

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

At Celestica, we enable the world's best brands. We build trusted relationships and solve complex technology challenges to help our customers realize greater value, potential and outcomes. We are a leader in high-reliability design, manufacturing and supply chain solutions that bring global expertise at every stage of product development – from the drawing board to full-scale production and after-market services. With talented teams across North America, Europe and Asia, we imagine, develop and deliver a better future with our customers.

Headquartered in Toronto, Canada, Celestica is a publicly held corporation traded on both the New York and Toronto stock exchanges with 2021 revenue of US\$5.63 billion. Through the teamwork, ingenuity, confidence and care of over 23,000 employees, Celestica delivers innovative supply chain solutions globally to customers in the following end markets: Advanced Technology Solutions (comprised of consumer, industrial, aerospace and defense, healthcare, smart energy and capital equipment) and Connectivity and Cloud Solutions (comprised of enterprise communications, telecommunications, servers and storage). We offer a range of services to our customers, including design and development; engineering services; supply chain management; new product introduction; component sourcing; electronics manufacturing; assembly and test; complex mechanical assembly; systems integration; precision machining; order fulfillment; logistics; and after-market services.

At Celestica, we are committed to integrating Environmental, Social and Governance (ESG) factors into every aspect of our business and culture -- ensuring we support our people, the planet and communities in which we operate. Our sustainability strategy aims to drive innovation, inspire employees every day, and work together to unlock ideas. Our goal is to foster a company-wide culture of sustainability in which we: minimize the risks associated with climate change, improve the communities in which we operate, do no harm to people or the planet, all while supporting our customers and suppliers to drive positive change. In 2020, Celestica set two new GHG emissions reductions targets approved by the Science Based Targets initiative (SBTi). These goals will guide our ambition, efforts and investments to align with the Paris Agreement goals to limit warming to 1.5°C. In 2021, Celestica completed 60 energy reduction projects which avoided 4,000 mt CO2e. Celestica is well positioned to achieve the targets set in 2020, and will continue to assess and reevaluate the corporate sustainability strategy to reflect our commitment to transforming our business and operations to drive climate action.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Canada
- China
- Indonesia
- Ireland
- Japan
- Lao People's Democratic Republic
- Malaysia
- Mexico
- Philippines
- Republic of Korea
- Romania
- Singapore
- Spain
- Thailand
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	NYSE: CLS
Yes, a Ticker symbol	TSX: CLS.TO

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	Under its mandate, the Board of Directors has responsibility for overseeing the general strategy, policies and initiatives relating to environmental, social and governance (ESG) matters, including, among other things, sustainability. The Nominating and Corporate Governance Committee (NCGC) is an independent committee of the Board and is responsible for overseeing Celestica's general strategy, policies and initiatives relating to ESG matters, including, among other things, climate-related issues. The NCGC also reviews and monitors the long-term risks related to ESG matters, including our Business Conduct Governance (BCG) policy where we ensure we value and comply with Celestica's environmental policies. The NCGC is also responsible for developing a continuing education program for the Board of Directors, which maintains or enhances the Directors' skills and ensures that their knowledge and understanding of the business remains current. All of the directors were provided with the educational materials and participated in sessions relevant to the committees on which they sit. Celestica facilitates these corporate governance best practices by providing directors with detailed information packages, providing regular updates between meetings with respect to issues that affect the business of the corporation, and encouraging attendance at industry conferences. The Board's continuing education program also includes management presentations, analyst reports and regular business updates from the Chief Executive Officer (CEO). In 2021, director education included ESG-related issues, covering topics such as climate change and corporate governance. In January 2021, the Board Mandate and the NCGC Mandate were updated to expressly add oversight for Celestica's strategy, policies and initiatives relating to ESG matters. As part of our enterprise-wide approach to risk management, the Board and management monitor long term risks that may be impacted by ESG events. The NCGC reconvened in July to review the progress made in 2021 towards Celestica's GHG emissions science-based targets including the increased procurement of renewable energy, alignment of ESG topics to CEO and Chief Operating Officer (COO) game plans and climate-related updates to our annual reports. The Board was also updated on Celestica's participation with the UN Global Compact.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding business plans</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<Not Applicable>	<p>Under its mandate, the Board of Directors is responsible for overseeing the general strategy, policies and initiatives relating to environmental, social and governance (ESG) matters, including, among other things, sustainability. The Nominating and Corporate Governance Committee (NCGC) is an independent committee of the Board and is responsible for overseeing Celestica's general strategy, policies and initiatives relating to ESG matters, including, among other things, climate-related issues. The NCGC also reviews the long-term risks related to ESG matters, and reviews and monitors corporate governance, including our Business Conduct Governance (BCG) policy where we ensure we value and comply with Celestica's environmental policies. The NCGC has increased the frequency of their meetings to a quarterly basis. At each meeting of the NCGC, ESG matters are updated as needed. An in-depth annual update on ESG matters is a scheduled agenda item in one of the NCGC meetings as part of the NCGC annual work plan. During this meeting, ESG updates are provided by Celestica's Chief Executive Officer (CEO), and the Chief Sustainability Officer (CSO). The CSO is also Celestica's Chief Legal Officer and is a Senior Vice President responsible for our Sustainability, Compliance and Legal functions. In 2021, during his regular quarterly updates to the Board, the Chief Operating Officer (COO) specifically reported on Celestica's progress against our 2025 GHG emissions reduction goals and relevant ESG topics. The COO's oversight of our global operations provides key insights needed to effectively identify and make decisions on climate risks and opportunities. In 2021, the NCGC reconvened in July to review the progress made in 2021 towards Celestica's GHG emissions science-based targets including the increased procurement of renewable energy, alignment of ESG topics to CEO/COO game plans and climate-related updates to our Proxy circular/20-F report. The Board was also updated on Celestica's participation with the UN Global Compact. The NCGC supports our strategy of setting emission reduction targets to combat climate change.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	The NCGC developed a skills matrix to identify functional competencies, expertise and qualifications that the Board would ideally possess. The skills matrix combines industry experience, technical knowledge and governance competencies. The directors are provided with guidance and examples to complete the skills matrix such as examples of experience within the industry, training and subject expertise. The directors are annually canvassed about their skills for this assessment. Six Board members possess functional competency on environmental and social topics (including climate-related issues), and all 10 board members were identified to possess expertise on governance topics. The NCGC is responsible for developing a continuing education program for the Board of Directors. The continuing education program maintains or enhances the Directors' skills and abilities and ensures that their knowledge and understanding of the business remain current. All of the directors were provided with the educational materials and participated in sessions relevant to the committees on which they sit.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Operating Officer (COO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Celestica's Chief Operating Officer (COO) is responsible for reporting to the Board on progress towards Celestica's sustainability targets and climate-related risks and opportunities on a quarterly basis. Celestica's COO assesses and manages Celestica's climate-change risks and opportunities through quarterly progress updates provided by the Sustainability team and Chief Sustainability Officer (CSO). During these updates, discussions focus on our sustainability strategy and the progress we are making on our key performance indicators. Input received in these quarterly meetings also helps shape our strategy. The COO's oversight of our global operations provides key insights needed to effectively identify and make decisions on climate risks and opportunities. In 2021, during his regular quarterly updates to the Board, the COO specifically reported on Celestica's progress against our 2025 GHG emissions reduction goals and relevant environmental, social and governance (ESG) topics.

The CSO is also Celestica's Chief Legal Officer and is a Senior Vice President responsible for our Sustainability, Compliance and Legal functions. The CSO leads Celestica's sustainability program and reports directly to the Chief Financial Officer (CFO) who reports to the Chief Executive Officer (CEO). The CSO has the overall responsibility for driving the sustainability strategy, leading a Corporate Sustainability team of 4 employees, and overseeing all issues related to sustainability at Celestica. The CSO is briefed monthly on all sustainability matters, including climate-related risks and goals by the Corporate Sustainability team and provides leadership and direction on our strategy and day to day operations. In 2020, the CSO championed the adoption of science-based targets for emission reductions, aiming to reduce Scope 1 and 2 emissions by 30% by 2025 and Scope 3 emissions by 10%. The CSO also secured funds that enabled Celestica to meet its 2021 climate-related strategy and targets through energy saving measures, including renewable energy installation and procurement, and energy-efficient equipment and technology installation.

The CSO is the head of our global Compliance function and is chair of our Compliance Council. During our quarterly Compliance Council reporting process, the CSO is formally apprised of climate-related risks by all key functional areas of the business (Operations, Supply Chain, Finance, Human Resources, Information Technology, Internal Audit, Global Business Services, and M&A/Integration). Climate related risks are assessed for materiality by the CSO and other senior executives as part of our quarterly securities filings. Climate-related risks are also objectively assessed by our Internal Audit team as part of our annual Global Risk Assessment process, in consultation with the CSO. The CSO provides progress updates to the COO, CFO, and CEO every quarter on ESG matters, and to the entire executive leadership team annually, including on our climate-related strategies, performance and risks. The CEO and CSO provide ESG updates to the Nominating and Corporate Governance Committee (NCGC), who is an independent committee of the Board and is responsible for overseeing Celestica's general strategy, policies and initiatives relating to ESG matters, including, among other things, climate-related issues.

The NCGC meets on a quarterly basis. An in-depth annual update on ESG matters is a scheduled agenda item at one of the NCGC meetings as part of the NCGC annual agenda. As well, an ESG risk update is provided as needed to the NCGC quarterly. The NCGC reconvened in July to review the progress made in 2021 towards Celestica's GHG emissions SBT targets including the increased procurement of renewable energy, alignment of ESG topics to CEO/COO game plans and climate-related updates to our Proxy circular/20-F report. The Board was also updated on Celestica's participation with the UN Global Compact.

Furthermore, a call-to-action emerged through our SparkChange Program that empowers ambassadors at each of our locations to drive innovations and initiatives to inspire employees to incorporate sustainability in everything they do. These ambassadors report on their site's progress and monthly performance towards Celestica's sustainability related Aspirational Goals. The SparkChange Program provides a platform for ambassadors to discuss and share ideas, knowledge, best practices and future initiatives with global facilities. This information cascades up through the Corporate Sustainability team and to the CSO and COO.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Celestica provides performance based incentives for the management of climate-related objectives, including achievement of sustainability targets. More details on climate-related incentives are provided in C1.3a.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction target	Celestica's Team Incentive (CTI) Plan provides a cash incentive award for the achievement of annual corporate and individual objectives. Corporate performance is based on financial targets established at the beginning of the year. Individual performance is determined through the annual performance review process and is based on the evaluation of individual performance measured against specific criteria established at the beginning of each year. For 2021, key results that were considered in determining the CEO's performance included focus on environmental, social and governance (ESG) matters, executing sustainability actions, embedding ESG strategy and oversight into Celestica's management system and creating operational plans to achieve our target of 30% reduction in GHG emissions by 2025.
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction target	Celestica's merit process and Celestica Team Incentive (CTI) program link overall pay and year-end bonuses to meeting personal and company objectives. Celestica's Corporate Sustainability team reports to the Chief Sustainability Officer (CSO) who is also Celestica's Chief Legal Officer and is a Senior Vice President responsible for our Sustainability, Compliance and Legal functions. The CSO reports to the Chief Financial Officer (CFO). A key performance metric for our CSO is that they effectively manage our sustainability program and achieve Celestica's sustainability work plan. The work plan includes our approved science-based targets to reduce Scope 1 and 2 Greenhouse Gas (GHG) emissions 30% by 2025 from 2018 levels and reduce Scope 3 GHG emissions 10% by 2025 from 2018 levels. Any merit increase or CTI payouts are dependent on the annual individual and company performance that are factored into the CSO's compensation.
All employees	Monetary reward	Energy reduction project Efficiency project Efficiency target	Celestica has a recognition award program called "Ignition Awards" which includes a monetary component. This program recognizes individuals and teams who go above and beyond in driving business results, supporting our growth and making Celestica a great place to work. Included in the Ignition Awards program is the "Spark Change" award that honors an individual or team who have driven significant improvements to our sustainability program and made a positive impact at their site and in their community. It also honors those who strive towards Celestica's sustainability goals, which are outlined in our Sustainability Report. Among the criteria for nominations are climate-related GHG emission reduction targets, along with an explanation of how the award recipient met these targets for their site, and savings in energy. The Spark Change award is sponsored by the Chief Sustainability Officer (CSO), and a separate award is given in each of our 3 operating regions: Americas, Europe and Asia.
All employees	Non-monetary reward	Emissions reduction project Energy reduction project	Celestica also has a second recognition program called "Operations Best of Best" which is a non-monetary award. This award program provides a platform for employees to share their continuous improvement projects and inspire their fellow colleagues to see opportunities within their own environments. The Operations Best of Best award includes a Sustainability category which awards solutions that make a significant environmental impact through energy or waste reduction and/or efficiency within our processes and infrastructure. Employees who submit their solutions are recognized biannually.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10		Celestica's long-term time horizon for sustainability strategy and planning is defined as anything that is 10 or more years.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Celestica defines substantive financial, operational or strategic impact on our business from global or local events outside our control including natural disasters, as follows:

- For our operations, an impact that could (i) result in the risk of personal injury, illness or death of our employees or other individuals on our premises, (ii) result in material damage to our plants, equipment or inventory, or (iii) adversely affect our operating results materially through higher costs, supply shortages and disruptions of components delivery to us from our suppliers and logistics partners, and lost revenue due to our inability to provide finished products or services to our customers
- In our risk management process, Celestica defines a substantive financial impact as one that could create a \$10M charge to our statement of operations.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate-related risk management is integrated into our multidisciplinary company-wide risk management process. The process used to determine which climate-related risks and opportunities could have a substantive financial or strategic impact applies to all value chain stages (upstream, downstream, and direct operations) and consists of robust policies and procedures that help Celestica identify, assess and respond to climate related risks and opportunities. As the process involves engagement and feedback from a variety of personnel across the organization, our climate related risk assessment is a continuous process throughout every year. Identification: - The Corporate Sustainability team conducts annual (short term) materiality assessments with internal and external stakeholders (e.g., employees, facilities, customers, suppliers, consortia/industry coalitions, government, investors, non-governmental organizations, academia) on 30 Global Reporting Initiative (GRI) standards and three industry-specific topics (conflict minerals, working hours and employee wellness). Through this process, we are able to identify and assess transitional and physical climate-related risks and opportunities, including their size, scope and potential impact on our business. - Celestica's facilities contribute to the identification of local and regional climate-related risks and opportunities (e.g., current & emerging regulations, and physical acute risk) through our environmental compliance program and report the site's progress towards our sustainability goals (i.e. emissions reduction, waste diversion). - Customer contracts that are evaluated for potential climate related risks and opportunities in the short and medium terms (0 years, and 3-10 years respectively). Assessment: - Key risks were identified by reviewing the Company's Form 20-F, through Management discussion, and by reviewing results of the prior year's Risk Assessment. The consolidated results were discussed and agreed to with Executive Management. Risks were categorized into four quadrants based on the impact to the organization and likelihood of occurrence. - Climate-related risks are assessed for materiality by the Chief Sustainability Officer (CSO) and other senior executives as part of our quarterly securities filings. - Identified risks are reported by all sites to the sustainability team for assessment in collaboration with the CSO, Chief Financial Officer (CFO) and Chief Operating Officer (COO) on a quarterly basis. - Climate-related risks are objectively assessed by our Internal Audit team as part of our annual global Risk Assessment process, in consultation with the CSO. The CSO works with our Internal Audit team to integrate climate-related risk topics into Celestica's annual global risk assessment, reflecting the anticipated likelihood of occurrence and level of impact. - In addition, sustainability updates, including climate-related risks and opportunities are provided on a quarterly basis to the COO, whose responsibility over global operations provides key insights best suited to guide and make decisions on climate-related risks and opportunities. Process for responding to Risks/Opportunities: - The CSO is briefed monthly on all sustainability matters, including climate-related risks, opportunities, and goals by the Corporate Sustainability team and provides leadership and direction on our strategy and day to day operations. - The Chief Executive Office (CEO) and CSO respond to the identified climate-related risks and opportunities by providing relevant ESG updates to the Nominating and Corporate Governance Committee (NCGC), which is an independent committee of the Board and is responsible for overseeing Celestica's general strategy, policies and initiatives relating to ESG matters, including, among other things, climate-related issues. The NCGC reviews the long-term risks related to ESG matters to ensure we value and comply with Celestica's environmental policies. - Our environmental policy communicates our company-wide commitment to meeting and exceeding regulatory environmental compliance requirements. Our proactive approach to mitigating and responding to policy, legal and physical risks is defined in our top-level environmental, health and safety (EHS) manual. - Our global Business Continuity Planning (BCP) policy highlights our commitment to preventing potential natural and human-dependent events that could impact business continuity and recovery processes by anticipating and avoiding climate-related risks to our operations in the short-term. The policy outlines responsibilities such as setting annual business continuity objectives; conducting tabletop exercises (TTEs) of our systems for readiness; identifying potential natural and human-dependent events and incidents; and ensuring necessary resources are available when incidents occur.

Value chain stage(s) covered

Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Description of process

Celestica's compliance, sustainability, supply chain, audit committee and operations teams collectively review upstream risks identified in our materiality assessment, as well as those identified in board and leadership discussions. We monitor scope 3 greenhouse gas emissions in our supply chain, including purchased goods and services and upstream transportation. Celestica's logistics team identified an activity to reduce the amount of unused space being shipped through upstream goods and services in 2021. Understanding that air freight is one of the most emissions intensive logistics modes, the team focused their efforts to reduce unused space for all transportation requiring air shipment. Looking ahead, Celestica will be improving our monitoring of scope 3 goods and services by launching a Supplier Emissions Program, assessing key suppliers on their emissions, energy sources, goals, and opportunities to form partnerships in reducing emissions together. Our annual Table-Top Exercises (TTEs) in our risk assessment have been tested for short-term supply constraints, downtime and transportation/logistics issues due to severe weather, flooding, etc. This accounts for potential risks of delivering materials to Celestica and goods/services to our customers. Within our supply chain, Celestica communicates our environmental compliance policy documents and requirements by the Responsible Business Alliance (RBA) Code of Conduct, which Celestica has adopted. Celestica has also introduced a "Environmental Compliance for Purchased Components" wherein supplier requirements are outlined. Our supplier policies and resources can be found on Celestica's external website. A select set of suppliers known as our preferred suppliers (strategic suppliers not constrained by customer contracts or product design) are advised of our sustainability goals, are assessed for risk and abiding to the RBA Code of Conduct, and are measured and scored on their sustainability maturity through requested and collected data for our supplier scorecard program (SPoT). In 2021, our supplier scorecards were enhanced to incorporate a larger weighting in sustainability, specifically on conflict minerals. We ensure that they are aware of and follow the Responsible Business Alliance compliance requirements, completed annual self-assessment questionnaires, complete bi-annual verification visits or other forms of audits, and work to close corrective actions. Typically our preferred suppliers are located in close proximity to our Centers of Excellence. In addition, Celestica responded to physical and transitional risk by enhancing our supplier scorecard criteria. There is a likely chance for physical climate risks to occur that could disrupt our upstream value chain. One method to identify our potential impact from climate risk is by learning about all of our suppliers' exposures and mitigation plans for physical risks and opportunities through the scorecard. Additionally, there is potential for reputational risk due to heightened customers' perceptions and expectations for our contributions to complete value/supply chain adoption, management and disclosure of sustainable (E&S) programs and practices. In 2021, the supplier scorecard assessment was conducted on over 4800 suppliers, including 100% of our direct suppliers. This procedure helps us to identify, assess and manage our supply chain and climate-related risks (eg. pollution, resource reduction, and transportation disruptions) and opportunities (eg. consolidating shipments, reducing part numbers and empty spaces in shipments, and optimizing transportation methods and packaging). We expect this improved procedure will deepen our awareness and identification of Celestica's upstream risks and support customers who inquire past their tier-1 suppliers. As a result, this will allow us to strategically select responsible suppliers ensuring we address our own and customers' risk exposure if disruptions due to climate related catastrophic events were to occur. In 2021, our supply chain team partnered with a data platform service to analyze, assess, and ultimately reduce risk in our supply chain among many factors. The tool alerts key employees of natural disaster risks associated with our supply chain in real time, allowing Celestica to react quickly, assess the risk, and mitigate as much impact as possible. Alerts include floods, landslides, heat waves, wildfires, drought, and extreme levels of air pollution. To ensure materials comply to Celestica environmental requirements and standards such as Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH), Celestica has a robust system in place to validate and audit incoming materials for compliance. For any materials that do not comply, A formal root cause and correct action (RCCA) will be produced and closed to completion.

Value chain stage(s) covered

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Description of process

Celestica's downstream risks come from the activities and the ability to manufacture and deliver our products and services to customers. Our sustainability, environmental, health and safety (EHS), and global security and facilities teams work together to identify, mitigate and respond to identified climate-related risks. Risks are identified, assessed and responded to in our short-term Business Continuity Plans (BCP) and environmental compliance program to review our ability to manufacture and deliver on our commitments. A key part of the BCP is our Table Top Exercises (TTEs), a process for all sites to pre-select scenarios (natural and/or human-dependent) based on magnitudes of severity and likelihood. Along with the Global Facilities team, sites evaluate and prepare response plans in the case such an event occurs that could disrupt our business. For example, in 2021, we continued to use the implications of the COVID-19 pandemic, supply chain shortages, and scheduled and unscheduled power and IT systems outages to test and improve our disaster recovery and business continuity plans and emerge stronger and far more capable to deal with future crises in whatever form they may take. Over the past two years, Celestica's global COVID-19 response team consisting of employees across various business areas have been closely monitoring developments around the globe, including monitoring and managing risks and impacts from the pandemic. We invested in power and IT systems upgrades to better protect us from power and IT outages. We constantly monitored the status of the global supply chain and remained vigilant in taking a proactive, disciplined approach to mitigating our customers' supply challenges. The pandemic demonstrated Celestica's resilience and ability to react quickly to a global emergency, similar to other potential climate change impacts such as natural disasters. This helped us develop a better understanding of how to integrate risks from the pandemic in our risk management and business continuity plans. To capitalize on climate-related opportunities, we allocate resources and research to integrate low-carbon and energy efficiencies in our products in order to maintain and win new business. We facilitate a wide range of energy and smart city applications through gas and electric smart meters, high-efficiency generation controls, power converters, energy storage, and solar trackers. Celestica enabled more than 6,000 MW of solar energy with a solar inverter customer in 2021. In 2021, we partnered with two leading original equipment manufacturers (OEMs) in the manufacture of high-power electric vehicle (EV) charging stations designed with cutting-edge technology used in commercial and industrial applications where charge time is limited. Celestica not only manufactured components of these chargers, but also provided design services to ensure optimal performance. We supported nearly 2,500 power modules for use in fast-charge DC applications for electric vehicle charging stations and built integrated cabinets and charging stations servicing the car, bus and truck EV markets. Overall, Celestica supplied equipment to support more than 50 MW worth of EV charging stations. Partnerships such as these are helping to grow the electric vehicle industry through intelligent design and enable our customers to deliver innovative, smart products. Celestica completes due diligence in auditing our material management services as well as auditing our on-site processes for material management. In 2021, The corporate audit team completed an assessment of all material management processes for exiting a site. By completing audits such as these, Celestica avoids climate-related risk arising from misleading or "greenwashing" services. By ensuring materials are being reused and recycled, less energy is required to extract new materials and keep material in its highest form to reduce emissions caused by further manipulation and manufacturing.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	In our annual global Risk Assessment process, the Internal Audit team identifies and assesses risks including current regulation, and integrates them into our risk and sustainability planning processes. Our proactive approach to mitigating and controlling risk is outlined in our top-level environmental, health and safety (EHS) manual. It outlines local applicable regulations and risk assessments for identifying operational impacts across our operations. Each site has environmental compliance and reporting ambassadors who provide site status to the global EHS team and/or Sustainability team. Site ambassadors, the sustainability and Global EHS teams ensure regulations are integrated into the site's environmental compliance program and management systems. One risk that we monitor is the EU Energy Efficiency Directive 2018/2002, which requires that large enterprises in the EU reduce overall emissions by at least 32.5% by 2030. Celestica's three operations in the EU (Galway, Ireland; Oradea, Romania; and Valencia, Spain) are required to comply with this legislation. We are pleased that all our EU sites exceeded the requirements of the amended 2017/27/EU directive and were able to reduce their overall emissions by more than 20% by 2020. To achieve the EU 2018/2002 emissions target by 2030 our sites located in Europe: our Galway, Ireland and Valencia, Spain and Oradea, Romania sites consuming 100% renewable electricity from their utility providers, eliminating their Scope 2 emissions completely in 2021; and our EU sites completing several projects such as upgrading buildings to LED lighting, optimizing HVAC equipment layout, implementing facility line maintenance programs and consolidating workstations to reduce overall energy consumption. Energy audits are mandatory in the EU for large enterprises as of December 2015. Aligned with this, Celestica has launched a program where sites affected are covered by an energy management system (EnMS - ISO 50001). All 3 European sites and 9 Celestica sites in total, were certified to the EnMS - ISO 50001 in 2021, driving energy savings and effective energy management of our equipment. Celestica remains informed on existing regulations by participating in industry associations, continuing education programs for our technical and legal personnel, and subscribing to proprietary regulatory update systems. In 2021, Celestica did not identify any significant non-compliance issues with environmental laws and/or regulations.
Emerging regulation	Relevant, always included	In our annual global Risk Assessment process the Internal Audit team identifies and assesses risks including emerging regulations, and integrates them into our risk planning processes. Our business and operations could be adversely impacted by emerging climate change regulations such as Cap & Trade regulations. Concern over climate change has led to international legislation and regulatory initiatives directed at limiting carbon dioxide and other greenhouse gas emissions. Proposed and existing efforts to address climate change by reducing greenhouse gas emissions could directly or indirectly affect our costs of energy, materials, manufacturing, distribution, packaging and other operating costs, which could adversely impact our business and financial results. The compliance and sustainability teams also monitor certain regulatory changes that may affect our facilities, such as emissions trading schemes, as requirements are constantly changing within many of the countries where we operate. For example, the sustainability team assessed whether our Mississauga and Newmarket manufacturing facilities in Ontario, Canada produced enough greenhouse gas emissions to require participation in the federal Greenhouse Gas Pollution Pricing Act, Part 1 as it would have impacted our business operations. We determined that since both sites fall under the minimum emission threshold of 10,000 mt of CO2e per year, we are not required to participate. Other emerging carbon pricing regulations, such as a carbon tax, are continually monitored. Currently, the Ireland Carbon Taxes affect our Galway, Ireland facility, but emerging regulations in additional markets are also foreseen. For example, there is a large shift in China's carbon market in the near future to align with the Paris Agreement's 2050 target. China is currently creating a sustainable regulatory structure for the carbon market and drafting legal regulations to ensure effective monitoring, reporting and verification systems are in place with sufficient guidelines for emissions verifiers. Celestica has 6 business facilities operating in China and having identified these evolving requirements in the early stages, we will assess the impact it may have on our sites and operations, and create a course of action to ensure our sites are equipped with the resources required to remain within compliance of national and/or regional regulations and meet Celestica yearly GHG emissions site reduction targets.
Technology	Relevant, always included	As technology continues to evolve at a rapid pace, technological risks and opportunities are assessed through a strategic evaluation by segment leaders in conjunction with our annual global risk assessment. To reduce the risk of relying on any one customer or end market, we continue to focus on diversifying the expansion of our Advanced Technology Solutions (ATS) segment (e.g. industrial and smart energy markets) and Connectivity & Cloud Solutions (CCS) segment (e.g. Hardware Platform Solutions (HPS) business). We are dependent on our customers' ability to compete and succeed in the marketplace with the products and services we provide. As part of our strategy to enhance our end-to-end service offerings, we intend to continue expanding our design and engineering, including HPS and product solutions capabilities. Products in this segment are designed with circularity, power efficiency and commonality of design frameworks in mind. Providing these services may expose us to different or greater potential risks than those we face when providing our manufacturing services. Celestica could be negatively impacted by technological risks specifically as it relates to our Smart Energy portfolio. In order to compete, we need to adapt quickly as technology advancement is driving down costs and increasing competitive supply. We experienced an example of this risk in recent years with our solar panel manufacturing production, where a global oversupply of solar panels adversely impacted the market price for panels and challenged the viability of some of our customers. We applaud technological advancements that facilitate the provision of large supplies of smart energy products that reduce global greenhouse gas emissions. At the same time, we must be vigilant in order to keep pace commercially with changing market and financial conditions resulting from those advancements.

	Relevance & inclusion	Please explain
Legal	Relevant, always included	There are legal risks that may emerge due to climate-change. Legal risks and regulations are always considered, as we are compliant to all laws and regulations that exist in our global operations. Identified risks are reported to the Chief Sustainability Officer (CSO) who is also Celestica's Chief Legal Officer and is a Senior Vice President responsible for our Sustainability, Compliance and Legal functions. As the chair of our Compliance Council, the CSO works with our Internal Audit team to integrate any climate-related policy and legal risks into Celestica's annual global risk assessment. As a member of the Responsible Business Alliance (RBA), we are responsible for, among other things, ethical practices in the areas of labor, environmental compliance, employee health and safety, ethics and social responsibility. Business interruption resulting from climate-related issues or unethical practices could result in legal disputes and claims involving Celestica, its customers, and our suppliers. Celestica accounts for the cost of compliance with policies, standards and third-party certification requirements in financial planning. In 2021, Celestica did not identify any significant non-compliance issues with environmental laws and/or regulations. An example of a potential legal risk are the new proposed reporting regulations from the SEC. In order to maintain good standing with the SEC, Celestica is working with our external auditors and legal counsel to ensure we understand and transition to compliance with the new standards and eliminate the risk of receiving fines or penalties for non-compliance. Among the new requirements, the two that propose the biggest risk to Celestica (and our industry generally) are the complexity and effort involved in receiving third-party verification for all Scope 3 categories and determining certain climate-related financial statement metrics and related disclosures in a note to our audited financial statements. At this time, the SEC has not disclosed the fines for non-compliance; our intention is to fully comply.
Market	Relevant, always included	In our global Risk Assessment process, the Internal Audit team identifies and assesses risks including shifts in market demand and supply as well as changing customer behavior. These risks are integrated and cascaded into our risk, operations and sustainability planning processes. We are also affected by the increased focus on Scope 3 emissions from our customers, which is changing the business landscape to include more transparency in the supply chain. In response to the increased focus on Scope 3 emissions reporting, Celestica received third-party verification for three Scope 3 categories. Celestica is committed to reporting in compliance and alignment with GHG protocols of institutions such as the GRI and CDP. Many of our customers are mandating that we participate in these programs and incentivize us by adding points to their scorecards - the mechanism by which they judge their business partners. In some cases our customers are modifying their supplier scorecards to include climate change related initiatives. In 2021, we launched our Supplier Management Playbook to provide suppliers insight to Celestica's Preferred Supplier Program, driving partnership, value and continuous improvement through the value chain. The Compliance Engineering Team, within Celestica's Global Business Services organization ensures that our suppliers are compliant with industry standards to ensure that working conditions are safe, workers are treated with respect and dignity, and manufacturing processes are environmentally responsible. As well, we ensure compliance with legislation including Conflict Minerals; Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH); Restriction of Hazardous Substances (RoHS); and Responsible Minerals Assurance Process. Failure to take appropriate actions to address climate change could impact future business awards for Celestica.
Reputation	Relevant, always included	Any failure to comply with customer-driven policies and standards, and third party certification requirements, including those related to social responsibility, could adversely affect our business and reputation, therefore they are always assessed as a risk. For example, we are a member of the RBA and enforce its practices on labor, environmental compliance, employee health and safety, ethics and social responsibility standards. Our compliance with these policies, standards and third-party certification requirements could be costly, and our failure to comply could adversely affect our operations, customer relationships, reputation and profitability. Celestica has acknowledged a global shift in customer preferences towards more transparency and mitigation of impacts on the environment. Year over year, more customers are requesting in-depth information about our sustainability strategy via customer questionnaires and formally requesting our climate change and water CDP responses. In 2021, 14 customers formally requested our CDP responses and an additional 7 customers requested their emissions allocation. This creates a reputational risk for the company if we do not act quickly and strategically to our customers' changing preferences. For example, one of our customers has increased their scope of reporting on greenhouse gas emissions throughout their supply chain. In response, we have made sure that our emissions reductions targets are stringent enough to fit within their goals, and provide them with the data and disclosure reporting they need, to not degrade our relationship or reputation. There is also some risk if we are not seen as sustainability leaders in our industry. Assessors such as Corporate Knights and EcoVadis recognize Celestica as sustainability leaders. Failure to maintain our leadership position, or to demonstrate continuous improvement in these assessments in the future, could cause a reputational risk with our customers.
Acute physical	Relevant, always included	Acute physical risks are assessed within our risk management strategy and facility assessment process as part of our ongoing disaster recovery and global business continuity planning (BCP). If acute losses arise, they are addressed and reported immediately. Insurance companies contracted by Celestica assess these types of risks, such as extreme weather events, rising water levels, floods and storm surges, in order to insure new or existing facilities. Our customers require periodic assurances regarding business continuity, sometimes by way of objective third party assessment. Acute physical risks may result in sudden, unanticipated costs for our business, such as higher operating expenses, and the need to make additional capital investments. Overall, we monitor and assess natural and man-made physical risks our facilities may be exposed to. Based on network historical events, facility specific experience, insurance generated threat areas (e.g. flood zones), we generate response plans and implement measures to minimize the risk of damage to the facility and mitigate operational disruption. For example, some of our sites are located in proximity to flood-prone areas, and we have taken proactive measures to identify the risk and protect the assets by raising floors to protect IT equipment, back-up generators, and conducting inspections and maintenance of storm water collection infrastructure, sump pumps, etc.
Chronic physical	Relevant, sometimes included	Chronic physical risks are assessed within our risk management strategy and facility assessment process as part of our ongoing disaster recovery and global business continuity planning (BCP). The potential and timing of chronic physical risks can be difficult to predict, and may arise gradually. These risks are included in proactive decision-making processes where possible, and reactively where clear patterns emerge after the onset of a chronic condition. This includes potential for changes in precipitation and weather patterns, rising mean temperatures, or rising sea levels. For example, the Sustainability team and EHS team conduct water availability assessments for all our global sites using the World Resources Institute (WRI) Aqueduct tool. There is a metric named "Baseline Water Stress", which assesses the ratio of total water withdrawals to total renewable water supply in a given area to define water stressed regions. The tool indicated that 9 of our facilities were operating in water stressed areas. These results will drive increased focus in our table-top exercises (TTEs) to address potential water scarcity or contaminated freshwater sources in operational regions. Insurance companies contracted by Celestica assess physical risks, such as extreme weather events, rising water levels, floods and cyclones, in order to get insurance on new or existing facilities. There is a risk that in the future we could experience a reduction in the availability of insurance to address specific chronic physical risks. Overall, we monitor and assess natural and man-made physical risks our facilities may be exposed to. Based on network historical events, facility specific experience, insurance generated threat areas (e.g. flood zones), we generate response plans and implement measures to minimize the risk of damage to the facility and mitigate operational disruption. For example, some of our sites are in proximity to flood-prone areas, and we have taken proactive measures to identify the risk and protect the assets by raising floors to protect IT equipment and back-up generators, and conducting inspections and maintenance of stormwater collection infrastructure, sump pumps, etc.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services
--------------------	--------------------------------------------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Celestica is directly impacted by changes in regulations and has plans in place to manage the associated risks. One such risk identified is a result of the EU Energy Efficiency Directive 2018/2002, which requires that large enterprises in the EU reduce overall emissions by at least 32.5% by 2030. Celestica's three operations in the EU

(Galway, Ireland; Oradea, Romania; and Valencia, Spain) are required to comply with this legislation. We are pleased that all our EU sites exceeded the requirements of the amended 2017/27/EU directive and were able to reduce their overall emissions by more than 20% by 2020. Aligned with this, Celestica has launched a program where sites affected are covered by an energy management system (EnMS - ISO 50001). All 3 European sites and 9 Celestica sites in total, were certified to the EnMS - ISO 50001 in 2021, driving energy savings and effective management of our equipment. Celestica remains informed on existing regulations by participating in industry associations, continuing education programs for our technical and legal personnel, subscribing to proprietary regulatory update systems, and periodic updates by our external legal and technical advisors. In 2021, Celestica did not identify any significant non-compliance issues with environmental laws and/or regulations.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

283550

Explanation of financial impact figure

The potential financial impact of the EU Energy Efficiency Directive is based on the penalty for non-compliant companies put forth by member states of the EU. A recent study analyzed the requirements of the Energy Efficiency Directive on mandatory audits for large companies, which included a review of transposition documents and interviews to determine the penalties for non-compliance within each European jurisdiction. We are pleased that all our EU sites exceeded the requirements of the amended 2017/27/EU directive and were able to reduce their overall emissions by more than 20% by 2020. This was achieved through: our Galway, Ireland and Valencia, Spain and Oradea, Romania sites consuming 100% renewable electricity from their utility providers, eliminating their Scope 2 emissions completely in 2021; and our EU sites completing several projects such as upgrading buildings to LED lighting, optimizing HVAC equipment layout, implementing facility line maintenance programs and consolidating workstations to reduce overall energy consumption and improve our systems efficiency. If each of our European sites did not meet the requirement of the directive, the maximum penalty our sites would incur are: 5,000 EUR in Galway, Ireland; 200,000 EUR in Oradea, Romania; and 60,000 EUR in Valencia, Spain. Using an exchange rate of 1 EUR = 1.07 USD, the total financial impact would be 283,550 USD for all three sites (\$283,550 US = [\$5,000+\$200,000+\$60,000 Euros]*1.07 USD/EUR). Our operations would only be affected should we not take appropriate and timely actions, hence the range is from \$0 to \$283,550. (Source: <https://www.sciencedirect.com/science/article/pii/S0301421517308303#s0080>)

Cost of response to risk

2028511

Description of response and explanation of cost calculation

Our response and associated cost to the risk 1 considers the two main requirements of the EU Energy Efficiency Directive - reduce emissions and conduct mandatory energy audits. The total cost of response to risk is \$2,028,511 (\$75,000 + \$3,534 + \$20,638 + \$174,739 + \$1,368,000 + \$386,600 = \$2,028,511), this includes three components: A) The \$75,000 is based on the cost to 1) conduct energy audits for all 3 sites (\$15,000 per site = \$45,000) and 2) annual registration fee for a site to certify to the ISO 50001:2011 standard for all 3 sites (\$10,000 per site = \$30,000). Aligning to the ISO 50001 standard required Celestica to create a Global Energy Policy. This policy outlines our commitment to set energy performance objectives and targets, improve our energy performance, and support the purchase of efficient products. B) To reduce their emissions, the Galway, Ireland, Valencia, Spain and Oradea, Romania sites consumed 100% renewable energy from their utility providers, eliminating their Scope 2 emissions completely. The spend on renewable energy in 2021 was \$3,534.20 (3,302.99*1.07=3,534.20, where 1.07 is the exchange rate used between euros and USD) for our Galway, Ireland site, \$20,637.65 (19,288*1.07=20,637.65) for our Valencia, Spain site and \$174,739.03 (807,398.09*0.22=174,739.03, where 0.22 is the exchange rate between Romanian leu and USD) for our Oradea, Romania site. The renewable energy costs were obtained from the utility provider's invoices. Additionally, in November 2021 the Oradea, Romania site completed a major new installation of solar panels at the site. The project required an investment of \$1,368,000 and is estimated to eliminate 901 mt of CO2e in 2022. C) Our EU sites completed several efficiency projects, requiring an investment of \$386,600 (excluding installation of solar panels in Oradea, Romania) in total and avoiding 254 mt CO2e in 2021. These projects include upgrades to our HVAC equipment and LED lighting. An example of a substantial decision we made in order to reduce our emissions and meet the requirements of Europe's energy efficiency regulations comes from our Oradea, Romania manufacturing facility. Installation of on-site solar panels in our Oradea, Romania location was completed in November 2021. The project produced 11,500 kWh of solar energy in December 2021 and is estimated to save 901 mt of CO2e in 2022 due to this initiative.

Comment

We will continue to monitor regulations and expand on our registration to the ISO 50001: 2018 Energy Management Standard, given that we realize the benefits for all of the company and not just those impacted by direct regulations. Furthermore, there may be costs that exceed the payback (ROI) and savings to drive energy reduction projects to meet the mandatory targets.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)
----------------	------------------------------------------------

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Acute physical risks caused by climate change have led to catastrophic events that could damage Celestica's facilities or third party property (utilities and other infrastructure), impacting our operations and financial results. The duration of the event and its aftermath, insurance recoveries, and our ability to meet our obligations

through other, unaffected Celestica facilities or third party contractors determine our ability to respond to the risk. Celestica's Business Continuity Plans (BCPs) take into consideration different types of scenarios and risks, such as environmental, socio-political, man-made threats, logistics and supply changes, contagions, etc. An annual schedule is established to test the preparedness and response to custom scenarios per site. These are called Tabletop Exercises (TTEs), which are facilitated by corporate resources and each site is scored on their performance. Sites are to provide responses to any deficiencies noted and update their plans accordingly. In risk 2, although we have not been directly impacted by drastic events in the vicinity of our facilities, we examine how our robust disaster recovery processes would have responded to the physical risk of a tsunami in Japan, flooding in Thailand, and droughts in California, USA.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

100000000

Explanation of financial impact figure

Celestica's sites have varied environmental risks dependent on their geographical locations and natural catastrophes. The range provided in "Potential financial impact figure - minimum - maximum" is based on the following possible outcomes of an event caused by physical risks: physical damage caused to a site and infrastructure based on size and scope of work; disruptions and shortages in supply of raw materials, utilities and transportation of finished goods; ability to implement and integrate alternative plans, material components; and insurance recoveries. For example, if a flood in Thailand were to directly impact our site in Laem Chabang, Thailand, the largest manufacturing site in Celestica's portfolio (based on size and scope of work), we could incur the estimated maximum financial impact of \$100,000,000. The potential financial impact range (\$0-\$100 M) is estimated by our finance team based on the possible outcomes outlined earlier in the response.

Cost of response to risk

250000

Description of response and explanation of cost calculation

Risks are identified, assessed and responded to in our short-term Business Continuity Plans (BCP) and environmental compliance program to review our ability to manufacture and deliver on our commitments. A key part of the BCP is our Table Top Exercises (TTEs), a process for all sites to pre-select scenarios (natural and/or human-dependent) based on magnitudes of severity and likelihood. Along with the Global Facilities team, sites evaluate and prepare response plans in the case such an event occurs that could disrupt our business. The \$250,000 cost to respond to the risk is estimated based on the cost to conduct annual BCP and TTEs. This includes the costs of transporting the required employees from the Global Security and Facilities, Audit, and Environmental Health and Safety (EHS) teams to conduct the tests at the sites. If a catastrophic event were to directly impact our site, then Celestica would activate the Crisis Management Team (CMT) at the Corporate level to provide direction, support and guidance to the site. This activation is also included in our cost. For example, in 2021, we continued to use the implications of the COVID-19 pandemic, supply chain shortages, and scheduled and unscheduled power and IT systems outages to test and improve our disaster recovery and business continuity plans and emerge stronger and far more capable to deal with future crises in whatever form they may take. Over the past two years, Celestica's global COVID-19 response team consisting of employees across various business areas have been closely monitoring developments around the globe, including monitoring and managing risks and impacts from the pandemic. We invested in power and IT systems upgrades to better protect us from power and IT outages. We constantly monitored the status of the global supply chain and remained vigilant in taking a proactive, disciplined approach to mitigating our customers' supply challenges. The pandemic demonstrated Celestica's resilience and ability to react quickly to a global emergency, similar to other potential climate change impacts such as natural disasters. This helped us develop a better understanding of how to integrate risks from the pandemic in our risk management and business continuity plans.

Comment

Risk Management of our business operations occurs at a global level through third-party consultants, audit programs, insurance contracts with business interruption insurance, and global site personnel. Site level risk management occurs through mitigating controls, drills and exercises, processes and procedures, and assigned resources.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
--------	----------------------------

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Celestica's customers are becoming increasingly concerned with climate change related issues and the potential to reduce impacts. For example, the heightened focus on Scope 3 emissions from our customers is changing the business landscape to include further transparency in the supply chain, even expanding to their tier-two suppliers (Celestica's suppliers). To ensure transparency, Celestica is committed to aligning its reporting with institutions such as the Global Reporting Initiative, Science Based Targets initiative, and the CDP, and to comply with and exceed the RBA's environmental and social standards. Additionally, we enable our customers and support their goals (including climate-related ones) through our products, services and programs (including sustainability). Celestica developed customer scorecards as a mechanism to evaluate our business partners' concerns and requirements. Through our customer scorecards, it was determined that 6 customers, which represent 32% of our overall revenue in 2021, have sustainability or ESG criteria on our scorecards. An example of a sustainability or ESG criteria on some of our customer scorecards is the marks allocated to achieve at least a 'B' score on our CDP Climate Change Questionnaires. Customers continue to incentivize us by adding points to the scorecards or including

climate change related initiatives that influence and impact us. Failure to meet our Sustainability Aspirational Goals (e.g. 30% reduction of Scope 1 and 2 emissions from 2018 levels by 2025) could pose a risk to our scores on these scorecards and any failure to take meaningful actions on climate change may impact current or future business. In 2021, we completed 60 energy-efficient initiatives (including renewable energy usage and procurement from utility vendors), ranging from building energy management systems, replacing lighting systems, updating HVAC systems and compressed air equipment, and more. Overall, these initiatives avoided approximately 4,000 mt of CO₂e and helped us to continue a positive relationship with our customers.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

56347000

Explanation of financial impact figure

6 of our customers, which represents 32% of our revenue in 2021, include some form of sustainability-focused metrics on their scorecards. Therefore this risk is certain. Given that scorecard rankings are a primary motivator for awarding new business, not obtaining the points associated with sustainability themed metrics will reduce our chances of winning new contracts and keeping existing business, creating impacts on our revenue. The magnitude of impact is medium-low as the scorecards provide us with the opportunity to adjust and act appropriately to satisfy the customers' requirements. If we fail to adjust to transitional risks in the market that are often outlined in customers' scorecards, we could lose out on significant revenue opportunities depending on which customer is directly at risk. Some examples of items on scorecards include being on track to meeting our greenhouse gas emissions targets, increasing renewable energy consumption, and scoring a minimum of a 'B' score on our CDP climate-change assessment. We have estimated the potential financial impact of failing to meet customers' sustainability metrics as approximately 1% of our total revenue of \$5.63 billion USD in 2021, which is based on several assumptions: (i) we are likely to perform well in meeting customer metrics, (ii) in any case sustainability metrics are likely weighted as 5% or less of scorecards and therefore may not materially affect sourcing decisions, (iii) only 25% of customers currently even have sustainability metrics, (iv) re-sourcing decisions are ones that take time to implement, (v) failure to award new business to us will not result in reduced revenue, as we don't account for new business until it is won (\$5,634,700,000 * 0.01 = \$56,347,000).

Cost of response to risk

20684282

Description of response and explanation of cost calculation

Celestica developed customer scorecards as a mechanism to evaluate their sustainability-related concerns and requirements. We see that many of our customers are adding climate change related items and increasing total points to their scorecards. Through our customer scorecards, it was determined that 6 customers, which represent 32% of our overall revenue in 2021, have sustainability or ESG criteria on our scorecards. Celestica monitors all of our customer scorecards on a quarterly basis to assess the impact of sustainability themed metrics and understand how those maturing metrics will impact our own reporting obligations and materiality assessments. We work hard to align our sustainability program and strategy with the climate-related items on customers' scorecards to ensure we are ranked #1 or #2. We calculated our cost of responding to this risk by measuring our actions to avoid any associated reputation risks. We: (1) Collaborate with our customers on climate-related initiatives. This is built into normal activities and therefore the cost to implement in terms of risk avoidance is \$0. (2) Ensure we maintain our annual customer-requested CDP and GRI report submissions, as well as scorecard requests, appropriately and in a timely manner. We integrate our customers' sustainability goals with our own when planning functional teams' game plans and our new set of Sustainability Aspirational Goals for 2021 onward. The cost of the reporting responses and game plan adherence is estimated at 1.5 full time equivalent employees (FTE) plus our annual Sustainability Report publishing costs, at a total burden rate of \$280,000. (3) Reduce our emissions and increasing our energy efficiency through: CAPEX spending and strategies; utilizing the Electricity Estimator Tool to both model and then reduce energy use in our factories. In 2021, we invested \$20,404,282 on 66 (60 implemented and 6 initiated) energy-efficiency initiatives (including renewable energy usage and procurement from utility vendors), ranging from building energy management systems, replacing lighting systems, updating HVAC systems and compressed air equipment, and more. Overall, these initiatives avoided approximately 4,000 mt of CO₂e and helped us to continue a positive relationship with our major customers mentioned earlier. Thus, the total cost of response to risk 3 is \$20,684,282 (\$0 + \$280,000 + \$20,404,282 = \$20,684,282).

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services
---------------------	--------------------------------------------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Celestica's operational costs may be impacted by new regulations which could emerge from the European Union Green Deal. One such risk is a result of the EU Green Deal which proposes there be no net emissions of greenhouse gases by 2050, economic growth is decoupled from resource use and no person or place is left behind. Parts of this plan include a proposed European Climate Law aim to have the EU be climate neutral in 2050. Celestica operates in 3 jurisdictions in the EU (Ireland, Spain and Romania) that would be required to comply with new laws/requirements. At a minimum, each of our European sites (Galway, Ireland; Valencia, Spain; and Oradea, Romania) would be required to reduce and ultimately offset their greenhouse gas emissions and focus on eliminating pollution (reducing waste). This could cause significant increases in: cost of supplying renewable energy; fines and temporary closures due to non-performance on emission reductions; spend on alternative or lower-emitting

transportation and infrastructure.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

283550

Explanation of financial impact figure

We estimate the potential financial impact of the EU Green Deal is similar to the penalties of non-compliance of the Energy Efficiency Directive. The penalties of non-compliance on companies are set by member states of the EU. A recent study analyzed the requirements of the Energy Efficiency Directive on mandatory audits for large companies, which included a review of transposition documents and interviews to determine the penalties of non-compliance within each European jurisdiction. If each of our European sites did not meet the requirement of the directive, the maximum penalty our sites would incur are: 5,000 EUR in Galway, Ireland; 200,000 EUR in Oradea, Romania; and 60,000 EUR in Valencia, Spain. Using an exchange rate of 1 EUR = 1.07 USD, the total financial impact would be 283,550 USD for all three sites (\$283,550 US = [\$5,000+\$200,000+\$60,000 Euros]*1.07 USD/EUR). Our operations would only be affected should we not take appropriate and timely actions, hence the range is from \$0 to \$283,550. (Source: <https://www.sciencedirect.com/science/article/pii/S0301421517308303#s0080>)

Cost of response to risk

2028511

Description of response and explanation of cost calculation

The total cost of response to risk is \$2,028,511 (\$75,000 + \$3,534 + \$20,638 + \$174,739 + \$1,368,000 + \$386,600 = \$2,028,511). Our response and associated cost to the risk 4 considers the sum of the main requirements of the EU directive listed below: A) The \$75,000 is based on the cost to 1) conduct energy audits for all 3 sites (\$15,000 per site = \$45,000) and 2) annual registration fee for a site to certify to the ISO 50001:2011 standard for all 3 sites (\$10,000 per site = \$30,000). Aligning to the ISO 50001 standard required Celestica to create a Global Energy Policy. This policy outlines our commitment to set energy performance objectives and targets, improve our energy performance, and support the purchase of efficient products. B) To reduce their emissions, the Galway, Ireland, Valencia, Spain and Oradea, Romania sites consumed 100% renewable energy from their utility providers, eliminating their Scope 2 emissions completely. The spend on renewable energy in 2021 was \$3534.20 for our Galway, Ireland site, \$20,637.65 for our Valencia, Spain site and \$174,739.03 for our Oradea, Romania site. The renewable energy costs were obtained from the utility provider's invoices. Additionally, in November 2021 the Oradea, Romania site completed a major new installation of solar panels at the site. The project required an investment of \$1,368,000 and is estimated to eliminate 901 mt of CO2e in 2022. C) Our EU sites completed several efficiency projects, requiring an investment of \$386,600 (excluding the investment required for the solar panel installation in Oradea, Romania) in total and avoiding 254 mt CO2e in 2021. These projects include upgrades to our boiler and HVAC equipment to reduce energy consumption and optimize efficiency within our systems. An example of a substantial decision we made in order to reduce our emissions and meet the requirements of Europe's energy efficiency regulations comes from our Oradea, Romania manufacturing facility. A successful study led to a competitive bid process to install on-site solar panels throughout 2020. The bid process has been completed and the installation of on-site solar panels in our Oradea, Romania was completed in November 2021. The project produced 11,500 kWh of solar energy in December 2021 and is estimated to save 901 mt of CO2e due to this initiative.

Comment

We will continue to monitor regulations and expand on our registration to the energy management standard given we realize the benefits for all of the company and not just those impacted by direct regulations. There will be annual costs associated with our ISO 50001 registrations which are used to manage potential risks. The costs range from \$2,000-\$10,000 USD per EU site each year. Furthermore, there can be costs that exceed the payback (ROI) and savings to drive energy reduction projects that meet the mandatory targets.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Within our climate assessment exercises, the increase in demand for renewable energy and electric vehicles has created opportunities within our Smart Energy business unit, within the Advanced Technology Solutions (ATS) segment of our business. This business unit supports our diversification strategy, allowing us to provide new customers with higher value, adding manufacturing revenue and aligning our strengths in a market with stringent quality, reliability and regulatory requirements. Furthermore, as more investors favor lower-emissions producers, there may be increased capital availability. Within this business unit we enable a wide range of renewable energy and smart city applications including power converters, wind turbines, electric vehicle charging stations, smart meters, and self-driving vehicle technology (LiDAR). Our smart energy offerings have expanded as a result of the opportunities provided by transition to cleaner energy sources, and Celestica establishes its marketing plans and contractual pricing based on anticipated short and medium term changes to the total available market for, and consumption of, such products. In 2021, Celestica enabled more than 6,000 MW of solar energy with a solar inverter customer. We supported nearly 2,500 power modules for use in fast-charge DC applications for electric vehicle charging stations and built integrated cabinets and charging stations servicing the car, bus and truck EV markets. In 2021, Celestica supplied equipment to support more than 50 MW worth of EV charging stations.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

916000000

Explanation of financial impact figure

This is based on the total available Smart Energy market and assumptions about our ability to win market share. Our Smart Energy market portfolio includes power inverters, microinverters, energy storage products, smart meters, electric vehicle changers, and other electronic componentry. Celestica's current priorities include (i) evolving and diversifying our customer and product portfolios to drive consistent revenue growth and strong operating margins, and (ii) improving the overall profitability of our diversified end market businesses, while continuing to make investments therein. Our customers continue to expand the products they ask us to build which spans across multiple types of equipment to support the clean energy transition. The potential financial opportunity could be substantial for our Smart Energy portfolio if we become a leading manufacturing partner. We estimate the reasonable potential financial impact as \$9,160,000,000, which is 1% of the estimated total available market for Smart Energy products and services in 2025 to be \$916 billion USD ($0.01 * \$916,000,000,000 = \$9,160,000,000$). The total available market 2025 estimate was used in the calculation as Celestica is exploring long-term additions and investments to our Smart Energy portfolio.

Cost to realize opportunity

10000000

Strategy to realize opportunity and explanation of cost calculation

Celestica provides integrated smart energy solutions and services to our Renewable Energy customers, including power converters, wind turbines, electric vehicle charging stations, smart meters, and self-driving vehicle technology (LiDAR). We deliver complete product life cycle solutions, including design, manufacturing and reliability services for power inverters, metering and controls electronics, and energy storage subsystems. By working directly with our customers in the Smart Energy market, we manage the design and engineering skills required to design products for this market and ensure our factories have the appropriate tools and technological capabilities in place to meet the manufacturing requirements of the products we and our customers design. In 2021, Celestica enabled over 6,000 MW of solar energy. We supported nearly 2,500 power modules for use in fast-charge DC applications for electric vehicle charging stations and built integrated cabinets and charging stations servicing the car, bus and truck EV markets. In 2021, Celestica supplied equipment to support more than 50 MW worth of EV charging stations. Some examples of where our Smart Energy portfolio has helped customers include building products for our customers who provide inverters used in the solar panel industry, building power units and controllers for wind turbines, and providing microinverters for rooftop systems. We have since diversified our portfolio to include different products and technologies, including high-power electric vehicle (EV) charging stations. According to the IEA, electric mobility is expanding at a rapid pace, so the use of electric vehicles and demand for charging infrastructure will increase. This growth is from shifts in customer preferences, vehicle manufacturers electrifying the market, and policies such as incentives for zero- and low-emissions vehicles (Source: <https://www.iea.org/reports/global-ev-outlook-2019>). The cost to realize this opportunity is estimated as \$10,000,000, which is based on our significant investments in our ATS segment including the smart energy sub-segment over the past several years and R&D. We are now starting to see the operational and financial improvements we anticipated in this segment.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Other, please specify (Reputational benefits)

Company-specific description

Celestica's Hardware Platform Solutions (HPS) business has invested in leading-edge product roadmaps and design capabilities aligned with market standards and emerging technologies. Our focus is to ensure environmental compliance throughout the product life cycle, from sourcing of materials to product disposal. Processes and products are designed with circularity in mind, ensuring recovered materials are used in manufacturing and that the materials have a high level of recoverability, through either reuse, remanufacturing or recycling. For example, our IT telecommunication products such as switches must be made with at least 85 per cent recovered materials and the end product must be at least 80 percent recoverable. Furthermore, a "commonality design framework" has been adopted to reduce the amount of unique components needed in product designs. By creating a more concise library of components to select from during the design stage, Celestica is able to reduce excess inventory, potentially wasted material, and packaging for shipment of components. Our efforts show a reduction in our resistor and inductor product library by more than 95

per cent, multilayer ceramic capacitors (MLCC) by more than 90 per cent, and integrated circuits (IC) by more than 85 per cent. This helps to streamline the manufacturing process, reduce inventory risk on downside demand, and enable much greater upside flexibility than before. Additionally, the products we design and manufacture have been becoming more power efficient. Celestica is focusing on upgrading the power design on parts, thus reducing energy usage and waste. In 2021, more than 80 per cent of HPS projects switched from using platinum to titanium within the power supply unit, as titanium is much more energy efficient. In addition, Celestica has achieved the previously set target of 96 per cent power efficiency for all of our HPS product designs. Technological advancements occur from focus on research and development, changing product designs, and changing materials (such as using titanium instead of platinum, gold or silver). This shift in demand is also coming from customers who are looking for more efficient and lower-energy products. The HPS business is directed toward customers with different levels of control for decisions such as key components and suppliers. Customers' requests are therefore very important to this segment.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

67560000

Explanation of financial impact figure

This is based on the potential growth of 6% of our HPS market, as a portion of our total Celestica revenue, as well as the potential reductions in materials waste from the circular design model. This is calculated as $\$1,126,000,000 \times 0.06 = \$67,560,000$. This comes from opportunities arising due to achieving a better reputation with our customers and thus an increased demand for our HPS products and services. The better reputation is predicted from the power reductions that we are enabling, as well as commonality design framework to eliminate waste. As customers demand more sustainable products, as evidenced by an increase in the amount of requests for our CDP disclosure from customers, we expect to see an increase in demand for our HPS products. We have identified this opportunity with a low magnitude of impact as currently this would impact only one segment within our portfolio.

Cost to realize opportunity

38400000

Strategy to realize opportunity and explanation of cost calculation

The HPS business is working within customer requirements and requests for product circularity and reduced energy consumption. As the energy efficiency of products gets closer to the physical limits of electronic components, our design services offerings require significant investments in research and development, technology licensing, test and tooling equipment, patent applications and talent recruitment. The potential costs to realize the opportunities was \$38.4 million, which was our total spend on research and development in 2021. With the growth of our HPS business, an additional \$8.5 million was invested in research and development, compared to 2020. Our margins may be adversely impacted if we incur higher than expected investment cost, or if our customers are not satisfied with our progress or do not approve our completed designs. However, we anticipate growth (and importance) will continue as we expand our business activities. As we continue to pursue deeper relationships with our customers, and participate in additional services and revenue opportunities with them, we anticipate an increase in our spending in these development areas.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify (Adoption of SBTi and energy efficient measures)

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Celestica's customers are increasingly aware of climate change and its impacts. We are seeing customers increasingly asking for responses to the CDP and signing up to the Science Based Targets initiative (SBTi). Of our top 50 customers, 29% requested our CDP Climate Change 2021 response. This has a trickle-down effect on our operations, increasing the pressure on our facilities to reduce electricity consumption and thus greenhouse gas emissions. In 2021, 51% of our top 50 customers have approved or committed to setting a science-based target with the SBTi, which represents a 17% increase since 2020. We have set a target through the SBTi to reduce our Scope 1 and 2 emissions by 30% by 2025 compared to 2018. We are also seeing increased customer engagement in some of our manufacturing facilities (such as in Laem Chabang, Thailand) to increase the efficiency of our operations. This has both a reputational benefit from the partnerships, as well as a direct monetary benefit from reducing our electricity costs.

Time horizon

Long-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

6240000

Explanation of financial impact figure

In previous years, we set up a new factory in Thailand to support expanded customer requirements and worked to ensure the 83,000 square-foot facility was as environmentally conscious as possible. The team reduced GHG emissions by installing: variable speed drives on facility equipment (compressed air systems and HVAC systems); an efficient chiller management system; insulating HVAC components; a lowered ceiling to create a full insulation layer and air pocket; a building management system for temperature and humidity; and LED lighting throughout the facility. We found these actions reduced the total electricity consumption in this building by more than 20 per cent annually. Assuming that each of our facilities can also implement similar systems, the potential financial impact was estimated to be 20% of our total electricity spend for 1 year. This is calculated as $0.2 \times \$31,200,000 = \$6,240,000$.

Cost to realize opportunity

2591050

Strategy to realize opportunity and explanation of cost calculation

When setting up new factories such as in our Laem Chabang, Thailand site and retrofitting current facilities, we find and invest in the most efficient technology to maximize its life time performance and minimize impacts on the environment. This can require large capital expenditure on new equipment (such as chillers, HVAC, and building management systems) and technologies (such as IoT). The potential cost to realize the energy savings is an approximation of 1 year of capital expenditure spend on these upgrades, such as LED lighting retrofits, variable speed drives of equipment, HVAC upgrades, IoT energy management systems, and low energy equipment. The approximate total capital expenditure value of projects purchases for similar upgrades across our global network was approximately \$2,591,050 USD in 2021. This included investments of: \$1,559,528 in production equipment upgrades, \$195,880 in LED lighting retrofits, \$29,226 in maintenance, \$563,000 in HVAC upgrades, and \$243,416 in building energy management. This is calculated as: $\$1,559,528 + \$195,880 + \$29,226 + \$563,000 + \$243,416 = \$2,591,050$

Comment**C3. Business Strategy****C3.1****(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?****Row 1****Transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Celestica has a short term transition plan that aligns with a 1.5°C world, but our long term transition plan that aligns with a 1.5°C world is under development and will be completed within two years. Celestica aligns with the following elements of a transition plan: Governance: Through continuous education, annual in-depth updates on climate-related risks and opportunities and quarterly updates on GHG target performance, sustainability is reviewed at the board-level as a critical element of shaping Celestica’s business strategy. Scenario Analysis: We use data to predict the operational and financial impact of extreme weather events caused by climate change, as well as the costs of preventive measures taken to avoid such business interruption. Financial Planning: We are weaving climate-related risks into our core financial decision-making, including as part of our capital expenditure approval processes, the creation of financial reserves for climate risks, our internal and external auditors’ risk assessments, selection of which smart energy markets to pursue, assessing green capital borrowing opportunities, procuring insurance coverage, and otherwise. Value Chain Engagement & Low Carbon Initiatives: To meet our emissions reduction targets aligned with a 1.5°C world, Celestica formalized a global process called the Energy Consumption Roadmap Reviews (ECRR) in 2021. The ECRR is a process for our facilities to set energy reduction targets, track and measure progress, and encourage collaboration and knowledge sharing across our network of operations. Policy Engagement: We are doing our part as a member of the private sector and the UN Global Compact to closely monitor public policy changes (ex. new SEC standards) in the countries in which we operate to align to climate risk reporting and mitigation measures, and a 1.5°C world. Risks & Opportunities: The internal audit team works with Celestica’s CSO to complete a global annual risk assessment that includes climate-related policies, shifts in market demand and supply as well as changing customer behavior, which cascades enterprise wide. Targets: Through our adoption of GHG emission reduction targets in alignment with the SBTi, it is evident that our sustainability strategy is influenced by the latest climate-related risks and opportunities. We wish to develop an ambitious but executable plan that ensures we do our part in getting us to a 1.5°C world, which includes third-party verified scope 1,2 & 3 accounting.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Lack of internal resources	Celestica's Sustainability team is working on establishing a formal climate-related scenario analysis. The team is currently working towards collaborating with subject matter experts and consultants to complete an assessment and establish a formal climate-related scenario analysis. Celestica's Sustainability team analyzed our exposure to the transitional risk of a 1.5°C scenario based on the IPCC Sixth Assessment Report and presented these findings to senior leadership. From this analysis, the team successfully launched Celestica's new GHG emissions reduction targets in alignment with the Science Based Targets initiative (SBTi). These targets guide Celestica's low-carbon strategy and support the United Nations' Sustainable Development Goals 13 on Climate Action. Furthermore, our global Operations team and the Sustainability team collaborated to add more climate related risk management criteria to our Table Top Exercises and Disaster Recovery Plans (DRP). The addition of climate-related risks will provide further quantitative and qualitative data when considering possible physical risks across our global operations. Through our risk management processes, we were able to minimize the impact of the COVID-19 pandemic on our business.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Celestica's business strategy is influenced by climate change in our manufacturing and production lines. In understanding the global need to reduce our dependence on fossil fuels, it became apparent that there would be a growth of renewable energy business to meet the world's energy demands. Over the last 10 years, we've embarked on the opportunity to leverage our engineering and design expertise to deliver energy-efficient solutions. Our Industrial and Smart Energy business is part of our biggest business decisions driven by climate change where we help deliver medium-term (3-10 years) solutions that make the world safer, healthier, greener, and more productive. As a leader in high-reliability design, manufacturing and supply chain solutions, we help our customers launch innovative and scalable smart energy and industrial products that are driving performance improvements and helping to power a more sustainable future. We enable a wide range of energy and smart city applications through gas and electric smart meters, high-efficiency generation controls, power converters, energy storage and solar trackers. These products support the reduction of greenhouse gas emissions in other industries but also leverage our core competencies of manufacturing complex, high reliability products for our customers. In 2021, our products enabled more than 6,000 MW of solar energy with one customer. In 2021, we partnered with two leading original equipment manufacturers (OEMs) in the manufacture of high-power electric vehicle (EV) charging stations designed with cutting-edge technology used in commercial and industrial applications where charge time is limited. Celestica not only manufactured components of these chargers, but also provided design services to ensure optimal performance. We supported nearly 2,500 power modules for use in fast-charge DC applications for electric vehicle charging stations and built integrated cabinets and charging stations servicing the car, bus and truck EV markets. Overall, Celestica supplied equipment to support more than 50 MW worth of EV charging stations. We also enabled reliable uninterrupted power solutions to help meet the growing demand for clean and efficient energy by partnering with a customer that is a leader in energy generation technology solutions.
Supply chain and/or value chain	Yes	Celestica's supply chain management procedures are compliant with industry standards to ensure that our processes are environmentally responsible. Celestica has a list of preferred suppliers (strategic suppliers not constrained by customer contracts or product design) that were selected based on location in close proximity to our operations, when possible. This alignment increases the flexibility of our supply chain and provides the shortest overall lead times for our customers, resulting in reduced GHG emissions from transportation of our goods. To date, the most substantial strategic decision made has been leveraging the key supply chain groups by focusing on reducing emissions from our logistical footprint. This medium-term (3-10 years) strategy includes consolidating shipments, reducing part numbers and optimizing transportation. Celestica's logistics team identified an activity to reduce the amount of unused space being shipped through upstream goods in 2021. Looking ahead, Celestica will be improving our monitoring of Scope 3 goods and services by launching a Supplier Emissions Program, assessing key suppliers on their emissions, and opportunities to form partnerships in reducing emissions together. Celestica also communicates our sustainability goals to our preferred suppliers and collects data about their environmental impacts. As an electronics manufacturing company (EMS) that builds products for OEM customers according to their specifications, we do not control the majority of suppliers and materials sourced. However, we do have control over a select group of suppliers, known as the Major Supplier List (MSL). As part of our medium-term strategy, Celestica annually analyzes and scores our MSL suppliers on social, ethical, and environmental actions through supplier self-assessments and verification visits conducted by Celestica or through the Responsible Business Alliance (RBA). Celestica's global commodity management team evaluates MSL suppliers on a quarterly basis. The outcomes of this performance will affect the overall score of the supplier in Celestica's database and therefore impact if we choose to conduct business with the supplier moving forward. In 2021, we launched our Supplier Management Playbook to provide suppliers insight to Celestica's Preferred Supplier Program, driving partnership and continuous improvement through the value chain.
Investment in R&D	Yes	Celestica's Hardware Platform Solutions (HPS) business (formerly named Joint Design and Manufacturing [JDM]) has invested in leading-edge product roadmaps, design capabilities, and hardware innovations aligned with market standards and emerging technology trends. Our medium-term strategy (3-10 years) is to focus on environmental compliance throughout the product lifecycle, from sourcing of materials to product disposal. Processes and products are designed with circularity in mind, ensuring recovered materials are used in manufacturing and that the materials have a high level of recoverability, through reuse, remanufacturing or recycling. Climate change impacts our business by increasing design and manufacture of more energy-efficient products. One of the most substantial strategic decisions to date has been the investment in power-efficient supply unit design. In 2021, more than 80% of HPS projects switched from using platinum to titanium within the power supply unit, as titanium is much more energy efficient. In addition, Celestica has achieved the previously set target of 96% power efficiency for all of our HPS product designs. We continue to invest in leading-edge product roadmaps and design capabilities aligned with both market standards and emerging technologies. Our HPS offering includes the development of hardware platforms and design solutions in collaboration with customers, as well as management of the program's design and aspects of the supply chain, manufacturing, and after-market support. Our HPS offering has expanded from joint design and manufacturing services to a full suite of hardware platform solutions and aftermarket services. As we continue to pursue deeper relationships with our customers, and participate in additional services and revenue opportunities with them, we anticipate an increase in our spending in these development areas.
Operations	Yes	Celestica has set up robust energy management systems (EMS) in line with the ISO 50001 - EMS Standard. In 2021, 9 of our sites were certified to ISO 50001:2018, totaling 65% of our consumed electricity. We are currently updating all certifications to the latest version. The certifications require Celestica to create and maintain a Global Energy Policy, outlining our commitment to setting energy performance objectives and targets, to improve our energy performance, and to support the purchase of energy-efficient products. Additionally, 21 of our sites are certified to ISO 14001- EMS Standard. Concurrently, as part of our Business Continuity Plan, we have added climate-related risks to our Table Top Exercises (TTEs), a process for all sites to undergo pre-selected natural and/or human-dependent scenarios based on magnitudes of severity and likelihood. Conducting climate-related TTEs, such as by considering extreme weather events, will help us understand potential impacts on our business and how well prepared we are to respond to climate risks in the future. To date, our most substantial strategic decision made in this area was our successful launch of new GHG emissions reduction targets in alignment with the Science-Based Target initiative and SDG 13: Climate Action. Working towards these targets requires identification of significant energy-related impacts on our operations such as clean energy sources and projects that reduce GHG emissions and promote energy efficiency. For example, in 2021 Celestica's Valencia, Spain site identified a climate-related opportunity that optimized their HVAC system. The project consisted of purchasing an independent chiller for cooling production equipment, that avoids cooling the general workspace during the winter. The independent chiller was installed in 2021 and avoided approximately 64.5 mt of CO2e. Lastly, we respond to sustainability metrics on customers' scorecards, which affect our operations. Scorecard performance is used by our customers to make decisions related to awarding future business. By culturally aligning to their sustainability strategies, we differentiate ourselves and gain a competitive advantage by sharing values and visions for long term partnerships to build products responsibly and reliably.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

Financial planning elements that have been influenced	Description of influence
Row 1 Revenues Indirect costs Capital expenditures Capital allocation Assets	<p>Revenues: Climate-related risks that have impacted our revenue are: mandates and regulations on products and services; acute physical risks leading to catastrophic events that can damage Celestica's facilities or third-party property; changing customer behaviors; development and expansion of energy-efficient products; and use of more efficient production and distribution processes. Increased cost of energy (particularly electricity), increased transparency requirements from our customers and investments in our Industrial and Smart Energy business have all contributed to Celestica's financial performance in the medium-term (3-10 years). The magnitude of the physical climate-related risk is medium to low, however the magnitude of the opportunity is potentially larger given even a moderate change in share of the overall market for Smart Energy products. Indirect Costs: Our business is impacted by policies or standards that may be customer-driven, established by the industries in which we operate, or imposed by third party organizations. For example, we are a member of the Responsible Business Alliance (RBA), a non-profit coalition of electronics companies that establishes standards for responsible and ethical practices in the areas of environmental compliance, employee health and safety, ethics, and social responsibility. Celestica accounts for the cost of compliance with these requirements in our short-term financial planning. Failure to comply with the requirements could adversely affect our operations, customer relationships, reputation and profitability. Additionally, concern over climate change has led to international legislative and regulatory initiatives directed at limiting carbon dioxide and other greenhouse gas emissions, which could directly or indirectly affect our costs of energy, materials, manufacturing, distribution, packaging and other operating costs. Our financial planning has been affected by regulations, such as the EU Energy Efficiency Directive 2018/2002 and the European Green New Deal, as well as acute physical risks of increased severity and frequency of extreme weather events. We allocate resources to conduct Table Top Exercises (TTEs), a process for all sites to undergo pre-selected natural and/or human-dependent scenarios. There are costs to implement energy efficiency certification to recognize standards (such as ISO 50001) and emissions reduction projects that will guide our response to such risks and regulations. Overall, energy reduction and efficiency projects have facilitated the reduction of GHG emissions and saved electricity costs. Capital Expenditures and Assets: We have invested capital expenditure on projects that focus on increasing efficiency, reducing GHG emissions and implementing environmental best practices. Our customers remain focused on issues such as waste management, climate change and product stewardship, and expect that their EMS suppliers are environmental leaders. Although these demands may extend beyond our regulatory obligations and require significant investments of time and resources, we strive to meet such customer expectations. In 2021, Celestica implemented 60 energy-efficient initiatives, totaling approximately \$4.7M in capital or operational spend (excluding renewable energy usage and procurement from utility vendors) or 9.0% of our overall capital spend of \$52.2M. Projects ranged from implementing building energy management systems and automation, upgrading HVAC systems, and upgrading lighting and compressed air equipment. These initiatives helped reduce our emissions and improve energy efficiency in our sites. We have also invested in renewable energy including a short-term financial plan to procure 100% wind power through a local utility provider for one of our Portland, USA facilities and a long-term financial plan to procure 100% renewable energy through a local utility provider for our Oradea, Romania facility. This is additional to our renewable energy procurement in Valencia, Spain; Galway, Ireland; and Fremont, USA. Furthermore, climate-related risks influenced our financial planning by purchasing 118,983 MWh of Energy Attribute Certificates to cover an additional 46% of our GHG emissions in 2021. These certificates were purchased from and support wind and small hydro projects in Thailand, China, Mexico, Spain, Vietnam, Malaysia, and the United States, helping to reduce the global impacts of climate change. All certificates are recognized by an external body, such as the Renewable Energy Certificates (REC) Standard, the international Renewable Energy Certificates (I-REC) Standard or Guarantees of Origin. Capital Allocation: We intend to continue expanding our design and engineering offerings, including our Hardware Platform Solutions (HPS) business. Products in this segment are designed with circularity, power efficiency and a commonality design framework in mind. We also design and manufacture products to our customers' specifications, which include increased demands for energy-efficient and low-carbon products. We continue to integrate environmental factors into our design solutions, such as climate-related risks. However, we may be exposed to different or greater potential risks than those we face when providing our manufacturing services, as our HPS offerings require significant investments in R&D, technology licensing, test and tooling equipment, patent applications and talent recruitment. As we anticipate continuous growth in this business, our margins may be adversely impacted if we incur higher than expected capital cost associated with the holding of inventory. Our design activities often require the purchase of inventory for initial production runs before we have a firm purchase commitment from a customer and should there be a climate-related event, such as extreme weather events or material shortages, we would have to make provisions for additional capital. Furthermore, Celestica could be negatively impacted by technological risks specifically as it relates to our Smart Energy portfolio. Our manufacturing, engineering, supply chain processes and test development efforts and design capabilities may not be successful due to rapid technological shifts in any of these areas. The acquisition and implementation of new technologies and equipment and the offering of new or additional services to our customers may require significant expenses or capital investments, which could reduce our operating margins and results. If we fail to anticipate and adapt to our customers' changing technological needs and requirements, there could be a material adverse effect on our operations. We must be vigilant in order to keep pace with changing markets from those advancements. We must also ensure to hire and retain a sufficient number of staff to maintain our technical expertise to sustain existing levels of business or win new business.</p>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

8867

Base year Scope 2 emissions covered by target (metric tons CO2e)

175157

Base year Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

184024

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

4.82

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

95.18

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

30

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

128816.8

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

13570

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

53896

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

67466

% of target achieved relative to base year [auto-calculated]

211.128258632932

Target status in reporting year

Achieved

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

In 2020, Celestica committed to a new company-wide target to reduce absolute Scope 1 and 2 GHG emissions 30% by 2025 from a 2018 base year. Our absolute Scope 1 and 2 GHG emissions reduction target covers 100% of our facilities in which we have operational control. Our use of renewable energy through on-site solar energy, procurement through utilities, and purchases of Energy Attribute Certificates (EACs) is included within our progress towards our target. Our Portland, Oregon site sources 100% wind power for one building through their local utility, which reduces approximately 840 metric tonnes CO2e annually. Our Thailand site continues to generate renewable energy with its 3.5 megawatts of solar panels. Since the panel installation began in 2016, it has saved an estimated 64,100 metric tonnes of CO2e. Our Galway, Ireland, Oradea, Romania and Valencia, Spain facilities consume 100% of their electricity from renewable energy. Together, these sites prevented approximately 6,229 metric tonnes of CO2e in 2021. Our Bayside and Warm Springs locations in Fremont, United States continued their partnership with the Community Choice Energy Bright Choice Plan, which enabled them to procure 54.4% carbon-free power. The combined impact of this program diverted 1,229 metric tonnes of CO2e in 2021. Celestica also purchased 118,983 MWh of Energy Attribute Certificates, to cover an additional 46% of our GHG emissions. These certificates were purchased from wind and small hydro projects in Thailand, China, Mexico, Norway, and Vietnam. All certificates are recognized by an external body, such as the International Renewable Energy Certificates (i-REC).

Plan for achieving target, and progress made to the end of the reporting year

<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target

To meet our emissions reduction targets aligned with a 1.5°C world, Celestica formalized a global process called the Energy Consumption Roadmap Reviews (ECRR) in 2021. The ECRR is a process for our facilities to set energy reduction targets, track and measure progress, and encourage collaboration and knowledge sharing across our network of operations. Sites meet quarterly to discuss projects and initiatives, encourage conversations and education, and to establish a common set of best practices that can be utilized at all sites. Through the ECRR process, globally we implemented 60 energy-saving projects in our facilities ranging from building energy management systems; installation of cooling technology; refurbishment and replacement of HVAC systems; upgrading lighting and compressed air equipment; performance management of chillers and boilers; integration of automation; and implementing other energy-efficient systems. These energy-saving initiatives were equivalent to 4% of the previous year's consumption, and reduced our greenhouse gas emissions in line with our science-based target. A total of 4,000 mt of CO2e are estimated to have been avoided in 2021.

Target reference number

Abs 2

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 9: Downstream transportation and distribution

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)

306176

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

454940

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

67.3

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

67.3

Target year

2025

Targeted reduction from base year (%)

10

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

409446

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

589251

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

589251

% of target achieved relative to base year [auto-calculated]

-295.227942146217

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

In 2020, Celestica committed to a new company-wide target to reduce absolute Scope 3 GHG emissions from fuel and energy-related activities, purchased goods and services, and upstream and downstream transportation and distribution 10% by 2025 from a 2018 base year. This has been approved and is in line with the 1.5C Science-Based Target initiative (SBTi). In 2021, our total emissions from these categories were 589,251 metric tonnes of CO2e using a market-based approach. Our base year Scope 3 emissions were estimated based on the data we had at the time of setting the target. Since then, we have improved our data collection methods and now have more refined data, hence why our 2021 Scope 3 emissions are higher than our base year emissions. We will continue to obtain more refined data from our supply chain and monitor whether our baseline year emissions need to be recalculated. Our target covers 64.5% of our total Scope 3 emissions from the base year which includes the categories that we are most able to control and that make up a significant portion of our emissions inventory. The categories that are not covered by the target are capital goods, waste generated from operations, business travel, employee commuting, processing of sold products, and use of sold products.

Plan for achieving target, and progress made to the end of the reporting year

We continuously work towards improving our Scope 3 accounting processes and obtaining more refined data from our supply chain. Celestica will be improving our monitoring of scope 3 goods and services by launching a Supplier Emissions Program, assessing key suppliers on their emissions, energy sources, goals, and opportunities to form partnerships in reducing emissions together. A select set of suppliers known as our preferred suppliers (strategic suppliers not constrained by customer contracts or product design) are communicated our sustainability goals, are assessed for risk, abiding to the RBA Code of Conduct, and are measured and scored on their sustainability maturity through requested and collected data for our supplier scorecard program (SPoT) on an annual basis. Celestica will continue to increase weighting on sustainability metrics, to encourage suppliers to set science-based targets and disclose their emissions. In 2021, we launched our Supplier Management Playbook to provide suppliers insight to Celestica's Preferred Supplier Program, driving partnership, value and continuous improvement through the value chain. In response to the increased focus on Scope 3 emissions reporting, Celestica received third-party verification for three Scope 3 categories. In 2021, our supplier scorecards were enhanced to incorporate a larger weighting in sustainability, specifically on conflict minerals. In 2021, the supplier scorecard assessment was conducted on over 4800 suppliers, including 100% of our direct suppliers. Through our partnership with Procurri Circular lifecycle solutions, Celestica has taken a focus on circular hardware lifecycle management, helping to extend

the productive life and utilization of hardware, to not only reduce e-waste but GHG emissions as well. Through these initiatives we aspire to enhance our Scope 3 accounting, receive third-party verification for all categories covered by the target, and achieve our science-based target.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	metric tons of waste diverted from landfill
------------------	---------------------------------------------

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

92.6

Target year

2025

Figure or percentage in target year

90

Figure or percentage in reporting year

85.6

% of target achieved relative to base year [auto-calculated]

269.23076923077

Target status in reporting year

New

Is this target part of an emissions target?

No, it's not part of an emissions target

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

In 2021, we set an aspirational goal to divert 90 percent of our waste from landfill by 2025. This is a company-wide absolute target to manage our waste and ensure responsible consumption and production. This target is not a part of an emissions target or an overarching initiative. We closed 2021 with 85.6% of our waste diverted from landfill, globally.

Plan for achieving target, and progress made to the end of the reporting year

Celestica is committed to sustainable consumption through the efficient use of materials within our operations. Our facilities follow a robust waste and recycling management system to reduce, reuse, repurpose, refurbish, and recycle materials. We track our data using dedicated sustainability software and share best practices among our sites by hosting bi-monthly meetings and through online community platforms. Celestica annually hosts a Global Waste Reduction Week, an event that engages and empowers employees to reduce waste within our operations and in their daily lives. Despite the ongoing global pandemic in 2021, our sites were able to continue this yearly initiative by creating interactive, online experiences and hosting activities in small, socially distanced groups that complied with local pandemic safety guidelines. Celestica will continue to focus on waste by auditing our facilities, tracking materials through our internal program and assessing for opportunities to align with recognized standards such as relevant Zero Waste to Landfill standard (UL2799).

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	5.34
To be implemented*	9	165.14
Implementation commenced*	6	1149.65
Implemented*	60	14922.24
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Company policy or behavioral change	Other, please specify (Reduce number of vending machines on-site)
-------------------------------------	-------------------------------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1.51

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Company policy or behavioral change	Resource efficiency
-------------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1152.73

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

37879

Investment required (unit currency – as specified in C0.4)

20000

Payback period

11-15 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Company policy or behavioral change	Site consolidation/closure
-------------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1245.38

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

44912

Investment required (unit currency – as specified in C0.4)

388000

Payback period

11-15 years

Estimated lifetime of the initiative

1-2 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)
--------------------------------	-------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

196.82

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

33628

Investment required (unit currency – as specified in C0.4)

243416

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--------------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

119.48

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

28815

Investment required (unit currency – as specified in C0.4)

563000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

93.89

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

11400

Investment required (unit currency – as specified in C0.4)

195880

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Maintenance program
--------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

101.79

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

29226

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Install a new energy efficient elevator)
--------------------------------	------------------------------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

0.5

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

166000

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Cooling technology
-------------------------------------------	--------------------

Estimated annual CO2e savings (metric tonnes CO2e)

200.56

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

30300

Investment required (unit currency – as specified in C0.4)

100000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
-------------------------------------------	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1481.02

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

1559528

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Smart control system
-------------------------------------------	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

23.17

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3500

Investment required (unit currency – as specified in C0.4)

0

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Smart control system
-------------------------------------------	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

4.86

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4980

Investment required (unit currency – as specified in C0.4)

4000

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Wastewater treatment
-------------------------------------------	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3000

Investment required (unit currency – as specified in C0.4)

0

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Initiative category & Initiative type

Waste reduction and material circularity	Product/component/material reuse
------------------------------------------	----------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4000

Investment required (unit currency – as specified in C0.4)

0

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

Initiative category & Initiative type

Waste reduction and material circularity	Remanufacturing
------------------------------------------	-----------------

Estimated annual CO2e savings (metric tonnes CO2e)

118.48

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

17900

Investment required (unit currency – as specified in C0.4)

56000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

10182

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

15687698

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Through Celestica's internal community platforms, we have given employees an avenue to share their ideas and experiments of sustainability-oriented innovations. Celestica's Sustainable Workspace is an online community where global employees can share their sustainability-related stories, initiatives and activities. In addition to sharing emissions reduction activities, this community has sparked support and conversations amongst employees on the projects and volunteering activities they have embarked on. Furthermore, a call-to-action emerged through our SparkChange Program that empowers ambassadors at each of our locations to use their expertise to drive innovations and initiatives to inspire employees to incorporate sustainability in everything they do. These ambassadors report on their site's progress and monthly performance towards Celestica's sustainability related Aspirational Goals. The SparkChange ambassadors meet bi-monthly to discuss and share ideas, knowledge, best practices and future initiatives with global facilities. This information cascades up through the Corporate Sustainability team and to the Chief Sustainability Officer (CSO) and Chief Operating Officer (COO).
Compliance with regulatory requirements/standards	Celestica is directly impacted by regulations and has plans in place to comply with applicable regulatory standards. One such regulation is the EU Energy Efficiency Directive 2018/2002, which requires that large enterprises in the European Union (EU) reduce overall emissions by 32.5% by 2030. We are pleased that all our EU sites exceeded the requirements of the amended 2017/27/EU directive and reduced their overall emissions by more than 20% by 2020. This was achieved through: consuming 100% renewable electricity from their utility providers, eliminating their Scope 2 emissions completely in 2021; and our EU sites completing several projects such as upgrading building lighting to LED lighting, optimizing HVAC equipment layout, and implementing facility line maintenance programs. Energy audits are mandatory in the EU for large enterprises as of December 2015. All 3 European sites and 9 Celestica sites in total, were certified to the EnMS - ISO 50001 in 2021. Furthermore, in 2020, China declared to achieve carbon neutrality by 2060. China is currently creating a sustainable regulatory structure for the carbon market to ensure effective monitoring, reporting and verification systems are in place. Celestica has 6 business facilities operating in China and having identified these evolving requirements in the early stages, we will assess the impact it may have on our sites and operations, and create a course of action to ensure our sites remain within compliance and meet Celestica yearly GHG emissions site reduction targets. This new requirement will impact our operations in China and will require Celestica to drive more emission reduction activities. Celestica has also been regulated to pay a carbon tax on our purchase of propane in one of our sites. To mitigate these fees, we encourage our sites to minimize the amount of propane they purchase which would reduce emissions. In the future we anticipate being regulated to pay a carbon tax on electricity. As electricity consumption is the majority of our Scope 2 emissions, we would likely aim to drive more emission reduction initiatives at that point in time. Celestica remains informed on existing regulations by participating in industry associations, continuing education programs for our technical and legal personnel, and subscribing to proprietary regulatory update systems.
Internal incentives/recognition programs	Celestica's Rewards and Recognition programs recognize employees who are achieving business results by living our brand and values, and embracing the characteristics of our Leadership Imperatives. We encourage business and people leaders to acknowledge individual and team success in quarterly town halls, and in more formal ways through our Operations Best of Best and Ignition Awards programs. The Operations Best of Best award program provides a platform for employees to share their continuous improvement projects to inspire their fellow colleagues to see opportunities within their own environments. This award includes a Sustainability category which awards solutions that make a significant environmental impact through energy reduction and/or efficiency within our processes and infrastructure. Employees who submit their solutions are recognized each quarter. Through our Ignition Awards program, we celebrate and recognize our employees for representing the force behind our business results, customer satisfaction, and positive impact on communities we operate in. This program is composed of 11 award categories for celebrating the accomplishments of our employees. Anyone internally can nominate employees for awards, in which the winners and runner ups get recognized through publications, at recognition events, and are provided with a monetary award. One of the categories is the Spark Change award that honors individual employees or teams that spearhead sustainability initiatives within their site and meaningfully engage with their community. This is a three part award, with a winner and two runner-ups identified in each region in which we operate (Americas, Asia and Europe).
Internal finance mechanisms	95% of Celestica's Scope 1 and Scope 2 emissions are related to the consumption of electricity in our factories. To facilitate the reduction of energy consumption and to encourage R&D in new technologies, we are using a business case built upon energy savings. To do so, we are looking at total consumption, time-of-use charges, and peak-demand avoidance to fund projects. For example, an IoT system was implemented in Thailand to avoid peak-demand usage. Alarms in the production area would continuously signal as the cumulative electricity consumption approached the peak-demand limit. This would signal employees to turn off any unnecessary equipment to avoid the high peak-demand cost of electricity.
Lower return on investment (ROI) specification	95% of Celestica's Scope 1 and Scope 2 emissions are related to the consumption of electricity in our factories. To facilitate the reduction of energy consumption and to encourage the use of more energy efficient equipment, we have added consumption to our equipment business case. Projects are approved typically when they surpass a certain ROI specification. However, the business case could be strengthened if the project has significant emission reductions projections to compensate for a subpar ROI.
Internal incentives/recognition programs	To meet our emissions reduction targets aligned with a 1.5°C world, Celestica formalized a global process called the Energy Consumption Roadmap Reviews (ECRR) in 2021. The ECRR is a process for our facilities to set energy reduction targets, track and measure progress, and encourage collaboration and knowledge sharing across our network of operations. Sites meet quarterly to discuss projects and initiatives, encourage conversations and education, and to establish a common set of best practices that can be utilized at all sites. Through the ECRR process, globally we implemented 60 energy-saving projects in our facilities ranging from building energy management systems; installation of cooling technology; refurbishment and replacement of HVAC systems; upgrading lighting and compressed air equipment; performance management of chillers and boilers; integration of automation; and implementing other energy-efficient systems. These energy-saving initiatives were equivalent to 4% of the previous year's consumption, and reduced our greenhouse gas emissions in line with our science-based target. A total of 4,000 mt of CO2e are estimated to have been avoided in 2021.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Evaluating the carbon-reducing impacts of ICT)

Type of product(s) or service(s)

Other	Other, please specify (Design and manufacturing energy-efficient products)
-------	-----------------------------------------------------------------------------

Description of product(s) or service(s)

Celestica's products and services from the Connectivity and Cloud Solutions segment and the Industrial and Smart Energy businesses help deliver solutions that make the world healthier, greener, and more productive. In these businesses, we enable a wide range of energy and smart city applications through servers, storage systems, gas and electric smart meters, high-efficiency generation controls, power converters, energy storage and solar trackers.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

59

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

PCI Private Limited

Details of structural change(s), including completion dates

Celestica acquired PCI Private Limited (PCI) on November 1st, 2021. The acquisition of PCI advances Celestica's high-growth, high-margin strategy by expanding its capabilities in key markets and strengthening its presence in Asia to serve a diverse customer base across the U.S. and Europe. Acquiring PCI will enable Celestica to increase its engineering capabilities and talent, diversify its customer base, and expand its Advanced Technology Solutions (ATS) portfolio with high-growth programs, including full product development across the markets Celestica serves. With this acquisition, Celestica now calculates and includes PCI emissions as part of our total corporate emissions. The acquisition currently falls below the threshold for recalculating an emissions baseline based on our corporate thresholds

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because the impact does not meet our significance threshold	Celestica will issue a recalculation of the base year emissions in the event of a significant change to our operating network. Celestica defines any change or cumulative change where there is more than a 10 per cent change of Celestica's operational footprint determined on a cumulative basis from our base year. Following the PCI acquisition in 2021, Celestica verified that the acquisition did not meet the threshold of recalculation of base year emissions.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

8867

Comment

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

174505

Comment

Scope 2 (market-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

175157

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

189788

Comment

Scope 3 category 2: Capital goods

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

50315

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

33808

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

53065

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

100

Comment

Scope 3 category 6: Business travel

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

5084

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

34870

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

29514

Comment

Scope 3 category 10: Processing of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

29393

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

29003

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

Other, please specify (The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

13570

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Celestica's Scope 1 emissions are from the usage of natural gas for heating, diesel for back-up generators, fire pumps, company-owned vehicles and forklifts, as well as kerosene and LPG primarily used in site kitchens.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We measure and report market and location-based Scope 2 emissions in accordance with the WRI/WBCSD GHG Corporate Accounting and Reporting Standard (Revised) and The GHG Protocol Scope 2 Guidance.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

125627

Scope 2, market-based (if applicable)

53896

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Celestica's Scope 2 emissions come from the electricity used in our facilities for production and operations, within offices, and other uses such as lighting and operating cafeteria appliances.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

HFC, PFC, SF6, NF3

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Fugitive emissions are excluded from Celestica's verification process. Various locations track and monitor these emissions, but in some locations the emissions from these gases are below the significance threshold set by local regulations. In other locations, air conditioning units may produce HFCs that are controlled by third-party contractors, so they are not accurately tracked.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

5

Explain how you estimated the percentage of emissions this excluded source represents

Based on our industry research, a company of our size and revenue can estimate that 5% of our stationary combustion emissions are unaccounted for in our operations, and are classified as fugitive emissions.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

173579

Emissions calculation methodology

Supplier-specific method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

46.9

Please explain

The emissions from Celestica's purchased goods and services is calculated by firstly comparing our annual spend with each supplier to their revenue, then taking responsibility for that percentage of their greenhouse gas emissions. By understanding how much of a supplier's revenue is from Celestica, we are able to approximate what greenhouse gas emissions are associated with Celestica's purchases. We then extrapolate this value to cover our total spend, as not all of our suppliers publicly disclose their greenhouse gas emissions. For example, if our spend with one supplier was \$10M, and that supplier's revenue is \$500M, then 2% of the supplier's revenue is from Celestica. Then, if the supplier's greenhouse gas emissions are 100,000 mt CO2e, Celestica's associated greenhouse gas emissions would be 2,000 mt CO2e (2%). We were able to account for approximately 76.8% of our supplier spend. This value was then extrapolated to cover 100% of our spend.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

84113

Emissions calculation methodology

Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Celestica's internal financial system tracks the proportion of spending on capital investments. This is broken down into categories such as facilities, IT hardware and software, and new or upgraded lines. These categories were then associated with categories with the 2021 UK Government GHG Conversion Factors for Company Reporting version 1.0: Annex 13: Indirect emissions from the supply chain Table 13: Supply Chain Emission Factors or Spending on Products. Celestica's USD spending was converted to Euros (€) and the 2009 factors (Total kg CO2e per €) were used to calculate total kg CO2e within each category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

36028

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We used the 2021 UK Government conversion factors for company reporting version 1.0 to calculate the fuel-and-energy related activities not included in scope 1 and 2, which are well-to-tank (WTT) losses and losses from transmission and distribution (T&D). The WTT factors associated with different fuel types (i.e. diesel, LPG) were multiplied by Celestica's fuel consumption by type. The WTT and T&D factors were multiplied by the electricity that we consume at our facilities in different locations. The values were added together to get the total emissions from the fuel and energy lost.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

72091

Emissions calculation methodology

Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

79.5

Please explain

Celestica tracks transportation and logistics emission sources provided directly from our freight carrier invoice statements which use a distance-based method of calculation.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

806

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions are calculated from landfill waste data that is entered into our carbon accounting tool, Envizi. The tool uses the emissions factors for landfill waste from the 2021 UK Government Conversion Factors for Company Reporting.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

618

Emissions calculation methodology

Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The calculation is done by Celestica's biggest Global Travel Agency, which tracks flights purchased for the company travel through their platform. This accounts for air travel within the reporting year for 100% of our spend on air travel. The emission factors used are from the US-EPA 2021 GHG Emission Factors for Greenhouse Gas Inventories (April 2022) Our supplier provides us with a carbon footprint number based on the amount of travel that they book on our behalf. Not all company air travel is completed through this platform, so we then extrapolate this number based on the total spend for air travel to estimate our total emissions for this category.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

22141

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

HR representatives at our facilities were asked about the commuting habits of their employees. Data included the average number of working days per year, the percentage of employees that work from home, and the percent of employees that take different modes of transportation. Furthermore, with COVID-19 regulations, the number of people working from home during the year shifted. This was reflected within the calculations. The total vehicle/passenger miles per year was then calculated by multiplying the average distance travelled (two-way miles) by the total # of employees that commute to work (based on the number of employees that do not work from home), and the average number of working days per year. This total was broken down into the different modes car, motorcycle, bus, subway/train, walk and bike. US EPA 2021 GHG Emission Factor Hub (April 2022) Table 10: Scope 3 Category 6: Business Travel and Category 7: Employee Commuting includes emissions factors per passenger-mile or vehicle-mile (CO₂, CH₄ and N₂O) to calculate the total emissions from employee commuting. Some sites were able to provide accurate information, whereas others were estimates or were not able to provide data. We received data that covers 97.4% of employees, so the calculated value was scaled up to represent all global employees.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Celestica does not have any upstream assets to include in our Scope 3 footprint.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

43737

Emissions calculation methodology

Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

79.5

Please explain

Celestica receives data for our downstream transportation and distribution of our products shipped. This transaction is, however, owned by our customers. We took the distance travelled by mode (i.e. air, ground, ocean) and the total weight of the shipments multiplied by emission factors provided from the 2021 US EPA GHG Emissions Factor Hub (April 2022): Table 8: Scope 3 Category 4: Upstream Transportation and Distribution and Category 9: Downstream Transportation and Distribution.

Processing of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

19563

Emissions calculation methodology

Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The scope 1 and 2 emissions that our customers emit to process the products they buy from Celestica are accounted for in this category. Although we make a wide variety of products, we calculated this source by taking an average based on our top customers that represent approximately 82% of our revenue. We calculated our customers' emissions per \$ million USD and multiplied that by Celestica's revenue from the customer. This value was then multiplied by a percentage of emissions that we estimated based on our own internal survey of a site's energy usage based on the processing of products and extrapolated to cover all of Celestica's revenue.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

136386

Emissions calculation methodology

Methodology for direct use phase emissions, please specify (products that directly consume energy (electricity) during use)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The majority of Celestica's sold products are controlled by our customers, with no control by Celestica. However, we do control the products of one section of our Hardware Platform Solutions (HPS) business unit. Therefore, we have calculated the use of sold products for these HPS products manufactured in 2021. We gathered data on the number of products sold and for each product the potential lifecycle, an estimate of the hours used per day, days used per year, the electricity consumption per use, and the product's efficiency. This data was used to calculate the total lifecycle power usage. That value was multiplied by a weighted average of emissions factors from our shipping locations, as we are unaware of what countries these products are used in.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Celestica primarily manufactures electrical components and provides supply chain services. We do not own the final products our customers produce. Our customers account for end of life treatment in their Scope 3 emissions.

Downstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

190

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Celestica began leasing new buildings in 2021. Celestica became the lessor for 3 new locations and therefore generated downstream leased assets emissions. Scope 3 category 13 emissions are calculated using the average data method used building square footage and data on the average energy use by building type or commercial buildings which can be found on the US Energy Information Administration website.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Celestica does not own or operate any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Celestica does not have investments that would be included in our Scope 3 emissions.

Other (upstream)**Evaluation status**

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

N/A

Other (downstream)**Evaluation status**

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

N/A

C6.7**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

C6.10**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.****Intensity figure**

0.0000119733

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

67466

Metric denominator

unit total revenue

Metric denominator: Unit total

5634700000

Scope 2 figure used

Market-based

% change from previous year

11.7

Direction of change

Increased

Reason for change

Given Celestica's 9.5% increase in emissions and 2.0% decrease in revenue year over year, our intensity figure increased by 11.7%. Our market-based normalized emissions were 12.0 metric tonnes CO2e per million dollars of revenue in 2021, compared to 10.7 metric tonnes CO2e per million dollars of revenue in 2020. We believe Our Scope 1 and 2 emissions increased year over year due to a combination of factors: a) Our decrease in purchase of Energy Attribute Certificates (EACs). Our EAC purchase covered 2,763.6 mt CO2e less in 2021 than 2020. Celestica purchased 118,983 MWh MWh of EACs in 2021, to cover 46% of our GHG emissions whereas 155,348 MWh were purchased in 2020 which covered 54%. By cost, Celestica increased the spend on EACs by 12% but given market conditions only secured 76.6% of the EACs in 2021. Even with the reduced volume of EACs, Celestica achieved its Scope 1 and 2 science-based targets. b) New facilities contributed 41.3% to Celestica's overall increase in Scope 1 and 2 emissions. Celestica acquired PCI Private Limited (PCI) on November 1st, 2021, with multiple manufacturing and office locations. Celestica now calculates and includes PCI emissions as part of our total corporate emissions. In 2021, Celestica also opened new facilities in Maple Grove, Minnesota and Richardson, Texas. c) Our site in Monterrey, Mexico significantly increased their use of natural gas to power a generator for electricity, necessary as a result of experiencing numerous power outages in the previous year. This increased the site's YOY market-based emissions by 92.4%, with a contribution to Celestica's total emissions of 14.5%. d) We experienced an increase in production and decrease in work from home measures, as Celestica successfully navigated the COVID-19 pandemic in 2021. As a result of operational resilience and safety measures, Celestica operated at near pre-COVID-19 production capacity at most of our sites during 2021. Despite the foregoing challenges which accompany growth, Celestica is on track to achieve its Scope 1 and 2 science-based targets. The procurement of renewable energy and implementation of energy-efficient projects minimized the impact of Celestica's decreased purchase of EACs the above listed factors, and we will continue to generate emissions reductions in upcoming years as we work towards achieving our science-based targets.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	13539.28	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	13.2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	17.7	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	498.297
China	176.176
Republic of Korea	34.989
Ireland	301.114
Japan	173.067
Lao People's Democratic Republic	1.462
Malaysia	502.078
Mexico	9770.569
Romania	1005.848
Spain	42.432
Thailand	254.07
United States of America	809.677

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Brockton	48.982	42.052099	-71.052835
Fremont-Bayside	36.621	37.514627	-121.988397
Fremont-Warm Springs	21.132	37.457397	-121.920779
Galway	301.114	53.302591	-8.997846
Laos	1.462	16.613012	104.801821
Mexicali	20.976	32.589515	-115.363765
Miyagi	173.067	38.440877	140.89245
New Hope	124.066	45.050793	-93.396677
Newmarket	498.297	44.061652	-79.420556
Oradea	1005.848	47.105336	21.822019
Portland	349.249	45.554571	-122.471798
San Jose - Rincon	121.109	37.398267	-121.910929
Santa Clara - Gianni	22.961	37.378166	-121.943074
Senai-AMS	493.962	1.611127	103.674107
Songshan Lake	77.909	22.9682	113.903092
Suzhou	89.601	31.332563	120.6937
Thailand	254.07	13.08324	100.904492
Valencia	42.432	39.582001	-0.539256
Xiamen	8.666	24.512907	118.116958
Asan	34.989	36.916958	127.061557
Monterrey	9749.593	25.767516	-100.170083
Maple Grove	84.735	45.110669	-93.421787
Richardson	0.824	32.990192	-96.65633
Senai-EMS	8.117	1.63118	103.664505

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	486.302	486.302
China	21402.618	0
Republic of Korea	1795.014	0
Ireland	1104.382	0
Japan	3388.979	0
Lao People's Democratic Republic	1793.755	0
Malaysia	45408.626	37211.753
Mexico	5360.473	0
Romania	4297.487	0
Singapore	1797.104	34.606
Spain	872.296	0
Thailand	30084.575	9922.024
United States of America	7431.39	5836.961
Indonesia	404.083	404.083

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Asan	600.789	0
Brockton	197.51	197.955
Fremont-Bayside	766.115	357.456
Fremont- Warm Springs	914.048	426.48
Galway	1104.383	0
Hino	878.029	0
Hong Kong	359.069	0
Kulim	8089.075	0
Laos	1793.755	0
Littleton	3.138	3.151
Mexicali	1004.072	0
Mississauga	205.651	205.651
Miyagi	2510.949	0
Monterrey	4356.401	0
Namdong	117.334	0
New Hope	643.987	674.309
Newmarket	236.916	236.916
Ontario	17.929	18.313
Oradea	4297.487	0
Penang	107.799	0
Portland	1006.308	68.384
San Jose - Rincon	86.797	88.858
Santa Clara - Gianni	29.875	30.534
Santa Clara - Molinaro	3.658	3.771
Senai-AMS	20847.948	20847.948
Senai-EMS	16363.804	16363.804
Shanghai	1394.4	0
Singapore-AMS	1673.631	0
Singapore-EMS	88.866	0
Small offices	26.143	26.143
Songdo	1076.891	0
Songshan Lake	9062.549	0
Suzhou	9782.302	0
Thailand	30084.575	9922.024
Toronto	17.591	17.591
Valencia	872.296	0
Xiamen	710.117	0
Rochester	1013.81	1058.405
Batam	404.083	404.083
Kunshan	94.18	0
Maple Grove	490.079	509.217
Richardson	2258.135	2400.128
Singapore - Pioneer Road	34.606	34.606

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	4411	Increased	7.16	Celestica currently uses 57.8% renewable energy as part of our total electricity consumption, through the use of the purchase of on-site solar energy generation, procurement of renewable energy from utilities, and the purchase of Energy Attribute Certificates (EACs). Our Scope 1 and 2 emissions increased primarily due to our decrease in purchase in EACs. Our EAC purchase covered 2,763.6 mt CO2e less in 2021 than compared to 2020. Celestica purchased 118,983 MWh of Energy Attribute Certificates in 2021, to cover an additional 46% of our GHG emissions whereas 155,348 MWh were purchased in 2020. These certificates were purchased from wind and small hydro projects in Thailand, China, Mexico, Spain, and Vietnam. All certificates are recognized by an external body, such as the International Renewable Energy Certificates (i-REC). Our Laem Chabang, Thailand site continues to generate renewable energy through their 3.5 megawatts (MW) of solar panels. This avoided approximately 1,768 mt of CO2e. Our Galway, Ireland, Oradea, Romania, Portland, United States and Valencia, Spain facilities consume 100% of their electricity from renewable energy. Together, these sites avoided approximately 7,230 mt of CO2e in 2021. Our Bayside and Warm Springs locations in Fremont, United States continued their partnership with the Community Choice Energy Bright Choice Plan, which enabled them to consume 54.4% carbon-free power. The combined impact of this program diverted 1,229 mt of CO2e. However, there was a decrease of 1,647 mt CO2e of renewable energy that was procured in 2021 than in 2020 due to shifts in customers demands at these facilities. The change in emissions was calculated to be 4,411 mt CO2e, which is the sum of the change in renewable energy procurement and change in the purchase of EACs (4,411 = 1647.34 + 2763.64)
Other emissions reduction activities	1085	Decreased	1.76	Globally, Celestica completed 54 and initiated 6 energy-efficient projects that avoided approximately 4000 mt of CO2e. The emissions savings calculated are based on the actual emissions realized in 2021 and exclude our low-carbon electricity mix and solar PV listed in C4.3b. Projects included are: Building energy management systems (BEMS), HVAC, lighting, compressed air, cooling technology, machine/equipment replacement, waste heat recovery and process optimization. In 2021, our projects avoided 1,085 more mt CO2e than compared to 2020.
Divestment		<Not Applicable >		
Acquisitions	439	Increased	0.71	We partially attribute our increase in Scope 1 and 2 emissions to Celestica's acquisition of PCI Private Limited (PCI) on November 1st, 2021. With this acquisition, Celestica now calculates and includes PCI emissions as part of our total corporate emissions. Three of the locations are 125,000 square ft manufacturing sites and 2 additional office buildings. The acquisition currently falls below the threshold for recalculating an emissions baseline based on our corporate thresholds, however in just 2 months, the PCI sites generated over 439 mt CO2e.
Mergers		<Not Applicable >		
Change in output	2089	Increased	3.39	The "change in output" category accounts for the remainder of emissions changes not documented in any of the other reasons in this table. These reasons include impacts from COVID-19 that included reduced production levels and more employees working from home. Our Scope 1 + 2 emissions last year was 61,612 mt CO2e. This year they are 67,466 mt CO2e. The net change in emissions year-over-year is an increase of 5,854 mt CO2e. Thus, the net change in emissions from all other reduction activities is an increase of 2,089 mt CO2e and are accounted as changes in business output. The emissions value (percentage) is calculated by dividing 2,089 mt CO2e over last year's Scope 1 + 2 emissions value of 61,612 mt CO2e.
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	72739	72739
Consumption of purchased or acquired electricity	<Not Applicable>	145799.98	108976.06	254776.04
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	3658.69	<Not Applicable>	3658.69
Total energy consumption	<Not Applicable>	149458.67	181715.06	331173.73

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

2472.13

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

70266.89

MWh fuel consumed for self-generation of electricity

53222.65

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel**Heating value**

Unable to confirm heating value

Total fuel MWh consumed by the organization

72739.02

MWh fuel consumed for self-generation of electricity

53222.65

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel heating value cannot be confirmed, as our company uses a blend of lower heating value and higher heating value fuels.

C8.2d**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	56881.34	56881.34	3658.69	3658.69
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.****Sourcing method**

Other, please specify (Off-grid energy consumption from an on-site installation)

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Thailand

Tracking instrument used

Other, please specify (Meter readings)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3647.19

Country/area of origin (generation) of the low-carbon energy or energy attribute

Thailand

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Solar panels are installed on the roof of Celestica's buildings in Laem Chabang, Thailand

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify (Celestica is unable to disaggregate the low carbon electricity sourced from the local provider, but we assume the providers use renewable-based generation technologies.)

Country/area of low-carbon energy consumption

Ireland

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3332.48

Country/area of origin (generation) of the low-carbon energy or energy attribute

Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Celestica's operations in Galway, Ireland has a 100% renewable energy contract through their local provider for their electricity in 2021.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify (Celestica is unable to disaggregate the low carbon electricity sourced from the local provider, but we assume the providers use renewable-based generation technologies.)

Country/area of low-carbon energy consumption

Romania

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

12832.15

Country/area of origin (generation) of the low-carbon energy or energy attribute

Romania

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Celestica's operation in Oradea, Romania has a 100% green energy contract through their local provider in 2021 for their electricity consumption.

Sourcing method

Other, please specify (Off-grid energy consumption from an on-site installation)

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Romania

Tracking instrument used

Other, please specify (Meter readings)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

11.5

Country/area of origin (generation) of the low-carbon energy or energy attribute

Romania

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

A successful study led to a competitive bid process to install on-site solar panels in 2020. The bid process has been completed and the installation of on-site solar panels in our Oradea, Romania was completed in November 2021. The project produced 11,500 kWh of solar energy in December 2021.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify (Celestica is unable to disaggregate the low carbon electricity sourced from the local provider, but we assume the providers use renewable-based generation technologies.)

Country/area of low-carbon energy consumption

Spain

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3361.45

Country/area of origin (generation) of the low-carbon energy or energy attribute

Spain

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Celestica's operation in Valencia, Spain has a 100% renewable energy contract through their local provider for their electricity in 2021.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify (The electricity mix is 54.4% carbon-free.)

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4363.85

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica's facilities in Fremont-Bayside and Fremont-Warm Springs, United States switched to a "Bright Choice" electricity plan in July 2018. The facilities continued to participate in the program in 2021.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2926.83

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

In 2021, Celestica's Portland, United States site sourced 100% wind power through their local utility for one of their buildings.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Republic of Korea

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3355.79

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 3,356 MWh covered our facilities located in the Republic of Korea. These certificates were purchased from wind projects in China and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Japan

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6748.27

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 6,748 MWh covered our facilities located in Japan. These certificates were purchased from wind projects in China and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

China

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

34647.95

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 34,648 MWh covered our facilities located in China. These certificates were purchased from wind projects in China and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Mexico

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

11747.69

Country/area of origin (generation) of the low-carbon energy or energy attribute

Mexico

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 11,748 MWh covered our facilities located in Mexico. These certificates were purchased from wind projects in Mexico and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Thailand

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

41598

Country/area of origin (generation) of the low-carbon energy or energy attribute

Thailand

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 41,598 MWh covered our Thailand facilities. These certificates were purchased from wind projects in Thailand and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Lao People's Democratic Republic

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3972

Country/area of origin (generation) of the low-carbon energy or energy attribute

Viet Nam

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 3,972 MWh covered our facilities in Lao People's Democratic Republic. These certificates were purchased from small hydro projects in Vietnam and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Malaysia

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

12383.86

Country/area of origin (generation) of the low-carbon energy or energy attribute

Viet Nam

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 12,384 MWh covered our facilities in Malaysia. These certificates were purchased from small hydro projects in Vietnam and are recognized by the Renewable Energy Certificates (REC) Standard.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Singapore

Tracking instrument used

I-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4529.68

Country/area of origin (generation) of the low-carbon energy or energy attribute

Viet Nam

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Celestica purchased 118,983 MWh of Energy Attribute Certificates, to cover 46% of our electricity. Of the amount purchased, 4,530 MWh covered our facilities in Singapore. These certificates were purchased from small hydro projects in Vietnam and are recognized by the Renewable Energy Certificates (REC) Standard.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

Canada

Consumption of electricity (MWh)

16348.69

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

16348.69

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

China

Consumption of electricity (MWh)

34647.95

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

34647.95

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Indonesia

Consumption of electricity (MWh)

527.59

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

527.59

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Ireland

Consumption of electricity (MWh)

3332.47

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3332.47

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Japan

Consumption of electricity (MWh)

6748.27

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6748.27

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Lao People's Democratic Republic

Consumption of electricity (MWh)

3972

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3972

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Malaysia

Consumption of electricity (MWh)

68603.45

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

68603.45

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Mexico

Consumption of electricity (MWh)

11747.69

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

11747.69

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Romania

Consumption of electricity (MWh)

12843.65

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

12843.65

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Singapore

Consumption of electricity (MWh)

4618.62

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4618.62

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Republic of Korea

Consumption of electricity (MWh)

3355.79

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3355.79

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Spain

Consumption of electricity (MWh)

3361.45

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3361.45

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Thailand

Consumption of electricity (MWh)

65715.64

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

65715.64

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

United States of America

Consumption of electricity (MWh)

22611.46

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

22611.46

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.**Description**

Waste

Metric value

85.6

Metric numerator

Percentage of waste diverted from the landfill

Metric denominator (intensity metric only)**% change from previous year**

8.06

Direction of change

Decreased

Please explain

Celestica is committed to a robust waste and recycling management system. In 2021, Celestica diverted 85.6% of its waste from landfills by reusing and recycling materials, and converting waste to energy. We continue to monitor our waste diversion efforts and minimize consumption by utilizing and creating materials with a closed-loop process at the end of life.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

GHG- Verification Statement Celestica 2021.pdf

Page/ section reference

The entire document, page 3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

GHG- Verification Statement Celestica 2021.pdf

Page/ section reference

The entire document, page 3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

GHG- Verification Statement Celestica 2021.pdf

Page/ section reference

The entire document, page 3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Scope 3: Business travel

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

GHG- Verification Statement Celestica 2021.pdf

Page/section reference

The entire document, page 3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we are waiting for more mature verification standards and/or processes

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Ireland carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Ireland carbon tax

Period start date

January 1 2021

Period end date

December 31 2021

% of total Scope 1 emissions covered by tax

0.01

Total cost of tax paid

207.7

Comment

The carbon tax policy in Ireland only affected our purchase of Liquid Petroleum Gas (LPG), under a "Carbon tax on Propane". Of our total Scope 1 emissions, 0.01% is covered by the carbon tax, which represents our Galway, Ireland site's consumption of LPG. The total cost was 194.12 EUR, or \$207.7 USD using a conversion rate of 1 EUR = 1.07 USD.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Celestica's only carbon tax regulated system is in Ireland through the Ireland Carbon Tax. The tax applies to the company's purchase of propane at our Galway site. To comply with this system, Celestica duly pays the carbon tax as indicated on the invoices. Overall, Celestica aims to reduce our carbon footprint by using renewable energy and/or mitigating consumption of fossil fuels. For example, renewable energy was purchased at the Galway site for electricity usage to reduce our GHG emissions. We will continue to look and assess for more opportunities to reduce our consumption and select low-carbon fuel options to lower our GHG emissions. Based on research, Celestica anticipates being regulated by the Japan carbon tax and Mexico carbon tax within a few years. Celestica will follow the same strategy as above to comply with these systems where we will make all appropriate payments, and at the same time look to reduce our overall GHG emissions through process efficiency and optimization.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

Other, please specify (Our Supplier Scorecard Program is used to evaluate high spend suppliers on Celestica's Preferred Suppliers List (PSL).)

% of suppliers by number

2.46

% total procurement spend (direct and indirect)

60.59

% of supplier-related Scope 3 emissions as reported in C6.5

48.65

Rationale for the coverage of your engagement

As an electronics manufacturing company, our core business is building products according to customer specifications, which generally includes customer-controlled and single-sourced suppliers. From a global network of more than 4,500 active direct suppliers, the majority (approximately 97% of direct suppliers) are customer chosen, and as a result Celestica has limited control over the selection of most suppliers or materials sourced. Where possible, Celestica engages with customers to change to Celestica preferred suppliers (strategic suppliers not constrained by customer contracts or product design), based on qualification questionnaires, which would include grading suppliers' engagement with climate change issues. Our supplier engagement strategy is based around the Scope 3 component of our SBTi-approved science based target, reducing our emissions by 10% by 2025 from a 2018 baseline, in categories 1,3,4, and 9. There are 3 methods of engagement activities. First, we have RBA SAQs which evaluate potential risks associated with the supplier on climate-change and emissions practices. SAQs are completed annually by suppliers that are engaged with the RBA and are part of Celestica's Preferred Suppliers List (PSL). Second, we have our scorecard program, which evaluates a range of sustainability points based on supplier size and RBA membership, covering management systems, training, and non-compliance findings related to emissions and energy. Scorecards are completed quarterly and are used for high spend suppliers and our PSL. Third, we have our emissions program, requesting and collecting direct emissions and energy data as a means to create more accurate category 1 emissions accounting. The program is addressed to suppliers who make up Celestica's top spend as well as our PSL. Each of the 3 methods offers different data collected, creating a holistic understanding of supplier's practices. We engage with our suppliers in a number of methods to ensure a robust, rounded assessment of suppliers engagement with climate change initiatives. With a high quantity of suppliers in our value chain, Celestica focuses on engaging suppliers based on three main criteria: their participation in sustainable programs/organizations, Celestica controlled suppliers, and Celestica's suppliers with top spend to evaluate the largest potential impactors to Celestica's scope 3 emissions.

Impact of engagement, including measures of success

In 2021, we had 268 unique suppliers assessed through methods of RBA SAQs, verification visits, internal scorecards, our supplier emissions program or a combination of these. This covered 60.59% of Celestica's total procurement spend. The RBA SAQs are deemed a successful assessment, with 0 suppliers identified as high risk in 2021. The SPoT scorecard continues to show improved supplier engagement. In 2021, participation in sustainability points increased by 180%, YoY. The average score for suppliers in sustainability decreased from 74% to 62%, YoY. Score decline is largely due to the amount of increased engagement of suppliers. We continue to support suppliers by reminding them of opportunities and sharing ways in which they can receive further points to their score during quarterly business reviews. In 2021, Celestica evaluated the SPoT scorecard program and added additional weighting to the sustainability score moving forward into 2022. This will further drive suppliers to focus on sustainability efforts in order to maintain their status on the PSL or general business. With the addition of the supplier emissions program, we have increased our supplier coverage from 1.78% to 2.46% and supplier related scope 3 emissions reporting from 0% to 48.65%. Our focus as a company is to engage suppliers that have strong sustainability values and those in which Celestica has control in doing business with. With over 11,000 suppliers worldwide, we deem this as successful. In comparison to previous years scope 3 category 1 accounting, we have greatly improved our emissions accounting with the supplier emissions program. Relying solely off public data and spend allocation, Celestica increased our supplier emissions coverage by 10% in 2021, supporting sites to learn how to calculate their emissions, identify opportunities of improvement for themselves, and help them to track their progress as we annual request the information.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

Other, please specify (Our Supplier Scorecard Program is used to evaluate high spend suppliers on Celestica's Preferred Suppliers List (PSL).)

% of suppliers by number

2.46

% total procurement spend (direct and indirect)

60.59

% of supplier-related Scope 3 emissions as reported in C6.5

48.65

Rationale for the coverage of your engagement

Celestica engages with our suppliers on climate initiatives using a number of programs. Suppliers that have coverage in sustainability metrics for our SPoT scorecard program are our PSL. This group was selected as it allows Celestica to leverage the relationship they have with each supplier to impact change. If suppliers fall below the metric threshold of score, calculated quarterly, Celestica can engage in improvement plans and support the supplier to improve its performance. If the supplier continues to not meet the threshold, Celestica will follow a disengagement plan. Suppliers outside of Celestica's PSL are not monitored in sustainability metrics and scoring due to our lack of control. Customers own the relationships with the customer-controlled suppliers and are expected to have due-diligence on assessing their suppliers sustainability programs. Celestica's preferred suppliers are offered more opportunities to do business as they meet scoring criteria. As well, Celestica hosts a Supplier Excellence Awards

Program to recognize suppliers who achieve the highest performance standards. One of the main awards is the Sustainability Award, offered to a supplier that shows leadership in driving sustainability initiatives, with a positive impact for Celestica. For RBA SAQs, audits, and verification visits, Celestica works with suppliers to ensure they mitigate sustainability risks in their business through support on how to improve scoring, submit corrective actions, and close on actions. The RBA offers a robust evaluation platform and Celestica takes advantage of this program to engage suppliers who are members or approve to complete such assessments for Celestica. This year, Celestica released its first supplier emissions program, requesting energy and emissions data from our PSL and top spend suppliers. We also provided them with a guidebook and contact information on learning how to complete the assessment, especially if calculating emissions was new to the supplier's core practices. By teaching the supplier about emissions reporting, we hope to grow this program in future years to create partnerships with key suppliers and complete activities to reduce emissions for both parties.

Impact of engagement, including measures of success

In 2021, we had 268 unique suppliers assessed through methods of RBA SAQs, verification visits, internal scorecards, our supplier emissions program or a combination of these. This covered 60.59% of Celestica's total procurement spend. The RBA SAQs are deemed a successful assessment, with 0 suppliers identified as high risk in 2021. The SPoT scorecard continues to show improved supplier engagement. In 2021, participation in sustainability points increased by 180%, YoY. The average score for suppliers in sustainability decreased from 74% to 62%, YoY. Score decline is largely due to the amount of increased engagement of suppliers. We continue to support suppliers by reminding them of opportunities and sharing ways in which they can receive further points to their score during quarterly business reviews. In 2021, Celestica evaluated the SPoT scorecard program and added additional weighting to the sustainability score moving forward into 2022. This will further drive suppliers to focus on sustainability efforts in order to maintain their status on the PSL or general business. With the addition of the supplier emissions program, we have increased our supplier coverage from 1.78% to 2.46% and supplier related scope 3 emissions reporting from 0% to 48.65%. Our focus as a company is to engage suppliers that have strong sustainability values and those over whom we (rather than third parties) have greater sourcing control (as we can therefore require alignment to our own goals). With over 11,000 suppliers worldwide, we deem this as successful. In comparison to previous years scope 3 category 1 accounting, we have greatly improved our emissions accounting with the supplier emissions program. Relying solely off public data and spend allocation, Celestica increased our supplier emissions coverage by 10% in 2021, supporting sites to learn how to calculate their emissions, identify opportunities of improvement for themselves, and help them to track their progress as we annual request the information.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)
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% of customers by number

13

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Our sustainability team prioritizes our customers based on their engagement on sustainability and climate change related issues. We engage with 13% of our customers who request information about our climate and other sustainability-related matters. We engage with our customers by reviewing the supplier scorecard performance and understanding their requirements. As an example, we were initially approached by customers to disclose our climate strategy through CDP. As we are committed to engaging with our customers and sharing information, we now report to CDP annually. Of our top 50 customers, 29% requested our CDP Climate Change 2021 response. We also meet regularly with certain customers to discuss projects and understand top level priorities. With a strong understanding of each product's life-cycle, we are able to develop green solutions that unlock new opportunities for environmental, social and financial savings.

Impact of engagement, including measures of success

Celestica has the strongest influence in the areas of manufacturing, distribution, front end design and end-of life within a product's life-cycle, which means we can work directly with our customers to realize their sustainability goals in a safe, energy efficient and environmentally conscious manner. For these customers, we have shared the success with our ISO 50001 certification. Through this standard, we have been able to demonstrate to our customers the ability to drive real energy savings which resulted in GHG emissions reductions. As a result, we have assisted our customers in achieving EPEAT certification for their own products. Throughout 2021, 9 of our sites were certified to ISO 50001. This enabled Celestica to have conversations with both existing customers and prospective customers who have registered for ISO 50001 certification. Success is measured through the customer scorecards that include a score for sustainability and climate change improvements. To be successful, we look to score as number one or number two on the customer scorecards.

Type of engagement & Details of engagement

Collaboration & innovation	Other, please specify (Collaboration on product and service design with a focus on environmental and social best practice)
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% of customers by number

13

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

13% of customers, which represents 32.3% of our revenue in 2021, have a desire to be part of the most sustainable companies across the globe. They have either reached out to Celestica for improvements or we have reached out to these customers to collaborate on innovative projects. They also provide the greatest opportunity to unlock projects internally as their drive pushes Celestica to be even more sustainable. Some of our customers gravitate towards market trends for circular design in products and technology. This segment directly feeds into our end-to-end service offerings, including Hardware Platform Solutions (HPS) (formerly named Joint Design and Manufacturing [JDM]) capabilities. Products in this segment are designed with circularity, power efficiency and a commonality design framework in mind. Although the risk of high operational costs are likely in HPS, we continue to invest in and engage with our customers to ideate and collaborate on design activities before a purchase commitment is even made. As a leader in high-reliability design, manufacturing and supply chain solutions, we've worked with and supported customers at the launch of innovative and scalable smart energy and industrial products. These products are driving performance improvements and helping to power a more sustainable future. By aligning to customers' sustainability strategies, we differentiate our self as a company and gain a competitive advantage by sharing values and vision for long term partnerships to build products responsibly and reliably.

Impact of engagement, including measures of success

Our focus in our HPS market is to ensure environmental compliance throughout the product life cycle, from sourcing of materials to product disposal. Products are designed with circularity in mind, ensuring recovered materials are used in manufacturing and that the materials have a high level of recover-ability, through either reuse, re-manufacturing or recycling. Our design services offerings require significant investments in research and development, technology licensing, test and tooling equipment, patent applications and talent recruitment. We continue to invest in leading-edge product roadmaps and design capabilities aligned with both market standards and emerging technologies. Customers whose sustainability priorities are aligned with our own, have enabled opportunities for Celestica to learn from and contribute to a wide range of renewable energy and smart city applications. This includes power converters, wind turbines, electric vehicle charging stations, smart meters, self-driving vehicle technology and smart trash receptacles. These products support the reduction of greenhouse gas emissions in other industries but also leverage our core competencies of manufacturing complex, high reliability products for our customers. Another successful collaboration in 2021 was with a leading original equipment manufacturer (OEM) in the manufacture of high-power electric vehicle (EV) charging stations. Celestica is not only manufacturing components of these chargers, but also providing design services to ensure optimal performance. We supported nearly 2,500 power modules for use in fast-charge DC applications for electric vehicle charging stations and built integrated cabinets and charging stations servicing the car, bus and truck EV markets. Overall, Celestica supplied equipment to support more than 50 MW worth of EV charging stations. Success is measured through good customer reputation, increase in the number of customers in the HPS market, and overall growth in the HPS business area. The increase in customer interaction and in the business growth showcases our success.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

As a Responsible Business Alliance (RBA) founding member, Celestica continues to be active by participating in working groups, including participation in a Validated Audit Program (VAP) Working Group. Through the working groups, Celestica remains informed on the RBA's environmental compliance requirements and overall climate change strategy. For example, the RBA's Environmental Sustainability Workgroup (ESWG) convenes members to identify pressing environmental issues in climate change, water and waste, and collaborate on solutions that drive improvement not only within their organizations, but throughout their supply chains. The workgroup develops strategies and tools to improve the measurement of environmental impact, improve resource efficiency, and build industry capacity and performance.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Responsible Business Alliance (RBA) formerly the Electronics Industry Citizenship Coalition (EICC))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The manufacturing of electronic products can have a significant impact on the environment. From the use of rare materials to energy and water demands of manufacturing processes, there is a clear need for electronics companies to employ and promote environmentally responsible practices in the supply chain. The RBA has a vision of how companies should behave in the electronics industry. The RBA Code outlines industry standards to ensure that employees are treated with respect and dignity, employees are provided with a safe work environment, manufacturing processes are environmentally responsible and management systems are in place to support the RBA Code. The RBA has also taken the position that improved emissions reporting will drive awareness and reduction activities. The RBA encourages all of its members to annually report emissions and energy use to the RBA environmental survey, which includes a greenhouse gas reporting module, or by using the CDP Supply Chain Response. Data entered by all RBA members is summarized and tracked as a way to understand the impact of the electronics industry on global greenhouse gas emissions.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

Celestica 2020 Sustainability Report.pdf

Page/Section reference

GHG Emissions and Energy sections: page 29-34 Content elements: - Governance, page 76-84 - Strategy, page 12-20 - Risks & opportunities, page 45-46 - Other metrics, page 11, 20, 36-41 Others, page 48-50, 52, 61-63, 65-75

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Other, please specify (Employee engagement, Health and Safety, Community giving, and Supply Chain)

Comment

Other metrics include our waste and water performance.

Publication

In other regulatory filings

Status

Complete

Attach the document

Celestica_2021_20F.pdf

Page/Section reference

Page 5-29, 39-41, 45, 120

Content elements

Governance

Strategy

Risks & opportunities

Emission targets

Other metrics

Other, please specify (Health and Safety, Environmental assessments, Supply Chain, and Logistics)

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

CelesticaManagementInformationCircularAnnualReportsApril2021.pdf

Page/Section reference

Page 30,31

Content elements

Governance

Strategy

Risks & opportunities

Emission targets

Other metrics

Other, please specify (Employee engagement, Health and Safety, Community giving, and Supply Chain)

Comment

Other metrics include our waste and water performance.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Celestica's Chief Operating Officer (COO) is responsible for reporting to the Board on progress towards Celestica's sustainability targets and climate-related risks and opportunities, on a quarterly basis. Celestica's COO assesses and manages Celestica's climate-change risks and opportunities through quarterly progress updates provided by the Sustainability team and Chief Sustainability Officer (CSO). During these updates, discussions focus on our sustainability strategy and the progress we are making on our key performance indicators. Input received in these quarterly meetings also helps shape our strategy. The COO's oversight of our global operations provides key insights needed to effectively identify and make decisions on climate risks and opportunities. In 2021, during his regular quarterly updates to the Board, the COO specifically reported on Celestica's progress against our 2025 GHG emissions reduction goals and relevant ESG topics.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	No, and we do not plan to undertake any biodiversity-related actions	<Not Applicable>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications	<Not Applicable>	<Not Applicable>

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No additional details at this time.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer (CFO)	Chief Financial Officer (CFO)