

CELESTICA INC.

BOARD OF DIRECTORS MANDATE

1. MANDATE

1.1 In adopting this mandate:

- (a) the Board acknowledges that the mandate prescribed for it by the *Business Corporations Act* (Ontario) (the "OBCA") is to supervise the management of the business and affairs of Celestica Inc. ("Celestica") and that this mandate includes responsibility for stewardship of Celestica; and
- (b) the Board explicitly assumes responsibility for the stewardship of Celestica, as contemplated by applicable regulatory and stock exchange policies.

2. BOARD MEMBERSHIP

2.1 Number of Members - The Board shall consist of such number of Directors as the Board may determine from time to time, provided that such number shall be within the minimum and maximum number of Directors set out in Celestica's articles of incorporation.

2.2 Independence of Members - The Board shall be comprised of Directors such that the Board complies with all independence requirements under corporate and securities laws and all stock exchange requirements applicable to it.

2.3 Election and Appointment of Directors - Directors shall be elected by the shareholders annually for a one year term, provided that if Directors are not elected at an annual meeting, the incumbent Directors continue in office until their successors are elected.

2.4 Vacancy - The Board may appoint a member to fill a vacancy that occurs on the Board between annual elections of Directors to the extent permitted by the OBCA.

2.5 Removal of Members

- (a) Any Director may be removed from office by an ordinary resolution of the shareholders.
- (b) A Director shall submit his or her resignation to the corporation (which resignation may or may not be accepted) if that Director changes his or her principal occupation.

3. EXPECTATIONS OF DIRECTORS

3.1 Minimum Standards for Directors - Directors and the Board as a whole are expected to meet the following minimum standards:

- (a) integrity and high ethical standards;
- (b) career experience and expertise relevant to Celestica's business purpose, financial responsibilities and risk profile (and Celestica shall disclose each Director's career experience and qualifications in every proxy circular delivered in connection with a meeting at which Directors are to be elected);
- (c) a proven understanding of fiduciary duty;
- (d) the ability to read and understand financial statements;
- (e) well-developed listening, communicating and influencing skills so that individual Directors can actively participate in Board discussions and debate; and
- (f) time to serve effectively as a Director by not over-committing to other corporate and not-for-profit boards.

3.2 **Attendance at Meetings**

- (a) Every Director shall prepare for and attend (absent extenuating circumstances) all scheduled meetings of the Board and meetings of committees of the Board on which the Director serves.
- (b) It may be necessary to hold Board meetings by phone from time to time. Although participation in person, when meetings are scheduled to be held in person, is strongly encouraged, when circumstances prevent a Director from attending a scheduled meeting in person, that Director shall make every effort to participate in the meeting by phone.

3.3 Preparation for Meetings - Directors shall set aside adequate time to read and absorb the materials provided to them in advance of any meeting of the Board and any meetings of committees on which the Director serves. Preparation time will vary according to the complexity of the materials.

3.4 Participation in Meetings - Directors are expected to participate fully and frankly in the deliberations and discussions of the Board and its committees. They must apply informed and reasoned judgment to each issue that arises and express opinions, ask further questions and make recommendations that they think are necessary or desirable. The Director acts directly, not by proxy, either in person or by written resolution. Each Director has an equal say with each of the other Directors.

4. BOARD CHAIR

4.1 Board to Appoint Chair - The Board shall appoint the Chair from the members of the Board. The Chair shall be an independent Director.

4.2 Chair to be Appointed Annually - The appointment of the Chair shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. MEETINGS OF THE BOARD

5.1 Quorum - A quorum of the Board shall be a majority of its members.

5.2 Secretary - The Chair shall designate from time to time a person who may, but need not, be a member of the Board, to be Secretary of the Board.

5.3 Time and Place of Meetings - The time and place of the meetings of the Board and the calling of meetings and the procedure in all things at such meetings shall be determined by the Board.

5.4 Right to Vote – Each member of the Board shall have the right to vote on matters that come before the Board.

5.5 Invitees – The Board may invite any other person to attend meetings of the Board to assist in the discussion and examination of the matters under consideration by the Board.

5.6 *In Camera* Sessions – As part of each meeting of the Board, the independent Directors shall meet without any member of management being present (including any Director who is a member of management).

6. OUTSIDE ADVISORS

6.1 Retaining and Compensating Advisors - Each Director shall have the authority to retain external advisors with the approval of the Chair of the Board. Fees and expenses relating to the retention of such advisors shall be pre-approved by the Chair of the Board and paid by the corporation.

7. REMUNERATION OF BOARD MEMBERS

7.1 Members of the Board and the Chair shall receive such remuneration for their service on the Board as the Board may determine from time to time.

8. DUTIES AND RESPONSIBILITIES OF THE BOARD

8.1 Specific Aspects of Stewardship Function - In adopting this mandate, the Board hereby explicitly assumes responsibility for the stewardship of the corporation including for the matters set out below:

- (a) to the extent feasible, satisfying itself as to the integrity of the corporation's chief executive officer and other executive officers and that the chief executive officer and other executive officers create a culture of integrity throughout the organization;
- (b) adopting a strategic planning process and:
 - (i) approving, on at least an annual basis, a strategic plan that takes into account, among other things, the opportunities and risks of the business and monitoring of progress against strategic and business goals;
 - (ii) conducting an annual review of human, technological and capital resources required to implement Celestica's growth strategy and the regulatory, cultural or governmental constraints on Celestica's business;
 - (iii) monitoring the execution of Celestica's strategy and the achievement of its stated objectives;
 - (iv) reviewing, at every board meeting, any recent developments that may impact Celestica's growth strategy; and
 - (v) evaluating management's analysis of the strategies of competitors;
- (c) identifying the principal risks of the corporation's business and ensuring the implementation of appropriate systems to manage these risks;
- (d) succession planning, including appointing, training, goal setting, compensation, evaluation and monitoring senior management;
- (e) reviewing financial reporting and regulatory compliance;
- (f) establishing a communications policy for the corporation;
- (g) monitoring the corporation's internal control and management information systems;
- (h) reviewing management of capital;
- (i) reviewing and approving material transactions;

- (j) developing the corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the corporation;
- (k) establishing measures for receiving feedback from securityholders; and
- (l) reviewing board operations and evaluating board and individual director effectiveness.

8.2 Corporate Governance Matters

- (a) The Board shall review and approve, if appropriate, corporate governance guidelines recommended to it by the Nominating and Corporate Governance Committee and which comply with all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate.
- (b) The Board shall review the disclosure about Celestica's governance practices in any document before it is delivered to Celestica's shareholders or filed with securities regulators or stock exchanges.

8.3 Nomination and Appointment of Directors

- (a) The Board shall adopt selection criteria to be used by the Nominating and Corporate Governance Committee in selecting candidates for nomination to the Board and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such selection criteria.
- (b) The Board shall nominate individuals for election as Directors by the shareholders and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such nominations.
- (c) The Board shall fill vacancies on the Board as it is permitted by law to fill and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such vacancies.
- (d) The Board shall consider recommendations made to it by the Nominating and Corporate Governance Committee with respect to the size and composition of the Board.

8.4 Specific Authorization – The Board shall authorize each of the Executive Committee and the Chief Executive Officer to enter into commitments on behalf of Celestica subject to certain limits and shall review such authorizations at least annually and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such authorizations and limits.

8.5 Significant Decisions – The Board shall require management to obtain its approval for all significant decisions including major financings, acquisitions, dispositions, budgets and capital expenditures.

8.6 Information Flow from Management – The Board shall require management to keep it aware of the Corporation's performance and events affecting the Corporation's business, including opportunities in the marketplace and adverse or positive developments.

8.7 Corporate Objectives – The Board shall approve specific financial and business objectives, which will be used as a basis for measuring the performance of the Chief Executive Officer.

8.8 Establishment of Committees

- (a) The Board shall establish and maintain the following committees of the Board, each having a mandate that incorporates all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate:
 - (i) Audit Committee;
 - (ii) Nominating and Corporate Governance Committee; and
 - (iii) Compensation Committee.
- (b) Subject to Celestica's articles and by-laws, the Board may appoint any other committee of Directors and delegate to such committee any of the powers of the Board, except to the extent that such delegation is prohibited under the OBCA.
- (c) The Board shall appoint and maintain in office, members of each of its committees such that the composition of each such committee is in compliance with all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such matters.
- (d) The Board shall review the mandates of each of its committees from time to time, as appropriate, and will revise those mandates as it considers appropriate and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such matters.

8.9 Appointments

- (a) Subject to Celestica's articles and by-laws, the Board may designate the offices of the Corporation and appoint officers.
- (b) The Board shall also adopt position descriptions for:
 - (i) the Chairman of the Board;
 - (ii) the Chief Executive Officer; and
 - (iii) the Chairman of each committee of the Board;

and shall require the Nominating and Corporate Governance Committee to make recommendations to it with respect to such matters.

8.10 Financial Statements - The Board shall review and, if appropriate, approve Celestica's quarterly and annual financial statements after the Audit Committee has reviewed and made a recommendation on such statements to the Board.

8.11 Compensation Matters

- (a) Executive Compensation Policy - The Board shall review the executive compensation policy approved by the Compensation Committee.
- (b) Compensation and Benefits - The Board shall:
 - (i) review, as approved by the Compensation Committee, the overall reward/compensation policy for the corporation, including an executive compensation policy and including the elements of Celestica's annual and long-term incentive plans and equity-based plans, including plan design, performance targets, administration and total funds/shares reserved for payments;
 - (ii) review, as approved by the Compensation Committee, the Chief Executive Officer's total compensation in light of the performance assessment by the Nominating and Corporate Governance Committee; and
 - (iii) approve the total compensation for the members of the Board, in light of the recommendations of the Compensation Committee and the director compensation guidelines and principles established by the Nominating and Corporate Governance Committee.
- (c) Organizational Responsibilities - The Board shall:
 - (i) review organization changes that affect positions reporting to the CEO or any other positions deemed by the CEO to be "mission

critical" as well as any material changes to the corporation's human resource policies; and

- (ii) approve disclosure relating to executive compensation that is required to be included in Celestica's management proxy circular.
- (d) Pension Plan Matters – The Board shall receive and review reports from management and from the Compensation Committee covering the administration, investment performance, funding, financial impact, actuarial reports and other pension plan related matters.

8.12 **Code of Business Conduct and Ethics**

- (a) The Board shall approve a business code of conduct and ethics (the "Code") recommended to it by management and which complies with all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate.
- (b) The Board shall monitor compliance with the Code, including through reports as appropriate from Celestica's Chief Compliance Officer.
- (c) No waiver of the Code shall be granted for the benefit of the corporation's Directors or executive officers unless approved by the Board or by the Nominating and Corporate Governance Committee.

9. **EVALUATION OF BOARD PERFORMANCE**

9.1 Establish Process - The Board shall follow the process established by the Nominating and Corporate Governance Committee for assessing the performance of the Board.

9.2 Amendments to Mandate - The Board will review and reassess the adequacy of its mandate on an annual basis and at such other times as it considers appropriate.