ONEX corporation

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD MAY 21, 2009 AND INFORMATION CIRCULAR

ONEX corporation

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

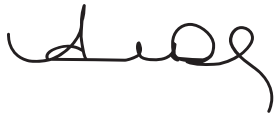
NOTICE IS HEREBY GIVEN that an annual meeting of the shareholders of Onex Corporation (the "Corporation") will be held at **the Scotiabank Theatre, 259 Richmond Street West, Toronto, Ontario on Thursday, May 21, 2009 at 10:00 a.m. (Eastern Daylight Saving Time)** for the following purposes:

1. To receive and consider the consolidated balance sheets of the Corporation as at December 31, 2008 and the consolidated statements of earnings, shareholders' equity and cash flows for the year then ended, together with the report of the auditor thereon;
2. To appoint an auditor;
3. To authorize the directors to fix the remuneration of the auditor;
4. To elect directors; and
5. To transact such further and other business as may properly come before the meeting or any adjournment or postponement thereof.

If you are unable to be personally present at the meeting, kindly complete, date, sign and return the enclosed form of proxy in the envelope provided for this purpose. Proxies to be used at the meeting must be deposited with the Corporation or CIBC Mellon Trust Company no later than 48 hours preceding the meeting or any adjournment or postponement thereof.

DATED at Toronto, Ontario, the 23rd day of March, 2009.

BY ORDER OF THE BOARD



ANDREA E. DALY
Vice President, General Counsel
and Secretary

ONEX corporation

MANAGEMENT INFORMATION CIRCULAR
as at March 23, 2009

This management information circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Onex Corporation ("Onex" or the "Corporation") for use at the annual meeting of the shareholders of the Corporation (the "meeting") to be held on Thursday, May 21, 2009 at 10:00 a.m. (Eastern Daylight Saving Time) at the Scotiabank Theatre, 259 Richmond Street West, Toronto, Ontario, and at any adjournment or postponement thereof, for the purposes set forth in the notice of the meeting.

PROXIES

THE ENCLOSED PROXY IS BEING SOLICITED BY OR ON BEHALF OF THE MANAGEMENT OF THE CORPORATION and the cost of such solicitation will be borne by the Corporation. The solicitation will be primarily by mail, but officers or employees of the Corporation may also solicit proxies by telephone or in person without special compensation.

Proxies to be used at the meeting must be deposited with the Corporation or CIBC Mellon Trust Company no later than 48 hours preceding the meeting or any adjournment or postponement thereof.

A shareholder executing the enclosed form of proxy has the right to revoke it under subsection 110(4) of the Business Corporations Act (Ontario) (the "Act"). A proxy may be revoked by depositing an instrument in writing, executed by the registered shareholder or by such shareholder's attorney authorized in writing, at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment or postponement thereof, at which the proxy is to be used or with the Chairman of the meeting on the day of the meeting or any adjournment or postponement thereof or in any other manner permitted by law.

VOTING SHARES

The Corporation has authorized share capital consisting of an unlimited number of senior preferred shares, an unlimited number of junior preferred shares, 100,000 Multiple Voting Shares and an unlimited number of Subordinate Voting Shares.

As at the date hereof, 176,078 Senior Preferred Shares, Series 1, 100,000 Multiple Voting Shares and 122,099,689 Subordinate Voting Shares are issued and outstanding. No junior preferred shares are currently issued and outstanding.

The holders of Multiple Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation, other than any meeting of holders of another class of shares who are entitled to vote separately as a class at such meeting and other than with respect to certain matters which are exclusively reserved for the holders of Subordinate Voting Shares. Unless and until the occurrence of an Event of Change (as defined in the articles of the Corporation), the holders of Multiple Voting Shares are entitled to such number of votes in the aggregate as represents 60 per cent of the aggregate votes attached to all the outstanding Multiple Voting Shares, Subordinate Voting Shares and other shares of the Corporation that may be created from time to time (if any) having the right to vote generally at annual and special meetings of shareholders. The number of votes will be prorated equally among the outstanding Multiple Voting Shares and will be deemed to be adjusted to maintain the 60 per cent voting level notwithstanding any issue, repurchase or redemption of Subordinate Voting Shares or other shares having general voting rights. The holders of Multiple Voting Shares are entitled to one vote for each such share held at meetings of holders of such shares at which they are entitled to vote separately as a class.

The holders of Subordinate Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation, other than any meeting of holders of another class of shares who are entitled

to vote separately as a class at such meeting, and are entitled to one vote for each share held. The holders of Subordinate Voting Shares and all other shares of the Corporation that may be created from time to time (if any) having the right to vote generally at annual and special meetings of shareholders will be entitled in the aggregate to 40 per cent of the aggregate votes attached to all the outstanding Multiple Voting Shares, Subordinate Voting Shares and other shares (if any) of the Corporation that may be created from time to time having the right to vote generally at annual and special meetings of shareholders.

The holders of Multiple Voting Shares are entitled, voting separately as a class, to elect, unless and until an Event of Change occurs, 60 per cent (rounded to the nearest whole number) of the members of the board of directors of the Corporation.

From and after the occurrence of an Event of Change, the holders of Multiple Voting Shares, voting separately as a class, will have the right to elect only 20 per cent (rounded to the nearest whole number) of the members of the board of directors of the Corporation and otherwise will not be entitled to vote except as provided by the Corporation's articles or by applicable law. An Event of Change would include Gerald W. Schwartz ceasing to hold, directly or indirectly together with his spouse and children, more than 5,000,000 Subordinate Voting Shares or his ceasing to have the right to vote or direct the vote of a majority of the outstanding Multiple Voting Shares.

The holders of Subordinate Voting Shares are entitled, voting separately as a class, to appoint the auditor of the Corporation and to elect, unless and until an Event of Change occurs, 40 per cent (rounded to the nearest whole number) of the members of the board of directors of the Corporation.

Should an Event of Change occur, the holders of Subordinate Voting Shares would become entitled, voting separately as a class, to elect 80 per cent (rounded to the nearest whole number) of the members of the board of directors of the Corporation and would otherwise be entitled to one vote per share for each Subordinate Voting Share held.

Holders of Multiple Voting Shares are not entitled to receive dividends. Holders of Subordinate Voting Shares are entitled to receive cash dividends, dividends in kind and stock dividends as and when declared by the board of directors. The Multiple Voting Shares have no entitlement to a distribution on winding-up or dissolution other than a payment of the nominal amount in the stated capital account for such shares. The Subordinate Voting Shares are entitled, subject to the prior rights of the senior preferred shares, the junior preferred shares and the Multiple Voting Shares, to receive the remaining assets of the Corporation.

The record date for the determination of shareholders entitled to receive notice of the meeting has been fixed at March 23, 2009. In accordance with the provisions of the Act, the Corporation will prepare a list of holders of Multiple Voting Shares and Subordinate Voting Shares, respectively, as of such record date. Each holder of Multiple Voting Shares or Subordinate Voting Shares named in the list will be entitled to vote the shares shown opposite his or her name on the list at the meeting.

To the knowledge of the directors and senior officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises control or direction over securities carrying more than ten per cent of the voting rights attached to any class of outstanding voting securities of the Corporation other than as set forth below.

Gerald W. Schwartz holds indirectly all the outstanding Multiple Voting Shares of the Corporation. Mr. Schwartz also holds as at February 28, 2009, directly or indirectly, 25,350,618 Subordinate Voting Shares of the Corporation representing approximately 20.8% of the outstanding Subordinate Voting Shares. In addition, Mr. Schwartz controls an affiliated corporation which holds all of the outstanding Senior Preferred Shares, Series 1, but neither Mr. Schwartz nor other managers of the Corporation have any beneficial interest in such Senior Preferred Shares.

Pursuant to a stock control agreement entered into by Mr. Schwartz, OMIL Holdings Limited, the Corporation and National Trust Company (now The Bank of Nova Scotia Trust Company) for the benefit of the holders of the Subordinate Voting Shares, Multiple Voting Shares may be transferred only with the prior approval of at least two-thirds of the votes cast on separate class votes at meetings of the holders of the Multiple Voting Shares and Subordinate Voting Shares, unless such transfers are made to members of management of Onex, provided that up to an aggregate of ten per cent of the outstanding Multiple Voting Shares may be transferred to persons other than

members of management without such approval. Multiple Voting Shares acquired by any transferee would be subject to certain repurchase options and obligations in favour of Onex.

APPOINTMENT AND REMUNERATION OF AUDITOR

The articles of the Corporation provide that the holders of Subordinate Voting Shares, voting separately as a class, have the right to appoint the auditor, although authorization of the directors to fix the auditor's remuneration requires the approval of the holders of Subordinate Voting Shares and Multiple Voting Shares, voting together.

Unless authority to do so is withheld, the Subordinate Voting Shares represented by the proxies solicited in respect of the meeting will be voted in favour of the reappointment of the firm of PricewaterhouseCoopers LLP, Chartered Accountants as the auditor of the Corporation and in favour of the authorization of the directors to fix the remuneration of the auditor.

ELECTION OF DIRECTORS

As described above under "Voting Shares", the holders of Subordinate Voting Shares and the holders of Multiple Voting Shares are entitled, voting separately as classes, to elect 40 per cent and 60 per cent, respectively, of the members of the board of directors, in each case rounded to the nearest whole number. The number of directors has been fixed at nine for purposes of this election. At the meeting there will be a separate vote (in respect of which only the holders of Subordinate Voting Shares will be entitled to vote) in respect of the election of the four directors referred to below as SVS Nominees, and a further separate vote (in respect of which only the holder of Multiple Voting Shares will be entitled to vote) in respect of the election of the five directors referred to below as MVS Nominees. The shares represented by the proxies solicited in respect of the meeting will be voted for the SVS Nominees, unless authority to do so is withheld. The term of office for each nominee elected will be until the close of the next annual meeting of shareholders of the Corporation or until his or her successor is elected or appointed.

All nominees proposed for election at the meeting are currently directors of the Corporation and all are established executives with a wide range of experience that has been and will continue to be useful to the Corporation. Several are founding shareholders of the Corporation or were associated with parties that were shareholders of the Corporation before it first issued shares to the public.

I. SVS NOMINEES

The following is a description of the four SVS Nominees to be voted on by the holders of Subordinate Voting Shares of the Corporation:

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership of Subordinate Voting Shares/ Deferred Share Units as of February 28, 2009 (1)	Aggregate Value of Subordinate Voting Shares and Deferred Share Units as of February 28, 2009 (2)
William A. Etherington (4)	Since September 2007	10,000(5)	$336,146
Mr. Etherington, 67, of Toronto, Ontario, is a director Celestica Inc., MDS Inc. and SS&C Technologies, Inc. and was Chairman of the Board of the Canadian Imperial Bank of Commerce until February 2009. Mr. Etherington holds an Honorary Doctor of Laws degree, and Bachelor of Electrical Engineering Science from the University of Western Ontario.		11,208	
Peter C. Godsoe, O.C. (3).	Since May 2004	20,000(6)	$908,236
Mr. Godsoe, 70, of Toronto, Ontario, was Chairman of the Board until March 2, 2004 and Chief Executive Officer until December 2, 2003 of the Bank of Nova Scotia. From 1966, he held positions of increasing responsibilities with the Bank of Nova Scotia, becoming Chairman of the Board in 1995. Mr. Godsoe's corporate directorships include Barrick Gold Corporation, Ingersoll-Rand Company, Lonmin PLC and Rogers Communications Inc. Mr. Godsoe is also a director of a number of non-profit institutes including the Atlantic Institute for Market Research and Mount Sinai Hospital. In 2002, he received the Order of Canada and was inducted into the Canadian Business Hall of Fame. Mr. Godsoe holds a Bachelor of Science degree in Mathematics and Physics from the University of Toronto and a Master of Business Administration degree from Harvard Business School. He is also a Chartered Accountant and a Fellow of the Institute of Chartered Accountants of Ontario.		37,302	

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership of Subordinate Voting Shares/ Deferred Share Units as of February 28, 2009 (1)	Aggregate Value of Subordinate Voting Shares and Deferred Share Units as of February 28, 2009 (2)
Serge Gouin (3)	Since August 1991	44,536(7)	$1,300,460
Mr. Gouin, 66, of Outremont, Quebec, is Chairman of the Board of Quebecor Media Inc., a communications and media-cable and entertainment company. He is the former Advisory Director of Citigroup Global Markets Canada Inc. (1998-2003) and President and Chief Operating Officer of Le Groupe Vidéotron Ltée. (1991-1996). He is also a director of each of Biovail Corporation and TVA Group Inc. and is Chairman of the Board of each of Vidéotron Ltée and Sun Media Corporation. He serves on the Advisory Committee of the Richard Ivey School of Business. Mr. Gouin holds a Bachelor of Arts degree from the University of Montreal as well as a Bachelor of Arts degree and Master of Business Administration degree from the Ivey School of Business.		37,512	
Arni C. Thorsteinson, C.F.A. (3)	Since March 1987	37,600(8)	$1,323,078
Mr. Thorsteinson, 60, of Winnipeg, Manitoba, is the President of Shelter Canadian Properties Limited, a diversified real estate development and management company. He is also a director or trustee of Huntingdon Real Estate Investment Trust, Lanesborough Real Estate Investment Trust, Bird Construction Income Fund and Temple Real Estate Investment Trust. Mr. Thorsteinson holds a Bachelor of Commerce (Honours) from the University of Manitoba and a Chartered Financial Analyst designation. Mr. Thorsteinson has been on the board of Onex since its formation and represented a founding shareholder of Onex.		45,875	

II. MVS NOMINEES

The following is a description of the five MVS Nominees to be voted on by the sole holder of Multiple Voting Shares of the Corporation:

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership of Subordinate Voting Shares/ Deferred Share Units as of February 28, 2009 (1)	Aggregate Value of Subordinate Voting Shares and Deferred Share Units as of February 28, 2009 (2)
Gerald W. Schwartz, O.C.	Since March 1987	25,350,618(9)	$401,807,295
Mr. Schwartz, 67, of Toronto, Ontario, is the Chairman of the Board, President and Chief Executive Officer of Onex. Prior to founding Onex in 1983, Mr. Schwartz was a co-founder and President (in 1977) of what is now CanWest Global Communications Corp. Mr. Schwartz was inducted into the Canadian Business Hall of Fame in 2004 and was appointed as an Officer of the Order of Canada in 2006. He is also an honorary director of The Bank of Nova Scotia and is a director of Indigo Books & Music Inc. Mr. Schwartz is Vice Chairman of Mount Sinai Hospital, and is a director, governor or trustee of a number of other organizations, including Junior Achievement of Toronto, the Canadian Council of Christians and Jews, and The Simon Wiesenthal Center. He holds a Bachelor of Commerce degree and a Bachelor of Laws degree from the University of Manitoba, a Master of Business Administration degree from the Harvard University Graduate School of Business Administration and a Doctor of Laws (Hon.) from St. Francis Xavier University and Doctor of Philosophy (Hon.) from Tel Aviv University.			
Daniel C. Casey (4)	Since March 1987	36,000(10)	$1,154,149
Mr. Casey, 61, of Toronto, Ontario, is the Chairman of the Board, Chief Executive Officer and President of Creson Corporation, an investment holding company. Mr. Casey holds a Bachelor of Arts in Economics degree from Carleton University. Mr. Casey has been on the board of Onex since its formation and was a founding shareholder.		36,817	

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership of Subordinate Voting Shares/ Deferred Share Units as of February 28, 2009 (1)	Aggregate Value of Subordinate Voting Shares and Deferred Share Units as of February 28, 2009 (2)
JOHN B. MCCOY (4)	Since May 2005	20,000(11)	$784,685
Mr. McCoy, 65, of Columbus, Ohio, retired as Chairman and Chief Executive Officer of Bank One Corporation in December 1999, where he had been Chief Executive Officer since 1984 and Chairman since 1998. Mr. McCoy joined Bank One Corporation in 1970. Mr. McCoy's corporate directorships include Cardinal Health, Inc. and AT&T Inc. He is also a director of a number of non-profit institutions. Mr. McCoy holds a Bachelor of Arts degree in History from Williams College and a Master of Business Administration degree in Finance from Stanford University's Graduate School of Business.		29,507	
J. ROBERT S. PRICHARD, O.C., O. ONT.	Since May 1994	20,000(12)	$865,251
Mr. Prichard, 60, of Toronto, Ontario, is President and Chief Executive Officer of Torstar Corporation. Prior to joining Torstar, he was President of the University of Toronto from 1990-2000. He is also a director of the Bank of Montreal and George Weston Ltd. He is also Vice-Chair of Canada's Science, Technology and Innovative Council, Chairman of the Visiting Committee of Harvard Law School and a director of the Toronto Community Foundation. Mr. Prichard studied economics at Swarthmore College and holds a Master of Business Administration degree from the University of Chicago, a Bachelor of Laws degree from the University of Toronto and a Master of Laws degree from Yale University. He is also an Officer of the Order of Canada, a Member of the Order of Ontario and a fellow of the Royal Society of Canada.		34,590	
HEATHER M. REISMAN	Since May 2003	1,282,016(13)	$20,761,550
Ms. Reisman, 60, of Toronto, Ontario, is Chair and Chief Executive Officer of Indigo Books & Music Inc. Prior to co-founding Indigo Books & Music, she held the position of President of Cott Corporation from 1990-1992. Ms. Reisman is also a director of Mount Sinai Hospital and a member of the Steering Committee, Bilderberg. She is a former Governor of the Toronto Stock Exchange and of McGill University. Ms. Reisman was educated at McGill University.		27,861	

Notes:

(1) Indicates the number of Subordinate Voting Shares and Deferred Share Units of the Corporation (rounded to the nearest whole unit) beneficially owned, directly or indirectly, or over which control or direction is exercised. The Directors' Deferred Share Unit Plan is described on page 24 under "Compensation of Directors and Executive Officers of the Corporation and its Subsidiaries — Directors".

(2) Indicates the aggregate dollar value of the Subordinate Voting Shares and Deferred Share Units of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised based on the closing price of the Subordinate Voting Shares on the Toronto Stock Exchange on February 28, 2009.

(3) Member of the Audit and Corporate Governance Committee.

(4) Messrs. Casey and McCoy are currently members of the Compensation and Management Resources Committee. Mr. Brian King, currently a member of the Committee, is not standing for re-election to the board of directors and will be replaced by Mr. Etherington immediately following the Meeting.

(5) In addition, Mr. Etherington has 0.1% indirect interest in certain investments made through Onex Partners II L.P. ("OP II LP"), a 0.17% interest in certain investments made through Onex Parallel Investment (ONCAP) L.P. ("ONCAP II") and a less than 0.01% interest in OREP Canadian Co-Investors LP ("OREP").

(6) In addition, Mr. Godsoe has a 0.1% indirect interest in certain investments made through Onex Partners LP, a less than 0.15% indirect interest in the investments made through OP II LP, a 0.17% indirect interest in the investments made through ONCAP II, a 0.1% indirect interest in the investments made through Onex Capital Fund, L.P. ("OCM") and a less than 0.2% indirect interest in the investments made through OREP.

(7) In addition, Mr. Gouin owns directly or indirectly 40,000 subordinate voting shares of Celestica Inc. ("Celestica"), 409,039 Class A Shares of Onex ClientLogic Holdings LLC ("ClientLogic Holdings"), 30,287 Class A Common Shares, 10 Class B Preferred Shares and 8 Class C Preferred Shares of SITEL Worldwide Corporation ("SITEL"), 289,000 Class A units of OMI Limited Partnership ("OMILP"), 73,561 Class A Multiple Voting Shares and 33,333 Preferred Shares Series A of Radian Communication Services Corporation ("Radian"), 18,507 units of Cineplex Galaxy Income Fund ("Cineplex"), a 0.1% indirect interest in Gramercy Communications Partners (Cayman) LP ("Gramercy"), a less than 0.1% indirect interest in ONCAP L.P. ("ONCAP"), a 0.17% indirect interest in the investments made through ONCAP II. Mr. Gouin has a less than 0.1% indirect interest in certain investments made through Onex Partners LP, a less than 0.2% indirect interest in investments made through OP II LP, a less than 0.2% indirect interest in certain investments made through OREP and has an economic interest by way of option in 72,657 Class A units of OMILP.

(8) In addition, Mr. Thorsteinson's spouse has a beneficial interest in 17,088 Subordinate Voting Shares and corporations controlled by Mr. Thorsteinson and/or his spouse hold 81,809 Class A Shares of ClientLogic Holdings, 6,061 Class A Common Shares of SITEL, 22,070 Class A Multiple Voting Shares and 10,000 Preferred Shares Series A of Radian and 11,105 units of Cineplex and has a less than 0.1% indirect interest in each of Gramercy and ONCAP. Mr. Thorsteinson has a less than 0.2% indirect interest in the investments made through Onex Partners LP, a 0.33% indirect interest in the investments made through OCM, a less than 0.1% indirect interest in the investments made through OP II LP, a 0.07% indirect interest in the investments made through ONCAP II and a less than 0.3% indirect interest in the investments made through OREP. Mr. Thorsteinson also has an economic interest by way of option in 72,657 Class A units of OMILP.

(9) In addition, as outlined on page 2, Mr. Schwartz indirectly controls the corporation which holds all of the 100,000 outstanding Multiple Voting Shares of the Corporation. He also controls an affiliated corporation which holds all of the 176,078 Senior Preferred Shares, Series 1, but neither he nor other managers of the Corporation have any beneficial interest in such Senior Preferred Shares other than as shareholders of the Corporation. Mr. Schwartz indirectly controls corporations which hold 188,744 subordinate voting shares of Celestica, 4,602,359 Class A Shares of ClientLogic Holdings, 340,729 Class A Common Shares, 132 Class B Preferred Shares and 608 Class C Preferred Shares of SITEL, 473.4 Series A Non-Voting Participating Insurance Preferred Shares, 26.6 Series A Voting Insurance Common Shares and 26.6 Non-Voting Services Common Shares and a convertible promissory note of $203,900.00 USD of Cypress Holdings II, Inc. (an indirect subsidiary of the Corporation), 1,548,601 Class A Multiple Voting Shares and 701,667 Preferred Series A Shares of Radian, 1,153,965 units of Cineplex, a 2.6% indirect interest in Gramercy and a 0.8% indirect interest in ONCAP. In addition, Mr. Schwartz owns indirectly 7,100,000 Class A units of OMILP. Mr. Schwartz has a less than 2.0% indirect interest in the investments made through Onex Partners LP, a less than 6% indirect interest in the investments made through OCM, a less than 2.0% indirect interest in the investments made through OP II LP, a less than 7.16% indirect interest in the investments made through ONCAP II and a less than 7.2% indirect interest in the investments made through OREP. Mr. Schwartz indirectly holds additional securities of such subsidiaries of, and entities related to, the Corporation through the investment plan described under "Management Investment Plan".

(10) In addition, Mr. Casey has a 0.05% indirect interest in certain investments made through Onex Partners LP, a less than 0.08% indirect interest in the investments made through OP II LP, a 0.07% indirect interest in the investments made through ONCAP II and a less than 0.3% indirect interest in the investments made through OREP. Mr. Casey has an economic interest by way of option in 72,657 Class A units of OMILP.

(11) In addition, Mr. McCoy has a 0.05% indirect interest in the investments made through OCM, a less than 0.12% indirect interest in certain investments made through Onex Partners LP, a 0.08% indirect interest in the investments made through OP II LP, a 0.08% indirect interest in the investments made through ONCAP II and a less than 0.1% indirect interest in the investments made through OREP.

(12) In addition, Mr. Prichard is a trustee of, and his immediate family are beneficiaries of, a trust which holds directly or indirectly, 143,165 Class A Shares of ClientLogic Holdings, 10,602 Class A Common Shares of SITEL, 500,000 Class A units of OMILP, 36,792 Class A Multiple Voting Shares and 16,667 Preferred Shares Series A of Radian, 37,016 units of Cineplex and has less than 0.1% indirect interest in each of Gramercy and ONCAP. Mr. Prichard has a less than 0.15% indirect interest in the investments made through Onex Partners LP, a 0.15% indirect interest in the investments made through OCM, a less than 0.15% indirect interest in the investments made through OP II LP, a 0.2% indirect interest in the investments made through ONCAP II and a less than 0.2% indirect interest in the investments made through OREP.

(13) In addition, Ms. Reisman owns directly or indirectly, 191,376 Class A Shares of ClientLogic Holdings, 15,145 Class A Common Shares and 5 Class B Preferred Shares of SITEL, 500,000 Class A units of OMILP, a 0.05% indirect interest in certain investments made through Onex Partners LP and a 0.05% indirect interest in certain investments made through OP II LP.

ATTENDANCE OF DIRECTORS AT BOARD AND COMMITTEE MEETINGS

The following table sets forth the attendance of directors at Board and Committee meetings in 2008.

Director	Board	Compensation and Management Resources Committee	Audit and Corporate Governance Committee	Attendance %	
				Board	Committee
Daniel C. Casey	7 of 7	5 of 5	—	100%	100%
William A. Etherington	6 of 7	—	—	85.7%	—
Peter C. Godsoe	7 of 7	—	5 of 5	100%	100%
Serge Gouin	7 of 7	—	5 of 5	100%	100%
Brian M. King	7 of 7	5 of 5	—	100%	100%
John B. McCoy	7 of 7	5 of 5	—	100%	100%
J. Robert S. Prichard	7 of 7	—	—	100%	—
Heather M. Reisman	7 of 7	—	—	100%	—
Gerald W. Schwartz	7 of 7	—	—	100%	—
Arni C. Thorsteinson	7 of 7	—	5 of 5	100%	100%

CORPORATE GOVERNANCE PRACTICES

The board of directors and management of the Corporation believe that appropriate corporate governance practices are important for the effective management of the Corporation and value creation for its shareholders. A description of Onex' corporate governance practices follows and a comparison is made to the guidelines on corporate governance of the Canadian Securities Administrators (the "Guidelines").

Mandate of the Board of Directors

The board of directors has adopted a written mandate setting out its responsibilities for the stewardship of the Corporation. The mandate of the board, which is consistent with the Guidelines, is to oversee the management of the business of the Corporation by the executive officers and managers of the Corporation and includes the following duties and responsibilities:

- Approving the long-term strategy for the Corporation and monitoring the Corporation's overall performance against that strategy;
- Reviewing annually the strategic plan including opportunities and risks and approving significant investments, divestitures and alliances;
- Identifying matters that require prior approval of the board;
- Identifying and assessing the principal risks inherent in the business activity of the Corporation as a whole or in its investment in any major operating company and systems to manage and monitor those risks;
- Reviewing succession planning and the appointment of senior executives of the Corporation, reviewing their performance against the objective of maximizing shareholder value, measuring their contribution to that objective, and overseeing the compensation policies for investment participation of those executives;
- Reviewing annually the Corporation's communication policies and, prior to issuance, major shareholder communications;
- Establishing and monitoring the environmental policy for the Corporation;
- Approving the Corporation's written Code of Business Conduct and Ethics and monitoring compliance with that Code;
- Satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that they foster a culture of integrity within the Corporation;
- Reviewing financial performance and reporting and assessing the integrity of the Corporation's internal control and management information systems;
- Reviewing and monitoring the Corporation's adherence to high standards of corporate governance principles as well as measures for receiving shareholder feedback; and
- Developing and participating in a program to ensure the continuing education of members of the board.

Composition of the Board

The board of directors proposed for election is composed of nine members, seven of whom are independent in that they have no direct or indirect business or other relationships that could reasonably be expected to interfere with the exercise of independent judgment.

The non-independent directors are Mr. Schwartz, the President and Chief Executive Officer of the Corporation as well as its founder and a significant shareholder, and his spouse, Ms. Reisman.

The independent directors are:

Dan C. Casey
William A. Etherington
Peter C. Godsoe
Serge Gouin
John B. McCoy
J. Robert S. Prichard
Arni C. Thorsteinson

Mr. Brian King, currently an independent director, will not stand for re-election at the meeting. Mr. King, aged 76, was a founding shareholder of the Corporation and has been a member of its board of directors since 1983. He is retiring in accordance with the board's retirement policy after 26 years of valued service to the Corporation.

The independent directors have diverse business backgrounds, a wide range of public company experience and meaningful investments in the Corporation and its subsidiary businesses. As a result, they well represent the interests of shareholders, including minority shareholders, of the Corporation. The board has adopted a policy requiring that each director own shares of the Corporation and the minimum number of shares to be held is currently set at 30,000 shares, increased from 20,000 in 2008. The minimum number of shares to be held is determined annually and directors have up to 12 months to acquire additional shares to achieve ownership requirements, except that new directors may have up to four years to achieve the appropriate share ownership level. Deferred Share Units held may be applied towards the share ownership requirement.

Independence and Functioning of the Board

Mr. Schwartz is Chairman of the board of directors as well as President and Chief Executive Officer of the Corporation. While the Guidelines express a preference for a chairman of a board to be an independent director, it is the view of the Corporation's board that it derives substantial advantages from having Mr. Schwartz as its Chairman and that its independence is not impaired because:

- There is a designated "independent Lead Director", currently Mr. Arni Thorsteinson, who is chosen for that position by the full board and is an independent director.
- Seven of the Corporation's nine directors are independent.
- At each regular meeting, the board routinely meets with Mr. Schwartz without the presence of other members of management to consider any matter not easily or appropriately discussed in the larger forum. The topics discussed can include the effectiveness of the meeting just concluded, the performance of any individual member of management or the board, the performance of the board itself, or, indeed, any matter of concern to any director.
- The board, at each meeting other than unscheduled meetings called for the sole purpose of approving specific transactions, has historically had and will continue to have a session in the absence of Mr. Schwartz or any other member of management. In 2009, the board determined that such meetings also will include a session in the absence of both management and any non-independent directors.
- The performance of Mr. Schwartz is considered in the absence of Mr. Schwartz and Ms. Reisman at least once a year when his compensation is settled.
- Any member of the board may provide to the Lead Director agenda items for discussion at any meeting and the Lead Director has the right to place items on the board's agenda in his discretion.
- Under the Corporation's by-laws, any two directors are entitled to convene a meeting of the directors at any time for the purpose of discussing any matter of concern to any director relevant to the board's mandate or its performance.
- In addition to the two standing committees, independent committees may be struck from time to time when required for particular purposes.

Each director works with his or her fellow directors to perform the responsibilities of the board and its committees as set out in their respective written charters. Each director acts to serve the long-term interests of the Corporation and its shareholders and in so doing conducts himself or herself in an independent manner and in accordance with the highest ethical standards. Directors continually seek to improve their knowledge about the Corporation and the opportunities and risks facing its business. In so doing, directors prepare for, attend where possible and participate in all meetings of the board and, where they are members, of its committees. To achieve this result, each director commits to devote sufficient time to effectively carry out his or her responsibilities. Directors are expected to be able to provide informed judgment on a wide variety of matters, particularly those relevant to the business of the Corporation. Given the nature of Onex' business and the matters reviewed by the board, each

director is also expected to possess a significant degree of financial literacy. It is anticipated that an individual who accepts the position as a director of the Corporation will commit to be a board member for an extended period of time.

The current practice of the board of directors permits an individual director or committee of the board to engage an outside advisor at the expense of the Corporation, and with notice to the lead director, in appropriate circumstances. In addition, each director who has or may reasonably be perceived to have a material interest in any transaction or agreement being considered by the board is required to make full disclosure of his or her interest and if an actual conflict exists, is expected to abstain from voting on such matter.

Key Position Descriptions

The Guidelines suggest that position descriptions for the board, chairs of the board committees and the Chief Executive Officer should be developed. The broad mandate of the board, and its duties and responsibilities as described above, serve to define the relationship between the board and management. They work together in a collegial manner without a significantly structured or hierarchical format. This is consistent with the highly entrepreneurial nature of the Corporation. There are written mandates for the board and the committees of the board.

The following are position descriptions for the Chairman and the Lead Director:

The Chairman is to manage the affairs of the board, ensuring that the board meets its obligations and responsibilities and functions effectively, and to see that the interests of the shareholders are achieved. In that capacity he ensures that the board has adequate resources and the full, timely and relevant information required to enable responsible decision-making. The Chairman chairs all meetings of shareholders and is available for questions from shareholders. The Chairman provides the principal point of contact between management and the board and facilitates effective interaction between board members and management.

The Lead Director is to facilitate the functioning of the board independently of management, to ensure that directors have an independent contact on matters of concern to them and to ensure that the board's agenda will enable it to successfully carry out its duties. In particular, the Lead Director would provide leadership to the board if circumstances arose in which the joint role of the Chairman and Chief Executive Officer may be, or may be perceived to be, in conflict and chairs those board sessions that are attended only by independent directors. To carry out his duties the Lead Director, who is also the Chair of the Corporation's Audit and Corporate Governance Committee, is knowledgeable on corporate governance practices and developments and is able to provide guidance on such matters. The Lead Director also leads development of the board in terms of skills, orientation and the assessment of the effectiveness of individual members. In doing so the Lead Director seeks the feedback of board members on the performance of the board, its committees and individual directors.

Committees of the Board

The board has established two standing committees of directors, the responsibilities of each of which are summarized below and are set forth in a written charter approved by the board. Other committees are appointed from time to time when required. The proceedings of committees are reviewed by, and their recommendations are brought for consideration to, the full board.

Compensation and Management Resources Committee

The Compensation and Management Resources Committee is and will be composed of three members, all of whom are independent and unrelated directors, which is consistent with the Guidelines. This Committee establishes and administers the compensation policies and remuneration levels for the executive officers and managers of the Corporation and reviews such levels for certain senior executive officers of the Corporation's subsidiaries. This function includes reviewing and making recommendations to the board in respect of the Corporation's compensation plans and equity-based programs, including the stock option plan and the Management Investment Plan. Further information as to the Committee's responsibilities and processes is detailed under "Compensation Discussion and Analysis" below. The Committee's recommendations are submitted to and reviewed by the board of directors. The Committee also reviews and approves the Corporation's disclosure with respect to executive compensation.

The Compensation and Management Resources Committee met five times in 2008 with all members present for all meetings. The Committee is scheduled to meet four times in 2009.

Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee is composed of three directors, all of whom are independent directors as recommended by the Guidelines. These directors also meet the higher independence standard for audit committee members recommended by the Guidelines. The Committee reviews the financial qualifications of its members. All of the members of the Audit and Corporate Governance Committee are financially literate and at least one has the experience level of a financial expert, all as contemplated by the Guidelines. The Audit and Corporate Governance Committee met five times in 2008 with all members present in person for each of those meetings. The Committee is scheduled to meet four times during 2009. Its responsibilities include the review and assessment of the Corporation's external audit plan, the audit approach on subsidiary companies, accounting policies, internal controls, access granted to the Corporation's records and co-operation by management in the audit process, accounting systems, financial risk management, adequacy of insurance coverage, compliance by subsidiary companies with environmental policies, and quarterly and annual financial reporting. The Audit and Corporate Governance Committee reviews the annual and quarterly consolidated financial statements, Management's Discussion and Analysis of the financial results, the external auditor's report and press releases on earnings and reports its findings to the board of directors for consideration when approving the annual and quarterly financial statements for issuance to the shareholders. The Audit and Corporate Governance Committee meets without the presence of management, except at the Committee's invitation, and has direct access to representatives of the auditors. The Committee is responsible for assessing the independence of the auditors and sets the criteria for non-audit services the external auditor is prohibited from providing. The Committee has a broad responsibility for reviewing and monitoring the Corporation's corporate governance policies and related disclosures. The Committee also annually reviews the adequacy and forms of compensation for directors. This review is completed with reference periodically to outside surveys of directors' compensation for corporations of similar size and complexity. The Committee monitors compliance with the Corporation's Code of Business Conduct and Ethics and would consider and determine any proposed waiver for the benefit of the Corporation's directors or senior officers. The mandate of the Audit and Corporate Governance Committee is published in this circular and appears on the Corporation's website.

Director Recruitment and Performance Review

The board of directors consists of nine members, which is considered by the board to be an appropriate size to facilitate effective decision-making. The entire board, seven out of nine of the members of which are independent, acts as a nominating committee in identifying and recruiting new members to the board. The board considers the competencies and skills that the board, as a whole, should possess, evaluates the competencies and skills of each current board member and then determines the competencies, skills and other qualities for new directors and assesses prospective new directors against that framework.

Annually, each board member completes a formal corporate governance questionnaire, which is submitted to the Lead Director. This questionnaire is designed to assist in assessing the effectiveness of the board as a whole and of the committees of the board, as well as formal peer reviews to evaluate the contribution and performance of each individual director, including the Lead Director and the Chairman. The written mandates of the board and of the committees of the board are also assessed. These matters are discussed both by the board of directors as a whole and by the Audit and Corporate Governance Committee as suggested in the Guidelines.

Annually, the board reviews the slate of directors proposed to be elected by the Subordinate Voting Shareholders at the annual meeting. The board also reviews each year the reappointment of any non-executive director who will have reached the age of 72 or greater at the time of the annual meeting. Participation of directors is expected, and generally there is full attendance, at all board and committee meetings. Directors are asked to notify the Corporation if they are unable to attend and attendance at meetings is duly recorded. During 2008, there were six in-person board meetings and one telephone meeting. Each director attended all of the meetings, except that Mr. Etherington missed one in-person meeting.

New directors of the Corporation have generally been executives with extensive business experience and directorship responsibilities on the boards of other public and private institutions. It is the responsibility of the Audit and Corporate Governance Committee to oversee the orientation program for new directors. The formal orientation program is tailored to the particular background of the new director and would include such items as a review of the board's mandate, the mandates of committees, the Corporation's Code of Business Conduct and Ethics, past board of directors' materials and other private and public documents concerning the Corporation, exposure to the officers of the Corporation and visits to certain of the Corporation's operating companies. The expectation as to time commitment and participation by directors would also be reviewed. This program is consistent with the Guidelines.

The board has continuing education for directors, including advice to the Audit and Corporate Governance Committee members on a timely and continuing basis of changes in accounting principles, regulatory and governance matters. Other sessions are provided that are of more general benefit to all the directors. To enhance the directors' knowledge and understanding of Onex' businesses, certain meetings of the board include presentations by the chief executive officers of Onex' major operating companies.

AUDIT AND CORPORATE GOVERNANCE COMMITTEE CHARTER

Purpose

The primary function of the Audit and Corporate Governance Committee is to assist the board of directors in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to the shareholders and others, the systems of internal controls that management and the board of directors have established, and the Corporation's and its subsidiaries' audit and financial reporting process. The Committee has the responsibility to review and monitor the corporate governance practices of the Corporation.

The external auditors' ultimate responsibility is to the board of directors and the Audit and Corporate Governance Committee, as representatives of the shareholders. These representatives have the ultimate authority to evaluate and, where appropriate, recommend replacement of the external auditors.

The Audit and Corporate Governance Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in ensuing sections of this Charter. The Committee is given full access to the Corporation's management and records and external auditors as necessary to carry out these responsibilities. The Committee has the authority to carry out such special investigations as it sees fit in respect of any matters within its various roles and responsibilities.

Composition and Qualification

The Audit and Corporate Governance Committee shall be comprised of three directors, each of whom will be an independent director, as defined in Multilateral Instrument 52-110 — *Audit Committees*, as adopted by the Ontario Securities Commission.

All members of the Committee shall be financially literate and thus be able to read and understand a set of financial statements that have a level of complexity of accounting that is comparable to that of the Corporation's financial statements. At least one member of the Committee shall have accounting or related financial expertise. This could include past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer of an entity with financial oversight responsibilities.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit and Corporate Governance Committee shall:

(a) Review the accounting principles, policies and practices followed by the Corporation and its subsidiaries in accounting for and reporting its financial results of operations.

(b) Review the Corporation's audited annual consolidated financial statements and the unaudited quarterly financial statements. Also review and recommend to the board for approval any accompanying related documents such as the Annual Information Form or equivalent filings and the Management's Discussion and Analysis prior to the disclosing of the information to the public.

(c) Review the draft earnings press release quarterly.

(d) Satisfy itself that adequate procedures are in place for the review of any other public disclosure by the Corporation of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures.

(e) Oversee the work of the external auditor and recommend to the board of directors the selection and compensation of the external auditors to be put forward to the shareholders at the annual meeting.

(f) Obtain on a quarterly basis a formal written statement from the external auditors delineating the relationship between the audit firm and the Corporation, and review and discuss with the external auditors such relationship to determine the "independence" of the auditors.

(g) Review any management letter prepared by the external auditors concerning the Corporation's internal financial controls, record keeping and other matters and management's response thereto.

(h) Discuss with the external auditors their views about the quality of the implementation of Canadian Generally Accepted Accounting Principles, with a particular focus on the accounting estimates and judgments made by management and management's selection of accounting principles. Meet in private with appropriate members of management and separately with the external auditors on a regular basis to share perceptions on these matters, discuss any potential concerns and agree upon appropriate action plans. Review with the external auditor their views on the adequacy of the Corporation's financial personnel.

(i) Approve the scope of the annual audit, the audit plan, the access granted to the Corporation's records and the co-operation of management in any audit and review function.

(j) Review the effectiveness of the independent audit effort, including approval of the fees charged in connection with the annual audit, any quarterly reviews and any non-audit services being provided.

(k) Evaluate the lead audit partner and discuss rotation of the lead audit partner and other active audit engagement team partners.

(l) Assess the effectiveness of the working relationship of the external auditors with management and become involved, if necessary, to resolve disagreements between management and the external auditor regarding financial reporting matters.

(m) Review the financial risk management policies followed by the Corporation in operating its business activities and the completeness and fairness of any disclosure thereof. Review the use of derivative financial instruments by the Corporation.

(n) Review and approve management's decisions relating to any potential need for internal auditing, including whether this function should be outsourced and if such function is outsourced, approve the supplier of such service.

(o) Review annually the Audit and Corporate Governance Committee Charter for compliance and adequacy and recommend any changes to the board.

(p) Determine the nature of non-audit services the external auditor is prohibited from providing to the Corporation. The Committee will pre-approve all non-audit services provided by the external auditor to the Corporation.

(q) Review compliance with regulatory requirements relating to CEO/CFO certifications.

(r) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the external auditor.

(s) Establish and review procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(t) Report to the board on the major items covered at each Audit and Corporate Governance Committee meeting and make recommendations to the board and management concerning these matters. Annually report to the board on the effectiveness of the Audit and Corporate Governance Committee.

(u) Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law as the Committee or the board deems necessary or appropriate.

(v) Ensure that procedures are in place for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and allowing for employees' anonymous submission of such complaints.

(w) Establish criteria for immediate reporting of significant complaints to the Committee and obtaining periodic reports about other complaints received.

(x) Review of management's antifraud programs and controls, including the fraud risk assessment process.

(y) Review, on a timely basis, reports describing the nature, status and eventual disposition of any alleged or suspected fraud.

Corporate Governance Responsibilities

While corporate governance remains the responsibility of the board of directors, the Committee shall review and monitor the corporate governance practices of the Corporation. This includes:

(a) Reviewing the corporate governance disclosures that may be made by the Corporation.

(b) Reviewing compensation for members of the board of directors and recommending compensation levels to the board.

(c) Assessing on an annual basis the corporate governance practices. This would include requiring the completion of an annual questionnaire of the board members on corporate governance and the effectiveness of the board.

(d) Reviewing financial qualifications of Committee members.

(e) Overseeing the orientation program for new directors.

(f) Monitoring on a continuing basis the overall effectiveness of the Corporation's system of corporate governance.

(g) Annually assessing the performance of the Committee as a whole and of its members individually, considering improvements and taking decisive corrective action.

Audit and Corporate Governance Meetings

The Audit and Corporate Governance Committee will meet on a quarterly basis and will hold special meetings as circumstances require. The timing of the meetings shall be determined by the Committee. The Committee may

engage external advisors as it determines necessary, with notice to the lead director, and may set the compensation for such advisors.

At all Audit and Corporate Governance Committee meetings a majority of the members shall constitute a quorum.

CODE OF BUSINESS CONDUCT AND ETHICS

The board of directors of the Corporation has adopted a Code of Business Conduct and Ethics (the "Code") to reflect the Corporation's commitment to a culture of honesty, integrity and accountability and to outline the basic principles and policies with which all directors, officers and employees of Onex and its operating companies are expected to comply. A copy of the Code is available on written request made to the Corporation at 161 Bay Street, 49th Floor, Box 700, Toronto, Ontario M5J 2S1, Attention: Vice President, General Counsel and Secretary.

The board recognizes that it is ultimately responsible for monitoring compliance with the Code. This monitoring is achieved through systems and processes implemented by Onex management that are designed to result in wide dissemination of the Code, to encourage compliance with its provisions, to encourage consultation with appropriate members of management to the extent that guidance is necessary or desirable, and to facilitate the reporting of actual or suspected breaches. Any breach or concern would be investigated by management as appropriate and, depending upon the circumstances, either dealt with by management with the results reported to the board or referred to the board for further action. The Code specifies that no individual who reports a violation or potential violation or who cooperates in the investigation of a violation or potential violation will be subject to harassment, discipline or retaliation as a result of such report. The chief executive officer of each of Onex' operating companies is required to certify annually that he or she has caused the Code (or a comparable code of business conduct and ethics adopted by the board of the particular operating company) to be disseminated to all employees and is not aware of any instance of non-compliance or breach.

FEES PAID TO AUDITORS

The following table sets forth the aggregate fees incurred by the Corporation and operating companies for audit and other services performed by the Corporation's auditor, PricewaterhouseCoopers LLP, for the years ended December 31, 2008 and 2007.

	2008	2007
Audit at corporate office	$ 1,517,000	$ 1,200,000
Audit at operating companies	17,584,000	14,995,000
	19,101,000	16,195,000
Tax at corporate office	839,000	218,000
Tax at operating companies	4,202,000	4,154,000
	5,041,000	4,372,000
Internal controls for Sarbanes-Oxley and Bill 198		
Corporate office	136,000	65,000
Operating companies	1,446,000	1,906,000
	1,582,000	1,971,000
Other at corporate office(1)	44,000	242,000
Other at operating companies(1)	749,000	2,508,000
	793,000	2,750,000
Total	$26,517,000	$25,288,000

Note:

(1) Includes fees for permitted statutory or regulatory filings and other non-audit services.

COMPENSATION DISCUSSION AND ANALYSIS

One of the responsibilities of the Compensation and Management Resources Committee (the "Committee") is to determine and administer or review the compensation policies and levels for the executive officers of the Corporation and certain senior executive officers of the Corporation's subsidiaries. The recommendations of the Committee are communicated to the board of directors and, with respect to the Chief Executive Officer, are submitted to the board of directors for approval. Mr. Schwartz and Ms. Reisman do not participate in the board's deliberations concerning the compensation for Mr. Schwartz.

Onex' Compensation Policy and Practices

General

The Corporation is one of North America's oldest and most successful private equity investors and asset managers, with operations and interests across a wide variety of companies, industries, geographies and asset classes. Accordingly, while the Corporation's policy on compensation attempts to show consistent application for all executive officers, variations reflect differences in experience and level of responsibility for certain areas of corporate management, in the nature of the functions performed by particular individuals within the corporate group and in the competitive characteristics of compensation practices across a range of industries and roles.

Levels of compensation, including the components thereof, generally are based on the ability of an executive officer to contribute to the long-term objective of the Corporation, which is to maximize the value of the Corporation for shareholders. This objective is met through two fundamental strategies, namely (i) the focus in private equity investing on implementing a disciplined, active ownership approach of acquiring and building industry-leading businesses in partnership with outstanding management teams, and (ii) the successful development of the Corporation's growing asset management business to not only earn management fees and carried interests on the value the Corporation creates for third-party investors, but also to enable the Corporation to be efficient and responsive to opportunities in private equity.

The Committee also appreciates the importance of qualitative factors in assessing individual performance of its executive officers and considers matters such as demonstrated leadership ability and the management of major projects and, with respect to the parent company, the relatively small number of executives and other professionals at the Corporation's head office. The Corporation does not maintain any pension or other retirement plan for the employees of its principal offices. However, there exists a number of plans and programs whereby members of senior management of the Corporation invest and have investment rights in, or acquire other contingent entitlements in respect of, acquisition transactions undertaken by the Corporation. These plans and programs are outlined on pages 32 through 36 of this management information circular and are similar in substance to those in which management of competitors of the Corporation participate.

The compensation package for executives of the Corporation and its operating subsidiaries consists primarily of three components — base salary, additional variable cash compensation and equity participation. In establishing base salaries, the objective is to establish levels which will enable the Corporation and its subsidiaries to attract, retain and reward executive officers who can effectively contribute to the long-term success and objectives of the Corporation and/or the relevant subsidiary. Base compensation levels are generally based upon the expected contribution of an executive officer to the increase in the value of the Corporation's underlying assets or the assets of the relevant subsidiary. Within its core private equity activities, the Corporation has adopted the basic compensation structure used throughout the industry, in which salaries are set at relatively modest or even nominal levels to provide a baseline amount of current cash income and are intended to comprise only a small portion of aggregate annual compensation.

The second component of executive compensation is the variable cash compensation opportunity. The Corporation and each operating subsidiary have designed and adopted their own variable compensation arrangements. The variable compensation plans of the operating subsidiaries vary significantly and are designed as to best fit the relevant company's business and operations, but are generally intended to reward achieving specific current year financial and operating results, satisfying or surpassing performance targets relating to a myriad of factors including growth and increase in value of the business, identifying and realizing on opportunities, as well as meeting

and exceeding individual objectives. At the parent company level, executives and professionals with primary responsibilities in the Corporation's core private equity activities expect to derive the substantial majority of their annual earnings from the payment of variable compensation, a portion of which is generally considered to be an integral part of annual compensation and the balance of which is related to the Corporation's success in, among other things, raising new capital, completing new acquisitions, realizing on investments in existing operating companies and growing and improving the performance and results of its operating businesses, as well as upon each individual's contribution to those successes.

The third component of executive compensation is traditionally equity-based and may include awards of shares, restricted shares, phantom shares, their economic equivalents, stock options or share appreciation rights as means of rewarding and incentivizing executive officers of the Corporation or its operating subsidiaries and aligning the interests not only of management but of all employees directly with those of the Corporation's shareholders. As is the case with cash compensation plans, the Corporation and each operating subsidiary have designed and adopted tailored plans and programs that are appropriate within the context of their respective businesses, although the Corporation seeks to the extent reasonable to maintain consistency in the structure and scope of major equity investment and compensation programs among its operating subsidiaries.

The Committee has not developed quantitative benchmarks for establishing compensation levels at the parent company level and does not believe that a formulaic approach to compensation decisions is realistic given the nature of the Corporation's business, the substantial and inevitable changes in the mix of the Corporation's investments and the performance of those investments year-to-year and the likelihood that inappropriate compensation decisions would result from the application of specific quantitative measures. Instead, the Committee conducts detailed qualitative reviews with respect to all of the Corporation's senior management and investment professionals annually and periodically retains compensation consultants, or otherwise acquires detailed private compensation surveys, to provide comparative data with respect to compensation in the private equity industry and in the financial services industry overall. As it had previously determined not to engage consultants every year and had the benefit of a detailed consulting report prepared by an industry leading firm in 2007, the Committee determined not to retain a consultant in 2008.

2008 Compensation Considerations

In determining compensation levels for 2008, the Committee considered the dramatic and severe decline in the global economic environment, the substantial impact that the ongoing recession was having on the Corporation and its operating subsidiaries, and the difficulties that the Corporation had faced and would continue to face in its private equity and asset management activities both in raising new capital and in executing transactions. The Committee acknowledged that despite the difficult environment throughout 2008, the Corporation had succeeded in raising US$3 billion of third party capital for its third large-cap fund, Onex Partners III, at a time when many investors were severely curtailing their commitments to private equity and had also successfully sourced and completed its investment in RSI Home Products. The Committee also recognized that the Corporation was being well served by the price discipline and prudent approach to leverage applied by the Corporation's management team in the peak years leading up to the economic downturn and that the team had continued to work diligently through 2008, and with remarkable success relative to the Corporation's peers and the overall market, to preserve and protect the value of its operating subsidiaries in the face of severely deteriorating economic conditions. Overall, however, the Committee determined to substantially reduce variable cash compensation to the Corporation's executive management and investment professionals for the year and to freeze base salaries of all senior professional personnel.

Chief Executive Officer Compensation

Executive compensation for Mr. Schwartz in his capacity as Chief Executive Officer is considered and determined by the Committee and approved by the board of directors in the absence of Mr. Schwartz and Ms. Reisman. It generally consists of base salary and variable cash compensation and may include options issued under the Corporation's stock option plan.

In establishing the overall approach to the Chief Executive Officer's compensation, the Committee is mindful of the unique demands arising from the magnitude and diversity of the revenue and asset base of the Corporation,

the expansion and evolution of that base over time, and the constantly changing mix of businesses that comprise the total business and operations of the Corporation. The Committee then generally takes into consideration Mr. Schwartz's contribution in terms of leadership in the management of the Corporation and its subsidiaries, efforts to safeguard and grow shareholder value and the value of the Corporation's underlying assets, the financial performance of operating subsidiaries and other investments, the effective development and growth of the Corporation and its team of investment professionals, completed acquisitions and dispositions, and the development of new investment opportunities and relationships for the Corporation and its subsidiaries. Finally, the Committee recognizes that the majority of the Corporation's activities and businesses are located in the United States and, accordingly, that compensation arrangements should reflect U.S. practices and levels. Moreover, as Mr. Schwartz's responsibilities parallel those of U.S. executives managing direct equity investment pools of capital, the compensation arrangements available to such executives, including base salary, additional variable cash compensation and equity participation, are taken into consideration.

Notwithstanding the substantial growth in all aspects of the Corporation's business in the past several years, Mr. Schwartz' base salary of US$650,000 has been unchanged in U.S. dollars since 1996. As described above, however, the Corporation's approach to compensation at the parent company level involves the payment of base salaries together with variable cash compensation, a portion of which constitutes a fundamental part of basic annual earnings. In determining Mr. Schwartz' variable compensation for 2008, the Committee considered Mr. Schwartz's efforts and achievements in each of the areas outlined above, all within the context of the economic and industry factors taken into account by the Committee in determining executive compensation generally. The Committee awarded Mr. Schwartz variable cash compensation of US$3 million for 2008, as compared to a 2007 amount of US$13 million and average annual variable cash compensation of US$11 million over the past four years. No stock options were issued to Mr. Schwartz in 2008.

Celestica Inc. (Named Executive Officers — Craig H. Muhlhauser and Paul Nicoletti)

William A. Etherington, a member of the board of directors of the Corporation, is also a member of the board of directors of Celestica and of its Compensation Committee (the "Celestica Compensation Committee" or, in this section only, the "Committee").

The Celestica Compensation Committee has primary responsibility for defining the company's compensation policies and principles. Celestica's executive compensation package is designed to (i) provide competitive fixed compensation and a substantial amount of at-risk pay; (ii) reward executives for achieving operational and financial results that meet or exceed plan and that are superior to those of the company's competitors in electronics manufacturing services (EMS); (iii) align the interests of executives and shareholders through equity-based compensation; (iv) recognize that the executives work as a team to achieve corporate results; and (v) ensure direct accountability for the company's annual operating results and long term financial performance.

The Committee customarily engages an outside consultant to assist in gathering market information and otherwise to make recommendations and provide advice on compensation decisions. The Committee benchmarks the company against a comparator group of 20 similarly-sized technology companies, including four direct EMS competitors, namely Benchmark Electronics Inc., Flextronics International Ltd., Jabil Circuits, Inc. and Sanmina-SCI Corp., targeting compensation at the median of the comparator group for median level performance.

The Committee targets 50th percentile total compensation for median levels of corporate and individual performance and decisions in respect of 2008 compensation were consistent with the principles and parameters described above. The variable portion of total compensation has the highest weighting at Celestica's most senior levels and annual, mid-term, and long-term incentive plan rewards are contingent upon organizational performance. In 2008, annual incentive payments to Messrs. Muhlhauser and Nicoletti were above target due to above-average performance that exceeded the company's objectives and that of its EMS competitors on certain metrics. In setting Mr. Muhlhauser's compensation for 2008, the Committee considered, among other things, both the company's success and Mr. Muhlhauser's contribution to its uccess in growing return on invested capital, improving customer loyalty measures, reducing overall spending as a percentage of revenue and manufacturing value-add, and satisfying specified bookings objectives, although these successes were mitigated by the failure to achieve revenue objectives. The Committee further considered the company's outstanding results in year-over-year earnings growth,

improvement in gross margin and operating margin percentages and improvement in inventory turns as well as the increase in the company's stock price relative to those of its EMS competitors. With respect to Mr. Nicoletti, the Committee principally recognized the company's significantly improved financial performance on a number of metrics, including success in meeting or exceeding earnings guidance and the upgrading of credit agency ratings.

Compensation payable to Messrs. Muhlhauser and Nicoletti is comprised of:

- *Base Salary* — Base salaries are reviewed annually, with consideration given to individual performance, experience and level of responsibility. For 2008, base salary was weighted 14.3% for Mr. Muhlhauser and 20% for Mr. Nicoletti.

- *Annual Incentives (annual variable cash payments)* — Annual incentive awards are intended to reward the achievement of annual corporate, business unit and individual goals and objectives. Target awards for each of Messrs. Muhlhauser and Nicoletti are expressed as a percentage of salary and established based on the median of the comparator group, with payouts ranging from 0% to 200% of target. For 2008, annual incentive awards were weighted 14.3% for Mr. Muhlhauser and 16% for Mr. Nicoletti.

- *Mid-Term Incentives (performance and restricted share units) and Long-Term Incentives (stock options)* — Celestica's equity-based incentives consist of restricted share units (RSUs), performance share units (PSUs) and stock options and are designed to align interests with those of shareholders, incent appropriate behavior for long-term performance, reward contribution to the company's long-term success and enable the company to attract and retain qualified and experienced employees. Target incentives are determined based on median awards of the company's comparator group, with consideration given to individual performance when determining actual awards. For 2008, mid- and long-term incentive awards to Messrs. Muhlhauser and Nicoletti were weighted 71.4% and 64%, respectively, and the target mix of incentives comprised 25% stock options, 40% RSUs, and 35% PSUs. RSUs are released as to one-third on each of the first two anniversaries of the grant date, with the final third being released on the subsequent December 1st. PSUs vest at the end of a three year performance period, subject to pre-determined performance criteria, and payout value can range from 0% to 200% of grant. In each case, payout value is based upon the market price of the Celestica subordinate voting shares on the release or vesting date.

- *Benefits* — Messrs. Muhlhauser and Nicoletti participate in Celestica's health, dental, pension, life insurance and long-term disability programs.

- *Perquisites* — Perquisites to Messrs. Muhlhauser and Nicoletti are limited to annual comprehensive medical at a private health clinic.

Spirit AeroSystems, Inc. (Named Executive Officer Jeffrey L. Turner)

Nigel S. Wright, an executive of the Corporation, is a member of the board of directors of Spirit and of its Compensation Committee (the "Spirit Compensation Committee" or, in this section only, the "Committee").

The Spirit Compensation Committee has primary responsibility for establishing, implementing and monitoring compliance with the company's compensation philosophies. In establishing executive compensation, Spirit seeks: (i) to offer total compensation that is competitive with that of similarly-situated companies and that maintains a substantial portion of total compensation at risk; (ii) to promote and reward the achievement of measureable short- and long-term objectives with a view to sustained profitability and long-term growth in stockholder value; and (iii) to align the interests of executive officers with those of stockholders by tying executive compensation to stockholder return and value.

Spirit utilized the services of Towers Perrin during 2008 to benchmark executive compensation, evaluate the company's pay philosophy and assess long-term incentive plan design alternatives during 2008, as well as in establishing executive officers' base salaries and target compensation plan awards. In benchmarking executive compensation, the Committee considered portions of national, proprietary compensation surveys, specifically a Towers Perrin executive compensation survey on aerospace, transportation, industrial manufacturing and general industry companies with sales between $1 and $5 billion and Mercer Human Resources Consulting surveys on

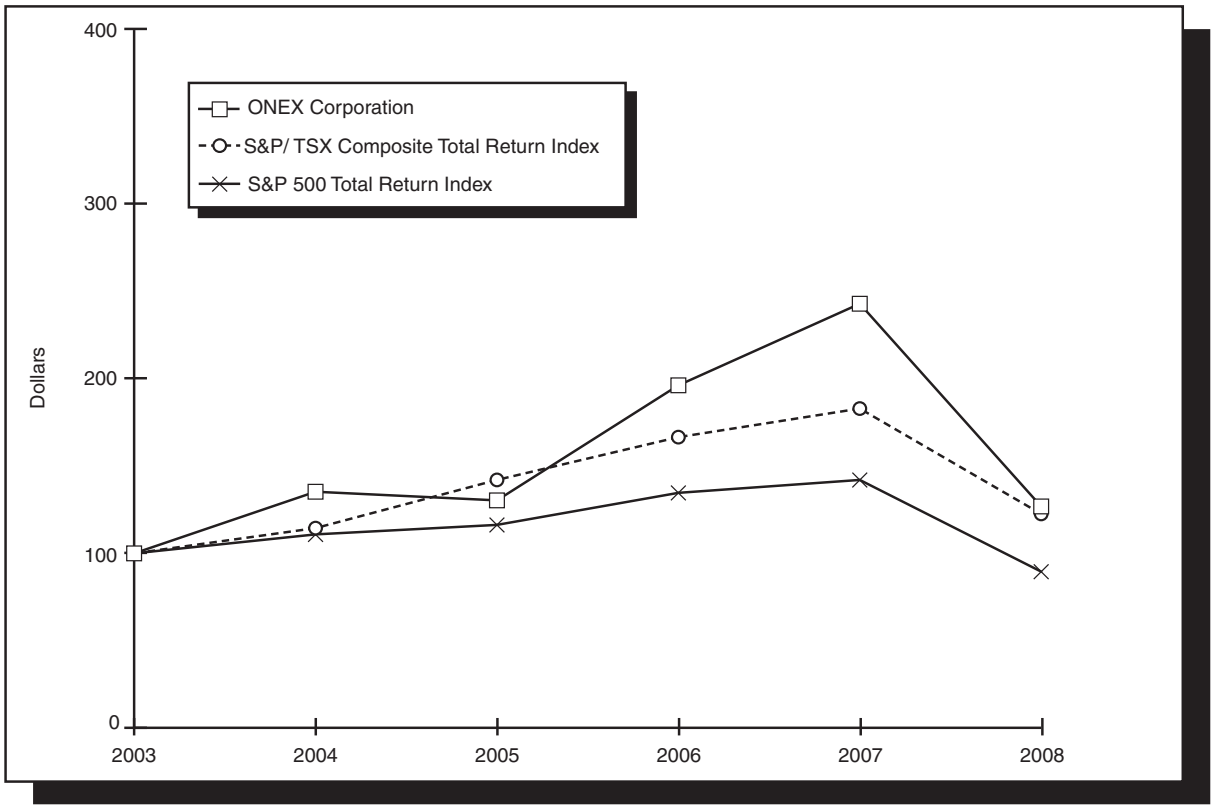
executive, human resources and finance positions of comparably-sized general industry companies, as well as other broader, general market data for select industries.

Mr. Turner's compensation consists of the elements set forth below and, consistent with Spirit's pay-at-risk philosophy, particularly at the most senior levels, a substantial portion of Mr. Turner's target aggregate compensation is pay-at-risk:

- *Base Salary* — Base salaries are set slightly below market median levels.
- *Short-Term Incentive Pay* (STIP) — The STIP is the principal at-risk component of Spirit's executive compensation program. Mr. Turner and other Spirit executives have targeted STIP awards expressed as a percentage of base salary that are intended to yield total annual compensation below the market median when personal and company performance goals are not met, to approximate the market median upon achievement of targeted performance levels, and to exceed the market median upon greater achievement. STIP awards consist of restricted stock and/or cash (50% stock and 50% cash in the case of Mr. Turner), initially based on pre-established performance objectives, targeted achievement levels and assigned weightings, but subject to discretionary adjustment in response to significant unforeseen circumstances. For 2008, the Committee considered two primary factors: (i) earnings before interest and taxes (weighted 75%) and (ii) free cash flow (weighted 25%), with a payout range of nil to 200%, and adjusted actual payouts to reflect the impact of a strike by certain employees of the company's largest customer which was beyond the control of Spirit's management but had a significant negative impact on earnings. Awards were granted at approximately 81% of target levels.
- *Special Annual Discretionary Awards* — The Committee has the authority to make special discretionary cash awards to executive officers in order to recognize significant individual performance and contribution toward achievement of corporate goals.
- *Long Term Incentive Plan (LTIP)* — The LTIP is Spirit's key long-term incentive award vehicle and in 2008 effectively replaced on a going-forward basis the company's Executive Incentive Plan (EIP), under which Mr. Turner and other executives continue to hold certain previously-granted awards. The LTIP is used to provide long-term, equity-based incentive compensation in keeping with the company's executive compensation philosophy. Typically, one-third of LTIP restricted stock grants vest on each of the second, third and fourth anniversaries of the grant date, provided that grants to Spirit EIP participants, including Mr. Turner, take into account remaining unvested EIP grants such that LTIP awards to these participants do not begin to vest until one year after the vesting of remaining EIP grants.

SHARE PERFORMANCE GRAPH

The following chart compares the total cumulative shareholder return (assuming re-investment of dividends) for $100 invested in the Corporation's Subordinate Voting Shares on December 31, 2003 with the comparative cumulative total return of the S&P/TSX Composite Index and the S&P 500 Index for the Corporation's five most recently completed financial years.



Onex 5 Year Total Shareholders' Return

	December 31, 2003	For the Financial Years				
		2004	2005	2006	2007	2008
Onex Corporation	$100.00	$135.33	$130.38	$196.34	$243.10	$126.90
S&P/TSX Composite Total Return Index	$100.00	$114.48	$142.10	$166.63	$183.01	$122.61
S&P 500 Total Return Index	$100.00	$110.88	$116.33	$134.70	$142.10	$ 89.53

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS OF THE CORPORATION AND ITS SUBSIDIARIES

Directors

Each of the directors of the Corporation other than Mr. Schwartz is currently paid an annual amount of US$35,000 for his or her services and US$2,000 per diem for each board of directors meeting attended. An additional US$2,000 per meeting is currently paid in respect of directors' participation on the Compensation and Management Resources Committee and the Audit and Corporate Governance Committee of the board. One half of the meeting fee is provided for telephone attendance. In addition, the Lead Director receives an annual amount of US$40,000. The Chair of the Audit and Corporate Governance Committee receives US$15,000 and the Chair of the Compensation and Management Resources Committee receives US$7,500 annually in their capacities as committee Chairs. The members of the Audit and Corporate Governance Committee, other than the Chair, each receive an annual amount of US$7,500. The members of the Compensation and Management Resources Committee, other than the Chair, each receive an annual amount of US$4,500. The directors are also reimbursed for any expenses incurred in respect of their activities as directors.

A Deferred Share Unit Plan for directors ("Directors' DSU Plan") was adopted in 2004. The Directors' DSU Plan is designed to better align directors' compensation with the interests of shareholders and the practice of issuing stock options to outside directors was contemporaneously discontinued. The plan allows directors the opportunity to benefit from the appreciation in the value of Onex' Subordinate Voting Shares through a cash payment upon retirement from the board. Under the plan, a director may elect annually to receive all or a portion of his or her directors' fees in Deferred Share Units ("DSUs"). The number of DSUs received is calculated quarterly by reference to the directors' fees for that quarter and the market price of Subordinate Voting Shares at the end of the quarter. Grants of DSUs to directors may also be made from time to time as approved by the board of directors. During 2008, a grant of 5,000 DSUs was made to each director other than Mr. Schwartz. In addition, each director elected to receive all fees payable to him or her in respect of 2008 service in the form of DSUs. DSUs vest immediately, are redeemable only once the holder retires from the board of directors and must be redeemed within one year following the year of retirement. DSUs are redeemable only for cash and no shares or other securities of the Corporation will be issued on the exercise, redemption or other settlement thereof.

Compensation levels for the directors of the Corporation are considered by the Audit and Corporate Governance Committee annually. This consideration includes a review of the compensation paid to directors of similarly-sized businesses in Canada and the U.S. while also taking into account the unique circumstances arising from the diversity of the revenue and asset base of the Corporation through both its operating companies and its asset management businesses and the rapid evolution of those businesses. The total compensation to the directors of the Corporation for the year ended December 31, 2008 was $2,282,927, comprised of the amounts set forth in the table below.

Director	Fees Earned ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)(1)(3)	Total ($)
Daniel C. Casey	65,394	—	—	—	—	209,915	274,309
William A. Etherington	50,232	—	—	—	—	163,487	213,719
Peter C. Godsoe	70,295	—	—	—	—	256,987	327,282
Serge Gouin	70,295	—	—	—	—	166,307	236,602
Brian M. King(2)	66,522	—	—	—	—	166,264	232,786
John B. McCoy	65,394	—	—	—	—	165,430	230,824
J. Robert S. Prichard	52,288	—	—	—	—	166,046	218,334
Heather M. Reisman	52,288	—	—	—	—	165,309	217,597
Arni C. Thorsteinson	121,726	—	—	—	—	209.748	331,474

Notes:

(1) On May 9, 2008, each director other than Mr. Schwartz was granted 5,000 DSUs. The value of such DSUs on issuance was $32.54, being the closing price of the Subordinate Voting Shares on the immediately preceding trading day. This column includes (i) the value of such DSUs, (ii) the amount of all dividend equivalents credited in respect of such DSUs, (iii) the amount of all dividend equivalents credited in respect of the DSUs issued to directors during 2008 in payment of their directors' fees and (iv) in the case of Messrs. Godsoe, Casey and Thorsteinson, the amounts referred to in note 3 below.

(2) Mr. King is not standing for re-election at the meeting.

(3) Mr. Godsoe is a member of the board of directors of The Warranty Group, Inc., a subsidiary of the Corporation, and each of Messrs. Casey and Thorsteinson is a member of the Advisory Board of Onex Real Estate Partners. Mr. Godsoe received compensation from The Warranty Group of U.S. $85,000 for his service as a director in 2008, comprising a retainer in the amount of U.S. $50,000, a fee of U.S. $5,000 for chairing the investment committee of the board, and a grant of common shares of The Warranty Group valued at U.S. $30,000. at the date of grant. Each of Messrs. Casey and Thorsteinson received from Onex Real Estate Partners a flat fee of U.S. $40,000, paid in cash, for serving on that fund's Advisory Board. Such amounts have been converted to Canadian dollars for purposes of the foregoing table at a rate of 1.0671, being the average exchange rate during 2008.

Contemporaneous with the adoption of the Directors' DSU Plan, the Corporation ceased to issue options to directors under its stock option plan. However, certain of the Corporation's directors continue to hold options issued prior to 2004. The following table provides information with respect to options held by directors at December 31, 2008. No options vested during the year and no directors held unvested options as at December 31, 2008.

Outstanding Share-Based Awards and Option-Based Awards

	Option-Based Awards				Share-Based Awards	
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised in-the-Money Options ($)(1)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested ($)
Daniel C. Casey	10,000	20.225	December 17, 2009	—	—	—
	10,000	20.500	July 3, 2012	—	—	—
Serge Gouin	10,000	20.225	December 17, 2009	—	—	—
	10,000	20.500	July 3, 2012	—	—	—
Brian M. King(2)	10,000	20.225	December 17, 2009	—	—	—
	10,000	20.500	July 3, 2012	—	—	—
J. Robert S. Prichard . .	10,000	20.225	December 17, 2009	—	—	—
	10,000	20.500	July 3, 2012	—	—	—
Arni C. Thorsteinson . .	10,000	20.225	December 17, 2009	—	—	—
	10,000	20.500	July 3, 2012	—	—	—

Notes:

(1) "In-the-money" means the excess of the market value of the applicable underlying security on December 31, 2008 over the exercise price of the options. The Onex Corporation stock option plan provides that vested options may be exercised only if the market value of a Onex Subordinate Voting Share (based on a five-day average closing price) is at least 25% above the relevant exercise price. Options for which the market value of such shares is above strike price are reflected as being in-the-money only if such threshold was met or exceeded at December 31, 2008. The terms and conditions of the plan are described in detail on page 33 below.

(2) Mr. King is not standing for re-election at the meeting.

Executive Officers

Under applicable securities legislation, the Corporation is required to disclose certain financial information relating to the compensation of its Chief Executive Officer, Chief Financial Officer and the Corporation's three most highly compensated executive officers (other than the Chief Executive Officer and Chief Financial Officer). In identifying the three most highly compensated executive officers, applicable securities legislation requires the Corporation to include officers of the Corporation or any of its subsidiaries who performed a policy-making function, or who are in charge of a principal business unit, division or function, in respect of the Corporation (collectively "executive officers").

The Summary Compensation Table which follows provides a summary of compensation earned during each of the last three fiscal years by the Chief Executive Officer, the Chief Financial Officer and the three most highly compensated executive officers of the Corporation and companies which were subsidiaries during 2008 (collectively the "Named Executive Officers"). Specific aspects of their compensation are dealt with in further detail on the following pages.

SUMMARY COMPENSATION TABLE (1)

Name and principal position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation: Annual incentive plans	Non-equity incentive plan compensation: Long-term incentive plans	Pension value	All other compensation	Total compensation
Mr. Gerald W. Schwartz(2) Chief Executive Officer Onex Corporation	2008	$644,345	—	—	$3,654,000	—	—	—	$4,298,345
Mr. Donald W. Lewtas(3) Chief Financial Officer Onex Corporation	2008	$200,000	—	$ 638,000	$ 774,410	—	—	—	$1,612,410
Mr. Craig H. Muhlhauser(4) President and Chief Executive Officer Celestica Inc.	2008	US$937,500	US$3,750,000	US$1,250,000	US$2,000,000	—	US$ 13,800	US$168,278	US$8,119,578
Mr. Paul Nicoletti(4) EVP, Chief Financial Officer Celestica Inc.	2008	US$507,562	US$1,350,000	US$ 450,000	US$ 818,056	—	US$ 48,180	US$ 16,982	US$3,190,779
Mr. Jeffrey L. Turner(5) President and Chief Executive Officer Spirit AeroSystems, Inc.	2008	US$263,390	US$ 200,000	US$2,206,800	US$ 426,708	—	US$101,612	US$ 35,169	US$3,233,679

Notes:

(1) Amounts are presented in Canadian dollars except as otherwise indicated. Amounts paid to Mr. Schwartz are paid in U.S. dollars but have been converted to Canadian dollars for presentation purposes at a rate of 1.0671, being the average exchange rate during 2008.

(2) Amounts shown for Mr. Schwartz are paid as fees to an administrative services company controlled by Mr. Schwartz, pursuant to a management services agreement between the Corporation and that company. The salary for Mr. Schwartz was US$650,000 for 2008. The change in the presented amount is due to exchange rate change between the U.S. and Canadian dollars.

(3) Options awarded to Mr. Lewtas in 2008 vest rateably on the first five anniversaries of the grant date of December 11, 2008. Vested options may not be exercised unless the market value of a Onex Subordinate Voting Share is at least 25% above the exercise price.

(4) Amounts shown for Messrs. Muhlhauser and Nicoletti under "Option-based awards" represent the value of stock options issued under Celestica's long-term incentive plan in respect of 2008 performance. Amounts shown under "Non-equity incentive plan compensation — annual incentive plans" represent payments made through Celestica's annual incentive plan. Amounts shown under "All other compensation" include contributions to Celestica's employee share ownership plan and in Mr. Muhlhauser's case, tax equalization for 2007, travel expenses between Toronto and New Jersey, tax gross-ups paid and housing expenses while in Canada of US$34,214 for 2008.

(5) The amount shown for Mr. Turner under "Share-based awards" represents the dollar amount recognized by Spirit for financial statement reporting purposes with respect to 2008, and includes amounts from awards granted in and prior to 2008. The amount shown under "Non-equity incentive plan compensation — annual incentive plans" represents discretionary cash bonus as well as cash compensation paid under Spirit's STIP. The amount shown under "Pension value" represents the aggregate change in the actuarial present value of Mr. Turner's interest under Spirit's Pension Value Plan (See "Pension, Post-Retirement Benefits and Deferred Compensation Plans" below).

Incentive Plan Awards

The following table provides information with regard to the outstanding option-based awards or share-based awards as at December 31, 2008 under the applicable stock option plan of the Corporation or any of its subsidiaries to the Named Executive Officers. Amounts are presented in Canadian dollars.

Outstanding Share-Based Awards and Option-Based Awards (1)

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price	Option expiration date	Value of unexercised in-the-money options(2)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (at minimum)
Mr. Gerald W. Schwartz(3)						
February 4, 2003 Award	130,000	$14.90	February 4, 2013	—	—	—
February 17, 2004 Award	7,260,000	$15.87	February 17, 2014	—	—	—
Mr. Donald W. Lewtas(3)						
February 4, 2003 Award	50,000	$14.90	February 4, 2013	—	—	—
November 24, 2004 Award	50,000	$18.18	November 24, 2014	—	—	—
December 11, 2006 Award	15,000	$29.22	December 11, 2016	—	—	—
December 7, 2007 Award	75,000	$35.20	December 7, 2017	—	—	—
December 11, 2008 Award	40,000	$15.95	December 11, 2018	—	—	—
Mr. Craig H. Muhlhauser						
2005 Award (June 6, 2005)	50,000	US$13.00	June 6, 2015	—	—	—
2005 Award (January 31, 2006)	148,488	US$10.00	January 31, 2016	—	63,000	—
2006 Award (February 2, 2007)	500,000	US$ 6.05	February 2, 2017	—	167,000	$ 175,280
2006 Award (February 2, 2007)	404,000	US$ 6.05	February 2, 2017	—	—	—
2007 Award (February 5, 2008)	450,000	US$ 6.51	February 5, 2018	—	592,500	$1,150,275
2008 Award (February 3, 2008)	694,444	US$ 4.13	February 3, 2019	—	833,333	$1,391,110
Mr. Paul Nicoletti						
1998 Award (January 1, 1999)	5,600	$20.63	January 1, 2009	—	—	—
2002 Award (December 3, 2002)	15,000	$29.11	December 3, 2012	—	—	—
2003 Award (January 31, 2004)	13,333	$22.75	January 31, 2014	—	—	—
2004 Award (May 11, 2004)	3,333	$24.92	May 11, 2014	—	—	—
2004 Award (December 9, 2004)	13,600	$18.00	December 9, 2014	—	—	—
2005 Award (January 31, 2006)	21,591	$11.43	January 31, 2016	—	19,000	—
2006 Award (February 2, 2007)	37,880	$ 7.10	February 2, 2017	—	48,610	$ 108,680
2007 Award (May 7, 2007)	—	—	—	—	10,700	$ 33,491
2007 Award (July 31, 2007)	91,500	$ 6.27	July 31, 2017	—	15,000	$ 46,950
2007 Award (February 5, 2008)	150,000	$ 6.51	February 5, 2018	—	197,500	$ 383,425
2008 Award (February 3, 2009)	250,000	$ 5.31	February 3, 2019	—	300,000	$ 500,800
Mr. Jeffrey L. Turner(4)	—	—	—	—	464,143	US$4,720,334

Notes:

(1) All amounts are presented in Canadian dollars unless otherwise indicated.

(2) "In-the-money" means the excess of the market value of the applicable underlying security on December 31, 2008 over the exercise price of the options.

(3) The Onex Corporation stock option plan provides that vested options may be exercised only if the market value of a Onex Subordinate Voting Share (based on a five-day average closing price) is at least 25% above the relevant exercise price. Options for which the market value of such shares is above strike price are reflected as being in-the-money only if such threshold was met or exceeded at December 31, 2008. The terms and conditions of the plan are described in detail on page 33 below.

(4) Consists of (i) 414,871 restricted stock shares granted under Spirit's EIP, which will vest only if certain conditions tied to Onex's liquidity in respect of the Spirit acquisition have been satisfied, (ii) 31,978 restricted stock shares granted under Spirit's LTIP, one-third of which vest annually beginning on May 5, 2011 (May 5, 2010 if Mr. Turner acquires an interest in all shares granted to him under the EIP before 2010), and (iii) 17,294 restricted stock shares granted under Spirit's STIP, all of which vested on February 22, 2009.

The following table provides information with regard to the outstanding option-based awards or share-based awards vested or earned during 2008 under the applicable plan. Presented amounts show, in the case of options, the aggregate dollar value that would have been realized if such options had been exercised on the vesting date or, in the case of share-based awards, the aggregate dollar value realized upon vesting.

Incentive Plan Awards — Value Vested or Earned During the Year(1)

Name	Option-Based Awards Value Vested During the Year	Share-Based Awards Value Vested During the Year	Non-Equity Incentive Plan Compensation Value Earned During the Year(2)
Mr. Gerald W. Schwartz(3)(5)	$47,346,300	—	$3,654,000
Mr. Donald W. Lewtas(4)(5)	$ 305,280	—	$ 774,410
Mr. Craig H. Muhlhauser	US$ 88,473	US$1,010,160	US$2,000,000
Mr. Paul Nicoletti	US$ 39,269	US$ 103,565	US$ 818,056
Mr. Jeffrey L. Turner(6)	—	US$ 722,150	US$ 626,708

Notes:

(1) All amounts are presented in Canadian dollars unless otherwise stated.

(2) These amounts are also disclosed in the Summary Compensation Table Under "Non-equity incentive plan compensation — annual incentive plans".

(3) The amount shown under "Option-based awards — Value vested during the year" represents the value at vesting date of options that vested on February 4 and February 27, 2008. None of these options have been exercised.

(4) The amount shown under "Option-based awards — Value vested during the year" represents the value at vesting date of options that vested on February 4, 2008. None of these options have been exercised.

(5) The Onex Corporation stock option plan provides that vested options may be exercised only if the market value of a Onex Subordinate Voting Share (based on a five-day average closing price) is at least 25% above the relevant exercise price. Options for which the market value of such shares is above strike price are reflected as being in-the-money only if such threshold was met or exceeded at December 31, 2008. Although the options referenced in the table above were in-the-money when vested, no such options were exercised during the year and none were in-the-money as at December 31, 2008. The terms and conditions of the plan are described in detail on page 33 below.

(6) The amount shown under "Share-based awards — Value vested during the year" represents the value at vesting date of restricted stock awarded under Spirit's STIP and LTIP that vested on February 22, 2008.

Pension, Post-Retirement Benefits and other Deferred Compensation Plans

Pension Plans

Pension plan benefits are not provided to Messrs. Schwartz and Lewtas. The tables below set forth certain information in respect of pension plans that provide for payments or benefits at, following or in connection with retirement for each of Messrs. Turner, Muhlhauser and Nicoletti.

Defined Benefits Plan Table

Name	Number of Years Credited Service (#)	Annual Benefits Payable($) At Year end	Annual Benefits Payable($) At Age 65	Accrued Obligation at Start of Year ($)	Compensatory Change ($)	Non-Compensatory Change ($)	Accrued Obligation at Year End ($)
Mr. Gerald W. Schwartz	—	—	—	—	—	—	—
Mr. Donald W. Lewtas	—	—	—	—	—	—	—
Mr. Jeffrey L. Turner(1)	29.6715	US$81,199	US$81,199	US$691,092	—	US$29,585	US$720,677
Mr. Craig H. Muhlhauser	—	—	—	—	—	—	—
Mr. Paul Nicoletti	—	—	—	—	—	—	—

Note:

(1) Mr. Turner's entitlements arise under the Spirit Pension Value Plan, which was established through a pension assets and liabilities spin-off from The Boeing Company in 2005 in connection with the Corporation's acquisition of the Spirit business and was frozen at the date of the acquisition. Entitlements are payable to Mr. Turner as a life annuity beginning upon retirement, with full benefits payable on a portion of his earned benefits in the event of retirement at or after age 65 and subject to reduction in the event of early retirement. Mr. Turner is currently 57 years of age. His projected annual benefits payable upon retirement at age 60 are US$81,199 (US$86,776 at age 65). Mr. Turner is fully vested in his benefit.

Accrued obligation values at the start of the year and year-end are based on various assumptions, including a discount rate of 6.60% at December 31, 2007 and 6.07% at December 31, 2008.

Defined Contribution Plans Table

Name	Accumulated Value at Start of Year ($)	Compensatory ($)	Non-Compensatory ($)	Accumulated Value at Year End ($)
Mr. Gerald W. Schwartz	—	—	—	—
Mr. Donald W. Lewtas	—	—	—	—
Mr. Craig H. Muhlhauser(1)	US$ 61,788	US$13,800	(US$2,692)	US$ 72,896
Mr. Paul Nicoletti(2)	US$211,569	US$48,100	(US$75,511)	US$182,238
Mr. Jeffrey L. Turner	—	—	—	—

Notes:

(1) Mr. Muhlhauser participates in Celestica's U.S. defined contribution pension (401(k)) plan.

(2) Mr. Nicoletti participates in the defined contribution portion of Celestica's Canadian Pension Plan. Celestica contributed an amount equal to 6.25% of Mr. Nicoletti's salary and annual incentive payment in 2008. Mr. Nicoletti also participates in a supplementary defined contribution plan designed to provide benefits equal to the difference between the benefits determined in accordance with the formula set out in the aforementioned plan and Canada Revenue Agency maximum pension benefits.

Other Post-Retirement Benefits

Post-retirement benefits are not available to any Named Executive Officer other than Mr. Turner.

Mr. Turner is entitled to certain benefits under Spirit's Retirement & Savings Plan which provides for, in his case, (i) matching contributions on 75% of Mr. Turner's contributions, capped at 6% of base salary, (ii) non-matching contributions equal to 4.5% of base salary and (iii) certain contributions relating to the transition of service from The Boeing Company to Spirit equal to 3.5% of base salary. All contributions are included in the Summary Compensation Table above as a component of "All other compensation". Mr. Turner is also entitled to non-subsidized post-retirement medical coverage following retirement at age 65 as well as interim subsidized medical coverage in the event of early retirement at or after age 62.

Deferred Compensation Plans

No Named Executive Officer other than Mr. Turner participates in any deferred compensation plan or program.

Spirit's Deferred Compensation Plan allows Mr. Turner to defer receipt of a portion of base salary and/or short-term incentive compensation and also permits additional discretionary contributions by Spirit. Deferred and contributed amounts are credited with a rate of return equal to 120% of the applicable U.S. federal long-term rate for October of the prior fiscal year and accumulated amounts are payable following separation from employment or at the end of the pre-selected deferral period. The relevant portions of contributions and any "above-market" earnings are included in the Summary Compensation Table above.

Termination and Change in Control Benefits

The following summarizes any agreement to which the Named Executive Officers are party and which provides for benefits on termination, resignation, retirement, change in control or change in responsibility (collectively, "termination entitlements").

Onex has not entered into agreements with Messrs. Schwartz or Lewtas or any of the other Named Executive Officers that provide for termination entitlements. There is an agreement between Mr. Schwartz and the Corporation confirming his continuation in office as Chief Executive Officer of the Corporation and limiting to certain defined causes the circumstances (other than his resignation, death or incapacity, as defined in the Corporation's articles) in which he may be removed by the Corporation from such office. The agreement does not deal with termination entitlements. Mr. Lewtas has entered into an agreement providing for certain confidentiality, non-competition and non-solicitation covenants that would survive the termination of his employment, but the agreement does not deal with termination entitlements. The rights and entitlements, if any, of Messrs. Schwartz and Lewtas in the event of termination of employment or change in control of the Corporation arising under the Corporation's investment and related other programs are described under "Management Investment Programs and Performance Entitlements" below.

Each of Messrs. Muhlhauser and Nicoletti is entitled to certain severance benefits if, in connection with a change of control of Celestica (or, generally, if the company agrees or announces an intention to effect a change in control but has not completed the transaction within one year), he is terminated without cause or resigns for reasons specified in his employment agreement. In those circumstances, the relevant individual would be entitled to (i) a severance payment equal to three times his annual base salary and annual incentive, together with a portion of target or expected annual incentive for the year prorated to the date of termination, (ii) a payment in respect of benefits that otherwise would have been payable during the severance period, (iii) continuation of pension retirement plan contributions for three years, and (iv) accelerated vesting of stock options, performance contingent options, performance share units and restricted share units. In circumstances not involving a change of control, each of Messrs. Muhlhauser and Nicoletti would be entitled upon termination without cause or resignation for reasons specified in his employment agreement to substantially similar payments and benefits except that (i) there would be no accelerated vesting of stock options or performance contingent options, (ii) performance share units and restricted share units that are not subject to performance conditions as to vesting would vest on a pro rata basis based on the period between the date of grant and date of termination, (iii) unvested performance share units and restricted share unit that are subject to performance conditions as to vesting would be cancelled, and (iv) severance payments and cash in lieu of benefits would be in respect of a two-year period following termination.

Mr. Turner's termination entitlements arise principally under his employment agreement with Spirit. Generally, the agreement provides for: (i) in the case of resignation, payment of salary and benefits to the date of resignation and one-half of the bonus amount that would otherwise would have been payable under Spirit's short-term incentive plan, prorated for a partial year; (ii) in the case of termination without cause, payment of 24 months' base salary, full bonuses under the Spirit short-term incentive plan for the year of termination and the subsequent 24 month period, all determined on the assumption that target performance would have been achieved, and continuing medical coverage for such 24 month period; (iii) in the case of disability, continuation of base salary and medical and life insurance benefits until age 65; and (iv) in the case of death, the payment to his estate of base salary for the remaining term of Mr. Turner's employment agreement and payment of full bonuses under the Spirit short-term incentive plan for the year of death and one subsequent year, all determined on the assumption that target performance would have been achieved. Continued receipt of benefits and payments following a termination without cause is conditional upon compliance with non-competition and employee and customer non-solicitation covenants. In addition, Mr. Turner holds phantom stock units issued under Spirit's Supplemental Executive Retirement Plan and upon a change in control, would be entitled to receive a per unit payment equal to the market price of Spirit share and the per share amount of all dividends paid on such shares from June 16, 2005. Finally, Mr. Turner would have the opportunity to acquire an interest in restricted shares granted to him under Spirit's Executive Investment Plan upon the occurrence of liquidity event (as defined in that plan, which definition includes a change in control).

Indebtedness of Directors, Executive Officers and Senior Officers

There were no loans from the Corporation to present or former directors, officers and employees of the Corporation outstanding at February 28, 2009.

The aggregate indebtedness to the Corporation and its subsidiaries (including indebtedness guaranteed by the Corporation or its subsidiaries) of present and former directors, officers and employees, entered into in connection with purchases of securities of subsidiaries, excluding routine indebtedness, as at February 28, 2009 was $13.8 million.

The aggregate indebtedness to the Corporation and its subsidiaries of present and former directors, officers and employees of the Corporation or its subsidiaries entered into other than with respect to the purchase of securities of the Corporation or a subsidiary, excluding routine indebtedness, as at February 28, 2009 was $3.1 million.

Routine indebtedness includes (i) indebtedness arising by reason of purchases made on usual trade terms or of ordinary travel or expense advances or for similar reasons and (ii) loans to directors and executive or senior officers who are full-time employees, which loans are fully secured by their residences and do not exceed annual salary in amount, of which there are none.

Directors and Officers Liability Insurance

The Corporation purchased directors and officers liability and indemnification insurance of US$55 million in respect of the Corporation and certain of its subsidiaries for a period of one year expiring at midnight on November 30, 2009 for an annual total premium of US$853,231.

Supplemental information

Arni C. Thorsteinson, a director of the Corporation, is now, and in the past five years has been, an officer of certain non-publicly traded limited partnerships and other entities that were the subject of cease trade orders in certain provinces of Canada resulting generally from a failure to file financial statements or a failure to comply with disclosure obligations. Certain entities against which these orders were issued are now no longer active and, in certain other cases, Mr. Thorsteinson's involvement with such entities has ceased. In other cases, the relevant entities have now been able to obtain discretionary relief from filing requirements; however, relief to correct prior transgressions is not available and, accordingly, in some cases these orders remain in force.

MANAGEMENT INVESTMENT PROGRAMS AND PERFORMANCE ENTITLEMENTS

The Corporation, both directly and through entities related to the Onex Partners Funds, maintains various investment or similar performance-based programs in which members of senior management are entitled to participate. For greater certainty, the performance-based programs are not compensatory in nature but provide for direct participation in the appreciation in value of the investments made on behalf of the Corporation and its co-investors, including such participants Entitlements under those programs are generally conditional upon achievement of certain performance hurdles and satisfaction of vesting requirements. In addition, the Management Investment Plan and carried interest entitlements have associated with them certain obligations for the participants to make personal investments in the transactions completed by the Corporation or the Funds, further aligning the interests of the Corporation's management team with those of investors. The various programs are described in detail in the following pages and certain key aspects are summarized in the table below:

	Minimum Stock Price Appreciation/ Return Threshold	Vesting	Associated Investment by Management
Stock Option Plan	25% Price Appreciation	5 years	• satisfaction of exercise price (market value at grant date)
Management Investment Plan	15% Compounded Return	6 years (4 years prior to November 2007)	• personal "at risk" equity investment required • 25% of gross proceeds to be reinvested in Subordinate Voting Shares or Management DSUs until 1,000,000 shares or DSUs owned
Carried Interest Participation	8% Compounded Return	4 years (Onex Partners I) 5 years (Onex Partners II) 6 years (Onex Partners III)	• corresponds to participation in minimum 1% "at risk" management team equity investment • 25% of gross proceeds to be reinvested in Subordinate Voting Shares or Management DSUs until 1,000,000 shares or DSUs owned
Management DSU Plan	N/A	Period of employment	• investment of elected portion of annual compensation in Management DSUs • value reflects changes in Corporation's share price • units not redeemable while employed

STOCK OPTION PLAN

The Corporation's 1994 Stock Option Plan (the "Option Plan") is designed to enhance shareholder value by (i) providing a long-term incentive to the Corporation's key service providers, including directors, officers and employees; (ii) improving the ability of the Corporation to attract, retain and motivate its key personnel; and (iii) encouraging participants in the Plan to maintain a significant level of investment in the Corporation, thereby closely aligning their personal interests with those of the shareholders.

The Option Plan provides for the grant of stock options ("Options") to directors, officers and employees of the Corporation and its related entities, although the Corporation discontinued the practice of issuing stock options to outside directors with the adoption of its Deferred Share Unit Plan in 2004 (see "Compensation of Directors and Executive Officers of the Corporation and its Subsidiaries — Directors" above). The maximum number of Subordinate Voting Shares issuable under the Option Plan has remained fixed at 16 million since 2004 and can be amended only with shareholder approval. The Corporation has purchased for cancellation a substantial number of its outstanding Subordinate Voting Shares under its normal course issuer bids since the adoption of the Option Plan and the establishment of the number of Subordinate Voting Shares issuable thereunder, including approximately 16 million shares repurchased in the last three calendar years. As a result, the total number of authorized Options (including those issued and outstanding at the date hereof) represents 11.8% of the outstanding Subordinate Voting Shares on a fully-diluted basis (13.1% on an undiluted basis).

The Option Plan expressly precludes a grant of new Options if the number of Subordinate Voting Shares reserved for issuance pursuant to Options granted to insiders would exceed 10% of the issued and outstanding Subordinate Voting Shares, if insiders would be issued, within a one-year period, of a number of Subordinate Voting Shares exceeding 10% of the issued and outstanding shares or if it would result in the issuance to any one insider, together with such person's associates and within a one-year period, of a number of Subordinate Voting Shares exceeding 5% of the issued and outstanding shares. At February 28, 2009, Options were outstanding to purchase 12,931,450 Subordinate Voting Shares, representing 9.6% of the outstanding Subordinate Voting Shares on a fully-diluted basis (10.6% on an undiluted basis).

The exercise price for each grant of Options is determined by the Compensation and Management Resources Committee and may not be less than the closing price of the Subordinate Voting Shares on the trading day immediately preceding the date of grant. If no specific determination is made by such Committee, Options vest rateably on each of the first five anniversaries of the date of grant and are exercisable only during that five-year period. As permitted by the terms of the Option Plan, it has been the practice of the Committee to approve the issuance of Options with a ten-year term, allowing an appropriate period for exercise following full vesting. Other than options granted in 2007, which vest rateably over six years, all Options issued during or before 2008 vest rateably over five years. Vested options may be exercised only if the market value of a Onex Subordinate Voting Share (based on a five-day average closing price) is at least 25% above the relevant exercise price.

The Option Plan contains detailed provisions relating to the continuation or forfeiture of rights following termination of eligibility to participate in the plan and generally provide for (i) a 90-day grace period for exercise of vested options, (ii) an extension of such grace period for up to five years where the termination arises from retirement, (iii) forfeiture of all vested and unvested Options on termination for cause, and (iv) in the event of death, limited accelerated vesting, waiver of the 25% hurdle referred to above and extension of the grace period for exercise for up to two years. The Option Plan also provides for forfeiture of both vested and unvested Options, and a clawback of value realized on the exercise of Options within the one-year period preceding termination, where termination was for cause, on disability or on resignation and the optionee engages in a business competitive with that of the Corporation within one year thereafter.

In addition, the Option Plan provides for limited continued vesting (commensurate with the applicable severance or notice period) where termination of employment occurs in certain circumstances following an Event of Change (as defined in the articles of the Corporation; see also "Voting Shares" above), and a corresponding extended grace period for the exercise of Options. Assuming that the relevant triggering events had occurred in respect of Messrs. Schwartz and Lewtas at December 31, 2008, there would have been no payouts or other entitlements arising under the Option Plan as none of their respective Options were in-the-money based on the

closing price of the Onex Subordinate Voting Shares on December 31, 2008, after giving effect to the 25% hurdle requirement described above.

Subject to required regulatory approval and, if and as required by the regulator, including the Toronto Stock Exchange, shareholder approvals, the board of directors of the Corporation may amend or discontinue the Option Plan at any time.

CHIEF EXECUTIVE OFFICER'S OWNERSHIP OF SUBORDINATE VOTING SHARES

The Corporation's Chief Executive Officer, Gerald W. Schwartz, is also its single largest holder of Subordinate Voting Shares, beneficially owning 25,350,618 Subordinate Voting Shares having a value in excess of $401 million based on the closing price of the Subordinate Voting Shares on the Toronto Stock Exchange on February 28, 2009. Mr. Schwartz also holds options to acquire a further 7,390,000 Subordinate Voting Shares at exercise prices between $14.90 and $15.87 per share. This substantial ownership of securities of the Corporation is in addition to Mr. Schwartz's meaningful investment in each of the Corporation's operating company subsidiaries (see note 9 to the table under the heading "Election of Directors" above and also "Management Investment Plan" below) and his capital commitment to Onex Partners III LP (see "Management Participation in Private Equity Fund Investments and Performance" below).

MANAGEMENT SHARE OWNERSHIP PROGRAM

General

The Corporation's Board of Directors maintains a constant focus on advancing the best interests of the Corporation and all of its shareholders and is of the view that meaningful personal investment by those charged with managing the business of the Corporation and implementing its corporate and strategic plans is an important element in achieving that goal.

Management's Investment in Onex Shares or Deferred Share Units

In early 2006, the Corporation's Board of Directors adopted a program (the "Reinvestment Program") designed to further align the interests of the Corporation's shareholders with those of senior management and other investment professionals ("Participants") through increased share acquisition and ownership. Under the Reinvestment Program, members of senior management of the Corporation are required to invest at least 25% of all gains realized by them pursuant to the management investment plan and carried interest entitlement described below under "Management Investment Plan" in the purchase of Subordinate Voting Shares of the Corporation until such time as they individually hold at least 1,000,000 Subordinate Voting Shares. Each of the other professional employees of the Corporation is required to invest at least 15% of all such amounts received by them in excess of a specified minimum threshold in the purchase of Subordinate Voting Shares. It is expected that all purchases of Subordinate Voting Shares under the Reinvestment Program will take place in the secondary market through the facilities of the Toronto Stock Exchange. The Reinvestment Program was modified early in 2008 to permit the reinvestment requirements described above to be satisfied through any combination of purchases of Subordinate Voting Shares and Management Deferred Share Units ("MDSUs"), all as described below. Shares and MDSUs purchased under the Reinvestment Program generally must be held until retirement.

Management Deferred Share Unit Plan

Effective in 2007, the Corporation's Board of Directors approved the adoption of a Management Deferred Share Unit Plan (the "MDSU Plan") as a further means of encouraging personal and direct economic interest in the performance of the Subordinate Voting Shares by the Corporation's senior management. Under the MDSU Plan, the members of the Corporation's senior management team are given the opportunity to designate all or a portion of their annual compensation for the purchase of MDSUs in lieu of cash.

The number of MDSUs credited to a participant in the plan for a particular year will be equal to the amount of compensation designated by the participant divided by the market price of the Onex Subordinate Voting Shares, without discount. MDSUs are redeemable by the participant only after he or she has ceased to be an officer or employee of the Corporation or an affiliate for a cash payment equal to the then-current market price of the Subordinate Voting Shares. To hedge the Corporation's exposure to changes in the trading price of the Subordinate Voting Shares associated with MDSUs, the Corporation has entered into a forward agreement with a counterparty financial institution for MDSUs issued in respect of 2007 and 2008, and intends to enter into a similar arrangement for each year in which MDSUs are granted under the MDSU Plan. The costs of those arrangements are borne entirely by participants in the plan. MDSUs are redeemable only for cash and no shares or other securities of the Corporation will be issued on the exercise, redemption or other settlement thereof.

Purchases and MDSU Elections to Date

In 2008, an aggregate of 67,371 Subordinate Voting Shares were purchased pursuant to the Reinvestment Program for a total purchase price of $1.6 million. A total of 68,601 MDSUs having an aggregate value, at the date of grant, of $1.3 million were granted in lieu of an equivalent dollar amount of 2008 cash compensation.

MANAGEMENT INVESTMENT PLAN

General

Under the investment plan (the "Plan") established in 1996, full-time members of management of the Corporation ("Investors") began to invest, directly or through corporations owned by them, in the entities resulting from acquisition transactions undertaken or to be undertaken by the Corporation from and after January 1, 1995 (the "Transactions"). All members of management invest in all future acquisition transactions during their tenure at the Corporation. The aggregate investment by all Investors under the Plan is a maximum of 9% of the Corporation's interest in each of the Transactions. Each Investor acquires the interest through, effectively (i) a cash purchase of 1/6th of the investment and (ii) the receipt of investment rights to acquire the remaining 5/6ths, in each case at the same price or value paid by the Corporation. The 1/6th investment requirement for investments made through the Onex Partners Funds (described below) has been or will be made indirectly through the Investor's share of the 1% capital commitment made to the relevant Fund by the Onex principals. The 5/6ths investment rights applies only to capital invested by Onex through the Funds and not to the capital provided by third-party investors. Customarily, the Investors voluntarily contribute a portion of their proceeds from the exercise of investments rights for distribution to employees of Onex that are not Plan participants in recognition of the important role that all members of the Onex team play in achieving positive outcomes for the Corporation and its shareholders.

Vesting and Exercisability

For Transactions completed after November 7, 2007, the 5/6ths investment rights described above vest rateably on each of the first six anniversaries of the closing date of the Transaction, with vesting accelerated in the event that (i) the Corporation disposes of its entire investment for cash or (ii) the Corporation disposes of only part of its investment but the return hurdle described below is satisfied, in cash, in respect of the entire invested amount, in which case vesting is accelerated if and to the extent necessary to provide that the portion of each Investor's rights that are vested is equal to the portion of the Corporation's total investment then being disposed of. Vested rights in respect of a particular operating company investment will be exercisable (i) in full at such time as the Corporation disposes of its entire investment, provided that the return hurdle described below is satisfied in cash, (ii) in part at such time as the Corporation disposes of a corresponding portion of its investment, but only if the return hurdle is satisfied, in cash, in respect of the entire invested amount or (iii) in part in the event that the Corporation has continued to hold at least a majority of the investment for at least eight years, the securities of relevant operating company are publicly traded and the return hurdle on the Corporation's entire investment has been satisfied in cash or would be satisfied on a combined cash and valuation basis. Vesting and exercisability of the investment rights would be accelerated upon the occurrence of an Event of Change (as defined in the articles of the Corporation; see also "Voting Shares" above).

For Transactions completed prior to November 7, 2007, the 5/6ths investment rights vest rateably on each of the first four anniversaries of the closing date of the Transaction, with vesting accelerated in the event that the Corporation disposes of at least 90% of its entire investment for cash. Vested rights in respect of a particular operating company investment will be exercisable (i) in full at such time as the Corporation disposes of its at least 90% of its investment, provided that the return hurdle described below is satisfied, in cash, on the entire invested amount, (ii) in part in the event that the Corporation has recovered less than a majority of the investment within eight years, the securities of relevant operating company are publicly traded and the return hurdle on the Corporation's entire investment has been satisfied in cash or would be satisfied on a combined cash and valuation basis.

Minimum Return Hurdle

In the event that a particular Transaction does not result in a minimum 15% per annum compounded rate of return on investment to the Corporation on a realization, the 5/6ths investment rights, if vested, will cease to be exercisable by an Investor. In effect, if the threshold return is not met, the Investors will not benefit from the 5/6ths portion. The 15% rate of return is calculated assuming, and after giving effect to, exercise in full of all the investment rights issued under the Plan and relating to the operating company disposed of. Investors beneficially own the economic interest in their purchased securities and securities subject to investment rights, to the extent to which their rights are vested, but the Corporation will maintain voting and other control over the Investors' participation in the Transactions.

Clawback

An Investor who either leaves the Corporation and within six months thereafter becomes an employee of or provides services to a competitor of the Corporation, or who breaches certain provisions relating to confidentiality, non-solicitation of employees and the misappropriation of opportunities, not only loses his or her non-vested and vested, but non-exercised, investment rights (the 5/6ths portion), but must repay to the Corporation the after-tax proceeds realized from the exercise of investment rights after the date that is one year prior to the date of leaving.

Investments and Realizations in 2008

In 2008, new investments and further investments in a number of the Corporation's operating companies and investments were completed for an aggregate cash payment by all participants of approximately $1.9 million for the 1/6th portion. The Investors, together with certain directors and employees of the Corporation, also made direct investments as co-investors on the same terms as the Corporation with regard to such investments in the aggregate amount of approximately $10.6 million. Total returns to the Investors in respect of the 5/6th investment rights due to realizations in 2008 amounted to $0.9 million, of which $0.4 million was to Mr. Schwartz and less than $0.1 million was to Mr. Lewtas.

Additional information concerning the Plan is contained in the audited consolidated financial statements of the Corporation for the year ended December 31, 2008 and the notes thereto.

MANAGEMENT PARTICIPATION IN PRIVATE EQUITY FUND INVESTMENTS AND PERFORMANCE

General

In November 2003, the Corporation established Onex Partners LP ("Fund I") to provide capital for future Onex-sponsored operating company investments not related to Onex' existing operating companies or the ONCAP funds. Fund I had aggregate capital commitments totalling approximately US$1.7 billion. Onex committed approximately US$400 million to Fund I as a limited partner. Fund I invested approximately US$1.48 billion, or US$1.65 billion including co-investments, with the balance of the available capital having been reserved for potential follow-on investments or to satisfy other obligations of the Fund. Onex Partners II LP ("Fund II") was established in April 2006, with aggregate capital commitments of approximately US$3.45 billion. Onex committed approximately US$1.4 billion to Fund II as a limited partner. Fund II has invested approximately US$2.90 billion, or

US$3.06 billion, including co-investments and has reserved the balance of its committed capital for potential deployment in follow-on investments or to meet other Fund obligations. Fund II was succeeded in April 2008 by Onex Partners III LP ("Fund III"). As at the date hereof, Fund III has closed on US$3.6 billion of capital commitments, which presently includes an approximate US$500 million commitment from Onex. Onex initially had committed US$1 billion to Fund III, with the right to decrease that commitment to approximately US$500 million or to increase it to approximately US$1.5 billion on six months' notice. On December 31, 2008, Onex determined to reduce its commitment to approximately $500 million effective July 1, 2009. Transactions occurring prior to that date will be funded by Onex based on its original $1 billion commitment. Onex' decision to reduce its commitment to Fund III reflected its conservative approach to managing its capital base. However, the Corporation has the right to increase its commitment to future transactions on six months notice to limited partners and anticipates doing so when appropriate.

Management Capital Commitment

The Investors initially committed, as a group, to invest a minimum of 1% of each of Fund I, Fund II and Fund III (collectively, the "Funds"), subject to annual adjustments up to a maximum of 4% in the case of Funds I and II and 6% in the case of Fund III. As at February 28, 2009, Investors had committed 4% of the total capital of each of Funds I and II and approximately 2.7% of the total capital of Fund III. The total amount invested in Fund investments by the Investors for the year ended December 31, 2008 was US$13.5 million. Onex controls the general partner and manager of the Funds.

Carried Interest and Vesting

The Funds' general partner will receive a carried interest of 20% of realized gains attributable to third-party limited partners in each Fund, subject to an 8% compound annual preferred return to such limited partners on all amounts contributed to the relevant Fund. This carried interest will be determined based on the overall performance of the Fund and includes typical catch-up and claw-back provisions. Consistent with market practice, Onex, as sponsor of the Fund, has been allocated 40% of the carried interest with 60% allocated to the Investors. The Investors' entitlements in respect of their respective shares of the carried interest vest rateably over on each of the first six anniversaries (four or five anniversaries in the case of Fund I and Fund II, respectively) of the later of the first drawdown of capital commitments by the relevant Fund and the date on which the particular Investor was first allocated a carried interest entitlement. Vesting would be accelerated upon the occurrence of an Event of Change (as defined in the articles of the Corporation; see also "Voting Shares" above).

Carried Interest Payments in 2008

No payments were made to the Investors in respect of the carried interest in 2008.

NORMAL COURSE ISSUER BID

On April 10, 2008, the Corporation filed a Notice of Intention to make a normal course issuer bid to permit repurchases of Subordinate Voting Shares through the Toronto Stock Exchange, or pursuant to a put writing program established as a component of the issuer bid, commencing April 14, 2008 and terminating on April 13, 2009. The Corporation was permitted to purchase Subordinate Voting Shares under the issuer bid and to effect such purchases from time to time during the period of the issuer bid when it determined that such purchases were advantageous to the Corporation. Any purchases made under the issuer bid were to be effected in accordance with the rules and policies of the Exchange. The Corporation has purchased 1,782,581 Subordinate Voting Shares under the issuer bid up to February 28, 2009.

The Corporation may file a further Notice of Intention to make a normal course issuer bid to again permit repurchases of Subordinate Voting Shares through the Exchange in accordance with the foregoing terms commencing upon the expiry of the current normal course issuer bid and terminating immediately prior to the first anniversary thereof. Any shareholder of the Corporation may obtain a copy of any further Notice of Intention, without charge, by writing the Corporation at its head office following acceptance thereof by the Exchange.

ADDITIONAL INFORMATION

Any shareholder of the Corporation may obtain copies of the Corporation's annual information form, annual report, interim quarterly reports, and management's discussion and analysis, without charge, by writing to the Corporation at its head office. Additional copies of this management information circular are also available on request. Such documents are also available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com.

APPROVAL OF BOARD OF DIRECTORS

The contents of this management information circular and the sending of it to the shareholders of the Corporation, to each director of the Corporation, to the auditor of the Corporation and to the appropriate governmental agencies have been approved by the board of directors of the Corporation.

DATED the 23rd day of March, 2009.

ANDREA E. DALY
Vice President, General Counsel
and Secretary

ONEX corporation

TO OUR SHAREHOLDERS

RE: MAILINGS TO ALL SHAREHOLDERS

To facilitate communication with all of our shareholders and as provided under Canadian securities laws, Onex Corporation maintains through its Transfer Agent, CIBC Mellon Trust Company, a Supplemental Mailing List which includes the names of both registered and non-registered shareholders to whom mailings of annual reports and quarterly shareholder reports are made by us.

Registered shareholders are those with shares registered in their names; non-registered shareholders have their shares registered in the name of an agent, broker, bank or nominee.

As a shareholder of Onex Corporation, you are entitled to receive our interim financial statements, annual financial statements, or both. If you wish to receive them, please either complete and return this notice by mail or submit your request online (see address below). Your name will then be placed on the Supplemental Mailing List maintained by our Transfer Agent.

As long as you remain a shareholder, you will receive this card each year and be required to renew your request to receive these financial statements. If you have any questions about this procedure, please contact CIBC Mellon Trust Company by phone at 1-800-387-0825 or (416) 643-5500 or e-mail at inquiries@cibcmellon.com.

If you do not choose to receive the Annual and Interim Financial Statements, they will still be available to you:

- At www.onex.com
- At www.sedar.com

We encourage you to submit your request online at www.cibcmellon.com/FinancialStatements. Our Company Code Number is 5454A.

If you wish to submit your request by mail, please return this notice to the address set out below:

CIBC Mellon Trust Company
P.O. Box 7010
Adelaide Street Postal Station
Toronto, Ontario
M5C 2W9

REQUEST FOR FINANCIAL STATEMENTS

Please add my name to the Supplemental Mailing List for Onex Corporation and send me its financial statements as indicated below.

☐ Interim Financial Statements ☐ Annual Financial Statements

NAME OF SHAREHOLDER (please print)_____

MAILING ADDRESS_____

_____

Postal Code

Note: Do not return this card by mail if you have submitted your request online.

ONEX corporation

BOWNE

PRINTED IN CANADA
O53482