



CELESTICA INC.

HUMAN RESOURCES AND COMPENSATION COMMITTEE MANDATE

By appropriate resolution of the Board of Directors (the "Board") of Celestica Inc. ("Celestica", or the "corporation"), the Human Resources and Compensation Committee (the "Committee") has been established as a standing committee of the Board with the following Terms of Reference:

TERMS OF REFERENCE

1. PURPOSE

1.1 The Committee's purpose is to discharge the Board's responsibilities for human resources and compensation matters as set out herein.

2. COMMITTEE COMPOSITION AND MEETINGS

2.1 Number of Members – The Committee shall consist of not fewer than three members of the Board ("Directors"), one of whom shall be the Chair of the Committee (the "Chair").

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

2.3 Annual Appointment of Members – The Committee and the Chair shall be appointed annually by the Board, provided that if the composition of the Committee or the designation of the Chair is not so made, each Director who is then serving as a member of the Committee shall continue as a member of the Committee until his or her successor is appointed and the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed. Each member of the Committee shall serve at the pleasure of the Board until he or she resigns, is removed by a resolution of the Board or ceases to be a Director of Celestica.

2.4 Time and Place of Meetings – The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee.

2.5 Quorum – No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A minimum of fifty percent (50%) of the members of the Committee shall constitute a quorum.

2.6 *In Camera Sessions* – As part of each meeting of the Committee, the independent Directors shall meet without any member of management being present.

3. OUTSIDE ADVISORS

3.1 *Retaining and Compensating Advisors* – In order to ensure that it is provided with independent advice and expertise, the Committee may, in its sole discretion, obtain the advice of an independent, third-party executive compensation consultant.

3.2 The Committee may also, in its sole discretion, engage the services of independent legal counsel or other advisor to advise on any other matter within the mandate of the Committee.

3.3 The Committee shall have sole authority to retain and terminate an executive compensation consultant, independent legal counsel or other advisor, including the sole authority to approve service fees and other retention terms. All executive compensation consultant, independent legal counsel or other advisor retained by the Committee shall report directly to the Committee.

3.4 No services shall be provided by any executive compensation consultant, independent legal counsel or other advisor before the Committee has approved such services and corresponding fees, which shall be done on an annual basis.

3.5 No services may be provided by the executive compensation consultant relating to matters other than executive compensation before the Committee has approved such services. Management will report to the Committee on a regular basis as to fees paid to the consultant for any such services.

3.6 Celestica shall provide appropriate funds, as determined by the Committee, for any executive compensation consultant, independent legal counsel or other advisor retained by the Committee and any ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

3.7 The Chair shall consult with the executive compensation consultant in establishing an annual meeting schedule, standing agenda items and agenda items for individual meetings.

3.8 The Committee shall meet *in camera* with the executive compensation consultant at each meeting. In addition, the consultant may meet *in camera* with an individual member of the Committee on an as-needed basis.

3.9 The Committee shall from time to time, as it considers appropriate, conduct a performance evaluation of the executive compensation consultant.

4. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

4.1 Compensation Policy – The Committee shall from time to time, as it considers appropriate, review and approve an overall reward/compensation policy for Celestica, including an executive compensation policy for Celestica that is consistent with competitive practice and supports organizational objectives and ownership interests.

4.2 Long Term Plans – The Committee shall from time to time, as it considers appropriate, review, modify and approve the elements of Celestica’s annual and long-term incentive compensation plans and equity-based plans, including plan design, performance targets, administration and total funds/shares reserved for payment.

4.3 CEO Performance Assessment – The Committee shall:

- (a) review the corporate goals and objectives relevant to compensation of the Chief Executive Officer (“CEO”), as approved by the Board; and
- (b) evaluate the CEO’s performance in light of the financial and business goals and objectives approved by the Board from time to time for such purpose.

4.4 CEO Compensation – The Committee shall from time to time, as it considers appropriate, review and approve the CEO’s total compensation, in light of the performance assessment conducted by the Committee.

4.5 Executive Compensation – The Committee shall review and approve:

- (a) the appointment and terms of employment (or any material changes to terms of employment) for the CEO’s direct reports and any executive positions at Band 16 level and above (“Executives”);
- (b) upon recommendation of the CEO, any change to the base salary of an Executive; and
- (c) any separation agreement or compensation arrangement for an Executive whose employment has been terminated.

4.6 Executive Policy Review – The Committee shall from time to time, as it considers appropriate, review Celestica’s Executive Policy Guidelines.

4.7 Director Compensation – The Committee shall from time to time, as it considers appropriate, review and make recommendations to the Board regarding the total compensation of the Directors, in light of the director compensation guidelines and principles established by the Nominating and Corporate Governance Committee.

4.8 Succession Planning – The Committee shall from time to time, as it considers appropriate:

- (a) maintain and review succession planning for the CEO and all Executives;
- (b) develop policies and principles for CEO selection; and
- (c) develop an emergency succession plan to address the unforeseen loss of the CEO through death, disability or other succession-related emergency.

4.9 Organization Changes – The Committee shall review any proposed organizational changes that affect positions reporting to the CEO or any other positions deemed by the CEO to be “mission critical”, as well as any proposed material changes to Celestica’s human resource policies.

4.10 Report on Executive Compensation – The Committee shall:

- (a) review and approve, in conjunction with management, disclosure relating to executive compensation that is required to be included in a Management Information Circular and its Annual Report on Form 20-F in accordance with applicable rules and regulations; and
- (b) prepare any report required by any applicable securities regulatory authority or stock exchange requirement to be included in applicable public disclosure documents.

4.11 Amendments to Pension Plans – The Committee shall review any proposed material amendments to Celestica’s pension plans, including plan design changes and changes to benefit levels.

4.12 Pension Plan Matters – The Committee shall from time to time, as it considers appropriate, review the governance procedures established for Celestica’s pension plans and shall approve a reporting schedule to the Committee and to the Board covering administration, investment performance, funding, financial impact, actuarial reports and other plan-related matters.

4.13 Talent Management Strategy – The Committee shall from time to time, as it considers appropriate, review the corporation’s talent management strategy and practices, including programs relating to the attraction, development and retention of critical skills and resources required to execute the corporation’s strategic objectives.

4.14 Policies – The Committee shall:

- (a) from time to time, as it considers appropriate, review and approve the corporation’s insider trading and share ownership policies; and
- (b) periodically review reports from management with respect to compliance of the CEO, Executives and Directors in relation to the corporation’s insider trading and share ownership policies.

4.15 Consideration of Risks – In performing its duties and exercising its powers, the Committee shall review, regularly, the risks associated with Celestica’s compensation policies and practices and consider the implications of such risks.

4.16 Outside Advisor

- (a) The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any executive compensation consultant, independent legal counsel or other advisor retained by the Committee.
- (b) When selecting a compensation consultant, legal counsel or other advisor, the Committee shall take into consideration all factors relevant to that person’s independence from management, including all independence requirements under applicable corporate and securities laws and the specific factors enumerated in all applicable stock exchange requirements.

4.17 Other – The Committee shall perform any other activities consistent with this mandate.

5. REPORTING TO THE BOARD

5.1 Regular Reporting – The Committee shall report to the Board on significant matters at the next scheduled meeting of the Board and, otherwise, shall report to the Board at such other times as the Chair may determine is appropriate.

6. EVALUATION OF MANDATE AND COMMITTEE PERFORMANCE

6.1 Amendments to Mandate – The Committee shall from time to time, as it considers appropriate, review this mandate and recommend to the Board’s Nominating and Corporate Governance Committee any changes as the Committee considers appropriate.

6.2 Committee Performance – The Committee shall follow the evaluation process approved by the Board for annually assessing the performance of the Committee.

7. NO RIGHTS CREATED

7.1 This mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Committee functions. While it should be interpreted in the context of all applicable laws, regulations and stock exchange listing requirements, as well as in the context of the corporation’s articles and by-laws, this mandate is not intended to, and shall not, establish any legally binding obligations.