TAKING ON TOMORROW, **TODAY.**

SUSTAINABILITY REPORT 2018

CELESTICA • 25 YEARS

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Sustainability Report Overview

We advance our sustainability initiatives by collaborating with each other, as well as our customers, suppliers and local communities, in an effort to drive positive change and foster a company-wide culture of sustainability.

2019 marks Celestica's 25th anniversary. We're proud of our history as we've evolved into a company that imagines, develops and delivers a better future with our customers.

As our company has changed over the years, our commitment to doing the right thing for our people, the environment and our communities has never wavered. Our company is built on a strong heritage that has long been supported by our brand values and the principles and policies we abide by throughout our network.

And that commitment to environmental compliance and good corporate citizenship has helped drive our entire industry forward. For example, in 2004 Celestica became a founding member of the Responsible Business Alliance (RBA).

Today, our sustainability program is integrated throughout our organization – from certifying our sites to the ISO 50001 energy management standard, to increasing our use of renewable energy, to ensuring we have safe and ethical labour practices. Through these initiatives, we seek to drive positive change both within and beyond our operations.

A Letter From
Rob Mionis

GRI 102-14

For Celestica, sustainability is not only the right thing to do, it's also good for business. Many of our customers are global sustainability leaders who are setting high standards for their operations, and who expect the same of their supply chain partners. But customers don't just expect us to follow. They expect us to lead. Celestica is proud to step up to that challenge.

We're a valued partner committed to helping our customers increase efficiencies, reduce costs and minimize carbon footprints, which is a win-win for everyone.

As a people-driven company, we empower our employees to develop unique solutions that make a difference, not only with our customers, but also in the communities in which we live and work. I'm proud of the passionate efforts our employees are making to drive positive change, protect the environment and enable a better world for all of us.

Thank you for your interest in Celestica's sustainability initiative. I hope you enjoy reading this report.

Sincerely,

Rob Mionis
President and Chief Executive Officer

About this Report

Celestica's 2018 Sustainability Report summarizes our sustainability program's key activities, performance and results in the 2018 calendar year. No major changes in reporting have occurred since our previous report.

We have prepared this report in accordance with the Global Reporting Initiative® (GRI®)* Standards: Core Option. The GRI Index can be found at the end of this report.

Since 2009, Celestica has published annual reports documenting our corporate social responsibility programs and environmental sustainability initiatives. We are committed to reporting our greenhouse gas emissions (GHG) annually and began including third-party assurance of our GHG emissions in 2013. We published our previous report in October 2018, which contained results from the 2017 calendar year.

We welcome your feedback on our activities and performance. If you would like to share your opinion, please contact Celestica's Sustainability team at sustainability@celestica.com.

*The GRI drives sustainability reporting by all organizations. GRI produces a comprehensive Sustainability Reporting Framework that is widely used around the world to enable greater organizational transparency. The framework, including the reporting guidelines, sets out the principles and indicators that organizations can use to report their economic, environmental and social performance.
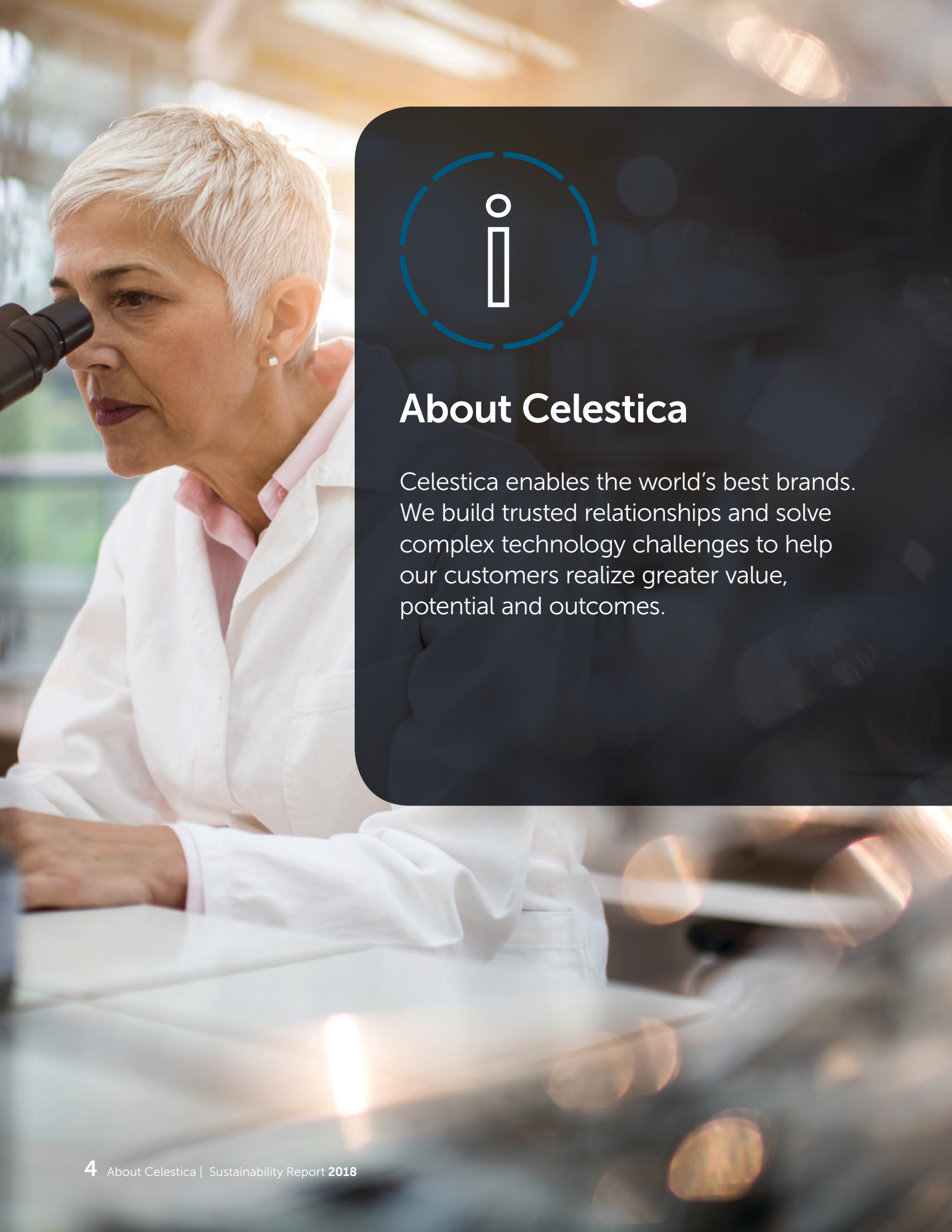
About Celestica

Celestica enables the world's best brands. We build trusted relationships and solve complex technology challenges to help our customers realize greater value, potential and outcomes.

About Celestica

Celestica is a publicly held corporation traded on both the New York and Toronto stock exchanges with 2018 revenue of US$6.6 billion.

Headquartered in Toronto, Canada, Celestica operates in more than 30 locations spanning Asia, North America and Europe.

As of 2019, Celestica employs approximately 23,500 permanent and temporary (contract) employees and 1,700 third-party contractors. Twenty-five per cent of our employees are protected under collective bargaining agreements or unions, and of these employees, 25 per cent are located in Asia, 34 per cent are located in North America and 41 per cent are located in Europe.

Salzburg, Austria
Oradea, Romania
Sihwa, South Korea
Incheon, South Korea
Asan 1, South Korea
Asan 2, South Korea
Leixlip, Ireland
Galway, Ireland
Newmarket, Canada
Portland, U.S.A.
Toronto, Canada
Miyagi, Japan
Burlingame, U.S.A.
Mississauga, Canada
Hino, Japan
Fremont, U.S.A.
Boston, U.S.A.
Tokyo, Japan
Silicon Valley, U.S.A.
Alburtis, U.S.A.
Suzhou, China
Santa Clara, U.S.A.
Rochester, U.S.A.
Shanghai, China
San Jose, U.S.A.
Minneapolis, U.S.A.
Xiamen, China
Rancho Cucamonga, U.S.A.
Song Shan Lake, China
Mexicali, Mexico
Valencia, Spain
Hong Kong
Tucson, U.S.A.
Penang, Malaysia
Savannakhet, Laos
Monterrey, Mexico
Kulim, Malaysia
Laem Chabang, Thailand
Johor, Malaysia
Singapore

Our operations around the world specialize in supply chain solutions, including high-mix/low-volume manufacturing capabilities, to meet specific market and customer requirements. In an effort to drive speed, quality and flexibility for our customers, we execute our business at sites and Centers of Excellence strategically located in Asia, North America and Europe. The following figure summarizes Celestica's square footage by region.

Figure 2.1: Celestica's Major Operations' Square Footage by Region (in Thousands)

REGION	FACILITIES	SQUARE FOOTAGE
Asia	China*, Malaysia*, Thailand*, Singapore*, South Korea*, Japan*, Laos	4,565
North America	Canada*, United States*, Mexico*	2,625
Europe	Ireland*, Spain, Romania	577

*Represents multiple locations

Business Overview

GRI 102-2, 102-6, 102-10

Celestica delivers innovative supply chain solutions globally to customers in the following end markets: Advanced Technology Solutions (comprised of industrial, aerospace and defense, healthcare, smart energy and capital equipment) and Connectivity and Cloud Solutions (comprised of enterprise communications, telecommunications, servers and storage).

We offer a range of services to our customers, including design and development, engineering, supply chain management, new product introduction, component sourcing, electronics manufacturing, assembly and test, complex mechanical assembly, systems integration, precision machining, order fulfillment, logistics and after-market services.

In support of Celestica's strategy to expand its portfolio of end-to-end product lifecycle solutions, Celestica acquired Atrenne Integrated Solutions and Impakt Holdings LLP in 2018.

In March 2019, Celestica completed the sale of its property in Toronto, Canada. Celestica's Toronto manufacturing operation moved to Newmarket and our corporate headquarters moved to a new location in Toronto.

Brand and Values

GRI 102-2, 102-16

We foster a high-integrity work environment based on strong corporate brand and values.

Our Mission:

At Celestica, we enable the world's best brands. We build trusted relationships and solve complex technology challenges to help our customers realize greater value, potential and outcomes.
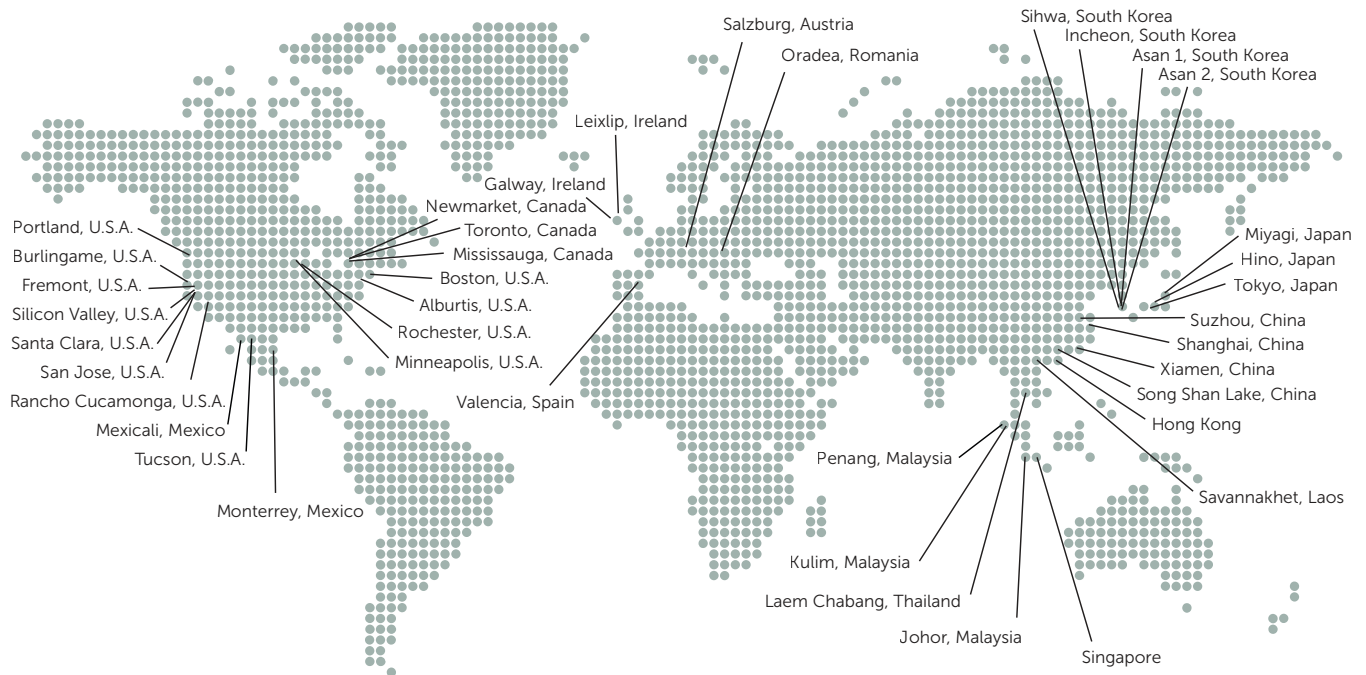
Our Values:

Our corporate culture is based on the key values of teamwork, ingenuity, confidence and care. These values guide individual employees' decision-making and represent a call to action for our people. We hold ourselves and each other accountable to our values in all of our interactions.

Sustainability at Celestica

Celestica is committed to distinguishing our company as a leader in the area of sustainability. We achieve this by leveraging our knowledge and expertise and collaborating with our employees, customers and suppliers, other business partners and the communities in which we operate.

Sustainability is ingrained into all aspects of business at Celestica.

The 2018 Celestica Sustainability Report marks our ninth year of documenting our environmental, social and sustainable solutions efforts throughout the company. We've established ourselves as a leader in sustainability, and continue to reach further to integrate sustainable principles across our company and minimize our carbon footprint.

We've made great progress in achieving the sustainability goals that we established in 2013, and I'm so proud of what we've accomplished – both within our company and in the communities in which we live and work. Over the past five years, we've witnessed our world changing, and we are committed to evolving our priorities to reflect that change. I look forward to sharing with you our refreshed sustainability goals in next year's report as we strive to ensure that we are focused on the right areas, and continue to lead by example.

A Letter From
Robert Ellis

We are driven to be accountable in everything we do, and take great care to ensure we have safe and environmentally conscious operating and manufacturing processes throughout our global network. At the core of our strategy is collaboration, and we leverage our design, engineering and supply chain expertise to help reach our goals and to help our customers reduce their own carbon footprint, lower emissions and improve efficiency.

In the last year, we were unwavering in our commitment to conserving energy and increasing our use of renewable energy at our sites around the world. We're also working on setting an ambitious science-based target, in line with the goals of the Paris Agreement, to limit global warming. These are some of the actions we're taking to meet our aspirational sustainability goals.

We also know that meaningful change doesn't happen overnight. We have a strong vision for long-term sustainability, and we're committed to executing this vision by dedicating resources and investments that will go the distance.

Together, we can make a positive impact, both now and for future generations.

Thank you for your continued support and we look forward to many more years to come on this journey.

Please contact us at sustainability@celestica.com with any comments or suggestions.

Sincerely,

Robert Ellis,
Senior Vice President, Legal and Sustainability

Key Impacts and Risks

FINANCIAL IMPLICATIONS DUE TO CLIMATE CHANGE
GRI 102-11, 102-15, 201-2

Our operations and those of our customers, suppliers and other business partners may be disrupted by global or local events beyond our control. The rate of extreme weather and climate events is increasing. Events such as these could adversely affect our employees, as well as our operations, and increase our costs. We carry insurance to cover damage to our sites and interruptions to our operations as a result of natural disasters, such as flooding, earthquakes, hurricanes or tsunamis.

Celestica understands the unpredictability of climate change risks, and a precautionary approach is taken to proactively manage risks through our Environmental Management Systems policies and practices. Celestica's global Business Continuity Planning (BCP) policy highlights our continued commitment to the prevention of potential events that could impact the continuity of our business processes. The policy outlines responsibilities such as having appropriate resources necessary when incidents occur, setting business continuity objectives each year, conducting tabletop tests of our systems for readiness, and identifying potential events and incidents.

Physical risks will be managed through our BCP and our risk management and facility assessment process. These protocols seek to minimize business disruptions and ensure clear plans are followed.

Our Strategy for Sustainability

The core elements of Celestica's sustainability program are integrated throughout every aspect of our organization.

Elements of Sustainability

EMPLOYEE SUSTAINABILITY
Foster a positive and engaged workforce that drives innovation and empowers people to make a difference.

ENVIRONMENTAL SUSTAINABILITY
Minimize the impact of our operations on the environment by working to make our infrastructure sustainable and by reducing our energy and water consumption.

MATERIAL STEWARDSHIP
Reduce, reuse and recycle products and materials at end-of-life and generate value from the waste.

SUSTAINABLE SOLUTIONS
Understand the environmental footprint of our customers' products, and proactively help our customers to "green" their supply chain.

SUSTAINABLE COMMUNITIES
Leverage our collective expertise to drive positive change in the communities in which we operate.

Celestica's Aspirational Sustainability Goals

We set aspirational sustainability goals with the hope of making a positive impact on the industry and reducing our footprint on the planet. These goals are embedded into everything we do at Celestica and we strive to consistently progress towards achieving them each year.

In 2018, we began reviewing our goals in order to better reflect our progress and continue to define our sustainability journey. Changes will be communicated as we transform the sustainability program and develop new action plans.

Celestica's Aspirational Sustainability Goals

1 **Reduce** our absolute greenhouse gas emissions by **30% of 2012 levels by 2020.**

2 Have **50% of our workforce** take time off to volunteer in their communities every year by 2020.

3 Achieve **100% waste diversion** by 2020.

4 Have **100% of eligible employees** participate in the Sustainable Workspace program by 2020.

United Nations' Sustainable Development Goals

The United Nations' Sustainable Development Goals (SDGs) are a universal call to action to address the world's biggest challenges by 2030. Celestica has supported the UN's SDGs since 2017. Although all 17 SDGs are relevant to our employees, our business and our communities, we focus primarily on four of the SDGs where we believe that we, and our industry, can make the biggest impact.
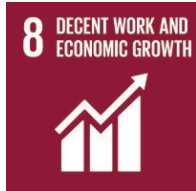
SDG 8: DECENT WORK AND ECONOMIC GROWTH

Celestica's diverse employee base from around the world is our most important resource. We support employees by providing safe jobs with competitive wages, enforcing strict ethical labour practices, preventing discrimination and providing skills development. We also empower our people through freedom of association and collective bargaining and provide outlets if they wish to make a complaint.

SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

Celestica has a range of initiatives to make its infrastructure sustainable. Nine of our sites were certified to the ISO 50001 energy management standard in 2018. We also increased our use of renewable energy around the world. In 2018, renewable energy in Galway, Valencia and Thailand saved more than 7,000 metric tonnes of CO_2e emissions. In addition, our engineering and design expertise enables our customers to improve their material efficiency, reduce waste and bring smart energy products to market quickly and efficiently.

SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

The majority of our facilities have environmental management systems and regularly track energy and water usage to ensure sustainable resource management. Celestica is committed to only using approved chemicals, preventing leaks and spills, and avoiding hazardous wastes that may be a result of our production or our customers' consumption. Celestica's goal of 100% waste diversion by 2020 is also in line with SDG 12.

SDG 17: PARTNERSHIPS FOR THE GOALS

Celestica works with external stakeholder groups, customers and suppliers to create partnerships that support our human rights and sustainability initiatives. Strategic partnerships with our largest customers foster knowledge sharing and technological innovation that can lead to energy and waste reduction. Meanwhile, through our Time Off to Volunteer (TOV) program, thousands of our employees use their time and talent to give back to their communities.

To learn more, please visit the United Nations' Sustainable Development Goals website.

Stakeholder Engagement

GRI 102-40, 102-42, 102-43, 102-44

We regularly engage with our stakeholders to determine our focus areas and create our materiality matrix. Our stakeholder groups are those that have an impact on our business or have the potential to be impacted by our business, and also include external organizations that have expertise in the areas we consider to be material. We engage with our stakeholder groups in various ways, which are listed in Figure 3.1. The frequency of engagement is dependent on the approach used, and is determined on an as-needed basis.

Figure 3.1: Stakeholder Engagement Table

STAKEHOLDER GROUP	ENGAGEMENT APPROACH	TOPICS	ACTION
EMPLOYEES	• Town hall meetings • Leadership meetings • Employee surveys • Sustainable Workspace program • Open Door Policy • Sustainability Report • Annual risk assessment • Internal communications	• Energy • Water • Waste • Wellness • Recognition • Training • Communities	• Spark Change Agents inform employees of status towards aspirational goals • Facilitate Time Off to Volunteer events in local communities • Discuss topics on the Sustainable Workspace • Connect employees to subject matter experts on areas of specific interest • Increase capacity within leadership to talk about sustainability
CUSTOMERS	• Teleconferences • Voluntary reporting • Surveys • Audits • Scorecards • Collaboration projects	• Energy • Emissions • Health and safety • Supply chain product compliance • Working hours • Transparency • Foreign migrant workers • Forced or compulsory labour	• Share strategy to align resources on mutually beneficial projects • Share best practices • Share conflict minerals data • Provide training on topics of interest • Provide updates on audit findings • Approach suppliers in unison • Respond to surveys • Participate in sustainability supplier conferences • CDP Climate Change, Water and Supply Chain Responses • Respond to Ecovadis Assessment • Participate in industry associations (i.e. RBA)

Figure 3.1: Stakeholder Engagement Table Continued

STAKEHOLDER GROUP	ENGAGEMENT APPROACH	TOPICS	ACTION
CONSORTIA	• RBA meetings • RBA working groups • Seminars • Webinars	• Working hours • Energy • Emissions • Supply chain • Conflict minerals • Foreign migrant workers • Labour and ethics	• Perform RBA site audits • Supplier assessments • Active participation in RBA leadership • Collaboration on RBA-sponsored academic projects • Reporting
GOVERNMENT	• Local government regulations • Site inspections • Site audits	• Energy • Water • Waste • Human resources • Health and safety • Permit compliance	• Monitor local regulations and update standards to maintain compliance • Provide test results • Update and maintain health and safety programs to local regulations • Properly handle and dispose of waste
INVESTORS	• Investor surveys • Securities filings (quarterly and annually) • Analysts' calls • Sustainability report	• Economic performance • Emissions • Energy • Water • Waste • Product safety and quality • Stakeholders and society • Labour relations • Employee and shareholder rights • Governance (Board structure, compensation, audit and risk oversight)	• Coordinate corporate-wide response to surveys • Monitor investor surveys for emerging topics • Create gap analysis and strategy to respond to surveys • Educate leadership on emerging trends • Respond to Institutional Shareholder Services Environment and Social Assessments
NON-GOVERNMENTAL ORGANIZATIONS (NGOs)	• Face-to-face meetings • Teleconferences • On-site tours • Collaboration projects	• Energy • Water • Labour relations • Communities	• Increase energy literacy • Increase waste productivity • Supplier assessments
SUPPLIERS	• Emails • Teleconferences • Questionnaires • Facility tours	• Health and safety • Human rights • Environmental compliance • Business conduct • Conflict minerals • Anti-corruption	• RBA Self-Assessment Questionnaire • Validated Assessment Program • Verification visits

External Sustainability Initiatives

GRI 102-12
SDG 9.5, 17.16, 17.17

Celestica supports a number of external initiatives that drive economic, environmental and social charters/ principles within our organization. Through these partnerships, we work to achieve progress beyond our own operations.

Figure 3.2: External Initiatives and Projects

GROUP	PROJECT DESCRIPTION	DATE JOINED	COMMITMENT
Responsible Business Alliance (RBA)	RBA is committed to supporting the rights and well-being of workers and communities worldwide affected by the global electronics supply chain.	2007	Voluntary
Sustainable Energy Authority of Ireland (SEAI)	Celestica is a member of SEAI's industry energy network (LIEN) subgroup. The goal of the organization is to work with homeowners, businesses, communities and government to transform how we think about, generate and use energy.	2017	Voluntary
The Embedding Project, Simon Fraser University, Canada	The Embedding Project is a public-benefits research project that helps companies embed sustainability into their decision-making and throughout their operations.	2014	Voluntary
Smart Commute, Ontario, Canada	Our Newmarket, Ontario operations joined Smart Commute in order to facilitate transportation services for our employees (such as walking, cycling, transit and carpooling), and to decrease emissions from employee travel.	2018	Voluntary

Materiality

GRI 102-43, 102-46, 102-47

As we progress towards our sustainability goals, elements we consider essential are continuously evolving. We monitor these changes, analyze environmental and social impacts, and assess the implications to our business.

We hold annual discussions with our internal and external stakeholders on 30 GRI® standards and three industry-specific topics (conflict minerals, working hours and employee wellness). We then map the materiality matrix based on the potential impact on our business by conducting extensive reviews with internal stakeholders. Figure 3.3 illustrates the 18 topics that our stakeholders and our business deemed as having the highest priority. This covers 16 GRI Standards and two industry-specific topics.

Unless otherwise stated, the boundary for our material issues will represent 100 per cent of Celestica's footprint.

Figure 3.3: Mapping the Materiality Matrix

Importance to Our Stakeholders

Effluents
and Waste
GRI 306

Occupational
Health and Safety
GRI 403

Energy
GRI 302

Emissions
GRI 305

Employment
GRI 401

Environmental
Compliance
GRI 307

Human Rights
Assessments
GRI 412

Local
Communities
GRI 413

Working
Hours

Forced Compulsory
Labour (Foreign Migrant
Workers) GRI 409

Supplier Social
Assessments
GRI 414

Conflict
Minerals

Diversity and Equal
Opportunity
GRI 405

Customer
Privacy
GRI 418

Training
and
Education
GRI 404

Anti-
corruption
GRI 205

Supplier
Environmental
Assessments
GRI 308

Non-discrimination
GRI 406

Importance to Celestica

Membership and Affiliations

Celestica has established strategic affiliations with a range of organizations that address both global citizenship and environmental concerns.

Figure 3.4: Affiliations and Memberships

ORGANIZATION	PARTICIPATION
Responsible Business Alliance	Validated Assessment Program (VAP) Working Group
High Density Packaging Users Group	Board of Directors
High Density Packaging Users Group	Pb-Free Board Materials Phase Five, Researcher
High Density Packaging Users Group	Pb-Free Harsh Use Environment Development, Researcher
International Electronics Manufacturing Initiative (iNEMI)	Characterization of Alternate Pb-Free Alloys, Researcher
Green Industry, Ministry of Industry, Thailand	Thailand Green Industry Level 3 Certification from Ministry of Industry
Open Compute Project Foundation	Member
WSPS Workplace Safety & Prevention Services, Canada	Member
Industry Mentor Network (IMN), Singapore	Member
Junior Achievement Canada	Supporting Partner

Awards and Recognition

ECOVADIS ASSESSMENT: GOLD RATING

Celestica is proud to have received a gold rating from EcoVadis – the leading platform for environmental, social and ethical performance ratings for global supply chains.

In 2019, Celestica scored 74/100, an improvement over our 2018 score of 73/100.

GOLD
2019
ecovadis
CSR Rating

2019 Assessment Highlights:

TOP 1%

Environment:
Top 1% of suppliers assessed by EcoVadis in the category "manufacture of electronic components and boards".

TOP 3%

Sustainable Procurement:
Top 3% of suppliers assessed by EcoVadis in the category "manufacture of electronic components and boards".

TOP 25%

Labour Practices:
Top 25% of suppliers assessed by EcoVadis in the category "manufacture of electronic components and boards".

TOP 7%

Fair Business Practices:
Celestica ranked among the top 7% of suppliers assessed by EcoVadis in the category "manufacture of electronic components and boards".

TOP 2%

Overall:
Top 2% of suppliers assessed by EcoVadis in the category "manufacture of electronic components and boards".

TOP 1%

Celestica ranked among the top 1% of suppliers assessed by EcoVadis in all categories.

GLOBAL 100 MOST SUSTAINABLE CORPORATIONS IN THE WORLD

Celestica was named to the 2019 Global 100 Most Sustainable Corporations in the World Index by Corporate Knights, an organization dedicated to encouraging responsible business practices. The award recognizes Celestica as one of the world's top overall sustainable companies based on our environmental and corporate governance. For full rankings and methodology details about the Global 100, please visit: corporateknights.com/reports/2019-global-100/.

CANADA'S BEST 50 CORPORATE CITIZENS

Celestica was named one of Canada's Best 50 Corporate Citizens for 2019 by Corporate Knights. The list ranks Canada's top corporate citizens based on environmental, social and governance indicators. For more information, visit: corporateknights.com/reports/2019-best-50/.

INSTITUTIONAL SHAREHOLDER SERVICES ENVIRONMENTAL AND SOCIAL QUALITY SCORE

As of May 1, 2019, Celestica received an Environmental and Social Quality Score of "1" from Institutional Shareholder Services (ISS). ISS is a global leader in corporate governance and responsible investments. Their QualityScore solution uses a numeric, decile-based score that measures the quality of corporate disclosure on environmental and social issues, and identifies key disclosure omissions. For more information, please visit: issgovernance.com/esg.

Planet

We are committed to being a responsible partner in the communities in which we operate by ensuring we have safe, efficient, and environmentally conscious operating and manufacturing processes. In addition, we leverage our expertise to support our customers' environmental sustainability programs and goals.

Environmental Compliance

GRI 307-1
SDG 12.2

Celestica's Global Environmental Policy communicates our commitment to environmental regulatory compliance and to being a good environmental citizen in the jurisdictions in which we operate. As part of our global Environmental Management System approach, we closely monitor compliance activities and identify and control risks.

76% of our manufacturing locations have obtained ISO 14001 certification for their management systems.

Our proactive approach to mitigating and controlling risk is outlined in our top-level environmental, health and safety (EHS) manual. It outlines local applicable regulations and risk assessments for identifying operational impacts. Each site has one or more persons tasked with managing environmental compliance and reporting site status to the global EHS team and/or Sustainability team.

Both site and global EHS teams ensure the regulations are integrated into the site's management systems and daily operations. In 2018, Celestica did not identify any significant non-compliance issues with environmental laws and/or regulations.

For more information, please refer to the Global Environmental Policy.

OUR MANAGEMENT APPROACH

- Evaluate site-level EHS legal compliance through third-party EHS regulatory compliance audits as per a defined schedule based on risk, location and past performance

- Identify and deploy site-specific legal requirements for each manufacturing location

- Link local legal requirements to site activities and environmental impacts

- Establish mutually beneficial relationships with local authorities to ensure good communication and access to their expertise

- Focus on continuous improvement and growing network expertise through peer audit programs that allow our trained peer auditors to assess sites within their region in accordance with the RBA Code of Conduct

Greenhouse Gas Emissions

GRI 305-1, 305-2, 305-3
SDG 8.4, 9.4, 12.2, 12.4

Celestica is taking important steps towards reducing our environmental impact by driving global emissions performance improvements, including reducing greenhouse gas emissions from natural gas and electricity usage.

Celestica is committed to reducing our absolute greenhouse gas (GHG) emissions by 30 per cent of 2012 levels by 2020. This goal focuses on direct (Scope 1) and indirect (Scope 2) emissions from our operations.

The largest source of GHG emissions at Celestica is electricity, which is captured under our Scope 2 emissions. Electricity is primarily used for lighting, heat, ventilation and air conditioning (HVAC) systems and manufacturing equipment.

Our second largest source of emissions is derived from natural gas and liquid fuel combustion used in heating our buildings, cooking in cafeterias and providing power to back-up generators. Fuel and natural gas are captured under our Scope 1 emissions.

OUR MANAGEMENT APPROACH

- Leverage carbon accounting software to track and gain insights on our global emissions
- Focus on transparency by reporting emissions to the CDP and continually improve disclosure and performance scores
- Independently verify our emissions in accordance with ISO 14064-3:2006
- Set annual targets for emissions reductions at all of our sites
- Review our sites' progress and identify actions for program success with senior leadership

Figure 4.1: Direct and Indirect Greenhouse Gas Emissions (Metric Tonnes CO2e)

EMISSIONS TYPE	BASE YEAR 2012	2016	2017	2018
Direct Emissions (Scope 1)	7,829	7,997	8,378	8,867
Indirect Emissions (Scope 2) *Market-based	197,055	187,736	182,759	175,157
Indirect Emissions (Scope 3)	N/A	81,668	61,053	80,184
Total	**204,884**	**277,401**	**252,190**	**264,208**

The greenhouse gases included in the calculation of our Scope 1, 2 and 3 emissions are carbon dioxide (CO2), nitrous oxide (N2O) and methane (CH4). Our source for global warming potentials (GWPs) is the IPCC Second Assessment Report (SAR; 100 year). There are no biogenic emissions generated from our operations.

We began tracking our GHG emissions on a monthly basis using sustainability management software in 2012. The software manages specific emission factors and Global Warming Potential data for each location and converts the energy data into GHG emissions. This enables us to evaluate the largest sources of our emissions and strategize plans for improvement. Emissions are tracked at 96.7 per cent of our global footprint, which represents the manufacturing sites over which we have operational control. In 2018, Celestica's global footprint increased due to the acquisitions of Atrenne and Impakt.

EMISSIONS FROM OUR OPERATIONS (SCOPE 1 AND SCOPE 2)
GRI 305-1, 305-2, 305-4, 305-5

In 2018, Celestica's combined Scope 1 and 2 emissions decreased by 3.7 per cent compared with the previous year primarily due to energy reduction initiatives in our facilities. More information on these initiatives can be found in the Energy section.

While we are focusing on reducing emissions throughout our facilities, certain factors led to our Scope 1 emissions increasing by 5.8 per cent year-over-year in 2018: the opening of our Newmarket manufacturing site; new company acquisitions; and an increase in heating due to a longer winter at one of our sites. As the climate continues to change, we may see similar changes in dependence on natural gas throughout the winter months or electricity in the summer months. Celestica hopes to alleviate these climate risks by installing more efficient heating and cooling systems throughout our global facilities.

Scope 2 emissions, representing 66 per cent of our overall emissions, decreased by 4.2 per cent compared to 2017. This was due to investments in more efficient HVAC solutions at our Johor (EMS) and Suzhou sites, renewable energy at our Fremont, Galway, Thailand, and Valencia sites and a decrease in emission factors at our other China facilities.

In 2018, our normalized emissions decreased by 10.8 per cent compared to 2017. As well, we used 27.7 metric tonnes of CO2e per million dollars of revenue, down from 31.1 in 2017. Our decrease in Scope 2 emissions and increase in revenue from newly acquired operations contributed to this improvement.

We launched several projects in 2018 with the goal of reducing our GHG emissions. In total, we drove a reduction of 5,465 metric tonnes of CO2e from projects that were either fully implemented or initiated at sites. In 2018, 23 per cent of sites were certified to ISO 50001:2011, representing 70 per cent of our total consumed electricity.

3.7%
Celestica's total Scope 1 and 2 emissions decreased by 3.7 per cent compared with the previous year primarily due to energy reduction initiatives in our facilities.

ISO 50001 Certifications
Galway, Ireland
Oradea, Romania
Valencia, Spain
Johor-EMS, Malaysia
Johor-AMS, Malaysia
Kulim, Malaysia
Laem Chabang, Thailand
Song Shan Lake, China
Suzhou, China

In 2019, we will continue to identify methods to reduce energy consumption through ISO 50001 implementations and from direct production equipment usage. We will also look to increase our proportion of electricity consumption from renewable sources through on-site generation and the procurement of renewable energy.

Figure 4.2: Market-based and Location-based Greenhouse Gas Emissions (Metric Tonnes CO2e)

EMISSIONS TYPE	2016	2017	2018
Scope 1 and Scope 2 Location-based	192,229	188,923	183,372
Scope 1 and Scope 2 Market-based	195,733	191,137	184,024

Figure 4.3: GHG Market-based Emissions from Scope 1 and Scope 2 Emissions Sources by Energy Type (Metric Tonnes CO2e)

● Electricity   ● Stationary Fuels   ● Gases
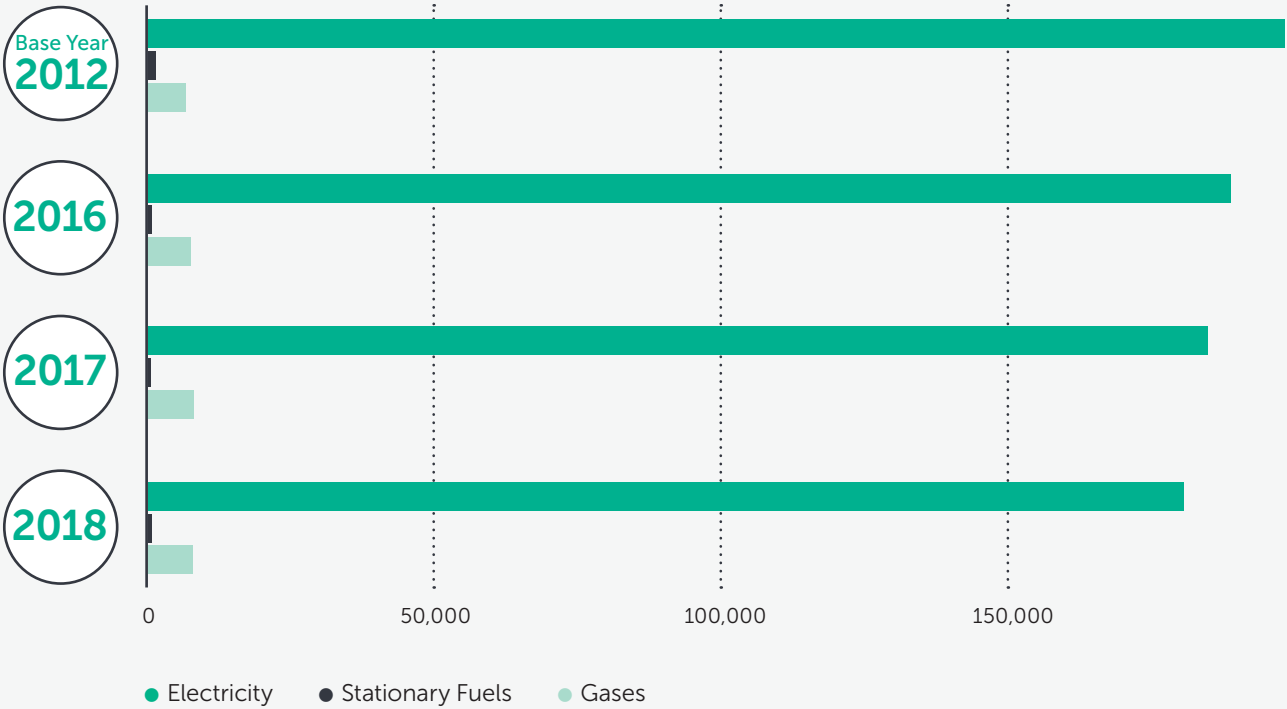
OTHER INDIRECT EMISSIONS (SCOPE 3)

GRI 305-3

Celestica generates other indirect emissions (Scope 3) through a number of activities in our operations and supply chain. Based on the 15 categories of Scope 3 emissions included in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, we track and report on our upstream transportation and distribution, waste and business (air) travel emissions. We have begun tracking seven additional relevant Scope 3 emissions categories in 2018 and we will publish this data in our 2019 Sustainability Report. We use a distance-based method of calculating the upstream transportation and distribution emissions.

Our combined Scope 3 emissions, totaling 80,184 metric tonnes of CO2e, can be viewed in Figure 4.4. Comparing previously reported Scope 3 emissions from business (air) travel and landfill waste in 2017 versus 2018, we saw an increase of 1 per cent. We've also seen a 1 per cent increase in business (air) travel emissions both domestically and internationally, which have impacted overall Scope 3 emissions.

Figure 4.4: Scope 3 Emissions Breakdown by Category (Metric Tonnes CO2e)

100 Waste (Landfill)

5,084 Business (Air) Travel

75,000 Upstream Transportation and Distribution

80,184 Total
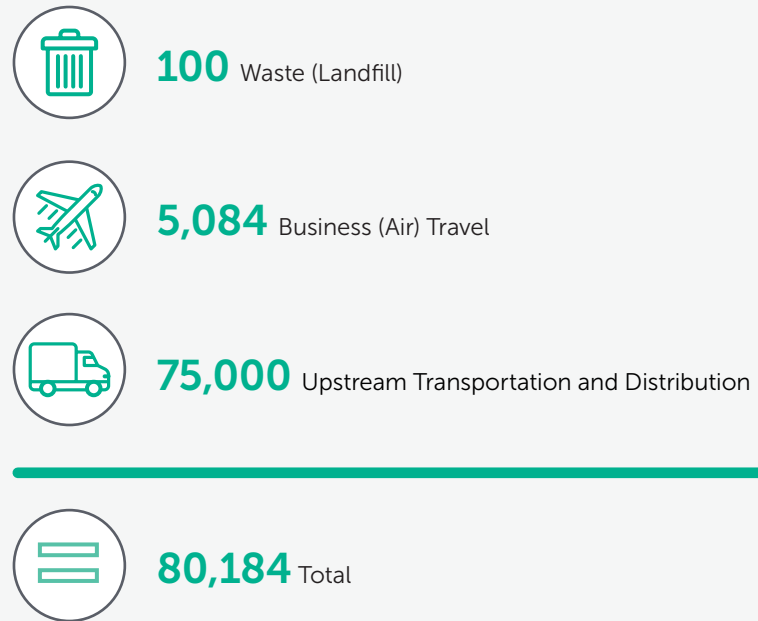
ADDITIONAL AIR EMISSIONS

GRI 305-7

As part of our emissions inventory, we are working towards measuring criteria air contaminants (CACs) emissions, hazardous air pollutants (HAPs) and persistent organic pollutants (POPs). This includes tracking volatile organic compounds (VOCs), particulate matter, nitrogen oxides (NOx), methane (CH4), sulphur oxides (SOx), and lead (Pb). Sites permitted for air emissions track and record chemical usage as per local requirements. These emissions are caused by process or infrastructure operations.

EMISSIONS DISCLOSURES

GRI 102-56

Celestica is committed to transparent reporting and we have disclosed our GHG emissions to the CDP since 2009.

In 2018, we received a CDP Climate Change score of B. Emissions are validated by an external third party, and emissions factors and GWPs used are located within our CDP submission.

SCIENCE-BASED TARGETS

In 2016, a joint initiative of the CDP, the United Nations Global Compact, the World Resources Institute and World Wildlife Fund issued a call to action for companies around the world to set more ambitious emissions reduction targets. These "science-based targets" are in line with the level of decarbonization required to limit average global temperature increases to below 1.5 degrees Celsius compared to pre-industrial levels. This is in accordance with the Intergovernmental Panel on Climate Change (IPCC) and the Paris Agreement.

Celestica understands the important role we play in protecting our climate, and that setting a science-based target will help in the transition to a low-carbon economy. We have therefore committed to adopting a science-based target in 2019 to reduce GHGs. We are finalizing the development and submission of a target in accordance with climate science.

Visit cdp.net for more information.

Please visit sciencebasedtargets.org for more information.

Energy

GRI 302-1, 302-3, 302-4
SDG 8.4, 9.4, 9.5, 12.2, 12.4

The emissions Celestica generates are a direct result of the energy we consume. Since energy is critical to Celestica's operations and is a major operating cost, we have implemented energy-related savings initiatives to reduce our GHG emissions.

Figure 4.5: Total Energy Consumption by Year (Gigajoules)

ENERGY	2016	2017	2018
Total Fuel (Non-renewable Sources)	140,012	158,793	171,332
Total Renewable Energy Sources	2,013	35,372	45,469
Total Electricity	1,265,854	1,217,839	1,256,595
Total	**1,407,879**	**1,412,004**	**1,473,396**

Figure 4.6: Non-renewable Fuel Consumption by Year (Gigajoules)

NON-RENEWABLE FUEL	2016	2017	2018
Natural Gas	120,493	137,213	149,986
Liquefied Propane Gas	10,426	14,325	11,308
Diesel Fuel	6,428	4,251	6,925
Kerosene	2,473	2,774	2,830
Ethanol E-10	192	230	283
Total	**140,012**	**158,793**	**171,332**

OUR MANAGEMENT APPROACH

- Reduce our demand for energy through conservation
- Improve energy efficiency of equipment and processes
- Certify our sites to ISO 50001
- Include renewable energy sources to reduce our demand from the power grid
- Focus on transparency through reporting energy use to the CDP, and continually improve disclosure and performance scores through Celestica's Sustainability team and appropriate representatives from each site

For more information, please refer to the Global Energy Policy.

Celestica's direct emissions primarily consist of fuels from non-renewable sources such as natural gas for heating and diesel for backup generators; whereas Celestica's indirect emissions derive from electricity. Celestica has no fuel consumption from renewable sources such as biogas or biomass fuels. No energy is sold by Celestica, nor are heat, steam or cooling purchased for consumption. These are generated from other sources of energy, as previously discussed.

Using our carbon accounting software, conversions are applied to our renewable, non-renewable and electricity consumption data to obtain a common unit of energy (joules). Where appropriate, Celestica has updated conversion factors to market-based factors when provided directly by utilities or local regulatory bodies.

Celestica's energy performance is also assessed by normalizing electricity and fuel usage against our company's overall revenue. In 2018, Celestica consumed 222 gigajoules of energy per million USD of revenue. This is a 3.4 per cent reduction primarily due to increased revenue from our newly acquired operations.

Our management approach is used for disclosures related to our direct energy and other indirect GHG emissions, as well as our reduction of GHG emissions. It is also used to manage energy consumption, energy intensity, reduction of energy consumption and waste generation by type, as well as disposal method disclosures.

We continued conservation and efficiency projects that led to additional emissions reductions in 2018. Many of our sites developed energy reduction initiatives through the ongoing implementation of targets, tools and training at each of our sites. The overall energy reduction that occurred as a result of the projects for 2018 was 323,007.

As an example, in 2018, we reduced more than 1,500 metric tonnes of CO2e through the implementation of chiller system efficiencies in our sites in Kulim, Malaysia, and Suzhou, China. Actions taken included replacing old equipment; using an additive to improve the heat transfer in the chillers; adjusting the firing points of boilers; and monitoring real-time, hourly performance of our chillers to assess peaks in energy requirements.

3.4%

In 2018, Celestica consumed 222 gigajoules of energy per million USD of revenue. This is a 3.4 per cent reduction from 2017.

Renewable Energy Projects

3.1%

We currently use
3.1% of renewable energy
as part of our total energy consumption, and are committed to increasing the use of renewable energy sources at our sites.

In 2018, our site in Galway, Ireland purchased
4.5 million kWh of renewable electricity,
and our site in Valencia, Spain purchased
3.9 million kWh of renewable energy,
for a combined savings of approximately
3,032 metric tonnes of CO2e.

Our Laem Chabang, Thailand site has been working on increasing its solar panel usage since 2016. By year-end 2018, approximately
3.5 MW of solar panels
were installed, saving an estimated
2,176 metric tonnes of CO2e.

Together, these renewable energy projects averted an estimated
5,208 metric tonnes of CO2e emissions.

Effluents and Waste

GRI 306-2, 306-3, 306-4
SDG 8.4, 12.2, 12.4, 12.5

Through 2018, with consumerism at an all-time high, we saw shifts in laws and regulations regarding waste disposal. Celestica and its employees have continued to reduce the waste we send to landfill and to be conscientious regarding the acquisition of materials.

Based on our materiality matrix, issues related to waste and recycling have increased in importance. Our greatest potential for impacting environmental sustainability is through the efficient use of materials within our operations.

OUR MANAGEMENT APPROACH

- Report and track our waste and recycling using specialized software
- Set annual global and site-specific goals for waste diversion rates
- Follow and maintain a global environmental policy
- Host an annual global Waste Reduction Week to promote activities and engagement at all sites for reducing waste in the workplace and at home
- Share best practices and communicate innovative ideas through bi-monthly Energy and Waste Working Group meetings
- Review quarterly site progress on waste diversion with COO and upper management
- Utilize a community platform for employees to share personal stories on waste diversion
- Perform waste audits to identify opportunities for improvement
- Utilize the waste management hierarchy to reduce wastes generated, reuse materials where possible and recycle prior to landfill disposition

Celestica ensures that materials are sourced through partnerships with responsible vendors — reducing packaging waste and increasing the potential to achieve our target of 100 per cent waste diversion. As well, by working with local recycling vendors, we sustainably dispose of scrap and excess materials during production.

Within our own operations, we work to reduce our operational and hazardous waste, use raw materials effectively, and partner with our customers and suppliers to improve shipping and design methods. These actions, along with Celestica's use of Lean and Six Sigma models, are aimed at moving towards a circular economy approach for our business.

Each site must comply with local and governmental laws governing waste and recycling, as well as programs offered by the community and Celestica. Our sites work hard to minimize material use, find reusable alternatives and source responsible vendors who are certified in meeting environmental regulations. We promote sharing best practices on waste diversion and award teams for innovative waste diversion solutions.

Through our management system, Celestica is able to identify waste and recycling data on 86.8 per cent of its square footage. Celestica's total square footage includes the newly acquired Atrenne and Impakt sites, however, these sites were not included in our waste reporting. We will work to include these sites and continue to increase the amount of square footage we include in our reporting, with the ultimate goal of reporting on 100 per cent of our square footage in the future.

In 2013, we set an aspirational goal to achieve 100 per cent waste diversion for all Celestica sites by 2020. In 2018 we achieved 92.3 per cent waste diversion, a slight decrease from 93.7 per cent in 2017. This change in waste diversion can be attributed to new business awarded, the process of closing a site as well as construction waste from the opening of additional sites.

In 2013, we set an aspirational goal to achieve

100%

waste diversion for all Celestica sites by 2020.

Figure 4.7: Waste by Disposal Method (Metric Tonnes)

WASTE TYPE	2016	2017	2018
Non-Hazardous Waste			
Reuse	103	136	228
Recycling	15,843	12,553	11,948
Composting	657	661	495
Incineration	246	221	342
Landfill	1,809	976	1,004
Total Non-Hazardous	**18,658**	**14,547**	**14,017**
Hazardous Waste			
Reuse	0	0	0
Recycling	2,704	2,813	2,692
Landfill	183	129	305
Total Hazardous	**2,887**	**2,942**	**2,997**

As well, in 2018 our Romania site saw a twofold increase in production, which resulted in twice the amount of chemicals used on-site. It also introduced new hazardous wastes such as resins. Throughout 2019, we are working to find more environmentally friendly alternatives, reduce hazardous chemical use and avoid contamination of recyclable materials. Celestica recognizes that hazardous waste materials continue to present the highest direct risk to the environment. We take the recycling of eWaste very seriously. Celestica vendors are verified to collect and break down eWaste material, promote ethical behaviour and dispose of materials in a controlled manner.

The waste streams generated by both our manufacturing sites and offices can be categorized as hazardous and non-hazardous wastes. In 2018, hazardous waste increased by 55 metric tonnes in comparison to 2017. This can be largely attributed to new customer products and contaminated materials that could not be separated according to acceptable standards for recycling vendors.

Figure 4.8: Waste Commodity Breakdown (Metric Tonnes)

WASTE COMMODITY	2016	2017	2018
Cardboard	5,486	4,987	4,832
Plastic	5,905	3,208	2,831
Recycled Hazardous Waste	2,084	2,091	2,162
Metal	2,120	2,247	2,066
Wood	2,096	1,916	2,046
Landfill	1,809	770	913
Organics	657	867	586
eWaste	620	723	529
Waste-to-Energy	246	221	342
Hazardous Waste	183	129	305
Paper	251	187	231
Construction Waste	88	143	171
Total	**21,545**	**17,489**	**17,014**

Our main focus for waste reduction is packaging material, including cardboard and plastic, as they are our most used commodities. Our sites strive to reduce these materials where possible and reuse or repurpose materials such as wooden pallets, electrostatic discharge (ESD) bags, plastic trays and cardboard boxes. We are currently unable to measure the full extent of reuse in our operations; however, we encourage employees to report on reuse efforts wherever possible. We believe that increased awareness and knowledge of waste management practices has led to improved waste diversion processes across our network. In 2018, there were no significant spills reported.

Figure 4.9: Waste Diversion Rate (percentage)

YEAR	WASTE DIVERSION RATE
2014	88.1
2016	90.8
2017	93.7
2018	92.3

Water

GRI 303-1, 303-2, 306-1
SDG 8.4, 12.2, 12.4

Celestica's water use is primarily in support areas such as washrooms, drinking fountains and kitchens/cafeterias. Secondary consumption is in our manufacturing processes. We are committed to the development of closed-loop systems to reduce or eliminate our water usage where possible. For example, the Suzhou, China facility implemented a system in 2018 to treat sewage water to irrigate grass and plants.

Water is sourced from municipal water supply systems and water utilities in our facilities, and there are no impacts to water sources, protected areas or biodiversity from our effluents. However, Celestica acknowledges the risks that can come from water misuse and scarcity, which include polluted waters, biodiversity loss, reduced river flows and political conflicts. Potential impacts of water misuse may include increased supply and treatment costs, intermittent supply and other adverse effects to our supply chain, employees and operations.

In 2018, we withdrew 1,422,738 cubic metres of water from municipal water suppliers globally for our sites where we have operational control. This represents a 10.4 per cent increase in water usage year-over-year, primarily due to business expansion and the addition of a new wastewater treatment plant (WWTP) at one of our sites. Based on the newly incorporated WWTP, we estimate that 70 per cent of water withdrawn is returned to either municipal sources or the WWTP and about 30 per cent is consumed. Some of our sites collect small amounts of rain water that is used to water plants and gardens at our facilities; however, the volume collected is not currently tracked.

The Suzhou, China facility implemented a system in 2018 to treat sewage water to irrigate grass and plants.
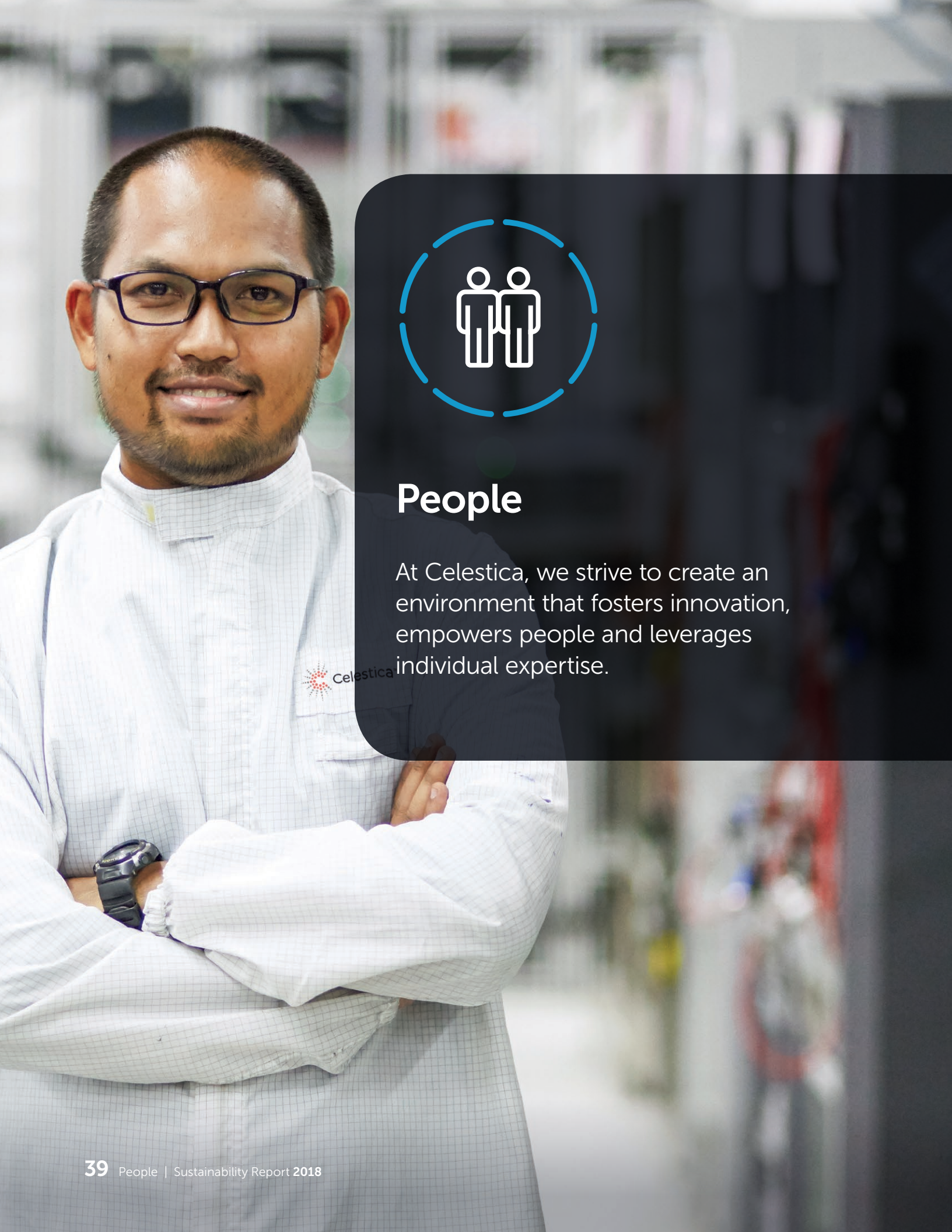
People

At Celestica, we strive to create an environment that fosters innovation, empowers people and leverages individual expertise.

Our Workforce

Our commitment to being people-driven is an essential part of our business strategy and a key enabler of our sustainability vision. We empower our employees to solve problems and make informed decisions that unlock potential for our customers. Together, we find better ways to grow with our customers, partners and communities.

Celestica believes high employee engagement is crucial for employee retention, performance and productivity, and strong business outcomes. In 2018, we launched the "Your Voice" Global Engagement Survey to all employees to measure overall engagement, and identify our strengths and areas for improvement. In 2019, we will address areas for improvement and communicate our progress to all employees on a regular basis.

OUR MANAGEMENT APPROACH

- Uphold ethical labour and employment practices
- Review and evolve our Total Rewards strategy to ensure Celestica remains competitive in the attraction, engagement and retention of our talented workforce
- Enhance our approach to the effective integration and assimilation of new employees
- Embed Celestica's Leadership Imperatives throughout our people practices
- Govern and enhance our annual performance management cycle
- Ensure learning and development is accessible to all employees so they can develop the skills and experiences required to be successful
- Conduct a bi-annual talent and succession review focused on the identification and development of employees with the potential to take on roles with broader complexity and scope in the future
- Commit to recognition programs that create an environment where employees are acknowledged for their contributions and impact

GENDER, REGION AND EMPLOYEE TYPE

GRI 102-8, 401-1, 405-1

Celestica has a diverse workforce around the world. We gather metrics for regular, full-time and contract employees of Celestica and Atrenne. We do not currently collect data on employees from Impakt; however, we are working on collecting this data in 2019. In addition, we do not collect demographic data on our third-party contractors that are primarily employed in our manufacturing operations.

Our overall gender distribution is fairly evenly distributed around the globe and has remained consistent since 2015. The breakdown can be seen below in Figures 5.1 and 5.2.

Figure 5.1: Workforce Distribution by Gender, Region and Employee Type

	ASIA			NORTH AMERICA			EUROPE			GLOBAL
	Contract	Regular	Total	Contract	Regular	Total	Contract	Regular	Total	Total
Female	2%	57%	**59%**	8%	30%	**38%**	4%	42%	**46%**	**53%**
Male	1%	40%	**41%**	10%	52%	**62%**	5%	49%	**54%**	**47%**
Total	**3%**	**97%**	**100%**	**18%**	**82%**	**100%**	**9%**	**91%**	**100%**	**100%**

Figure 5.2: Workforce Distribution by Gender, Employee Type and Age

	REGULAR EMPLOYEES			CONTRACT EMPLOYEES			GLOBAL
	Female	Male	Total	Female	Male	Total	Total
Under 30 Years	17%	13%	**30%**	23%	37%	**60%**	**32%**
30-50 Years	28%	26%	**54%**	17%	14%	**31%**	**52%**
Over 50 Years	8%	8%	**16%**	6%	3%	**9%**	**16%**
Total	**53%**	**47%**	**100%**	**46%**	**54%**	**100%**	**100%**

Celestica classifies employees into two categories: direct labour and indirect labour. Direct labour employees are those directly involved in the production of a product. Indirect employees hold professional roles in areas such as Human Resources, Finance, Information Technology, Marketing, Engineering, Supply Chain, Sales and Business Development. In 2018, 65 per cent of our workforce were in direct labour roles and 35 per cent were in indirect labour roles.

The majority of our employees (82 per cent) hold regular, full-time positions. However, we also employ a small percentage of contract employees (6 per cent) and third-party contractors (12 per cent), which provides workforce flexibility for rapid responses to changes in customer demands.

Figure 5.3: Workforce Distribution by Region (includes regular, contract and third-party contractors)

69% Asia

21% North America

10% Europe
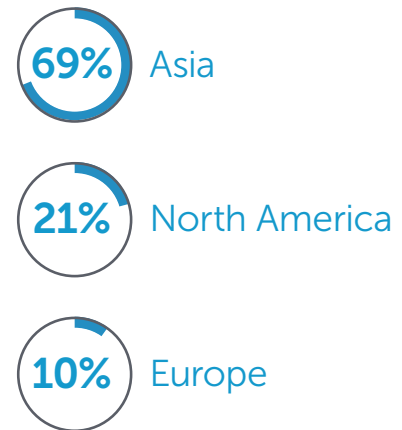
NEW HIRES AT CELESTICA
GRI 401-1

In 2018, Celestica hired 9,996 employees, a decrease from 10,676 in 2017, and an increase from 9,019 in 2016. Sixty-three per cent of our employees were hired at our sites in Asia, 27 per cent in the North America and 10 per cent in Europe, which is generally consistent with our overall regional distribution demographics.

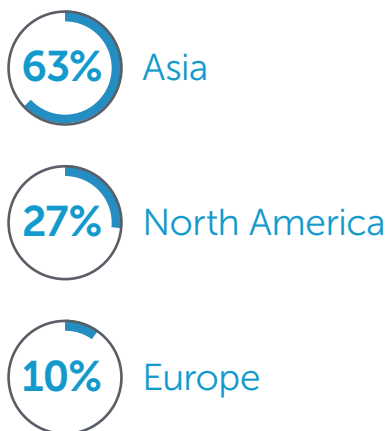**Figure 5.4:** New Hires by Region

63% Asia

27% North America

10% Europe

Figure 5.5: New Hires by Age

60% Under 30 Years

28% 30-50 Years

12% Over 50 Years

Figure 5.6: New Hires by Gender

55% Female

45% Male
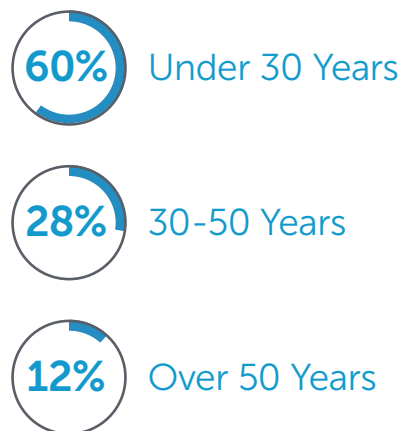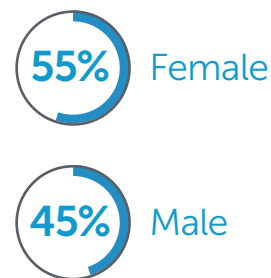
GLOBAL TURNOVER

GRI 401-1

The turnover rate of our regular employees remained flat year-over-year. In 2018, our turnover was 28 per cent, an increase from 27 per cent in 2017, but equal to the rate in 2016. This is based on voluntary and involuntary turnover. The breakdown of the turnover rate for 2018 is detailed below, which is reflective of Celestica's employee demographics. We will continue to communicate with employees and monitor feedback to determine which programs will drive engagement across our organization and reduce voluntary turnover.

Figure 5.7: Turnover Rate by Region*

74% Asia

21% North America

5% Europe
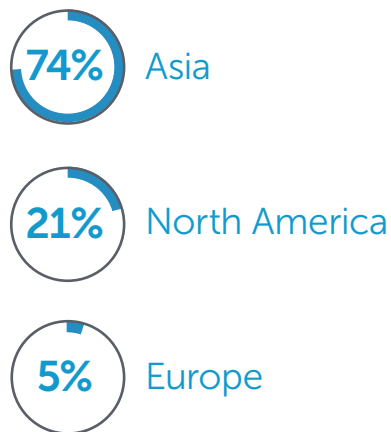
Figure 5.8: Turnover Rate by Age*

58% Under 30

32% 30-50 Years

10% Over 50

Figure 5.9: Turnover Rate by Gender*

55% Female

45% Male
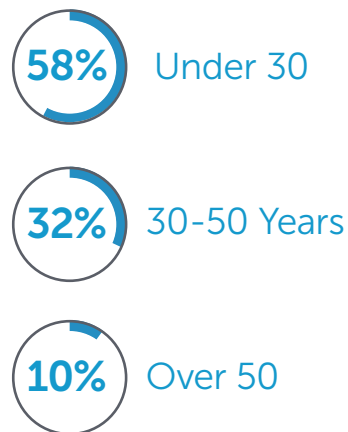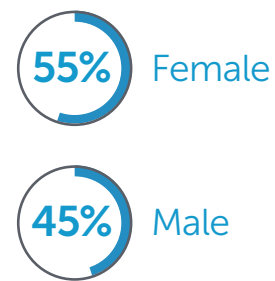
*The statistics provided represent the breakdown of employees within the 28 per cent voluntary turnover rate.

Diversity and Inclusion

GRI 405-1
SDG 8.5

Celestica is committed to a work environment that values and respects each employee for their unique talents. We recognize that our workforce is comprised of varied backgrounds, experiences and perspectives. Celestica believes that the diversity of our talented workforce is a competitive advantage, and we continue to focus on diversity and inclusion in our people practices.

In 2018, Celestica had 20 per cent female representation on the Board of Directors. The Board adopted a policy in January 2015 to identify and nominate female directors. Our goal is to have 30 per cent representation of women on the Board by 2020 and at least 50 per cent representation of women on the candidate list, where feasible. As of December 31, 2018, there were two women on the Board, each of whom is being nominated for re-election, and one of whom chairs the Audit Committee.

In addition, the Board created a committee to identify potential new directors. The committee developed a preferred candidate profile based on qualifications, experience, diversity and expertise in an effort to identify any gaps and meet the above target.

OUR MANAGEMENT APPROACH

- Attract, engage, develop and retain a diverse pool of top talent to achieve business growth and performance
- Strive to provide a respectful, supportive and collaborative environment in which all employees can realize their full potential as they grow with the company
- Strive to increase the representation of women at all levels of leadership and across our geographies, disclosing statistics of female representation on boards and in executive positions and establishing a strategy of diversity and inclusion
- Develop peer mentorship programs to support gender diversity

Our Women in Action program led an online development course to build leadership skills and address the challenges faced by women in business. Additionally, we celebrated International Women's Day across our global sites and functions.

In Valencia, Spain, female employees were given a flower in recognition of International Women's Day.

We celebrated International Women's Day across our global sites and functions.

In Johor, Malaysia, a breast cancer awareness campaign and various health talks were organized for International Women's Day.

Ethical Labour Practices

GRI 408-1, 409-1, 412-1
SDG 8.5, 8.7, 8.8

Celestica has well-established policies regarding fair labour practices and guidelines that create a respectful, safe and healthy work environment for our employees globally.

We strictly prohibit the use of slavery, forced labour and human trafficking, and we have implemented local labour policies and practices to prevent these incidents. Our policies specify that all who apply for employment at Celestica do so on a voluntary basis, and that all employees are legally entitled to leave upon reasonable notice without penalty.

In accordance with the RBA standards, Celestica conducts internal and external audits through a third party, of which slavery, human trafficking and child labour are key elements. Every two years, an internal or external audit is conducted at each of Celestica's manufacturing sites to ensure that we do not have any operations at significant risk of being exposed to slavery, human trafficking or child labour. Further, our preferred suppliers must align their management systems to the RBA Code. More details can be found in the Supplier Assessments section of this report.

CHILD LABOUR
SDG 8.7

We have a global policy to prevent child labour within our operations. The policy provides guidance in situations where child labour is identified as well as guidelines for protecting youth workers.

This policy is subject to applicable local laws and/or collective agreements in each jurisdiction. Each site may have a supplemental, but not contradictory policy with respect to preventing child labour, to address any local legal requirements.

If an employee is discovered to be a child worker (i.e. under the age of 15), site management and the site Human Resources manager must be notified immediately and actions will be taken to resolve the issue.

OUR MANAGEMENT APPROACH

- Publish Global Business Conduct Governance policy (BCG) and Responsible Business Alliance (RBA) Code of Conduct on the internal intranet page and external website
- Secure BCG training and annual certification by all employees
- Provide annual ethics training
- Complete site-level risk assessments
- Develop action plans for potential risks
- Conduct internal audits and assessments
- Review labour and ethics actions and status at management review meetings
- Monitor labour conditions at each of our sites
- Ensure that our supplier responsibility management system adheres to the RBA labour and ethics standards

Although it is not Celestica's standard practice to hire youth workers (between the ages of 15 and 17), we support workplace apprenticeship programs that comply with all laws and regulations. Youth workers' safety and protection is a priority for us. Celestica's managers must not give them jobs or tasks considered hazardous, unsafe or unhealthy, have an impact on school attendance and/or their ability to benefit from school or other training programs.

We have a global policy to prevent child labour within our operations.

FOREIGN MIGRANT WORKERS

SDG 8.8

It is extremely important to Celestica and our stakeholders that our foreign migrant workers are treated fairly and with dignity. Our practices focus on ensuring all work is voluntary. We make every attempt to hire direct labour locally, where possible. However, we do have a business need to hire foreign migrant workers in some countries or regions.

In the regions where we hire migrant workers, we adhere to comprehensive hiring policies. The foreign migrant workers we hire are free to terminate their employment with reasonable notice without penalty. We have approximately 1,750 foreign migrant workers in Malaysia and Singapore, primarily in our direct labour workforce.

Celestica recognizes that foreign migrant workers require special consideration to help them integrate within their communities.

OUR MANAGEMENT APPROACH

- Complete site-level risk assessments, including monitoring our migrant worker population
- Minimize migrant workforce turnover by creating a supportive place to work with the help of our site labour and ethics representatives, in partnership with the site Leadership team
- Ensure we meet local regulations and abide by local government approvals for each applicable site
- Monitor labour conditions and conduct internal audits and assessments
- Review labour and ethics actions and status at management review meetings

WORKING HOURS
SDG 8.5

Changes in demand directly affect Celestica's employees, driving peak production periods and the need for training in new processes and procedures to be provided at short notice. This fast-paced schedule can drive quick shifts in employee demands, and require committing to extended work hours on a daily and weekly basis.

> Celestica believes in promoting a strong, stable work-life balance for its employees.

All employees are required to read and understand Celestica's Working Hour policy which outlines working hour limits and required rest periods, as well as overtime compensation for eligible employees. Each employee has a responsibility to follow Celestica's working hour rules and to raise awareness for any non-compliances. All managers are responsible for ensuring that employees' work schedules comply with the policy. When overtime is required, managers must respect the policy while allowing only those employees who wish to work overtime to do so, without bias.

In the case of emergency or unusual situations, overtime may be approved even if not in compliance with the Working Hour Policy. These situations include unforeseen raw material or component shortages, quality issues that shut down production, and prolonged shutdowns due to equipment breakdown or power failure. These situations align with RBA's special cases for non-conformance to working hours. All situations requiring non-compliance must be approved in writing by the Site General Manager and Senior Human Resources Manager in advance.

OUR MANAGEMENT APPROACH

- Maintain Celestica's Global Working Hour Policy and communicate requirements to all employees
- Allow for complementary site-specific working hour policies for stricter limits related to local laws
- Create an annual global target metric for measuring and tracking employees' work week hour limits, reviewed monthly
- Align site-specific annual target metrics for measuring and tracking employees' work week hour limits, reported monthly
- Implement quarterly reviews of site working hours with COO and corporate HR segment leads
- Establish an audit schedule in which sites investigate employee working hours and create corrective action plans for non-compliance
- Strive to understand and report the key root causes of excessive working hours at non-compliant sites
- Share best practices with sites, customers and RBA for monitoring and complying with working hour policies

Celestica works to ensure that all employees stay within the legal limits of working hours as specified by local laws. Using our third-party software payroll systems, Celestica tracks and reviews the working hours of employees who are directly involved with the manufacture of products, on a monthly basis. As an RBA member, Celestica aims to ensure employees work no more than 60 hours a week, or the local legal limit, whichever is stricter. The RBA Code allows for a 1 per cent tolerance for exceeding working hour metrics, which Celestica follows and reports on monthly.

In 2018, an average of 3.45 per cent of Celestica employees were non-compliant with the 60-hour work week standard. This is above the 1 per cent threshold we strive to maintain. However, during the year our facilities worked hard to bring this down and we are pleased to report that we achieved a 1.5 per cent non-compliance rate for the month of December 2018.

Four of our facilities in particular had difficulty achieving full compliance. Contributing factors included unexpected customer demand increases and an unforeseen business closure that required staff to complete production more quickly than usual. In this instance, it was not feasible to hire and train new employees for a short period of employment. Despite our best efforts to adjust our workforce to meet customer requirements, we were not able to react fast enough to meet RBA working hour standards. We continue to track employee working hours and identify root causes for non-compliant behaviour.

Figure 5.10: Percentage of Employees Working More Than 60 Hours
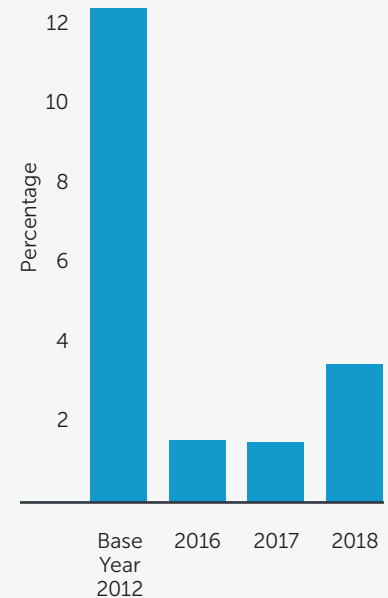
Celestica will focus on tracking the seventh day of rest for our employees in the future which ensures that each employee takes a minimum of one day off after no more than six consecutive days of work.

Employment Practices

At Celestica, we implement positive employment practices to create a healthy work environment for our employees.

EMPLOYEE BENEFITS SUMMARY
GRI 401-2, 401-3
SDG 8.5, 8.8

We offer a competitive Total Rewards program based on local market practices in the countries in which we operate. Aligned with our business philosophy of promoting individual and company success, Total Rewards include the following elements: wages/salaries, annual incentive plans, long-term incentive plans, benefits, retirement plans, and various employee recognition programs.

Figure 5.11: Employee Benefits Summary

TYPE	CANADA, USA, EUROPE, ASIA (EXCLUDING LAOS)	MEXICO	LAOS
Life Insurance	Yes	Yes	No
Healthcare	Yes	Yes	No
Disability and Invalidity Coverage	Yes	No	No
Parental Leave (Any Type)	Yes	Yes	Yes
Retiree Benefits	Yes	No	No

OUR MANAGEMENT APPROACH

- Develop positive employment practices to create a healthy work environment for our global workforce
- Provide a competitive benefits package based on local market practices in the countries where we operate
- Share information on benefits with our employees and track benefits in each of our regions
- Embrace a pay-for-performance philosophy through Celestica's Total Rewards programs
- Recognize and reward employees for achieving corporate performance goals as well as individual goals and objectives

We ensure that statutory requirements are met for our part-time employees. However, specific benefits may vary from employee to employee depending on their enrollment choices. Certain locations may also provide mental health and supplemental support. We inform employees on available mental health awareness and group benefits, and provide a benefits overview to ensure they can make informed decisions for themselves and their families. Many of our sites provide employees with wellness programs, including webinars, informational campaigns and events.

Celestica also offers a post-retirement benefit plan for eligible employees, as well as an outplacement program to assist people who have been offered an involuntary severance package.

PAY EQUITY AND REMUNERATION

GRI 405-2
SDG 8.5

Celestica's compensation philosophies and practices are designed to attract, motivate and retain leaders and employees who will drive the success of the business. Celestica embraces a pay-for-performance culture, irrespective of employee gender, race, ethnicity, religion or disability. We recognize and reward employees for achieving corporate performance goals as well as individual goals and objectives.

Occupational Health and Safety

GRI 403-1, 403-2, 403-3, 403-4
SDG 8.8

We are committed to maintaining a safe and healthy workplace for all our employees.

Our Occupational Health and Safety program is focused on the prevention of occupational illness and injury across our global workforce. It is a top priority for Celestica's leadership and our internal environment, health and safety (EHS) organization.

Our employees work in diverse settings and may be exposed to a variety of workplace hazards. To maintain workplace safety, Celestica adheres to internationally recognized standards, while accounting for individual site program differentiation. In addition, we have developed safety standards that allow us to integrate and align the health and safety programs of all of our global operations.

We have taken a proactive approach to monitoring health and safety performance and assessing risk management across our operations. Globally, we have defined a framework whereby each site is required to measure and report on its performance regularly. This approach enables us to maintain safe workplaces throughout our network. Our global and site-level EHS teams ensure the requirements are known, understood and integrated into each site's management systems and daily business operations.

With a strong partnership between our sites and global teams, our robust Occupational Health and Safety program includes, but is not limited to:

- Creating, managing and executing comprehensive internal and external audit programs
- Monthly reporting of globally harmonized key process leading and lagging indicators
- Identifying risks and proactive risk management measures
- Annual site-level threat assessments
- Developing and communicating safety training materials
- Responding to incidents in a timely and effective manner
- Empowering workers to report any unsafe acts or conditions and projecting a safety-first workplace culture

OUR MANAGEMENT APPROACH

- Encourage all employees to be responsible for safety, a core value of our operations
- Conduct frequent reporting on EHS leading and lagging indicators at each site
- Conduct third-party legal compliance audits and take timely action to correct any deficiencies
- Perform internal peer assessments to the RBA Code within each region
- Align with and obtain internationally recognized EHS management system requirements such as OHSAS 18001/ISO 45001
- Provide additional focus for sites requiring improvements, including special attention to any new sites in the network and review process effectiveness
- Partner with regulators, customers and employees to continually improve workplace health and safety
- Share best practices across the Celestica network

Our global Occupational Health and Safety management system is aligned with internationally recognized standards such as OHSAS 18001/ISO 45001, the RBA Code and our own internal policies and initiatives. Our senior leaders are engaged in and committed to workplace safety. Our manufacturing sites have designated EHS personnel responsible for managing and addressing compliance with local and customer-specific requirements, as well as changing business circumstances.

For more information, please refer to our Global Health and Safety Policy.

At Celestica, we have union employees in Asia, Europe and Mexico. In each of these regions, health and safety is a key priority which is represented in our employee policies and procedures. All significant operational locations are represented by formal health and safety committees consisting of both management and employee representatives. In all, 95 per cent of total employees are represented by these committees.

Environmental, health and safety highlights from 2018 include:

Our manufacturing sites conducted approximately **295 safety committee meetings** and 1,500 EHS-focused workplace inspections

Our leadership teams conducted approximately **645 safety-focused Gemba walks**

Of our operations **52% are OHSAS 18001 certified**

Sites held EHS-dedicated weeks or days to promote safety and environmental awareness

Implementation of EHS-focused Kaizen activities – resulting in more than **135 improvements across the network**

Creation of **customized business continuity planning tabletop exercises,** facilitated by global security teams and EHS to test our sites' ability to react to a variety of scenarios

We also track safety incidents that occur at our facilities. The lost-time incident or case rate is a lagging indicator that is measured closely. This indicator is used to report both acute injuries and chronic conditions. It represents the number of lost-time incidents for every 200,000 person hours worked. In 2018, our lost-time incident rate of 0.05 and lost-days rate of 0.91 decreased from 2017 (0.08 and 2.9, respectively). Our sites' continued focus on safety through extensive training, hazard identification and risk assessment is one of the reasons why our incident rates remain low. In 2018, there were no work-related fatalities.

Learning and Development

GRI 404-1, 404-2
SDG 8.2, 8.6, 9.5

We believe in building a strong global workforce. We design global learning and development programs that attract, retain and develop employees. We also encourage employees to manage their careers, expand their knowledge and skills, and foster personal growth and development by taking on new roles and responsibilities.

> Across our global team, we logged more than 1,600,000 training hours in 2018.

We offer a blended learning approach, incorporating comprehensive e-learning experiences and instructor-led learning sessions. In support of employee growth, we promote the importance of continuous training through participation in function-specific and global programs and informal development opportunities. Through our Learning Management System, Celestica offers various courses and resources covering a wide range of topics and skills, to create subject matter expertise and enhance leadership.

To build a continuous pipeline of talent, we initiated the Finance Graduate Development Program. The program builds leadership, technical and business skills through formal learning, rotational opportunities and ongoing mentorship. In 2019, we will continue to expand this program to other areas of the business.

OUR MANAGEMENT APPROACH

- Link learning and development goals to Celestica's strategy, as well as individual and team goals
- Identify our employees' strengths and development needs and create robust development plans to support employees' career growth
- Implement learning and development programs to enhance employees' ability to respond to business needs, while enabling them to achieve their career goals
- Assess training programs from both technical and leadership skills perspectives
- Promote various development programs and opportunities available to broaden and deepen skills
- Analyze results by continually reviewing feedback and measures of program effectiveness

Talent Attraction

Celestica seeks to attract the most suitable candidate for a position based on skill, experience and cultural fit. We are committed to being an equal opportunity employer, and prohibit discrimination based on gender, race, ethnicity, religion or disability status. Our success depends on our ability to attract a diverse pool of talented and engaged employees with the experience and passion to enable the world's best brands. Having the right people in the right roles at the right time to support the achievement of business goals is central to our philosophy.

We continuously review the candidate experience by refreshing our global onboarding practices and adjusting our strategies to support future business requirements. We encourage employees to participate in training opportunities and leadership development.

Performance Management

Celestica's performance management practices establish performance objectives aligned to our strategy, personal development goals and results.

Performance management is an important aspect of Celestica's annual management system. The annual cycle provides an opportunity for a cohesive and valuable partnership between employees and people leaders focused on the planning, coaching and reviewing of performance.

OUR MANAGEMENT APPROACH

- Identify strategic goals and focus areas annually to drive a one-company, one-vision approach as a foundation to employee objective setting
- Determine annual executive objectives and goals that align with the strategic focus areas
- Establish performance objectives with all permanent, full-time Celestica employees that align to strategic focus areas, and the goals of their broader function and team
- Create and renew development plans and align with performance goal-setting to ensure employees have the requisite skills for their role, prepare for future roles and experience meaningful career growth
- Encourage ongoing, future-focused performance conversations and coaching throughout the year to drive results at the individual, team and organizational level
- Review and assess performance and development objectives, milestones and measures at mid-year and year-end
- Align performance outcomes to the talent and succession review, learning and development activities, and Total Rewards and Recognition

Performance management is an important aspect of Celestica's annual management system.

Talent and Succession Review

GRI 404-3

Celestica encourages all employees to be their best. Career growth at Celestica may include opportunities for those who have the ability to progress to roles with increased scope and complexity. Succession reviews are an important first step for employees to build internal knowledge, succession readiness and capabilities for the future. This helps mitigate talent retention risks and promotes strategic talent attraction.

All permanent, full-time employees at and above the manager level are included in our global talent and succession review. Talent reviews below the manager level are also completed at the discretion of each business leader with a consistent approach.

In 2019, we will provide greater visibility to talent pool capabilities through a digital talent and succession management system. In addition, we will continue to accelerate succession readiness, build future capabilities to maintain a competitive advantage, ensure individuals are in the right roles to help deliver on our business strategy, and support employees' career aspirations and growth.

OUR MANAGEMENT APPROACH

- Assess talent and determine suitable succession candidates using a common set of criteria
- Conduct a bi-annual talent assessment and succession review for management-level roles
- Review executive succession annually with Celestica's Board of Directors
- Measure success by tracking key performance indicators
- Provide thorough education, guidance and resources to enable people leaders to effectively assess, develop and engage/retain talent

REWARDS AND RECOGNITION

Our robust rewards and recognition programs create an environment of engaged employees who feel acknowledged for their contributions. Employee recognition is essential to creating that environment and is important to our stakeholders. Our programs are designed to recognize employees who are achieving business results by living our brand and values and embracing the characteristics of our Leadership Imperatives.

Recognition takes place every day across Celestica. We encourage business and people leaders to acknowledge individual and team success in quarterly town halls, and in more formal ways through our Bravo! and Ignition Awards programs.

Bravo! Program
Celestica's Bravo! program promotes the importance of recognition and encourages employees to recognize others. In 2018, we recognized employees with more than 26,000 Bravo! Awards.

Ignition Awards
Celestica's Ignition Awards recognition program celebrates the achievements of our employees around the globe. This program honours exceptional individuals and high-performing teams that enable Celestica's success. Since the program's launch in 2006, the program has recognized more than 24,000 employees.

Our robust rewards and recognition programs create an environment of engaged employees who feel acknowledged for their contributions.

Employee Wellness

SDG 8.5, 8.8

Our employees are our most important resource, and supporting our employees' health and wellness is a crucial element of our sustainability strategy. Employee engagement and well-being is strengthened through healthy, supportive and safe workplaces.

Employees at each site actively contribute to Celestica's wellness programs. Many sites offer different wellness initiatives each year, as the focus for improvements varies by region. Some examples of these programs include local wellness policies to effect positive change, annual employee health checks and medical centres for employees. In addition, we offer sick leave programs, paid time off and other benefits on a regional or site level to support employees when they become ill.

WELLNESS SUCCESS STORIES

Our Kulim, Malaysia site became a smoke-free plant in October 2018. The team also organized a Wellness Day, which included activities such as free blood tests and Body Mass Index (BMI) checks, physiotherapy analyses and nutrition advice.

Our Mississauga, Canada site hosted a Wellness Fair with several vendors, including the Heart and Stroke Foundation of Canada, Wellspring Centre for Cancer, Celestica's benefit provider and the on-site fitness centre.

In Johor, Malaysia, employees organized a Health Day campaign by collaborating with local partners to raise awareness about the importance of oral and vision care, and to host a blood drive.
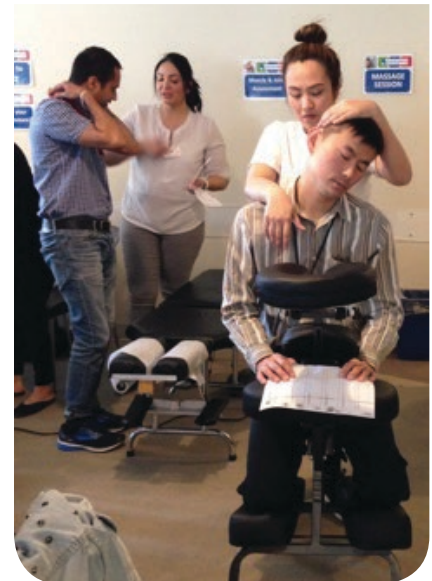
Local Communities

At Celestica, we strive to support the local communities in which we live and work. We encourage all full-time employees to take up to 16 hours of paid time off per year to volunteer through our Time Off to Volunteer (TOV) program. This program gives employees the opportunity to become involved in their communities in a meaningful way and to help those in need.

Celestica established an aspirational goal to have 50 per cent of our workforce participate in the TOV program by 2020. To support this goal, we create an annual global target along with complementary site-specific targets. Celestica exceeded the 2017 participation rate in 2018, which increased from 17 to 19 per cent. On average, employees who participated in the TOV program engaged in 5.75 hours of volunteer work in 2018.

Figure 5.12: 2018 Time Off to Volunteer Participation Rates by Region

19% Global

19% Asia

15% North America

21% Europe

OUR MANAGEMENT APPROACH

- Maintain Celestica's TOV Policy
- Create annual global and site-specific targets for employee participation in TOV
- Communicate volunteer opportunities and share successes through community posts and emails to employees
- Empower site ambassadors to promote TOV opportunities and track participation progress
- Promote TOV participation through Celestica's internal sustainable workspace pledge

COMMUNITY ENGAGEMENT ACTIVITIES

Below are some examples of how Celestica employees are giving back to their communities across the globe.

During Celestica's 22nd annual United Way Campaign, the Toronto, Newmarket and Mississauga, Canada sites exceeded their fundraising target, raising $274,000 CAD ($206,000 USD). This brings Celestica's lifetime giving amount to $11.2 million ($8.4 million USD).

Employees from our Mississauga, Canada site participated in a mentorship program with Access Centre, a United Way agency designed to help new Canadians integrate into society. The roundtable format enabled newcomers to ask questions about employment in Canada.

Celestica's Oradea, Romania site held a fundraising drive to gather school supplies for local children. The team donated 110 backpacks full of school supplies to numerous non-profit organizations in Bihor County.

Thirty employees from Valencia, Spain volunteered with Aidabooks & More, a secondhand bookshop that funds social, economic and cultural development projects among disadvantaged populations.

Celestica's employees in Shanghai, China spent an afternoon "plogging", the eco-friendly combination of jogging and picking up litter, in their community.

Two hundred employees in Kulim, Malaysia participated in a walk and raised funds to support the wildlife conservation efforts of the World Wildlife Fund (WWF).

Employees from Laem Chabang, Thailand spent a day at the Bangpra Bird Breeding Center planting trees, which will provide food for the birds and animals within the conservation area.

Employees in Singapore raised funds to support Food from the Heart, a non-profit charity that provides food for those in need. They also spent the day packing food items that were distributed throughout the community.

More than 120 employees and their families in Johor, Malaysia participated in a cleanup of Tanjung Balau beach. They also collected donations for this initiative to raise money for a local charity.

Employees in Suzhou, China sold desserts to raise money for a local organization that supports the reconstruction of poverty-stricken areas in Sichuan, which was devastated by a massive earthquake 10 years ago. Thanks to their fundraising efforts, five disadvantaged mothers received training about farming techniques, services and agricultural supplies.

A team of 47 employees from Celestica's Johor, Malaysia site visited their local social welfare centre. Employees spent the day cleaning the centre, making repairs to the facility and organizing the storage rooms.

Employees in Tucson, USA partnered with Habitat for Humanity. The team spent the day transferring roof tiles and securing insulation in houses that will become homes for low-income families in the area.

Supply Chain

At Celestica, we are committed to working with our customers to realize their sustainability goals in a safe, energy efficient and environmentally conscious manner.

Supply Chain Overview

GRI 102-9
SDG 8.4, 12.2, 17.17

Celestica has a global network of more than 4,000 active direct suppliers, and our preferred suppliers are located in close proximity to our Centers of Excellence. This alignment increases the speed and flexibility of our supply chain and provides the shortest overall lead times for our customers. Components and raw materials are sourced globally, with most indirect materials originating in close proximity to the majority of our manufacturing locations, resulting in a reduced carbon footprint.

> Our global network offers specialized end-to-end supply chain capabilities tailored to meet specific customer and product lifecycle requirements.

At Celestica, our goal is to provide our customers with the lowest total cost of ownership (TCOO™). To help achieve this, we developed a system that evaluates supplier performance by measuring the total cost to produce, deliver and support products and services beyond the invoice price. As Celestica continues to focus on delivering value-added services to our customers, we increasingly emphasize technology, innovation and collaboration with our suppliers.

Using our global Supply Chain Management (SCM) processes and integrated information technology tools, we help our customers balance their global supply and demand requirements, including inventory and order management. Due to Celestica's market position as a provider of innovative supply chain solutions, the SCM relationships within Celestica's supply base have historically followed two models: Celestica implements supply arrangements negotiated by the customer; or Celestica has commercial control of the purchasing relationship with the supplier.

ASSEMBLY MATERIALS
GRI 308-1
SDG 12.6, 12.7

We take every measure to ensure the components, chemicals and consumables we use to build our customers' products adhere to the strictest environmental compliance requirements. Our supply chain team members are trained in global environmental and regulatory standards, including Restriction of Hazardous Substances (RoHS) and RBA compliance, and have full knowledge of each customer's specific requirements. This ensures each component and consumable throughout the supply chain meets established regulations.

COMPONENTS
GRI 308-1
SDG 12.6, 12.7

On behalf of our customers, Celestica ensures our suppliers understand environmental legislation and actively respond to requests for compliance documentation. Celestica then validates the environmental compliance of those documents. Celestica's Supply Chain team also verifies the RoHS and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) compliance of the components being used for any product. This approach guides the risk profile we assign to both the component and the supplier.

SUPPLIER ASSESSMENTS
GRI 414-1
SDG 12.6, 12.7

The Compliance and Ethics section of this report highlights Celestica's ongoing support of the RBA mandate in our commitment to improving the electronics supply chain. This commitment includes ensuring compliance and continuous improvement within Celestica's operations. We also ensure that our preferred suppliers align their management systems with RBA Code requirements.

Celestica continually works to implement, manage and audit our compliance with the RBA Code as well as monitor supplier compliance. In addition to our suppliers, our customers, investors and industry peers (via consortia) have also identified the importance of corporate citizenship.

Overall compliance with the RBA Code is measured by assessing how members conform to RBA requirements. Celestica monitors our suppliers through application of approved RBA risk assessment tools. These include the Self Assessment Questionnaire (SAQ) the Validated Assessment Program (VAP) and verification visits.

OUR MANAGEMENT APPROACH

- Comply with industry standards to ensure working conditions in the supply chain are safe
- Ensure workers are treated with respect and dignity
- Ensure manufacturing processes are environmentally responsible

VERIFICATION VISITS
GRI 308-2, 414-1, 414-2

Celestica's Major Supplier List (MSL) includes both RBA and non-RBA members. All of our preferred suppliers are managed through our Supplier RBA Compliance program. Through this system, Celestica assesses the level of environmental, labour, and health and safety risk for each supplier by validating that labour practices, health and safety, ethics, and management systems are in place. Each supplier on our Preferred Supplier List (PSL) is expected to complete an RBA SAQ, support a verification visit and/or provide a VAP report if one is available. Along with the use of complementary internal supplier selection and monitoring processes, Celestica has a comprehensive risk assessment system in place to evaluate subtier suppliers.

In 2018, Celestica performed 168 SAQs for the 79 suppliers on our PSL. A SAQ is performed for each facility operated by the suppliers. No high-risk activity was identified through the RBA risk assessment, thus no suppliers were removed from our PSL. If any findings or non-conformances were found in the verification visits, then all of our suppliers from our PSL would require Corrective Action Plans (CAPs) to be put in place.

Ethical Sourcing – Conflict Minerals

GRI 414-2
SDG 8.5, 8.7, 8.8

Celestica is committed to adhering to ethical practices and to complying with laws and regulations wherever we do business. In our materiality assessment, our customers and investors ask us about our policy on conflict minerals. While this topic has some overlap with supplier assessments, due to the societal impacts, Celestica considers this to be an industry-specific topic.

The mining and trading of coltan, wolframite, cassiterite and gold, and their respective derivatives, originating in the Democratic Republic of Congo (DRC) or adjoining countries (the DRC Region), has financed conflict resulting in widespread human rights violations and environmental degradation. Section 1502(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Conflict Minerals Law") requires SEC-reporting companies to conduct an inquiry into the source and chain of custody of conflict minerals. Celestica fully supports the objectives of this legislation to minimize violence and environmental damage in the DRC region.

Celestica supports industry initiatives such as the Responsible Minerals Assurance Process (RMAP), and will make every effort to ensure that the tantalum, tungsten, tin and gold we purchase for our products do not directly or indirectly finance or benefit unauthorized armed groups in the DRC Region.

Furthermore, Celestica expects all of its suppliers to comply with this legislation and provide all required declarations using the Responsible Minerals Initiative's (RMI) Conflict Minerals Reporting Template. Celestica will assess any future business with suppliers that do not comply with this policy.

OUR MANAGEMENT APPROACH

- File an annual conflict minerals report to the Securities and Exchange Commission (SEC)
- Complete the Conflict Minerals Reporting Template provided by the Responsible Minerals Initiative (RMI), formerly the Conflict-Free Sourcing Initiative (CFSI)
- Ensure proper implementation of Celestica's Conflict Minerals Policy
- Identify new smelters and refiners which may require audits using a Celestica standardized template

Governance

We are committed to the highest standards of corporate governance. Our strong business ethics create an environment of trust in all of our business relationships, and we ensure all employees understand the importance of ethical behaviour in conducting business on behalf of Celestica, in order to maintain these standards.

Sustainability Governance

GRI 102-18, 102-19, 102-20, 102-21, 102-26, 102-31, 102-32

The Senior Vice President, Legal and Sustainability, is responsible for leading the Sustainability team and overseeing all issues related to sustainability. This role formally reviews the Sustainability Report and ensures all material topics are discussed. This position reports directly to the Chief Legal and Administrative Officer and is part of the Legal, Compliance and Sustainability team.

Celestica's Chief Operations Officer (COO) receives quarterly sustainability updates. During these updates, discussions focus on our sustainability strategy and the progress we are making on our metrics. Input received in these meetings is important for shaping our sustainability strategy.

The Sustainability team manages many aspects of the program, including engaging with external stakeholders, conducting necessary reviews and assessments, driving the sustainability strategy and reporting on activities. Cross-functional teams and employees at each global site implement or lead activities, and report to the Sustainability team. Figure 7.1 illustrates the flow of decision-making on matters relating to sustainability.

Figure 7.1: Sustainability Governance Structure

CEO

Board of Directors

Chief Legal and Administrative Officer

COO

SVP, Legal and Sustainability

Supply Chain & Partners

Sustainability Team

Business Functions

Employees

Functions responsible for overseeing strategy

Functions responsible for oversight, governance and controls for sustainability

Functions responsible for implementing initiatives
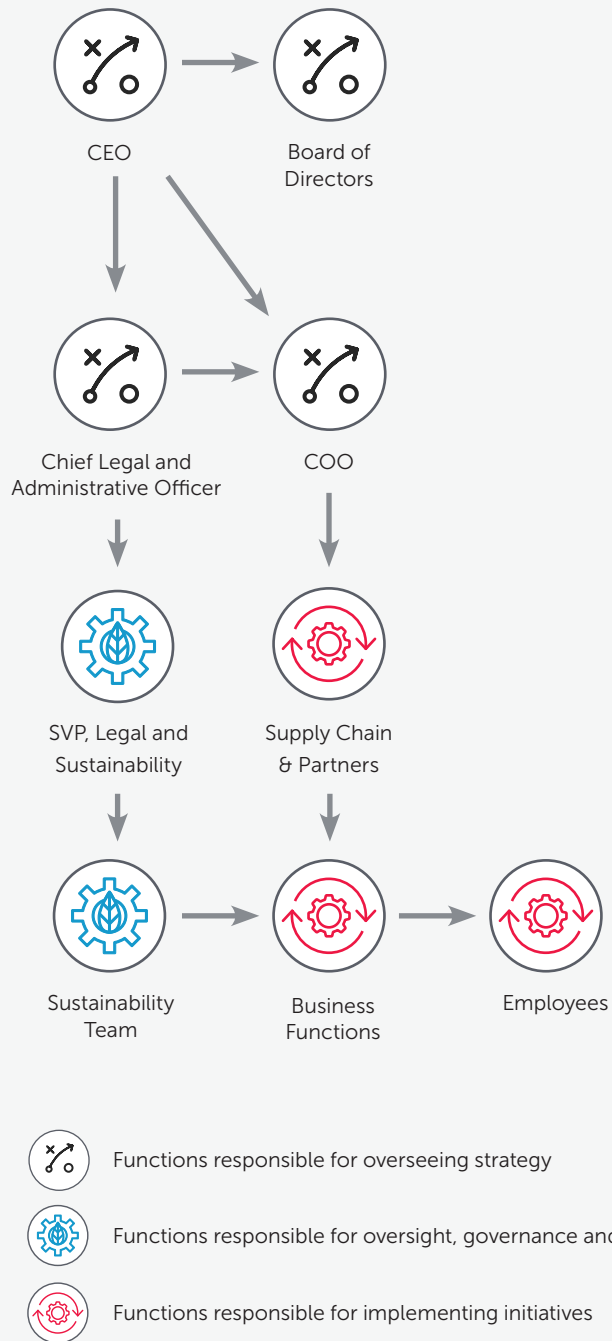
Compliance and Ethics

ETHICS PROGRAM
GRI 102-16, 102-17, 406-1

Celestica is committed to ensuring that our company culture is free from discrimination and harassment based on race, colour, religion, gender, gender identity, citizenship and/or origin, age, disability, sexual orientation, marital status or other factors.

Open communication is a critical component of Celestica's culture. We encourage our employees to speak with their manager, a member of management or Human Resources should they have concerns or questions on legal or ethical matters. If illegal or unethical behaviour is witnessed, employees have a responsibility to report it immediately. Employees can also email compliance@celestica.com, which is maintained confidentially by Celestica's Compliance department.

OUR MANAGEMENT APPROACH

- Maintain a workplace with a high standard of ethics that is free from discrimination and harassment
- Our Business Conduct Governance Policy (BCG Policy) documents our strong stance on compliance and ethics
- Ensure our employees are aware of how they can voice their concerns on ethical matters
- Employee awareness is heightened through Ethics Awareness Centers at each of our sites which displays Ethics Wallet Cards and an Ethics Hotline which is a grievance mechanism available to all employees
- Promote open communication within the ethics program, ensure that all incidents of misconduct are investigated and actions taken without delay

Further, any employee can report concerns to the third-party-managed Ethics Hotline by phone or online to report misconduct in the workplace. Employees can identify themselves or remain anonymous, and will be notified when the report is received and completed. Figure 7.2 contains the number of reported cases through our hotline system for 2018.

All reports are investigated confidentially, without delay and to the fullest extent by the Celestica Compliance department. Celestica will make a determination whether the BCG or the law has been violated, and take appropriate corrective action.

Celestica prohibits reprisals or retaliation for reporting actual or suspected violations of the law, of the BCG Policy or other policies, or for cooperating in an investigation related to reported violations. Our ethics program ensures our work environment meets the rights and obligations of our BCG Policy.

Figure 7.2: 2018 Ethics Hotline Reporting

CATEGORY	NUMBER OF REPORTED CASES
Conflicts of Interest	6
Discrimination*	19
Fraud	5
Harassment	7
Misconduct	57
Violation of Policy	18
Other (EHS, Use of Company Property, etc.)	18

*Of the incidents involving discrimination, 11 were found to have merit. All were investigated by Celestica; appropriate actions were taken and all are now closed.

LABOUR AND ETHICS MANAGEMENT
GRI 102-16
SDG 8.5

At Celestica, we strive to create a safe work environment and treat our employees with dignity and respect. To fulfill this mandate, we have established a Labour and Ethics Management System. This system ensures compliance with applicable laws, regulations and customer requirements related to our operations and products, including adherence to Celestica's BCG Policy and the RBA Code of Conduct. Each site has a governing document that includes any global policies and procedures, as well as local governing practices and regulations that are implemented at the site.

Celestica informs our suppliers about the RBA Code and our position regarding labour conditions at numerous points in the development of their commercial relationship with Celestica.

The Labour and Ethics Management System includes the following elements:
- Stated company commitment
- Management accountability and responsibility
- Legal and customer requirements
- Supplier responsibility
- Risk assessment and risk management
- Improvement objectives
- Training
- Corrective action processes
- Documentation

OUR MANAGEMENT APPROACH

- Set objectives and targets in the first quarter of each year and track our performance throughout the year
- Develop measurements to track our progress and make continuous improvements
- Develop action plans for risks identified in the risk assessment. If targets are not met, the site Human Resources manager, in partnership with the site Leadership team who manages the assessment report until resolved
- Execute our Labour and Ethics Management System
- Monitor labour conditions at each of our sites
- Conduct internal audits and site-level risk assessments
- Review labour and ethics actions and status at management review meetings
- Revise programs to make improvements based on feedback from site leads and stakeholders

COMPLIANCE TRAINING
GRI 412-2

Celestica reviews current trends and risks in the electronics industry on a continual basis to determine which training would be most beneficial for our employees. In recent years we have rolled out a wide range of courses, including global anti-bribery, mutual respect, conflicts of interest, diversity and inclusion, insider trading, whistle-blowing, fraud and business integrity, ethical leadership, careful communication and confidential information. In 2018, Celestica launched a refreshed respect and bribery training program, including "Workplace Respect" and "Recognizing and Avoiding Bribery" courses. In 2018, our global workforce completed approximately 7,000 hours of compliance training.

BUSINESS CONDUCT GOVERNANCE POLICY
GRI 412-2

Our BCG Policy is a natural extension of our values. It summarizes the legal and ethical behaviours that are an important part of our culture. The BCG Policy focuses on ethical behaviour, responsible corporate citizenship, the protection of assets and accountability. All new employees, regardless of job role or function, receive BCG training within 30 days of joining Celestica. This commitment is renewed by all regular employees, with re-certification required on an annual basis.

ASSESSING RISK AREAS
GRI 419-1

Our annual risk assessment program comprises part of our Compliance and Ethics program. All Compliance department members complete formal compliance and ethics training and become Certified Compliance and Ethics Professionals (CCEPs). This training promotes employee awareness of current topics and best practices in the industry. It also promotes information sharing and resolutions to key challenges. Due to these rigorous processes, Celestica has not faced any significant fines or non-monetary sanctions for non-compliance with economic or social laws or regulations.

Our updated BCG Policy can be found at celestica.com under the Corporate Governance section.

RESPONSIBLE BUSINESS ALLIANCE CODE OF CONDUCT
GRI 412-1
SDG 8.4, 12.2, 12.6, 12.7

The Responsible Business Alliance Code of Conduct outlines industry standards to ensure that employees are treated with respect and dignity and are provided with a safe work environment; that manufacturing processes are environmentally responsible; and that management systems are in place to support the RBA Code. As an RBA founding member, Celestica shares the RBA's vision for how companies should behave in the electronics industry, and we are actively involved with RBA membership through our participation in a working group. At Celestica, we continue to implement, manage and audit our compliance with the RBA Code.

Celestica respects the RBA's mandate to better the electronics supply chain. We partner with socially responsible suppliers whose management systems align with the RBA Code. Celestica uses SAQs to identify any conformance risks or gaps that exist at our sites, and each Celestica site is required to submit an annual SAQ utilizing the RBA's online tool. We also require suppliers on our Major Supplier List (MSL) to submit SAQs to identify risks within their operations. High-risk suppliers requiring a VAP are identified through the SAQ process, as required by RBA membership compliance. A Corrective Action Plan (CAP) will track the findings from an audit, and this may result in the removal of a supplier from Celestica's MSL if corrective actions are not completed to Celestica's satisfaction.

Additionally, we conduct internal audits that mirror those of the RBA to measure RBA compliance. We audit each of our manufacturing sites every two years at a minimum, on a rotational basis. In 2018, our internal auditors conducted audits at our sites in Valencia, Spain; Mexicali, Mexico; Johor, Malaysia; Miyagi, Japan; Kulim, Malaysia; and Serangoon, Singapore. The goal of these audits is to close any gaps and manage all risks to the RBA Code, and we ensure that any findings from our internal audits have CAPs in place to improve overall RBA Code compliance.

The RBA VAP is considered a best-in-class, comprehensive audit program in the electronics industry. At times, our sites are audited under the RBA VAP. These audits are conducted by RBA-approved audit firms and managed by an appointed audit program management firm. All RBA members are encouraged to use the RBA VAP and to accept results and reports from these audits from any member facility.

In 2018, our sites in Oradea, Romania; Suzhou, China; and Johor, Malaysia, were audited under the RBA VAP program.

> For more information on these programs, visit responsiblebusiness.org.

Business Ethics

GRI 205-1, 205-2, 205-3, 206-1

Celestica is committed to reducing any risk to our business that stems from bribery or fraud. Celestica provides anti-bribery training and has a global anti-bribery policy. The highest level of executive oversight for Celestica's anti-bribery and anti-corruption policy rests with the Chief Legal and Administrative Officer. We receive requests on occasion from key customers to confirm our commitment to upholding bribery laws in our business dealings.

In 2018, Celestica was not involved in any legal actions related to anti-competitive behaviours nor identified in any legal actions for violations of antitrust, bribery, corruption or monopoly legislation.

OUR MANAGEMENT APPROACH

- Provide general training to all employees
- Assess job functions for bribery risk and provide additional training to a targeted audience
- Continually renew our anti-bribery course to keep content current and relevant
- Ensure executive oversight of the overall business ethics program
- Create and enforce policy and include this information in our BCG

Customer Privacy and Data Security

GRI 418-1

We ensure the confidentiality, integrity and availability of Celestica's information, including that entrusted to Celestica by our customers, suppliers and other business partners. Protecting Celestica and our business partners' valuable information is the responsibility of all our employees and appropriate standards are monitored by our Global Information Security team. Our approach is designed to avoid security breaches in data controlled by our organization.

In 2018, there were no substantiated complaints by regulatory bodies or other parties of breaches of our privacy obligations. We identified no leaks, thefts or losses of customer or other business partners' data during this time.

OUR MANAGEMENT APPROACH

- Maintain policies from senior management intended to protect the confidentiality, integrity and availability of information and systems at all Celestica locations
- Conduct routine internal and external compliance assessments to ensure that those policies are followed

Restatement of Changes from Previous Report

GRI 102-48

The regional breakdown percentages of Celestica's collective bargaining agreements or unions was incorrect in our 2017 Sustainability Report. In 2017, 21 per cent of employees were protected under collective bargaining agreements or unions, and of these employees, 32 per cent were located in Asia, 34 per cent were located in Europe and 34 per cent were located in North America.

In our 2017 Sustainability Report, we incorrectly stated our plastics and non-hazardous recycling waste data. We have corrected the data in the Effluents and Waste section of this report.

Additionally, during completion of our 2018 validation we determined that over the course of five months in 2017, one of our facilities reported their natural gas data using incorrect units. This meant that there should have been an additional 57 metric tonnes of CO_2e within our Scope 1 emissions for 2017. This data has been updated in the Greenhouse Gas Emissions section of this report.

Global Reporting Initiative® Index

The GRI® drives sustainability reporting by all organizations. GRI produces a comprehensive Sustainability Reporting Framework that is widely used around the world to enable greater organizational transparency. The framework, including the reporting guidelines, sets out the principles and indicators that organizations can use to report their economic, environmental and social performance.

The Global Reporting Initiative® (GRI®) Sustainability Reporting Guidelines

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Organizational Profile			
102-1	Name of the organization	About Celestica	
102-2	Activities, brands, products and services	About Celestica Business Overview	
102-3	Location of headquarters	About Celestica	
102-4	Location of operations	About Celestica	
102-5	Ownership and legal form	About Celestica	
102-6	Markets served	Business Overview	
102-7	Scale of the organization	About Celestica 2018 Form 20-F	
102-8	Information on employees and other workers	About Celestica Gender, Region and Employee Type	
102-9	Supply chain	About Celestica Supply Chain Overview	
102-10	Significant changes to the organization and its supply chain	Business Overview 2018 Form 20-F	
102-11	Precautionary principle or approach	Financial Implications Due to Climate Change	
102-12	External initiatives	External Sustainability Initiatives	
102-13	Membership of associations	Membership and Affiliations	
Strategy			
102-14	Statement from senior decision-maker	A Letter from Rob Mionis	
102-15	Key impacts, risks and opportunities	Financial Implications Due to Climate Change	

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Ethics and Integrity			
102-16	Values, principles, standards and norms of behaviour	Brand and Values Ethics Program Labour and Ethics Management	
102-17	Mechanisms for advice and concerns about ethics	Ethics Program	
Governance			
102-18	Governance structure	Sustainability Governance	
102-19	Delegating authority	Sustainability Governance	
102-20	Executive-level responsibility for economic, environmental and social topics	Sustainability Governance	
102-21	Consulting stakeholders on economic, environmental and social topics	Sustainability Governance	
102-22	Composition of the highest governance body and its committees	2018 Form 20-F	
102-23	Chair of the highest governance body	Sustainability Governance 2018 Form 20-F	
102-26	Role of highest governance body in setting purpose, values and strategy	Sustainability Governance	
102-31	Review of economic, environmental and social topics	Sustainability Governance	
102-32	Highest governance body's role in sustainability reporting	Sustainability Governance	

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	
102-41	Collective bargaining agreements	About Celestica	
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	
102-43	Approach to stakeholder engagement	Stakeholder Engagement Materiality Our Workforce	
102-44	Key topics and concerns raised	Stakeholder Engagement	
Reporting Practice			
102-45	Entities included in the consolidated financial statements	2018 Form 20-F	
102-46	Defining report content and topic boundaries	Materiality	
102-47	List of material topics	Materiality	
102-48	Restatements of information	Restatement of Changes from Previous Report	
102-49	Changes in reporting	About this Report	
102-50	Reporting period	About this Report	
102-51	Date of most recent report	About this Report	
102-52	Reporting cycle	About this Report	
102-53	Contact point for questions regarding the report	About this Report	
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	
102-55	GRI content index	About this Report	
102-56	External assurance	About this Report Emissions Disclosures	

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Economic Performance			
201-2	Financial implications and other risks and opportunities due to climate change	Financial Implications Due to Climate Change CDP C2. Risks and Opportunities	
Anti-Corruption, Anti-Competitive Behaviour			
205-1	Operations assessed for risks related to corruption	Business Ethics	
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics	Information on the total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region is unavailable.
205-3	Confirmed incidents of corruption and actions taken	Business Ethics	
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Business Ethics	
Energy			
302-1	Overall energy consumption within the organization	Energy	
302-3	Energy intensity	Energy	
302-4	Reduction of energy consumption	Energy	
Water			
303-1	Water withdrawal by source	Water	
303-2	Water sources significantly affected by withdrawal of water	Water	Water is sourced from municipal water supply systems, there are no significant impacts to water sources, protected areas or biodiversity.
303-3	Water recycled and reused	Information unavailable	There are processes that reuse and recycle waste water; however, data is not measured nor estimated.

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Emissions			
305-1	Reporting direct (Scope 1) GHG emissions	Greenhouse Gas Emissions Emissions from our Operations (Scope 1 and Scope 2)	
305-2	Reporting indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions Emissions from our Operations (Scope 1 and Scope 2)	
305-3	Reporting indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions Other Indirect Emissions (Scope 3)	
305-4	Emission intensity (absolute GHG emissions/ organizational specific metric)	Emissions from our Operations (Scope 1 and Scope 2)	
305-5	Reduction of GHG emissions (result of reduction initiatives)	Emissions from our Operations (Scope 1 and Scope 2)	
305-7	Nitrogen oxides, sulphur oxides and other significant air emissions	Additional Air Emissions	Celestica is working towards measuring criteria air contaminants (CACs) emissions as part of our GHG inventory. This information is currently unavailable.
Effluents and Waste			
306-1	Water that has been discharged - categorized by quality and destination	Water	
306-2	Waste categorized by disposal method	Effluents and Waste	
306-3	If there was a significant spill and details (location, volume, substance, etc.)	Effluents and Waste	
306-4	Transportation of hazardous waste	Effluents and Waste	We do not measure the weight of transported hazardous waste.
306-5	Water bodies affected by water discharge and/or runoff	Information Unavailable	Discharges are made from facilities in compliance with local legal requirements, which vary by jurisdiction.

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations	Environmental Compliance	
Supplier Environmental Assessments			
308-1	New suppliers that were screened using environmental criteria	Assembly Materials Components	We do not report on the percentage of new suppliers that were screened using environmental criteria.
308-2	Negative environmental impacts in the supply chain and actions taken	Verification Visits	
Employment			
401-1	New employee hires and employee turnover	Gender, Region and Employee Type New Hires at Celestica Global Turnover	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits Summary	
401-3	Parental leave	Employee Benefits Summary	We do not report on further details on our parental leave population, including the total number of employees that took parental leave, the total number of employees that returned to work after leave, and the returned-to-work and retention rates of employees that took parental leave.

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Occupational Health and Safety			
403-1	Worker representation in formal joint management-worker health and safety committees	Occupational Health and Safety	We do not report on the level at which each formal joint management-worker health and safety committee typically operates within the organization.
403-2	Types of injuries and rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities	Occupational Health and Safety	Region and gender are tracked but not reported, due to confidentiality constraints.
403-3	Workers with high incidence or high risk of diseases	Occupational Health and Safety	We do not track the number of employees who have high incidence or a high risk of diseases.
403-4	Health and safety topics covered in formal agreements with workers	Occupational Health and Safety	Not all Celestica sites with unions cover health and safety topics as a part of their collective agreements or within their trade union. The percentage to which various health and safety topics are covered by these agreements is not tracked. However, health and safety is covered at these sites through employee rules to ensure we abide by local laws.
Training and Education			
404-1	Average Hours of training per year per employee	Learning and Development	We do not track the average hours of training broken down by gender or employee category.
404-2	Programs for upgrading employee skills	Learning and Development Performance Management	We do not offer assistance programs for voluntary retirees to facilitate the management of career endings.
404-3	Performance and career development reviews	Performance Management Talent and Succession Review	

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Gender, Region and Employee Type Diversity and Inclusion 2018 Form 20-F	We report on gender and age in our overall workforce, within our new hires population and within our annual population of employees who were promoted. We do not report on other vulnerable groups. We report on gender with our Board of Directors but do not report on age.
405-2	Ratio of basic salary and remuneration of women to men	Pay Equity and Remuneration	We do not track basic salary and remuneration of women to men.
Non-Discrimination			
406-1	Incidents of discrimination and corrective actions taken	Ethics Program	
Child Labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	Ethical Labour Practices	
Forced or Compulsory Labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Ethical Labour Practices	
Human Rights Assessment			
412-1	Operations that have been subject to human rights reviews or impact assessments	Responsible Business Alliance Code of Conduct Ethical Labour Practices	
412-2	Employee training on human rights policies or procedures	Compliance Training Business Conduct Governance Policy	

DISCLOSURE NUMBER	DISCLOSURE TITLE	REPORT SECTION	OMISSIONS
Supplier Social Assessments			
414-1	New suppliers that were screened using social criteria	Supplier Assessments Verification Visits	
414-2	Negative social impacts in the supply chain and actions taken	Verification Visits Ethical Sourcing	
Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy and Data Security	
Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	Assessing Risk Areas	

Cautionary Note Regarding Forward-Looking Statements

This report contains forward-looking statements related to our sustainability initiatives and financial and operational priorities including, but not limited to, goals, targets and future plans. Such forward-looking statements may, without limitation, be preceded by, followed by, or include words such as "believes", "expects", "anticipates", "estimates", "intends", "plans", "continues", "project", "potential", "possible", "contemplate", "seek", or similar expressions, or may employ such future or conditional verbs as "may", "might", "will", "could", "should" or "would", or may otherwise be indicated as forward-looking statements by grammatical construction, phrasing or context. For those statements, we claim the protection of the safe harbour for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws.

Forward-looking statements are provided for the purpose of assisting readers in understanding management's current expectations and plans regarding our sustainability initiatives and objectives and financial and operational priorities. Readers are cautioned that such information is not appropriate for other purposes. Forward-looking statements are not guarantees of future performance and are subject to risks that could cause actual results to differ materially from conclusions, goals, targets, forecasts or projections expressed in such statements, including, among others, risks related to employee, stakeholder, customer, supplier and NGO engagement and commitment to these initiatives, the cost of implementing these initiatives and the impact of changing legislation and social goals on sustainability initiatives generally, and risks related to our operational and financial performance as discussed in our public filings at www.sedar.com and www.sec.gov, including in our MD&A, our Annual Report on Form 20-F and subsequent reports on Form 6-K filed with the U.S. Securities and Exchange Commission, and our Annual Information Form filed with the Canadian Securities Administrators.

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