy will be voted "FOR" each of the nominees for director who are listed in Proposal (1), "FOR" Proposal (2), "FOR" Proposal (3) and "FOR" Proposal (4).

Note: Please sign exactly as your name or names appear(s) on this proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date

ANNUAL MEETING OF SHAREHOLDERS OF
PLEXUS CORP.
February 14, 2024

Please sign, date and mail your proxy card in the envelope provided as soon as possible.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Notice and Proxy Statement and Form 10-K are available at www.proxyvote.com.

↓ **Please detach along perforated line and mail in the envelope provided.** ↓

V26613-P01267

PLEXUS CORP.
PROXY FOR 2024 ANNUAL MEETING OF SHAREHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints Dean A. Foate, Todd P. Kelsey, Patrick J. Jermain and Angelo M. Ninivaggi, and any of them, proxies, with full power of substitution, to vote all shares of stock that the undersigned is entitled to vote at the annual meeting of shareholders of Plexus Corp., to be held virtually on Wednesday, February 14, 2024, at 8:00 a.m. Central Time, or at any adjournment thereof, hereby revoking any proxy previously given. Without limiting the generality of this proxy card, Messrs. Foate, Kelsey, Jermain and Ninivaggi are each authorized to vote (a) as specified upon the proposals listed hereon and described in the Proxy Statement for the annual meeting of shareholders; and (b) in their discretion upon any other matter that may properly come before the annual meeting of shareholders to the extent authorized by Rule 14a-4(c) under the Securities Exchange Act of 1934, as amended.

Access to Virtual Meeting:

Shareholders may join the virtual meeting by logging in at www.virtualshareholdermeeting.com/PLXS2024 and providing the control number found on the Notice of Internet Availability of Proxy Materials.

For address changes, please reach out to your applicable stock recordkeeper.

(Continued and to be signed on reverse side)