

## SCHEDULE A

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation's corporate governance disclosure required by National Instrument 58-101 — *Disclosure of Corporate Governance Practices* is set out below.

#### *Board of Directors*

##### Director Independence

A majority of our directors are independent. Independence has been determined in the case of each director on the basis of whether that director has a direct or indirect material relationship (defined in accordance with National Instrument 58-101 as a relationship which could, in the view of the Corporation's board of directors, be reasonably expected to interfere with the exercise of the director's independent judgment) (other than as a director of the Corporation) with the Corporation, any of the Corporation's subsidiaries or with Onex Corporation ("Onex") (which holds approximately 69% of the voting rights attaching to shares of the Corporation).

Mr. Etherington is a director of Onex, but he is not an employee or executive officer of Onex. Furthermore, in the view of the Board of Directors of the Corporation, Mr. Etherington does not have any material relationships that would reasonably be expected to interfere with the exercise of his independent judgment in relation to the Corporation. Accordingly, under the rules of the Canadian Securities Administrators, he is considered independent.

The following chart details the Board's determination with respect to the independence status of each director:

**Table of Directors' Relationships to the Corporation**

<i>Name</i>	<i>Independent</i>	<i>Not Independent</i>	<i>Reason not Independent</i>
Robert L. Crandall	X		
William A. Etherington	X		
Laurette Koellner	X		
Richard S. Love	X		
Craig A. Muhlhauser		X	President and CEO of Celestica
Eamon J. Ryan	X		
Gerald W. Schwartz		X	Chairman and CEO of Onex
Don Tapscott	X		

##### Directors' Memberships on the Boards of Other Public Companies

The following chart lists the other public companies on which the Corporation's directors serve:

<b>Director</b>	<b>Public Corporation Boards on which the Director Serves</b>
Robert L. Crandall	None
William A. Etherington	MDS Inc. and Onex Corporation
Laurette Koellner	AIG Corporation and Sara Lee Corporation
Richard S. Love	None
Craig A. Muhlhauser	None
Eamon J. Ryan	None
Gerald W. Schwartz	Onex, Indigo Books & Music Inc. and honorary director of the Bank of Nova Scotia
Don Tapscott	None

### Meetings of Independent Directors

The independent directors meet separately as part of every Board meeting, unless the meeting is a telephone meeting outside the regular Board schedule. Mr. Crandall, the Chairman of the Board, presides at all such meetings. From the beginning of 2009 to February 22, 2010, the independent directors met eight times in these *in camera* sessions.

### Independent Chairman

Mr. Crandall is the Chairman of the Board and is an independent director. In this capacity, Mr. Crandall is responsible for the effective functioning of the Board. As part of his duties, he establishes procedures to govern the Board's work and ensure the Board's full discharge of its duties. A complete position description for the Chairman is posted in the "Who We Are"/"Corporate Governance" section of our website at [www.celestica.com](http://www.celestica.com). Celestica shareholders and other interested parties may communicate directly to the Chairman any concerns that they may have regarding the Corporation. See the contact information under *How Can I Contact the Independent Directors and Non-Executive Chairman?* on page 3 of this Circular.

### Attendance Record

For a complete record of our directors' attendance at Board meetings and at meetings of those Committees of which they are members, see the *Attendance of Directors at Board and Committee Meetings* on page 15 of this Circular.

### ***Board Mandate***

The mandate of the Board of Directors is attached to this Circular as Schedule B and is posted on our website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance".

Under the mandate, the Board of Directors has explicitly assumed stewardship responsibility for the Corporation.

### ***Position Descriptions***

#### Position Descriptions of the Chairman of the Board and Committee Chairs

The Board has approved position descriptions for the Chairman of the Board and the Chairman of each Committee of the Board.

These position descriptions are posted on our website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance". The Chairman of the Board and of each Committee is available to respond to questions from shareholders at the Corporation's annual meeting.

#### Position Description of the Chief Executive Officer

The Board has developed a written position description for the CEO. The CEO has full responsibility for the day-to-day operation of the Corporation's business in accordance with the Corporation's strategic plan. The CEO must develop and implement processes that will ensure the achievement of the Corporation's financial and operating goals. The complete position description of the CEO is posted on our website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance".

## ***Orientation and Continuing Education***

### Orientation for New Directors

The Corporation's orientation program helps new directors contribute effectively to the work of the Board as soon as possible. As part of this program, new directors receive written materials on the Corporation's structure, organization, current priorities and issues that have been considered by the Board and each of its Committees. New directors also attend meetings with the Chairman and key executives and receive presentations from senior management on all aspects of the Corporation's business. Through this orientation program, new directors have the opportunity to become familiar with the operations and culture of the organization and the role played by the Board in that context.

### Ongoing Director Development and Education

Through the Board's continuing education program, directors are provided with information about the Corporation's business and industry. Specifically, directors are provided with:

- detailed information packages in advance of each board and committee meeting;
- regular updates between meetings of the board with respect to issues that affect the business of the Corporation; and
- full access to the senior management and employees of the Corporation.

Directors also participate in setting the agendas for board and committee meetings and in annual strategic planning sessions.

The Board's continuing education program also includes management presentations, analyst reports and regular business updates from the CEO. In addition, the Corporation provides each director with a membership in the National Association of Corporate Directors to keep them up to date on the role of an effective Board member and help them stay in touch with issues of common interest to all directors.

During 2009, directors attended educational presentations and were provided with educational materials related to the following topics:

- executive compensation trends;
- CSAs-proposed compensation disclosure requirements;
- developments in corporate governance;
- International Financial Reporting Standards implementation;
- financial disclosure practices and recommendations; and
- accounting issues with respect to the current environment.

**Director Skills Matrix**

The directors\* of the Corporation possess the functional competencies as indicated in the table below:

	Robert Crandall	William Etherington	Laurette Koellner	Craig Muhlhauser	Eamon Ryan	Gerald Schwartz	Don Tapscott
Finance & Treasury	X	X	X	X		X	
Financial Literacy	X	X	X	X	X	X	X
Operations (supply chain management & manufacturing)				X			
IT & Business Transformation	X	X	X	X			X
Marketing & Sales		X		X	X		
HR & People Development	X		X	X			
Services		X		X			
Quality, Engineering & Technology Development				X			
Strategy Deployment	X	X	X	X	X	X	X
Aerospace & Defense			X	X			
Communications & Enterprise		X		X			
Consumer				X	X		
Europe &/or Asia Business Development			X		X		

\* Mr. Love has not been included as he will not be standing for re-election as a director.

**Ethical Business Conduct**Code of Business Conduct and Ethics and Promotion of Ethical Conduct

The Corporation's Business Conduct Governance Policy (the "Policy") applies to all the Corporation's directors, officers and employees. In addition, the Corporation's CEO, senior finance officers and all personnel in the finance area are subject to the Corporation's Finance Code of Professional Business Conduct.

Both of these codes may be obtained on the Corporation's website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance".

The Board reviews the Policy and the process for administering the Policy on an annual basis. Management provides regular reports to the Board with respect to compliance with the Policy.

All employees above a designated level are required to certify compliance with the Policy annually. In 2007 we also began an on-line training program for the Policy. The Policy requires ethical behavior from employees and encourages employees to report breaches of the Policy to their manager. From the time that the Corporation was established as a separate public company, it has provided a mechanism whereby employees could report unethical behavior on an anonymous basis. In 2004, the Corporation launched the Celestica Ethics Hotline which provides another method for employees in every jurisdiction in the world to report unethical conduct, on an anonymous basis if they so choose.

As part of the written mandate of the Board of Directors, the Board has adopted as a minimum standard that directors must demonstrate integrity and high ethical standards. The mandate also requires the Board, to the extent feasible, to satisfy itself as to the integrity of the Corporation's CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization.

The Corporation's Corporate Values, which were created at the company's inception, underpin the Corporation's commitment to strong business ethics. A copy of the Corporation's Corporate Values may be obtained on the Corporation's website at [www.celestica.com](http://www.celestica.com). See About the Corporation/Corporate Governance.

### Material Interests in Transactions

The Corporation has no contracts or other arrangements in place in which any of its directors or officers has a material interest and does not anticipate entering into any such arrangement. If any such arrangement were to arise, it would first be considered by the Audit Committee and then would be subject to the approval of the Board of Directors (in each case, without the participation of the director who would have the material interest in question).

### *Audit Committee*

The Board has a fully independent Audit Committee (currently comprised of Robert Crandall (Chairman), William Etherington, Laurette Koellner, Eamon Ryan and Don Tapscott). Shareholders may obtain further information regarding the Corporation's Audit Committee in Part I, Item 6C on page 89 and Part II, Item 16A on page 105 of the Corporation's 2009 Annual Information Form and may review the Audit Committee's mandate on our website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance".

Members of the Audit Committee may not serve on more than three audit committees of public companies, including that of the Corporation.

The Committee and its Chairman are appointed annually by the Board. As part of each meeting, Committee members meet without any member of management present. The Committee has the authority to retain and compensate any consultants and advisors it considers necessary to fulfill its mandate.

### *Nomination of Directors*

#### Director Nomination Process

Recognizing that new directors may be required from time to time, the Nominating and Corporate Governance Committee maintains a matrix of the competencies and skills each existing director possesses for the purpose of identifying any gaps and determining the skill set of a potential director that it believes would best suit the Corporation. This has helped the Committee develop profiles of individuals whose background and skills would complement those of the existing directors. In 2009, an executive search firm was retained to help identify potential directors with the desired skills and background.

#### Independence and Powers of the Nominating and Corporate Governance Committee

The Governance Committee is a fully independent committee of the Board and is currently comprised of Robert Crandall (Chairman), William Etherington, Laurette Koellner, Eamon Ryan, Don Tapscott and Richard Love, who is not standing for re-election.

The mandate of the Committee is posted on our website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance".

The Committee is responsible for developing and recommending governance guidelines for the Corporation (and to recommend changes to those guidelines), identifying individuals qualified to become members of the Board, and recommending director nominees to be put before the shareholders at each annual meeting.

### Election of Directors

On October 26, 2006, the Board adopted a policy that requires in an uncontested election of directors that shareholders will be able to vote in favour of, or to withhold from voting, separately for each director nominee. If, with respect to any particular nominee, other than the controlling shareholder or a representative of the controlling shareholder, the number of shares withheld from voting by shareholders other than the controlling shareholder and its associates exceeds the number of shares that are voted in favour of the nominee, then the Board will determine, and in so doing will give due weight to the rights of the controlling shareholder, whether to require the nominee to resign from the Board. If the Board determines that such a nominee should resign, the nominee will resign and the Board will accept the resignation. It is expected that such a determination by the Board will be made, and announced, within 90 days after the applicable shareholders' meeting. Subject to any corporate law restrictions, the Board may leave any resultant vacancy unfilled until the next annual shareholders' meeting or it may fill the vacancy through the appointment of a new director whom the Board considers would merit the confidence of the shareholders or it may call a special meeting of shareholders at which there will be presented a management slate to fill the vacant position or positions.

### ***Compensation***

#### Determination of Directors' and Officers' Compensation

In setting the compensation of the Corporation's officers, the Compensation Committee targets a median level of compensation for each component of the officer's compensation package (base salary, annual incentives, mid-term and long-term incentives and benefits) compared to a group of companies in closely-related industries. For more detail on the philosophy and approach adopted by the Compensation Committee, see the *Compensation Discussion and Analysis* on page 16 of this Circular.

Director compensation is set by the Board on the recommendation of the Compensation Committee and in accordance with director compensation guidelines established by the Governance Committee. The Compensation Committee retains an independent compensation consultant to provide it with market advice. The Board feels that the remuneration paid to directors is appropriate in light of the time commitment and risks and responsibilities involved.

#### Independence and Powers of the Compensation Committee

The Board has a fully independent Compensation Committee (currently comprised of William Etherington (Chairman), Robert Crandall, Laurette Koellner, Eamon Ryan and Don Tapscott). The Committee and its Chairman are appointed annually by the Board. As part of each meeting, Committee members meet without any member of management present. The Committee has the authority to retain and compensate any consultants and advisors it considers necessary.

The Committee's responsibilities include approving the compensation of the CEO, and approving non-CEO compensation, incentive-based plans and equity-based plans.

The full mandate of the Compensation Committee is posted on our website at [www.celestica.com](http://www.celestica.com). See "Who We Are"/"Corporate Governance".

#### External Advisors Regarding Director and Executive Compensation

The Committee has retained Towers Watson as its independent compensation consultant to assist in the discharge of its mandate. For a description of Towers Watson's role and mandate, please see *Compensation Discussion and Analysis — Independent Advice* on page 17.

## ***Other Board Committees***

### Executive Committee

The Board currently has a fully independent Executive Committee, comprised of Robert Crandall (Chairman) and William Etherington.

The purpose of the Executive Committee is to provide a degree of flexibility and ability to respond to time-sensitive matters where it is impractical to call a meeting of the full Board. The Committee reviews such matters and makes such recommendations thereon to the Board as it considers appropriate, including matters designated by the Board as requiring Committee review. Members of the Committee also meet approximately once a month on an informal basis to review and stay informed about current business issues. The Board is briefed on these issues at their regularly scheduled meetings or, if the matter is material, between regularly scheduled meetings. The mandate of the Executive Committee is posted on our website at [www.celestica.com](http://www.celestica.com). See “Who We Are”/“Corporate Governance”.

All decisions of the Committee are submitted to the Board for approval or ratification.

## ***Assessments***

### Assessments of the Board and its Directors

The Mandate of the Board of Directors requires the Board to evaluate and review the performance of the Board, its committees and its directors. The scope, focus and requirements of the evaluation and review will vary from year to year. The Board of Directors of the Corporation has retained an external advisor to assist in these evaluations. The evaluation process for a given year may involve all or any of: a careful examination of individual directors, committees and the Board, and of the Board’s role, objectives, and relationship with management, and peer review by the directors. The results of the evaluation, and feedback on the evaluation process itself, are integrated into the next year’s Board evaluation cycle.

## ***Retirement***

Celestica does not have a retirement policy for its directors.

## ***Succession Planning***

In accordance with its mandate, the Compensation Committee oversees succession planning for the CEO, the other NEOs, all other positions that report to the CEO and any other positions deemed by the CEO to be “mission critical”. Mr. Muhlhauser and Ms. DelBianco solicit input from the Compensation Committee members with respect to such succession planning and interface regularly with them throughout the year on this topic. Each July, the Compensation Committee conducts an in-depth review of each of the succession plans with Mr. Muhlhauser and Ms. DelBianco in order to satisfy itself that the succession plans meet the needs of the Corporation. Progress reports are provided at other meetings throughout the year as appropriate.