



Slavery and Human Trafficking Policy Statement

December 1, 2018

At Celestica, we believe in maintaining the highest standards of ethical behaviour in all of our dealings with our customers, our suppliers and each other. We ensure compliance with applicable laws, regulations and customer requirements related to our operations and products, including adherence to our Business Conduct Governance Policy and the Responsible Business Alliance (RBA) (formerly the Electronics Industry Citizenship Coalition (EICC)) Code of Conduct (the Code). This commitment is reflected in the Values we uphold and in the way in which we treat others with dignity, honesty and respect.

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (SB 657) (CA-TISCA) came into effect. This law requires large retailers and manufacturers who do business in the state of California, and have gross worldwide sales of over \$100 million, to be transparent about the efforts they have undertaken to eradicate slavery and human trafficking in their supply chain. To comply with CA-TISCA, Celestica is also committed to meeting the requirements for Countering America's Adversaries Through Sanctions Act (CAATSA), which was signed into law in 2017. Section 321(b) of CAATSA amended the North Korea Sanctions and Policy Enhancement Act of 2016 by adding a new Section 302A.

Section 302A provides that any significant goods, wares, articles, and merchandise mined, produced or manufactured wholly or in part by the labor of North Korean nationals or citizens (located anywhere in the world) are deemed to be prohibited under Section 307 of the Tariff Act of 1930 and will not be entitled to entry at any of the ports of the United States.

Prior regulations issued by U.S. Customs and Border Protection (CBP), pursuant to the Tariff Act of 1930, suggest that this import prohibition may apply even where just one component of the merchandise at issue was manufactured by convict labour, forced labour, or indentured labour.

As a member of the RBA we have demonstrated our commitment to environmental, social responsibility, and compliance to all applicable laws and regulations. Since 2004, the RBA has built upon the Code of Conduct which prohibits the use of forced, bonded, indentured labour or involuntary prison labour. We audit our suppliers to this code and take seriously all forms of non-conformance. The RBA also has a Freely Chosen Employment (FCE) task force designed to help identify opportunities to share best practices among members, expand the Code of Conduct, and make recommendations on available tools and training.

In addition to the RBA, Celestica has internal policies and practices that are based on international labour and human rights standards. We partner with our supply chain to create an environment where workers have the right to: freely choose employment, freely associate, voluntarily join or not join labour unions and worker councils, and to bargain collectively if they choose.

This focus on slavery and human trafficking is part of a larger effort of supply chain transparency and accountability. Celestica has taken multiple actions to verify the absence of forced labour, slavery and human trafficking in our supply chain, including the following:

- Contractual terms and conditions requiring suppliers to fully comply with RBA code requirements for all purchase orders
- Communication to educate suppliers on Celestica policies and RBA requirements
- Full RBA risk assessment with all preferred/sourcing suppliers



- Participation in RBA Validated Audit Program (VAP)
- Supplier qualification and audit program for customer materials, which includes audit questions regarding compliance to applicable labour laws
- Celestica Ethics Hotline made available to all Celestica suppliers
- Celestica supply chain management business conduct guidelines (Policies and Practices 8.1) and training
- Supplier workforce composition survey to identify North Korean labour presence
- Signed declaration from supplier confirming that their operations are free from any North Korean labour presence