



January 2025

## **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. Additionally, no Director may serve on the Committee unless such Director is a “Non-Employee Director” for purposes of Rule 16b-3 under the U.S. Securities Exchange Act of 1934, as amended.

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 their successor is appointed and the Director who is then serving as Chair shall continue as Chair until their successor is appointed. Each member of the Committee shall serve at the pleasure of the Board until such member 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* – The Committee may, in its sole discretion, retain or obtain the advice, reports and/or opinions of third-party compensation consultants, external legal counsel or other advisor(s) as it deems necessary or appropriate to assist in the full performance of its duties.

- (a) The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, external legal counsel or other advisor retained by the Committee.
- (b) Prior to the selection of a compensation consultant, external legal counsel or other advisor, the Committee shall take into consideration: (i) all factors relevant to that person's independence from management, including all independence requirements under applicable corporate and securities laws, and (ii) the specific factors specified by applicable stock exchange listing standards.

3.2 All compensation consultants, external legal counsel or other advisors retained by the Committee shall report directly to the Committee.

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

3.4 No services may be provided by the compensation consultant relating to matters other than 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.

3.5 Celestica shall provide appropriate funds, as determined by the Committee, for any compensation consultant, external 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.

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

3.7 The Committee shall meet *in camera* with the 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.



3.8 The Committee shall from time to time, as it considers appropriate, conduct a performance evaluation of the 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 Incentive Compensation Plans – The Committee shall from time to time, as it considers appropriate, review, modify and approve the elements of Celestica’s 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 and approve the corporate goals and objectives relevant to compensation of the Chief Executive Officer (“CEO”), which goals and objectives shall be consistent with the corporation’s Annual Operating Plan;
- (b) evaluate the CEO’s performance in light of those goals and objectives; and
- (c) determine and approve the CEO’s total compensation, in light of this evaluation.

4.4 Executive Compensation – The Committee shall review and approve:

- (a) the appointment and terms of employment (or any material changes to terms of employment) for (i) the CEO and (ii) 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, long-term incentives and/or short-term incentives of an Executive; and
- (c) any separation agreement or compensation arrangement for the CEO or an Executive whose employment has been terminated.

4.5 Executive Policy Review – The Committee shall from time to time, as it considers appropriate, review Celestica’s Executive Policy Guidelines, and any other policies applicable to the Executives and the CEO.

4.6 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.

4.7 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.

4.8 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.

4.9 Report on Executive Compensation – The Committee shall:

- (a) review and approve, disclosure relating to executive compensation, including Celestica’s Compensation Discussion and Analysis (“CD&A”), that is required to be included in Celestica’s annual proxy statement and/or Celestica’s Annual Report on Form 10-K 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.

4.10 Say-on-Pay – The Committee shall review and report to the Board on the results of any shareholder advisory vote on the compensation of Celestica’s named executive officers and the frequency of such votes, and make recommendations to the Board based on such results.

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 Human Capital Management – The Committee shall periodically review and make recommendations to the Board with respect to Celestica's human capital management practices and strategies, including as a result of:

- (a) reviewing reports from management to monitor Celestica's culture and employee engagement;
- (b) overseeing policies and programs in place to support and promote the health, safety and well-being of Celestica's employees; and
- (c) considering other ESG (environmental, social and governance) practices related to the Committee's charter, including diversity and inclusion.

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.

## **8. DELEGATION**

- 8.1 To the extent permitted by applicable law, as appropriate, the Committee may form and delegate all or a portion of its authority to subcommittees comprised of one or more members of the Committee. The Committee may also delegate its authority hereunder relating to compensation practices for employees other than the Executives and Directors, to the extent it deems appropriate and consistent with applicable law, and may otherwise fully delegate authority relating to matters it deems to be ministerial. Each subcommittee shall have the full power and authority of the Committee, as to matters delegated to it.